

## **GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY** **October 2, 2023**

**Meeting Convened:** 4:00 p.m. The meeting was held in person at the Fire Department Training Room, 625 Ute Avenue, and live streamed via GoToWebinar.

**City Councilmembers Present:** Councilmembers Scott Beilfuss, Cody Kennedy, Jason Nguyen, Randall Reitz, Dennis Simpson, Mayor Pro Tem Abe Herman, and Mayor Anna Stout.

**Staff present:** City Manager Greg Caton, City Attorney John Shaver, Assistant to the City Manager Johnny McFarland, Director of Community Development Tamra Allen, Finance Director Emeritus Jodi Welch, Finance Director Jennifer Tomaszewski, Public Works Director Trent Prall, General Services Director Jay Valentine, Human Resources Director Shelley Caskey, Director of Parks and Recreation Ken Sherbenou, Visit Grand Junction Director Elizabeth Fogarty, City Clerk Amy Phillips, and Deputy City Clerk Selestina Sandoval.

### **1. Discussion Topics**

#### **a. Presentation of the City Manager's 2024 Recommended Budget to City Council**

City Manager Caton gave an overview of the City of Grand Junction's 2024 Recommended Budget, totals \$325.8 million (\$325,827,663), a \$90.7 million, or 38.6 percent increase from the 2023 Adopted Budget of \$235.1 million. The significant increase is primarily due to the initiation of two significant legacy projects, including phase 1 of the expansion and improvement of the Persigo Wastewater Treatment Plant and the construction of the new Community Recreation Center. The 2024 Recommended Budget is balanced, with a surplus of \$401,060 in the General Fund. The projected 2024 ending General Fund balance is \$39.4 million; a minimum reserve of \$25.9 million; internal loans of \$4.4 million; and the remaining amount available of \$9.1 million. The budget represents the allocation of resources to achieve the goals identified in the City's Comprehensive Plan and the City Council's Strategic Outcomes.

He explained that presentations from Department Directors would include overviews of the following major operating departments: Police, General Services, Community Development, Human Resources, Water Utility, and Visit Grand Junction.

The Fire, Engineering & Transportation, and Parks & Recreation Departments will present on October 16, 2023.

### **Strategic Outcomes**

#### **Placemaking**

- Expansion of transportation network \$17.4 million
- Multi-modal transportation
  - Pedestrian and Bicycle Plan
  - Construction of walking and bicycling trails and paths
  - Green bike lanes
- Mobility options
  - E-scooters, E-cargo bikes
  - Explore car-share programs.
- Recreation opportunities

- Community Recreation Center

### **Thriving and Vibrant**

- Economic Development Partners (GJEP, Incubator, Chambers) \$500,000
- Colorado Mesa University \$1.05 million
- Downtown Development Authority \$1.9 million
- Grand Valley Transit \$655,697
- Visit Grand Junction \$5.4 million total budget

### **Welcoming, Livable and Engaging**

- Non-profit funding
- Housing Capital \$7.4 million
- Housing Division \$654,053

### **Safe and Healthy**

- Impact Ambulance
- Fire Station 7 w/equipment \$9.5 million
- Increased Parks Patrol
- Advanced Real Time Information Center \$200,000

### **Resource Stewardship**

- Integrated Enterprise Resource Planning/Human Capital Management software \$5 million
- Electronic Vehicle Readiness Plan-charging stations \$518,360
- Water conservation, turf replacement \$125,000
- Composting site \$3 million
- Recycling Materials Recovery Facility Design \$750,000
- Japanese Beetle control \$250,000 treatment, \$30,000 to educate public

## **Budget Themes**

### **Allocating Resources to Housing**

- Low availability of affordable and attainable housing, growing unhoused population
- Solving issues through significant investment; community partnerships
- Investing in projects that result in a greater variety of housing options
- Working with community partners to develop actionable steps to reduce the number of unhoused

### **Investing in Employee Retention and Attraction**

- Tight labor conditions continue to persist
- Evaluate opportunities to compete in the market to attract and retain the highest caliber staff and develop future employees through internships and other part-time opportunities
- Key investments include limiting the impact of healthcare cost increases, expanding employee health clinic, increasing training and professional development
- Proposed transition to a self-insured health plan

Additional discussion and information included:

1. **Department Reorganization:** including the movement of functions from Public Works to General Services, highlighting that these changes make General Services the third-largest department by position counts.

2. **Utilities:** specifically, water and wastewater proposed rates and tiers which will be further discussed during a Joint Meeting with County Commissioners scheduled for October 16, 2023 as they relate to the 2024 budget.
3. **Budget Allocation:** focused on labor costs, operating expenses, and capital expenditures, noting that labor costs are a significant driver of the budget growth.
4. **Revenue Sources:** break downs of revenue sources, including taxes, charges for services, and capital proceeds, and enterprise funds, such as water/wastewater and golf that are funded by ratepayers.
5. **Minimum Reserve:** City's minimum reserve policy, which aims to maintain a reserve of at least 25% of operating revenue. They explain that this policy allows some flexibility for strategic investments but ensures the City maintains a healthy reserve.
6. **Internal Loans:** including a proposed \$3 million internal loan for the solid waste composting site. The loan is intended to support this capital project.
7. **Available Funds:** for allocation, taking into account minimum reserves, internal loans, and available funds, noting that some funds have been moved to the capital budget.
8. **Budget Changes:** particularly in operating expenses, which appear to decrease by 30%. Staff clarified that the decrease is mainly due to carryovers and grant funding and that the budget is based on the adopted budget.
9. **Minimum Reserve Policy:** adhering to the minimum reserve policy and whether it should be changed, and the policy's flexibility to allow for adjustments based on specific circumstances.

**Upcoming Budget Workshops:**

- **October 16**
  - Presentation of operating plans and budgets by Horizon Drive Business Improvement District, Downtown Business Improvement District, and Downtown Development Authority
  - Economic Development Partners: Grand Junction Economic Partnership, and Business Incubator
  - Fire Operating Budget and Major Capital Projects (Parks and Engineering & Transportation presentations will also include operating)
  - City Manager presentation of Economic Development and Non-Profit funding
- **October 30**
  - Economic Development Partners: Grand Junction Chamber of Commerce, Industrial Development Inc, and Western CO Latino Chamber
  - Further Council discussion time

**The Budget documents for this workshop included the following:**

- 2024 Recommended Budget Transmittal Letter, providing detailed discussion of the components of the recommended budget as it aligns with the City Council's strategic outcomes and budget themes for 2024.

- 2024 Recommended Budget Fund Balance Worksheet, which is a high-level summary of the recommended budget by fund and by expense classification and includes projected fund balances.
- 2024 Recommended Operating Budget Line-Item Budget by Department, Fund, and Account Classification.

**b. Dolores National Monument**

The Mayor explained that Council has been asked to adopt a resolution in support of the designation of the Dolores River area as a National Monument. Discussion ensued regarding the purpose of the designation, and some concerns about potential opposition and impacts on motorized users.

Ultimately Council decided to place the item on the upcoming City Council Meeting Agenda to have a more in-depth discussion and to gauge public input.

**Next Workshop Topics**

City Manager Caton reported the item for the October 30, 2023 Workshop will be:

- The City Manager's Proposed 2024 Budget (Capital Projects and Economic Development Partners)

**Adjournment**

There being no further business, the Workshop adjourned at 9:20 p.m.