



CITY COUNCIL REGULAR MEETING

448 E. 1st Street, Room 190 Salida, Colorado 81201
June 20, 2023 - 6:00 PM

AGENDA

Please register for Regular City Council Meeting

<https://attendee.gotowebinar.com/register/6382995264411204366>

After registering, you will receive a confirmation email containing information about joining the webinar.

To watch live

meetings: https://c.streamhoster.com/embed/media/W6sdC9/xAllQfSsmmO/vpfQhcsApYv_5?preview=1

CALL TO ORDER

Pledge of Allegiance

Roll Call

Civility Invocation

1. Civility Invocation

CONSENT AGENDA

2. Approve Agenda

3. Approve June 6, 2023 Minutes

4. Approve Arts & Culture Concert Permits

5. Approve Elks Club Special Event Permit

6. Approve 2023 Street Reconstruction Project Change Order

CITIZEN COMMENT—Three (3) Minute Time Limit

UNFINISHED BUSINESS / ACTION ITEMS

NEW BUSINESS / ACTION ITEMS

7. **2022 Annual Financial Report**

8. **Resolution 2023-28** A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO APPROVING A COORDINATED MAIL BALLOT ELECTION AND ADOPTING THE UNIFORM ELECTION CODE

9. **Ordinance 2023-10** AN ORDINANCE OF THE CITY COUNCIL FOR THE CITY OF SALIDA, COLORADO AMENDING CHAPTER 16, ARTICLE XIII OF THE SALIDA MUNICIPAL CODE, REGARDING INCLUSIONARY HOUSING, TO FURTHER PROMOTE AND ASSIST THE DEVELOPMENT OF WORKFORCE HOUSING, **FIRST READING AND SETTING UP A PUBLIC HEARING**

COUNCILORS, MAYOR AND CITY TREASURER REPORTS

Council Reports

- Critelli, Kasper, Naccarato, Pappenfort, Pollock, Templeton

Individuals with disabilities needing auxiliary aid(s) may request assistance by contacting the City Clerk at 448 E. 1st Street, Ste. 112, Salida, CO 81201, Ph. 719-530-2630 at least 48 hours in advance.

Mayor Report

Treasurer Report

[10.](#) Treasurer Report

Attorney Report

Staff Reports

[11.](#) Staff Reports

BOCC Report

ADJOURN



City Clerk | Deputy City Clerk

Mayor Dan Shore



CIVILITY INVOCATION

We are here working together to create a thriving community. It is the intention of the Salida City Council to promote civil communication by adopting the following guidelines for speaking to the public in the City Council Chambers. It is our hope that by acting in this manner we can help create a safe space for people to share their perspectives and opinions:

- We honor the opportunity to be engaged in the process of governance for the benefit of our community.
- We acknowledge that each of us brings a unique perspective to this conversation and that our perspectives may differ.
- We challenge ourselves to value varying points of view and hold all contributions as equally important.
- We understand and accept that while we may sometimes disagree, we can always be courteous and kind.
- We commit to respectful language, avoiding rumor, harsh criticism or personal accusation, even when feeling emotionally charged.
- We will, to best of our ability, speak thoughtfully and listen with attention, respect, and curiosity.
- We are confident that there may be even better solutions than any of us have thought of, which may be discovered through civil conversations.
- We affirm our support for women's rights, including equal pay, equal treatment under the law and in the workplace, and the right to determine choices that impact the direction and personal values of one's life, including all individuals' reproductive health choices.
- We commit to the City of Salida being a hate-free zone and declare and affirm a policy of non-discrimination on the basis of a person's race, color, religion, ancestry, national origin, age, sexual orientation, gender, gender identity, marital status, military or veteran status, socio-economic class, medical condition, or physical or mental disability.



CITY COUNCIL REGULAR MEETING

448 E. 1st Street, Room 190 Salida, Colorado 81201
June 06, 2023 - 6:00 PM

MINUTES

CALL TO ORDER

Pledge of Allegiance

Roll Call

PRESENT

- Council Member Justin Critelli
- Council Member Harald Kasper
- Council Member Dominique Naccarato
- Council Member Alisa Pappenfort
- Council Member Mike Pollock
- Council Member Jane Templeton
- Mayor Dan Shore
- Treasurer Merrell Bergin

Civility Invocation

CONSENT AGENDA

Council Member Kasper moved to remove the Asbestos Abatement and Demolition Project – 102 D Street and 233 E. 1st Street item from the Consent Agenda and place under New Business, Seconded by Council Member Critelli.

Voting Yea: Council Member Critelli, Council Member Kasper, Council Member Naccarato, Council Member Pappenfort, Council Member Pollock, Council Member Templeton

THE MOTION PASSED.

Council Member Pappenfort moved to combine and approve the remaining items on the Consent Agenda, Seconded by Council Member Kasper.

Voting Yea: Council Member Critelli, Council Member Kasper, Council Member Naccarato, Council Member Pappenfort, Council Member Pollock, Council Member Templeton

THE MOTION PASSED.

- Approve Agenda
- Approve May 16, 2023 Minutes
- Approve a Street Closure for Grace Church
- Approve a Street Closure for Pancake Breakfast-Salida Rotary
- Approve Two Rivers Southside Subcontractor Performance Bond Reduction

CITIZEN COMMENT—Three (3) Minute Time Limit

Tom Golson, Cheryl Brown-Kovacic, Mike Harvey, and "Salty" Rigs spoke during Public Comment.

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PROCLAMATIONS

Pride Month

Mayor Shore read the Proclamation and proclaimed June 2023, as LGBTQ+ PRIDE MONTH in the City of Salida.

The Longest Day

Mayor Shore read the Proclamation and proclaimed June 21, 2023, to be THE LONGEST DAY in the City of Salida and encourages all residents to join in the observance.

LIQUOR LICENSING AUTHORITY

A new Fermented Malt Beverage On/Off Premises Liquor License for Howard General LLC dba Howard General at 108 Old Stage Road, Unit A

Mayor Shore opened the Public Hearing. Clerk Erin Kelley presented the Liquor License request.

The applicant, Molly Gallagher, asked Council to approve the request.

Hearing no other comment, Shore closed the Public Hearing.

Council Member Naccarato moved to approve the Liquor License request, Seconded by Council Member Kasper.

Voting Yea: Council Member Critelli, Council Member Kasper, Council Member Naccarato, Council Member Pappenfort, Council Member Pollock, Council Member Templeton

THE MOTION PASSED.

UNFINISHED BUSINESS / ACTION ITEMS

Ordinance 2023-08 AN ORDINANCE OF THE CITY COUNCIL FOR THE CITY OF SALIDA, COLORADO, AMENDING CHAPTER 8, CONCERNING VEHICLES AND TRAFFIC, TO LIMIT EXCESSIVE VEHICLE IDLING WITHIN THE CITY, **FINAL READING AND PUBLIC HEARING**

Mayor Shore opened the Public Hearing. City Administrator Drew Nelson presented the Ordinance.

Tom Golson, "Salty" Rigs, Joey Ravinsky, Rikki Boucher, Abby Peters, and Brian Becker spoke regarding the Ordinance.

Hearing no other comment, Shore closed the Public Hearing.

Council discussed the Ordinance. No further action was taken.

NEW BUSINESS / ACTION ITEMS

Asbestos Abatement and Demolition Project – 102 D Street and 233 E. 1st Street

Council Member Templeton moved to approve the Demolition Project, Seconded by Council Member Pappenfort.

Voting Yea: Council Member Critelli, Council Member Kasper, Council Member Naccarato, Council Member Pappenfort, Council Member Pollock, Council Member Templeton

THE MOTION PASSED.

Resolution 2023-27 A RESOLUTION OF THE CITY COUNCIL FOR THE CITY OF SALIDA, COLORADO TO ALLOW OVERNIGHT CAMPING IN MARVIN PARK ON SEPTEMBER 15 & 16 FOR THE 2023 SALIDA 76 AND CREST CRANK EVENT

Council Member Naccarato moved to approve the Resolution, Seconded by Council Member Kasper.

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Voting Yea: Council Member Critelli, Council Member Kasper, Council Member Naccarato, Council Member Pappenfort, Council Member Pollock, Council Member Templeton

THE MOTION PASSED.

Ordinance 2023-09 AN ORDINANCE OF THE CITY COUNCIL FOR THE CITY OF SALIDA, COLORADO, ACTING AS THE GOVERNING BODY OF THE WATER AND WASTEWATER ENTERPRISE OF THE CITY OF SALIDA, IMPOSING A TEMPORARY MORATORIUM ON THE ACCEPTANCE, PROCESSING AND APPROVAL OF APPLICATIONS FOR CONNECTION TO THE WASTEWATER SYSTEM FOR THOSE PROPERTIES BENEFITING FROM THE PONCHA INTERCEPTOR AND AFFECTED BY ITS CAPACITY LIMITATIONS, AND DECLARING AN EMERGENCY, **EMERGENCY ORDINANCE, FINAL READING AND PUBLIC HEARING**

Mayor Shore opened the Public Hearing. City Attorney Nina Williams presented the Ordinance.

"Salty" Rigs spoke regarding the Ordinance.

Hearing no other comment, Shore closed the Public Hearing.

Council Member Critelli moved to approve the Ordinance, Seconded by Council Member Templeton.

Voting Yea: Council Member Critelli, Council Member Kasper, Council Member Naccarato, Council Member Pappenfort, Council Member Pollock, Council Member Templeton

THE MOTION PASSED.

COUNCILORS, MAYOR AND CITY TREASURER REPORTS

Reports were given.

ADJOURN

Adjourned at 7:59 p.m.



City Clerk | Deputy City Clerk

Mayor Dan Shore



Presented by the City's Arts & Culture department, the Summer Concert Series in Riverside Park occurs each Thursday with live music performances. The event features a majority of local bands with a few from the Front Range. The concerts starts at 6:30pm and last 90 min in duration. These concerts will be on 6/29/2023, 07/06/2023, 07/13/2023, 07/20/2023, 07/27/2023 ,08/03/2023, 08/10/2023 & 08/17/2023.

Additionally, the City's Arts & Culture department will be hosting the annual Jazz Fest takes place in Riverside Park. This event consists of full-day schedule of live music performances. The event features music performances from local, regional and Front Range bands. A small array of food and arts vendors will be on-hand. This event will be taking place on 08/12/2023.

APPLICATION FOR A SPECIAL EVENTS PERMIT

Department Use Only

Item 4.

10-40 -SS11
9100

IN ORDER TO QUALIFY FOR A SPECIAL EVENTS PERMIT, YOU MUST BE NONPROFIT AND ONE OF THE FOLLOWING (See back for details.)

- | | | |
|------------------------------------|--|---|
| <input type="checkbox"/> SOCIAL | <input type="checkbox"/> ATHLETIC | <input type="checkbox"/> PHILANTHROPIC INSTITUTION |
| <input type="checkbox"/> FRATERNAL | <input type="checkbox"/> CHARTERED BRANCH, LODGE OR CHAPTER | <input type="checkbox"/> POLITICAL CANDIDATE |
| <input type="checkbox"/> PATRIOTIC | <input type="checkbox"/> OF A NATIONAL ORGANIZATION OR SOCIETY | <input checked="" type="checkbox"/> MUNICIPALITY OWNING ARTS FACILITIES |
| <input type="checkbox"/> POLITICAL | <input type="checkbox"/> RELIGIOUS INSTITUTION | |

LIAB TYPE OF SPECIAL EVENT APPLICANT IS APPLYING FOR:

2110 MALT, VINOUS AND SPIRITUOUS LIQUOR \$25.00 PER DAY

2170 FERMENTED MALT BEVERAGE (3.2 Beer) \$10.00 PER DAY

DO NOT WRITE IN THIS SPACE

LIQUOR PERMIT NUMBER

| | |
|---|---|
| 1. NAME OF APPLICANT ORGANIZATION OR POLITICAL CANDIDATE THE CITY OF SALIDA | State Sales Tax Number (Required) 01276759-0000 |
|---|---|

2. MAILING ADDRESS OF ORGANIZATION OR POLITICAL CANDIDATE (include street, city/town and ZIP)
**220 W SACKETT AVE.
 SALIDA, CO 81201**

3. ADDRESS OF PLACE TO HAVE SPECIAL EVENT (include street, city/town and ZIP)
**100 E. SACKETT AVE.
 SALIDA, CO 81201**

| NAME | DATE OF BIRTH | HOME ADDRESS (Street, City, State, ZIP) | PHONE NUMBER |
|--|---------------|---|--------------|
| 4. PRES./SEC'Y OF ORG. or POLITICAL CANDIDATE MICHAEL VARNUM | [REDACTED] | [REDACTED] | [REDACTED] |

| | |
|--|------------|
| 5. EVENT MANAGER PATRICK O'BRIEN | [REDACTED] |
|--|------------|

6. HAS APPLICANT ORGANIZATION OR POLITICAL CANDIDATE BEEN ISSUED A SPECIAL EVENT PERMIT THIS CALENDAR YEAR?
 NO YES HOW MANY DAYS? _____

7. IS PREMISES NOW LICENSED UNDER STATE LIQUOR OR BEER CODE?
 NO YES TO WHOM? _____

8. DOES THE APPLICANT HAVE POSSESSION OR WRITTEN PERMISSION FOR THE USE OF THE PREMISES TO BE LICENSED? Yes No

LIST BELOW THE EXACT DATE(S) FOR WHICH APPLICATION IS BEING MADE FOR PERMIT

| Date | Hours From | To | Date | Hours From | To | Date | Hours From | To | Date | Hours From | To |
|---------------|------------|------------|----------------|------------|------------|----------------|-------------|------------|----------------|------------|------------|
| 8/3/23 | 5pm | 9pm | 8/10/23 | 5pm | 9pm | 8/12/23 | 11am | 9pm | 8/17/23 | 5pm | 9pm |

OATH OF APPLICANT

I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.

| | | |
|---------------|--------------------------|------------------------|
| SIGNATURE | TITLE DIRECTOR | DATE 5.23.23 |
|---------------|--------------------------|------------------------|

REPORT AND APPROVAL OF LOCAL LICENSING AUTHORITY (CITY OR COUNTY)

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the provisions of Title 12, Article 48, C.R.S., as amended.

THEREFORE, THIS APPLICATION IS APPROVED.

| | | |
|--|--|---------------------------------------|
| LOCAL LICENSING AUTHORITY (CITY OR COUNTY) | <input type="checkbox"/> CITY <input type="checkbox"/> COUNTY | TELEPHONE NUMBER OF CITY/COUNTY CLERK |
| SIGNATURE | TITLE | DATE |

DO NOT WRITE IN THIS SPACE - FOR DEPARTMENT OF REVENUE USE ONLY

LIABILITY INFORMATION

| License Account Number | Liability Date | State | TOTAL |
|------------------------|----------------|------------|-------|
| | | -750 (999) | \$ |

APPLICATION INFORMATION AND CHECKLIST

THE FOLLOWING SUPPORTING DOCUMENTS MUST BE ATTACHED TO THIS APPLICATION FOR A PERMIT TO BE ISSUED:

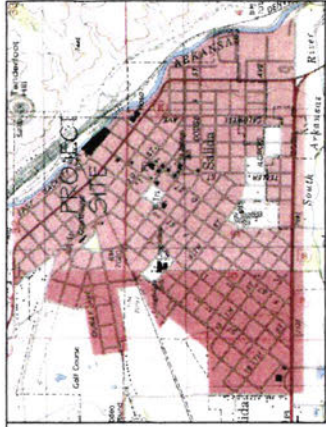
- Appropriate fee.
- Diagram of the area to be licensed (not larger than 8 1/2" X 11" reflecting bars, walls, partitions, ingress, egress and dimensions.
Note: If the event is to be held outside, please submit evidence of intended control, i.e., fencing, ropes, barriers, etc.
- Copy of deed, lease, or written permission of owner for use of the premises.
- Certificate of good corporate standing (NONPROFIT) issued by Secretary of State within last two years; **or**
- If not incorporated, a NONPROFIT charter; **or**
- If a political Candidate, attach copies of reports and statements that were filed with the Secretary of State.

- APPLICATION MUST FIRST BE SUBMITTED TO THE LOCAL LICENSING AUTHORITY (CITY OR COUNTY) AT LEAST THIRTY (30) DAYS PRIOR TO THE EVENT.**
- THE PREMISES TO BE LICENSED MUST BE POSTED AT LEAST TEN (10) DAYS BEFORE A HEARING CAN BE HELD. (12-48-106 C.R.S.)**
- AN APPROVED APPLICATION MUST BE RECEIVED BY THE LIQUOR ENFORCEMENT DIVISION AT LEAST TEN (10) DAYS PRIOR TO THE EVENT.**
- CHECK PAYABLE TO THE COLORADO DEPARTMENT OF REVENUE**

(12-48-102 C.R.S.)

A Special Event Permit issued under this article may be issued to an organization, whether or not presently licensed under Articles 46 and 47 of this title, which has been incorporated under the laws of this state for the purpose of a social, fraternal, patriotic, political or athletic nature, and not for pecuniary gain or which is a regularly chartered branch, lodge or chapter of a national organization or society organized for such purposes and being non profit in nature, or which is a regularly established religious or philanthropic institution, and to any political candidate who has filed the necessary reports and statements with the Secretary of State pursuant to Article 45 of Title 1, C.R.S. A Special Event permit may be issued to any municipality owning arts facilities at which productions or performances of an artistic or cultural nature are presented for use at such facilities.

If an event is cancelled, the application fees and the day(s) are forfeited.



VICINITY MAP
NOT TO SCALE

TOPOGRAPHIC SURVEY
OF RIVERSIDE PARK
SALIDA, COLORADO



SCALE
1" = 30'



LEGEND

- 1" = 30'
- 1" = 60'
- 1" = 120'
- 1" = 240'
- 1" = 480'
- 1" = 960'
- 1" = 1920'
- 1" = 3840'
- 1" = 7680'
- 1" = 15360'
- 1" = 30720'
- 1" = 61440'
- 1" = 122880'
- 1" = 245760'
- 1" = 491520'
- 1" = 983040'
- 1" = 1966080'
- 1" = 3932160'
- 1" = 7864320'
- 1" = 15728640'
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APPLICATION FOR A SPECIAL EVENTS PERMIT

Department Use Only

Item 4.

10-40-5511
\$100

IN ORDER TO QUALIFY FOR A SPECIAL EVENTS PERMIT, YOU MUST BE NONPROFIT AND ONE OF THE FOLLOWING (See back for details.)

- | | | |
|------------------------------------|--|---|
| <input type="checkbox"/> SOCIAL | <input type="checkbox"/> ATHLETIC | <input type="checkbox"/> PHILANTHROPIC INSTITUTION |
| <input type="checkbox"/> FRATERNAL | <input type="checkbox"/> CHARTERED BRANCH, LODGE OR CHAPTER | <input type="checkbox"/> POLITICAL CANDIDATE |
| <input type="checkbox"/> PATRIOTIC | <input type="checkbox"/> OF A NATIONAL ORGANIZATION OR SOCIETY | <input checked="" type="checkbox"/> MUNICIPALITY OWNING ARTS FACILITIES |
| <input type="checkbox"/> POLITICAL | <input type="checkbox"/> RELIGIOUS INSTITUTION | |

LIAB TYPE OF SPECIAL EVENT APPLICANT IS APPLYING FOR:

2110 MALT, VINOUS AND SPIRITUOUS LIQUOR \$25.00 PER DAY

2170 FERMENTED MALT BEVERAGE (3.2 Beer) \$10.00 PER DAY

DO NOT WRITE IN THIS SPACE

LIQUOR PERMIT NUMBER

1. NAME OF APPLICANT ORGANIZATION OR POLITICAL CANDIDATE
The City of Salida

State Sales Tax Number (Required)
 01276759-0000

2. MAILING ADDRESS OF ORGANIZATION OR POLITICAL CANDIDATE
 (include street, city/town and ZIP)
*220 W. Sackett Ave.
 Salida, CO 81201*

3. ADDRESS OF PLACE TO HAVE SPECIAL EVENT
 (include street, city/town and ZIP)
*100 E. Sackett Ave.
 Salida, CO 81201*

| NAME | DATE OF BIRTH | HOME ADDRESS (Street, City, State, ZIP) | PHONE NUMBER |
|---|---------------|---|--------------|
| 4. PRES./SEC'Y OF ORG. or POLITICAL CANDIDATE <i>Michael Vannum</i> | [REDACTED] | [REDACTED] | [REDACTED] |
| 5. EVENT MANAGER <i>Patrick O'Brien</i> | [REDACTED] | [REDACTED] | [REDACTED] |

6. HAS APPLICANT ORGANIZATION OR POLITICAL CANDIDATE BEEN ISSUED A SPECIAL EVENT PERMIT THIS CALENDAR YEAR?

NO YES HOW MANY DAYS? _____

7. IS PREMISES NOW LICENSED UNDER STATE LIQUOR OR BEER CODE?

NO YES TO WHOM? _____

8. DOES THE APPLICANT HAVE POSSESSION OR WRITTEN PERMISSION FOR THE USE OF THE PREMISES TO BE LICENSED? Yes No

LIST BELOW THE EXACT DATE(S) FOR WHICH APPLICATION IS BEING MADE FOR PERMIT

| Date | Hours From | To | Date | Hours From | To | Date | Hours From | To | Date | Hours From | To |
|----------------|------------|------------|---------------|------------|------------|----------------|------------|------------|----------------|------------|------------|
| <i>6/29/23</i> | <i>5pm</i> | <i>9pm</i> | <i>7/6/23</i> | <i>5pm</i> | <i>9pm</i> | <i>7/13/23</i> | <i>5pm</i> | <i>9pm</i> | <i>7/20/23</i> | <i>5pm</i> | <i>9pm</i> |
| | | | | | | | | | <i>7/27/23</i> | <i>5pm</i> | <i>9pm</i> |

OATH OF APPLICANT

I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.

| | | |
|---------------------------------|--------------------------|------------------------|
| SIGNATURE <i>[Signature]</i> | TITLE <i>DIRECTOR</i> | DATE <i>5.23.23</i> |
|---------------------------------|--------------------------|------------------------|

REPORT AND APPROVAL OF LOCAL LICENSING AUTHORITY (CITY OR COUNTY)

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the provisions of Title 12, Article 48, C.R.S., as amended.

THEREFORE, THIS APPLICATION IS APPROVED.

| | | |
|--|--|---------------------------------------|
| LOCAL LICENSING AUTHORITY (CITY OR COUNTY) | <input type="checkbox"/> CITY <input type="checkbox"/> COUNTY | TELEPHONE NUMBER OF CITY/COUNTY CLERK |
| SIGNATURE | TITLE | DATE |

DO NOT WRITE IN THIS SPACE - FOR DEPARTMENT OF REVENUE USE ONLY

LIABILITY INFORMATION

| License Account Number | Liability Date | State | TOTAL |
|------------------------|----------------|------------|-------|
| | | -750 (999) | \$ |

APPLICATION INFORMATION AND CHECKLIST

THE FOLLOWING SUPPORTING DOCUMENTS MUST BE ATTACHED TO THIS APPLICATION FOR A PERMIT TO BE ISSUED:

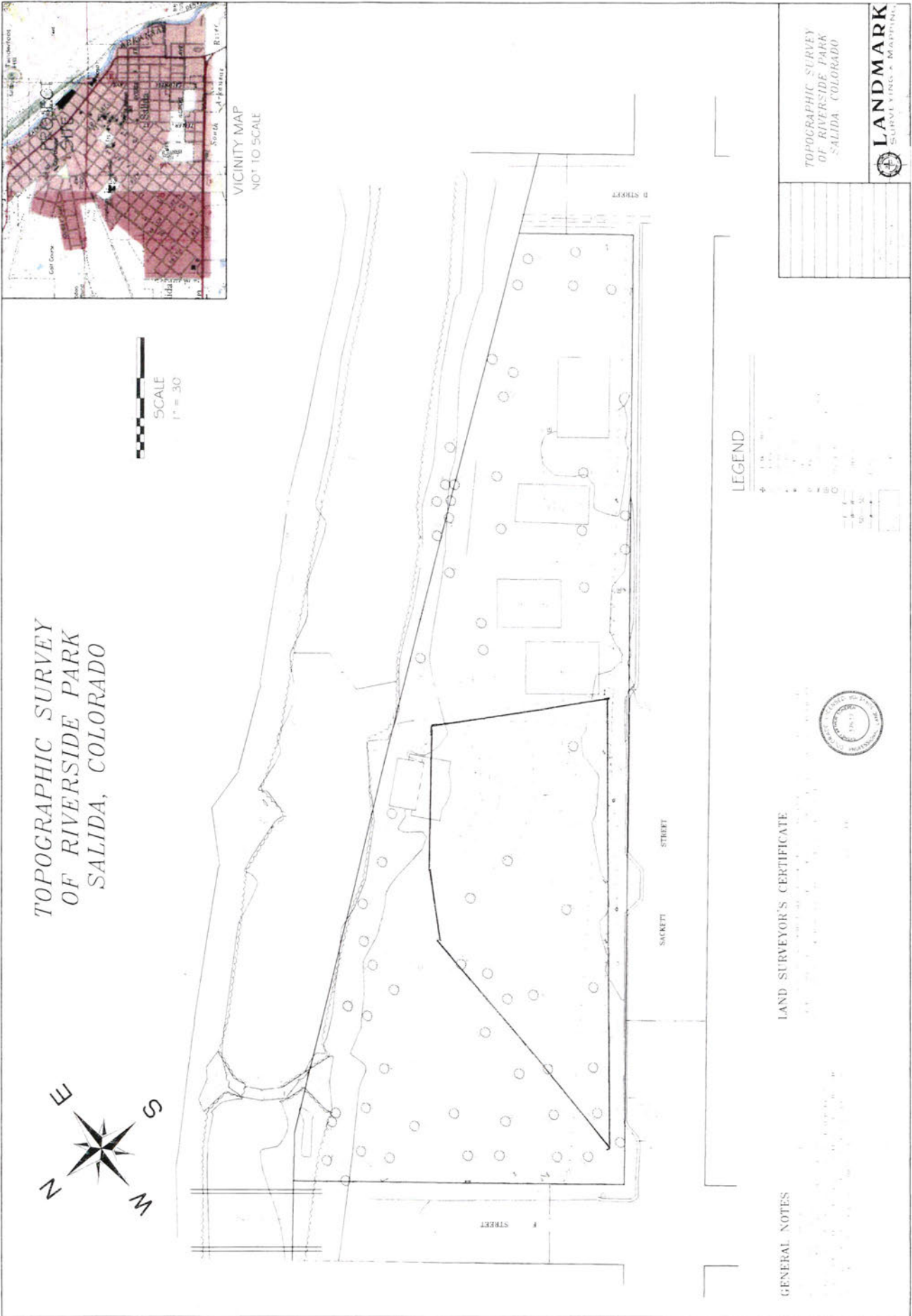
- Appropriate fee.
- Diagram of the area to be licensed (not larger than 8 1/2" X 11" reflecting bars, walls, partitions, ingress, egress and dimensions.
Note: If the event is to be held outside, please submit evidence of intended control, i.e., fencing, ropes, barriers, etc.
- Copy of deed, lease, or written permission of owner for use of the premises.
- Certificate of good corporate standing (NONPROFIT) issued by Secretary of State within last two years; **or**
- If not incorporated, a NONPROFIT charter; **or**
- If a political Candidate, attach copies of reports and statements that were filed with the Secretary of State.

- APPLICATION MUST FIRST BE SUBMITTED TO THE LOCAL LICENSING AUTHORITY (CITY OR COUNTY) AT LEAST THIRTY (30) DAYS PRIOR TO THE EVENT.**
- THE PREMISES TO BE LICENSED MUST BE POSTED AT LEAST TEN (10) DAYS BEFORE A HEARING CAN BE HELD. (12-48-106 C.R.S.)**
- AN APPROVED APPLICATION MUST BE RECEIVED BY THE LIQUOR ENFORCEMENT DIVISION AT LEAST TEN (10) DAYS PRIOR TO THE EVENT.**
- CHECK PAYABLE TO THE COLORADO DEPARTMENT OF REVENUE**

(12-48-102 C.R.S.)

A Special Event Permit issued under this article may be issued to an organization, whether or not presently licensed under Articles 46 and 47 of this title, which has been incorporated under the laws of this state for the purpose of a social, fraternal, patriotic, political or athletic nature, and not for pecuniary gain or which is a regularly chartered branch, lodge or chapter of a national organization or society organized for such purposes and being non profit in nature, or which is a regularly established religious or philanthropic institution, and to any political candidate who has filed the necessary reports and statements with the Secretary of State pursuant to Article 45 of Title 1, C.R.S. A Special Event permit may be issued to any municipality owning arts facilities at which productions or performances of an artistic or cultural nature are presented for use at such facilities.

If an event is cancelled, the application fees and the day(s) are forfeited.



Concerts in Riverside Park



SALIDA CO. ELKS LODGE #808

148 E. Second Street

PO Box 967

Phone 719-539-6976

Salida, Co. 81201-0967

Email bpoe808@gmail.com

June 1, 2023

RE: Special Events Permit July 7th, 2023

To whom it may concern

The Salida Elks Lodge approved holding a fund-raiser at the Lodge meeting on May 23rd 2023.

This fund-raiser is to help Jenni Evans a member of our community who worked at the hospital.

She is in need of financial help due to her diagnosis of Cancer.

The fund-raiser will include food, music, and a silent auction on July 7th at our Lodge.

The Event co-ordinator is Tracie Willburn who is a member of our lodge and also works at the hospital in Salida.

Thank you...

Submitted by

A handwritten signature in black ink that reads "James DeLuca". The signature is written in a cursive style.

James DeLuca

Salida Elks Lodge Secretary for Salida Elks Lodge 808

Application for a Special Events Permit

Departmental Use Only

Item 5.

State Only Permit/State Property

In order to qualify for a Special Events Permit, You Must Be a Qualifying Organization Per 44-5-102 C.R.S. and One of the Following (See back for details.)

- | | | |
|---|---|---|
| <input type="checkbox"/> Social | <input type="checkbox"/> Athletic | <input type="checkbox"/> Philanthropic Institution |
| <input checked="" type="checkbox"/> Fraternal | <input type="checkbox"/> Chartered Branch, Lodge or Chapter | <input type="checkbox"/> Political Candidate |
| <input type="checkbox"/> Patriotic | <input type="checkbox"/> National Organization or Society | <input type="checkbox"/> Municipality Owned Arts Facilities |
| <input type="checkbox"/> Political | <input type="checkbox"/> Religious Institution | |

| LIAB Type of Special Event Applicant is Applying for: | DO NOT WRITE IN THIS SPACE |
|--|----------------------------|
| 2110 <input type="checkbox"/> Malt, Vinous And Spirituous Liquor \$25.00 Per Day | Liquor Permit Number |
| 2170 <input type="checkbox"/> Fermented Malt Beverage \$10.00 Per Day | |

| | |
|---|---|
| 1. Name of Applicant Organization or Political Candidate BPOE Salida Elks Lodge 808 | State Sales Tax Number (Required) 00502443-0000 |
|---|---|

| | |
|--|---|
| 2. Mailing Address of Organization or Political Candidate (include street, city/town and ZIP) 148 E 2nd St PO Box 967 Salida, Co 81201 | 3. Address of Place to Have Special Event (include street, city/town and ZIP) 148 E 2nd St Salida, Co 81201 |
|--|---|

| | | |
|---|---------------|--------------|
| 4. Authorized Representative of Qualifying Organization or Political Candidate James DeLuca Secretary | Date of Birth | Phone Number |
|---|---------------|--------------|

Authorized Representative's Mailing Address (if different than address provided in Question 2.)

| | | |
|--|---------------|--------------|
| 5. Event Manager Tracie Willburn | Date of Birth | Phone Number |
|--|---------------|--------------|

| | |
|--|--|
| Event Manager Home Address (Street, City, State, ZIP) PO Box 1730, Buena Vista, Co. 81211-1730 | Email Address of Event Manager bpoe808@gmail.com |
|--|--|

| | |
|--|---|
| 6. Has Applicant Organization or Political Candidate been Issued a Special Event Permit this Calendar Year? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes How many days? <u>2</u> | 7. Is the premises for which your event is to be held currently licensed under the Colorado Liquor or Beer codes? <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes License Number <u>10-7348-0000</u> |
|--|---|

8. Does the Applicant Have Possession or Written Permission for the Use of The Premises to be Licensed? Yes No

List Below the Exact Date(s) for Which Application is Being Made for Permit

| Date | Date | Date | Date | Date |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| 07/07/2023 | | | | |
| Hours From 2:00 p.m. To midnight.m. | Hours From .m. To .m. | Hours From .m. To .m. | Hours From .m. To .m. | Hours From .m. To .m. |
| | | | | |
| | | | | |
| | | | | |

Oath of Applicant

I declare under penalty of perjury in the second degree that I have read the foregoing application and all attachments thereto, and that all information therein is true, correct, and complete to the best of my knowledge.

| | | |
|-------------------------------|---|---------------------------|
| Signature <i>James DeLuca</i> | Title Salida Elks Lodge Secretary | Date 06/01/2023 |
|-------------------------------|---|---------------------------|

Report and Approval of Local Licensing Authority (City or County)

The foregoing application has been examined and the premises, business conducted and character of the applicant is satisfactory, and we do report that such permit, if granted, will comply with the provisions of Title 44, Article 5, C.R.S., as amended.

THEREFORE, THIS APPLICATION IS APPROVED.

| | | |
|--|--|---------------------------------------|
| Local Licensing Authority (City or County) | <input type="checkbox"/> City <input type="checkbox"/> County | Telephone Number of City/County Clerk |
|--|--|---------------------------------------|

| | | |
|-----------|-------|------|
| Signature | Title | Date |
|-----------|-------|------|

DO NOT WRITE IN THIS SPACE - FOR DEPARTMENT OF REVENUE USE ONLY

| Liability Information | | | |
|------------------------|----------------|------------|-------|
| License Account Number | Liability Date | State | Total |
| | | -750 (999) | \$. |

OFFICE OF THE SECRETARY OF STATE
OF THE STATE OF COLORADO

CERTIFICATE OF FACT OF GOOD STANDING

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,
SALIDA LODGE NO. 808 OF THE BENEVOLENT AND PROTECTIVE ORDER OF ELKS OF THE UNITED STATES OF AMERICA

is a

Nonprofit Corporation

formed or registered on 10/03/1991 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 19911079196 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 05/31/2023 that have been posted, and by documents delivered to this office electronically through 06/01/2023 @ 09:28:18 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 06/01/2023 @ 09:28:18 in accordance with applicable law. This certificate is assigned Confirmation Number 15027930 .



Jena Griswold

Secretary of State of the State of Colorado

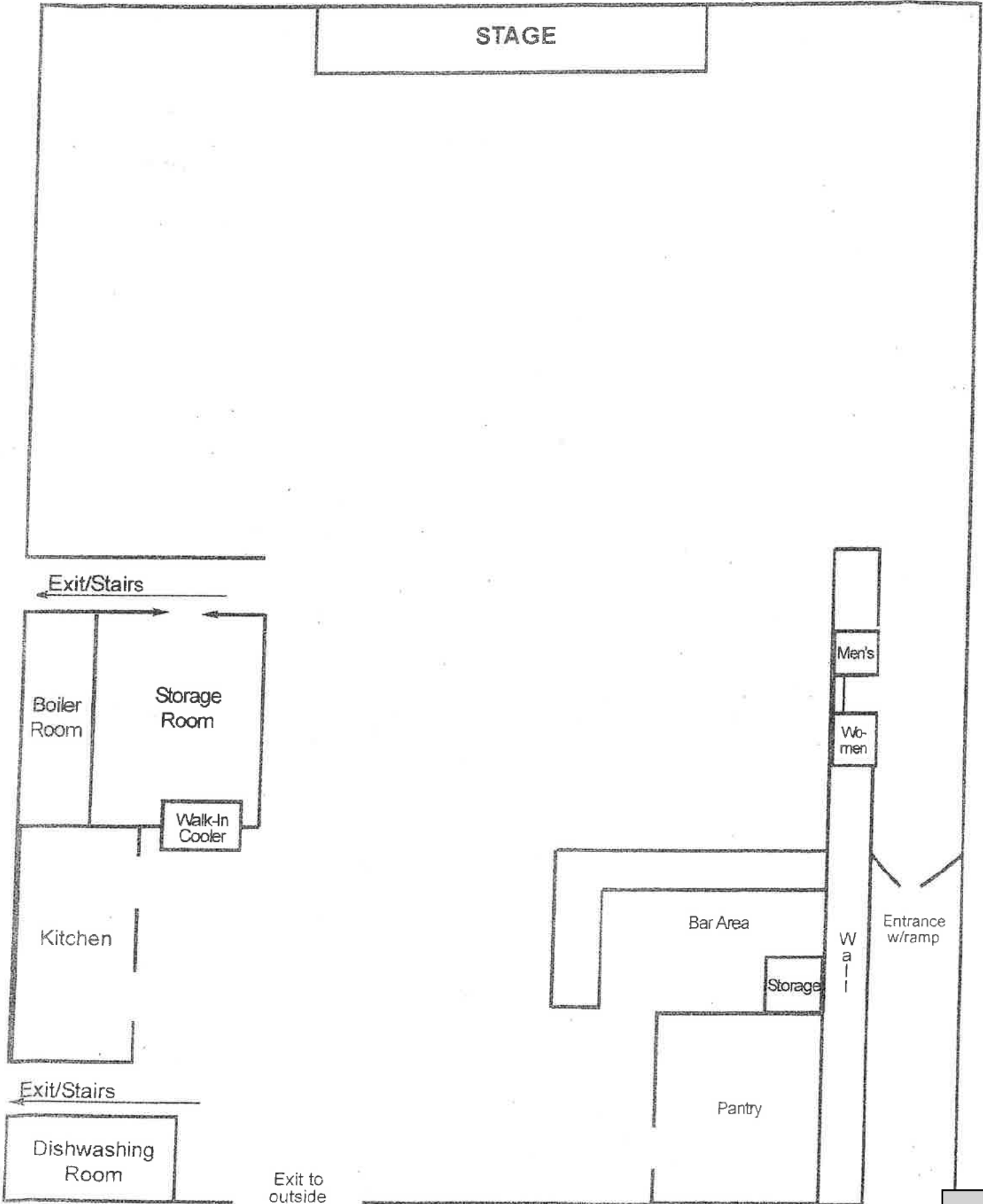
*****End of Certificate*****

Notice: A certificate issued electronically from the Colorado Secretary of State's website is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's website, <https://www.coloradosos.gov/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our website, <https://www.coloradosos.gov> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."

SALIDA ELKS LODGE BPOE #808
250 Maximum Capacity

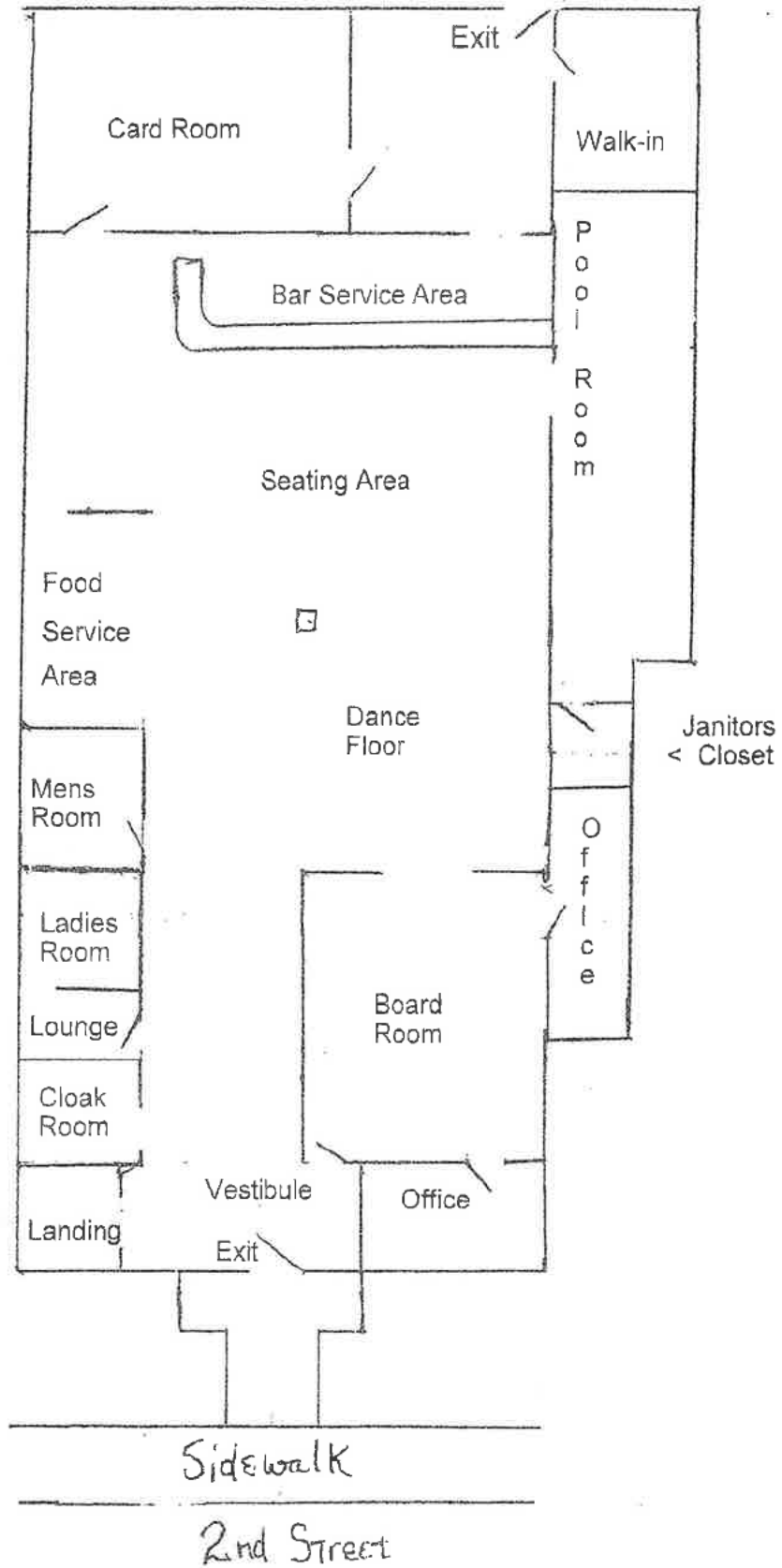
Page 1 of 2

Item 5.



