

Op-Ed: A Transparent Approach to Salida's Financial Future

By Aimee Tihonovich, City of Salida Finance Director

As many Salida residents know, city staff have recently begun important financial discussions with the City Council about the path forward in light of shifting economic trends. In addition to these economic shifts, the City has been consciously realigning services to address growth and rising demands in the past few years, including the need for competitive pay for employees and a new fire station. Earlier financial projections anticipated a challenging couple of years as a result of these demands, and the City's current situation is consistent with these historical projections. These conversations have recently been prompted by a reality we must all face together: sales tax revenue growth is flattening, while the costs of deferred maintenance and daily operations are becoming increasingly unsustainable. We are working in a very public manner to plan a path for balancing the community's unlimited wants with our limited resources.

Understandably, recent newspaper articles highlighting these financial challenges have sparked concerns among citizens. I want to assure the community that while these issues are real, the City of Salida is committed to tackling them transparently, responsibly, and with the long-term best interests of our community in mind.

Salida, like many cities across Colorado and the nation, has enjoyed years of steady growth in sales tax revenue, which has allowed us to fund essential services, support community projects, and maintain our infrastructure. However, recent trends indicate that sales tax revenue growth is leveling off, while costs—both for catching up on postponed maintenance and for running our day-to-day operations—are on the rise. Unlike most other cities, Salida does not receive property tax and thus are not benefiting from the increased property values.

Simply put, we can no longer rely solely on the sales tax revenue to fund the services and quality of life our residents expect and deserve. Ignoring these trends would only compound the financial burden on future generations. This is why the City has chosen to be proactive in addressing these concerns now and change the trajectory we are currently on.

To ensure we make the best financial decisions for our City, we have brought in expert consultants who are helping us analyze the situation in depth. These are experienced professionals who bring an objective perspective to the table, offering insights and recommendations based on proven strategies. The goal is to develop a comprehensive plan that balances our immediate needs with long-term sustainability.

I want to emphasize that this process is being conducted with full transparency. By bringing in outside expertise, we are committing to making informed, evidence-based decisions rather than relying on guesswork or short-term fixes. These conversations are necessary to ensure Salida remains a vibrant, resilient community for years to come. We are confident we can navigate this period of financial adjustment without sacrificing the community spirit that makes Salida so special. Our goal is not just to balance the budget for the next year or two but to set Salida on a sustainable path for the next decade and beyond.

The City Council, City staff, and the consultants are working hard to explore all options, including optimizing current resources, identifying new revenue streams, and finding cost-saving measures that don't compromise the quality of services our residents rely on. Thank you for your continued trust and support as we embark on this journey. Let's embrace these financial discussions not as a source of anxiety, but as an opportunity to shape a stronger, more resilient Salida.

Aimee Tihonovich, Finance Director, working with the City of Salida to ensure the long-term financial sustainability of our community.