

To access the Agenda and Backup Materials electronically, go to [the City of Grand Junction Website](#). To participate or watch the meeting virtually register for the [GoToWebinar](#).



**CITY COUNCIL AGENDA
CITY COUNCIL SPECIAL MEETING EXECUTIVE SESSION
MONDAY, OCTOBER 28, 2024
4:00 PM
625 UTE AVENUE
FIRE ADMINISTRATION TRAINING ROOM**

1. Call to Order/Convening the Special Meeting
2. Executive Session
 - a. EXECUTIVE SESSION TO DISCUSS MATTERS THAT MAY BE SUBJECT TO NEGOTIATIONS, DEVELOPING STRATEGY FOR NEGOTIATIONS, AND/OR INSTRUCTING NEGOTIATORS PURSUANT TO C.R.S. SECTIONS 24-6-402(4)(e)(I) AND 24-6-402(4)(a) OF COLORADO'S OPEN MEETINGS LAW RELATIVE TO A POSSIBLE CONDEMNATION ACTION BY THE STATE OF COLORADO AND THE CITY AGAINST AMDM, LLC REGARDING THE PROPERTY LOCATED 123 UTE AVENUE, 317 SOUTH SECOND STREET, AND 319 SOUTH SECOND STREET, GRAND JUNCTION COLORADO WHICH PROPERTY HAS BEEN DETERMINED TO BE NECESSARY FOR THE MOBILITY HUB PROJECT
3. Adjournment of the Executive Session/Reconvening the Special Meeting
4. Adjournment of the Special Meeting
5. Call to Order Council Workshop
 - a. 2025 Budget Workshop #3
 - Downtown Development Authority (DDA) and Downtown Business Improvement District (DBID) Presentation and Discussion
 - Horizon Drive Business Improvement District (HDBID) Presentation and Discussion
 - Visit Grand Junction Department Presentation
 - Nonprofit Funding Process Recommendations and Discussion
 - Dues and Subscriptions

- Follow Up From Previous Budget Workshops and Additional Council Discussion

6. City Council Communication

- a. An unstructured time for Councilmembers to discuss current matters, share ideas for possible future consideration by Council, and provide information from board & commission participation.

7. Next Workshop Topics

8. Other Business



Grand Junction City Council

Workshop Session

Item #5.a.

Meeting Date: October 28, 2024

Presented By: Andrea Phillips, Interim City Manager

Department: City Manager's Office

Submitted By: Jodi Welch, Interim Finance Director

Information

SUBJECT:

2025 Budget Workshop #3

- Downtown Development Authority (DDA) and Downtown Business Improvement District (DBID) Presentation and Discussion
- Horizon Drive Business Improvement District (HDBID) Presentation and Discussion
- Visit Grand Junction Department Presentation
- Nonprofit Funding Process Recommendations and Discussion
- Dues and Subscriptions
- Follow Up From Previous Budget Workshops and Additional Council Discussion

EXECUTIVE SUMMARY:

Brandon Stam, Executive Director, DDA and DBID will discuss 2025 budgets.

Sandra Zoldowski, Executive Director, HDBID will discuss 2025 budget and operating plan.

Visti Grand Junction presentation, non-profit discussion, dues and subscriptions discussion, and other City budget discussion will follow.

BACKGROUND OR DETAILED INFORMATION:

DDA and DBID

The DDA's budget is approved by the DDA Board and then comes to City Council for authorization of total spending. On the same schedule as the appropriation ordinance, the Council will also be asked to approve a resolution finding the redevelopment projects to be consistent with the DDA Plan of Development. The City Council annually

approves the operating plan and budget of the DBID which coincides with the City Council's adoption of the City's budget in December. This workshop is for the presentation of both the DDA and DBID budgets. The DDA and DBID Board approved the 2025 budgets on October 24, 2024.

HDBID

The City Council annually approves the operating plan and budget of the HDBID. The workshop is for presentation and discussion and final approval coincides with City Council's adoption of the City's budget in December. The City was informed that the HDBID did not have an audit for December 31, 2023. They have received a letter from the Office of the State Auditor indicating approval of an application for exemption of audit for December 31, 2023 (attached). Staff's reading of C.R.S 29-1-604 indicates that the City Council, as the governing body, will need to affirm the application for exemption through a resolution. It is the Staff's recommendation that this resolution come before the Council in December with the formal adoption of the HDBID 2025 budget and operating plan.

Nonprofit Funding Process Recommendations

At the July 1, 2024 workshop, Council formed a committee of staff, Councilmember Stout, and Mayor Pro Tem Reitz to bring back a recommended nonprofit funding approach. The committee considered an approach that balances a general desire to tie nonprofit funding to Council priorities, ensure adequate review and approval by Council, not compete with limited general fund resources intended to fund core services, and provide clear guidance to the nonprofit community. The committee recommends that the City Council agree on a narrow set of priorities directly supporting projects and initiatives outlined in the Strategic Plan. The Council would consider requests that support these priorities as they are received throughout the year and, if approved, would be funded as a supplemental from Council reserves. See attached memo for additional details on recommendations.

City Council Dues and Subscriptions:

In response to a request for Council to review City Council dues and subscriptions, staff prepared a listing with 2025 budgeted amounts and a description of the agency and/or use of funds. (attached)

Follow Up:

During the two previous budget workshops there were questions regarding a budget line item in the Information Technology (IT) budget, total restricted resources available for Parks and Recreation capital projects, history of sworn staffing levels, and a request for a memo on the self insurance plan.

- The increase in the "Equipment" classification for (line 423 in the 2025 Recommended Budget By Department, By Fund, By Account Classification) is due to a few factors. First, with the new chart of accounts associated with the new budget system, the expenses previously classified in line 420 "Contract Services" were moved to the equipment classification. These are particularly for

the software contracts the IT department manages on behalf of the entire organization. The increase is due to moving a software contract that was previously in a department budget to be centrally managed in the IT budget, annual increases in existing contracts, as well as the increase costs associated with the new Budget, Human Capital Management, and Finance ERP system.

- The total projected resources for Parks and Recreation capital projects from conservation trust funds and parks impact fees, net of existing commitments, is \$19.7 million. Because a Cannabis special tax is expected to be used towards the Community Recreation Center for the foreseeable future, it was not included in the projection.
- Following is a table of positions from 2018 through the recommended 2025 budget showing both sworn and non-sworn positions for Police and Fire, Enterprise Funded positions, and all other positions.

Year	Fire		Police		Enterprise Operations	All Other Positions	Total
	Fire Sworn	Nonsworn	Police Sworn	Nonsworn			
2018	116	9	117	83	97	196	618
2019	122	9	124	85	97	197	634
2020	122	10	124	93	97	207	653
2021	138	12	128	103	98	219	698
2022	138	12	137	99	105	227	718
2023	155	16	130	112	105	255	773
2024	165	20	132	117	127	299	860
2025	168	19	132	117	129	315	880

- Attached is a memo updating City Council on the City's self-insurance plan. Staff and Brown and Brown, the City's insurance broker, will be available during the workshop for discussion and questions.