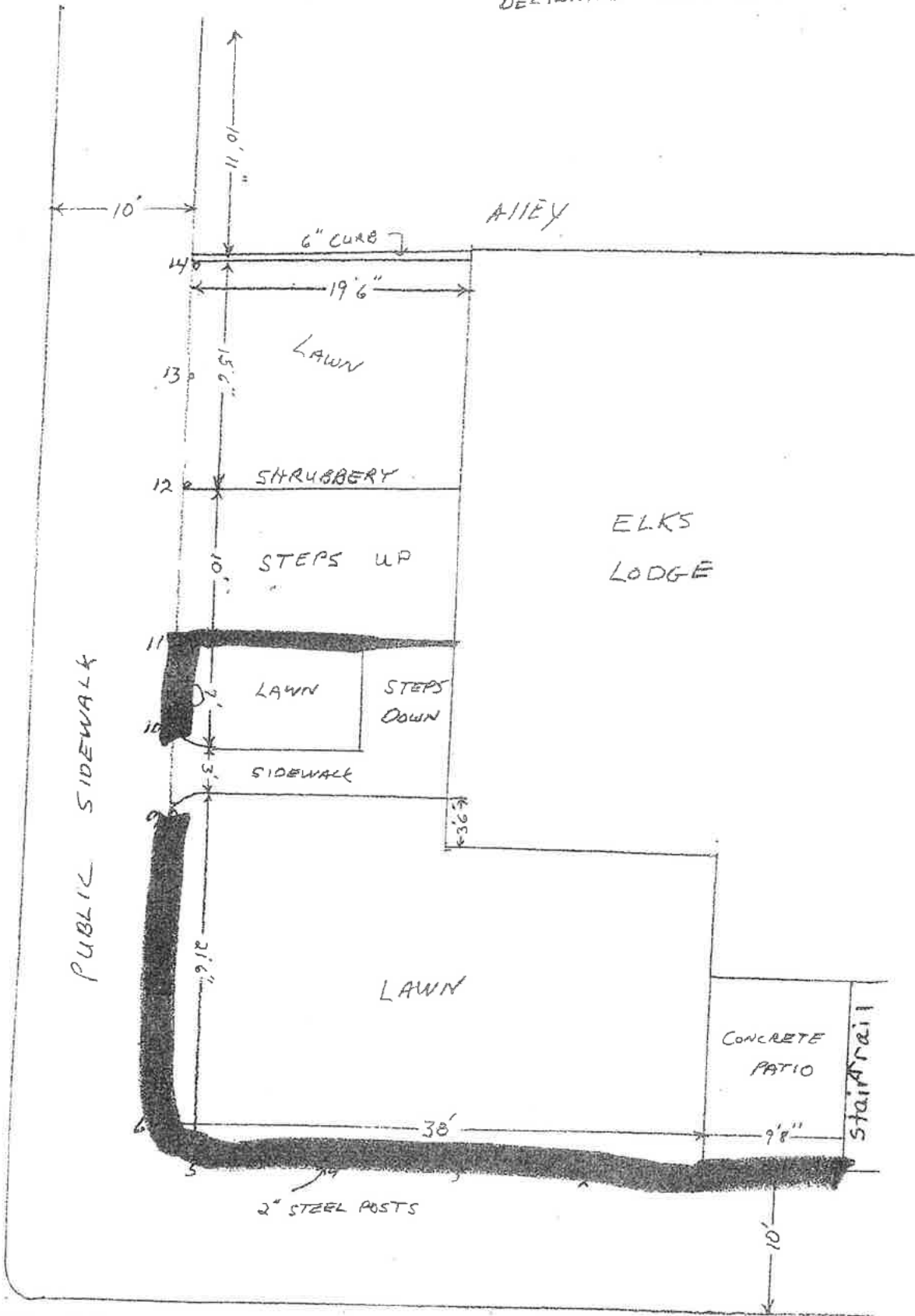
Salida Elks Lodge #808

Item 5.



APPROXIMATELY 8' APART
 WITH STURDY CHAIN
 ATTACHED BETWEEN TO
 DELIATE PROPERTY LINES.

Item 5.



REQUIRES
 14- 4"x2" STEEL POSTS
 00' CHAIN
 MARKED BY ●

E STREET





CITY COUNCIL ACTION FORM

| | | |
|-----------------------------------|---|------------------------------|
| DEPARTMENT Public Works | PRESENTED BY David Lady - Public Works Director | DATE June 20, 2023 |
|-----------------------------------|---|------------------------------|

ITEM

Council Action – Approve Change Order for the 2023 Street Reconstruction Project

Consent Agenda

BACKGROUND

The 2023 Street Reconstruction Project includes streetscape and utility improvements along Poncha Boulevard from Crestone Avenue to Grant Street. Streetscape improvements include the addition of bike lanes, a detached sidewalk multiuse path, intersection improvements, stormwater enhancements, and green space improvements. Aesthetic features include landscaped islands adjacent to several crosswalk locations. Landscaping along the golf course is planned to follow construction of the streetscape improvements. The landscape work is anticipated in 2024.

On February 7, 2023, Council approved Phase 1 which includes the improvements from Crestone Avenue to Grant Avenue. Phase 2, which includes improvements from Grant Avenue to Holman Avenue was originally planned to occur in 2024. Construction is ahead of schedule for Phase 1. The contractor has indicated that they have the capacity to complete Phase 2 during the late summer and into the fall of 2023 while honoring the bid unit prices. Completion of the entire project in 2023 is expected to limit the impacts to property owners and traffic. Utilizing the current unit prices is expected to provide cost savings to the City.

The project was advertised, and bids were received on January 31, 2023, as follows:

| Bidder | Phase 2 (Grant to Holman) Total | Business Location / Local Preference | Percent Above Low Bid |
|----------------------------|---------------------------------------|---|--------------------------|
| Y&K Excavating, Inc. | \$1,454,524.00 | Salida – 5.0% | Low Bidder |
| Avalanche Excavation, Inc. | \$1,550,335.00 | Salida – 5.0% | 7% |
| DSI, Inc. | \$1,939,022.71 | Salida – 5.0% | 33% |

Y&K has performed multiple projects for the City with excellent quality and service for this type of work. They have exceeded the schedule requirements and provided satisfactory work thus far on Phase 1. Y&K provided qualifications demonstrating capabilities necessary for completion of Phase 2.



CITY COUNCIL ACTION FORM

| | | |
|-----------------------------------|---|------------------------------|
| DEPARTMENT Public Works | PRESENTED BY David Lady - Public Works Director | DATE June 20, 2023 |
|-----------------------------------|---|------------------------------|

FISCAL NOTE

The 2023 Capital Budget line items are as follows:

- \$1,800,000 (31-30-6020) Streets – Rehabilitation (Phase 1 = \$1,481,053.34 bid and approved budget)
- \$4,075,000 (31-30-6017) Streets – Other (CDOT Local Agency Projects)
- \$3,679,258 (31-30-Revenue) Streets – Intergovernmental Revenue (CDOT Local Agency Projects)
- \$100,000 (21-30-6019) Water – Infrastructure Upgrades & Replacements

The CDOT work originally budgeted for 2023 is now proposed to occur in 2024 due to engineering and CDOT processing timelines for those projects. This will free up a portion of the funding. Reserves will fund the remaining expenditures and the proposed 2024 budget line items of the street fund will be adjusted for a proposed fund balance. Ultimately, the costs associated with Phase 2 were planned to be budgeted in 2024 but those expenses are being proposed in 2023 with the change order. Street reconstruction in 2024 would be limited based on available funding.

| | 2023 Street Reconstruction (1) | Soft Costs (2) | Project Total Budget (1+2) |
|----------------------------|--------------------------------------|---------------------|-------------------------------|
| STREET CONSTRUCTION | \$1,269,214.00 | \$88,844.98 | \$1,358,058.98 |
| WATER CONSTRUCTION | \$172,310.00 | \$12,061.70 | \$184,371.70 |
| SEWER CONSTRUCTION | \$13,000.00 | \$910.00 | \$13,910.00 |
| TOTAL | (BASE BID) \$1,454,524.00 | \$101,816.68 | \$1,556,340.68 |

(2) Soft costs ~ 2.0% QA/QC and +/- 5% Minor Contract Revisions

A budget amendment for the associated funds are anticipated to occur later in the year.

STAFF RECOMMENDATION

Approve a change order for the 2023 Street Reconstruction Project and authorize the City Administrator to execute a change order between the City and Y&K Excavation, Inc. in the amount of \$1,454,524.00 with an increase in the project budget of \$1,556,340.68.

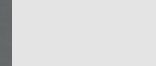


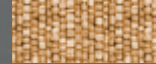

SUGGESTED MOTION

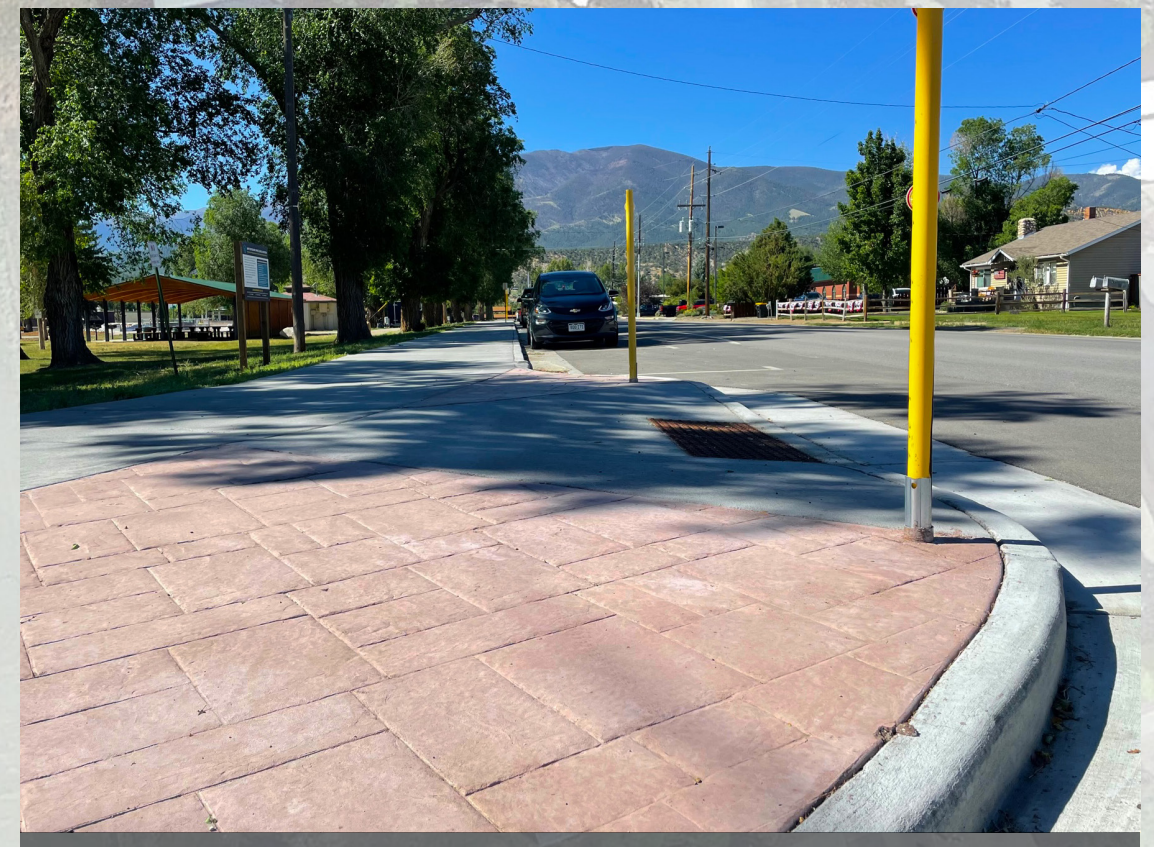
A Council person should make a motion to “combine and approve the items on the consent agenda.”

2023 STREET IMPROVEMENTS | PONCHA BLVD - PHASE 1

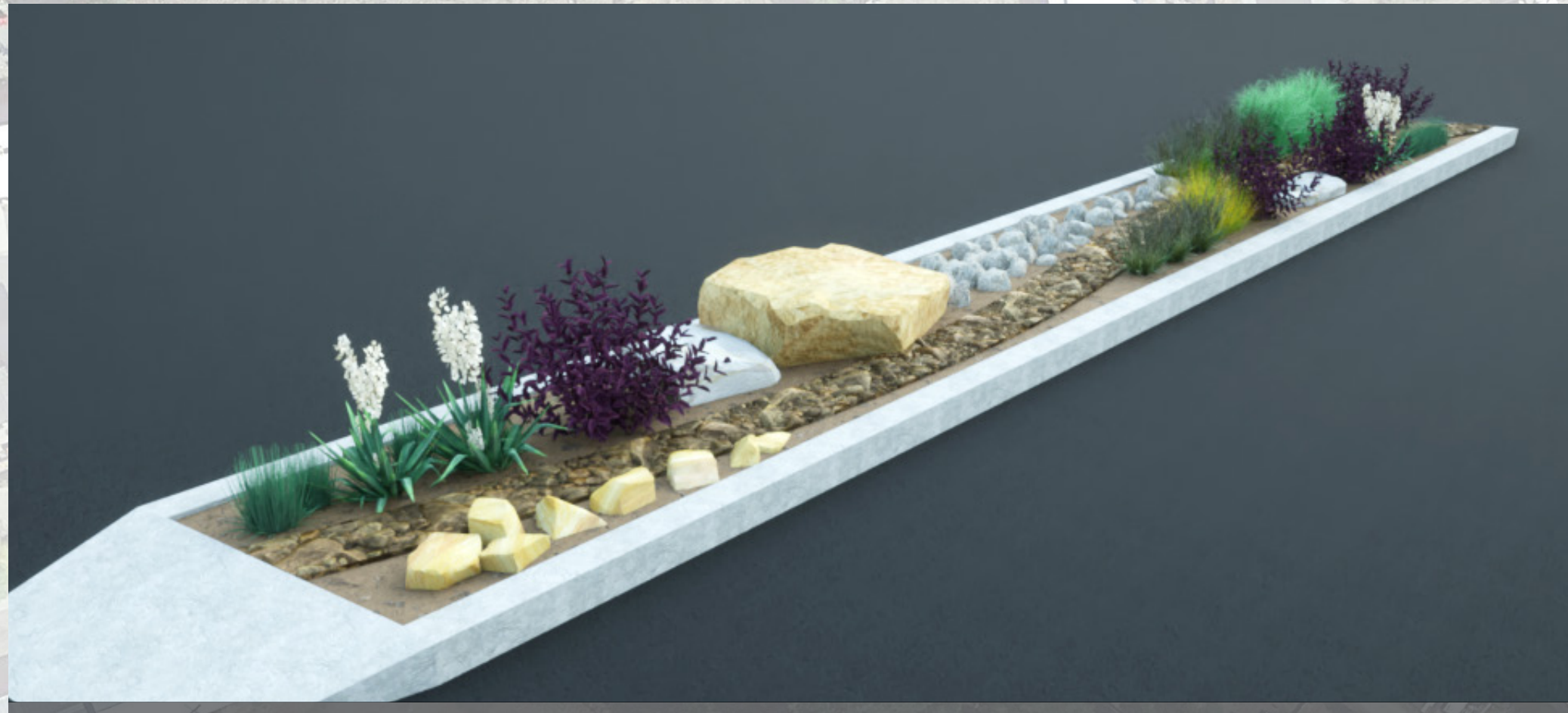


LEGEND

-  Concrete Sidewalks/Aprons
-  Rock Landscape Strip
-  Grass Landscape Strip
-  Stamped and Colored Concrete
-  Detention Ponds



D Colored/Stamped Concrete Example



E Sample Median Design (see Plan Sheets for specific details)



Building a Better World for All of Us®

2023 STREET IMPROVEMENTS | PONCHA BLVD - PHASE 2

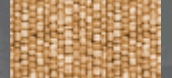


A Linear Trail Example



B Solar Street Light Option

LEGEND

-  Concrete Sidewalks/Aprons
-  Rock Landscape Strip
-  Grass Landscape Strip
-  Stamped and Colored Concrete
-  Detention Ponds



C Sample Median Design (see Plan Sheets for specific details)



Building a Better World for All of Us®



CITY COUNCIL ACTION FORM

| | | |
|------------------------------|--|------------------------------|
| DEPARTMENT Finance | PRESENTED BY Aimee Tihonovich - Finance Director | DATE June 20, 2023 |
|------------------------------|--|------------------------------|

ITEM

City of Salida 2022 'Annual Comprehensive Financial Report' (ACFR)

BACKGROUND

The auditors have completed their work and have issued a “clean” audit opinion. They have worked with staff on preparing the ACFR which has all the requirements necessary for submitting to the Government Finance Officers Association (GFOA) for consideration of a Certification of Achievement for Excellence in Financial Reporting award.

The auditors will be in attendance (virtually) to discuss the draft annual financial report.

FISCAL NOTE

There is no fiscal impact.

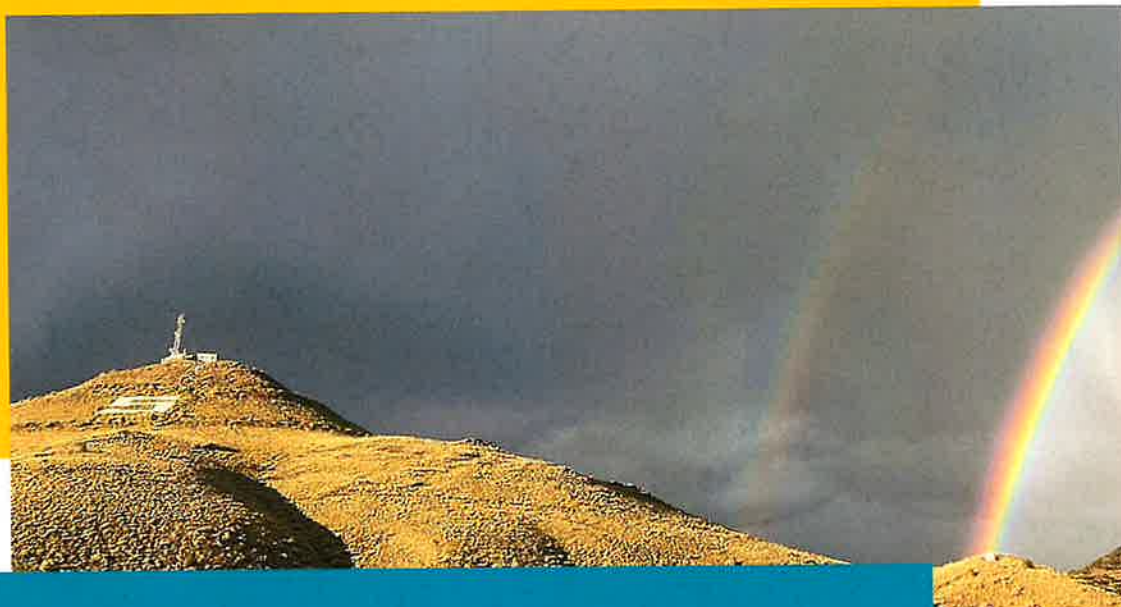
STAFF RECOMMENDATION

Staff recommends approval of the ACFR

SUGGESTED MOTION

A Council person should make a motion to “approve the Annual Comprehensive Financial Report as presented”.

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ANNUAL COMPREHENSIVE FINANCIAL REPORT

**For the fiscal year ended
December 31, 2022**

CITY OF SALIDA, COLORADO



Email: finance@CityofSalida.com
Website: CityofSalida.com

448 E. 1st Street, Ste. # 112
Salida, CO 81201

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**City of Salida, Colorado
Annual Comprehensive Financial Report
For the year ended December 31, 2022**

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**City of Salida, Colorado
Annual Comprehensive Financial Report
December 31, 2022**

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June 21, 2023

To the Honorable Mayor, Members of the City Council and Citizens of the City of Salida:

State law requires that every general purpose local government publish a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended December 31, 2022.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

McMahan and Associates, LLC, a firm of licensed Certified Public Accountants, have issued an unmodified (“clean”) opinion on the City of Salida’s financial statements for the year ended December 31, 2022. The independent auditor’s report is located at the front of the financial section of this report.

Management’s discussion and analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the government

The City of Salida, incorporated in 1880, is known as the “Heart of the Rockies.” Salida is located approximately two to three hours from the more densely populated urban “front range” communities of Colorado, such as Colorado Springs, Denver and Boulder. Salida is the county seat of Chaffee County and its largest city, with a population of approximately 5,812. The City is the service, supply, and tourism center for the Upper Arkansas River Valley in central Colorado. Although flanked by majestic 14,000-foot snow-capped peaks, at just over 7,000 feet in elevation, Salida enjoys a surprisingly mild climate that some refer to as the Banana Belt. Salida has a relaxed pace and a small hometown feel along with world-class recreational opportunities.

The City limits currently occupy just over 2.2 square miles. The City of Salida is empowered to levy a property tax on real property located within its boundaries, but the tax was repealed in 2008. It relies primarily on sales tax revenue to provide government services. It also is

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empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

Salida is organized as a statutory city under the constitution of the State of Colorado that follows the mayor-council form of government. The Mayor, the Treasurer and six Council members are directly elected. There are three wards in the City, and two Council members represent each ward. Policy-making and legislative authority are vested in the governing body consisting of the Mayor and six Council members. Council members serve four-year terms, with three members elected every two years. The Mayor is elected for a two-year term. According to Colorado statutes, officials elected to two-year terms are eligible for three terms. Council members and the Treasurer are elected to four-year terms and are limited to two terms. The City Council appoints the City Administrator, City Attorney and City Clerk. The City Administrator appoints department heads.

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 financial statements and budgets know what services the City provides in order to understand the reports. The broad services provided by Salida's employees across the various divisions (described below) include the following:

- Public safety –
 - 24/7 police protection including vehicle, bicycle and foot patrol, crime prevention and law enforcement; vehicle identification number inspections, school safety, special event support, DUI awareness programs, drug task force, regional preparedness, E911 board representation. The Community Services Division extends safety and public service while protecting the welfare of domestic animals, as well as maintaining the integrity of the Salida City Code through education, citizen engagement and enforcement.
 - 24/7 professional fire response (structural and wildland), emergency medical services, hazardous material response, technical rescue (ice, swift water, confined space, high and low angles), installation of smoke detectors, inspection and plan reviews, code enforcement, fire prevention and CPR classes, fireworks displays, staffing for fire protection district, regional preparedness and various other education and civic activities
- Public works – operation, maintenance and improvement of streets, alleys, walkways, parking lots, parks, play features, public structures, underground distribution or collection lines and appurtenances, trees, and other public infrastructure
- Water and Wastewater plant operations – Treatment and distribution of municipal water; collection, treatment of and safe discharge of wastewater (including wastewater services for the Town of Poncha Springs); lab testing, acceptance and treatment of outside septage
- Community development – land use and zoning, review of development plans, subdivisions, building and sign permits, long range and current planning, historic preservation, grant writing and reporting
- Parks and recreation – aquatic center, swimming lessons, fitness and recreation programs, and maintenance of park facilities, sports complexes, and trails

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- Arts and culture – services for event center activities and special events for community members of all ages, alliance with outside organizations (Chamber of Commerce, Salida Business Alliance, etc.), and a creative district
- Administrative services – liquor, marijuana and arborists licensing, vendor and special event permitting, billing and collection of water and wastewater services, protection of water rights, birth and death certificates, municipal court, grant writing and reporting, intergovernmental facility management, payroll, accounts payable, accounts receivable, budgeting, financial reporting, human resources, legal, cash management / treasury, risk management, records management, public information, meeting coordination, and other general government and administrative services

Water treatment and distribution and wastewater collection and treatment services are provided through an enterprise fund. See the MD&A for an explanation about different types of funds.

Annual budget process

City Council is required to adopt an initial budget for the fiscal year no later than December 31 preceding the beginning of the fiscal year on January 1. This annual budget serves as the foundation for the City of Salida's financial planning and control. The budget is prepared by fund, function or department (e.g., police). Department heads may transfer resources within a department as they see fit. Transfers between departments within the same fund, however, need approval from the Finance Director or City Administrator. Changes to a fund's bottom line must be done with an amendment by Council after publicly posting the amendment and holding a public hearing on it.

Each year, the budget development process kicks off with a strategic planning meeting with City Council, Treasurer and key City staff. Department heads set goals for the upcoming fiscal year and develop their requested budget based on the outcomes of the strategic planning meeting. The finance office reviews the budget for affordability, makes necessary adjustments and prepares a recommended budget for Council (this recommended budget is available for public inspection). A series of public meetings with Council are held to go over the budget and provide feedback. After making final adjustments as directed by Council, a public hearing is held prior to Council adoption. Typically, Council adopts the budget by mid-October.

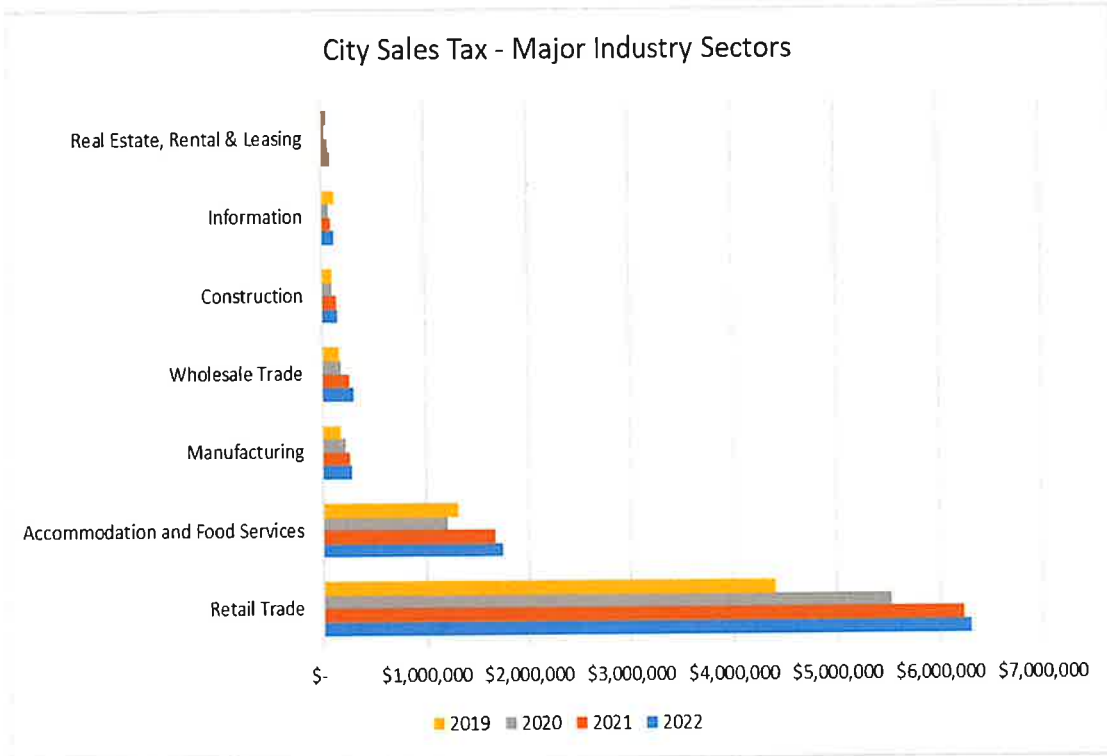
Local economy

The City of Salida serves as a shopping hub for the surrounding small towns and rural areas. Tourism is a major contributor to the local economy. Sales tax revenue peaks in the "summer season" of June to September, with July being the strongest month. Salida is a short drive from the Monarch Ski area, which draws winter visitors to the area and contributes to the local economy. However, February, which falls in the middle of the "ski season" is the slowest month for collections. Increasingly, Salida is experiencing growth in sales tax collections during the "shoulder season" defined as April-May and October-November when the weather is typically suitable for many outdoor activities that attract visitors to the area.

Year-over-year sales tax revenue increases (to include County earned sales taxes shared with the City) have been strong, averaging 11.5% over the last five years. In 2022, sales tax revenue increased 4.4% over 2021 for the combined City and County tax, and 3.5% for

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the City only. This is a slowing of the trend but as the below table indicates, it's slowing over a very large increase in the year 2021 so increasing at that very high level is considered to be reasonable.



Reliable unemployment information for solely the City of Salida is unavailable, consequently Chaffee County unemployment data is utilized for monitoring purposes. Unemployment in Chaffee County ended the year at 2.5% which is comparable to the state rate of 2.8%.

Long-term financial planning and major initiatives

Unrestricted fund balance in the general fund at year end was 58.9% of total general fund operating expenses. This amount is significantly above policy guidelines set by Council for budgetary and planning purposes (25%). The strong fund balance coupled with continued growth projections provides the confidence to plan for significant projects in the future. The City has worked with a financial advisor to refine a long-term financial plan to help achieve capital goals (some wants and some needs) such as a new fire station, aquatic center hot water delivery line replacements, fire equipment replacements, a sports complex and a recreation center.

The Street fund has high priority projects planned out through 2025 with estimated annual expenditures in the long-term plan thereafter. 32% of the City-generated sales tax is allocated to this fund and can predominantly support the anticipated expenditures complemented by grants.

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The City Water and Wastewater funds underwent a rate study in 2020 resulting in recommended rate increases of 2.58% for water and 8.85% for wastewater each year for the 5 subsequent years. The City has stayed on schedule in implementing these rate increases with no undue hardship felt by the community. This will go a long way toward making these funds sustainable and keeping the City's water and sewer activities operating at a high level.

Low-interest new debt financing in the amount of \$4.1 million was approved in 2021 and draws were made during 2022 to accomplish a larger than normal replacement of major water lines with full buildout expected to be completed in 2023.

Relevant financial policies

The City of Salida has adopted a comprehensive set of financial policies. Designed to maintain fiscal health is the Fund Balance Policy which requires a minimum level of unrestricted general fund reserves to be maintained at an amount no less than 25% of general fund operating expenses. Since the City is very reliant on sales tax and sales tax has volatility, the 25% minimum level is deemed sufficient to keep the City operating effectively during economic downturns.

As a service organization, the City of Salida recognizes employees as the most important resource of the City. In order to maintain market pay rates, market pay studies are performed by an independent agency periodically and COLA's tied to the *Employers Cost Index* (CPI) are built into the budget. These measures have helped the City maintain a reasonable turnover level.

The preparation of this report would not have been possible without the skill, effort, support and dedication across all levels of the City. We wish to thank all government departments for their assistance in providing the data necessary to prepare this report. Credit also is due to the Mayor, Council and Treasurer for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Salida's finances.

Respectfully submitted,

Drew Nelson
City Administrator

Aimee Tihonovich
Finance Director

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Salida
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2021

Christopher P. Morill

Executive Director/CEO



*Planning Commission, Recreation Advisory Board, Historic Preservation Commission, Tree Board, Finance Committee, Board of Adjustment

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CITY OF SALIDA, COLORADO
List of Elected and Appointed Officials
as of December 31, 2022

Elected Officials

Mayor
 Council Member - Ward 1
 Council Member - Ward 1
 Council Member - Ward 2
 Council Member - Ward 2
 Council Member - Ward 3
 Council Member - Ward 3
 Treasurer

Dan Shore
 Dominique Naccarato
 Jane Templeton
 Justin Critelli
 Mike Pollock
 Harald Kasper
 Alisa Pappenfort
 Merrell Bergin

Appointed Officials & Staff

Municipal Court Judge
 Municipal Prosecutor
 Planning Commission Chairperson
 Recreation Advisory Board Chairperson
 Historic Preservation Commission Chairperson
 Tree Board President
 Board of Adjustment Chairperson
 City Administrator
 City Attorney
 City Clerk
 Arts & Culture Director
 Community Development Director
 Finance Director
 Fire Chief
 Parks & Recreation Director
 Police Chief
 Public Works Director

Cheryl Hardy-Moore
 Matthew Krob
 Greg Follet
 Lisa DeYoung
 Keith Krebs
 Marilyn Moore
 Greg Follet
 Drew Nelson
 Nina Williams
 Erin Kelley
 Michael Varnum
 Bill Almquist
 Aimee Tihonovich
 Doug Bess
 Mike (Diesel) Post
 Russ Johnson
 David Lady

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McMAHAN AND ASSOCIATES, L.L.C.
Certified Public Accountants and Consultants

 CHAPEL SQUARE, BLDG C
 245 CHAPEL PLACE, SUITE 300
 P.O. Box 5850, AVON, CO 81620

 WEB SITE: WWW.MCMAHANCPA.COM
 MAIN OFFICE: (970) 845-8800
 FACSIMILE: (970) 845-8108
 E-MAIL: MCMAHAN@MCMAHANCPA.COM

INDEPENDENT AUDITOR'S REPORT
**To the City Council
 City of Salida, Colorado**
Report on the Audit of the Financial Statements
Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Salida, Colorado (the "City"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City as of December 31, 2022, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("U.S. GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. GAAP; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for one year after the date that the financial statements are issued.

Member: American Institute of Certified Public Accountants

 PAUL J. BACKES, CPA, CGMA
 MICHAEL N. JENKINS, CA, CPA, CGMA
 MATTHEW D. MILLER, CPA

 AVON: (970) 845-8800
 ASPEN: (970) 544-3996
 FRISCO: (970) 668-348

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INDEPENDENT AUDITOR'S REPORT
To the City Council
City of Salida, Colorado

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with U.S. GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with U.S. GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

U.S. GAAP require that the Management's Discussion and Analysis in Section B, the Schedule of City's Proportionate Share of the Net Pension Liability (Asset), the Schedule of City Contributions, and the Notes to the Required Supplementary Information in Section E be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with U.S. GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by U.S. GAAP. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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INDEPENDENT AUDITOR'S REPORT
To the City Council
City of Salida, Colorado

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The individual fund budgetary information, the Local Highway Finance Report, and the Schedule of Expenditures of Federal Awards as required by *Title 2, U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* included in the Single Audit Section listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual fund budgetary information, the Local Highway Finance Report, and the Schedule of Expenditures of Federal Awards included in the Single Audit Section listed in the accompanying table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with U.S. GAAS. In our opinion, the individual fund budgetary information, the Local Highway Finance Report, and the Schedule of Expenditures of Federal Awards included in the Single Audit Section listed in the accompanying table of contents is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and on compliance.

McMahan and Associates, L.L.C.
Avon, Colorado

Date TBD

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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Management's Discussion and Analysis

As Management of the City of Salida, we offer readers of the City of Salida's financial statements this narrative overview and analysis of the financial activities of the City of Salida for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i - iv of this report.

Financial Highlights

- The assets and deferred outflows of resources of the City of Salida exceeded its liabilities at the close of the most recent fiscal year by \$65,014,255 (net position). Of this amount, \$13,948,085 represents unrestricted net position, which may be used to meet the government's ongoing obligations to citizens and creditors.
- The City of Salida's total net position increased by \$2,372,327 (3.8%) despite overall revenues being down 3.2% from the year before due primarily to one-time grants received in 2021. Overall spending remained below current revenues as the city gears up for significant projects, such as a new fire station, for which construction is expected to begin in 2023.
- At the close of the current fiscal year, the City of Salida's governmental funds reported combined fund balances of \$8,592,214, a decrease of \$573,864 (6.3%) in comparison with the prior year. 91.1% of this amount (\$7,826,164) is available for spending at the government's discretion (*unassigned & committed fund balance*).
- At the end of the current fiscal year, unrestricted fund balance for the General Fund was \$6,264,941, or approximately 55.5% of total general fund expenditures.
- The City of Salida's total outstanding long-term debt increased by \$1,467,746 during the current fiscal year. The City made draws of \$2,300,705 under its 2021 Colorado Water Resources and Power Development Authority (CWRPDA) loan and paid down \$725,524 of existing CWRPDA loan and water and sewer revenue bonds.

Overview of the Financial Statements

The discussion and analysis provided here are intended to serve as an introduction to the City of Salida's basic financial statements. The City of Salida's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and

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3) the notes to the financial statements. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Salida's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the City of Salida's assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Salida is improving or deteriorating.

The *statement of activities* presents information showing how the City of Salida's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused paid time off).

Both of the government-wide financial statements distinguish functions of the City of Salida that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Salida include general government, public safety, public works/streets, arts and culture, parks and recreation. The business-type activities of the City of Salida include water and wastewater ~~(sewer)~~ services.

The government-wide financial statements can be found on pages C1 to C2 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Salida, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City of Salida can be divided into two categories: governmental and proprietary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in assessing a government's near-term financing requirements.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds*

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with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City of Salida maintains seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for all seven funds (the General Fund, the Street Fund, the Capital Improvement Fund, the Economic Development Fund, the Lodging Tax Fund, the Conservation Trust Fund and the Housing Fund).

The basic governmental fund financial statements can be found on pages C3 to C6 of this report.

Proprietary Funds. The City of Salida maintains two proprietary funds, both are *enterprise funds*. Enterprise funds are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Salida uses enterprise funds to account for its water and wastewater operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The basic proprietary fund financial statements can be found on pages C7 to C9 of this report.

Notes to the Financial Statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages D1 to D31 of this report.

Other Information

The City of Salida adopts an annual appropriated budget for its general fund and all other funds. A budgetary comparison statement for the governmental funds is provided in the *required supplementary information* section. The City of Salida also presents *required supplementary information* concerning the City of Salida's progress in funding its obligation to provide pension benefits to its fire and police employees. The required supplementary information can be found on pages E1 to E15.

Finally, budget comparison statements for proprietary funds are presented in the *supplementary information* section as well as the Local Highway Finance Report filed with the State of Colorado. This supplemental information can be found on pages F1 to F7 of this report.

DRAFT**Government-wide Overall Financial Analysis**

As noted earlier, net position over time may serve as a useful indicator of a government's financial position. In the case of the City of Salida, assets and deferred outflows of resources exceeded liabilities by \$65,014,255.

City of Salida's Net Position

| | <u>Governmental Activities</u> | | <u>Business-type activities</u> | | <u>Total</u> | |
|--------------------------------------|--------------------------------|---------------|---------------------------------|---------------|---------------|---------------|
| | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> |
| Current and other assets | \$ 11,559,133 | \$ 10,814,871 | \$ 9,225,227 | \$ 8,349,669 | \$ 20,784,360 | \$ 19,164,540 |
| Capital Assets | 31,562,403 | 29,629,169 | 30,711,109 | 29,714,331 | 62,273,512 | 59,343,500 |
| Total Assets | 43,121,536 | 40,444,040 | 39,936,336 | 38,064,000 | 83,057,872 | 78,508,040 |
| Total Deferred outflows of resources | 1,030,521 | 1,075,360 | - | - | 1,030,521 | 1,075,360 |
| Long-term liabilities | 1,911,763 | 2,395,938 | 13,955,383 | 12,251,756 | 15,867,146 | 14,647,694 |
| Other liabilities | 1,433,244 | 1,099,291 | 432,720 | 496,022 | 1,865,964 | 1,595,313 |
| Total liabilities | 3,345,007 | 3,495,229 | 14,388,103 | 12,747,778 | 17,733,110 | 16,243,007 |
| Total Deferred inflows of resources | 1,341,028 | 698,465 | - | - | 1,341,028 | 698,465 |
| Net position: | | | | | | |
| Net investment in capital assets | 30,844,978 | 28,835,011 | 18,089,406 | 18,727,404 | 48,934,384 | 47,562,415 |
| Restricted | 2,131,786 | 1,342,549 | - | - | 2,131,786 | 1,342,549 |
| Unrestricted | 6,489,258 | 7,148,146 | 7,458,827 | 6,588,818 | 13,948,085 | 13,736,964 |
| Total net position | \$ 39,466,022 | \$ 37,325,706 | \$ 25,548,233 | \$ 25,316,222 | \$ 65,014,255 | \$ 62,641,928 |

Current and other assets increased in governmental activities by \$744,262 from the prior year due primarily to an increase in net pension assets as contributions and investment returns exceeded actuarial assumptions for the year.

Other liabilities in governmental activities increased by \$333,953 primarily due to having more accounts payable and retainage payable at year end. Fluctuations in these accounts vary depending on the billing cycle of the City and the City's vendors.

Long-term liabilities, which consist of bonds, notes, leases, accrued compensated absences and pension liability increased by \$1,219,452 (8.3%) from the previous year for governmental and business-type activities combined due to the issuance of new debt for a water infrastructure project exceeding principal payments made throughout the year.

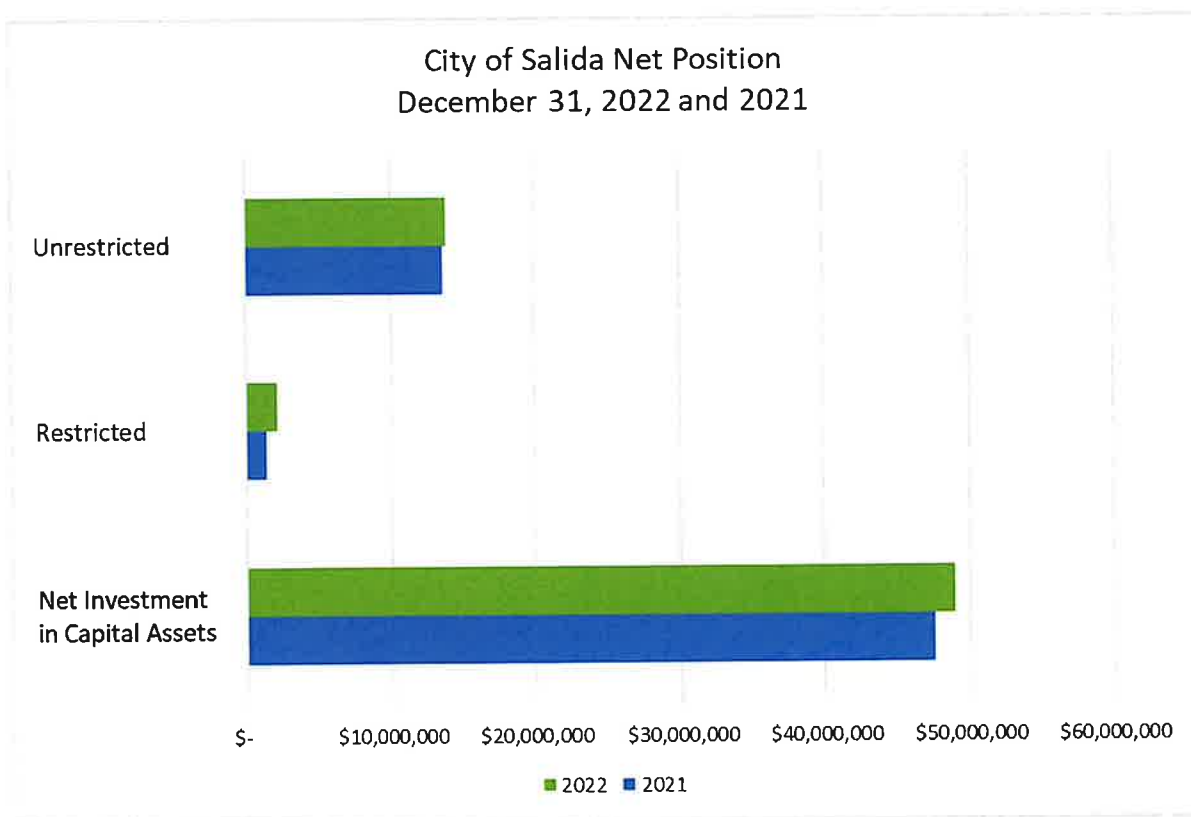
By far, the largest portion of the City of Salida's net position (75.3%) reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, vehicles, and infrastructure), less any related outstanding debt that was used to acquire those assets. The City of Salida uses these capital assets to provide a variety of services to its citizens. Accordingly, these assets are not available for future spending. Although the City of Salida's investment in capital assets is

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reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City of Salida's net position, \$2,131,786 (3.3%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$13,948,085 is unrestricted and may be used to meet the government's ongoing obligations to its citizens and creditors.

At the end of the current fiscal year, the City of Salida is able to report positive balances in all reported categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.



