

Chiapuzio questions new \$17M city budget

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Gearing itself around growth, the city of Douglas this month drafted its 2008-09 budget and added six-and-a-half staff positions to help keep pace with the town's swelling population – additions one council member charged were unnecessary.

The city council adopted the \$17 million budget June 23 with a new water/wastewater treatment plant operator, police investigator, community development technical analyst, a police records clerk, a part-time building inspector and two parks and street maintenance workers added to its staff.

On top of that, current city employees will earn a six percent cost-of-living increase, which works out to around \$240,000 more in spending.

City Administrator Bobbe Fitzhugh said the raise in salaries would help employees offset the eight percent cost-of-living spike Converse County experienced last year.

From the city's \$17 million budget, \$6.43 million is designated to the general fund, more than half of which will go toward salaries and benefits.

The added positions were also necessary, Fitzhugh said.

"It's boom driven," she said. "It's across the board. Pretty much every department gets a new employee because of the work load (and) the growth of the community."

One city council member didn't see it that way.

"I think we need to keep it in check," Councilman Bob Chiapuzio said about the staff raises. Douglas has spent more than \$1 million for cost-of-living increases over the last three years. The addition of the new staff will cost up to \$370,000.

"I can't quite swallow that," he said. "My conscience isn't going to let me go with that."

Chiapuzio was the lone dissenting vote. The budget passed 3-1, with Terry Rider, Marilyn Werner and Chad Rupe voting for it.

Capital and other projects make up a healthy portion of the city's adopted financial goals for the fiscal year as well, Fitzhugh noted.

The biggest chunk out of the city's capital goals, \$1.25 million, will go toward phase two of the waste water treatment rehabilitation project, which is set to begin later this year.

The city will continue building a stretch of bike path through the Douglas Business Park and start constructing a splash park for children off of the kiddie pool at Douglas Municipal Waterpark. Water and sewer lines will be replaced around town, and \$420,000 will go toward re-doing portions of Birch Street, 10th Street and Laredo Drive, while \$250,000 will help replace the telesquirt fire truck, Fitzhugh said.

Overall spending is down \$3 million from last year due to lower capital construction plans for the upcoming year, but the \$6.43 million general fund is \$775,000 more than fiscal year 2008 figures.

The general fund is the best indicator of the city's overall financial well-being as it's the fund which is tax driven. It's also the fund which takes care of the majority of city activity, in areas such as administrative services, city council, community development, service contracts, police activities and public works, Fitzhugh said.

The surplus of expected general fund revenue to operating expense is expected to be \$65,000, which means the city is spending slightly less than it's receiving. Normally, the city tries to reserve 25 percent of its expenditures, about three months worth, as a cash reserve. This year the cushion comes in at 28 percent.

"The general fund is healthy again overall," Fitzhugh said. She noted expected property tax revenue is up 14 percent, more than three times the hike the city experienced last year. Sales and use tax is up 13 percent from 2007-08.

From that pot, Fitzhugh said the city will designate nearly a half a million dollars to outside entities. Leading the way, the fire suppression authority will receive \$146,150 for its operational costs. CANDO will pick up \$90,000 from the budget. Another \$40,000 will go toward the Douglas Senior Citizen Center.

Many of the entities received more than they had in previous years, Fitzhugh noted, including some first-time recipients. The Boys & Girls Club netted \$6,000 from city coffers. The city will also fund \$5,000 for the club to do a Needs Assessment Analysis, which should get underway later this year. The American Red Cross of Wyoming was funded \$1,000, which the nonprofit will use for supplies, Fitzhugh said.

The Douglas Area Chamber of Commerce received \$20,000, up from \$16,000 the year before, Converse County Coalition Against Violence earned nearly \$15,000, while Youth Development Services will receive \$12,000.

Douglas Community Club was given \$25,000 for upkeep on the greens to the city's only golf course, and Douglas hockey landed \$15,000 to help the skaters foot the bill behind operating the indoor ice rink next winter. Laramie Peak Humane Society will see \$50,000 from the city to run the county animal shelter.

The city expects to spend around \$17 million during the course of the year, which works out to \$2,922 per city resident. Much of the money is tied to specific projects, operating budgets and policy-designed cash reserves for expected health care, water, sewer and landfill costs.