FISCAL IMPACT:

This item is for discussion.

SUGGESTED ACTION:

This item is for discussion

Attachments

1. 2025 Downtown BID Budget

2. 2025 Downtown BID Budget Operating Plan
3. Horizon Drive District 2025 Budget
4. Horizon Drive District 2025 Operating Plan
5. Horizon Drive BID 2023 Exemption Approval From State of Colorado October 2024
6. Nonprofit Process Update Memo October 25, 2024
7. Council Dues and Memberships October 25, 2024
8. Self-Insurance Plan Update Memo October 25, 2024

FUND 701 - BID PROJECTIONS FOR 2025 BUDGET INCLUDING AMBASSADOR PROGRAM - As of 10/22/24

		2025 Detail	2025 Projected	2025 Projected-Ambassador Program
	Total Revenue		\$ 471,618.00	
	Total Expenses		\$ 451,962.00	
			\$ 19,656.00	
REVENUE:				
4600 - Interest Income NW# 4610			\$ 999.00	
4111 - Marketing Services Revenue NW#4305	Co-ops (TV Commercials, Social Media, etc)		\$ 5,400.00	
4113 - Merchandise Sales - NW# 4300	Merchandise Sales-Extra Car Show tshirts & hats		\$ 200.00	
4200 - License & Permit Fees NW# 4100	ODL's/Special event permits, mobile vending & sidewalk permits		\$ 20,000.00	
4220 - Fee Revenue (Sponsorships, Event Registrations/fees)	NW#4360 Fee Revenue-Sponsorships-All Events	\$ 93,750.00		
	NW #4360_26 Fee Revenue EventsVendor Fees from Events including Restaurant Week	\$ 44,000.00		
	Total Fee Revenue		\$ 137,750.00	
4340 - Grant/Reimb Rev_Local NW# 4200_06	City of GJ-Arts Commission Grant-Downtown Art Festival		\$ -	
4590 - Special Assessments NW# 4500	Assessments from Businesses		\$ 210,700.00	
4690 Other Revenue NW# 4700 Miscellaneous Revenue & 4700_03 gift cert	Gift card shipping revenue		\$ 300.00	
	Unused Snap Vouchers, GJ Sports Commission reimb		\$ -	
	From EML-% of sales of gift card revenue		\$ 6,000.00	
4660 Donations - NW# 4750 Donations	City payment to the BID - Economic Development		\$ 15,269.00	
4661 - Contributions NW# 4755	DDA PILT to the BID	\$ 40,000.00		
	DDA to BID for Ambassador Program-added in 2023	\$ 35,000.00		
	Total Contributions		\$ 75,000.00	
	TOTAL REVENUE		\$ 471,618.00	
EXPENSES:				
Full Time Salaries-Kyra & Dave - Acct 5000		133,647.00		
Seasonal Staff - BID Events Acct 5290		15,300.00		
Seasonal Staff - Ambassadors only-not Sarah's salary		25,500.00		25,500.00
Benefits - Accts 5420-5635 Kyra & Dave & event staff		-		
5301 - Awards		100.00		
5302 - PTO Buy Out		1,634.00		
5304 - Leave Pay Out		510.00		
5400 - Social Security Taxes		8,832.00		
5401 - Medicare Taxes		2,065.00		
5502 - Insurance - Health		8,662.00		
5503 - Insurance - Dental		358.00		
5504 - Insurance - Vision		74.00		
5505 - Worker's Comp Insurance		1,096.00		
5521 - Interfund Charges - Wellness		2,106.00		

FUND 701 - BID PROJECTIONS FOR 2025 BUDGET INCLUDING AMBASSADOR PROGRAM - As of 10/22/24

		2025 Detail	2025 Projected	2025 Projected-Ambassador Program
5522 - Interfund Charges - Clinic		3,307.00		
5530 - Insurance - Life Inruance		174.00		
5531 - Insurance - Long Term Disability		728.00		
5600 - General Retirement		7,494.00		
5602 - 457 Retirement		1,249.00		
5507 - Insurance - Health and Wellness Credit		851.00		
Benefits - Accts 5420-5635 Ambassador		2,925.00		2,925.00
		-		
	Total Labor & Benefits		\$ 216,612.00	
6100 - Operating Costs NW#6105	Gift card sleeves, gift cards, office supplies, etc	\$ 3,600.00		
	Event general supplies (tables, chairs, canopy, sticks, cones etc)	\$ 2,000.00		
	Ambassador Program-drinks, dog treats, cleaning supplies, handbooks, etc.	\$ 1,000.00		\$ 1,000.00
	Total Operating Costs		\$ 6,600.00	
6102 - Postage NW6120	Postage (mailing gift cards, postage for parade notifications)		\$ 700.00	
6105 - Business Meals NW6105_02	Business Meals- coffee for business meetings (Dave & Kyra) - Appreciation lunch for Parks	\$ 900.00		
	Ambassador Program-Training sessions breakfast/End of year party	\$ 500.00		\$ 500.00
	Total Business Meals		\$ 1,400.00	
6106 -Uniforms/Clothing NW6125	Uniforms/Clothing-Staff event shirts	\$ 300.00		
	Ambassador Program- shirts & hats	\$ 1,200.00		\$ 1,200.00
	Total Uniforms/Clothing		\$ 1,500.00	
6160 - Repairs & Maintenance NW# 6210	Gator - repairs and fuel, kiosk repairs, misc		\$ 450.00	
6300 - Utilities - Cell phone charge line charge NW#6510_02	Verizon-Dave & Kyra cell phone \$75x12=\$900 each & Ipad \$40x12		\$ 1,800.00	
6600 Advertising/Promotions NW#6400 & 6400_01	General Advertising, event advertising	\$ 58,800.00		
	Downtown Guidebooks-GJ Media	\$ 8,000.00		
	Carriage Rides & A Frame Insert	\$ 5,100.00		
	Santa & Mrs. Claus	\$ 2,680.00		
	Holiday Cheer Window Painting & gift cards for contest winners	\$ 1,400.00		
	Small Business Saturday	\$ 300.00		
	Staycations - gift cards & lodging	\$ 1,000.00		
	12 Days of Cheer Boxes	\$ 2,250.00		
	Spirit of Christmas	\$ 470.00		
	Total Advertising		\$ 80,000.00	
6601 Contract Services NW#6420 Public Info/Education; 7410	Downtowner Meetings expenses-food, etc	\$ 3,000.00		
	DCI Workshops, misc education for businesses	\$ 2,000.00		
	Store Financial-EML Monthly Service Fee for Gift Cards \$250x12	\$ 3,000.00		