The City of Salida's overall net position increased by \$2,372,327 from the prior fiscal year. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

DRAFT**City of Salida's Changes in Net Position**

| | <u>Governmental Activities</u> | | <u>Business-type activities</u> | | <u>Total</u> | |
|--|--------------------------------|----------------------|---------------------------------|----------------------|----------------------|----------------------|
| | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> | <u>2022</u> | <u>2021</u> |
| Revenues: | | | | | | |
| Program revenues | | | | | | |
| Charges for service | \$ 1,598,420 | \$ 1,091,395 | \$ 3,819,883 | \$ 3,565,031 | \$ 5,418,303 | \$ 4,656,426 |
| Operating grants and contributions | 1,526,503 | 1,651,206 | - | - | 1,526,503 | 1,651,206 |
| Capital grants and contributions | 92,500 | 400,902 | 1,318,757 | 2,616,685 | 1,411,257 | 3,017,587 |
| General revenues: | | | | | | |
| Taxes | 13,834,305 | 13,221,295 | - | - | 13,834,305 | 13,221,295 |
| Unrestricted investment earnings (net market loss) | (209,573) | (17,573) | (215,361) | (20,906) | (424,934) | (38,479) |
| Other | 126,159 | 300,283 | - | 600 | 126,159 | 300,883 |
| Total revenues | 16,968,314 | 16,647,508 | 4,923,279 | 6,161,410 | 21,891,593 | 22,808,918 |
| Expenses: | | | | | | |
| General government | 2,045,463 | 2,270,818 | - | - | 2,045,463 | 2,270,818 |
| Public safety | 4,168,154 | 4,371,506 | - | - | 4,168,154 | 4,371,506 |
| Public works/streets | 3,755,062 | 2,591,055 | - | - | 3,755,062 | 2,591,055 |
| Culture, parks and recreation | 3,982,076 | 3,336,151 | - | - | 3,982,076 | 3,336,151 |
| Housing | 848,903 | 1,029,125 | - | - | 848,903 | 1,029,125 |
| Interest on long term debt | 28,340 | 34,966 | - | - | 28,340 | 34,966 |
| Water | - | - | 1,925,790 | 1,946,386 | 1,925,790 | 1,946,386 |
| Sewer | - | - | 2,765,478 | 2,947,512 | 2,765,478 | 2,947,512 |
| Total expenses | 14,827,998 | 13,633,621 | 4,691,268 | 4,893,898 | 19,519,266 | 18,527,519 |
| Increase (decrease) in net position before transfers | 2,140,316 | 3,013,887 | 232,011 | 1,267,512 | 2,372,327 | 4,281,399 |
| Transfers | - | - | - | - | - | - |
| Increase (decrease) in net position | 2,140,316 | 3,013,887 | 232,011 | 1,267,512 | 2,372,327 | 4,281,399 |
| Net position-beginning | 37,325,706 | 34,311,819 | 25,316,222 | 24,048,710 | 62,641,928 | 58,360,529 |
| Net position-ending | \$ 39,466,022 | \$ 37,325,706 | \$ 25,548,233 | \$ 25,316,222 | \$ 65,014,255 | \$ 62,641,928 |

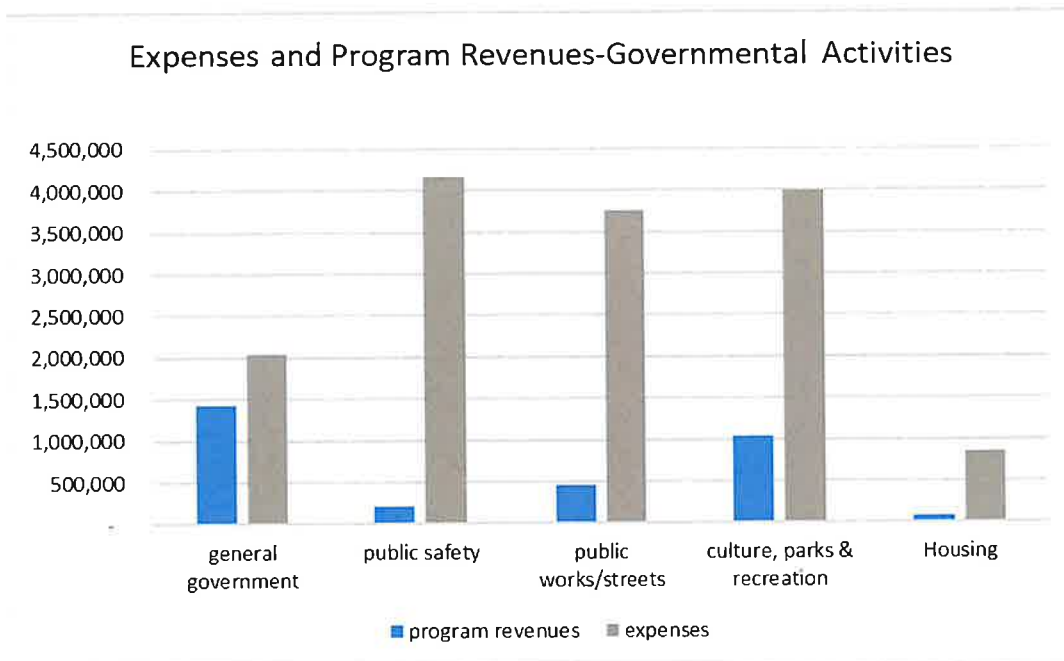
Governmental Activities. During the current fiscal year, net position for governmental activities increased \$2,140,316 from the prior fiscal year for an ending balance of \$39,466,022. This increase can be attributed to a continuation of strong revenue trends related to increased tourism and overall growth in the city, which are outpacing the spending trend.

Revenue growth in taxes and charges for service more than offset declines in grant and other revenues resulting in a net increase of \$320,806 from the prior year. Taxes (primarily sales and lodging) remain the largest source of revenue at \$13,834,305 for the year.

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Expenses grew during the current year, increasing from \$13,633,621 in the prior year to \$14,827,998 in the current year, an increase of \$1,194,377. In 2022, market pay adjustments were made in response to escalating labor costs locally and nationwide resulting in a 9% overall increase in wages. Spending on street maintenance and planning for future projects were also significantly higher in 2022.

As shown in the chart below, direct revenues generated by the City of Salida’s programs are not sufficient to cover the costs of these programs. The City of Salida relies on sales tax, lodging tax, and other general revenues to cover the costs associated with various programs.



Business-type Activities. For the City of Salida’s business-type activities, net position increased to an ending balance of \$25,548,233. The total increase in net position for business-type activities (water and wastewater) was \$232,011 from the prior fiscal year and can primarily be explained by lower infrastructure maintenance spending needs in 2022.

Financial Analysis of Governmental Funds

As noted earlier, the City of Salida uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

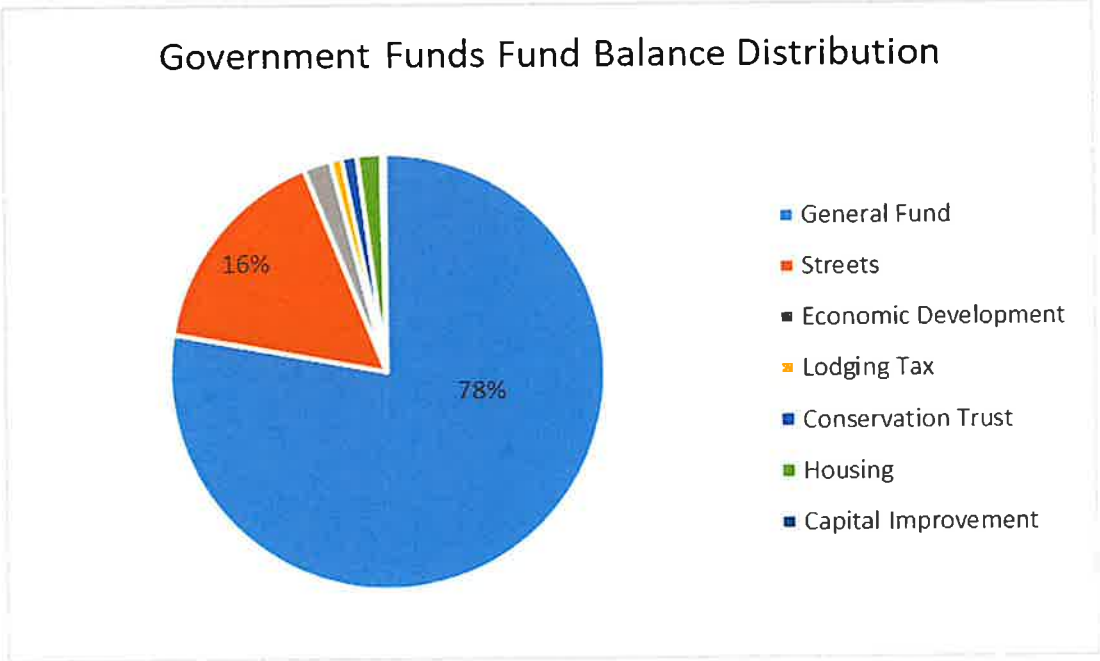
Governmental Funds. The focus of the City of Salida’s governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City of Salida’s financing requirements. In particular,

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unassigned fund balance may serve as a useful measure of a government’s net resources available for discretionary use as it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the City of Salida itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Salida City Council.

At December 31, 2022, the City of Salida’s governmental funds reported combined fund balances of \$8,592,214, a decrease of \$573,864 in comparison with the prior year. Of this amount, \$7,826,164, or 91.1% constitutes *unassigned and committed fund balance*, which is available for spending at the government’s discretion. The remainder of the fund balance is either *nonspendable or restricted* to indicate that it is 1) not in spendable form (\$167,939), 2) legally required to be maintained intact (\$486,000), or 3) restricted for particular purposes (\$112,111).

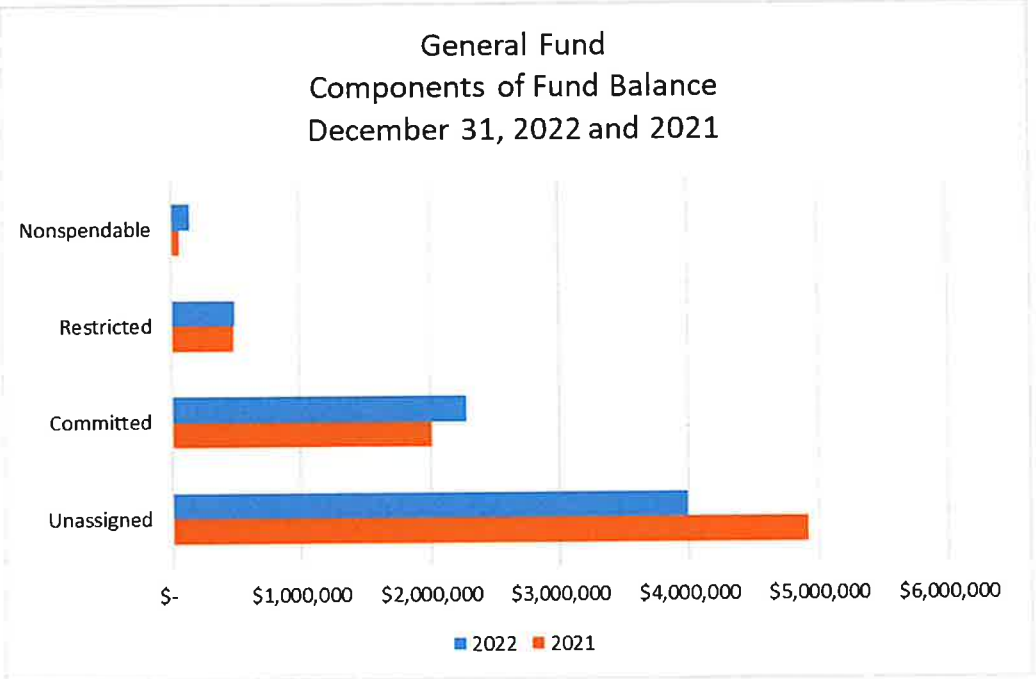
There are seven funds within the *governmental* funds presentation. The City considers all of its governmental funds to be *major* as various readers of financial reports have a diverse set of interests and prefer to see details of each fund. The distribution of the \$8,592,214 fund balance is as shown in the following pie chart.



Analysis of Individual Funds

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The general fund is the chief operating fund of the City of Salida. At the end of the current fiscal year, unassigned and committed fund balance of the general fund was \$6,264,941, while total fund balance increased to \$6,890,858. As a measure of the general fund’s liquidity, it may be useful to compare both unrestricted (combination of unassigned and committed) fund balance and total fund balance to total general fund expenditures. Unrestricted fund balance represents approximately 55.5% percent of total general fund expenditures, while total fund balance represents approximately 61.0% of that same amount.



The fund balance of the general fund decreased by \$575,624 during the current fiscal year. The decrease was the result of planned one-time capital spending for design and land purchases for a new fire station to begin construction in 2023, and to purchase condemned property that will be used for affordable housing.

The Street Fund had a \$152,264 increase in fund balance during the current fiscal year which put the overall fund balance to \$1,190,013. The primary revenue source for the Street Fund is an allocation of the local sales tax.

The Economic Development Fund is also primarily funded with an allocation of sales tax revenues and ended 2022 with a fund balance of \$201,846, an increase of \$26,758.

The Lodging Tax Fund accounts for the lodging tax revenues earned. These revenues are utilized to support the operations of the aquatic center and the SteamPlant event center and thus are transferred into the general fund where these activities are recorded. The fund balance at year-end is typically zero as a result of this transfer.

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The Conservation Trust Fund accounts for the City’s share of state restricted lottery fund dollars. The fund balance at year end (all restricted) is \$112,111, a decrease of \$200,933. These funds were utilized for a new splashpad water feature at Centennial Park.

Finally, the Housing Fund is primarily funded with inclusionary housing fees. In 2022, federal American Rescue Plan Act (ARPA) funds assisted with important affordable housing projects. As a result of this, the Housing Fund balance increased by \$59,214 bringing the ending fund balance to \$176,825.

Proprietary Funds. The City of Salida’s proprietary funds Statement of Net Position on page C7 provides the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Water Fund at the end of 2022 was \$5,675,626, while the unrestricted net position of the Wastewater Fund at the end of 2022 was \$1,783,201. The total growth (decline) in net position for the Water and Wastewater funds was \$508,427 and (\$276,416), respectively. Infrastructure maintenance projects performed in 2022 were fairly routine in nature and the change in net position was at an anticipated level with the Wastewater Fund running a slight deficit which was covered by reserves within the Wastewater Fund.

General Fund Budgetary Highlights

Original budget compared to final budget. During the year, the general fund budget was amended once in order to accommodate changes in the spending plan for items that came up during the year. The most significant change was related to timing for starting the design work for the new fire station. This design work was in the long-term plan but was moved up to begin in 2022.

Final budget compared to actual results. The most significant differences between budgeted revenues and actual revenues in the General Fund were as follows:

| Revenue source | Final Budget | Actual revenues | Difference |
|----------------------------|--------------|-----------------|--------------|
| Sales Tax - County shared | 3,199,644 | 3,429,551 | \$ 229,907 |
| Federal Grants | 764,354 | 918,874 | \$ 154,520 |
| Investment Earnings (Loss) | 95,000 | (216,458) | \$ (311,458) |

Sales tax revenue shared with the City by Chaffee County came in higher than anticipated as tourism remains heavy in the area, the County saw more growth in 2022 than the City.

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The Federal Grants line-item accounts for the City's portion of federal ARPA funds received in 2022 and also includes a rollover from the 2021 payment which was held in deferred revenue at 2021 year-end.

Investment earnings include an unanticipated unrealized market loss on investments which the City will not realize unless investments are sold prior to maturity, which is not anticipated.

Capital Assets and Debt Administration

Capital assets. The City of Salida's capital assets for its governmental and business-type activities as of December 31, 2022, amount to \$62,273,512 (net of accumulated depreciation/amortization). Capital assets include land, water rights, buildings, park land and improvements, water and wastewater lines, infrastructure, and software and other intangibles. The total increase in net capital assets for the current fiscal year was 4.9%.

City of Salida's Capital Assets (net of depreciation/amortization)

| | Governmental activities | | Business-type activities | | Total | |
|--------------------------------|-------------------------|----------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Land | \$ 6,329,625 | \$ 5,028,214 | \$ 89,435 | \$ 89,435 | \$ 6,419,060 | \$ 5,117,649 |
| Water rights | | | 1,391,521 | 1,391,521 | 1,391,521 | 1,391,521 |
| Construction in progress | 1,707,724 | 236,483 | 2,172,746 | 1,364,740 | 3,880,470 | 1,601,223 |
| Buildings | 6,630,811 | 7,117,376 | | | 6,630,811 | 7,117,376 |
| Park land and improvements | 4,040,704 | 3,661,963 | 330,030 | 369,823 | 4,370,734 | 4,031,786 |
| Lines | | | 10,148,059 | 8,865,454 | 10,148,059 | 8,865,454 |
| Structures | | | 8,555,025 | 9,013,401 | 8,555,025 | 9,013,401 |
| Equipment & Vehicles | 1,673,276 | 1,632,146 | 8,024,293 | 8,619,957 | 9,697,569 | 10,252,103 |
| Infrastructure | 11,177,474 | 11,948,626 | | | 11,177,474 | 11,948,626 |
| Software and other intangibles | 2,789 | 4,361 | | | 2,789 | 4,361 |
| | <u>\$ 31,562,403</u> | <u>\$ 29,629,169</u> | <u>\$ 30,711,109</u> | <u>\$ 29,714,331</u> | <u>\$ 62,273,512</u> | <u>\$ 59,343,500</u> |

Major capital asset events during the current fiscal year included the following:

- Street reconstruction work on 10th and 12 streets between D and J streets was completed for a cost of \$1,196,757.
- Significant progress was made on the Pasquale water spring improvement project for a cost of \$1,093,422. This project will be completed in 2023.
- A debilitated apartment building and related land was purchased by means of eminent domain. The building will be razed in 2023 and affordable housing development is planned for the property. The cost of the property was \$647,648.
- Land necessary for a future home for a new fire station was purchased for a cost of \$476,646. A neighboring lot was purchased late in 2021 for this purpose, as well.

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- A splashpad water feature was constructed at Centennial Park for a cost of \$334,101.

Long-term Debt. At the end of the current fiscal year, the City of Salida had total debt outstanding of \$14,390,622. Of this amount, \$2,792,704 are notes payable, \$10,759,050 are revenue bonds and \$838,868 are capital debt.

City of Salida's Outstanding Debt

| | Governmental activities | | Business-type activities | | Total | |
|---------------|-------------------------|-------------------|--------------------------|----------------------|----------------------|----------------------|
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Notes payable | \$ - | - | \$ 2,792,704 | \$ 647,628 | \$ 2,792,704 | \$ 647,628 |
| Revenue bonds | | - | 10,759,050 | 11,125,337 | 10,759,050 | 11,125,337 |
| Capital debt | 517,232 | 754,292 | 321,636 | 395,619 | 838,868 | 1,149,911 |
| | <u>\$ 517,232</u> | <u>\$ 754,292</u> | <u>\$ 13,873,390</u> | <u>\$ 12,168,584</u> | <u>\$ 14,390,622</u> | <u>\$ 12,922,876</u> |

The City of Salida's total debt increased by \$1,467,746 (11.4%) as the City had \$2,300,705 in 2022 draws on a note entered into in 2021 to pay for the cost of replacing an existing water transmission main and improvements at the Pasquale Springs site. This new debt was higher than principal payments made on existing debt.

Additional information on the City of Salida's long-term debt can be found beginning on page D16 in the Notes to the Financial Statements of this report.

Economic Factors and Next Year's Budget and Rates

The following economic factors currently affect the City of Salida and were considered in developing the 2023 fiscal year budget.

- The City has seen year-over-year sales tax revenue increases for at least the last ten years. Annual increases average 9.6% with the increase of 2022 over 2021 being 3.5%. The 2023 sales tax budget was set using a 2% increase which is considered to be conservative.
- A utility rate study was performed in 2020 which calls for an annual increase of 2.58% for water usage fees and 8.85% for wastewater usage fees, which is necessary for properly maintaining this important infrastructure. These increases were built into the 2023 budget.
- According to Zillow.com, average home values in Salida are \$655,612, up 8.4% from the previous year and 49% higher than the national average. Affordable housing has become a top priority for the City.
- The most recent U.S. Census Bureau population estimate for Salida is for 2021 and is 5,812, a 2.6% increase over 2020. There are not reliable statistics to show the growth in 2022 but there is every indication that there has been a significant increase in population during this time.
- The City plans to begin construction on a new fire station to replace the existing 124 year old building. This is a significant project for the City estimated to cost \$15 million

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and will take careful consideration to ensure sustainability into the future. Certificates of Participation are planned to be utilized as the financing mechanism for this project.

At the end of the current fiscal year, the unassigned fund balance in the general fund was \$3,988,551. The City of Salida has appropriated \$2,524,823 of this amount for spending in the 2023 fiscal year budget for the purpose of investing in some community projects that will ensure our infrastructure is healthy, continuing to provide citizens with an excellent quality of life, and to attract tourists, which are the driving forces that provide revenue for the City. In committed fund balance reserves for the general fund, the City has \$2,276,390 committed to hold as the city's operating reserves which represents 25% of previous year's general fund operating expenses.

Request for Information

This financial report is designed to provide a general overview of the City of Salida's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Aimee.Tihonovich@CityofSalida.com.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

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CITY OF SALIDA, COLORADO
Statement of Net Position
December 31, 2022

| | <u>Governmental Activities</u> | <u>Business-type Activities</u> | <u>Total</u> |
|--|------------------------------------|-------------------------------------|-------------------|
| Assets: | | | |
| Cash and investments | 7,417,133 | 6,214,107 | 13,631,240 |
| Restricted cash | - | 1,306,358 | 1,306,358 |
| Receivables (net of allowance) | 2,440,386 | 1,636,828 | 4,077,214 |
| Prepays | 167,939 | 67,934 | 235,873 |
| Net pension asset | 1,533,675 | - | 1,533,675 |
| Capital assets not being depreciated | 8,037,349 | 3,653,702 | 11,691,051 |
| Capital assets being depreciated, net of accumulated depreciation | 23,525,054 | 27,057,407 | 50,582,461 |
| Total Assets | <u>43,121,536</u> | <u>39,936,336</u> | <u>83,057,872</u> |
| Deferred Outflows of Resources: | | | |
| Deferred outflows related to pensions | 1,030,521 | - | 1,030,521 |
| Total Deferred Outflows of Resources | <u>1,030,521</u> | <u>-</u> | <u>1,030,521</u> |
| Liabilities: | | | |
| Accounts payable and other current liabilities | 843,327 | 264,608 | 1,107,935 |
| Retainage payable | 200,193 | 54,671 | 254,864 |
| Interest payable | - | 79,441 | 79,441 |
| Unearned revenue | 389,724 | 34,000 | 423,724 |
| Noncurrent liabilities: | | | |
| Due within one year | | | |
| Accrued compensated absences | 130,481 | 27,331 | 157,812 |
| Loans, leases and bonds payable | 202,363 | 693,744 | 896,107 |
| Due in more than one year | | | |
| Accrued compensated absences | 260,962 | 54,662 | 315,624 |
| Loans, leases and bonds payable | 314,869 | 13,179,646 | 13,494,515 |
| Net pension liability | 1,003,088 | - | 1,003,088 |
| Total Liabilities | <u>3,345,007</u> | <u>14,388,103</u> | <u>17,733,110</u> |
| Deferred Inflows of Resources: | | | |
| Deferred inflows related to pensions: | 1,341,028 | - | 1,341,028 |
| Total Deferred Inflows of Resources | <u>1,341,028</u> | <u>-</u> | <u>1,341,028</u> |
| Net Position: | | | |
| Net investment in capital assets | 30,844,978 | 18,089,406 | 48,934,384 |
| Restricted for: | | | |
| Emergencies | 486,000 | - | 486,000 |
| Parks and recreation | 112,111 | - | 112,111 |
| Pensions | 1,533,675 | - | 1,533,675 |
| Unrestricted | 6,489,258 | 7,458,827 | 13,948,085 |
| Total Net Position | <u>39,466,022</u> | <u>25,548,233</u> | <u>65,014,255</u> |

The accompanying notes are an integral part of these financial statements.

CITY OF SALIDA, COLORADO
Statement of Activities
For the Year Ended December 31, 2022

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Change in Net Assets | | |
|---|-------------------|----------------------|------------------------------------|----------------------------------|--|--------------------------|---------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total |
| Governmental activities: | | | | | | | |
| General government | 2,045,463 | 304,071 | 1,033,866 | 92,500 | (615,026) | - | (615,026) |
| Public safety | 4,168,154 | 200,968 | 12,436 | - | (3,954,750) | - | (3,954,750) |
| Public works/Streets | 3,755,062 | 19,929 | 444,201 | - | (3,290,932) | - | (3,290,932) |
| Culture, parks and recreation | 3,982,076 | 998,797 | 36,000 | - | (2,947,279) | - | (2,947,279) |
| Housing | 848,903 | 74,655 | - | - | (774,248) | - | (774,248) |
| Interest on long-term debt | 28,340 | - | - | - | (28,340) | - | (28,340) |
| Total governmental activities | 14,827,998 | 1,598,420 | 1,526,503 | 92,500 | (11,610,575) | - | (11,610,575) |
| Business-type activities: | | | | | | | |
| Water | 1,925,790 | 1,958,620 | - | 616,284 | - | 649,114 | 649,114 |
| Wastewater | 2,765,478 | 1,861,263 | - | 702,473 | - | (201,742) | (201,742) |
| Total business-type activities | 4,691,268 | 3,819,883 | - | 1,318,757 | - | 447,372 | 447,372 |
| Total Primary Government | 19,519,266 | 5,418,303 | 1,526,503 | 1,411,257 | (11,610,575) | 447,372 | (11,163,203) |
| General revenues: | | | | | | | |
| Taxes: | | | | | | | |
| Sales taxes | | | | | 9,513,748 | - | 9,513,748 |
| Sales taxes - County | | | | | 3,429,551 | - | 3,429,551 |
| Franchise taxes | | | | | 433,799 | - | 433,799 |
| Occupation taxes | | | | | 457,207 | - | 457,207 |
| Unrestricted investment earnings | | | | | (209,573) | (215,361) | (424,934) |
| Miscellaneous | | | | | 126,159 | - | 126,159 |
| Total general revenues, special items, and transfers | | | | | 13,750,891 | (215,361) | 13,535,530 |
| Change in Net Position | | | | | 2,140,316 | 232,011 | 2,372,327 |
| Net position - beginning | | | | | 37,325,706 | 25,316,222 | 62,641,928 |
| Net position - ending | | | | | 39,466,022 | 25,548,233 | 65,014,255 |

The accompanying notes are an integral part of these financial statements.

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FUND FINANCIAL STATEMENTS

CITY OF SALIDA, COLORADO
Balance Sheet
Governmental Funds
December 31, 2022

| | <u>General Fund</u> | <u>Street Fund</u> | <u>Economic Development Fund</u> | <u>Lodging Tax Fund</u> | <u>Conservation Trust Fund</u> | <u>Housing Fund</u> | <u>Capital Improvement Fund</u> | <u>Total Governmental Funds</u> |
|--|---------------------|--------------------|----------------------------------|-------------------------|--------------------------------|---------------------|---------------------------------|---------------------------------|
| Assets | | | | | | | | |
| Cash and cash equivalents | 5,137,214 | 1,562,289 | 174,333 | - | 111,194 | 177,540 | 254,563 | 7,417,133 |
| Receivables, net: | | | | | | | | |
| Taxes receivable | 2,194,248 | 19,794 | - | 82,711 | - | - | - | 2,296,753 |
| Accounts receivable | 29,182 | - | - | - | 917 | - | - | 30,099 |
| Intergovernmental | 72,034 | - | - | - | - | - | 41,500 | 113,534 |
| Due from other funds | 82,711 | - | - | - | - | - | - | 82,711 |
| Prepaid items | 139,917 | 509 | 27,513 | - | - | - | - | 167,939 |
| Total Assets | <u>7,655,306</u> | <u>1,582,592</u> | <u>201,846</u> | <u>82,711</u> | <u>112,111</u> | <u>177,540</u> | <u>296,063</u> | <u>10,108,169</u> |
| Liabilities: | | | | | | | | |
| Accounts payable | 219,529 | 232,235 | - | - | - | 715 | 222,603 | 675,082 |
| Retainage payable | - | 147,294 | - | - | - | - | 52,899 | 200,193 |
| Due to other funds | - | - | - | 82,711 | - | - | - | 82,711 |
| Accrued wages and benefits | 85,981 | 6,050 | - | - | - | - | - | 92,031 |
| Accrued liabilities | 23,592 | - | - | - | - | - | - | 23,592 |
| Customer deposits | 52,622 | - | - | - | - | - | - | 52,622 |
| Unearned revenue | 382,724 | 7,000 | - | - | - | - | - | 389,724 |
| Total Liabilities | <u>764,448</u> | <u>392,579</u> | <u>-</u> | <u>82,711</u> | <u>-</u> | <u>715</u> | <u>275,502</u> | <u>1,515,955</u> |
| Fund Balances | | | | | | | | |
| Nonspendable | 139,917 | 509 | 27,513 | - | - | - | - | 167,939 |
| Restricted for: | | | | | | | | |
| Parks and recreation | - | - | - | - | 112,111 | - | - | 112,111 |
| Emergencies | 486,000 | - | - | - | - | - | - | 486,000 |
| Committed to: | | | | | | | | |
| Operating reserve | 2,276,390 | 173,117 | 35,045 | - | - | - | - | 2,484,552 |
| Capital outlay | - | - | - | - | - | - | 20,561 | 20,561 |
| Public works | - | 1,016,387 | - | - | - | - | - | 1,016,387 |
| Community and economic development | - | - | 139,288 | - | - | - | - | 139,288 |
| Affordable housing | - | - | - | - | - | 176,825 | - | 176,825 |
| Unassigned | 3,988,551 | - | - | - | - | - | - | 3,988,551 |
| Total Fund Balances | <u>6,890,858</u> | <u>1,190,013</u> | <u>201,846</u> | <u>-</u> | <u>112,111</u> | <u>176,825</u> | <u>20,561</u> | <u>8,592,214</u> |
| Total liabilities and fund balances | <u>7,655,306</u> | <u>1,582,592</u> | <u>201,846</u> | <u>82,711</u> | <u>112,111</u> | <u>177,540</u> | <u>296,063</u> | <u>10,108,169</u> |

The accompanying notes are an integral part of these financial statements.

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CITY OF SALIDA, COLORADO
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
December 31, 2022

| | | |
|---|---------------------|--------------------------|
| Total fund balances - governmental funds | | 8,592,214 |
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds. | | |
| Governmental capital assets | 54,944,860 | |
| Accumulated depreciation | <u>(23,382,457)</u> | |
| | | 31,562,403 |
| Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds. | | |
| Notes payable | (517,232) | |
| Net pension liability | (1,003,088) | |
| Compensated absences | <u>(391,443)</u> | |
| | | (1,911,763) |
| Deferred outflows and inflows of resources related to pensions and net pension assets are applicable to future reporting periods and therefore are not reported in the funds. | | |
| Deferred outflows of resources | 1,030,521 | |
| Deferred inflows of resources | (1,341,028) | |
| Net pension asset | <u>1,533,675</u> | |
| | | 1,223,168 |
| Total net position - governmental activities | | <u><u>39,466,022</u></u> |

CITY OF SALIDA, COLORADO
Statement of Revenues, Expenditures, and Changes in
Fund Balances - Governmental Funds
For the Year Ended December 31, 2022

| REVENUES | General Fund | Street Fund | Economic Development Fund | Lodging Tax Fund | Conservation Trust Fund | Housing Fund | Capital Improvement Fund | Total Governmental Funds |
|---|--------------------|------------------|---------------------------|------------------|-------------------------|------------------|--------------------------|--------------------------|
| Taxes | 9,381,324 | 3,044,400 | 190,275 | 457,207 | - | - | 761,100 | 13,834,306 |
| Intergovernmental | 1,308,593 | 294,614 | - | - | 72,682 | - | 41,500 | 1,717,389 |
| Charges for services | 1,189,741 | - | - | - | - | 74,655 | - | 1,264,396 |
| Fines and forfeitures | 37,619 | - | - | - | - | - | - | 37,619 |
| Interest revenue | (216,458) | - | - | - | 6,885 | - | - | (209,573) |
| Insurance proceeds | 21,159 | - | - | - | - | - | - | 21,159 |
| Other revenues | 226,697 | - | - | - | - | - | 51,000 | 277,697 |
| Total Revenues | 11,948,675 | 3,339,014 | 190,275 | 457,207 | 79,567 | 74,655 | 853,600 | 16,942,993 |
| EXPENDITURES | | | | | | | | |
| Current: | | | | | | | | |
| General government | 2,191,628 | - | 130,392 | - | - | - | - | 2,322,020 |
| Public safety | 4,393,346 | - | - | - | - | - | - | 4,393,346 |
| Public works/streets | 774,351 | 1,304,686 | - | - | - | - | - | 2,079,037 |
| Culture, parks and recreation | 3,271,297 | - | - | - | 500 | - | - | 3,271,797 |
| Housing | - | - | - | - | - | 967,440 | - | 967,440 |
| Capital outlay | 425,932 | 1,882,064 | - | - | - | - | 1,935,143 | 4,243,139 |
| Debt service: | | | | | | | | |
| Principal | 211,738 | - | - | - | - | - | - | 211,738 |
| Interest and fiscal charges | 28,340 | - | - | - | - | - | - | 28,340 |
| Total Expenditures | 11,296,632 | 3,186,750 | 130,392 | - | 500 | 967,440 | 1,935,143 | 17,516,857 |
| Excess of Revenues Over (Under) Expenditures | 652,043 | 152,264 | 59,883 | 457,207 | 79,067 | (892,785) | (1,081,543) | (573,864) |
| Other Financing Sources (Uses): | | | | | | | | |
| Transfers in | 457,207 | - | - | - | - | 951,999 | 1,046,000 | 2,455,206 |
| Transfers out | (1,684,874) | - | (33,125) | (457,207) | (280,000) | - | - | (2,455,206) |
| Total Other Financing Sources (Uses) | (1,227,667) | - | (33,125) | (457,207) | (280,000) | 951,999 | 1,046,000 | - |
| Net change in fund balances | (575,624) | 152,264 | 26,758 | - | (200,933) | 59,214 | (35,543) | (573,864) |
| Fund balances, beginning of year | 7,466,482 | 1,037,749 | 175,088 | - | 313,044 | 117,611 | 56,104 | 9,166,078 |
| Fund balances, end of year | 6,890,858 | 1,190,013 | 201,846 | - | 112,111 | 176,825 | 20,561 | 8,592,214 |

The accompanying notes are an integral part of these financial statements.

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CITY OF SALIDA, COLORADO
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
For the Year Ended December 31, 2022

Amounts reported for governmental activities in the statement of activities are different because:

| | | |
|--|--------------------|-------------------------|
| Net change in fund balances - total governmental funds | | (573,864) |
| <p>Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the difference between depreciation expense and capital outlays in the current period.</p> | | |
| Capital outlay | 4,152,626 | |
| Depreciation expense | <u>(2,064,542)</u> | 2,088,084 |
| <p>Governmental funds report the loss from the sale of capital assets as an expense. However, in the Statement of Activities, the loss on the sale of capital assets is reported net of its net book value.</p> | | |
| | | (154,847) |
| <p>Repayment of long term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.</p> | | |
| | | 237,061 |
| <p>Pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the net pension liability is measured a year before the City's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.</p> | | |
| Pension (expense) revenue - Old Hires | 299,429 | |
| Pension (expense) revenue - SWDB | <u>276,176</u> | 575,605 |
| <p>Compensated absences expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.</p> | | |
| | | (31,723) |
| Change in net position of governmental activities | | <u><u>2,140,316</u></u> |

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CITY OF SALIDA, COLORADO
Statement of Net Position
Proprietary Funds
December 31, 2022

| | <u>Water</u> | <u>Wastewater</u> | <u>Combined Total</u> |
|--|-------------------|-------------------|---------------------------|
| Assets | | | |
| Current assets: | | | |
| Cash | 4,591,684 | 1,622,423 | 6,214,107 |
| Restricted cash | - | 1,306,358 | 1,306,358 |
| Receivables (net of allowance) | 1,183,022 | 317,312 | 1,500,334 |
| Due from other governments | 136,494 | - | 136,494 |
| Prepays | 43,037 | 24,897 | 67,934 |
| Total current assets | <u>5,954,237</u> | <u>3,270,990</u> | <u>9,225,227</u> |
| Capital assets: | | | |
| Land | 49,772 | 39,663 | 89,435 |
| Water rights | 1,391,521 | - | 1,391,521 |
| Construction in progress | 1,461,813 | 710,933 | 2,172,746 |
| Plant and equipment | 19,883,969 | 27,965,219 | 47,849,188 |
| Accumulated depreciation | (8,817,508) | (11,974,273) | (20,791,781) |
| Total capital assets | <u>13,969,567</u> | <u>16,741,542</u> | <u>30,711,109</u> |
| Total Assets | <u>19,923,804</u> | <u>20,012,532</u> | <u>39,936,336</u> |
| Liabilities | | | |
| Current liabilities: | | | |
| Accounts payable | 208,098 | 37,711 | 245,809 |
| Accrued wages and benefits | 9,406 | 9,393 | 18,799 |
| Retainage payable | 54,671 | - | 54,671 |
| Interest payable | 12,127 | 67,314 | 79,441 |
| Unearned revenue | - | 34,000 | 34,000 |
| Accrued compensated absences - current | 16,327 | 11,004 | 27,331 |
| Loans, notes and bonds payable - current | 385,332 | 308,412 | 693,744 |
| Total current liabilities | <u>685,961</u> | <u>467,834</u> | <u>1,153,795</u> |
| Noncurrent liabilities: | | | |
| Accrued compensated absences | 32,653 | 22,009 | 54,662 |
| Loans, leases and bonds payable | 3,167,372 | 10,012,274 | 13,179,646 |
| Total noncurrent liabilities | <u>3,200,025</u> | <u>10,034,283</u> | <u>13,234,308</u> |
| Total liabilities | <u>3,885,986</u> | <u>10,502,117</u> | <u>14,388,103</u> |
| Net Position | | | |
| Net investment in capital assets | 10,362,192 | 7,727,214 | 18,089,406 |
| Unrestricted | 5,675,626 | 1,783,201 | 7,458,827 |
| Total net position | <u>16,037,818</u> | <u>9,510,415</u> | <u>25,548,233</u> |

The accompanying notes are an integral part of these financial statements.

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CITY OF SALIDA, COLORADO
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Year Ended December 31, 2022

| | <u>Water</u> | <u>Wastewater</u> | <u>Combined Total</u> |
|--|-------------------|-------------------|---------------------------|
| Operating Revenues | | | |
| Charges for services | 1,958,485 | 1,732,388 | 3,690,873 |
| Other revenues | 135 | 128,875 | 129,010 |
| Total operating revenues | <u>1,958,620</u> | <u>1,861,263</u> | <u>3,819,883</u> |
| Operating Expenses | | | |
| Administrative | 183,466 | 160,236 | 343,702 |
| Operations | 712,967 | 957,315 | 1,670,282 |
| Public Works | 427,063 | 436,465 | 863,528 |
| Depreciation | 511,846 | 943,338 | 1,455,184 |
| Total operating expenses | <u>1,835,342</u> | <u>2,497,354</u> | <u>4,332,696</u> |
| Operating Income (loss) | <u>123,278</u> | <u>(636,091)</u> | <u>(512,813)</u> |
| Non-Operating Revenues (Expenses) | | | |
| Investment earnings (loss) | (140,687) | (74,674) | (215,361) |
| Interest expense and fiscal charges | (69,405) | (268,124) | (337,529) |
| Total non-operating revenue (expenses) | <u>(210,092)</u> | <u>(342,798)</u> | <u>(552,890)</u> |
| Income (loss) before contributions and transfers | (86,814) | (978,889) | (1,065,703) |
| Capital Contributions, Grants and Transfers: | | | |
| Development fees and other capital revenue | 464,943 | 702,473 | 1,167,416 |
| Capital grants | 151,341 | - | 151,341 |
| Gain (Loss) on sale of assets | (21,043) | - | (21,043) |
| Total capital contributions, grants and transfers | <u>595,241</u> | <u>702,473</u> | <u>1,297,714</u> |
| Change in net position | 508,427 | (276,416) | 232,011 |
| Net Position, beginning of year | <u>15,529,391</u> | <u>9,786,831</u> | <u>25,316,222</u> |
| Net position, end of year | <u>16,037,818</u> | <u>9,510,415</u> | <u>25,548,233</u> |

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CITY OF SALIDA, COLORADO
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2022

| | <u>Water</u> | <u>Wastewater</u> | <u>Combined Total</u> |
|---|------------------|-------------------|---------------------------|
| Cash Flows From Operating Activities: | | | |
| Cash received from customers, service fees | 1,312,215 | 1,952,598 | 3,264,813 |
| Cash paid to suppliers | (624,583) | (794,555) | (1,419,138) |
| Cash paid to employees | (737,860) | (826,144) | (1,564,004) |
| Net Cash Provided by Operating Activities | <u>(50,228)</u> | <u>331,899</u> | <u>281,671</u> |
| Cash Flows From Capital and Related Financing Activities: | | | |
| Purchase of capital assets | (1,757,709) | (715,296) | (2,473,005) |
| Principal paid on long-term debt | (295,629) | (300,270) | (595,899) |
| Interest paid | (59,501) | (267,488) | (326,989) |
| Debt proceeds | 2,300,705 | - | 2,300,705 |
| Development fees and other capital revenue | 464,943 | 702,473 | 1,167,416 |
| Capital grants | 254,160 | - | 254,160 |
| Net cash flows from capital and related financing activities | <u>906,969</u> | <u>(580,581)</u> | <u>326,388</u> |
| Cash Flows From Investing Activities | | | |
| Investment earnings (loss) | (140,687) | (74,674) | (215,361) |
| Net cash flows from investing activities | <u>(140,687)</u> | <u>(74,674)</u> | <u>(215,361)</u> |
| Net change in cash and cash equivalents | 716,054 | (323,356) | 392,698 |
| Cash and cash equivalents, beginning of year | <u>3,875,630</u> | <u>3,252,137</u> | <u>7,127,767</u> |
| Cash and Cash Equivalents, end of year | <u>4,591,684</u> | <u>2,928,781</u> | <u>7,520,465</u> |
| Reconciliation of Operating Income to net cash provided by operating activities: | | | |
| Net operating income/(loss) | <u>123,278</u> | <u>(636,091)</u> | <u>(512,813)</u> |
| Adjustments to reconcile net income/(loss) to net cash provided by operating activities: | | | |
| Depreciation/amortization | 511,846 | 943,338 | 1,455,184 |
| Changes in operating assets and liabilities | | | |
| (Increase)/decrease in accounts receivable | (646,405) | 93,335 | (553,070) |
| (Increase)/decrease in prepaids | (11,914) | (20,696) | (32,610) |
| Increase/(decrease) in payables | (91,459) | (40,390) | (131,849) |
| Increase/(decrease) in accrued liabilities | 64,426 | (5,597) | 58,829 |
| Increase/(decrease) in unearned revenue | - | (2,000) | (2,000) |
| Total adjustments | <u>(173,506)</u> | <u>967,990</u> | <u>794,484</u> |
| Net cash flows from operating activities | <u>(50,228)</u> | <u>331,899</u> | <u>281,671</u> |

The accompanying notes are an integral part of these financial statements.

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NOTES TO THE FINANCIAL STATEMENTS

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022

I. Summary of Significant Accounting Policies

The City of Salida, Colorado (the "City"), was incorporated under the laws of the State of Colorado. An elected Mayor and City Council are responsible for setting policy, appointing administrative personnel and adopting an annual budget in accordance with state statutes. The City's major operations include police and fire protection, road maintenance, utilities, arts and culture, and recreation.

The City's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The more significant accounting policies established by GAAP used by the City are discussed below.

A. Reporting Entity

The reporting entity consists of (a) the primary government; i.e., the City, and (b) organizations for which the City is financially accountable. The City is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the City. Consideration is also given to other organizations, which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the City. Organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

Based on the criteria above, the City is not financially accountable to any other entity and the City is not a component unit of any other government.

B. Government-wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's police and fire protection, road maintenance, arts and culture, recreation, and administration are classified as governmental activities. The City's utilities are classified as business activities.

1. Government-wide Financial Statements

In the government-wide Statement of Net Position, both the governmental and business-type activities columns are (a) presented on a consolidated basis by column, and (b) reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The City's net position is reported in three parts - invested in capital assets, net of related debt; restricted net position; and unrestricted net position.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

I. Summary of Significant Accounting Policies (continued)

B. Government-wide and Fund Financial Statements (continued)

1. Government-wide Financial Statements (continued)

The government-wide Statement of Activities reports both the gross and net cost of each of the City's functions and business-type activities (public safety, highways and streets, utilities, etc.). The functions are also supported by general government revenues (Sales and franchise taxes, intergovernmental revenue, fines and permits, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (police, roads, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (sales and franchise taxes, interest income, charges for services, etc.).