FUND 701 - BID PROJECTIONS FOR 2025 BUDGET INCLUDING AMBASSADOR PROGRAM - As of 10/22/24

		2025 Detail	2025 Projected	2025 Projected-Ambassador Program
	High Country Brochure Annual fee for brochure delivery	\$ 1,100.00		
	Nimbl	\$ 9,000.00		
	Videography/Photography (Devon \$2,500; Rachel \$4,500, misc)	\$ 10,000.00		
	Other	\$ 700.00		
	Ambassador Program - Nimbl, etc	\$ 1,500.00		\$ 1,500.00
	Total Contract Services		\$ 30,300.00	
6607 - Printing and Publications-Contract Service NW# 6310	Welcome to Junction brochures, dining guide handout, gift card inserts, etc	\$ 1,000.00		
	Kiosk Wing inserts-events, maps, postcards, etc.	\$ 2,500.00		\$ 2,500.00
	Total Printing & Publications-Contract Service		\$ 3,500.00	
6702 - Fees NW# 7310 02 Charges/Fees Credit Card	Merchant Account Credit Card Fees-Stripe		\$ 6,100.00	
6706 Treasurer Fees NW# 7310 07 Charges/Fees Treasurer	Mesa County (General/Special Tax Assessment Fee)		\$ 4,000.00	
6800 - Professional Development NW# 6830	6830.01-Dave, Kyra, Crowd Managers Training for Event Staff	\$ 4,000.00		
	Ambassador Program-Training sessions/cross community training	\$ 800.00		\$ 800.00
	Total Professional Development		\$ 4,800.00	
6801 - Dues & Subscriptions: NW# 6835	Adobe-Creative Cloud Apps, Acrobat Sign Solutions, Acrobat Pro subscriptions, AI, Document sign (Dave & Kyra) total is \$4,800 per year divided by 5 employees=960x2=1920	\$ 2,000.00		
	Apple Reel & Story Maker-Dave	\$ 40.00		
	Colorado Farmers Market Assoc-BID-Kyra's Card	\$ 200.00		
	Go Daddy-Annual domain renewals-BID Vonda's card	\$ 200.00		
	Placer Labs Inc-Analytics Subscription-Annual	\$ 7,200.00		
	Sam's Club - Annual membership-BID Vonda's card	\$ 110.00		
	Site Ground Hosting-for Downtown Website-BID Dave's card	\$ 550.00		
	Sprout-Social Media-Dave \$155.00 per month	\$ 1,860.00		
	Survey Monkey-BID-Brandon Advantage Annual Plan	\$ 468.00		
	Mindview Planning Subscription-for Kyra	\$ 240.00		
	Gravity Forms Pro Annual Subscription	\$ 159.00		
	Other	\$ 173.00		
	Total Dues & Subscriptions		\$ 13,200.00	
7100 - Community Outreach NW#7585 Comm Participation	Community donations-gift cards		\$ 1,000.00	
7101 - Special Projects and Events: NW# 7750	All Signature Downtown Event expenses (TotlPay Nova Dia subscription for MoM \$200, entertainment, food, traffic control, design (Nimbl), posters, security		\$ 80,000.00	
7542 Interfund Charges - IT - System	N/A		\$ -	
Total Expenses			\$ 451,962.00	\$ 35,925.00



BUSINESSES

IMPROVEMENT DISTRICT

EVENT SNAPSHOT

	<p>24 PARTICIPATING RESTAURANTS</p> <p>14 WINNERS</p>		<p>6,000 VISITORS</p> <p>75+ ARTISTS</p> <p>22 NEW AOTC SCULPTURES</p>
	<p>5,300+ WEEKEND VISITORS</p> <p>714 RIDERS</p> <p>15 BANDS</p>		<p>5,000+ TRICK-OR-TREATERS*</p>
<p><i>4th of July</i> PARADE</p>	<p>35+ FLOATS</p> <p>8,200 PARADE VISITORS</p>		<p>110 TREES DECORATED</p> <p>6,000 VISITORS*</p>
<p><i>Market on Main</i></p>	<p>5,000 AVERAGE WEEKLY</p> <p>120 VENDORS</p> <p>17 FARMERS</p>		<p>26,500 VISITORS</p> <p>100+ FLOATS*</p>
<p>DOWNTOWN GRAND JUNCTION CAR SHOW</p>	<p>7,800 VISITORS</p> <p>150+ REGISTERED CARS</p>	<p>IN 2024 WE RAISED OVER \$92,750 IN EVENT SPONSORSHIPS!</p>	



VISITOR DATA

A snapshot of downtown visitors:

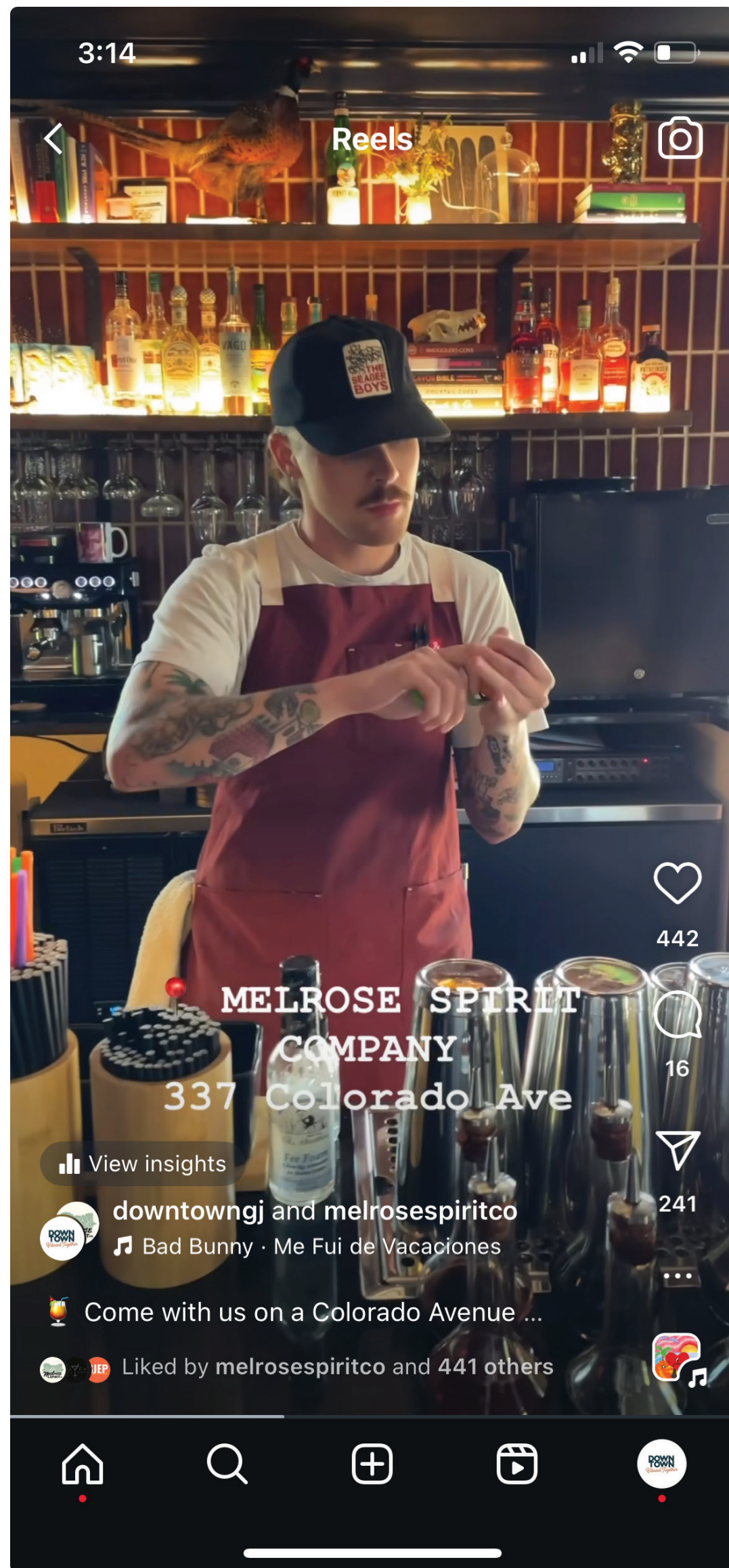
- Average household income of \$90,000
- Average dwell time of 150 minutes
- Peak visitor hours are 11 a.m. - 1 p.m. and 5 p.m. - 8 p.m.
- Top Demographic groups:
 - Singles and Starters - 35 years or younger (18%)
 - Golden Years - 65 years+, with moderate retirement savings
 - Autumn Years - financially secure retirees



BID

The BID introduced new marketing programs including:

- Monthly Billboard CO-OP – 12 downtown businesses participated at a 50% cost share
- Community Activation Grant – downtown gave out \$3,000 to help incubate new events
 - Porchella
 - Punk Rock Flea Market
- Hosted a merchandising and display workshop for downtown business owners with DCI



SOCIAL MEDIA

Downtown and GJCreates recap:

Downtown pages:

- Downtown Facebook - 22,000+ followers
- Downtown Instagram - 12,769 followers
- GJ Creates Facebook - 1,400+ followers
- GJ Creates Instagram - 2,457 followers

Top posts:

- GJ Creates Market - 16,871 plays / 12,337 reached
- Cactus Install - 11,543 plays / 6,419 reached
- Colorado Cocktails - 10,135 plays / 6,326 reached
- Rides & Vibes - 7,991 plays / 4,478 reached
- County Jam Install - 7,952 / 4,299 reached



GIFT CARDS

Supporting local shopping in our downtown:

- 1,576 gift cards sold
- \$70,324 total amount sold
- \$54,000 total amount sold in December 2023
- Most popular use for gift cards:

Suehiro, Rockslide, Goat and Clover, Brown Shoes

January 1 – October 15, 2024



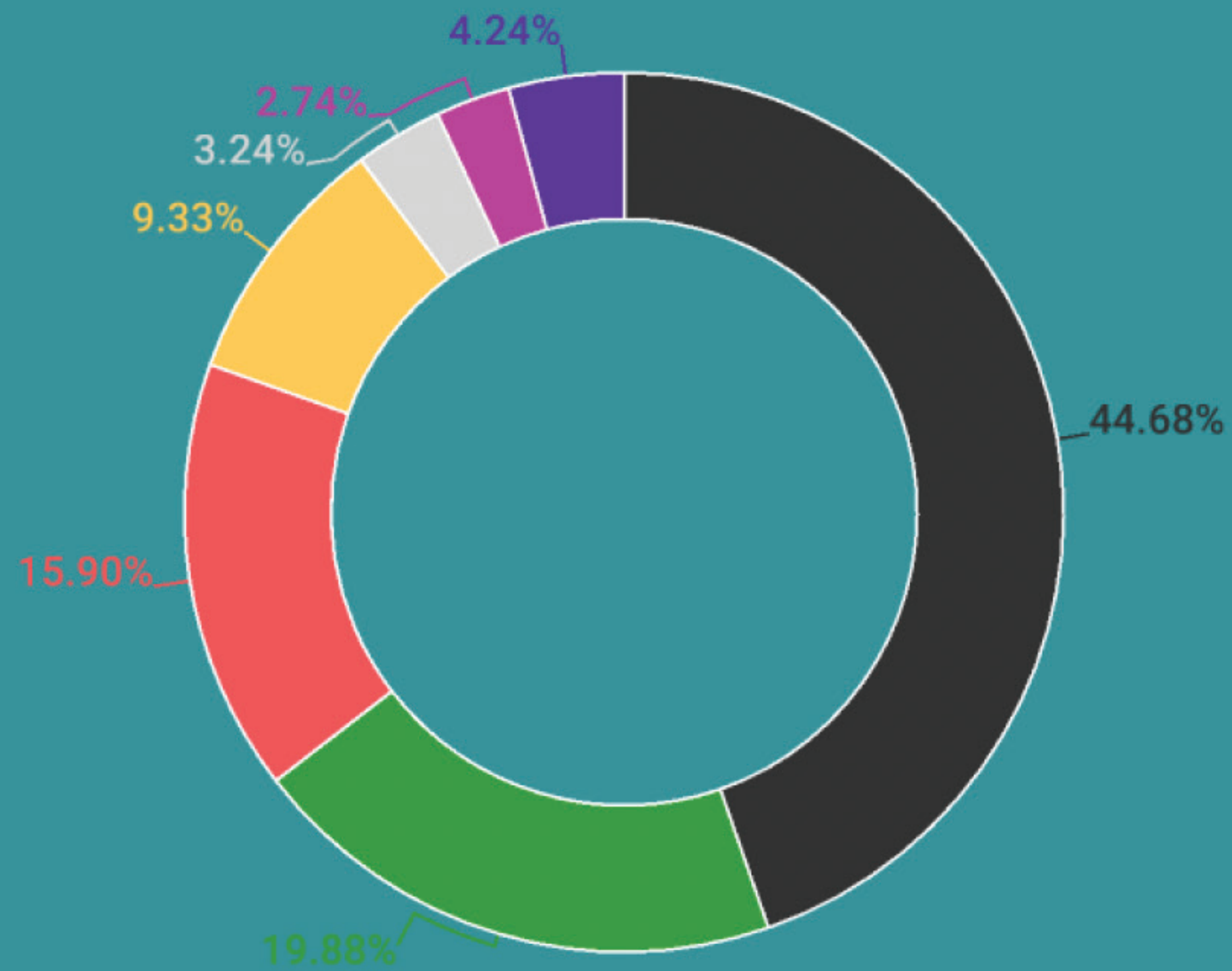
LOOKING FORWARD

Upcoming in 2025:

- Hello Lamp Post interactive marketing campaign
- Expand Downtown Activation grant offerings
- Social media ambassador program
- Continuation of billboard program
- Expanded business workshops with partners like DCI
- Event support for third party events through data analytics and logistical support