The government-wide focus is on the sustainability of the City as an entity and the change in the City's net position resulting from the current year's activities.

2. Fund Financial Statements

The financial transactions of the City are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The fund focus is on current available resources and budget compliance.

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The City reports the following special revenue funds:

The *Streets Fund* accounts for sales taxes to be used solely for the construction, operating, maintenance and repair of city streets and street-related infrastructure.

The *Economic Development Fund* accounts for sales taxes to be used for economic development purposes.

The *Lodging Tax Fund* accounts for revenues derived from lodging taxes to be used primarily for capital improvements and operations expenses for parks and recreation and arts facilities.

The *Conservation Trust Fund* accounts for lottery proceeds required to be expended solely on park and recreation improvements.

The *Housing Fund* accounts for inclusionary housing fee in lieu revenues required to be expended on affordable housing projects.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

I. Summary of Significant Accounting Policies (continued)**B. Government-wide and Fund Financial Statements (continued)****2. Fund Financial Statements (Continued)**

The *Capital Improvement Fund* is a capital project fund that accounts for sales taxes to be used to provide capital improvements, other than streets.

The City reports the following proprietary or business-type funds:

The *Water Fund* accounts for the delivery of water to the citizens of the City.

The *Wastewater Fund* accounts for sewer service to the citizens of the City and the Town of Poncha Springs.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source and expenses by function.

1. Long-term Economic Focus and Accrual Basis

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period (within 60 days after December 31). A few exceptions to this general rule involve the treatment of expenditure-driven grants, accrued interest and reimbursement of expenditures. Expenditure driven grants are recognized as revenue when qualified expenditures have been incurred and all other grant requirements have been met. Accrued interest at year-end is recorded as a receivable even if not paid within the 60 day timeframe. Finally, a reimbursement of expense is recorded in the period the original expenditures were incurred if the reimbursement amount is measurable within 60 days after December 31. Sales taxes, intergovernmental revenues, other taxes, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt, if any, is recognized when due.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

I. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

3. Financial Statement Presentation

Amounts reported as program revenues include 1) charges to customers for goods and services provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds are charges to customers for sales and services. Operating expenses for the enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

D. Financial Statement Accounts

1. Cash, Cash Equivalents and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within 3 months of the date acquired by the City.

Investments are stated at fair value, net asset value, or amortized cost. The change in fair value, net asset value, or amortized cost of investments is recognized as an increase or decrease to investment assets and investment income.

Colorado state statutes permit investments in the following type of obligations:

- U.S. Treasury Obligations (maximum maturity of 60 months)
- Federal Instrumentality Securities (maximum maturity of 60 months)
- FDIC-insured Certificates of Deposit (maximum maturity of 18 months)
- Corporate Bonds (maximum maturity of 36 months)
- Prime Commercial Paper (maximum maturity of 9 months)
- Eligible Bankers Acceptances
- Repurchase Agreements
- General Obligations and Revenue Obligations
- Local Government Investment Pools
- Money Market Mutual Funds

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

I. Summary of Significant Accounting Policies (continued)**D. Financial Statement Accounts (continued)****2. Receivables**

Receivables are reported net of an allowance for uncollectible accounts.

3. Interfund Receivables and Payables

Balances at year-end between funds are reported as "due to / from other funds" in the fund financial statements. Any residual balances not eliminated between the governmental and business-type activities are reported as "internal balances" in the government-wide financial statements.

4. Prepaid Expenses

Prepaid expenses are amounts paid in the current year for expenses related to subsequent years. The expense is recorded in the year in which services are consumed.

5. Inventory

Inventory consists of supplies for the City's use and is carried at cost using the first-in, first-out method. The cost of inventory items is recorded as an expenditure/expense in the funds when consumed.

6. Capital Assets

Capital assets, which include land, buildings, equipment, vehicles, and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of two years. Such assets are recorded at historical cost. Donated capital assets are recorded at acquisition value at the date of donation.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is expensed. Infrastructure, buildings, and equipment are depreciated using the straight line method over the following estimated useful lives:

| <u>Asset</u> | <u>Years</u> |
|----------------------------|--------------|
| Infrastructure | 40 |
| Buildings and improvements | 20 - 40 |
| Distribution systems | 10 - 50 |
| Equipment and vehicles | 5 - 10 |

7. Compensated Absences

Earned but unused paid time off benefits are accrued when incurred in the government-wide and proprietary fund financial statements. A liability for the amounts is reported in governmental funds only if they are required to be paid out within 60 days of year-end.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

8. Pensions

The City participates in the Statewide Defined Benefit Plan, administered by the Fire and Police Pension Association of Colorado ("FPPA"). The Statewide Defined Benefit Plan is a cost-sharing multiple-employer defined benefit pension plan. The City also sponsors the fire and police "old hire" agent multi-employer defined plans affiliated with FPPA for the purpose of administering the plan and managing the funds of the plan investments. The net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

9. Deferred Outflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has one item that qualifies for reporting in this category, which is the pension-related deferred outflows reported in the government-wide Statement of Net Position.

10. Deferred Inflows of Resources

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies for this type of reporting: pension-related deferred inflows.

11. Fund Balance

The City classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Restricted - includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

I. Summary of Significant Accounting Policies (continued)

D. Financial Statement Accounts (continued)

11. Fund Balance (continued)

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision-making authority which is the City Council. The City Council must take formal action through either an ordinance or resolution – both of which are equally binding – to establish, modify, or rescind committed fund balance amounts.

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund balance may be assigned by the City Council or its management designee.

Unassigned - includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The City requires restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City first uses committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has adopted a minimum fund balance policy, which includes the following requirements:

1. A General Fund reserve of 25% of the previous year's operating expenditures. Amount may be modified by Council upon analysis of trends and forecast along with any likely or known factors that would reduce the City's revenue.
2. A Street Fund reserve of 25% of the previous year's operating expenditures. Amount may be modified by Council upon analysis of trends and forecast along with any likely or known factors that would reduce the City's revenue. It is possible that this fund balance could grow as funds are saved up for large maintenance projects.
3. An Economic Development reserve of 25% of previous year's operating expenditures.
4. A Water and Wastewater reserve of 25% of the previous year's operating expenditures should be maintained for operations. For capital, reserves should accumulate for future debt service payments and in anticipation of future capital needs.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

I. Summary of Significant Accounting Policies (continued)

E. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

II. Reconciliation of Government-wide and Fund Financial Statements

A. Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Position

The governmental fund Balance Sheet includes reconciliation between *fund balance – total governmental funds* and *net position of governmental activities* as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that "Capital assets used in governmental activities are not financial resources and therefore, are not reported in the funds". The \$31,562,403 difference is related to capital assets of \$54,944,860 less accumulated depreciation of \$23,382,457.

B. Explanation of certain differences between the governmental fund Statement of Revenue, Expenditures and Changes in Fund Balances and the government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes reconciliation between *net change in fund balances of governmental funds* and *changes in net position of governmental activities* as reported in the government-wide Statement of Activities.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

III. Stewardship, Compliance, and Accountability

A. Budgetary Information

Budgets are adopted on a basis consistent with generally accepted accounting principles, except for the proprietary funds. Annual appropriations are adopted for all funds. Expenditures may not legally exceed appropriations at the fund level. All appropriations lapse at year end.

As required by Colorado Statutes, the City followed the required timetable noted below in preparing, approving, and enacting its budget for 2022.

1. The Mayor, or other qualified person appointed by the Council, submitted to the Council, on or before October 15, 2021, a recommended budget which detailed available revenues to meet the City's operating requirements.
2. Prior to December 15, 2021, a public hearing was held for the budget, and the Council adopted the proposed budget and an appropriating ordinance that legally appropriated expenditures for the upcoming year.
3. After adoption of the budget resolution, the City may make the following changes: a) it may transfer appropriated money between funds; b) approve supplemental appropriations to the extent of revenues in excess of estimated revenues in the budget; c) approve emergency appropriations; and d) reduce appropriations for which originally estimated revenues are insufficient.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the City because it is at present considered not necessary to assure effective budgetary control or to facilitate effective cash planning and control.

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20; commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contains revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for the creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

III. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment (continued)

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. The reserve is calculated at 3% of fiscal year spending. Fiscal year spending excludes bonded debt service and enterprise spending. The City has reserved \$486,000, which is the approximate required reserve at December 31, 2022.

The City's voters approved a ballot question which will allow the City to collect, retain, and expend the full proceeds of the County's and City's sales and taxes, grants, revenue from the State of Colorado, admission charges from the Salida Hot Springs Swimming Pool, and fines and court costs imposed by the Salida Municipal Court, without increasing or adding taxes of any kind, and notwithstanding any State restrictions on fiscal year spending, including without limitation the restrictions of Article X, Section 20 of the Colorado Constitution, from the date of January 1, 1993, and thereafter.

On November 4, 2008, the City's voters approved the following ballot questions:

"Shall the City of Salida sales tax be increased by not more than \$1,500,000 in the first full fiscal year, and by such additional amounts as are generated annually thereafter, by an increase in City sales tax by one percent (1.0%) from two percent (2.0%) to three percent (3.0%) total, which increase shall take effect on January 1, 2009, and which revenues therefore, together with investment earnings thereon, shall be used solely for construction, operation, maintenance, and repair of roads and other public infrastructure of the City, and shall such revenues be collected by the City as a voter approved revenue change and tax policy change, notwithstanding any applicable revenue or expenditure limitation imposed by Article X, Section 20 of the Colorado Constitution. C.R.S. Section 29-1-301, or any other law, and shall the City of Salida's property tax be repealed?"

"Shall the City of Salida's taxes be increased by an estimated \$800,000 annually (First fiscal year increase) or such other amount that may be collected thereafter by the imposition of an occupational lodging tax on the leasing or renting of rooms or other accommodations in commercial lodging within the City for less than 30 days at a rate of \$4.82 per night per occupied room, commencing January 1, 2009, the proceeds of such tax, together with investment earnings thereon, shall be used primarily for capital improvements and operations expenses for parks and recreation and arts facilities in the City, including, without limitation, the aquatic center and SteamPlant theater, and shall such revenues be collected by the City of Salida as a voter approved revenue change and tax policy change, notwithstanding any revenue or expenditure limitation set forth in Article X, Section 20 of the Colorado Constitution, C.R.S. Section 29-1-301, or any other law?"

On November 7, 2017, the City's voters approved the following ballot question:

"Without raising tax rates or levying any new tax, shall the City of Salida be authorized to collect, keep and spend the revenues it receives from all sources commencing on January 1, 2017 as a voter approved revenue change pursuant to the Article X, Section 20 of the Colorado Constitution."

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

III. Stewardship, Compliance, and Accountability (continued)**B. TABOR Amendment (continued)**

The City's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

IV. Detailed Notes on All Funds**A. Deposits and Investments**

The City's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the City's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA.

Fair Value of Investments

The City measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- *Level 1:* Quoted prices for identical investments in active markets;
- *Level 2:* Observable inputs other than quoted market prices; and,
- *Level 3:* Unobservable inputs.

At December 31, 2022, the City had the following recurring fair value measurements.

| <u>Investments Measured at Fair Value</u> | <u>Total</u> | <u>Fair Value Measurements Using</u> | | |
|---|--------------|--------------------------------------|----------------|----------------|
| | | <u>Level 1</u> | <u>Level 2</u> | <u>Level 3</u> |
| Certificates of deposit | 1,384,253 | - | 1,384,253 | - |
| U.S. government agency securities | 5,143,838 | - | 5,143,838 | - |
| U.S. treasuries | 2,347,386 | - | 2,347,386 | - |
| Corporate bonds | 455,725 | - | 455,725 | - |
| Money market | 3,287,178 | 3,287,178 | - | - |
| Total | 12,618,380 | 3,287,178 | 9,331,202 | - |
| Investments Measured at Amortized Cost | | | | |
| CSIP | | 328,297 | | |

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches:

- U.S. Agencies: quoted prices for identical securities in markets that are not active;
- Negotiable Certificates of Deposit: matrix pricing based on the securities' relationship to benchmark quoted prices;
- Money Market Funds: published fair value per share (unit) for each fund.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**A. Deposits and Investments (continued)**

The Investment Pool represents investments in CSIP. The fair value of the pool is determined by the pool's share price. They operate similarly to a money market fund and each share is equal in value to \$1. The City has no regulatory oversight for the pool. At December 31, 2022, the City's investments in CSIP were 3% of the City's investment portfolio.

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the City diversifies its investments by security type and institution, and limits holdings in any one type of investment with any one issuer and type of issuer. The City coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than five years (less in some cases) from the purchase date. As a result of the limited length of maturities the City has limited its interest rate risk.

Credit Risk. City investment policy limits investments to those authorized by State statutes as listed in Note 1D. The City's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk. The City diversifies its investments by security type and institution. Financial institutions holding City funds must provide the City a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository.

At December 31, 2022, the City had the following cash and investments with the following maturities:

| | Standard & Poors Rating | Carrying Amounts | Less than one year | Less than five years |
|----------------------|--|-----------------------------|-------------------------------|---------------------------------|
| <i>Deposits:</i> | | | | |
| Cash on hand | <i>Not Rated</i> | 4,900 | 4,900 | - |
| Checking and savings | <i>Not Rated</i> | 1,980,293 | 1,980,293 | - |
| CD | <i>Not Rated</i> | 1,384,253 | 476,817 | 907,436 |
| <i>Investments:</i> | | | | |
| Pools | <i>AAAm</i> | 334,025 | 334,025 | - |
| U.S. agencies | <i>AA+</i> | 5,143,838 | 1,542,795 | 3,601,043 |
| U.S. treasuries | <i>AA+</i> | 2,347,386 | 239,483 | 2,107,903 |
| Corporate bonds | <i>AA-</i> | 455,725 | - | 455,725 |
| Money Market | <i>AAAm</i> | 3,287,178 | 3,287,178 | - |
| Total | | <u>14,937,598</u> | | |

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**A. Deposits and Investments (continued)**

The City's cash and investments are presented on the Statement of Net Position as follows:

| | Governmental Activities | Business- type Activities | Total |
|----------------------|------------------------------------|--|-------------------|
| Cash and investments | 7,417,133 | 6,214,107 | 13,631,240 |
| Restricted cash | - | 1,306,358 | 1,306,358 |
| Total | <u>7,417,133</u> | <u>7,520,465</u> | <u>14,937,598</u> |

B. Receivables

Receivables as of December 31, 2022, for the City's funds, including applicable allowances for uncollectible accounts, are as follows:

| | <u>General</u> | <u>Street</u> | <u>Lodging Tax</u> | <u>Conservation Trust</u> |
|-----------------------------------|--------------------------------|------------------|--------------------|-------------------------------|
| Receivables: | | | | |
| Taxes | 2,194,248 | 19,794 | 82,711 | - |
| Accounts | 29,182 | - | - | 917 |
| Intergovernmental | 72,034 | - | - | - |
| Gross receivables | <u>2,295,464</u> | <u>19,794</u> | <u>82,711</u> | <u>917</u> |
| Less: allowance for uncollectible | - | - | - | - |
| Net receivables | <u>2,295,464</u> | <u>19,794</u> | <u>82,711</u> | <u>917</u> |
| | <u>Capital Improvement</u> | <u>Water</u> | <u>Sewer</u> | <u>Total</u> |
| Receivables: | | | | |
| Taxes | - | - | - | 2,296,753 |
| Accounts | - | 1,183,022 | 317,312 | 1,530,433 |
| Intergovernmental | 41,500 | 136,494 | - | 250,028 |
| Gross receivables | <u>41,500</u> | <u>1,319,516</u> | <u>317,312</u> | <u>4,077,214</u> |
| Less: allowance for uncollectible | - | - | - | - |
| Net receivables | <u>41,500</u> | <u>1,319,516</u> | <u>317,312</u> | <u>4,077,214</u> |

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**C. Capital Assets**

Capital asset activity for the year ended December 31, 2022 was as follows:

| | Beginning Balance | Increases | Decreases | Ending Balance |
|--|----------------------|--------------------|------------------|---------------------|
| Governmental Activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | 5,028,214 | 1,301,411 | - | 6,329,625 |
| Construction in progress | 236,483 | 1,729,194 | (257,953) | 1,707,724 |
| Total capital assets, not being depreciated | <u>5,264,697</u> | <u>3,030,605</u> | <u>(257,953)</u> | <u>8,037,349</u> |
| Capital assets, being depreciated: | | | | |
| Buildings | 15,109,061 | - | (186,178) | 14,922,883 |
| Park land and improvements | 6,400,755 | 702,705 | - | 7,103,460 |
| Vehicles | 3,001,032 | 126,744 | - | 3,127,776 |
| Equipment | 2,255,010 | 292,572 | (5,534) | 2,542,048 |
| Infrastructure | 18,987,876 | 172,875 | - | 19,160,751 |
| Software and other intangibles | 50,593 | - | - | 50,593 |
| Total capital assets being depreciated | <u>45,804,327</u> | <u>1,294,896</u> | <u>(191,712)</u> | <u>46,907,511</u> |
| Less accumulated depreciation for: | | | | |
| Buildings | (7,991,685) | (416,793) | 116,406 | (8,292,072) |
| Park land and improvements | (2,738,792) | (323,964) | - | (3,062,756) |
| Vehicles | (2,232,830) | (153,236) | - | (2,386,066) |
| Equipment | (1,391,066) | (224,950) | 5,534 | (1,610,482) |
| Infrastructure | (7,039,250) | (944,027) | - | (7,983,277) |
| Software and other intangibles | (46,232) | (1,572) | - | (47,804) |
| Total accumulated depreciation | <u>(21,439,855)</u> | <u>(2,064,542)</u> | <u>121,940</u> | <u>(23,382,457)</u> |
| Total capital assets, being depreciated, net | <u>24,364,472</u> | <u>(769,646)</u> | <u>(69,772)</u> | <u>23,525,054</u> |
| Governmental activities capital assets, net | <u>29,629,169</u> | <u>2,260,959</u> | <u>(327,725)</u> | <u>31,562,403</u> |

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**C. Capital Assets (continued)**

| | Beginning Balance | Increases | Decreases | Ending Balance |
|---|--------------------------|-------------------------|---------------------------|--------------------------|
| Business-type Activities: | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | 89,435 | - | - | 89,435 |
| Water rights | 1,391,521 | - | - | 1,391,521 |
| Construction in progress | 1,364,740 | 2,391,702 | (1,583,696) | 2,172,746 |
| Total capital assets, not being depreciated | <u>2,845,696</u> | <u>2,391,702</u> | <u>(1,583,696)</u> | <u>3,653,702</u> |
| Capital assets, being depreciated: | | | | |
| Lines | 14,759,258 | 1,611,686 | - | 16,370,944 |
| Structures | 15,484,238 | - | (36,296) | 15,447,942 |
| Land improvements | 697,266 | - | - | 697,266 |
| Equipment and vehicles | 15,285,223 | 47,813 | - | 15,333,036 |
| Total capital assets being depreciated | <u>46,225,985</u> | <u>1,659,499</u> | <u>(36,296)</u> | <u>47,849,188</u> |
| Less accumulated depreciation for: | | | | |
| Lines | (5,893,805) | (329,080) | - | (6,222,885) |
| Structures | (6,470,836) | (442,834) | 20,753 | (6,892,917) |
| Land improvements | (327,443) | (39,793) | - | (367,236) |
| Equipment and vehicles | (6,665,266) | (643,477) | - | (7,308,743) |
| Total accumulated depreciation | <u>(19,357,350)</u> | <u>(1,455,184)</u> | <u>20,753</u> | <u>(20,791,781)</u> |
| Total capital assets, being depreciated, net | <u>26,868,635</u> | <u>204,315</u> | <u>(15,543)</u> | <u>27,057,407</u> |
| Business-type activities capital assets, net | <u><u>29,714,331</u></u> | <u><u>2,596,017</u></u> | <u><u>(1,599,239)</u></u> | <u><u>30,711,109</u></u> |

Depreciation expense was charged to functions of the primary government as follows:

| | |
|--|-------------------------|
| Governmental activities: | |
| General government | 124,602 |
| Public safety | 218,824 |
| Public works | 1,063,448 |
| Housing | 11,963 |
| Culture and recreation | 645,705 |
| Total depreciation expense - governmental activities | <u><u>2,064,542</u></u> |
| Business-type activities: | |
| Water | 511,846 |
| Wastewater | 943,338 |
| Total depreciation expense - business-type activities | <u><u>1,455,184</u></u> |

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**D. Interfund Receivables, Payables, and Transfers**

Interfund balances were as follows:

| | Due to | Due from | Purpose |
|--------------|---------------|---------------|---------------------------------|
| General Fund | 82,711 | - | Interfund services and time lag |
| Lodging | - | 82,711 | Interfund services and time lag |
| Total | <u>82,711</u> | <u>82,711</u> | |

Transfers were as follows:

| | In | Out | Purpose |
|----------------------|------------------|------------------|--------------------------|
| General Fund | 457,207 | 1,684,874 | From Lodging |
| Conservation Trust | - | 280,000 | To fund capital projects |
| Capital Improvement | 1,046,000 | - | To fund capital projects |
| Economic Development | - | 33,125 | To Housing Fund |
| Lodging | - | 457,207 | To fund General Fund |
| Housing | 951,999 | - | From General Fund |
| Total | <u>2,455,206</u> | <u>2,455,206</u> | |

E. Long-term Liabilities**1. Capital Debt – Community Services Complex 2008 and 2009**

On September 1, 2008, the City entered into a \$1,975,000 financed purchase agreement with Capital One Public Funding. The debt payments were amended in March 2012 and requires monthly payments of \$13,486 and bears an interest rate of 3.40%. The debt matures on February 15, 2026. Proceeds from the debt were used for construction of a new police station and are secured by the land on which the station was constructed.

2. Equipment Note

On June 21, 2019, the City entered into a \$255,835 note to purchase a mechanical sweeper for the Public Works department. The note requires five annual payments of \$56,251 and bears an interest rate of 4.2%. The note matures October 21, 2023.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**E. Long-term Liabilities (continued)****2. Equipment Note (continued)**

On February 15, 2020, the City entered into a \$542,177 note to purchase a Vacuum Truck and Sewer Camera for the Sewer Fund. The note requires seven annual payments of \$87,274 and bears an interest rate of 3.36%. The note matures October 15, 2026.

The net book value of the assets acquired through equipment notes is computed as follows at December 31, 2022:

| | |
|--------------------------------|-------------------------|
| Cost | 2,934,735 |
| Less: accumulated depreciation | <u>(1,291,483)</u> |
| Net book value | <u><u>1,643,252</u></u> |

3. Water and Sewer Enterprise Revenue Refunding Bonds 2016

On December 6, 2016, the City issued Water and Sewer Enterprise Revenue Refunding Bonds, Series 2016, in the principal amount of \$1,535,000. Proceeds from the 2016 Bonds were used to advance refund a portion of the City's Water and Sewer Refunding and Improvement Revenue Bonds, Series 2004. As a result, the refunded 2004 bonds are considered to be defeased, and the City realized a net present value on the refunding of \$135,476.

The 2016 bonds require variable annual principal payments ranging from \$110,000 to \$155,000. Interest payments are payable semi-annually on June 1 and December 1 through 2027 and bear an interest rate of 2.16%. As of December 31, 2022, the City has reserved \$166,416 for the bonds.

4. Water and Sewer Revenue Bond, Series 2013

In March 2013, the City issued Water and Sewer Revenue Bonds, Series 2013, in the principal amount of \$12,103,000, which are owned by the United States Department of Agriculture. The note requires semi-annual payments of \$240,242 due March 27 and September 27 and bears interest at 2.5%. The note matures September 27, 2052. The proceeds were used to upgrade the wastewater treatment plant.

The 2013 bonds require the City to maintain a debt service reserve and asset management reserve equal to 10% of the monthly payment each month over the life of the bonds until one annual installment is accumulated. The bonds also require a reserve equal to the lesser of the combined maximum annual principal. As of December 31, 2022, the City has reserved \$1,139,942 for the bonds.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**E. Long-term Liabilities (continued)****5. Colorado Water Resources and Power Development Authority Note**

On December 21, 2011, the City entered into a \$545,000 non-interest-bearing note with the Colorado Water Resources and Power Development Authority. The note requires semi-annual payments of \$13,625 due November 1 and May 1. The note matures May 1, 2032. The proceeds were for the necessary repairs to the water treatment facility.

The Colorado Water Resources and Power Development Authority Loan Agreement sets forth certain covenants and restrictions. As of December 31, 2022, the City appears to be in compliance with all covenants and restrictions as set forth in Exhibit A and Exhibit F, Additional Covenants and Requirements.

Rate Covenant: The City shall establish and collect such rates, fees, and charges for the use or the sale of the products and services of the System as, together with other moneys available therefore, are expected to produce Gross revenue for each calendar year that will be at least sufficient for such calendar year to pay the sum of estimated operation and maintenance expenses, 110% of the debt service coming due on the bond during the calendar year and other debt service requirements. Gross revenue as defined in Para (3) of Exhibit A to the Loan Agreement is all income and revenues directly or indirectly derived by the government agency for the operation and use of the system, including investment income, but excluding, property taxes and grants received for capital improvements.

Total gross revenue requirement \$ 1,323,103

Total water fund revenues, excluding capital grants \$1,958,620

Excess (deficiency) of gross revenues \$ 635,517

6. 2017 CWRPDA Loan – Drinking Water Revolving Fund

On February 28, 2017, the City entered into a \$1,505,000 note with CWRPDA for the purposes of installing a UV disinfection system. The note requires semi-annual payments of \$18,622, and are due May 1 and November 1, bearing interest at 1% per annum. The note matures November 1, 2037. As of December 31, 2019, payments were amended to semiannual payments of \$12,253 due May and November 1 on debt balance of \$401,911, net of draws, forgiven debts, and rescissions. The City had no remaining authorized but unissued debt.

7. 2021 CWRPDA Loan

On June 15, 2021, the City entered into a \$4,184,000 note with CWRPDA for the purpose of replacing an existing water transmission main and improvements at the treatment plant, including replacement of the pump station and disinfection facilities. The note requires semi-annual payments of \$123,689, and are due May 1 and November 1, bearing interest at 1% per annum. The note matures November 1, 2041. As of December 31, 2022, the City had \$2,300,705 of draws. The City had \$1,883,295 authorized and unissued debt as of year end. The loan is subject to a rate covenant described in Note IV.E.5.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**E. Long-term Liabilities (continued)****8. Schedule of Debt Service Requirements**

| Year ending December 31 | Governmental Activities | | | Business Type Activities | | |
|----------------------------|-------------------------|---------------|----------------|--------------------------|------------------|-------------------|
| | Principal | Interest | Total | Principal | Interest | Total |
| 2023 | 202,363 | 16,005 | 218,368 | 693,744 | 339,565 | 1,033,309 |
| 2024 | 153,209 | 8,623 | 161,832 | 705,174 | 324,895 | 1,030,069 |
| 2025 | 155,592 | 6,240 | 161,832 | 716,882 | 309,947 | 1,026,829 |
| 2026 | 6,068 | 62 | 6,130 | 733,875 | 294,714 | 1,028,589 |
| 2027 | - | - | - | 658,886 | 279,081 | 937,967 |
| 2028 - 2033 | - | - | - | 3,167,701 | 1,440,810 | 4,608,511 |
| 2034 - 2038 | - | - | - | 1,698,698 | 801,746 | 2,500,444 |
| 2039 - 2043 | - | - | - | 1,814,853 | 587,567 | 2,402,420 |
| 2044 - 2048 | - | - | - | 2,054,905 | 347,515 | 2,402,420 |
| 2049 - 2052 | - | - | - | 1,628,672 | 83,974 | 1,712,646 |
| | <u>517,232</u> | <u>30,930</u> | <u>548,162</u> | <u>13,873,390</u> | <u>4,809,814</u> | <u>18,683,204</u> |

9. Accrued Compensated Absences

Earned but unused paid time off benefits amounted to \$391,443 in governmental activities and \$81,993 in business-type activities at December 31, 2022.

10. Schedule of Changes in Long-term Liabilities

| | Beginning Balance | Additions | Reductions | Ending Balance | Due Within One Year |
|---|----------------------|------------------|------------------|-------------------|------------------------|
| Governmental Activities: | | | | | |
| Capital debt | 754,293 | - | (237,061) | 517,232 | 202,363 |
| Net pension liability | 1,281,925 | - | (278,837) | 1,003,088 | - |
| Accrued compensated absences | 359,721 | 460,801 | (429,079) | 391,443 | 130,481 |
| Total Governmental Activities Long-term Liabilities | <u>2,395,939</u> | <u>460,801</u> | <u>(944,977)</u> | <u>1,911,763</u> | <u>332,844</u> |
| Business-type Activities: | | | | | |
| 2011 CWRPDA Loan | 286,125 | - | (27,250) | 258,875 | 27,250 |
| 2013 Water and Sewer Revenue Bonds | 10,225,337 | - | (226,287) | 9,999,050 | 231,943 |
| 2016 Water and Sewer Revenue Bonds | 900,000 | - | (140,000) | 760,000 | 150,000 |
| 2017 CWRPDA DWRP Loan | 361,503 | - | (20,943) | 340,560 | 21,153 |
| Equipment notes | 395,619 | - | (73,983) | 321,636 | 76,469 |
| 2021 CWRPDA Loan | - | 2,300,705 | (107,436) | 2,193,269 | 186,929 |
| Accrued compensated absences | 83,172 | 88,697 | (89,876) | 81,993 | 27,331 |
| Total Business-type Activities Long-term Liabilities | <u>12,251,756</u> | <u>2,389,402</u> | <u>(685,775)</u> | <u>13,955,383</u> | <u>721,075</u> |

The compensated absences liability will be paid from the following funds from which employees' salaries are paid: General Fund, Water Fund and Wastewater Fund. The governmental activities capital debt and pension liability are paid by the General Fund. The business-type 2013 bonds and equipment notes are paid by the Wastewater fund. The remaining bonds and loans are paid by the Water fund.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

1. FPPA Statewide Defined Benefit Plan ("SWDB")

Plan Description. The Plan is a cost-sharing multiple-employer defined benefit pension plan covering substantially all full-time employees of participating fire or police departments in Colorado hired on or after April 8, 1978, provided they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The plan became effective January 1, 1980.

The plan assets are included in the Fire & Police Members' Benefit Investment Fund and the Fire & Police Members' Self-Director Investment Fund (for Deferred Retirement Option Plan ("DROP") assets and Separate Retirement Account assets from eligible retired members). The SWDB is administered by FPPA. FPPA issues a publicly available annually comprehensive financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

Benefits. A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2% of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5% for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3% or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5% as interest, returned as a lump sum distribution. Alternatively, a member with at least five years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2% of the member's average highest three years' base salary for each year of credited service up to ten years, plus 2.5% for each year of service thereafter.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Contributions. Determined by state statute or by election of the members, contributions are set at a level that enables all benefits to be fully funded at the retirement date of all members. Effective January 1, 2021, contribution rates may be increased by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate 0.5% annually from 2015 through 2022 to a total of 12% of base salary. Employer contributions will increase 0.5% annually beginning in 2021 through 2030 to a total of 13%. In 2021, employees and employers are contributing at a rate of 11.5% and 8.5%, respectively, of base salary for a total contribution rate of 20%.

Contributions from members and employers of plans reentering the system are established by resolution and approved by the FPPA Board of Directors. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reflect the actual cost of reentry by department. Each reentry department is responsible to remit contributions to the plan in accordance with the most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers of affiliated social security employers is 5.75% and 4.25% of base salary for a total contribution rate of 10% in 2021. Per the 2014 member election, the affiliated social security group will also have their required member contribution rate increase 0.25% annually beginning in 2015 through 2022 to a total of 6% of base salary. Employer contributions will increase 0.25% annually beginning in 2021 through 2030 to a total of 6.5% of base salary.

Net Pension Liability (Asset): At December 31, 2022, the City reported (\$664,985) and (\$868,690) for its proportionate share of the net pension liability (asset) for fire and police, respectively. The net pension liability (asset) was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of January 1, 2022. The City's proportion of the net pension liability (asset) was based on City contributions to the Plan for the calendar year 2021 relative to the total contributions of participating employers to the Plan.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)****1. FPPA Statewide Defined Benefit Plan (continued)**

At the pension measurement date of December 31, 2021 and 2020, the City's proportionate shares for fire and police were as follows:

| | Proportionate Share | |
|--------|---------------------|----------|
| | 2021 | 2020 |
| Fire | 0.12271% | 0.11230% |
| Police | 0.16029% | 0.14081% |

For the year ended December 31, 2022, the City recognized net pension expense (revenue) of \$276,176. The City recognized \$123,126 and \$153,050 for fire and police, respectively.

At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Fire | | Police | |
|--|--------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Difference between expected and actual experience | 190,419 | 15,510 | 248,752 | 20,259 |
| Changes of assumptions or other inputs | 94,832 | - | 123,882 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 445,046 | - | 581,377 |
| Changes in proportionate share of contributions | 20,928 | 103,038 | 32,038 | 175,798 |
| Contributions subsequent to the measurement date | 84,980 | - | 117,330 | - |
| Total | 391,159 | 563,594 | 522,002 | 777,434 |

Contributions subsequent to the measurement date of December 31, 2021, which are reported as deferred outflows of resources related to pensions, will be recognized as a reduction of the net pension liability in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ending | Amortization | |
|--------------|--------------|-----------|
| | Fire | Police |
| December 31: | | |
| 2023 | (69,986) | (97,024) |
| 2024 | (116,020) | (157,160) |
| 2025 | (69,629) | (96,884) |
| 2026 | (27,039) | (40,993) |
| Thereafter | 25,259 | 19,299 |
| | (257,415) | (372,762) |

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)****1. FPPA Statewide Defined Benefit Plan (continued)**

Actuarial assumptions. The total pension asset in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions and other inputs:

| | Total Pension Liability 2022 | Actuarially Determined Contributions 2021 |
|---------------------------------------|---------------------------------|---|
| Actuarial Method | Entry Age Normal | Entry Age Normal |
| Amortization Method | N/A | Level % of Payroll, Open |
| Amortization Period | N/A | 30 Years |
| Long-term investment Rate of Return * | 7.00% | 7.00% |
| Projected Salary Increases | 4.25% to 11.25% | 4.25% to 11.25% |
| Cost of Living Adjustments | 0.00% | 0.00% |
| * Includes Inflation at | 2.50% | 2.50% |

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5%).

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 are summarized in the following table:

| Asset Class | Target Allocation | Long Term Expected Rate of Return |
|-----------------------|--------------------------|--|
| Global Equity | 39% | 8.23% |
| Equity Long/Short | 8% | 6.87% |
| Illiquid Alternatives | 26% | 10.63% |
| Fixed Income | 10% | 4.01% |
| Absolute Return | 5% | 5.25% |
| Managed Futures | 10% | 5.60% |
| Cash | 2% | 2.32% |
| Total | <u>100%</u> | |

Discount Rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 2.75% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 7.00%.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

1. FPPA Statewide Defined Benefit Plan (continued)

Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate - The following presents the proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.0 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

| | 1% Decrease (6.0%) | Current Discount Rate (7.0%) | 1% Increase (8.0%) |
|--|-----------------------|---------------------------------|-----------------------|
| Proportionate share of net pension liability (asset) | | | |
| Fire | (91,706) | (664,985) | (1,139,917) |
| Police | (119,798) | (868,690) | (1,489,106) |

Pension plan fiduciary net position: Detailed information about the Plan's fiduciary net position is available in FPPA's comprehensive annual financial report, which can be obtained at: http://www.fppaco.org/annual_reports.htm.

2. FPPA "Old Hires" Defined Benefit Plan

Plan description. The City provides two pension plans available to provide retirement income. The first is for paid firefighters and second is for police collectively referred to as the "Old Hires" plan. Both are for employees hired before April 1, 1978 in recognition of their service to the City. The "Old Hires" plan is an agent multiple-employer defined benefit pension plan administered by the FPPA. As of January 1, 2022, the Plan has two retirees and beneficiaries. FPPA issues an annual, publicly available financial report that includes the assets of the Old Hire Fire Pension Fund. The report may be obtained on FPPA's website at <http://www.fppaco.org>.

Benefits provided. The plan provides normal retirement benefits, severance, and death and disability benefits. Normal retirement benefits begin at 50 years of age and upon completion of 18 years of service and include monthly pension equal to one-half of his monthly salary at the date of his retirement. For severances, firefighters and police have the option to refund their contribution with 5% annual interest, or to receive deferred retirement pensions equal to one-half their monthly salary if they meet the age and service requirements of the normal retirement benefit. If a firefighter or policeman is eligible to receive or is receiving benefits dies in retirement, the surviving spouse shall receive, until death or remarriage, a monthly pension equal to one-half the monthly pension the firefighter or policeman was entitled to receive. There are no vested retirement benefits.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)

F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)

2. FPPA "Old Hires" Defined Benefit Plan (continued)

Funding Policy: The funding of the plan by the City and members is authorized by the Board of Trustees. As each affiliated employer has its own plan, there is no uniform amount for either contributions or benefit provisions. Funding for the Old Hire Pension Plan is the sole obligation of the employer.

Net Pension Liability: At December 31, 2022, the Old Hire pension fund reported a net pension liability of \$176,047 and \$827,041 for Fire and Police, respectively. The net pension liability was measured as of December 31, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2022.

For the year ended December 31, 2022, the City recognized net pension expense (revenue) of (\$299,429). The City recognized a pension expense of \$1,117 for fire and a pension revenue of \$300,546 for police.

Actuarial Assumptions: The significant actuarial assumptions used in the valuation as of January 1, 2022 were:

| | |
|---------------------------------------|--|
| Actuarial Method | Entry Age Normal |
| Amortization Method | N/A |
| Amortization Period | N/A |
| Asset Valuation Method | 5-Year Smoothed Fair Value |
| Inflation | 2.50% |
| Long-term investment Rate of Return * | 4.5% |
| Retirement age | Any remaining activities are assumed to retire immediately. |
| Mortality | Post-retirement: 2006 central rates from RP-2014 Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. |
| | Disables (pre-1980): Post-retirement rates set forward 3 years. |

Discount rate. Projected benefit payments are required to be discounted to their actuarial present values using a Single Discount Rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)****2. FPPA "Old Hires" Defined Benefit Plan (continued)**

For the purpose of this valuation, the long-term expected rate of return on pension plan investments is 4.50%; the municipal bond rate is 2.00% (based on the weekly rate closest to but not later than the measurement date of the "state & local bonds" rate from Federal Reserve statistical release (H.15)); and the resulting Single Discount Rate is 4.50%

In connection with the City's Fire and Police Protection Retirement Plan, the following deferred outflow of resources and deferred inflows of resources were reported at December 31, 2022:

| | Fire | | Police | |
|--|--------------------------------|-------------------------------|--------------------------------|-------------------------------|
| | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Net difference between projected and actual earnings on pension plan investments | 755 | - | 4,754 | - |
| Contributions subsequent to the measurement date | 19,964 | - | 91,887 | - |
| Total | 20,719 | - | 96,641 | - |

Contributions subsequent to the measurement date of December 31, 2021, which are reported as deferred outflows of resources related to pensions, will be recognized as a reduction of the net pension liability in subsequent years. Other amounts reported as deferred outflow of resources and deferred inflow of resources related to pensions will be recognized as a component of pension expense in future years as follows:

| Year Ending | Amortization | |
|--------------|--------------|--------------|
| | Fire | Police |
| December 31: | | |
| 2023 | 781 | 4,058 |
| 2024 | (611) | (2,926) |
| 2025 | 83 | 620 |
| 2026 | 502 | 3,002 |
| Thereafter | - | - |
| | 755 | 4,754 |

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)****2. FPPA "Old Hires" Defined Benefit Plan (continued)**

Regarding the sensitivity of the net pension asset (liability) to changes in the Single Discount Rate, the following represent the plan's net pension liability / (asset), calculated using a Single Discount Rate of 4.50%, as well as what the plan's net pension liability / (asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

| | 1% Decrease (3.5%) | Current Discount Rate (4.5%) | 1% Increase (5.5%) |
|--|-----------------------|---------------------------------|-----------------------|
| Proportionate share of net pension liability (asset) | | | |
| Fire | 192,469 | 176,047 | 161,447 |
| Police | 942,414 | 827,041 | 728,432 |

Long-term expected return on plan assets. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return to target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of included in the Fund's target allocation as of December 31, 2021 are summarized in the following table:

| Asset Class | Target Allocation | Long Term Expected Rate of Return |
|-----------------------|------------------------------|--|
| Cash | 10% | 0.10% |
| Fixed Income - Rates | 70% | 2.30% |
| Fixed Income - Credit | 10% | 3.50% |
| Absolute Return | 0% | 5.60% |
| Long Short | 0% | 6.90% |
| Global Public Equity | 10% | 7.80% |
| Private Capital | 0% | 10.50% |
| Total | <u>100%</u> | |

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**F. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)****2. FPPA "Old Hires" Defined Benefit Plan (continued)**

Pension Plan Fiduciary Net Position. Detailed information about the plan's fiduciary net position is available in a separately issued Fire & Police Pension Association of Colorado financial reports which can be obtained at <https://www.fppaco.org/annual-reports.html>.

Old Hire Total Pension (Asset) Liability and Plan Fiduciary Net Position for fire changes as follows:

| | Total Pension (Asset) Liability (a) | Plan Fiduciary Net Position (b) | Net Pension (Asset) Liability (a) - (b) |
|---|--|--|--|
| Balances at December 31, 2021 | 231,992 | 60,157 | 171,835 |
| Changes for the year | | | |
| Interest | 9,830 | - | 9,830 |
| Contributions - employer | - | 34,586 | (34,586) |
| Differences in expected and actual experience | 27,852 | - | 27,852 |
| Net investment income | - | 329 | (329) |
| Benefit payments | (27,391) | (27,391) | - |
| Administrative expenses | - | (1,445) | 1,445 |
| Net Changes | 10,291 | 6,079 | 4,212 |
| Balances at December 31, 2022 | 242,283 | 66,236 | 176,047 |

Old Hire Total Pension (Asset) Liability and Plan Fiduciary Net Position for police changes as follows:

| | Total Pension (Asset) Liability (a) | Plan Fiduciary Net Position (b) | Net Pension (Asset) Liability (a) - (b) |
|---|--|--|--|
| Balances at December 31, 2021 | 1,465,482 | 355,392 | 1,110,090 |
| Changes for the year | | | |
| Interest | 63,158 | - | 63,158 |
| Contributions - employer | - | 183,774 | (183,774) |
| Differences in expected and actual experience | (162,115) | - | (162,115) |
| Net investment income | - | 2,232 | (2,232) |
| Benefit payments | (125,342) | (125,342) | - |
| Administrative expenses | - | (1,914) | 1,914 |
| Net Changes | (224,299) | 58,750 | (283,049) |
| Balances at December 31, 2022 | 1,241,183 | 414,142 | 827,041 |

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

IV. Detailed Notes on All Funds (continued)**G. Restricted Net Position**

The City restricted net position in the following funds as of December 31, 2022:

| | <u>General Fund</u> | <u>Conservation Trust Fund</u> | <u>Description</u> |
|--------------------|-------------------------|------------------------------------|-------------------------|
| Restricted: | | | |
| Emergency Reserve | 486,000 | - | Legislative restriction |
| Conservation Trust | - | 112,111 | Legislative restriction |

V. Other Information**A. Other Retirement Plans****1. Deferred Compensation Plans – Section 401**

In 1997, the City established a defined contribution money purchase plan in the form of the ICMA Retirement Corporation Prototype Money Purchase Plan and Trust under code section 401 of the Internal Revenue Code. The normal retirement age is age 60 (not to exceed age 65). All full time employees except Fire and Police personnel are entitled to participate in the plan. The City contributes on behalf of each participant 3% of earnings for the Plan Year. There is no minimum required contribution by the employee. Participants are 100% vested immediately and may direct their investment, without restriction, among various investment options available under the Trust. The City's contributions vest at a rate of 25% per year.