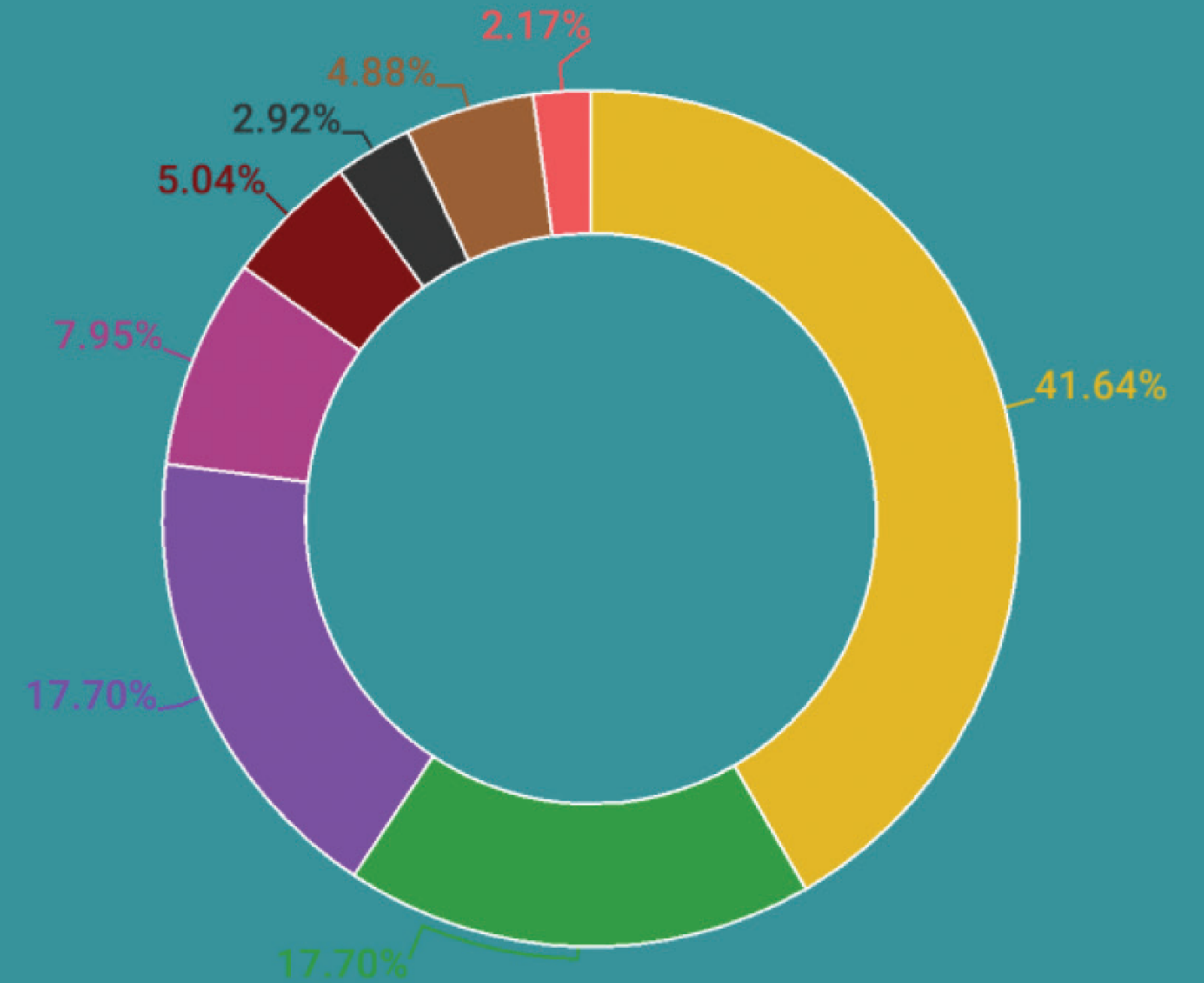
Revenue \$471,618

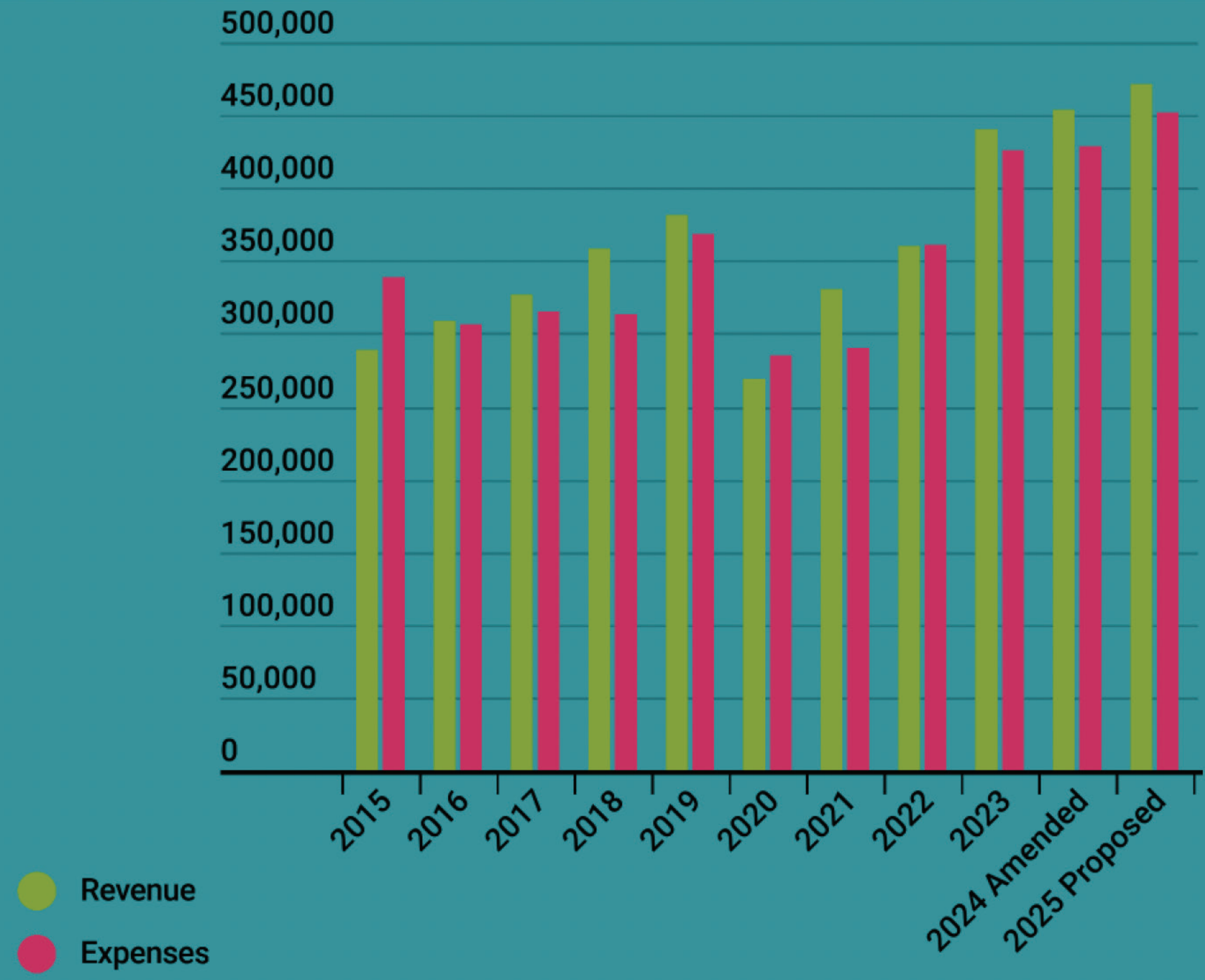
- Special Assessment \$210,676
- Sponsorships \$93,570
- DDA Contribution \$75,000
- Vendor Fees \$44,000
- City PILT \$15,269
- Misc. \$12,899
- Outdoor Dining leases \$20,000

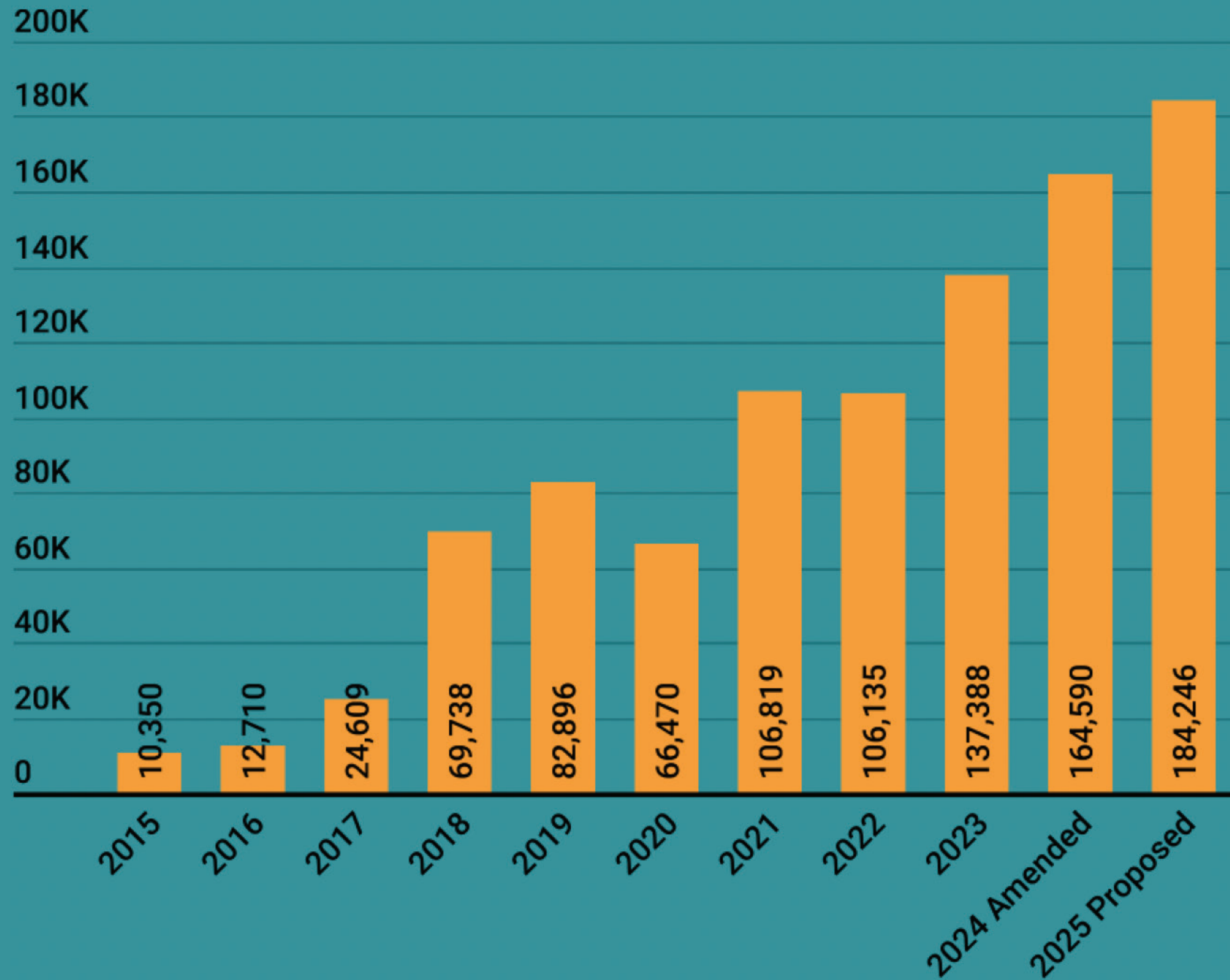


Expenses \$451,962

- Personnel \$188,187
- Event Production \$80,000
- Advertising \$80,000
- Ambassador \$35,925
- Contract Services \$22,800
- Dues/License \$13,200
- Operating \$22,050
- Gift Cards \$9,800







General Fund	2022	2023	2024	2025
	Actuals	Budget	Budget	Budget
		End of Year	Revised	Proposed
FUND BALANCE - Beg. Year	274,000	318,552	369,749	453,014
ESTIMATED REVENUE				
BID's Mil Levy	244,389	225,398	232,160	259,616
Adjusted Mil Levy				(55,947)
Interest	45	3380	3482	3482
Business Directory Advertising Revenue (Passthru Rev)				7500
Pass-Through Grant Funds	29,618	1350	0	0
TOTAL REVENUES	274,052	230,128	235,642	214,651
BUDGETED EXPENDITURES				
GENERAL Operating Expenses:				
Administration				
Bookkeeping Fees	3,250	4,500	3,162	3,300
Tax prep			125	125
Audit (Annual)	2,660	2,875	2,000	4,500
Audit Workmen's Comp			225	225
Insurance	2,703	2,912	2,999	3,100
Legal	6,213	1,482	1,526	2,000
Executive Director Search	10,400	0	0	0
Payroll	73,414	56,338	62,000	63,000
Payroll tax expense	6,124	4,732	5,280	5,400
Payroll Insurance	13,096	0	0	6000
Payroll Fees			500	500
Permits/Fees/Training	0	80	0	2000
Subscriptions/Dues				
GJ Chamber (dues & Quarterly meetings)			515	600
Speical District of Colorado Assocation				250
Total General /Admin Expenses	117,860	72,919	78,333	91,000
Operations				
Rent w/Tax fee	13,683	8,733	3,415	3,430
Storage			75	1,380
Cell Phone			1,754	1,200
Internet Service			625	625
Marketing & Communication	3,010	3,000	26,570	22,500
Website Maintance & Updating			600	600
Website ADA Accessibility Verification			490	490
Computer --Microsoft				300
Mcfee Security			200	200
Zoom			250	250
Design Update Bus Directory			10,500	8,500
Printing 2025 Directory			12,000	7,000
Photoshoot			600	
Google Fees			480	480
Misc. Printing			250	2,500
Christmas Lighting & Storage			1,200	1,200
DASH (thru 2023) transportation cost (2024 on)	5,000	1,100	0	0
Ballot Issue	883	0	0	0
Maintenance/repair	2,298	2,500	2,500	2,500
Miscellaneous/Office Supplies Expenses			1,000	2,000
Total Operating Expense:	24,874	15,333	62,509	55,155
TOTAL GENERAL Operating Expense:	142,734	88,252	140,842	146,155
DISTRICT Services:				
Horizon Drive Corridor				
Art on Horizon--Roundabout	1,640	1,954	-	65,000
Public safety (absorbed into façade grant 2024 on)	2,378	2000	0	5000
Phase III Ditch Clean-Up				
WCCC			9800	11,200
Chipper			1100	1,100
Herbicide			295	325
Dumpster			340	375
Cameras on Horizon (add 2 cameras & 2 LPR)				13,000
Alpine Bank community events				
Shredding event				200
One other event to be announced				200
Bike Racks (6 this year)				5,000
Façade Grant			0	5,000
TOTAL DISTRICT Services	28,288	32,000	11,535	106,400
CAPITAL Outlay:				
Debt Service	58,679	58,679	0	0
TOTAL CAPITAL Expense:	58,679	58,679	0	0
TOTAL EXPENSES	229,701	178,931	152,377	252,555
Net Income	44,351	51,197	83,265	-37,904
FUND BALANCE - End Year	318,351	369,749	453,014	415,110
Reserve Balance (Years of General Operating Expense in Fund Balance - 1.03 MIN)	2.2	4.2	3.2	2.8