The City is the trustee of the plan and has the duty of due care that would be required of an ordinary prudent investor, but has no liability for losses under the plan.

2. Deferred Compensation Plan - Section 457

In 1997, the City established a defined contribution money purchase plan in the form of the ICMA Retirement Corporation Prototype Money Purchase Plan and Trust under code section 457 of the Internal Revenue code. The normal retirement age is age 60 (not to exceed age 65). All full-time employees except Fire and Police personnel are entitled to participate in the plan. The City will match up to 3% of employee contributions. There is no minimum required contribution by the employee. Participants are 100% vested immediately in their direct investment. The City's contributions vest at a rate of 25% per year.

B. Other Employee Benefits – Cafeteria Plan

The City offers a cafeteria compensation plan organized under IRS Section 125 that includes the following benefits: death and disability, term life insurance, health expense reimbursement and child care benefits. No cost to the City is recognized as the plan is a salary reduction plan.

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CITY OF SALIDA, COLORADO
Notes to the Financial Statements
December 31, 2022
(continued)

V. Other Information (continued)

C. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions, and employee health claims. The City insures against these risks through its participation in the Colorado Intergovernmental Risk Sharing Agency ("CIRSA") and the purchase of commercial insurance.

The City's management is unaware of any excess losses which may have been incurred by CIRSA. There have been no settled claims in excess of coverage in any of the last three years.

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REQUIRED SUPPLEMENTARY INFORMATION

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CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
General Fund - Budget and Actual
For the Year Ended December 31, 2022

| REVENUES: | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|---|----------------------------|-------------------------|---------------------------|---------------------------------------|
| Taxes: | | | | |
| Sales tax | 5,554,596 | 5,554,596 | 5,517,974 | (36,622) |
| Sales tax - County | 3,199,644 | 3,199,644 | 3,429,551 | 229,907 |
| Other taxes | 350,000 | 350,000 | 433,799 | 83,799 |
| Total taxes | <u>9,104,240</u> | <u>9,104,240</u> | <u>9,381,324</u> | <u>277,084</u> |
| Charges for services: | | | | |
| Planning and zoning fees | 111,500 | 111,500 | 98,992 | (12,508) |
| Public works charges | 13,500 | 13,500 | 5,283 | (8,217) |
| Public safety charges | 59,450 | 59,450 | 45,212 | (14,238) |
| Hot springs pool | 484,590 | 484,590 | 528,782 | 44,192 |
| Arts and culture | 414,105 | 414,105 | 365,672 | (48,433) |
| Other general governmental charges | 43,800 | 43,800 | 41,457 | (2,343) |
| Other recreation revenues | 56,088 | 56,088 | 104,343 | 48,255 |
| Total charges for services | <u>1,183,033</u> | <u>1,183,033</u> | <u>1,189,741</u> | <u>6,708</u> |
| Intergovernmental: | | | | |
| Federal grants | 764,354 | 764,354 | 918,874 | 154,520 |
| State grants | 45,000 | 45,000 | 125,443 | 80,443 |
| South Ark Fire District | 70,000 | 70,000 | 70,000 | - |
| Other intergovernmental revenue | 213,882 | 213,882 | 194,276 | (19,606) |
| Total intergovernmental | <u>1,093,236</u> | <u>1,093,236</u> | <u>1,308,593</u> | <u>215,357</u> |
| Fines and Forfeitures | <u>64,000</u> | <u>64,000</u> | <u>37,619</u> | <u>(26,381)</u> |
| Licenses, Permits and Fees: | | | | |
| Business licenses | 20,000 | 20,000 | 73,572 | 53,572 |
| Other licenses and permits | 18,000 | 18,000 | 31,872 | 13,872 |
| Total licenses, permits and fees | <u>38,000</u> | <u>38,000</u> | <u>105,444</u> | <u>67,444</u> |
| Other Revenues: | | | | |
| Capital revenue | | | | |
| Insurance proceeds | 10,000 | 10,000 | 21,159 | 11,159 |
| Miscellaneous revenue | | | | |
| Investment earnings (loss) | 95,000 | 95,000 | (216,458) | (311,458) |
| Rent, leases and royalties | 58,000 | 58,000 | 64,611 | 6,611 |
| Land dedication fees in lieu | - | - | 27,000 | 27,000 |
| Donations | 500 | 500 | 3,003 | 2,503 |
| Other miscellaneous revenues | 5,500 | 5,500 | 26,639 | 21,139 |
| Total other revenue | <u>169,000</u> | <u>169,000</u> | <u>(74,046)</u> | <u>(243,046)</u> |
| TOTAL REVENUES | <u>11,651,509</u> | <u>11,651,509</u> | <u>11,948,675</u> | <u>297,166</u> |

(continued)

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CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
General Fund - Budget and Actual (continued)
For the Year Ended December 31, 2022

| EXPENDITURES: | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|---|----------------------------|-------------------------|---------------------------|---------------------------------------|
| General Government: | | | | |
| Administration | 1,653,163 | 1,692,624 | 1,671,151 | 21,473 |
| Community Development | 703,848 | 722,694 | 520,477 | 202,217 |
| Total General Government | <u>2,357,011</u> | <u>2,415,318</u> | <u>2,191,628</u> | <u>223,690</u> |
| Public Safety | | | | |
| Police | 2,523,077 | 2,649,454 | 2,635,384 | 14,070 |
| Fire | 1,711,375 | 1,822,327 | 1,757,962 | 64,365 |
| Total Public Safety | <u>4,234,452</u> | <u>4,471,781</u> | <u>4,393,346</u> | <u>78,435</u> |
| Public Works | | | | |
| Public Works | 451,468 | 456,820 | 411,760 | 45,060 |
| Other | 2,032,718 | 830,656 | 362,591 | 468,065 |
| Total Public Works | <u>2,484,186</u> | <u>1,287,476</u> | <u>774,351</u> | <u>513,125</u> |
| Culture, Parks and Recreation | | | | |
| Pool and Recreation | 1,110,203 | 1,157,209 | 1,233,271 | (76,062) |
| Parks, Open Space and Trails | 1,071,781 | 1,146,777 | 1,159,839 | (13,062) |
| Arts and culture | 859,352 | 885,424 | 878,187 | 7,237 |
| Total Culture, Parks and Recreation | <u>3,041,336</u> | <u>3,189,410</u> | <u>3,271,297</u> | <u>(81,887)</u> |
| Capital outlays | <u>720,150</u> | <u>731,150</u> | <u>425,932</u> | <u>305,218</u> |
| Debt service | | | | |
| Principal | 228,843 | 228,843 | 211,738 | 17,105 |
| Interest | 24,724 | 24,724 | 28,340 | (3,616) |
| Total debt service | <u>253,567</u> | <u>253,567</u> | <u>240,078</u> | <u>13,489</u> |
| TOTAL EXPENDITURES | <u>13,090,702</u> | <u>12,348,702</u> | <u>11,296,632</u> | <u>1,052,070</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(1,439,193)</u> | <u>(697,193)</u> | <u>652,043</u> | <u>1,349,236</u> |
| Other Financing Sources (Uses): | | | | |
| Transfer in | 516,000 | 516,000 | 457,207 | (58,793) |
| Transfer (out) | - | (2,757,000) | (1,684,874) | 1,072,126 |
| Total Other Financing Sources (Uses) | <u>516,000</u> | <u>(2,241,000)</u> | <u>(1,227,667)</u> | <u>1,013,333</u> |
| Net change in fund balance | (923,193) | (2,938,193) | (575,624) | 2,362,569 |
| Fund balance, beginning of year | 6,258,748 | 6,258,748 | 7,466,482 | 1,207,734 |
| Fund balance, end of year | <u>5,335,555</u> | <u>3,320,555</u> | <u>6,890,858</u> | <u>3,570,303</u> |

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CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Street Fund - Budget and Actual
For the Year Ended December 31, 2022

| REVENUES: | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|---|----------------------------|-------------------------|---------------------------|---------------------------------------|
| Taxes: | | | | |
| Sales tax | 3,064,605 | 3,064,605 | 3,044,400 | (20,205) |
| Intergovernmental: | | | | |
| Highway users tax | 235,000 | 235,000 | 242,182 | 7,182 |
| State grants | <u>1,025,000</u> | <u>1,025,000</u> | <u>52,432</u> | <u>(972,568)</u> |
| TOTAL REVENUES | <u>4,324,605</u> | <u>4,324,605</u> | <u>3,339,014</u> | <u>(985,591)</u> |
| EXPENDITURES: | | | | |
| Public Works: | | | | |
| Personnel services | 412,096 | 412,096 | 443,470 | (31,374) |
| Contracted services | 400,000 | 400,000 | 722,816 | (322,816) |
| Supplies and materials | 40,300 | 40,300 | 50,443 | (10,143) |
| Other operating costs | 106,500 | 106,500 | 87,957 | 18,543 |
| Capital purchases and improvements (\$5,000+) | <u>3,690,000</u> | <u>3,690,000</u> | <u>1,882,064</u> | <u>1,807,936</u> |
| TOTAL EXPENDITURES | <u>4,648,896</u> | <u>4,648,896</u> | <u>3,186,750</u> | <u>1,462,146</u> |
| Net change in fund balance | (324,291) | (324,291) | 152,264 | 476,555 |
| Fund balances, beginning of year | <u>414,020</u> | <u>414,020</u> | <u>1,037,749</u> | <u>623,729</u> |
| Fund balances, end of year | <u><u>89,729</u></u> | <u><u>89,729</u></u> | <u><u>1,190,013</u></u> | <u><u>1,100,284</u></u> |

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CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Economic Development Fund - Budget and Actual
For the Year Ended December 31, 2022

| REVENUES: | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|---|----------------------------|-------------------------|---------------------------|---------------------------------------|
| Taxes: | | | | |
| Sales tax | 191,500 | 191,500 | 190,275 | (1,225) |
| TOTAL REVENUES | <u>191,500</u> | <u>191,500</u> | <u>190,275</u> | <u>(1,225)</u> |
| EXPENDITURES: | | | | |
| Community development | 274,500 | 274,500 | 130,392 | 144,108 |
| TOTAL EXPENDITURES | <u>274,500</u> | <u>274,500</u> | <u>130,392</u> | <u>144,108</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(83,000)</u> | <u>(83,000)</u> | <u>59,883</u> | <u>142,883</u> |
| Other Financing Sources (Uses): | | | | |
| Transfer (out) | (50,000) | (50,000) | (33,125) | 16,875 |
| Total Other Financing Sources (Uses) | <u>(50,000)</u> | <u>(50,000)</u> | <u>(33,125)</u> | <u>16,875</u> |
| Net change in fund balance | (133,000) | (133,000) | 26,758 | 159,758 |
| Fund balances, beginning of year | <u>204,807</u> | <u>204,807</u> | <u>175,088</u> | <u>(29,719)</u> |
| Fund balances, end of year | <u><u>71,807</u></u> | <u><u>71,807</u></u> | <u><u>201,846</u></u> | <u><u>130,039</u></u> |

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CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Lodging Tax Fund - Budget and Actual
For the Year Ended December 31, 2022

| REVENUES: | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|---|----------------------------|-------------------------|---------------------------|---------------------------------------|
| Taxes: | | | | |
| Sales tax | 516,000 | 516,000 | 457,207 | (58,793) |
| TOTAL REVENUES | <u>516,000</u> | <u>516,000</u> | <u>457,207</u> | <u>(58,793)</u> |
| EXPENDITURES: | | | | |
| Capital outlay | - | - | - | - |
| TOTAL EXPENDITURES | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Excess of Revenues Over (Under) Expenditures | <u>516,000</u> | <u>516,000</u> | <u>457,207</u> | <u>(58,793)</u> |
| Other Financing Sources (Uses): | | | | |
| Transfer (out) | (516,000) | (516,000) | (457,207) | 58,793 |
| Total Other Financing Sources (Uses) | <u>(516,000)</u> | <u>(516,000)</u> | <u>(457,207)</u> | <u>58,793</u> |
| Net change in fund balance | - | - | - | - |
| Fund balances, beginning of year | - | - | - | - |
| Fund balances, end of year | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

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CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Conservation Trust Fund - Budget and Actual
For the Year Ended December 31, 2022

| REVENUES: | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|---|----------------------------|-------------------------|---------------------------|---------------------------------------|
| Intergovernmental revenue: | | | | |
| State lottery | 70,000 | 70,000 | 72,682 | 2,682 |
| Interest income | 4,000 | 4,000 | 6,885 | 2,885 |
| TOTAL REVENUES | <u>74,000</u> | <u>74,000</u> | <u>79,567</u> | <u>5,567</u> |
| EXPENDITURES: | | | | |
| Parks and recreation: | | | | |
| Administrative | - | - | 500 | (500) |
| Capital outlay | 10,000 | 10,000 | - | 10,000 |
| TOTAL EXPENDITURES | <u>10,000</u> | <u>10,000</u> | <u>500</u> | <u>9,500</u> |
| Excess of Revenues Over (Under) Expenditures | <u>64,000</u> | <u>64,000</u> | <u>79,067</u> | <u>15,067</u> |
| Other Financing Sources (Uses): | | | | |
| Transfer (out) | (280,000) | (280,000) | (280,000) | - |
| Total Other Financing Sources (Uses) | <u>(280,000)</u> | <u>(280,000)</u> | <u>(280,000)</u> | <u>-</u> |
| Net change in fund balance | (216,000) | (216,000) | (200,933) | 15,067 |
| Fund balances, beginning of year | 290,945 | 290,945 | 313,044 | 22,099 |
| Fund balances, end of year | <u>74,945</u> | <u>74,945</u> | <u>112,111</u> | <u>37,166</u> |

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CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Housing Fund - Budget and Actual
For the Year Ended December 31, 2022

| REVENUES: | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|---|----------------------------|-------------------------|---------------------------|---------------------------------------|
| Housing fee in lieu | 30,000 | 30,000 | 74,655 | 44,655 |
| Intergovernmental revenue: | | | | |
| State grants | - | - | - | - |
| TOTAL REVENUES | <u>30,000</u> | <u>30,000</u> | <u>74,655</u> | <u>44,655</u> |
| EXPENDITURES: | | | | |
| Expenditures | | | | |
| Housing | <u>152,000</u> | <u>1,345,000</u> | <u>967,440</u> | <u>377,560</u> |
| TOTAL EXPENDITURES | <u>152,000</u> | <u>1,345,000</u> | <u>967,440</u> | <u>377,560</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(122,000)</u> | <u>(1,315,000)</u> | <u>(892,785)</u> | <u>422,215</u> |
| Other Financing Sources (Uses): | | | | |
| Transfer in | <u>50,000</u> | <u>1,243,000</u> | <u>951,999</u> | <u>(291,001)</u> |
| Total Other Financing Sources (Uses) | <u>50,000</u> | <u>1,243,000</u> | <u>951,999</u> | <u>(291,001)</u> |
| Net change in fund balance | <u>(72,000)</u> | <u>(72,000)</u> | <u>59,214</u> | <u>131,214</u> |
| Fund balances, beginning of year | <u>118,741</u> | <u>118,741</u> | <u>117,611</u> | <u>(1,130)</u> |
| Fund balances, end of year | <u>46,741</u> | <u>46,741</u> | <u>176,825</u> | <u>130,084</u> |

CITY OF SALIDA, COLORADO
Schedule of City's Proportionate Share of Net Pension Asset / Liability
Statewide Defined Benefit Plans
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years *

| Measurement period ending December 31, | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> | <u>2013</u> |
|---|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Fire: | | | | | | | | | |
| City's portion of the net pension asset - Fire | 0.122706% | 0.112303% | 0.109500% | 0.102460% | 0.113522% | 0.105545% | 0.111828% | 0.109666% | 0.105488% |
| City's proportionate share of the net pension liability (asset) - Fire | (664,985) | (243,809) | (61,929) | 129,538 | (163,320) | 38,138 | (1,971) | (123,767) | (94,326) |
| City's covered payroll - Fire | 987,812 | 902,025 | 1,059,250 | 686,338 | 664,025 | 540,163 | 542,116 | 493,175 | 458,177 |
| City's proportionate share of the net pension asset as a percentage of its covered payroll - Fire | -67.32% | -27.03% | -5.85% | 18.87% | -24.60% | 7.06% | -0.36% | -25.10% | -20.59% |
| Police: | | | | | | | | | |
| City's portion of the net pension asset - Police | 0.160295% | 0.140809% | 0.148143% | 0.136943% | 0.134815% | 0.119709% | 0.126477% | 0.117005% | 0.129598% |
| City's proportionate share of the net pension liability (asset)- Police | (668,690) | (305,696) | (83,784) | 173,134 | (193,953) | 43,255 | (2,230) | (132,049) | (115,885) |
| City's covered payroll - Police | 1,211,761 | 1,130,988 | 1,091,863 | 917,325 | 788,575 | 612,650 | 613,126 | 525,825 | 562,895 |
| City's proportionate share of the net pension asset as a percentage of its covered payroll - Police | -71.69% | -27.03% | -7.67% | 18.87% | -24.60% | 7.06% | -0.36% | -25.11% | -20.59% |
| Plan fiduciary net position as a percentage of the total pension liability | 116.20% | 106.70% | 101.90% | 95.20% | 106.30% | 98.21% | 100.10% | 106.80% | 105.80% |

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2014 for the employer plan, and fiscal year 2015 for the volunteer plan.

CITY OF SALIDA, COLORADO
Schedule of City's Contributions
Statewide Defined Benefit Plans
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years *

| <u>Statewide Defined Benefit Plan:</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|------------------|------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Fire: | | | | | | | | | |
| Contractually required contribution | 84,981 | 83,964 | 72,162 | 84,740 | 54,907 | 53,122 | 43,213 | 43,369 | 39,454 |
| Contributions in relation to the contractually required contribution | <u>(84,981)</u> | <u>(83,964)</u> | <u>(72,162)</u> | <u>(84,740)</u> | <u>(54,907)</u> | <u>(53,122)</u> | <u>(43,213)</u> | <u>(43,369)</u> | <u>(39,454)</u> |
| Contribution deficiency (excess) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| City's covered payroll | 944,235 | 987,812 | 902,025 | 1,059,250 | 686,338 | 664,025 | 540,163 | 542,116 | 493,175 |
| Contributions as a percentage of covered payroll | 9.00% | 8.50% | 8.00% | 8.00% | 8.00% | 8.00% | 8.00% | 8.00% | 8.00% |
| Police: | | | | | | | | | |
| Contractually required contribution | 117,330 | 103,000 | 90,479 | 87,349 | 73,386 | 63,086 | 49,012 | 49,050 | 42,066 |
| Contributions in relation to the contractually required contribution | <u>(117,330)</u> | <u>(103,000)</u> | <u>(90,479)</u> | <u>(87,349)</u> | <u>(73,386)</u> | <u>(63,086)</u> | <u>(49,012)</u> | <u>(49,050)</u> | <u>(42,066)</u> |
| Contribution deficiency (excess) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| City's covered payroll | 1,303,671 | 1,211,761 | 1,130,988 | 1,091,863 | 917,325 | 788,575 | 612,650 | 613,126 | 525,825 |
| Contributions as a percentage of covered payroll | 9.00% | 8.50% | 8.00% | 8.00% | 8.00% | 8.00% | 8.00% | 8.00% | 8.00% |

* Information is only available beginning in fiscal year 2014. Additional years' information will be displayed as it becomes available

The accompanying notes to RSI are an integral part of these financial statements.

CITY OF SALIDA, COLORADO
Schedule of Changes in Net Pension Asset / Liability
Fire "Old Hire" Plan
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years *

| Measurement period ending December 31, | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Total Pension Liability | | | | | | | | |
| Service Cost | - | - | - | - | - | - | - | - |
| Interest on the Total Pension Liability | 9,830 | 10,586 | 14,821 | 15,698 | 15,903 | 16,704 | 15,943 | 16,742 |
| Benefit Changes | - | - | - | - | - | - | - | - |
| Difference between Expected and Actual Experience | 27,852 | - | 10,431 | - | 8,761 | - | 8,172 | - |
| Assumption Changes | - | - | 39,872 | - | - | - | 13,426 | - |
| Benefit Payments | (27,391) | (27,391) | (27,391) | (27,391) | (27,391) | (27,391) | (27,391) | (27,391) |
| Net Change in Total Pension Liability | <u>10,291</u> | <u>(16,805)</u> | <u>37,733</u> | <u>(11,693)</u> | <u>(2,727)</u> | <u>(10,687)</u> | <u>10,150</u> | <u>(10,649)</u> |
| Total Pension Liability - Beginning | <u>231,992</u> | <u>248,797</u> | <u>211,064</u> | <u>222,757</u> | <u>225,484</u> | <u>236,171</u> | <u>226,021</u> | <u>236,670</u> |
| Total Pension Liability - Ending (a) | <u><u>242,283</u></u> | <u><u>231,992</u></u> | <u><u>248,797</u></u> | <u><u>211,064</u></u> | <u><u>222,757</u></u> | <u><u>225,484</u></u> | <u><u>236,171</u></u> | <u><u>226,021</u></u> |
| Plan Fiduciary Net Position | | | | | | | | |
| Employer Contributions | 34,586 | - | 14,622 | 14,074 | 14,074 | 9,539 | 9,539 | 5,426 |
| Pension Plan Net Investment Income | 329 | 5,246 | 9,670 | 382 | 14,284 | 5,806 | 2,452 | 9,441 |
| Benefit Payments | (27,391) | (27,391) | (27,391) | (27,391) | (27,391) | (27,391) | (27,391) | (27,391) |
| Pension Plan Administrative Expense | (1,445) | (2,723) | (1,585) | (3,401) | (1,065) | (2,052) | (544) | (3,351) |
| Net Change in Plan Fiduciary Net Position | <u>6,079</u> | <u>(24,868)</u> | <u>(4,684)</u> | <u>(16,336)</u> | <u>(98)</u> | <u>(14,098)</u> | <u>(15,944)</u> | <u>(15,875)</u> |
| Plan Fiduciary Net Position - Beginning | <u>60,157</u> | <u>85,025</u> | <u>89,709</u> | <u>106,045</u> | <u>106,143</u> | <u>120,241</u> | <u>136,185</u> | <u>152,060</u> |
| Plan Fiduciary Net Position - Ending (b) | <u><u>66,236</u></u> | <u><u>60,157</u></u> | <u><u>85,025</u></u> | <u><u>89,709</u></u> | <u><u>106,045</u></u> | <u><u>106,143</u></u> | <u><u>120,241</u></u> | <u><u>136,185</u></u> |
| Net Pension Liability/(Asset) - Ending (a) - (b) | <u><u>176,047</u></u> | <u><u>171,835</u></u> | <u><u>163,772</u></u> | <u><u>121,355</u></u> | <u><u>116,712</u></u> | <u><u>119,341</u></u> | <u><u>115,930</u></u> | <u><u>89,836</u></u> |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 27.34% | 25.93% | 34.17% | 42.50% | 47.61% | 47.07% | 50.91% | 60.25% |
| Covered Payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Net Pension Liability as a Percentage of Covered Payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

* Information is only available beginning in fiscal year 2014. Additional years' information will be displayed as it becomes available

CITY OF SALIDA, COLORADO
Schedule of Changes in Net Pension Asset / Liability
Police "Old Hire" Plan
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years *

| Measurement period ending December 31, | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| Total Pension Liability | | | | | | | | |
| Service Cost | - | - | - | - | - | - | - | - |
| Interest on the Total Pension Liability | 63,158 | 65,909 | 86,476 | 89,445 | 90,074 | 92,791 | 89,922 | 92,650 |
| Benefit Changes | - | - | - | - | - | - | - | - |
| Difference between Expected and Actual Experience | (162,115) | - | 34,811 | - | 30,567 | - | 27,855 | - |
| Assumption Changes | - | - | 319,664 | - | - | - | 49,510 | - |
| Benefit Payments | (125,342) | (128,718) | (129,025) | (129,025) | (129,025) | (129,025) | (129,025) | (129,025) |
| Net Change in Total Pension Liability | <u>(224,299)</u> | <u>(62,809)</u> | <u>311,926</u> | <u>(39,580)</u> | <u>(8,384)</u> | <u>(36,234)</u> | <u>38,262</u> | <u>(36,375)</u> |
| Total Pension Liability - Beginning | <u>1,465,482</u> | <u>1,528,291</u> | <u>1,216,365</u> | <u>1,255,945</u> | <u>1,264,329</u> | <u>1,300,563</u> | <u>1,262,301</u> | <u>1,298,676</u> |
| Total Pension Liability - Ending (a) | <u>1,241,183</u> | <u>1,465,482</u> | <u>1,528,291</u> | <u>1,216,365</u> | <u>1,255,945</u> | <u>1,264,329</u> | <u>1,300,563</u> | <u>1,262,301</u> |
| Plan Fiduciary Net Position | | | | | | | | |
| Employer Contributions | 183,774 | - | 80,582 | 75,808 | 75,808 | 66,481 | 66,481 | 56,214 |
| Pension Plan Net Investment Income | 2,232 | 29,590 | 50,225 | 1,542 | 68,209 | 27,005 | 10,580 | 39,097 |
| Benefit Payments | (125,342) | (128,718) | (129,025) | (129,025) | (129,025) | (129,025) | (129,025) | (129,025) |
| Pension Plan Administrative Expense | (1,914) | (3,359) | (2,211) | (4,047) | (1,628) | (2,683) | (1,127) | (3,771) |
| Net Change in Plan Fiduciary Net Position | <u>58,750</u> | <u>(102,487)</u> | <u>(429)</u> | <u>(55,722)</u> | <u>13,364</u> | <u>(38,222)</u> | <u>(53,091)</u> | <u>(37,485)</u> |
| Plan Fiduciary Net Position - Beginning | <u>355,392</u> | <u>457,879</u> | <u>458,308</u> | <u>514,030</u> | <u>500,666</u> | <u>538,888</u> | <u>591,979</u> | <u>629,464</u> |
| Plan Fiduciary Net Position - Ending (b) | <u>414,142</u> | <u>355,392</u> | <u>457,879</u> | <u>458,308</u> | <u>514,030</u> | <u>500,666</u> | <u>538,888</u> | <u>591,979</u> |
| Net Pension Liability/(Asset) - Ending (a) - (b) | <u>827,041</u> | <u>1,110,090</u> | <u>1,070,412</u> | <u>758,057</u> | <u>741,915</u> | <u>763,663</u> | <u>761,675</u> | <u>670,322</u> |
| Plan Fiduciary Net Position as a Percentage of Total Pension Liability | 33.37% | 24.25% | 29.96% | 37.68% | 40.93% | 39.60% | 41.43% | 46.90% |
| Covered Payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Net Pension Liability as a Percentage of Covered Payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

* Information is only available beginning in fiscal year 2014. Additional years' information will be displayed as it becomes available

CITY OF SALIDA, COLORADO
Schedule of City's Contributions
"Old Hire" Plan
Fire and Police Pension Association of Colorado
Last 10 Fiscal Years *

| <u>Agent - Fire "Old Hire" Plan:</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Actuarially determined contribution | 19,964 | 19,964 | 14,622 | 14,622 | 14,074 | 14,074 | 9,539 | 9,539 | 5,426 |
| Actual contribution | <u>(19,964)</u> | <u>(19,964)</u> | <u>(14,622)</u> | <u>(14,622)</u> | <u>(14,074)</u> | <u>(14,074)</u> | <u>(9,539)</u> | <u>(9,539)</u> | <u>(5,426)</u> |
| Contribution deficiency (excess) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| City's covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Contributions as a percentage of covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| <u>Agent - Police "Old Hire" Plan:</u> | <u>2022</u> | <u>2021</u> | <u>2020</u> | <u>2019</u> | <u>2018</u> | <u>2017</u> | <u>2016</u> | <u>2015</u> | <u>2014</u> |
| Actuarially determined contribution | 91,887 | 91,887 | 91,887 | 80,582 | 75,808 | 78,808 | 66,481 | 66,481 | 56,214 |
| Actual contribution | <u>(91,887)</u> | <u>(91,887)</u> | <u>(91,887)</u> | <u>(80,582)</u> | <u>(75,808)</u> | <u>(78,808)</u> | <u>(66,481)</u> | <u>(66,481)</u> | <u>(56,214)</u> |
| Contribution deficiency (excess) | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| City's covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Contributions as a percentage of covered payroll | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred one year prior. Information is only available beginning in fiscal year 2014. Additional years' information will be displayed as it becomes available.

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City of Salida
Notes to the Required Supplementary Information
December 31, 2022

I. Schedule of City's Proportionate Share of the Net Pension (Asset) Liability – Statewide Defined Benefit Plans

A. Changes to assumptions or other inputs

1. Changes Since the January 1, 2018 Actuarial Valuation are as Follows:

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rate from the RP-2014 annuitant mortality tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

2. Changes Since the January 1, 2015 Actuarial Valuation are as Follows:

Effective January 1, 2016, the post-retirement mortality tables for non-disabled retirees is a blend of the Annuitant and Employee RP-2014 generational mortality tables with blue collar adjustment projected with Scale BB. The occupationally disabled post-retirement mortality assumption uses the same table as used for healthy annuitants, except that is a three-year set-forward, meaning a disabled member age 70 will be valued as if they were a 73-year-old healthy retiree. The totally disabled post-retirement mortality assumption uses the RP-2014 generational mortality tables for disabled annuitants, except an additional provision to apply a minimum 3% mortality probability to males and 2% mortality probability for females is included to reflect substantial impairment for this population. The pre-retirement off-duty mortality tables are adjusted to 55% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00020.

3. Changes Since the January 1, 2014 Actuarial Valuation are as Follows:

For determining the total pension liability, the RP-2014 Mortality Tables for Blue Collar Employees, projected with Scale BB, 55 percent multiplier for off-duty mortality is used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be 0.00020 per year for all members of post-retirement benefits for members under age 55. For post-retirement members ages 65 and older, the RP-2014 Mortality Tables for Blue Collar Healthy Annuitants, projected with Scale BB are used.

B. Changes of benefit terms

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms

No changes during the years presented.

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City of Salida
Notes to the Required Supplementary Information
December 31, 2022
(continued)

II. Notes to the Schedule of City's Contributions – Statewide Defined Benefit Plans

A. Changes to assumptions or other inputs

No changes during the years presented.

B. Changes of benefit terms

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms.

No changes during the years presented.

III. Schedule of Changes in Net Pension Asset / Liability – Fire and Police “Old Hire” Plan

A. Changes to assumptions

1. Changes Since the January 1, 2020 Actuarial Valuation are as Follows:

The investment rate of return changed to 4.5%.

Post-retirement mortality assumptions: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

Disabled (pre-1980) mortality assumptions: Post-retirement rates set forward three years.

2. Changes Since the January 1, 2014 Actuarial Valuation are as Follows:

The inflation assumption was reduced from 3.0% to 2.5%.

Post-retirement mortality assumptions: For ages less than 55, RP- 2014 Mortality Tables for Blue Collar Employees. For ages 65 and older, RP-2014 Mortality Tables for Blue Collar Healthy Annuitant. For ages 55 through 64, a blend of the previous tables. All tables are projected with Scale BB.

Disabled (pre-1930) mortality assumptions: RP-2014 Disabled Generational Mortality Table generationally projected with Scale BB with a minimum 3% rate for males and 2% for females.

B. Changes of benefit terms

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms.

No changes during the years presented.

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**City of Salida
Notes to the Required Supplementary Information
December 31, 2022**

IV. Schedule of City's Contributions – Fire and Police “Old Hire” Plan

A. Changes to assumptions

1. Changes Since the January 1, 2014 Actuarial Valuation are as Follows:

The asset method valuation approximates smoothing over a five-year period by recognizing 20% of the difference between the projected actuarial value and the market value at the valuation date. The remaining amortization period is 17 years.

Disabled (pre-1980) mortality assumptions: RP-2000 Disabled Mortality Table generationally projected with Scale AA.

B. Changes of benefit terms

No changes during the years presented.

C. Changes of size or composition of population covered by benefit terms.

No changes during the years presented.

V. Budgets and Budgetary Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principles, except for the proprietary funds. Annual appropriations are adopted for all funds. Expenditures may not legally exceed appropriations at the fund level. All appropriations lapse at year end.

As required by Colorado Statutes, the City followed the required timetable noted below in preparing, approving, and enacting its budget for 2022.

1. The Mayor, or other qualified person appointed by the Council, submitted to the Council, on or before October 15, 2021, a recommended budget which detailed available revenues to meet the City's operating requirements.
2. Prior to December 15, 2021, a public hearing was held for the budget, and the Council adopted the proposed budget and an appropriating ordinance that legally appropriated expenditures for the upcoming year.
3. After adoption of the budget resolution, the City may make the following changes:
 - a) it may transfer appropriated money between funds; b) approve supplemental appropriations to the extent of revenues in excess of estimated revenues in the budget; c) approve emergency appropriations; and d) reduce appropriations for which originally estimated revenues are insufficient.

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SUPPLEMENTARY INFORMATION

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CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Capital Improvement Fund - Budget and Actual
For the Year Ended December 31, 2022

| REVENUES: | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|---|----------------------------|-------------------------|---------------------------|---------------------------------------|
| Taxes: | | | | |
| Sales tax | 766,151 | 766,151 | 761,100 | (5,051) |
| Intergovernmental revenue: | | | | |
| State grants | 100,000 | 150,000 | 41,500 | (108,500) |
| Miscellaneous revenue | - | - | 51,000 | 51,000 |
| TOTAL REVENUES | <u>866,151</u> | <u>916,151</u> | <u>853,600</u> | <u>(62,551)</u> |
| EXPENDITURES: | | | | |
| General government: | | | | |
| Capital outlay | - | - | 180,913 | (180,913) |
| Public safety: | | | | |
| Capital outlay | 65,000 | 1,312,000 | 701,060 | 610,940 |
| Public works: | | | | |
| Capital outlay | 125,000 | 25,000 | 17,264 | 7,736 |
| Culture, parks, and recreation | | | | |
| Capital outlay | 995,000 | 1,412,000 | 1,035,906 | 376,094 |
| TOTAL EXPENDITURES | <u>1,185,000</u> | <u>2,749,000</u> | <u>1,935,143</u> | <u>813,857</u> |
| Excess of Revenues Over (Under) Expenditures | <u>(318,849)</u> | <u>(1,832,849)</u> | <u>(1,081,543)</u> | <u>751,306</u> |
| Other Financing Sources (Uses): | | | | |
| Transfer in | 280,000 | 1,844,000 | 1,046,000 | (798,000) |
| Total Other Financing Sources (Uses) | <u>280,000</u> | <u>1,844,000</u> | <u>1,046,000</u> | <u>(798,000)</u> |
| Net change in fund balance | (38,849) | 11,151 | (35,543) | (46,694) |
| Fund balances, beginning of year | 98,111 | 98,111 | 56,104 | (42,007) |
| Fund balances, end of year | <u>59,262</u> | <u>109,262</u> | <u>20,561</u> | <u>(88,701)</u> |

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CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Water Fund - Budget and Actual with Reconciliation to US GAAP Basis
For the Year Ended December 31, 2022

| REVENUES: | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|--|----------------------------|-------------------------|---------------------------|---------------------------------------|
| Fees for General Services: | | | | |
| Service and usage fees | 1,404,800 | 1,404,800 | 1,509,747 | 104,947 |
| Water line maintenance | 200,900 | 200,900 | 239,092 | 38,192 |
| Commercial demand charges | 102,000 | 102,000 | 102,291 | 291 |
| Other revenues | 37,400 | 37,400 | 69,855 | 32,455 |
| Water leases | 5,000 | 5,000 | 37,500 | 32,500 |
| Total Fees for General Services | <u>1,750,100</u> | <u>1,750,100</u> | <u>1,958,485</u> | <u>208,385</u> |
| Intergovernmental Revenue | | | | |
| State grants | - | - | 151,341 | 151,341 |
| Total Intergovernmental Revenue | <u>-</u> | <u>-</u> | <u>151,341</u> | <u>151,341</u> |
| Capital Revenue: | | | | |
| System development fees | 480,000 | 480,000 | 429,432 | (50,568) |
| Sale of water meters | 16,000 | 16,000 | 35,511 | 19,511 |
| Total Capital Revenue | <u>496,000</u> | <u>496,000</u> | <u>464,943</u> | <u>(31,057)</u> |
| Other Revenue: | | | | |
| Investment earnings (loss) | 98,000 | 98,000 | (140,687) | (238,687) |
| Miscellaneous revenue | 500 | 500 | 135 | (365) |
| Total Other Revenue | <u>98,500</u> | <u>98,500</u> | <u>(140,552)</u> | <u>(239,052)</u> |
| TOTAL REVENUES | <u>2,344,600</u> | <u>2,344,600</u> | <u>2,434,217</u> | <u>89,617</u> |
| EXPENSES: | | | | |
| Administration - Water: | | | | |
| Personnel services | 111,891 | 111,891 | 123,132 | (11,241) |
| Contracted services | 47,000 | 47,000 | 27,442 | 19,558 |
| Supplies and materials | 2,000 | 2,000 | 2,038 | (38) |
| Other operating costs | 23,100 | 23,100 | 30,854 | (7,754) |
| Total Administration - Water | <u>183,991</u> | <u>183,991</u> | <u>183,466</u> | <u>525</u> |
| Public Works - Water: | | | | |
| Personnel services | 325,977 | 325,977 | 323,744 | 2,233 |
| Contracted services | 64,000 | 64,000 | 19,630 | 44,370 |
| Supplies and materials | 18,200 | 18,200 | 22,852 | (4,652) |
| Utilities | - | - | 270 | (270) |
| Other operating costs | 54,400 | 54,400 | 30,199 | 24,201 |
| Financing obligations | 303,373 | 303,373 | 315,069 | (11,696) |
| Total Public Works - Water | <u>765,950</u> | <u>765,950</u> | <u>711,764</u> | <u>54,186</u> |

(continued)

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CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Water Fund - Budget and Actual with Reconciliation to US GAAP Basis (continued)
For the Year Ended December 31, 2022

| EXPENSES: | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|---|----------------------------|-------------------------|---------------------------|---------------------------------------|
| Water Plant: | | | | |
| Personnel services | 269,312 | 269,312 | 300,739 | (31,427) |
| Contracted services | 192,000 | 192,000 | 177,905 | 14,095 |
| Supplies and materials | 44,800 | 44,800 | 37,317 | 7,483 |
| Utilities | 86,900 | 86,900 | 105,116 | (18,216) |
| Other operating costs | 114,200 | 114,200 | 91,890 | 22,310 |
| Financing obligations | 51,756 | 51,756 | 49,965 | 1,791 |
| Total Water Plant | <u>758,968</u> | <u>758,968</u> | <u>762,932</u> | <u>(3,964)</u> |
| Capital outlay | 4,593,500 | 4,593,500 | 1,788,077 | 2,805,423 |
| TOTAL EXPENSES | <u>6,302,409</u> | <u>6,302,409</u> | <u>3,446,239</u> | <u>2,856,170</u> |
| Other Financing Sources (Uses) | | | | |
| Financing proceeds | 4,000,000 | 4,000,000 | 2,300,705 | (1,699,295) |
| Total Other Financing Sources (Uses) | <u>4,000,000</u> | <u>4,000,000</u> | <u>2,300,705</u> | <u>(1,699,295)</u> |
| Excess of Revenues Over (Under) | | | | |
| Expenses - Budget Basis | <u>42,191</u> | <u>42,191</u> | <u>1,288,683</u> | <u>1,246,492</u> |
| GAAP Basis Adjustments | | | | |
| Debt proceeds | | | (2,300,705) | |
| Capitalized expenses | | | 1,757,709 | |
| Depreciation | | | (511,846) | |
| Gain (loss) on sale of assets | | | (21,043) | |
| Debt principal | | | 295,629 | |
| Total GAAP Basis Adjustments | | | <u>(780,256)</u> | |
| Net Income - GAAP Basis | | | 508,427 | |
| Net Position, beginning of year | | | <u>15,529,391</u> | |
| Net Position, end of year | | | <u>16,037,818</u> | |

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CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Wastewater Fund - Budget and Actual with Reconciliation to US GAAP Basis
For the Year Ended December 31, 2022

| REVENUES: | <u>Original Budget</u> | <u>Final Budget</u> | <u>Actual Amounts</u> | <u>Variance with Final Budget</u> |
|--|----------------------------|-------------------------|---------------------------|---------------------------------------|
| Fees for General Services: | | | | |
| Metered service and usage fees | 1,217,500 | 1,556,500 | 1,621,746 | 65,246 |
| Unmetered wastewater charges | 81,500 | 81,500 | 86,613 | 5,113 |
| Septage receiving | 85,000 | 85,000 | - | (85,000) |
| Lab analysis fees | 28,000 | 28,000 | - | (28,000) |
| Other | 15,000 | 15,000 | 24,029 | 9,029 |
| Total Fees for General Services | <u>1,427,000</u> | <u>1,766,000</u> | <u>1,732,388</u> | <u>(33,612)</u> |
| Capital Revenue: | | | | |
| System development fees | 700,000 | 700,000 | 702,473 | 2,473 |
| Total Capital Revenue | <u>700,000</u> | <u>700,000</u> | <u>702,473</u> | <u>2,473</u> |
| Other Revenue: | | | | |
| Investment earnings (loss) | 53,000 | 53,000 | (74,674) | (127,674) |
| Miscellaneous revenue | - | - | 128,875 | 128,875 |
| Total Other Revenue | <u>53,000</u> | <u>53,000</u> | <u>54,201</u> | <u>1,201</u> |
| TOTAL REVENUES | <u>2,180,000</u> | <u>2,519,000</u> | <u>2,489,062</u> | <u>(29,938)</u> |
| EXPENSES: | | | | |
| Administration - Wastewater: | | | | |
| Personnel services | 111,891 | 111,891 | 123,291 | (11,400) |
| Contracted services | 2,000 | 2,000 | 3,665 | (1,665) |
| Supplies and materials | 2,300 | 2,300 | 2,038 | 262 |
| Other operating costs | 23,100 | 23,100 | 31,242 | (8,142) |
| Total Administration - Wastewater | <u>139,291</u> | <u>139,291</u> | <u>160,236</u> | <u>(20,945)</u> |
| Public Works - Wastewater: | | | | |
| Personnel services | 325,486 | 325,486 | 310,430 | 15,056 |
| Contracted services | 32,000 | 67,000 | 81,884 | (14,884) |
| Supplies and materials | 10,800 | 10,800 | 18,474 | (7,674) |
| Utilities | 2,100 | 2,100 | 3,437 | (1,337) |
| Other operating costs | 18,000 | 18,000 | 22,240 | (4,240) |
| Total Public Works - Wastewater | <u>388,386</u> | <u>423,386</u> | <u>436,465</u> | <u>(13,079)</u> |

(continued)