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HORIZON DRIVE

District

Gateway to Grand Junction

Service & Operating Plan 2025

INTRODUCTION

The Horizon Drive District (the “District”) is comprised of commercial properties within the general geographic areas of Horizon Drive between G Road and H Road. The District was formed in 2004 under Colorado Revised Statute 31-25-1201, which allows Business Improvement Districts to be formed within municipalities of Colorado, and to levy and collect ad valorem taxes on commercial property within the boundaries of the District. The City of Grand Junction oversees the District and appoints the Board of Directors.

As the “Gateway to Grand Junction”®, the District is often the first and lasting impression people have of the City of Grand Junction. As such, City government also takes an active role and fiscal partnership in the maintenance and improvements to the District.

The Horizon Drive District is home to more than 200 businesses, including over 65% of the City’s lodging and most recent studies reveal an overall economic impact of over \$300 million annually. The District sees over 7 million cars annually and connects the community and travelers to the Regional Airport, Downtown, Colorado Mesa University and points between.

The mission of the Horizon Drive District is to build community, enhance the beauty and advocate the economic vitality of the Horizon Drive District.

In 2024 Horizon Drive Improvement District experienced a change in personnel. In March, a new Executive was hired. The budget was followed, and projects progressed as planned. In late May Horizon Drive District received notice from Colorado Department of Local Affairs (DOLA), they informed us that we collected \$55,286 more property tax revenue than allowed. To correct, we will be lowering our mil levy by .2155

Ongoing Projects:

- Development of business & community projects
- Marketing -Business Directory
- Safety and Public Safety
- District expansion

VISIT THE DISTRICT
WWW.HORIZONDRIVEDISTRICT.COM

970-985-1833

743 Horizon Court, Suit 311 Grand Junction, CO 81506

In accordance with the Board's stated objectives, the District adopts the following general Service & Operating Plan for 2025:

2025 GOALS

1. Improve Security for Businesses – Expand on security measures that were implemented in 2022. We will add cameras and LPRs (License Plates Readers) along Horizon Drive will be installed in areas where the police need additional eyes.
2. Improve Safety for Public - Continue focus on mitigating pedestrian safety hazards, improve pedestrian connectivity between District businesses, plan for critical growth and necessary safety improvements, as well as enhance overall safety, traffic flow, and efficiency of travel.
3. Road Improvement - The roundabout at the intersection of Horizon Drive and G Road (27 ½ Road) is the top priority in forwarding the District's Corridor Improvement Plan. Construction on this roundabout will begin in 2025; the call for artists has been made to provide public art for the roundabout.
4. Stimulate Economic Development – Encourage development of un-developed parcels, as well as improvements on existing parcels within the District, to enlarge the tax base and economic impact for the benefit of Grand Junction, as a direct result of infrastructure improvements.
5. Improve the District Image and neighborhood identity. The District is the “Gateway to Grand Junction,”® as well as a distinct neighborhood continuing to define its identity. The District is currently developing and implementing a multi-tier strategy to promote its distinct image and develop the unique District neighborhood aesthetic. These objectives are critical to the District as the “front door” to Grand Junction.
6. Enlarge the District – Continue efforts to strategically enlarge the District by voluntary annexation of adjacent parcels and nearby parcels that logically benefit from and fit within the District sphere of influence. Progress towards accomplishing this objective has been enhanced by the substantive and tangible improvements to the District in Phases 1 and 2 that demonstrate benefits to potential stakeholders.

SERVICES AND IMPROVEMENTS OFFERED BY THE DISTRICT

- Plan for future growth and enhance the District with long range planning of improvements.
- Represent the District in decisions that may impact the area.
- The District is allowed to make and contemplate a broad range of public improvements including, but not limited to: streets, sidewalks, curbs, gutters,

pedestrian malls, streetlights, drainage facilities, landscaping, decorative structures, statuary, fountains, identification signs, traffic safety devices, bicycle paths, off street parking facilities, benches, restrooms, information booths, public meeting facilities, and all incidentals, including relocation of utility lines.

GOVERNANCE OF THE DISTRICT

- The Board of Directors is appointed by the Grand Junction City Council.
- The Board of Directors appoints management staff in accordance with District Bylaws.

POWERS OF THE DISTRICT

- The power to levy taxes against taxable commercial property.
- To consider and, if deemed necessary, provide services within the District including but not limited to:
 - Management and planning
 - Maintenance of improvements, by contract if necessary
 - Promotion or marketing
 - Organization, promotion, and marketing of public events
 - Activities in support of business recruitment, management, and development
 - Snow removal or refuse collection / recycling.
 - Design assistance
- To acquire, construct, finance, install and operate public improvements and to acquire and dispose of real and personal property.
- To refund bonds of the district.
- To have management, control, and supervision of business affairs of the district.
- To construct and install improvements across or along any public street, alley, or highway and to construct work across any stream or watercourse.
- To fix, and from time to time increase or decrease, rates, tolls, or charges for any services or improvements. Until paid, such charges become a lien on commercial property in the District, and such liens can be foreclosed like any other lien on real or personal commercial property.
- The power to sue and to be sued, to enter into contracts and incur indebtedness, to issue bonds subject to statutory authority.

2025 BUDGET

Please see attached 2025 Budget.