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CITY OF SALIDA, COLORADO
Schedule of Revenues, Expenditures and Changes in Fund Balance
Wastewater Fund - Budget and Actual with Reconciliation to US GAAP Basis (continued)
For the Year Ended December 31, 2022

| EXPENSES: | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget |
|--|--------------------|------------------|-------------------|-------------------------------|
| Wastewater Plant: | | | | |
| Personnel services | 288,810 | 288,810 | 386,826 | (98,016) |
| Contracted services | 81,500 | 96,500 | 99,279 | (2,779) |
| Supplies and materials | 57,700 | 57,700 | 90,242 | (32,542) |
| Utilities | 137,100 | 137,100 | 159,101 | (22,001) |
| Other operating costs | 140,900 | 140,900 | 132,737 | 8,163 |
| Financing obligations | 655,058 | 655,058 | 568,394 | 86,664 |
| Total Wastewater Plant | <u>1,361,068</u> | <u>1,376,068</u> | <u>1,436,579</u> | <u>(60,511)</u> |
| Capital outlay | 680,000 | 969,000 | 804,426 | 164,574 |
| TOTAL EXPENSES | <u>2,568,745</u> | <u>2,907,745</u> | <u>2,837,706</u> | <u>70,039</u> |
| Excess of Revenues Over (Under) | | | | |
| Expenses - Budget Basis | <u>(388,745)</u> | <u>(388,745)</u> | <u>(348,644)</u> | <u>40,101</u> |
| GAAP Basis Adjustments | | | | |
| Capitalized expenses | | | 715,296 | |
| Depreciation | | | (943,338) | |
| Debt service principal | | | 300,270 | |
| Total GAAP Basis Adjustments | | | <u>72,228</u> | |
| Net Income - GAAP Basis | | | (276,416) | |
| Net Position, beginning of year | | | <u>9,786,831</u> | |
| Net Position, end of year | | | <u>9,510,415</u> | |

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The public report burden for this information collection is estimated to average 380 hours annually.

| LOCAL HIGHWAY FINANCE REPORT | | STATE: COLORADO | | | |
|---|---------------------------|---|---|---|-------------------|
| | | YEAR ENDING (mm/yy): 12/22 | | | |
| This Information From The Records Of: CITY OF SALIDA | | Prepared By: ANGIE WILLIAMS | | | |
| I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE | | | | | |
| ITEM | A. Local Motor-Fuel Taxes | B. Local Motor-Vehicle Taxes | C. Receipts from State Highway-User Taxes | D. Receipts from Federal Highway Administration | |
| 1. Total receipts available | | | | | |
| 2. Minus amount used for collection expenses | | | | | |
| 3. Minus amount used for nonhighway purposes | | | | | |
| 4. Minus amount used for mass transit | | | | | |
| 5. Remainder used for highway purposes | | | | | |
| II. RECEIPTS FOR ROAD AND STREET PURPOSES | | III. EXPENDITURES FOR ROAD AND STREET PURPOSES | | | |
| ITEM | AMOUNT | ITEM | AMOUNT | | |
| A. Receipts from local sources: | | A. Local highway expenditures: | | | |
| 1. Local highway-user taxes | | 1. Capital outlay (from page 2) | \$ 2,691,757.00 | | |
| a. Motor Fuel (from Item I.A.5.) | | 2. Maintenance: | \$ 245,178.00 | | |
| b. Motor Vehicle (from Item I.B.5.) | | 3. Road and street services: | | | |
| c. Total (a.+b.) | | a. Traffic control operations | \$ 44,407.00 | | |
| 2. General fund appropriations | \$ - | b. Snow and ice removal | \$ 13,748.00 | | |
| 3. Other local imposts (from page 2) | \$ 3,044,400.00 | c. Other | \$ 15,050.00 | | |
| 4. Miscellaneous local receipts (from page 2) | \$ 32,864.00 | d. Total (a. through c.) | \$ 73,205.00 | | |
| 5. Transfers from toll facilities | \$ - | 4. General administration & miscellaneous | \$ 208,570.00 | | |
| 6. Proceeds of sale of bonds and notes: | | 5. Highway law enforcement and safety | \$ 701,440.00 | | |
| a. Bonds - Original Issues | \$ - | 6. Total (1 through 5) | \$ 3,920,150.00 | | |
| b. Bonds - Refunding Issues | \$ - | B. Debt service on local obligations: | | | |
| c. Notes | \$ - | 1. Bonds: | | | |
| d. Total (a. + b. + c.) | \$ - | a. Interest | | | |
| 7. Total (1 through 6) | \$ 3,077,264.00 | b. Redemption | | | |
| B. Private Contributions | \$ - | c. Total (a. + b.) | \$ - | | |
| C. Receipts from State government (from page 2) | \$ 325,794.00 | 2. Notes: | | | |
| D. Receipts from Federal Government (from page 2) | \$ - | a. Interest | | | |
| E. Total receipts (A.7 + B + C + D) | \$ 3,403,058.00 | b. Redemption | | | |
| | | c. Total (a. + b.) | \$ - | | |
| | | 3. Total (1.c + 2.c) | \$ - | | |
| | | C. Payments to State for highways | \$ - | | |
| | | D. Payments to toll facilities | \$ - | | |
| | | E. Total expenditures (A.6 + B.3 + C + D) | \$ 3,920,150.00 | | |
| IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par) | | | | | |
| | Opening Debt | Amount Issued | Redemptions | Closing Debt | |
| A. Bonds (Total) | \$ - | \$ - | \$ - | \$ - | |
| 1. Bonds (Refunding Portion) | \$ - | \$ - | \$ - | \$ - | |
| B. Notes (Total) | \$ - | \$ - | \$ - | \$ - | |
| V. LOCAL ROAD AND STREET FUND BALANCE | | | | | |
| | A. Beginning Balance | B. Total Receipts | C. Total Disbursements | D. Ending Balance | E. Reconciliation |
| | | \$ 3,403,058.00 | \$ 3,920,150.00 | \$ - | \$ (517,092.00) |
| Notes and Comments: | | | | | |

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| | |
|-------------------------------------|---|
| LOCAL HIGHWAY FINANCE REPORT | STATE: COLORADO YEAR ENDING (mm/yy): 12/22 |
|-------------------------------------|---|

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

| ITEM | AMOUNT | ITEM | AMOUNT |
|-----------------------------------|-----------------|---|--------------|
| A.3. Other local imposts: | | A.4. Miscellaneous local receipts: | |
| a. Property Taxes and Assessments | \$ - | a. Interest on investments | \$ - |
| b. Other local imposts: | | b. Traffic Fines & Penalties | \$ 32,864.00 |
| 1. Sales Taxes | \$ 3,044,400.00 | c. Parking Garage Fees | \$ - |
| 2. Infrastructure & Impact Fees | \$ - | d. Parking Meter Fees | \$ - |
| 3. Liens | \$ - | e. Sale of Surplus Property | \$ - |
| 4. Licenses | \$ - | f. Charges for Services | \$ - |
| 5. Specific Ownership &/or Other | \$ - | g. Other Misc. Receipts | \$ - |
| 6. Total (1. through 5.) | \$ 3,044,400.00 | h. Other | \$ - |
| c. Total (a. + b.) | \$ 3,044,400.00 | i. Total (a. through h.) | \$ 32,864.00 |
| <i>(Carry forward to page 1)</i> | | <i>(Carry forward to page 1)</i> | |

| ITEM | AMOUNT | ITEM | AMOUNT |
|--|---------------|--|--------|
| C. Receipts from State Government | | D. Receipts from Federal Government | |
| 1. Highway-user taxes (from Item I.C.5.) | \$ 242,182.00 | 1. FHWA (from Item I.D.5.) | |
| 2. State general funds | | 2. Other Federal agencies: | |
| 3. Other State funds: | | a. Forest Service | \$ - |
| a. State bond proceeds | | b. FEMA | \$ - |
| b. Project Match | \$ - | c. HUD | \$ - |
| c. Motor Vehicle Registrations | \$ 31,180.00 | d. Federal Transit Administration | \$ - |
| d. DOLA Grant | \$ 52,432.00 | e. U.S. Corps of Engineers | \$ - |
| e. Other- TAP MMOF | \$ - | f. Other Federal | \$ - |
| f. Total (a. through e.) | \$ 83,612.00 | g. Total (a. through f.) | \$ - |
| 4. Total (1. + 2. + 3.f) | \$ 325,794.00 | 3. Total (1. + 2.g) | |
| <i>(Carry forward to page 1)</i> | | <i>(Carry forward to page 1)</i> | |

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

| | ON NATIONAL HIGHWAY SYSTEM (a) | OFF NATIONAL HIGHWAY SYSTEM (b) | TOTAL (c) |
|---|-----------------------------------|------------------------------------|-----------------|
| A.1. Capital outlay: | | | |
| a. Right-Of-Way Costs | | | \$ - |
| b. Engineering Costs | \$ 529,338.00 | \$ 193,477.00 | \$ 722,815.00 |
| c. Construction: | | | |
| (1). New Facilities | \$ - | \$ - | \$ - |
| (2). Capacity Improvements | \$ - | \$ - | \$ - |
| (3). System Preservation | \$ - | \$ 86,880.00 | \$ 86,880.00 |
| (4). System Enhancement And Operation | \$ - | \$ 1,882,062.00 | \$ 1,882,062.00 |
| (5). Total Construction (1)+(2)+(3)+(4) | \$ - | \$ 1,968,942.00 | \$ 1,968,942.00 |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4) | \$ 529,338.00 | \$ 2,162,419.00 | \$ 2,691,757.00 |
| <i>(Carry forward to page 1)</i> | | | |

Notes and Comments:

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STATISTICAL INFORMATION

CITY OF SALIDA, COLORADO
 Net Position by Component
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)
 Schedule 1

| | Fiscal Year | | | | | | | | | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Governmental Activities | | | | | | | | | | |
| Net Investment in Capital Assets | 30,844,978 | 28,835,011 | 27,366,982 | 25,457,709 | 24,397,257 | 19,889,837 | 19,869,497 | 19,852,447 | 14,698,702 | 13,442,842 |
| Restricted | 2,131,786 | 1,342,549 | 670,645 | 596,103 | 415,821 | 357,296 | 673,749 | 394,208 | 2,794,809 | 3,254,234 |
| Unrestricted | 6,489,258 | 7,148,146 | 6,274,192 | 5,947,623 | 4,945,600 | 4,770,534 | 5,986,284 | 4,321,561 | 1,543,801 | 1,012,202 |
| Subtotal Governmental Activities | 39,466,022 | 37,325,706 | 34,311,819 | 32,001,435 | 29,758,678 | 25,017,667 | 26,529,530 | 24,568,216 | 19,037,312 | 17,709,278 |
| Business-type Activities | | | | | | | | | | |
| Net Investment in Capital Assets | 18,089,406 | 18,727,404 | 16,565,969 | 19,103,620 | 19,543,829 | 19,251,243 | 17,626,979 | 17,385,077 | 15,351,346 | 14,149,193 |
| Restricted | - | - | 1,034,732 | 986,683 | 914,823 | - | - | - | 913,515 | 1,221,792 |
| Unrestricted | 7,458,827 | 6,588,818 | 6,448,009 | 5,785,854 | 6,143,842 | 4,829,020 | 4,044,718 | 3,908,583 | 3,023,309 | 3,093,102 |
| Subtotal Business-type Activities | 25,548,233 | 25,316,222 | 24,048,710 | 25,876,157 | 26,602,494 | 24,080,263 | 21,671,697 | 21,293,660 | 19,288,170 | 18,464,087 |
| Primary Government | | | | | | | | | | |
| Net Investment in Capital Assets | 48,934,384 | 47,562,415 | 43,932,951 | 44,561,329 | 43,941,086 | 39,141,080 | 37,496,476 | 37,237,524 | 30,050,048 | 27,592,035 |
| Restricted | 2,131,786 | 1,342,549 | 1,705,377 | 1,582,786 | 1,330,644 | 357,296 | 673,749 | 394,208 | 3,708,324 | 4,476,026 |
| Unrestricted | 13,948,085 | 13,736,964 | 12,722,201 | 11,733,477 | 11,089,442 | 9,599,554 | 10,031,002 | 8,230,144 | 4,567,110 | 4,105,304 |
| Total Primary Government Net Position | 65,014,255 | 62,641,928 | 58,360,529 | 57,877,592 | 56,361,172 | 49,097,930 | 48,201,227 | 45,861,876 | 38,325,482 | 36,173,365 |

CITY OF SALIDA, COLORADO
 Changes in Net Position
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)
 Schedule 2

| | Fiscal Year | | | | | | | | | |
|---|------------------------|-----------------------|------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Expenses | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| General Government | \$ 2,045,463 | \$ 2,270,818 | \$ 2,515,773 | \$ 915,020 | \$ 1,175,900 | \$ 1,574,671 | \$ 1,524,785 | \$ 1,175,090 | \$ 1,414,429 | \$ 1,929,106 |
| Public Safety | 4,168,154 | 4,371,506 | 4,389,355 | 3,509,183 | 3,283,906 | 3,096,405 | 2,715,406 | 2,578,402 | 2,529,710 | 2,354,999 |
| Public works/Streets | 3,755,062 | 2,591,055 | 2,862,257 | 3,445,982 | 1,827,415 | 2,056,193 | 1,568,062 | 1,275,564 | 1,109,882 | 705,819 |
| Culture, parks and recreation | 3,982,076 | 3,336,151 | 2,812,178 | 2,044,294 | 1,824,233 | 1,520,283 | 1,301,834 | 1,241,164 | 948,611 | 975,610 |
| Housing | 848,903 | 1,029,125 | - | - | - | - | - | - | - | 60,074 |
| Interest on long-term debt | 28,340 | 34,966 | 41,070 | 42,165 | 37,263 | 41,032 | 252,804 | 299,103 | 52,890 | - |
| Total Governmental Activities | 14,827,998 | 13,633,621 | 12,620,633 | 9,956,644 | 8,148,717 | 8,288,584 | 7,362,891 | 6,569,323 | 6,055,522 | 6,025,608 |
| Business-type Activities: | | | | | | | | | | |
| Water | 1,925,790 | 1,946,386 | 2,194,312 | 1,799,018 | 1,286,580 | 1,421,395 | 1,992,682 | 1,405,023 | 1,344,957 | 1,304,607 |
| Sewer | 2,765,478 | 2,947,512 | 2,699,215 | 2,434,702 | 2,365,047 | 2,173,083 | 2,117,033 | 2,014,136 | 2,189,182 | 1,753,919 |
| Steamplant Event Center | - | - | - | 747,091 | 715,902 | 548,550 | 480,588 | 431,307 | 428,950 | 401,821 |
| Total Business-type Activities | 4,691,268 | 4,893,898 | 4,893,527 | 4,980,811 | 4,367,529 | 4,143,028 | 4,590,303 | 3,850,466 | 3,963,089 | 3,460,347 |
| Total Primary Government Expenses | \$ 19,519,266 | \$ 18,527,519 | \$ 17,514,160 | \$ 14,937,455 | \$ 12,516,246 | \$ 12,431,612 | \$ 11,953,194 | \$ 10,419,789 | \$ 10,018,611 | \$ 9,485,955 |
| Program Revenues | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| General government | \$ 304,071 | \$ 307,328 | \$ 263,609 | \$ 193,202 | \$ 314,597 | \$ 251,388 | \$ 196,540 | \$ 185,753 | \$ 76,164 | \$ 282,533 |
| Public safety | 200,968 | 208,595 | 250,794 | 202,702 | 79,729 | 91,675 | 85,844 | 116,168 | 56,244 | 118,978 |
| Public works/Streets | 19,929 | 49,502 | 35,033 | 26,733 | 23,147 | 24,230 | 56,644 | 29,631 | 26,659 | 17,931 |
| Culture, parks and recreation | 998,797 | 479,100 | 311,145 | 524,994 | 472,912 | 464,586 | 466,241 | 843,380 | 414,489 | 376,135 |
| Housing | 74,655 | 46,870 | 70,741 | - | - | - | - | - | - | - |
| Operating grants and contributions | 1,526,503 | 1,651,206 | 1,017,909 | 499,086 | 389,021 | 327,318 | 311,556 | 417,178 | 422,448 | 338,854 |
| Capital grants and contributions | 92,500 | 400,902 | 28,944 | 371,830 | 827,689 | 363,576 | 305,619 | 1,736,311 | 200,965 | 176,603 |
| Total Governmental Activities | 3,217,423 | 3,143,503 | 1,978,175 | 1,818,547 | 2,107,095 | 1,522,773 | 1,422,444 | 3,328,421 | 1,196,969 | 1,311,034 |
| Business-type Activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Water | 1,958,620 | 1,868,307 | 1,859,763 | 1,746,298 | 1,756,919 | 1,671,803 | 1,659,177 | 1,521,749 | 1,527,072 | 1,639,583 |
| Sewer | 1,861,263 | 1,696,724 | 1,556,395 | 1,378,262 | 1,377,798 | 1,345,584 | 1,345,305 | 1,304,101 | 1,239,528 | 1,232,454 |
| Steamplant Event Center | - | - | - | 392,721 | 368,684 | 324,615 | 259,240 | 220,070 | 258,640 | 249,756 |
| Operating grants and contributions | - | - | - | 903 | 5,060 | 16,911 | 8,031 | 44,479 | - | - |
| Capital grants and contributions | 1,318,757 | 2,616,685 | 1,283,573 | 1,198,157 | 2,191,124 | 2,677,589 | 1,554,433 | 2,536,446 | 1,530,286 | 2,177,661 |
| Total Business-type activities | 5,138,640 | 6,181,716 | 4,699,731 | 4,716,341 | 5,699,585 | 6,036,502 | 4,826,166 | 5,626,845 | 4,555,526 | 5,299,454 |
| Total Primary Government Program Revenues | \$ 8,356,063 | \$ 9,325,219 | \$ 6,677,906 | \$ 6,534,888 | \$ 7,806,680 | \$ 7,559,275 | \$ 6,248,630 | \$ 8,955,266 | \$ 5,752,495 | \$ 6,610,488 |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental Activities | \$ (11,610,575) | \$ (10,490,118) | \$ (10,642,458) | \$ (8,138,097) | \$ (6,041,622) | \$ (6,765,811) | \$ (5,940,447) | \$ (3,240,902) | \$ (4,858,553) | \$ (4,714,574) |
| Business-type Activities | 447,372 | 1,287,818 | (193,796) | (264,470) | 1,332,056 | 1,893,474 | 235,883 | 1,776,379 | 592,437 | 1,839,107 |
| Total Primary Government Net (Expense)/Revenue | \$ (11,163,203) | \$ (9,202,300) | \$ (10,836,254) | \$ (8,402,567) | \$ (4,709,566) | \$ (4,872,337) | \$ (5,704,564) | \$ (1,464,523) | \$ (4,266,116) | \$ (2,875,467) |

CITY OF SALIDA, COLORADO
 Changes In Net Position
 Last Ten Fiscal Years
 (Accrual Basis of Accounting)
 Schedule 2 (Continued)

| | Fiscal Year | | | | | | | | | |
|---|----------------------|----------------------|----------------------|---------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| General Revenues and other changes in net position | | | | | | | | | | |
| Governmental Activities: | | | | | | | | | | |
| Sales Tax | \$ 9,513,748 | \$ 9,194,557 | \$ 7,723,299 | \$ 6,609,399 | \$ 6,110,252 | \$ 5,725,577 | \$ 5,162,570 | \$ 4,859,598 | \$ 4,399,693 | \$ 4,172,734 |
| Sales Tax - County | 3,429,551 | 3,207,757 | 2,580,358 | 2,303,168 | 1,997,746 | 1,849,781 | 1,785,695 | 1,586,472 | 1,432,420 | 1,354,142 |
| Franchise Taxes | 433,799 | 351,746 | 329,232 | 345,904 | 339,620 | 308,338 | 303,382 | 334,172 | 344,284 | 370,021 |
| Occupation Taxes | 457,207 | 467,235 | 349,513 | 337,316 | - | - | 248,230 | 205,150 | 217,212 | 242,902 |
| Unrestricted Investment Earnings | (209,573) | (17,573) | 79,103 | 115,718 | 75,419 | 32,320 | 15,386 | 10,256 | 10,482 | 3,834 |
| Capital Contributions | - | - | - | - | 3,172,780 | - | - | - | - | - |
| Miscellaneous | 126,159 | 300,283 | 159,024 | 76,441 | 214,764 | 433,146 | 518,794 | 11,112 | 3,362 | 33,333 |
| Gain (Loss) on sale of assets | - | - | - | 17,628 | (9,328) | (9,328) | 75,903 | - | - | - |
| Transfers in (out) | - | - | 1,732,313 | 575,280 | (1,127,948) | (635,280) | (124,100) | (220,103) | (220,866) | (84,400) |
| Total general revenues, special items, and transfers | 13,750,891 | 13,504,005 | 12,952,842 | 10,380,854 | 10,782,633 | 7,704,554 | 7,985,860 | 6,786,657 | 6,186,587 | 6,092,566 |
| Business-type Activities: | | | | | | | | | | |
| Unrestricted investment earnings | \$ (215,361) | \$ (20,906) | \$ 98,662 | \$ 113,413 | \$ 62,227 | \$ 33,354 | \$ 18,054 | \$ 9,008 | \$ 10,782 | \$ 6,193 |
| Miscellaneous | - | - | - | - | - | (10,316) | - | - | - | (389) |
| Gain (Loss) on sale of assets | - | 600 | - | - | - | - | - | - | - | - |
| Transfers in (out) | - | - | (1,732,313) | (575,280) | 1,127,948 | 635,280 | 124,100 | 220,103 | 220,866 | 84,400 |
| Total Business-type activities | (215,361) | (20,306) | (1,633,651) | (461,867) | 1,190,175 | 658,318 | 142,154 | 229,111 | 231,648 | 90,204 |
| Total primary government | \$ 13,535,530 | \$ 13,483,699 | \$ 11,319,191 | \$ 9,918,987 | \$ 11,972,808 | \$ 8,362,872 | \$ 8,128,014 | \$ 7,015,768 | \$ 6,418,235 | \$ 6,182,770 |
| Change in Net Position | | | | | | | | | | |
| Governmental Activities | \$ 2,140,316 | \$ 3,013,887 | \$ 2,310,384 | \$ 2,242,757 | \$ 4,741,011 | \$ 938,743 | \$ 2,045,413 | \$ 3,545,755 | \$ 1,328,034 | \$ 1,377,992 |
| Business-type Activities | 232,011 | 1,267,512 | (1,827,447) | (726,337) | 2,522,231 | 2,551,792 | 378,037 | 2,005,490 | 824,085 | 1,929,311 |
| Total Change in Net Position | \$ 2,372,327 | \$ 4,281,399 | \$ 482,937 | \$ 1,516,420 | \$ 7,263,242 | \$ 3,490,535 | \$ 2,423,450 | \$ 5,551,245 | \$ 2,152,119 | \$ 3,307,303 |

CITY OF SALIDA, COLORADO
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
Schedule 3

| | Fiscal Year | | | | | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| General Fund | | | | | | | | | | |
| Nonspendable | \$ 139,917 | \$ 62,427 | \$ 37,072 | \$ 24,454 | \$ 22,985 | \$ 92,753 | \$ 57,959 | \$ 10,846 | \$ - | \$ 54,524 |
| Restricted | 486,000 | 480,000 | 380,000 | 360,000 | 224,000 | 225,000 | 265,000 | 275,014 | 226,411 | 230,935 |
| Committed | 2,276,390 | 2,010,234 | 1,809,178 | - | - | - | - | 1,117,840 | 2,444,494 | 2,709,676 |
| Assigned | - | - | - | - | - | - | - | 8,855 | 6,677 | 4,720 |
| Unassigned | 3,988,551 | 4,913,821 | 3,965,276 | 5,477,983 | 5,235,354 | 5,126,170 | 5,553,396 | 3,297,580 | 1,612,216 | 1,016,892 |
| Total General Fund | \$ 6,890,858 | \$ 7,466,482 | \$ 6,191,526 | \$ 5,862,437 | \$ 5,482,339 | \$ 5,443,923 | \$ 5,876,355 | \$ 4,710,135 | \$ 4,289,798 | \$ 4,016,747 |
| All other governmental funds | | | | | | | | | | |
| Nonspendable | \$ 28,022 | \$ 28,473 | \$ 27,100 | \$ 18,612 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Restricted | 112,111 | 313,044 | 290,645 | 236,103 | 191,821 | 132,296 | 125,983 | 119,194 | - | - |
| Committed | 1,561,223 | 1,358,079 | 888,678 | 146,016 | 580,679 | 281,084 | 282,766 | 253,277 | - | - |
| Assigned | - | - | - | 280,558 | - | - | - | - | 117,227 | 308,903 |
| Unassigned | - | - | - | - | (893,418) | (729,473) | - | - | - | - |
| Total all other governmental funds | \$ 1,701,356 | \$ 1,699,596 | \$ 1,206,423 | \$ 681,289 | \$ (120,918) | \$ (316,093) | \$ 408,749 | \$ 372,471 | \$ 117,227 | \$ 308,903 |

CITY OF SALIDA, COLORADO
 Changes in Fund Balances of Governmental Funds
 Last Ten Fiscal Years
 (Modified Accrual Basis of Accounting)
 Schedule 4

| | Fiscal Year | | | | | | | | | |
|---|---------------------|---------------------|-------------------|---------------------|-------------------|---------------------|---------------------|-------------------|------------------|-------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Revenues | | | | | | | | | | |
| Taxes | \$ 13,834,306 | \$ 13,221,295 | \$ 10,997,130 | \$ 9,609,947 | \$ 8,433,918 | \$ 7,883,696 | \$ 7,499,877 | \$ 6,985,392 | \$ 6,393,609 | \$ 6,139,799 |
| Intergovernmental | 1,717,389 | 2,130,907 | 1,177,558 | 985,137 | 1,310,372 | 796,926 | 722,328 | 1,486,055 | 615,073 | 497,457 |
| Charges for services | 1,264,396 | 746,275 | 572,005 | 680,845 | 689,228 | 641,149 | 628,553 | 635,945 | 485,844 | 524,658 |
| Fines and forfeitures | 37,619 | 49,037 | 47,791 | 57,472 | 72,183 | 61,756 | 46,737 | 50,192 | 51,383 | 61,892 |
| Interest revenue | (209,573) | (17,573) | 79,094 | 115,718 | 75,419 | 32,320 | 15,386 | 10,256 | - | - |
| Insurance Proceeds | 21,159 | 173,131 | 90,788 | - | - | - | - | - | - | - |
| Other revenues | 277,697 | 349,426 | 251,933 | 187,374 | 243,776 | 456,088 | 648,401 | 701,104 | 58,514 | 264,194 |
| Total Revenues | 16,942,993 | 16,652,498 | 13,216,299 | 11,636,493 | 10,824,896 | 9,871,935 | 9,561,282 | 9,868,944 | 7,604,423 | 7,488,000 |
| Expenditures | | | | | | | | | | |
| Current: | | | | | | | | | | |
| General government | 2,322,020 | 2,028,216 | 2,259,376 | 1,718,222 | 1,334,406 | 1,445,588 | 1,241,479 | 1,041,907 | 969,145 | 922,737 |
| Public safety | 4,393,346 | 4,086,886 | 3,638,008 | 3,394,005 | 3,003,536 | 2,820,575 | 2,451,591 | 2,509,421 | 2,390,535 | 2,228,947 |
| Public works/streets | 3,046,477 | 2,418,652 | 1,301,433 | 1,303,326 | 1,079,137 | 1,134,641 | 937,511 | 737,210 | 639,958 | 622,001 |
| Culture, parks and recreation | 3,271,797 | 2,433,578 | 2,228,879 | 1,522,322 | 1,254,096 | 1,186,520 | 1,036,540 | 902,875 | 980,854 | 1,107,569 |
| Capital outlay | 4,243,139 | 3,669,531 | 2,583,790 | 3,093,862 | 3,995,457 | 3,362,007 | 2,014,813 | 3,523,792 | 2,159,856 | 2,199,817 |
| Debt service: | | | | | | | | | | |
| Principal | 211,738 | 212,540 | 212,495 | 211,401 | 160,053 | 120,800 | 418,536 | 216,677 | 109,103 | 105,460 |
| Interest and fiscal charges | 28,340 | 34,966 | 41,070 | 42,165 | 37,263 | 41,032 | 134,214 | 280,670 | 52,730 | 56,372 |
| Total Expenditures | 17,516,857 | 14,884,369 | 12,265,051 | 11,285,303 | 10,863,948 | 10,111,163 | 8,234,684 | 9,212,552 | 7,302,181 | 7,242,903 |
| Excess (Deficiency) of Revenue over Expenditures | \$ (573,864) | \$ 1,768,129 | \$ 951,248 | \$ 351,190 | \$ (39,052) | \$ (239,228) | \$ 1,326,598 | \$ 656,392 | \$ 302,242 | \$ 245,097 |
| Other Financing Sources (Uses): | | | | | | | | | | |
| Transfers in | \$ 2,455,206 | \$ 984,730 | \$ 252,488 | \$ 1,580,006 | \$ 796,319 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Transfers out | (2,455,206) | (984,730) | (349,513) | (1,004,726) | (1,061,128) | (635,280) | (124,100) | (220,103) | (220,866) | (84,400) |
| Lease proceeds | - | - | - | 255,835 | 161,723 | - | - | - | - | - |
| TABOR Refund | - | - | - | - | (84,101) | - | - | - | - | - |
| Capital Contributions | - | - | - | 439,830 | - | - | - | - | - | - |
| Total Other Financing Sources (Uses) | - | - | (97,025) | 831,115 | 252,643 | (635,280) | (124,100) | (220,103) | (220,866) | (84,400) |
| Net change in fund balances | \$ (573,864) | \$ 1,768,129 | \$ 854,223 | \$ 1,182,305 | \$ 213,591 | \$ (874,508) | \$ 1,202,498 | \$ 436,289 | \$ 81,376 | \$ 160,697 |
| Debt service as a percentage of noncapital expenditures | 1.80% | 2.10% | 2.42% | 2.90% | 2.78% | 3.97% | 8.80% | 8.74% | 3.11% | 3.07% |

CITY OF SALIDA, COLORADO
Tax Revenues by Source - Governmental Funds
(Major Component of Revenue Base)
Last Ten Fiscal Years
Schedule 5

| | Fiscal Year | | | | | | | | | |
|---|----------------------|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Tax Revenue Source | | | | | | | | | | |
| Sales Tax (net of rebates) | \$ 9,513,748 | \$ 9,194,557 | \$ 7,723,299 | \$ 6,609,399 | \$ 5,881,098 | \$ 5,540,130 | \$ 5,162,570 | \$ 4,859,598 | \$ 4,399,693 | \$ 4,172,734 |
| Sales Tax - County | 3,429,551 | 3,207,757 | 2,580,358 | 2,303,168 | 1,997,746 | 1,849,781 | 1,785,695 | 1,586,472 | 1,432,420 | 1,354,142 |
| Franchise Tax | 433,799 | 351,746 | 329,232 | 345,904 | 339,620 | 308,338 | 303,382 | 334,172 | 344,284 | 370,021 |
| Occupation Tax | 457,207 | 467,235 | 349,513 | 337,316 | 229,154 | 185,447 | 248,230 | 205,150 | 217,212 | 242,902 |
| | <u>\$ 13,834,305</u> | <u>\$ 13,221,295</u> | <u>\$ 10,982,402</u> | <u>\$ 9,595,787</u> | <u>\$ 8,447,618</u> | <u>\$ 7,883,696</u> | <u>\$ 7,499,877</u> | <u>\$ 6,985,392</u> | <u>\$ 6,393,609</u> | <u>\$ 6,139,799</u> |
| | | | | | | | | | | |
| % Change from Prior Year | 4.6% | 20.4% | 14.5% | 13.6% | 7.2% | 5.1% | 7.4% | 9.3% | 4.1% | 7.4% |
| | | | | | | | | | | |
| Percentage of Total Tax Revenues | | | | | | | | | | |
| Sales Tax | 68.8% | 69.5% | 70.3% | 68.9% | 69.6% | 70.3% | 68.8% | 69.6% | 68.8% | 68.0% |
| Sales Tax - County | 24.8% | 24.3% | 23.5% | 24.0% | 23.6% | 23.5% | 23.8% | 22.7% | 22.4% | 22.1% |
| Franchise Tax | 3.1% | 2.7% | 3.0% | 3.6% | 4.0% | 3.9% | 4.0% | 4.8% | 5.4% | 6.0% |
| Occupation Tax | 3.3% | 3.5% | 3.2% | 3.5% | 2.7% | 2.4% | 3.3% | 2.9% | 3.4% | 4.0% |
| % of Total Tax Revenue | <u>100%</u> | <u>100%</u> | <u>100%</u> | <u>100%</u> | <u>100%</u> | <u>100%</u> | <u>100%</u> | <u>100%</u> | <u>100%</u> | <u>100%</u> |
| | | | | | | | | | | |
| % of Total Governmental Fund Revenues | 81.7% | 79.4% | 83.2% | 82.5% | 77.9% | 79.9% | 78.4% | 70.8% | 84.1% | 82.0% |

CITY OF SALIDA, COLORADO
Assessed Value and Estimated Actual Value of Taxable Property
Last Nine Fiscal Years
Schedule 6

| | Fiscal Year | | | | | | | | | |
|---|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Estimated Actual Value | | | | | | | | | | |
| Agricultural | \$ 371,012 | \$ 500,329 | \$ 373,360 | \$ 372,599 | \$ 411,421 | \$ 412,401 | \$ 288,370 | \$ 363,277 | \$ 404,854 | \$ 331,309 |
| Commercial | 207,599,977 | 223,353,032 | 182,739,025 | 176,804,847 | 163,298,276 | 166,688,470 | 152,410,307 | 146,664,715 | 147,105,506 | 147,318,330 |
| Exempt | 190,908,211 | 186,727,835 | 170,604,354 | 169,805,691 | 160,488,186 | 157,538,242 | 153,549,567 | 136,538,236 | 120,307,392 | 101,809,706 |
| Industrial | 9,169,862 | 9,718,900 | 6,694,588 | 7,168,079 | 6,630,129 | 6,196,817 | 6,033,518 | 6,048,389 | 5,512,666 | 5,592,221 |
| Residential | 1,271,640,660 | 1,233,372,796 | 1,030,166,281 | 1,007,678,761 | 777,475,475 | 749,999,937 | 625,274,481 | 611,270,187 | 557,137,874 | 548,748,243 |
| State Assessed | 2,626,820 | 19,297,800 | 17,964,430 | 24,065,520 | 15,012,280 | 15,498,090 | 14,512,700 | 14,115,300 | 12,044,100 | 13,094,190 |
| Vacant Land | 33,409,409 | 37,012,498 | 25,768,674 | 24,853,057 | 16,867,409 | 17,512,005 | 13,762,393 | 14,155,190 | 12,550,939 | 12,937,332 |
| Total estimated actual value | \$ 1,715,725,951 | \$ 1,709,983,190 | \$ 1,434,310,712 | \$ 1,410,748,554 | \$ 1,140,183,176 | \$ 1,113,845,962 | \$ 965,831,336 | \$ 929,155,294 | \$ 855,063,331 | \$ 829,831,331 |
| <i>Percentage change from prior year</i> | <i>0.3%</i> | <i>19.2%</i> | <i>1.7%</i> | <i>23.7%</i> | <i>2.4%</i> | <i>15.3%</i> | <i>3.9%</i> | <i>8.7%</i> | <i>3.0%</i> | |
| Taxable Assessed Value | | | | | | | | | | |
| Agricultural | \$ 106,430 | \$ 145,100 | \$ 108,270 | \$ 108,050 | \$ 119,330 | \$ 119,620 | \$ 83,620 | \$ 105,350 | \$ 117,410 | \$ 96,080 |
| Commercial | 60,204,050 | 64,772,360 | 52,993,970 | 51,273,260 | 47,356,280 | 48,339,590 | 44,199,170 | 42,532,780 | 42,660,720 | 42,722,430 |
| Exempt | 53,429,585 | 52,609,260 | 48,250,180 | 48,018,550 | 45,541,060 | 44,766,580 | 43,567,690 | 38,634,410 | 33,945,000 | 28,634,530 |
| Industrial | 2,659,250 | 2,818,450 | 1,941,430 | 2,078,740 | 1,922,740 | 1,797,080 | 1,749,690 | 1,753,990 | 1,598,660 | 1,621,740 |
| Residential | 88,268,180 | 88,187,840 | 73,657,000 | 72,049,270 | 55,977,910 | 53,999,620 | 49,772,610 | 48,657,930 | 44,346,970 | 43,679,120 |
| State Assessed | 763,440 | 5,594,520 | 5,208,320 | 6,978,990 | 4,353,570 | 4,494,450 | 4,208,710 | 4,093,360 | 3,494,260 | 3,799,320 |
| Vacant Land | 9,689,010 | 10,733,980 | 7,472,980 | 7,207,490 | 4,891,620 | 5,079,520 | 3,991,168 | 4,105,053 | 3,639,778 | 3,751,829 |
| Total Taxable Assessed Value | \$ 215,119,945 | \$ 224,861,510 | \$ 189,632,150 | \$ 187,714,350 | \$ 160,162,510 | \$ 158,596,460 | \$ 147,572,658 | \$ 139,882,873 | \$ 129,802,798 | \$ 124,305,049 |
| Taxable Assessed Value as a Percentage of Estimated Actual Value | | | | | | | | | | |
| Agricultural | 28.7% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% |
| Commercial | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% |
| Exempt | 28.0% | 28.2% | 28.3% | 28.3% | 28.4% | 28.4% | 28.4% | 28.3% | 28.2% | 28.1% |
| Industrial | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% |
| Residential | 6.9% | 7.2% | 7.2% | 7.2% | 7.2% | 7.2% | 8.0% | 8.0% | 8.0% | 8.0% |
| State Assessed | 29.1% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% |
| Vacant Land | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% | 29.0% |
| Total | 12.5% | 13.1% | 13.2% | 13.3% | 14.0% | 14.2% | 15.3% | 15.1% | 15.2% | 15.0% |

Source: County Assessor's Office

Note: The City of Salida does not levy a property tax.

Property in the county is reassessed every two years in each odd-numbered year (2019, 2017, etc)

CITY OF SALIDA, COLORADO
Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years
Schedule 7

| Taxing Entity | Fiscal Year | | | | | | | | | |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| City of Salida | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% |
| Chaffee County | 2.75% | 2.75% | 2.75% | 2.75% | 2.5% | 2.5% | 2.5% | 2.0% | 2.0% | 2.0% |
| State of Colorado | 2.9% | 2.9% | 2.9% | 2.9% | 2.9% | 2.9% | 2.9% | 2.9% | 2.9% | 2.9% |
| Total Sales Tax Rate | 8.65% | 8.65% | 8.65% | 8.65% | 8.40% | 8.40% | 8.40% | 7.90% | 7.90% | 7.90% |

CITY OF SALIDA, COLORADO
Taxable Sales and Sales Tax Collections by Category
Last Eight Fiscal Years
Schedule 8

| | Fiscal Year | | | | | | | |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
| Total Sales (Calculated) * | \$ 317,124,933 | \$ 306,485,233 | \$ 257,443,300 | \$ 221,688,582 | \$ 198,080,774 | \$ 184,671,000 | \$ 175,391,233 | \$ 166,062,700 |
| Sales Tax Collections | | | | | | | | |
| Retail trade | \$ 6,310,643 | \$ 6,231,857 | \$ 5,517,768 | \$ 4,404,863 | \$ 4,048,814 | \$ 3,748,399 | \$ 3,617,791 | \$ 3,421,713 |
| Accommodation & Food Service | 1,737,503 | 1,670,369 | 1,206,824 | 1,307,816 | 1,203,600 | 1,147,335 | 1,036,736 | 975,740 |
| Wholesale Trade | 311,607 | 272,264 | 188,030 | 162,239 | 67,657 | 58,350 | 58,009 | 51,792 |
| Manufacturing | 292,527 | 266,513 | 228,877 | 170,388 | 159,524 | 112,518 | 91,631 | 66,813 |
| Other Services | 205,856 | 182,374 | 143,086 | 125,846 | 103,786 | 93,025 | 79,785 | 84,828 |
| Construction | 152,440 | 140,568 | 100,919 | 100,171 | 64,623 | 61,360 | 69,343 | 60,775 |
| Information | 120,176 | 92,519 | 77,196 | 123,619 | 87,368 | 90,414 | 95,678 | 100,060 |
| Real Estate and Rental and Leasing | 97,982 | 67,624 | 44,797 | 66,721 | 51,782 | 42,320 | 38,071 | 43,768 |
| Arts, Entertainment & Recreation | 44,072 | 49,272 | 24,642 | 20,076 | 17,051 | 15,021 | 10,345 | 11,956 |
| Professional, Scientific and Technical | 42,246 | 38,621 | 31,931 | 15,078 | 15,808 | 13,186 | 19,576 | 13,580 |
| Finance and Insurance | 6,321 | 7,948 | 7,617 | 6,670 | 3,847 | 3,023 | 2,965 | 2,270 |
| Administrative and Support and Waste Management and Remediation | 8,374 | 6,743 | 3,426 | 7,349 | 2,184 | 3,828 | 2,941 | 3,743 |
| Transportation and Warehousing | 5,955 | 2,687 | 3,207 | 2,302 | - | - | - | - |
| Health Care and Social Assistance | 3,002 | 2,574 | 1,602 | 1,687 | 1,671 | 1,373 | 6,669 | 11,992 |
| Mining, Quarrying and Oil & Gas Extraction | 4,834 | 2,211 | 1,961 | 1,467 | 327 | - | 31 | 192 |
| Agriculture, Forestry, Fishing and Hunting | 2,007 | 2,118 | 1,415 | 3,803 | 3,042 | 2,454 | 2,312 | 1,796 |
| Educational Services | NR | NR | NR | NR | NR | NR | NR | NR |
| Management of Companies and Enterprises | NR | NR | NR | NR | NR | NR | NR | NR |
| Public Administration | NR | NR | NR | NR | NR | NR | NR | NR |
| Utilities | NR | NR | NR | NR | NR | NR | NR | NR |
| Grand Total | \$ 9,513,748 | \$ 9,194,557 | \$ 7,723,299 | \$ 6,650,657 | \$ 5,942,423 | \$ 5,540,130 | \$ 5,261,737 | \$ 4,981,881 |
| Percentage of Total Sales Tax | | | | | | | | |
| Retail trade | 66.3% | 67.8% | 71.4% | 66.2% | 68.1% | 67.7% | 68.8% | 68.7% |
| Accommodation & Food Service | 18.3% | 18.2% | 15.6% | 19.7% | 20.3% | 20.7% | 19.7% | 19.6% |
| Manufacturing | 3.3% | 3.0% | 2.4% | 2.4% | 1.1% | 1.1% | 1.1% | 1.0% |
| Wholesale Trade | 3.1% | 2.9% | 3.0% | 2.6% | 2.7% | 2.0% | 1.7% | 1.3% |
| Other Services | 2.2% | 2.0% | 1.9% | 1.9% | 1.7% | 1.7% | 1.5% | 1.7% |
| Construction | 1.6% | 1.5% | 1.3% | 1.5% | 1.1% | 1.1% | 1.3% | 1.2% |
| Information | 1.3% | 1.0% | 1.0% | 1.9% | 1.5% | 1.6% | 1.8% | 2.0% |
| Real Estate and Rental and Leasing | 1.0% | 0.7% | 0.6% | 1.0% | 0.9% | 0.8% | 0.7% | 0.9% |
| Professional, Scientific and Technical | 0.5% | 0.5% | 0.3% | 0.3% | 0.3% | 0.3% | 0.2% | 0.2% |
| Arts, Entertainment & Recreation | 0.4% | 0.4% | 0.4% | 0.2% | 0.3% | 0.2% | 0.4% | 0.3% |
| Finance and Insurance | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.1% | 0.0% |
| Administrative and Support and Waste Management and Remediation | 0.1% | 0.1% | 0.0% | 0.1% | 0.0% | 0.1% | 0.1% | 0.1% |
| Transportation and Warehousing | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Mining, Quarrying and Oil & Gas Extraction | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.1% | 0.2% |
| Health Care and Social Assistance | 0.1% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% | 0.0% |
| Agriculture, Forestry, Fishing and Hunting | 0.0% | 0.0% | 0.0% | 0.1% | 0.1% | 0.0% | 0.0% | 0.0% |
| NR | 1.8% | 1.7% | 1.8% | 2.0% | 1.9% | 2.7% | 2.5% | 2.6% |
| | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |

* As a Colorado Statutory City, the state manages sales tax collections. The state does not share total sales so this number has been calculated based on the City's tax rate of 3%.
 NR - Not releasable due to taxpayer confidentiality requirements. Total includes NR data.

CITY OF SALIDA, COLORADO
Portion of Sales Taxes Provided by Principal Taxpayers
Current Year and 8 years ago (not tracked previously)
Schedule 9

Unlike the majority of Colorado municipalities, the City of Salida does not collect property taxes. Sales tax is the major revenue source for the City. As a statutory city, the State of Colorado manages the tax collection process and does not allow top taxpayers to be disclosed. The following schedule shows the amount and percent of total contributed by the top ten taxpayers.

| | 2022 | 2015 |
|--|--------------|--------------|
| Total sales taxes paid by top 10 taxpayers | \$ 4,167,091 | \$ 2,493,436 |
| Percentage of Total Sales Tax Collected | 43.8% | 50.1% |

CITY OF SALIDA, COLORADO
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Schedule 10

| | Fiscal Year | | | | | | | | | |
|-----------------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Governmental Activities | | | | | | | | | | |
| Leases | \$ 517,232 | \$ 754,202 | \$ 974,784 | \$ 1,187,150 | \$ 1,142,716 | \$ 1,141,046 | \$ 1,261,846 | \$ 1,378,614 | \$ 1,491,483 | \$ 1,600,585 |
| Business Type Activities | | | | | | | | | | |
| Notes & Loans | \$ 2,792,704 | \$ 647,628 | \$ 708,987 | \$ 768,647 | \$ 678,551 | \$ 444,919 | \$ 483,172 | \$ 2,465,900 | \$ 2,778,130 | \$ 3,089,885 |
| Revenue Bond | 10,759,050 | 11,125,337 | 11,481,071 | 11,831,388 | 12,176,422 | 12,491,301 | 12,811,155 | 13,416,102 | 13,944,005 | 14,465,700 |
| Leases | 321,636 | 395,619 | 467,198 | - | - | - | - | - | - | - |
| Total | \$ 13,873,390 | \$ 12,168,584 | \$ 12,657,256 | \$ 12,600,035 | \$ 12,854,973 | \$ 12,936,220 | \$ 13,294,327 | \$ 15,882,002 | \$ 16,722,135 | \$ 17,555,585 |
| Total Debt | \$ 14,390,622 | \$ 12,922,786 | \$ 13,632,040 | \$ 13,787,185 | \$ 13,997,689 | \$ 14,077,266 | \$ 14,556,173 | \$ 17,260,616 | \$ 18,213,618 | \$ 19,156,170 |
| Percentage of Personal Income (1) | (2) | 6.8% | 8.1% | 7.9% | 8.0% | 8.3% | 8.8% | 11.4% | 13.9% | 14.1% |
| Debt per Capita (1) | (2) | \$ 2,223 | \$ 2,406 | \$ 2,267 | \$ 2,342 | \$ 2,415 | \$ 2,588 | \$ 3,164 | \$ 3,411 | \$ 3,542 |

(1) Personal income and population are disclosed on Demographic and Economic Statistics table.
(2) Statistics are not yet available for 2022.

CITY OF SALIDA, COLORADO
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Schedule 11

| | Fiscal Year | | | | | | | | | |
|--|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Revenue Bonds | \$ 10,759,050 | \$ 11,125,337 | \$ 11,481,071 | \$ 11,831,388 | \$ 12,176,422 | \$ 12,491,301 | \$ 12,811,155 | \$ 13,416,102 | \$ 13,944,005 | \$ 14,465,700 |
| Less: Bond Reserves | 1,139,942 | 1,082,779 | 1,034,732 | 986,683 | 914,823 | - | - | - | 913,515 | 1,221,792 |
| Total | \$ 9,619,108 | \$ 10,042,558 | \$ 10,446,339 | \$ 10,844,705 | \$ 11,261,599 | \$ 12,491,301 | \$ 12,811,155 | \$ 13,416,102 | \$ 13,030,490 | \$ 13,243,908 |
| Percentage of Estimated Actual Value of Taxable Property (1) | 0.56% | 0.59% | 0.73% | 0.77% | 0.99% | 1.12% | 1.33% | 1.44% | 1.52% | 1.60% |
| Debt per Capita (2) | * | \$ 1,728 | \$ 1,844 | \$ 1,783 | \$ 1,884 | \$ 2,143 | \$ 2,278 | \$ 2,459 | \$ 2,441 | \$ 2,448 |

* Population is not available
(1) Actual Property values are disclosed on Assessed Value and Estimated Actual Value of Taxable Property Schedule
(2) Population figures are disclosed on Demographic and Economic Statistics table

CITY OF SALIDA, COLORADO
Direct and Overlapping Governmental Activities Debt
As of December 31, 2022
Schedule 12

| Government Unit | Debt Outstanding | Estimated Percentage Applicable (2) | Amount Applicable to City of Salida |
|-----------------------------------|------------------|---|---|
| Salida School District (1) | \$ 19,882,476 | 50.6% | \$ 10,065,074 |
| Chaffee County | 13,040,000 | 27.5% | <u>3,582,763</u> |
| Subtotal Overlapping Debt | | | 13,647,837 |
| City of Salida direct debt | | | <u>517,232</u> |
| Total direct and overlapping debt | | | <u>\$ 14,165,069</u> |

(1) As of June 30, 2022.

(2) Assessed values used to estimate applicable percents.

CITY OF SALIDA, COLORADO
Legal Debt Margin Information
 Last Nine Fiscal Years
 Schedule 13

| | Fiscal Year | | | | | | | | |
|--|------------------|------------------|------------------|------------------|------------------|----------------|----------------|----------------|----------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
| Actual Value * | \$ 1,627,335,100 | \$ 1,587,986,772 | \$ 1,301,081,857 | \$ 1,274,522,142 | \$ 1,019,622,128 | \$ 993,692,869 | \$ 850,354,292 | \$ 831,734,976 | \$ 770,019,521 |
| Debt Limit (3% of Actual Value) | 48,820,053 | 47,639,603 | 39,032,456 | 38,235,664 | 30,588,664 | 29,810,786 | 25,510,629 | 24,952,049 | 23,100,586 |
| Debt Applicable to Limit - General Obligation Bonds | | | | | | | | | |
| Legal Debt Margin | \$ 48,820,053 | \$ 47,639,603 | \$ 39,032,456 | \$ 38,235,664 | \$ 30,588,664 | \$ 29,810,786 | \$ 25,510,629 | \$ 24,952,049 | \$ 23,100,586 |

The Constitutional debt limitation applies to all general obligation bonds authorized. Additional general obligation bonds may be authorized to be issued if so approved by a majority of those voting in an election held for that purpose.

* Source: County Abstract of Assessment

CITY OF SALIDA, COLORADO
Demographic and Economic Statistics
Last Ten Fiscal Years
Schedule 14

| | Fiscal Year | | | | | | | | | |
|---|-------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| Population (1) | * | 5,812 | 5,666 | 6,082 | 5,977 | 5,828 | 5,624 | 5,455 | 5,339 | 5,409 |
| Median Age (1)(4) ~ | * | 43.8 | 44.0 | 47.2 | 46.7 | 50.0 | 48.9 | 46.6 | 47.0 | 45.7 |
| Per Capita Income (1)(4) ~ | * | \$ 32,684 | \$ 29,727 | \$ 28,619 | \$ 29,382 | \$ 28,991 | \$ 29,281 | \$ 27,743 | \$ 24,459 | \$ 25,165 |
| Personal Income | * | \$ 189,959,408 | \$ 168,433,182 | \$ 174,060,758 | \$ 175,616,214 | \$ 168,959,548 | \$ 164,676,344 | \$ 151,338,065 | \$ 130,586,601 | \$ 136,117,485 |
| Public School Enrollment (PreK-12) (2) | 1,502 | 1,449 | 1,362 | 1,445 | 1,380 | 1,373 | 1,343 | 1,291 | 1,194 | 1,176 |
| Unemployment Rate (3) | 2.5 | 3.2 | 5.4 | 2.2 | 2.6 | 2.3 | 2.0 | 2.7 | 3.9 | 5.4 |
| Median Household Income for all Occupied Housing Units (1)(4) ~ | * | \$ 62,668 | \$ 49,939 | \$ 46,875 | \$ 46,308 | \$ 39,741 | \$ 39,706 | \$ 40,801 | \$ 39,547 | \$ 38,140 |
| Median Value of Owner-Occupied Housing Units (1)(4) ~ | * | \$ 377,500 | \$ 342,200 | \$ 328,200 | \$ 306,100 | \$ 274,900 | \$ 252,900 | \$ 248,400 | \$ 235,000 | \$ 245,000 |

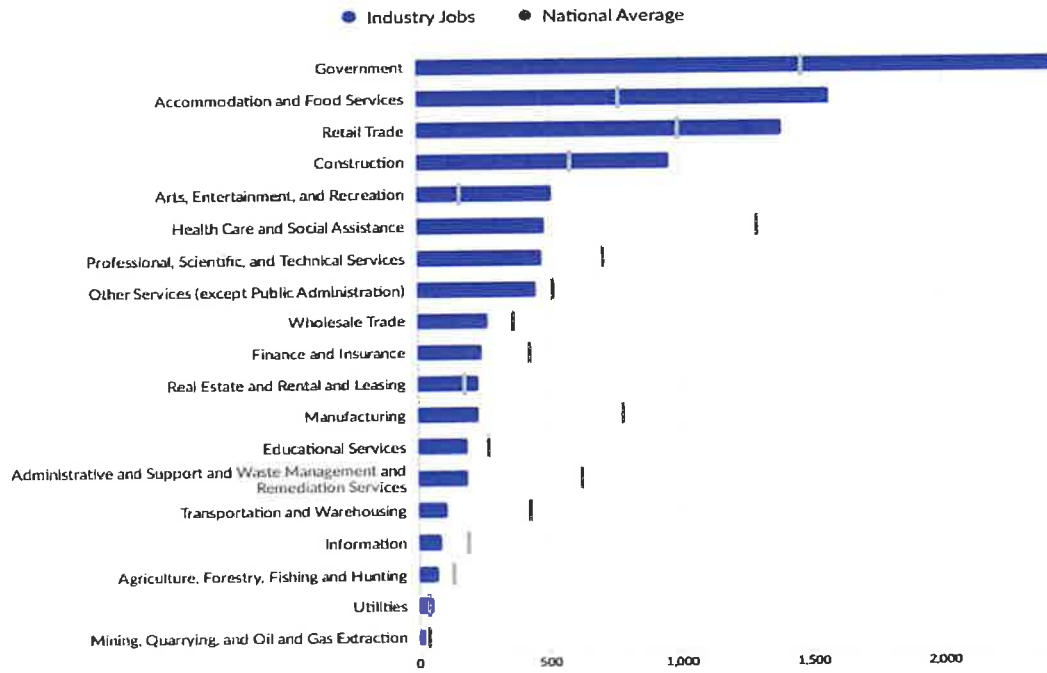
Sources and Explanatory Notes:

- (1) U.S. Census Bureau
- (2) Salida Public School District R-32-J and Salida Montessori Charter School (Note: The Salida Montessori Charter School opened in 2015)
- (3) fred.stlouisfed.org
- (4) American Community Survey
- ~ Approximate values are from the American Community Survey which is a 5-year estimate so the figures were not exact
- * Statistics not yet released for 2022

CITY OF SALIDA, COLORADO
Principal Employers
Fiscal Year 2022
Schedule 15

The census bureau quick facts reports that the City of Salida has a 2021 estimated population of 5,812 with 61.3% being in the labor force. Principal employers for the area include City and County Government, schools, a community hospital, Walmart, a ski resort and a nursing home. Accurate employee counts are not available. The below chart shows employment for the region (Chaffee County) by industry as tracked by the Colorado Workforce Center's Economy Overview report.

Largest Industries



CITY OF SALIDA, COLORADO
Operating Information - Full-time Equivalent Employees by Function
Schedule 16

| | Fiscal Years | | | | | | | | | |
|--|---------------|--------------|--------------|--------------|--------------|-----------------------|------|------|--------------|--------------|
| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
| General Fund | | | | | | | | | | |
| Administration & Finance | 6.32 | 6.67 | 5.90 | 5.90 | 5.83 | -----Not Tracked----- | | | 5.23 | 4.50 |
| Community Development | 4.00 | 3.33 | 3.00 | 3.00 | 2.82 | -----Not Tracked----- | | | 2.88 | 2.50 |
| Police Department | 22.75 | 21.33 | 21.00 | 20.00 | 18.55 | -----Not Tracked----- | | | 17.00 | 17.00 |
| Fire Department | 15.00 | 14.83 | 14.00 | 13.15 | 12.11 | -----Not Tracked----- | | | 10.67 | 10.70 |
| Public Works - General | 1.00 | 1.00 | 1.00 | 1.00 | 1.00 | -----Not Tracked----- | | | 1.00 | 1.00 |
| Public Works - Streets | 4.7 | 4.34 | 4.34 | 4.34 | 4.34 | -----Not Tracked----- | | | 4.34 | 4.34 |
| Arts & Culture* | 8.16 | 5.90 | 6.40 | 7.00 | 7.08 | -----Not Tracked----- | | | 5.18 | 4.50 |
| Parks & Recreation | 24.93 | 20.53 | 17.70 | 19.25 | 18.39 | -----Not Tracked----- | | | 11.13 | 11.90 |
| Subtotals | 86.86 | 77.93 | 73.34 | 73.64 | 70.12 | -----Not Tracked----- | | | 57.43 | 56.44 |
| Water and Wastewater Enterprise | | | | | | | | | | |
| Water Plant | 8.13 | 7.28 | 6.68 | 6.53 | 7.28 | -----Not Tracked----- | | | 7.28 | 7.28 |
| Sewer Plant | 9.03 | 7.36 | 7.28 | 7.43 | 7.19 | -----Not Tracked----- | | | 8.28 | 8.28 |
| Totals | 104.02 | 92.57 | 87.30 | 87.60 | 84.59 | -----Not Tracked----- | | | 72.99 | 72.00 |

*Prior to 2020, this department was a separate Enterprise fund, the SteamPlant fund.

CITY OF SALIDA, COLORADO
Operating Indicators by Function
Schedule 17

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|--------|--------|--------|--------------------|--------------------|--------|--------------------|--------------------|--------------------|--------|
| General Government: | | | | | | | | | | |
| Building permits | 168 | 253 | 183 | 192 | 207 | 183 | 197 | 151 | 133 | 74 |
| Birth certificates processed | 403 | 346 | 249 | 415 | 370 | 412 | 392 | 430 | 371 | 307 |
| Death certificates processed | 1814 | 1371 | 1440 | 1355 | 1188 | 1321 | 1370 | 1421 | 416 | 205 |
| Liquor licenses processed | 48 | 45 | | | Data Not Available | | | | 48 | 63 |
| Council resolutions | 62 | 44 | 47 | 65 | 57 | 70 | 97 | 103 | 95 | 86 |
| Council ordinances | 26 | 20 | 14 | 18 | 17 | 23 | 28 | 24 | 28 | 35 |
| Open records requests | 77 | 41 | 54 | 126 | 92 | 48 | 87 | 66 | 45 | 84 |
| Public Safety: | | | | | | | | | | |
| Number of police calls for service | 8,047 | 7,969 | 6,747 | 5,381 | 5,287 | 5,826 | 5,782 | 4,717 | Data Not Available | |
| Number of arrests | 390 | 432 | 355 | 373 | 397 | 440 | 351 | 275 | 391 | 404 |
| Number of citations | 684 | 837 | 932 | 863 | 1,273 | 1,228 | 860 | 778 | Data Not Available | |
| Number of parking violations | 419 | 469 | 145 | 405 | 765 | 766 | 780 | 712 | 756 | 570 |
| Number of fire emergency responses | 1,050 | 1,053 | 1,088 | 984 | 956 | 969 | 897 | 1,081 | 1,048 | 961 |
| Number of fires extinguished | 33 | 27 | 16 | 19 | 21 | 61 | 23 | 22 | 27 | 29 |
| Number of fire inspections | 248 | 244 | 213 | 247 | 246 | 250 | 242 | 276 | 165 | 153 |
| Water Treatment Plant: | | | | | | | | | | |
| Water Treated (in millions of gallons) | 500 | 493 | 534 | 497 | 504 | 503 | 461 | Data Not Available | | |
| Number of new taps | 54 | 183 | 65 | 58 | 93 | 64 | 76 | 52 | 46 | 24 |
| Wastewater Treatment Plant: | | | | | | | | | | |
| Sewage Treated (in millions of gallons) | 220 | 222 | 206 | 221 | 177 | 230 | 235 | Data Not Available | | |
| Number of new taps* | 129 | 271 | 146 | 118 | 133 | 93 | 116 | 68 | 53 | 27 |
| Pool, Parks and Recreation**: | | | | | | | | | | |
| Park rentals booked | 123 | 138 | 79 | Data Not Available | | | Data Not Available | | 139 | 108 |
| Participants in Rec Programs | 2,689 | 1,047 | 266 | Data Not Available | | | Data Not Available | | Data Not Available | |
| Number of Access passes sold | 2,103 | 1,843 | 6,266 | Data Not Available | | | Data Not Available | | Data Not Available | |
| Number of Drop-in Registrations | 23,817 | 26,131 | 41,993 | Data Not Available | | | Data Not Available | | 28,444 | 26,484 |
| Arts and Culture: | | | | | | | | | | |
| Number of events at SteamPlant | 610 | 576 | 361 | 825 | 661 | 498 | 528 | 590 | 546 | 506 |
| SteamPlant event hours | 2,482 | 2,200 | 1,062 | 2,920 | 2,461 | 1,649 | 1,247 | 1,563 | 1,520 | 1,429 |
| SteamPlant free events | 83 | 140 | 117 | 243 | 204 | 174 | 204 | 238 | 244 | 201 |
| People attending events | 31,623 | 16,525 | 10,775 | 46,248 | 39,719 | 31,160 | 31,416 | 35,468 | 34,434 | 35,442 |

*Beginning in 2017, the City of Salida started handling Town of Poncha Springs Sewer Taps

**Estimated figures for 2020

Sources: Various City Departments

CITY OF SALIDA, COLORADO
Capital Asset Statistics by Function
Schedule 18

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|------|------|-------|-------|-------|-------|--------------------|-------|-------|-------|
| General Government | | | | | | | | | | |
| Number of General Government Buildings | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of Airports* | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Number of Community Centers^ | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of Museums | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of Golf Courses | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Public Safety | | | | | | | | | | |
| Number of Police Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of Police Vehicles | 21 | 21 | 20 | 20 | 19 | 19 | 19 | 18 | 18 | 18 |
| Number of Mobile Speed Trailers | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of Fire Stations | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Number of Fire Trucks | 3 | 3 | 3 | 3 | 3 | 3 | 4 | 4 | 4 | 4 |
| Water / Wastewater Treatment | | | | | | | | | | |
| Number of Treatment Plants | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| Miles of Sewer Lines | 49.8 | 48.6 | 46.7 | 45.8 | 44.3 | 44.1 | 43.7 | 43.2 | 43 | 43 |
| Miles of Water Lines | 58.6 | 57.4 | 44.6 | 44.2 | 44.2 | 44.2 | 43.2 | 42.8 | 42.5 | 42.5 |
| Public Works | | | | | | | | | | |
| Miles of Streets | 39.8 | 38.8 | 38.2 | 38.2 | 37.7 | 37.4 | 37.4 | 37.4 | 37.2 | 37.2 |
| Number of Street Lights*** | 570 | 565 | 560 | 550 | 540 | 530 | 525 | 525 | 525 | 525 |
| Number of Electric Vehicle (EV) Charging Stations | 5 | 5 | 3 | 3 | 0 | 0 | 0 | 0 | 0 | 0 |
| Parks & Recreation | | | | | | | | | | |
| Number of Aquatic Centers | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Miles of Hot Water Lines | 3.85 | 3.85 | 3.85 | 3.85 | 3.85 | 3.85 | 3.85 | 3.85 | 3.85 | 3.85 |
| Number of Bike Racks | 22 | 21 | 21 | ----- | ----- | ----- | Data Not Available | ----- | ----- | ----- |
| Number of Skate Parks | 2 | 2 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Acres of Parks** | 445 | 445 | 445 | ----- | ----- | ----- | Data Not Available | ----- | ----- | ----- |
| Number of Parks | 17 | 16 | 16 | ----- | ----- | ----- | Data Not Available | ----- | ----- | ----- |
| Number of Trees | 566 | 533 | 533 | ----- | ----- | ----- | Data Not Available | ----- | ----- | ----- |
| Number of Amphitheaters | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Miles of Trails | 7.68 | 6.55 | 6.55 | ----- | ----- | ----- | Data Not Available | ----- | ----- | ----- |
| Number of Trash Cans | 97 | 95 | ----- | ----- | ----- | ----- | Data Not Available | ----- | ----- | ----- |
| Number of Mutt Mitt Stations | 17 | 17 | ----- | ----- | ----- | ----- | Data Not Available | ----- | ----- | ----- |
| Number of Irrigation Heads | 726 | 726 | ----- | ----- | ----- | ----- | Data Not Available | ----- | ----- | ----- |
| Number of Playgrounds | 9 | 9 | ----- | ----- | ----- | ----- | Data Not Available | ----- | ----- | ----- |
| Number of Picnic Tables | 62 | 62 | ----- | ----- | ----- | ----- | Data Not Available | ----- | ----- | ----- |
| Arts & Culture | | | | | | | | | | |
| Number of Arts & Culture Facilities | 4 | 4 | 4 | 4 | 4 | 3 | 3 | 3 | 3 | 3 |
| Number of Sculpture Gardens | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |

Notes:

- * The City of Salida shares ownership of the Salida Harriet Alexander Airport with Chaffee County.
 - **This includes acreage for Vandaveer Ranch property and Arkansas Hills
 - ***Estimate prior to 2020
 - ^The voters of the City of Salida voted to sell the Community Center to Salida Senior Citizens Inc. in November 2022.
- Sources: Various City Departments

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STATUTORY REPORT SECTION

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
 AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
 STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**To the Mayor and Members of City Council
 City of Salida**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Salida (the "City") as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements and have issued our report thereon dated .

Internal Control Over Financial Reporting

In planning and performing our audit on the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Member: American Institute of Certified Public Accountants

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**INDEPENDENT AUDITOR'S REPORT
To the Mayor and Members of City Council
City of Salida**

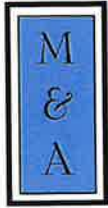
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

**McMahan and Associates, L.L.C.
Avon, Colorado**

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Certified Public Accountants and Consultants

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
 AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**
**To the Mayor and Members of City Council
 City of Salida**
Opinion on Compliance for Each Major Program

We have audited the compliance of the City of Salida's (the "City") with the types of compliance requirements described in the U.S. Office of Management and Budget's *Compliance Supplement* that could have a direct and material effect on each of the City's major federal programs for the year ended December 31, 2022. The City's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the City's federal programs.

Member: American Institute of Certified Public Accountants

 PAUL J. BACKES, CPA, CGMA
 MICHAEL N. JENKINS, CA, CPA, CGMA
 MATTHEW D. MILLER, CPA

 Avon: (970) 845-8800
 ASPEN: (970) 544-3996
 FRISCO: (970) 668-3481

DRAFT

**INDEPENDENT AUDITOR'S REPORT
To the Mayor and Members of City Council
City of Salida**

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charges with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

DRAFT

**INDEPENDENT AUDITOR'S REPORT
To the Mayor and Members of City Council
City of Salida**

The purpose of this report in internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**McMahan and Associates, L.L.C.
Avon, Colorado**

DRAFT

City of Salida, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2022

Part I – Summary of Auditor's Results

Financial Statements:

| | |
|--|------------|
| Type of auditor's report issued | Unmodified |
| Internal control over financial reporting: | |
| Material weakness identified | None noted |
| Significant deficiency identified | None noted |
| Noncompliance material to financial statements noted | None noted |

Federal Awards:

| | |
|---|------------|
| Internal control over major programs: | |
| Material weakness identified | None noted |
| Significant deficiency identified | None noted |
| Type of auditor's report issued on compliance for major programs | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with Title 2, U.S. Code of Federal Regulations, Part 200 | No |
| Major programs: | |
| American Rescue Plan | ALN 21.027 |
| Drinking Water Revolving Loan | ALN 66.468 |
| Dollar threshold used to identify Type A from Type B programs: | \$750,000 |
| Identified as low-risk auditee | No |

Part II – Findings Related to Financial Statements

| | |
|---|----------------|
| Findings related to financial statements as required by <i>Government Auditing Standards</i> | None noted |
| Auditor-assigned reference number | Not applicable |

Part III – Findings Related to Federal Awards

| | |
|---------------------------|------------|
| Internal control findings | None noted |
| Compliance findings | None |
| Questioned costs | None |

DRAFT

City of Salida
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2022

There were no findings for the year ended December 31, 2021.

DRAFT

City of Salida
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2022

| Program Title | Assistance Listing Number | Pass-through Entity Identifying Number | Federal Expenditures |
|---|---------------------------------|---|-------------------------|
| <u>Department of Justice:</u> | | | |
| Passed through National White Collar Crime Center Northern and Middle States Rural Law Enforcement Assistance Program | 16.738 | 2020-MU-BX-K0001 | \$ 37,701 |
| Total - Department of Justice | | | <u>37,701</u> |
| <u>Department of Transportation:</u> | | | |
| Passed through Colorado Department of Transportation: Click it or Ticket Program | 20.616 | | 2,782 A |
| Total - Department of Transportation | | | <u>2,782</u> |
| <u>Department of Treasury:</u> | | | |
| Passed through Colorado Department of Human Services: Coronavirus State and Local Fiscal Recovery Funds | 21.027 | | 918,874 |
| Total - Department of Treasury | | | <u>918,874</u> |
| <u>Environmental Protection Agency</u> | | | |
| Passed through Colorado Water Resources & Power Development Authority: Drinking Water Revolving Loan | 66.468 | | 1,572,240 |
| Total - Environmental Protection Agency | | | <u>1,572,240</u> |
| TOTALS | | | <u>\$ 2,531,597</u> |
| <u>Additional Information for Clusters:</u> | | | |
| A Highway Safety Cluster | | \$ 2,782 | |

Notes to the Schedule of Expenditures of Federal Awards For the Year Ended December 31, 2022

Note 1. Basis of Presentation:

The Schedule of Expenditures of Federal Awards includes the federal grant activity of the City of Salida (the "City") and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Therefore, some amounts presented in this schedule or used in this schedule may differ from amounts presented in or used in the preparation of the City's general purpose financial statements.

Note 2. Determining the Value of Non-cash Awards Expended:

The City had no non-cash awards expended during 2022.

Note 3. Indirect Facilities and Administration costs

The City does not use the 10% de minimis cost rate allowed in in §200.414, *Indirect (F&A) Costs*, of the Uniform Guidance. Instead, the City prepares an annual cost allocation plan to allocate indirect costs.



CITY COUNCIL ACTION FORM

| | | |
|---------------------------------|---|------------------------------|
| DEPARTMENT City Clerk | PRESENTED BY Erin Kelley - City Clerk | DATE June 20, 2023 |
|---------------------------------|---|------------------------------|

ITEM

Resolution 2023-28 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO APPROVING A COORDINATED MAIL BALLOT ELECTION AND ADOPTING THE UNIFORM ELECTION CODE

BACKGROUND

The Chaffee County Clerk and Recorder, Lori Mitchell, will conduct a mail ballot election for the November 7, 2023 election.

This resolution will approve the intergovernmental agreement with the County, including our participation in the coordinated mail ballot election and adoption of the Uniform Election Code. The signed IGA must be returned to the County Clerk by August 29, 2023.

The IGA requests that the City designate its Designated Election Official (“DEO”); the DEO shall act as the primary contact between the City and the Chaffee County Clerk and Recorder. Staff recommends designating City Clerk, Erin Kelley, to serve as the DEO for the City of Salida.

The City of Salida will have five elected positions on the ballot: the Mayor, City Council seats in Ward 1, 2 and 3 and the Treasurer. The deadline to return nomination petitions is August 28. The ballot language must be certified and delivered to the Chaffee County Clerk by September 8, 2023.

A drawing of names for placement on the ballot (if more than one candidate runs for an elected position) will be held Tuesday, September 5, 2021 at 4 p.m. in Council Chambers

FISCAL NOTE

The estimated cost for coordinating the election is \$10,000 to \$12,000.

STAFF RECOMMENDATION

SUGGESTED MOTION

A Councilperson should move “to approve Resolution 2023-28 Approving a Coordinated Mail Ballot Election and Adopting the Uniform Election Code”, followed by a second, and a roll call vote

CITY OF SALIDA, COLORADO
RESOLUTION NO. 28
(Series of 2023)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO
APPROVING A COORDINATED MAIL BALLOT ELECTION AND ADOPTING THE
UNIFORM ELECTION CODE

WHEREAS, the City of Salida is subject to the Colorado Municipal Election Code, Article 10 of Title 31, C.R.S. but may choose to conduct elections pursuant to the Uniform Election Code, Article 1 of Title 1, C.R.S.; and

WHEREAS, it is the desire of the City Council of the City of Salida to conduct the November 7, 2023 regular municipal election as a coordinated mail ballot election with the County of Chaffee, Colorado and to adopt the provisions of the Uniform Election Code to govern the conduct of such election.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALIDA, COLORADO, THAT:

1. The Salida City Council incorporates the foregoing recitals as its conclusions, facts, determinations, and findings.
2. The City Council hereby authorizes City staff to conduct the City's regular municipal election on November 7, 2023 as a coordinated mail ballot election with the County of Chaffee, Colorado.
3. The City Council hereby appoints the City Clerk to serve as Designated Election Official.
4. For the purpose of the municipal election of November 7, 2023, the City hereby adopts the Uniform Election Code, Article 1 of Title 1, C.R.S.
5. The City Council hereby approves an Intergovernmental Agreement with the County of Chaffee regarding the conduct of the 2023 coordinated mail ballot election.

RESOLVED, APPROVED and ACCEPTED this 20th day of June 2023.

 Dan Shore, Mayor

[SEAL]

ATTEST:

 City Clerk/Deputy City Clerk



448 E First Street, Suite 112
Salida, CO 81201
719-539-4555

June 21, 2023

Lori Mitchell
Chaffee County Clerk and Recorder
PO Box 699
Salida, CO 81201

Re: Coordinated/Mail Ballot Election

Dear Chaffee County Clerk and Recorder Mitchell:

Please accept this letter as formal notice that the City of Salida wishes to participate in the November 7, 2023 Coordinated Election.

Our ballot items will be three Council Positions, Treasurer and the Mayor.

I understand that you will be sending an election calendar upon receipt of this letter, and that you will also be sending an Intergovernmental Agreement regarding the conduct of elections, which needs to be signed and returned to you.

I look forward to working with you in the upcoming election. If you need more information or have questions, please feel free to call me at 719-530-2630

Sincerely,

Erin Kelley
City Clerk
clerk@cityofsalida.com





CITY COUNCIL ACTION FORM

| | | |
|-------------------------------|---|------------------------------|
| DEPARTMENT Planning | PRESENTED BY Bill Almquist - Community Development Director | DATE June 20, 2023 |
|-------------------------------|---|------------------------------|

ITEM

Ordinance No. 2023-10: An Ordinance of the City Council for the City of Salida, Colorado Amending Chapter 16, Article XIII of the Salida Municipal Code, Regarding Inclusionary Housing, To Further Promote and Assist the Development of Workforce Housing. **First Reading and Setting a Public Hearing.**

BACKGROUND

The City originally adopted its Inclusionary Housing requirements and regulations in 2018.

Since the adoption and subsequent amendments to Chapter 16, Article XIII, recent changes in the market as well as practicalities in enforcement of the regulations has prompted City staff to evaluate and recommend where certain updates could be made to the Code, especially now that new affordable units are becoming available.

Within the attached Ordinance are the proposed amendments to Chapter 16, Article XIII of the Code, as it relates to Inclusionary Housing.

PLANNING COMMISSION RECOMMENDATION

Planning Commission voted unanimously (7-0) to recommend approval of the ordinance. Some Commissioners noted that, if possible, they would like the Chaffee Housing Authority’s Community Guidelines to only utilize the proposed 10% buffer provision for for-sale units in cases where no other applicants at the established AMI qualify.

STAFF RECOMMENDATION

Staff recommends approval of Ordinance No. 2023-10.

SUGGESTED MOTION

A Council person should move to “approve, on first reading, ordinance 2023-10 and set the second reading and public hearing for July 5, 2023.”

Attachments:

Draft Ordinance No. 2023-10

CITY OF SALIDA, COLORADO
ORDINANCE NO. 10
(Series of 2023)

**AN ORDINANCE OF THE CITY COUNCIL FOR THE CITY OF SALIDA,
COLORADO AMENDING CHAPTER 16, ARTICLE XIII OF THE SALIDA
MUNICIPAL CODE, REGARDING INCLUSIONARY HOUSING, TO FURTHER
PROMOTE AND ASSIST THE DEVELOPMENT OF WORKFORCE HOUSING**

WHEREAS, the City of Salida, Colorado (the “City”) is a statutory city, duly organized and existing under the laws of the State of Colorado; and

WHEREAS, pursuant to C.R.S. § 31-23-301 *et seq.*, the City, by and through its City Council, possesses the authority to adopt and enforce zoning regulations; and

WHEREAS, under such authority, the City Council previously adopted regulations related to inclusionary housing, codified as Chapter 16, Article XIII of the Salida Municipal Code (the “Code”); and

WHEREAS, the City Council remains committed to the promotion of inclusionary housing, such that all residents and workforce have a meaningful opportunity to afford housing in the City; and

WHEREAS, the City of Salida still recognizes the need for affordable housing across a diversity of income levels to be addressed by the inclusionary housing policy; and

WHEREAS, deed restrictions remain the primary tools to ensure permanent affordability so that units will not go from affordable to unaffordable with a simple sale of property; and

WHEREAS, since the adoption and subsequent amendments to Chapter 16, Article XIII, recent changes in the market as well as practicalities in enforcement of the regulations has prompted City staff to evaluate and recommend where certain updates could be made to the Code, especially now that new affordable units are becoming available; and

WHEREAS, the Planning Commission held a public hearing on the code changes on June 13, 2023, and recommends the amendments set forth in this Ordinance; and

WHEREAS, after consideration at a public hearing held on July 5, 2023, the City Council finds it desirable and appropriate, and in the best interest of the general health, safety, and welfare of its residents, workforce, local businesses and customers to amend Chapter 16, Article XIII of the Code, as it relates to the promotion of inclusionary housing in the City.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL FOR THE
CITY OF SALIDA, COLORADO AS FOLLOWS:**

Section 1. The foregoing recitals are hereby incorporated as conclusions, facts, determinations, and findings by the City Council.

Section 2. Section 16-13-20 of the Code, concerning general inclusionary housing requirements, is hereby amended to read as follows:

Sec. 16-13-20. - General inclusionary housing requirements.

- (a) Any application brought under the annexation or planned development sections of this Code; condominium plats of any size; duplex conversion subdivisions; and minor and major subdivision sections of this Code, as well as multi-family residential projects of five (5) or more units are required to include at least sixteen and seven-tenths (16.7) percent of the total number of residential dwelling units as affordable dwelling units, pursuant to requirements set forth in this Article, and subject to the following standards:
- (1) The prices for sale or rents charged for permanently affordable priced dwelling units shall not exceed a price that is affordable to a household earning the applicable percentage of Area Median Income (AMI) for Chaffee County as defined annually by the Colorado Housing Finance Authority (CHFA), at the time such unit is sold or rented, and as further specified in Sections 16-13-60 and 16-13-70.
 - (2) Affordable dwelling units shall be permanently restricted ~~as defined by the administrative regulations, or~~ unless a different timeframe is required as a part of a Low Income Housing Tax Credit project.
 - (3) If the calculation for inclusionary housing results in a fraction of a dwelling unit, the fraction of the unit shall be provided as a complete affordable unit or a fee-in-lieu shall be provided per Section 16-13-40.
 - (4) The proportion of required affordable units, whether for-sale or rental, shall follow the proportion of for-sale and rental market rate units, unless otherwise approved by the decision-making body. For example, if the project includes one hundred (100) percent for-sale units, then one hundred (100) percent of the required affordable units shall be for-sale units. If the project includes fifty (50) percent for-sale units and fifty (50) percent rental units, that same percentage of for-sale and rental affordable units shall be provided.
- ~~(b) The City Administrator is authorized to adopt administrative regulations to be utilized in the enforcement of the provisions of this Article.~~
- ~~(e)~~**(b)** Units built as affordable in the project should be comparable to the market rate housing units in exterior finish and design and integrated into the overall project.
- ~~(d)~~**(c)** Income Eligibility Required. No person shall sell, rent, purchase or lease an affordable dwelling unit created pursuant to this Article except to a program eligible household. A private owner of a single affordable unit may rent the unit in accordance with the provisions of this Article as set forth in Section 16-13-60 "Program Requirements for For-Sale Units." All sales, rentals, purchases and leases shall comply with the provisions of this Article.
- ~~(e)~~**(d)** Deed Restriction Required. No person offering an affordable dwelling unit for rent or sale pursuant to this Article shall fail to lawfully reference in the grant deed conveying title of any such unit, and record with the County Clerk and Recorder, a ~~covenant or declaration of restrictions~~ deed restriction in a form provided and approved by the City Attorney and applicable Housing Authority. Such deed restriction ~~covenant or declaration of restrictions~~ shall reference applicable contractual arrangements, deed restrictions ~~restrictive covenants~~ and resale restrictions as are necessary to carry out the purposes of this Article.

~~(f)~~(e) Good Faith Marketing Required. All sellers or owners of affordable dwelling units shall engage in good faith marketing and public advertising efforts each time an affordable dwelling unit is rented or sold such that members of the public who are qualified to rent or purchase such units have a fair chance to become informed of the availability of such units.

~~(g)~~(f) Required Agreements. ~~¶~~ **Where applicable**, those applicants creating residential developments under this Chapter shall enter into an inclusionary housing development agreement with the City Council. Such agreements may be part of a development agreement, annexation agreement or subdivision agreement and shall document how the applicant will meet the requirements of this Article including:

- (1) Defining the inclusionary housing development, including the total number of units; the total number of affordable housing units required; and the total number of affordable housing units provided;
- (2) The application of allowed density, parking and development standards allowed for projects that provide one hundred (100) percent of the inclusionary housing requirements, as provided in Section 16-13-50;
- (3) Design standards to assure the affordable units will be comparable to market rate units and are integrated into the development;
- (4) The requirement that each required affordable housing unit must receive its certificate of occupancy before development of every sixth market-rate housing unit within the development, unless an alternative schedule is approved by the City; and
- (5) The **deed restrictions** ~~restrictive covenants~~ and additional agreements, in a form acceptable to the City, as necessary to carry out the purposes of this Article.

~~(h)~~(g) Accessory dwelling units shall not be considered inclusionary housing for the purpose of compliance with the requirements of this Article.

(h) An applicant shall not be eligible to submit for a building permit until the **any applicable** affordable housing agreement ~~and any required restrictive covenants are~~ **is** approved by the City Council and **such agreement, where required, is recorded with the Chaffee County Clerk and Recorder. Additionally, a property shall not receive a certificate of occupancy until the required deed restrictions are** recorded with the Chaffee County **Clerk and Recorder**.

Section 3. Section 16-13-30 of the Code, concerning options for satisfaction of the inclusionary housing requirement, is hereby amended to read as follows:

Sec. 16-13-30. - Options for satisfaction of inclusionary housing requirement.

An applicant may seek an alternative to providing the required percentage of affordable housing under this Article by any of the following methods:

- (a) Providing the Required Housing Off-Site. This may be met only through the dedication of land to the City or a qualified non-profit housing developer for the required development of such units as approved by the City, with the guarantee that the land to be dedicated will allow for, and be developed with a minimum number of

twenty-five (25) percent of the total units in the subject development as affordable housing.

- (b) Dedicating Land Within the Project. Provided it is large enough and located appropriately to accommodate at least the minimum number of required affordable units, land within a project may be dedicated to the City or a qualified non-profit housing developer for the required development of such units, as approved by the City. The units to be built within the project shall be comparable to the market rate housing units in exterior finish and design to blend into the overall project. **Each lot shall have sufficient area devoid of environmental or other constraints to allow construction of the required development of such units. All public infrastructure improvements to support development of the required units shall be in place prior to conveyance, or sufficient security in accordance with the Municipal Code shall be provided. Dedication of the lots shall occur at the same time as plat or other applicable recordation.**
- (c) Paying a Fee in Lieu of Providing Units as Defined in Section 16-13-40. This alternative is only available if the calculation for inclusionary housing results in a fraction of a dwelling unit or if the development is for five (5) units **or lots** or less.
- (d) Providing fewer units, but which are affordable to households earning sixty (60) percent or less of the AMI for Chaffee County for rental projects, or one hundred (100) percent or less of the AMI for Chaffee County for for-sale projects. For the purposes of this option, an affordable dwelling unit at the above AMI levels shall equal one and one-half (1.5) inclusionary housing units at any other AMI level specified in Sections 16-13-60 and 16-13-70 below.

Section 4. Section 16-13-60 of the Code, concerning program requirements for for-sale units, is hereby amended to read as follows:

Sec. 16-13-60. – Program requirements for for-sale units.

- (a) Affordable Unit Price. The prices charged for any affordable units shall not exceed prices greater than what is affordable to households earning one hundred twenty (120) percent, one hundred forty (140) percent, or one hundred sixty (160) percent of the Area Median Income (AMI) for Chaffee County. Furthermore, for-sale affordable units shall be subject to the following additional requirements:
 - (1) The average sales price of all affordable housing units shall not exceed a price affordable to households earning one hundred forty (140) percent or less of the AMI for Chaffee County; and
 - (2) For projects providing multiple affordable units, and to create parity across levels of affordability, the total number of affordable units deed-restricted at one of the applicable AMI levels shall not exceed the total number of affordable units deed-restricted at any of the other applicable AMI levels by more than one unit.
 - (3) Studio units above one hundred twenty (120) percent AMI for Chaffee County and one-bedroom units above one hundred forty (140) percent AMI for Chaffee County shall not be eligible to satisfy inclusionary housing requirements.

(4) The specific affordable unit price charged for the applicable AMI level shall be based on the current maximum sale price as identified by the Chaffee Housing Authority and/or the City Administrator or their designee.

- (b) Approved Purchasers for Affordable Dwelling Units. A developer or owner shall sell to a qualified purchaser after completing a good faith marketing and selection process approved by the City and applicable housing authority.
- (c) Sale Restriction. No person shall sell an affordable dwelling unit except to a person that meets the income, asset and other eligibility requirements of this Article or any asset and income eligibility requirement that is included in any applicable contract, ~~covenant~~ or ~~declaration of restrictions~~ **deed restriction** or any other agreements to which the City is a party or beneficiary.
- (d) Resale Restrictions. All affordable ownership dwelling units developed under this Article shall be subject to the resale restrictions itemized within the deed restriction required pursuant to Section 16-13-20(e).
- (e) Ownership Associations. When accepting a for-sale unit as meeting the inclusionary housing obligation, the City Administrator and/or applicable housing authority will review the condominium association declarations to assess the impact on buyers of affordable units. The City Administrator and/or applicable housing authority is authorized to establish rules regarding allowable terms in condominium declarations in order to ensure that the purposes of this Article are accomplished.
- (f) Rental Restriction. The owner of an affordable unit may rent the unit to an income eligible renter by a method that complies with the ~~administrative regulations and/or~~ applicable deed restriction **and/or regulations**. At no point shall such rent price exceed a price that is affordable to a household earning one hundred (100) percent of the Area Median Income (AMI) for Chaffee County, as defined annually by CHFA.
- (g) Income Cap. The City shall allow a ten percent (10%) buffer between the price cap and the income cap to provide flexibility for homebuyers to qualify for financing without being cost burdened. For example, if a unit shall not exceed a price greater than what is affordable to households earning one hundred twenty (120) percent of the Area Median Income for Chaffee County, households earning incomes of up to one hundred thirty (130) percent of the AMI can qualify for such unit.**

Section 5. *Severability.* The provisions of this ordinance are severable and the invalidity of any section, phrase, clause, or portion of the ordinance as determined by a court of competent jurisdiction shall not affect the validity or effectiveness of the remainder of the ordinance.

INTRODUCED ON FIRST READING on this 20th day of June, 2023, ADOPTED and ORDERED PUBLISHED IN FULL in a newspaper of general circulation by the City Council on this 23rd day of June, 2023, and set for second reading and public hearing on the 5th day of July, 2023.

INTRODUCED ON SECOND READING FINALLY ADOPTED and ORDERED

PUBLISHED BY TITLE ONLY, by the City Council on this ____ day of _____, 2023.

City of Salida

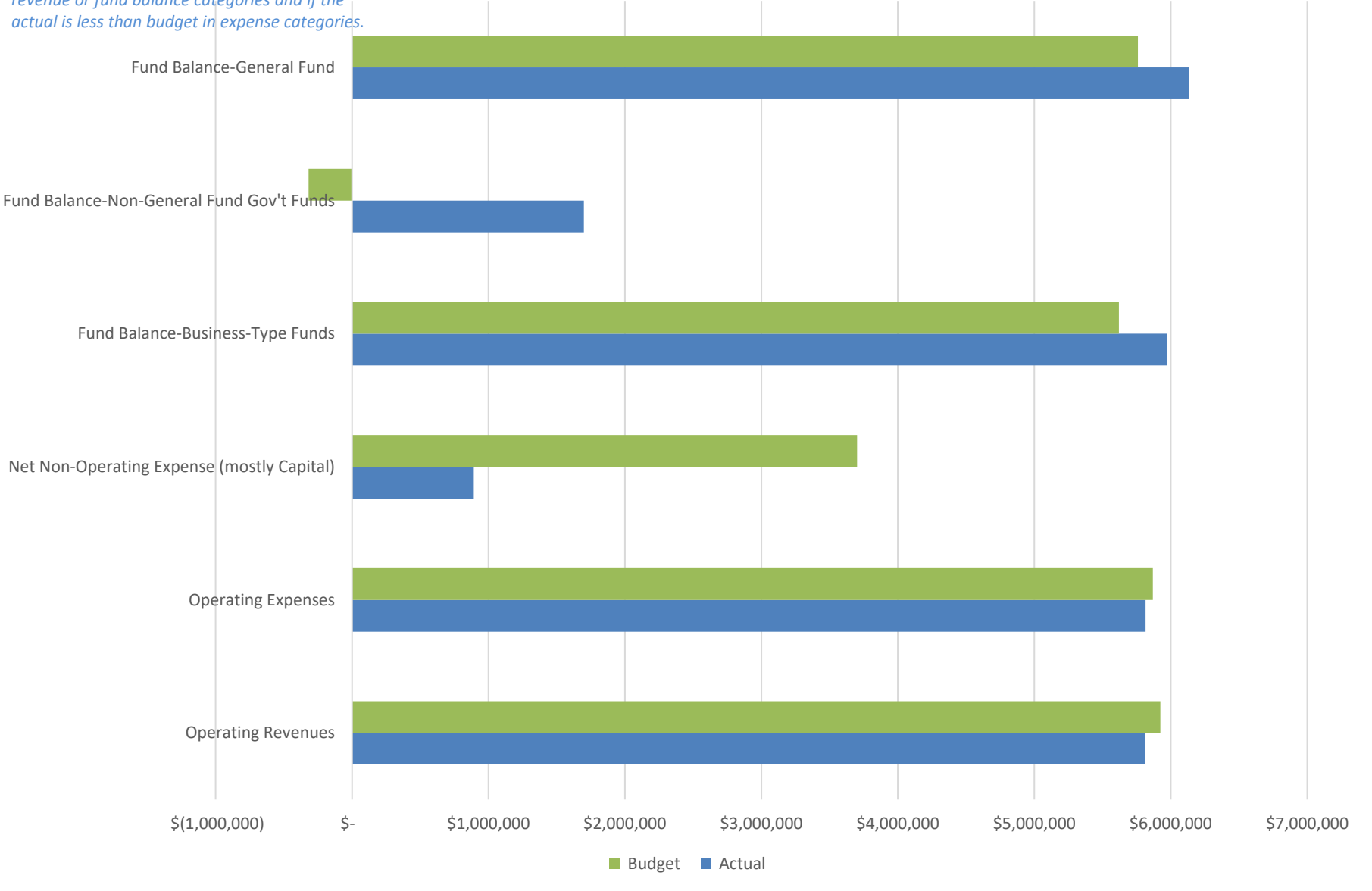
Mayor Dan Shore

ATTEST:

City Clerk/Deputy City Clerk

Budget to Actual Tracking-All Funds Four Months Ending April 30, 2023

Note: It is generally considered "favorable" if actual (blue) is greater than budget (green) in revenue or fund balance categories and if the actual is less than budget in expense categories.



City of Salida
Budget Tracking Analysis
Combined Funds: General and Lodging Tax Funds
Four Months Ending April 30, 2023

Percentage of year passed: 33%

| | YTD April 2022 | YTD April 2023 | YTD Budget * | YTD Budget Variance Favorable (Unfavorable) | Annual Budget | % Spent |
|---|---------------------|---------------------|---------------------|---|-----------------------|--------------|
| <u>Operating Revenues</u> | | | | | | |
| 1 Tax Revenue (Sales, Lodging, Franchise fees) | \$ 1,796,978 | \$ 1,758,519 | \$ 1,757,194 | (1) \$ 1,325 | \$ 6,348,363 | 27.7% |
| 3 Fees for General Services | 47,246 | 51,242 | 62,575 | (11,333) | 187,800 | 27.3% |
| 4 Fines & Forfeitures | 10,680 | 16,372 | 17,993 | (1,621) | 54,000 | 30.3% |
| 5 Licenses and Permits | 15,463 | 9,616 | 28,255 | (18,639) | 84,800 | 11.3% |
| 6 County sales tax and other intergovernmental revenue | 1,011,568 | 1,051,750 | 1,050,550 | 1,200 | 3,605,788 | 29.2% |
| 7 Fees for Recreation & Event Services | 268,763 | 357,347 | 327,769 | 29,578 | 983,700 | 36.3% |
| 8 Miscellaneous Revenue | 37,716 | 121,704 | 73,237 | 48,467 | 219,800 | 55.4% |
| 9 Total Operating Revenues | 3,188,414 | 3,366,550 | 3,317,573 | 48,977 | 11,484,251 | 29.3% |
| <u>Operating Expenses</u> | | | | | | |
| 11 Cost of Sales | 26,095 | 36,789 | 50,813 | 14,024 | 152,501 | 24.1% |
| 12 Personnel | 2,086,114 | 2,355,971 | 2,439,647 | (2) 83,676 | 7,766,135 | 30.3% |
| 13 Contracted Services | 315,486 | 371,739 | 448,004 | 76,265 | 1,344,550 | 27.6% |
| 14 Supplies & Materials | 139,069 | 136,973 | 142,076 | 5,103 | 426,400 | 32.1% |
| 15 Utilities | 127,899 | 154,490 | 162,095 | 7,605 | 486,480 | 31.8% |
| 16 Other Operating Costs ^ | 484,921 | 854,132 | 876,009 | (3) 21,877 | 2,028,026 | 42.1% |
| 17 Financing Obligations | 40,458 | 53,944 | 53,944 | (4) - | 218,082 | 24.7% |
| 18 Total Operating Expenses | 3,220,042 | 3,964,038 | 4,172,588 | 208,550 | 12,422,174 | 31.9% |
| 19 Revenues over (under) expenses-operating only | \$ (31,628) | \$ (597,488) | \$ (855,015) | \$ 257,527 | \$ (937,923) | 63.7% |
| <u>Non Operating Revenue and Expense ~</u> | | | | | | |
| 21 Capital Revenue | 9,726 | 10,925 | 3,332 | 7,593 | 10,000 | 109.3% |
| 22 Grant Revenue | 21,201 | 275 | 13,328 | (13,053) | 110,000 | 0.3% |
| 23 Net Transfers out (transfer made at year end) | | | | - | (1,012,000) | 0.0% |
| 24 Capital Expenditures (\$500 - \$4,999) | (134,603) | (47,855) | (75,936) | 28,081 | (227,900) | 21.0% |
| 25 Capital Purchases & Improvements (\$5,000 +) | (96,559) | (60,486) | (156,604) | 96,118 | (470,000) | 12.9% |
| 26 Total (net) Non Operating Revenues & Expenses | \$ (200,235) | \$ (97,141) | \$ (215,880) | \$ 118,739 | \$ (1,589,900) | 6.1% |
| 27 Revenues over (under) expenses | (231,863) | (694,629) | (1,070,895) | 376,266 | (2,527,823) | |
| 28 Fund Balance at 1/1/23 | | 6,830,231 | 6,830,231 | | 6,830,231 | |
| 29 Fund Balance at period end | | \$ 6,135,602 | \$ 5,759,336 | 376,266 | \$ 4,302,408 | |

* YTD budget spread evenly throughout year except as noted in (1) and (2) below

(1) Tax revenue budget spread in the same (seasonal) proportion as actual collections in previous year.

(2) Salaries, FICA tax and retirement benefits within the payroll group are spread over 26 pay periods rather than evenly throughout the year.

(3) Airport land purchased early in year, adjusted budget spread to accommodate.

(4) Financing Obligations budget spread based on when debt payments are due.

~ Non operating revenues and expenses are related to capital equipment or projects and interfund transfers; expenses can fluctuate greatly from month to month and are difficult to predict timing of.

^ Operating Costs includes all costs of running government not broken out in other line items to include Airport contribution, community support, staff training, subscriptions, travel costs, Repairs & Maintenance, lease expense, bank fees, advertising, publications, subscriptions, etc.

City of Salida
Budget Tracking Analysis
Combined Funds: Streets, Capital Improvement, CTF, Economic Development & Housing
Four Months Ending April 30, 2023

Percentage of year passed: 33%

| | YTD April 2022 | YTD April 2023 | YTD Budget * | YTD Budget Variance Favorable (Unfavorable) | Annual Budget | % Spent |
|---|---------------------|---------------------|-----------------------|---|-----------------------|--------------|
| <u>Operating Revenues</u> | | | | | | |
| 1 Tax Revenue | \$ 1,161,761 | \$ 1,144,890 | \$ 1,169,137 | (1) \$ (24,247) | \$ 4,017,653 | 28.5% |
| 3 Fees Services | 27,178 | 21,504 | 9,996 | 11,508 | 30,000 | 71.7% |
| 4 License & Permits | - | 13,000 | - | 13,000 | - | |
| 5 Highway Users Tax & other intergovernmental revenues | 72,193 | 72,366 | 108,290 | (35,924) | 255,000 | 28.4% |
| 6 Miscellaneous Revenue | - | 762 | - | 762 | 4,000 | 19.1% |
| 7 Total Operating Revenues | 1,261,132 | 1,252,522 | 1,287,423 | (34,901) | 4,306,653 | 29.1% |
| <u>Operating Expenses</u> | | | | | | |
| 8 Personnel | 124,460 | 161,229 | 160,246 | (2) (983) | 510,398 | 31.6% |
| 9 Contracted Services | 138,348 | 165,383 | 128,282 | (37,101) | 385,000 | 43.0% |
| 10 Supplies & Materials | 9,997 | 17,715 | 15,660 | (2,055) | 47,000 | 37.7% |
| 11 Other Operating Costs ^ | 58,475 | 98,542 | 118,886 | 20,344 | 356,800 | 27.6% |
| 12 Total Operating Expenses | 331,280 | 442,869 | 423,074 | (19,795) | 1,299,198 | 34.1% |
| 13 Revenues over (under) expenses-operating only | \$ 929,852 | \$ 809,653 | \$ 864,349 | \$ (54,696) | \$ 3,007,455 | 26.9% |
| <u>Non Operating Revenue and Expense ~</u> | | | | | | |
| 14 Grant Revenue | | | | - | 3,669,258 | 0.0% |
| 16 Capital Revenue | | | 5,000,000 | (5,000,000) | 15,000,000 | |
| 17 Net Transfers In (transfer made at year end) | | | | - | 1,012,000 | |
| 18 Capital Purchases & Improvements (\$5,000 +) | (838,634) | (811,511) | (7,884,178) | 7,072,667 | (23,662,000) | 3.4% |
| 19 Total (net) Non Operating Revenues & Expenses | \$ (838,634) | \$ (811,511) | \$ (2,884,178) | \$ 2,072,667 | \$ (3,980,742) | 20.4% |
| 20 Revenues over (under) expenses | 91,218 | (1,858) | (2,019,829) | 2,017,971 | (973,287) | |
| 21 Fund Balance at 1/1/23 | | 1,701,357 | 1,701,357 | | 1,701,357 | |
| 22 Fund Balance at period end | | \$ 1,699,499 | \$ (318,472) | 2,017,971 | \$ 728,070 | |

* YTD budget spread evenly throughout year except as noted in (1)

(1) Tax revenue budget spread in the same (seasonal) proportion as actual collections in previous year.

(2) Salaries, FICA tax and retirement benefits within the payroll group are spread over 26 pay periods rather than evenly throughout the year.

~ Non operating revenues and expenses are related to capital equipment or projects including interfund transfers; expenses can fluctuate greatly from month to month and are difficult to predict timing of. 2023 includes the cost of a firestation project that will not begin until later in the year.

^ Operating Costs includes all costs of running government not broken out in other line items to include Repairs & Maintenance, lease expense, training, subscriptions, etc.

City of Salida
Budget Tracking Analysis - Business-Like Fund Types
Combined Funds: Water and Wastewater
Four Months Ending April 30, 2023

Percentage of year passed: 33%

| | YTD April 2022 | YTD April 2023 | YTD Budget * | YTD Budget Variance Favorable (Unfavorable) | Annual Budget | % Spent |
|-----------|--|---------------------|---------------------|---|-----------------------|--------------------------|
| 1 | <u>Operating Revenues</u> | | | | | |
| 2 | 1,037,036 | 1,169,827 | 1,261,970 | (92,143) | 3,787,426 | 30.9% |
| 3 | 29,444 | 20,835 | 56,811 | (35,976) | 170,500 | 12.2% |
| 4 | 1,066,480 | 1,190,662 | 1,318,781 | (128,119) | 3,957,926 | 30.1% |
| 5 | <u>Operating Expenses</u> | | | | | |
| 6 | 471,158 | 461,791 | 495,453 (1) | 33,662 | 1,577,740 | 29.3% |
| 7 | 116,627 | 262,815 | 168,399 | (94,416) | 505,400 | 52.0% |
| 8 | 56,472 | 33,856 | 54,645 | 20,789 | 164,000 | 20.6% |
| 9 | 65,972 | 77,434 | 86,465 | 9,031 | 259,500 | 29.8% |
| 10 | 208,008 | 182,896 | 123,159 (2) | (59,737) | 369,625 | 49.5% |
| 11 | 296,084 | 389,809 | 344,803 (3) | (45,006) | 1,034,822 | 37.7% |
| 12 | 1,214,321 | 1,408,601 | 1,272,924 | (135,677) | 3,911,087 | 36.0% |
| 13 | Revenues over (under) expenses-operating only | \$ (147,841) | \$ (217,939) | \$ 45,857 | \$ (263,796) | \$ 46,839 -465.3% |
| 14 | <u>Non Operating Revenue and Expense ~</u> | | | | | |
| 15 | 452,352 | 1,259,041 | 415,167 | 843,874 | 1,246,000 | 101.0% |
| 16 | 2,137 | | 233,240 | (233,240) | 700,000 | 0.0% |
| 17 | | (6,205) | | (6,205) | - | |
| 18 | (278,787) | (1,236,492) | (1,250,000) | 13,508 | (3,751,500) | 33.0% |
| 19 | \$ 175,702 | \$ 16,344 | \$ (601,593) | \$ 617,937 | \$ (1,805,500) | -0.9% |
| 20 | 27,861 | (201,595) | (555,736) | 354,141 | (1,758,661) | |
| 21 | | 6,175,252 | 6,175,252 | | 6,175,252 | |
| 22 | Fund Balance at period end | \$ 5,973,657 | \$ 5,619,516 | 354,141 | \$ 4,416,591 | |

* YTD budget spread evenly throughout year except as noted in (1) and (2)

(1) Salaries, FICA tax and retirement benefits within the payroll group are spread over 26 pay periods rather than evenly throughout the year.

(2) Within this expense group is the Property and Liability Insurance which is paid at the beginning of year, budget for that distributed to beginning of year as well.

(3) Financing Obligations budget spread based on when debt payments are due.

~ Non operating revenues and expenses are related to capital equipment or projects, expenses can fluctuate greatly from month to month and are difficult to predict timing of.

^ Operating Costs includes all costs of running government not broken out in other line items to include insurance, repairs & maintenance, lease expense, training, etc.

CITY OF SALIDA, COLORADO
CITY SALES TAX AND COUNTY SALES TAX SHARED WITH CITY
APRIL 2023



The City of Salida Sales Tax and Chaffee County Sales Tax report examines tax collections for the month of April 2023, which were remitted to the City of Salida in June 2023.

Summary Results for City and Chaffee County Sales Taxes

April City sales tax collections increased by \$2,508 (0.4%) as compared to April 2022. The City's portion of Chaffee County sales tax collections decreased by \$5,811, a 2.3% decrease over April 2022. In total, sales tax receipts are 0.3% lower for April and 0.2% higher year-to-date. Actual collections are behind the budget by 0.3% year-to-date.

| Current Month | | | | | | | |
|----------------------|---------------------|---------------------|--------------------------|-------------------------|----------------------|----------------------------|---------------------------|
| | April 2023 | April 2022 | 2023 - 2022 \$ Change | 2023 - 2022 % Change | April 2023 Budget | 2023 Budget \$ Variance | 2023 Budget % Variance |
| 3% City Sales Tax | \$ 709,409 | \$ 706,901 | \$ 2,508 | 0.4% | \$ 734,205 | \$ (24,796) | -3.4% |
| Shared County Tax | \$ 249,793 | \$ 255,604 | \$ (5,811) | -2.3% | \$ 251,596 | \$ (1,803) | -0.7% |
| Total | \$ 959,202 | \$ 962,505 | \$ (3,302) | -0.3% | \$ 985,801 | \$ (26,599) | -2.7% |
| Year to Date | | | | | | | |
| | YTD 2023 | YTD 2022 | 2023 - 2022 \$ Change | 2023 - 2022 % Change | YTD 2023 Budget | 2023 Budget \$ Variance | 2023 Budget % Variance |
| 3% Sales Tax | \$ 2,725,928 | \$ 2,766,097 | \$ (40,169) | -1.5% | \$ 2,782,296 | \$ (56,368) | -2.0% |
| Shared County Tax | \$ 1,004,591 | \$ 958,106 | \$ 46,484 | 4.9% | \$ 960,522 | \$ 44,069 | 4.6% |
| Total | \$ 3,730,519 | \$ 3,724,204 | \$ 6,315 | 0.2% | \$ 3,742,818 | \$ (12,299) | -0.3% |

CITY OF SALIDA, COLORADO
CITY SALES TAX AND COUNTY SALES TAX SHARED WITH CITY
APRIL 2023



Below is the tracking by NAICS industry sector report for the 3% City sales tax collections.

3% City Sales Tax by Industry Sector

Current Month

| NAICS Sector | April 2023 | April 2022 | 2023-2022 \$ Change | 2023-2022 % Change |
|---------------------------------|-------------------|-------------------|---------------------|--------------------|
| Retail Trade | \$ 498,787 | \$ 468,876 | \$ 29,911 | 6.4% |
| Accommodation and Food Services | \$ 107,289 | \$ 117,811 | \$ (10,522) | -8.9% |
| Manufacturing | \$ 13,234 | \$ 22,280 | \$ (9,046) | -40.6% |
| Wholesale Trade | \$ 30,591 | \$ 26,391 | \$ 4,200 | 15.9% |
| Construction | \$ 4,289 | \$ 11,557 | \$ (7,268) | -62.9% |
| Information | \$ 10,268 | \$ 8,665 | \$ 1,603 | 18.5% |
| Real Estate, Rental & Leasing | \$ 5,760 | \$ 5,703 | \$ 57 | 1.0% |
| All Other | \$ 39,191 | \$ 45,618 | \$ (6,427) | -14.1% |
| Total | \$ 709,409 | \$ 706,901 | \$ 2,508 | 0.4% |

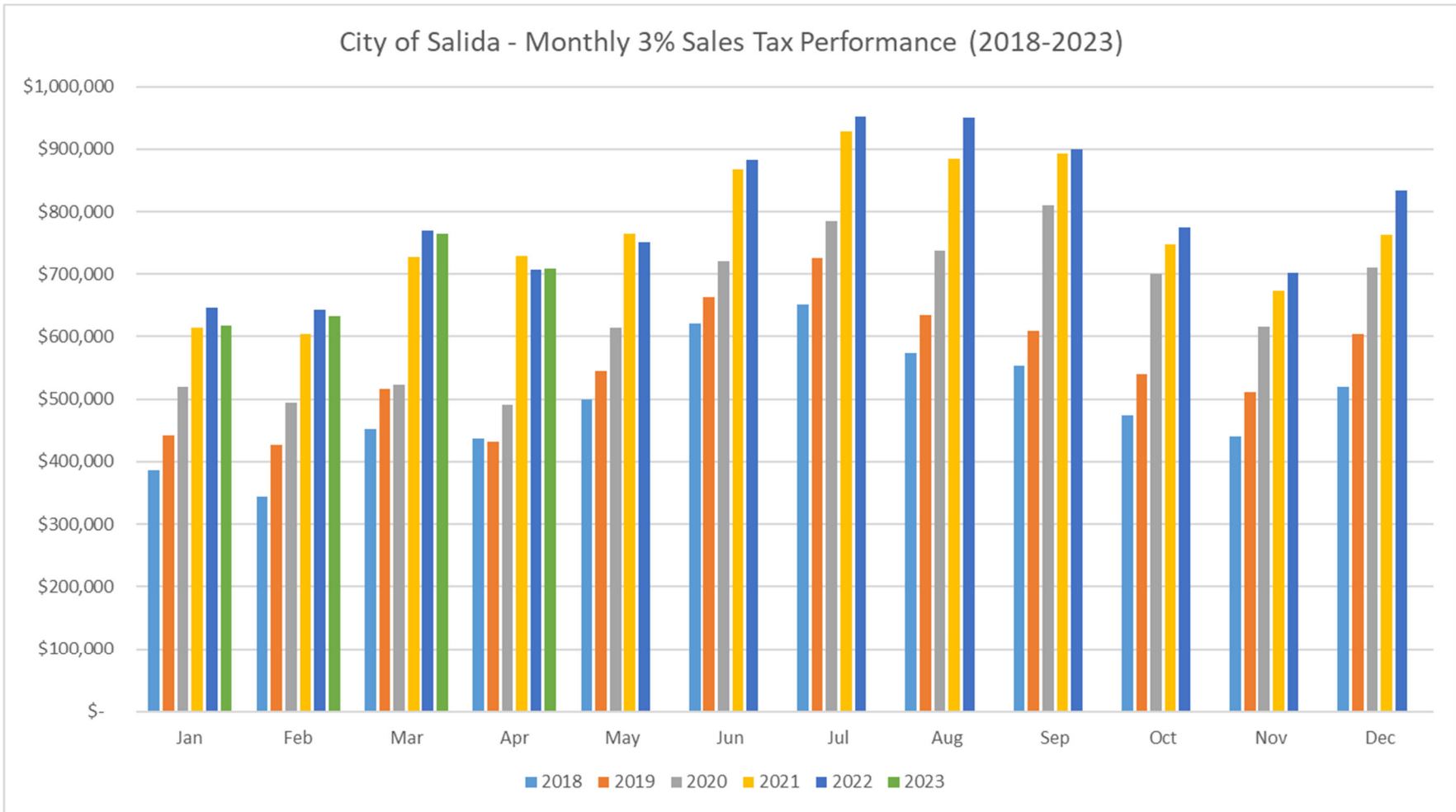
Year to Date

| NAICS Sector | YTD 2023 | YTD 2022 | 2023-2022 \$ Change | 2023-2022 % Change |
|---------------------------------|--------------------|--------------------|---------------------|--------------------|
| Retail Trade | \$1,891,702 | \$1,797,864 | \$ 93,838 | 5.2% |
| Accommodation and Food Services | \$ 445,672 | \$ 486,980 | \$ (41,308) | -8.5% |
| Manufacturing | \$ 54,748 | \$ 121,309 | \$ (66,561) | -54.9% |
| Wholesale Trade | \$ 100,777 | \$ 98,108 | \$ 2,669 | 2.7% |
| Construction | \$ 19,539 | \$ 48,232 | \$ (28,693) | -59.5% |
| Information | \$ 39,928 | \$ 36,912 | \$ 3,016 | 8.2% |
| Real Estate, Rental & Leasing | \$ 18,737 | \$ 24,749 | \$ (6,012) | -24.3% |
| All Other | \$ 154,825 | \$ 151,943 | \$ 2,882 | 1.9% |
| Total | \$2,725,928 | \$2,766,097 | \$ (40,169) | -1.5% |

CITY OF SALIDA, COLORADO

CITY SALES TAX AND COUNTY SALES TAX SHARED WITH CITY

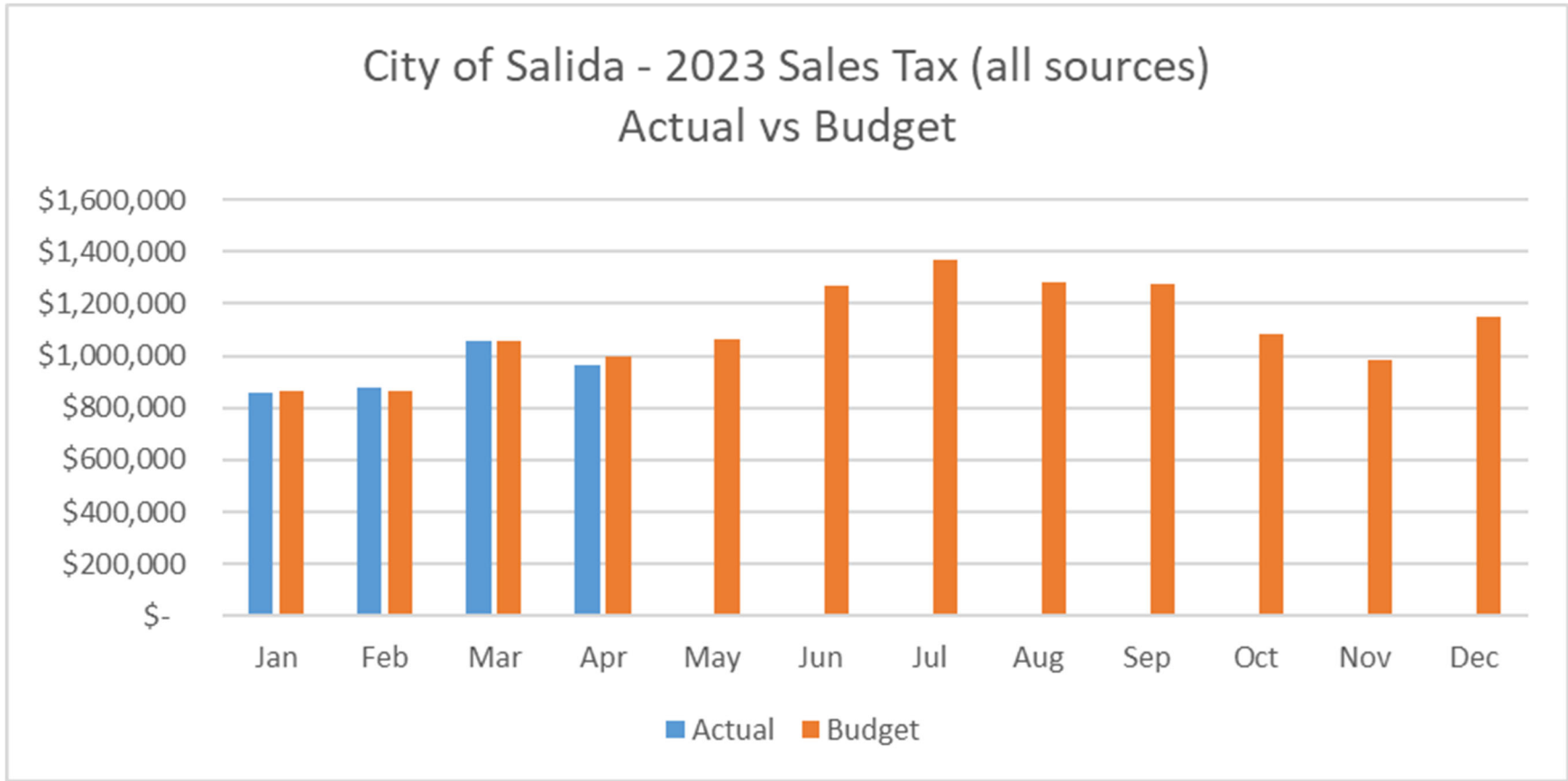
APRIL 2023



CITY OF SALIDA, COLORADO
CITY SALES TAX AND COUNTY SALES TAX SHARED WITH CITY
APRIL 2023



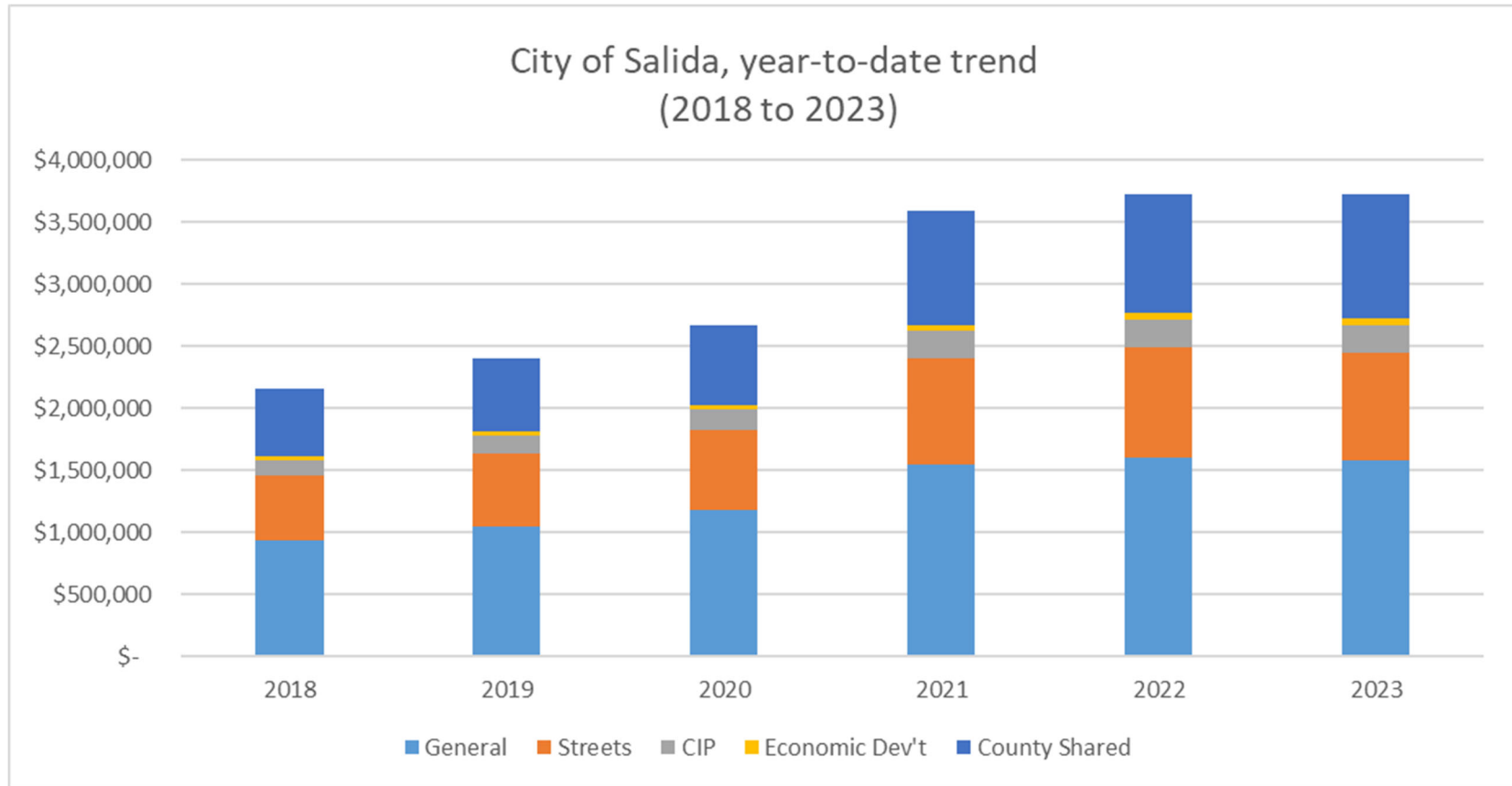
Item 10.



CITY OF SALIDA, COLORADO
CITY SALES TAX AND COUNTY SALES TAX SHARED WITH CITY
APRIL 2023



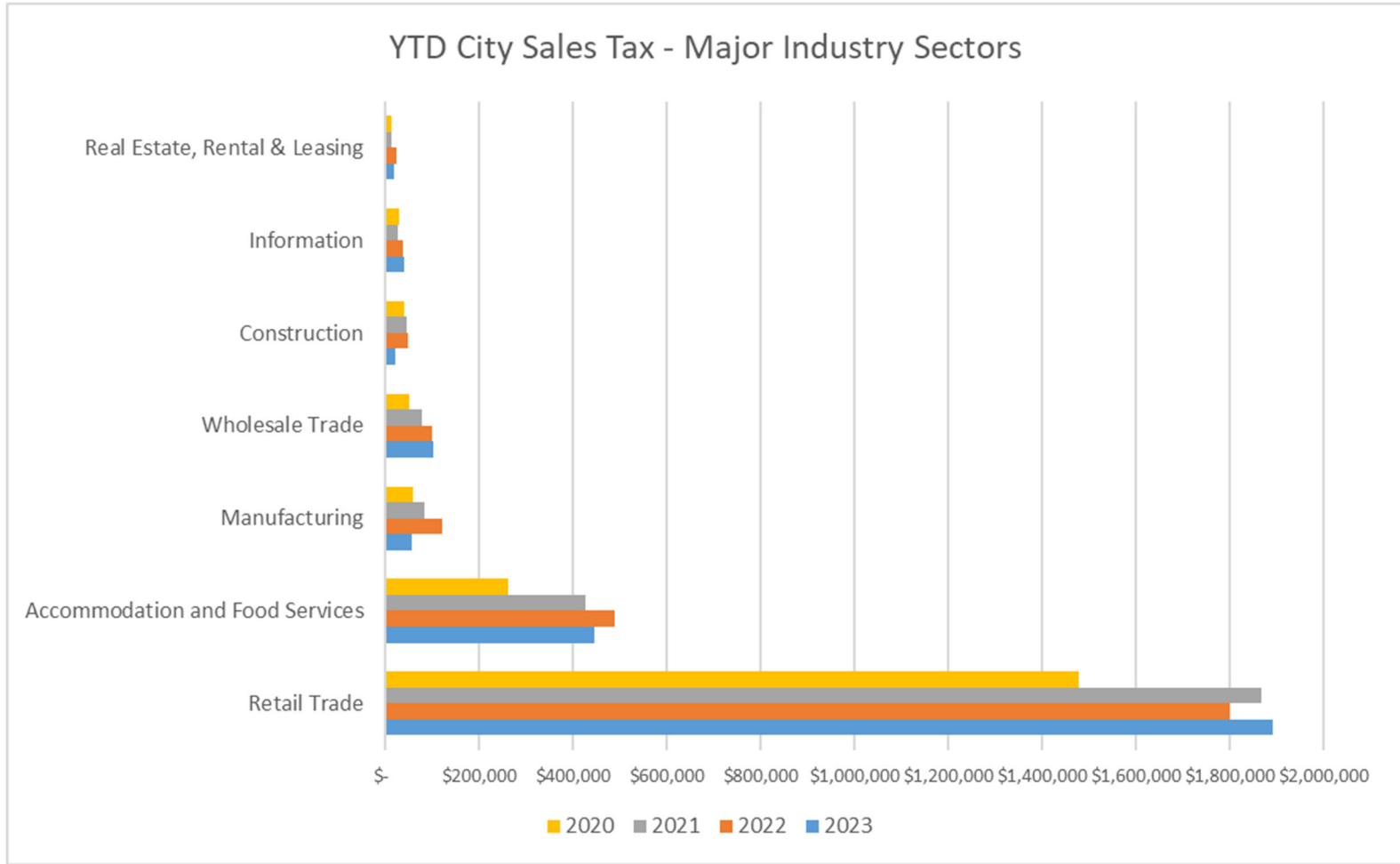
Item 10.



CITY OF SALIDA, COLORADO
CITY SALES TAX AND COUNTY SALES TAX SHARED WITH CITY
APRIL 2023



Item 10.





JUNE 2023 STAFF REPORTS

Police Department –

- We completed a successful school year and Officer Tucker did a great job as SRO. She will be attending the national school resource officer conference this summer. While there, she will get updated on new changes related to juvenile law. She will also attend classes related to juvenile interviewing and de-escalation.
 - The two new officers have completed the first phase of the field training program. They are on pace to complete training around the first of October.
 - Sarge had to make a visit to the vet. He had some dental issues that we had to take care of. He has recovered well, and is back in action.
-

Finance Department –

- Council will review the final draft of the audited financial statements at their June 20 Council meeting.
 - Conservative base budget levels are being developed with a planned budget season kick-off to begin after Council's retreat. Staff will work through budget requests during July and the Finance Committee will begin their review in August with a recommended budget taken to Council in September.
 - Plans and training are under way for implementing "priority based program budgeting" for the 2025 budget cycle which will present the budget in a "program" format vs a line item detail format. This is expected to improve transparency and assist in decision making.
 - The finance office is taking next steps toward our goal of becoming paper-free by implementing an electronic invoice submittal process for invoices.
 - Staff continue to keep up with daily workloads and meet important deadlines.
-

Community Development –

- Building Permits: After a relatively slow start to the year, May and June were/have been extremely busy on the building permit side of things. As of June 14th, we've seen 131 total building permits YTD, inc. 69 new residential units (includes 20 townhomes at Salida Crossings). At the same time last year, we had reviewed 87 total permits, inc. 39 new residential units. In 2021, we had reviewed 111 total permits, inc. 105 new residential units (48 of these were for the Salida Ridge Apartments and 10 were for the Magpie Apartments).
- South Ark Neighborhood Master Plan: Consultants from Studio Seed continue doing a variety of infrastructure, financial, and feasibility analyses. Additional existing natural features information has assisted with the further refinement of a draft preferred alternative that will be unveiled to the public in the coming weeks. Conversations continue with potential civic and educational partners, as well.

More specific direction will be sought from Council at the next work session regarding affordability levels of housing and regarding preferred funding options for eventual development, among other issues.

- Future Land Use Map (FLUM) and Land Use Code update: Staff and consultants (Clarion & Associates) have completed a new draft of the FLUM and are in the process of discussing it with Planning Commission with hopes of bringing a recommendation to Council in July. We are also finishing up final review of Installment 2 of the Land Use Code update (districts, dimensional standards, and uses, etc.) and beginning review of Installment 3 (design standards). This new installment with made public for review and feedback in the next couple of months prior to a consolidated draft code being created. Conversations with the Land Use Code Advisory Committee and Planning Commission will continue through the summer. This information will also be made available on the City's Community Development webpage.
- Deed Restrictions: Staff is working with Chaffee Housing Authority to help finalize their deed restriction administration systems. This is especially important given the timing of several IH units coming on line in the coming months.

Parks and Recreation –

- No Report.

Public Works –

- See Attached.

Arts and Culture –

- The exhibit from artist Roberta Smith and poet Barbara Ford debuted in the Paquette Gallery and was recognized at the artist reception held during the monthly Creative Mixer, which was attended by (52) people.
- The second Salida Film Festival took place over four days from May 11-14. The event featured a mix of feature length narrative and documentary films, two packages of short films, an industry screening with a Q&A and helped with the announcement of the newly appointed Chaffee County Film Commission. The Director of the Colorado Office of Film Television and Media was in attendance along with nine (9) filmmakers/producers. The events and screenings were attended by (450) people.
- The Valley Visions Art Show took place in the Ballroom over a four day period from May 4-7 with over (70) artists presenting original art works and featuring a juried show of school-age children arts from the local schools. Both a VIP and General public reception was held to celebrate the event. Artists' works were on view over the weekend. All total the four days garnered an attendance of (425) people.
- The SteamPlant and Scout Hut played host venue to many municipal, county, educational and non-profit groups, including Chaffee County Public Health, Chaffee County DHS, Ark Valley Humane Society, Salida Chamber of Commerce, Colorado Tick Borne Disease Assoc. and Colorado Municipal League. All total the LISTED events/meetings were attended throughout the month by (211).
- Several musical acts took to the SteamPlant stage including The Noteables, Alex Johnstone, Vickie

Genfen and High Desert Duo. All the shows garnered an attendance of (193) people.

- TOTAL GUESTS Attending (55) Events/Meetings for May = 2,815
 - Number of free arts and culture events/no admission = 12
 - Number of attendees at free events = 761
 - Number of events paying rental fees = 24
 - Number of entities using the facilities = 30

Fire Department –

- No Report.

Clerk's Office –

-

Municipal Court:

- Following legislation that has been or might be passed that would affect Municipal Court
- Working with Tyler Technologies to implement a paper light court along with other upgrades
- Pulling together the June docket

Special Events

- Working with event coordinators to put on Special Events
- Helping process liquor licenses for Special Events

Short Term Rentals

- Helping licensees with their short term rental license renewals, roughly 215.
- Updating our waitlist and working with people who are eligible to get off the waitlist and apply for a license

Liquor Licensing

- Finalized and received the state liquor license for Howard General
- Have met with Little Red Hen and Little Cambodia for new liquor licenses
- Continue to work with the Fritz and Stoke BBQ for their liquor license transfers

Election

- Working on the election calendar based on Colorado Revised Statutes

Public Works Department Report

June 2023

Planning/Engineering/Construction

- Planning and Construction
 - Streets
 - Oak Street Reconstruction and US-50 SRTS (now anticipated to be 2024)
 - Onsite potholing of utilities
 - Poncha Blvd
 - Construction underway (5th St. to 7th St)
 - 2023 Concrete Maintenance
 - ADA ramps and sidewalks repairs underway
 - 2022 Street Reconstruction:
 - 10th Street Construction underway (F St. to H St.)
 - Utilities
 - Pasquale WTP Project
 - Tank and building construction complete. Start-up planned this month
 - Poncha Trunk line: Design complete, utility potholing for CDOT underway
- Other CIP Items:
 - Caboose restoration in progress
 - Multi-use office space addition underway

Operations

- Streets
 - Thermoplastic installation – crosswalks, sharrows, and other markings
 - Assistance with summer events
 - Pothole repairs, coord dust control mitigation at lots, and other routine work
- Utilities
 - Field Utilities
 - Smart meter upgrades (see 2022 Annual Report)
 - Jetting and camera inspection of wastewater lines for 2023 underway
 - 2023 work area is 1/3 of system: Salida west of F St.
 - Water Treatment
 - Routine items
 - Involvement with WTP Pasquale Improvement Project
 - Wastewater Treatment
 - Work with consultant and director on process control data collection
 - Additional testing for compliance and plant operational trending



Figure 1 - Pump Station Building



Figure 2 - 10th Street Reconstruction