OFFICE OF THE STATE AUDITOR • LOCAL GOVERNMENT AUDIT DIVISION
KERRI L. HUNTER, CPA, CFE • STATE AUDITOR

October 16, 2024

Board Of Directors
Horizon Drive Association Business Improvement
743 Horizon Ct.
Grand Junction, CO 81506

Suite 311

RE: 3919.00

To Whom it May Concern:

We have reviewed the Application for Exemption from Audit of the Horizon Drive Association Business Improvement. Based on our review, the 12/31/2023 Applications for Exemption from Audit has been approved.

We accepted your Application for Exemption from Audit, even though it was filed after the statutory deadline of March 31. The Local Government Audit Law states that an Application for Exemption from Audit must be filed with the Office of the State Auditor within three months after the close of the fiscal/calendar year.

If we may be of any assistance to you, please feel free to call us at 303-869-3000. For further resources see our web site at: www.colorado.gov/auditor

Sincerely,

Crystal L. Dorsey, CPA
Local Government Audit Manager

Memorandum

TO: Members of City Council
FROM: Andrea Phillips, Interim City Manager
Nonprofit Committee (Mayor Pro Tem Reitz, Councilmember Anna Stout, Johnny McFarland, Jodi Welch)
DATE: October 25, 2024
SUBJECT: Nonprofit Funding Process Recommendations

This memo is intended to provide recommendations for a process change in how City Council and staff receive and evaluate nonprofit requests for funding. At the July 1, 2024 workshop, there was discussion on budget priorities and Council expressed interest in exploring an alternative approach to allocating resources to nonprofit funding through the budget process. Council agreed to form a committee comprising staff and Councilmember Stout and Mayor Pro Tem Reitz to bring back a recommended nonprofit funding approach for the 2025 budget. This committee has met and proposes a strategy outlined below.

The committee considered an approach that balances a general desire to tie nonprofit funding to Council priorities, ensure adequate review and approval by Council, not compete with limited general fund resources intended to fund core services, and provide clear guidance to the nonprofit community. The committee recommends that the City Council agree on a *narrow set of priorities* directly supporting projects and initiatives outlined in the Strategic Plan, such as housing and homelessness. The Council would consider requests that support these priorities as they are received throughout the year and, if approved, would be funded as a supplemental from Council reserves. The committee recommends that Council consider only one-time capital projects tied to these priorities, not ongoing operational support. This approach would eliminate a dedicated line item for nonprofit funding in the General Fund and the “call for proposal” that has historically been used.

While this process would apply to new nonprofit funding requests, five nonprofits have historically been funded by the City: HomewardBound, the Parks Improvement Advisory Board (PIAB), the Arts Commission, the Center for Children, and One Riverfront. These nonprofits are considered critical to department operations and help to defray costs through their services and programs that the City may otherwise incur. Annual funding for these nonprofits has been moved to department operational budgets in the 2025 Recommended Budget. The City Manager will work with the department directors during the annual budget process on what, if any, services should be funded through departmental budgets to provide services that the City requires to complete its mission.

This updated process would ensure that any taxpayer money being utilized to fund nonprofits has a clear nexus to a narrow set of Council priorities, allows for Council oversight on each funding request, and does not strain resources necessary for other municipal functions. Furthermore, this process provides Council the flexibility to consider requests of varying amounts based on available reserves and the project's impact. Finally, this process eliminates any confusion from the nonprofit community about what types of projects may or may not be funded by providing them with clear guidelines for what will be considered by Council.

Please contact Interim City Manager Phillips if you have any questions or would like additional information about this approach.

*C: John Shaver, City Attorney
Department Directors*

Council Dues and Memberships

Chamber of Commerce Champion's Circle (\$7,600/year)

- City information posted to the Chamber website as well as logo
- Table for ten at the Annual Banquet
- One free City staff registration to the Mesa County Leadership Class
- Chamber mailing list and Annual Golf Tournament sponsorship listing

Associated Governments of Northwest Colorado (\$8,200/year)

- Represents counties and municipalities in Mesa, Garfield, Rio Blanco and Moffat
- Membership grants participation in weekly legislative update calls
- Attendance at the annual Economic Development Summit
- AGNC is the designated Economic Development District by the EDA and manages the Comprehensive Economic Development Strategy (CEDS).

Hilltop Community Resources (\$1,000/year)

- Participation in the Mesa County Health Leadership Consortium
- Convenes monthly to share information, problem solve, support and strategize community health solutions
- Members include MCPH, MindSprings, Community, Family Health West, Chamber, Hilltop, Marillac, Mesa County DHS, St. Mary's, Rocky Mountain Health, Housing Authority, GJ Free Clinic, Monument Health, GHN, Strive, SummitWest Care
- Fire Chief Watkins currently attends this group as a City representative

National League of Cities (\$6,141/year)

- Federal advocacy organization that explicitly represents municipalities
- Membership includes access to the annual conference
- Resources and research available

Club 20 (\$4,600/year)

- Organization of counties, municipalities, businesses, associations and individuals representing western Colorado.
- Membership can include representation on ten standing committees: Ag, Business, Education and Workforce, Energy, Health, Public Lands/Natural Resources, Telecomm, Tourism, Transportation and Water
- Hosts regional candidate debates members may attend
- Participates in legislative advocacy

U.S. Conference of Mayors (\$5,970/year)

- Nonpartisan advocacy organization representing municipalities of 30,000+ population
- Annual conference held to discuss local issues with the White House, administration and Congress
- Offers issue-specific resources and programs

Colorado Municipal League (52,270/year)

- Statewide municipal advocacy organization
- Provide resources, data, and assistance to local governments, including resources to clerks, attorneys, elected officials, and others
- State advocacy on local government policy issues
- Annual Conference for local officials

Memorandum

TO: Members of City Council
FROM: Andrea Phillips, Interim City Manager
Shelley Caskey, Human Resources Director
Jodi Welch, Interim Finance Director
DATE: October 25, 2024
SUBJECT: Self-Insured Health Insurance Funding

As requested at the October 14th City Council Workshop, this memo provides the Council an update on the City's self-insured health plan for the first year of implementation in 2024 as well as the 2025 budget plan.

Background

In 2024, the City transitioned from a fully insured model to a self-insured plan to gain better control over rising healthcare costs and increase flexibility in benefit design. This shift was driven by substantial premium increases under the fully insured model, which could have been as high as 45%. By moving to a self-insured plan, the City assumed direct responsibility for employee healthcare costs, enabling more tailored benefits and a proactive approach to managing expenses. This transition also reduced the exposure associated with a fully insured plan including susceptibility to market-driven premiums and insurer's risk assessments. As a result, the shift to self-insurance limited the 2024 premium increase to 13.8%.

The self-insured approach allows the City to act as its own insurer, directly funding employee healthcare costs which provides several benefits:

- **Best Practice for Organizations Our Size:** Self-insurance is considered a best practice for large employers, especially those with an employee health clinic, as it offers more control over costs and plan design.
- **Cost Management:** The City can better manage healthcare expenses and minimize annual premium spikes.
- **Direct Impact from Health, Safety, and Wellness Programs:** Significant investment has been made in employee health, wellness, and safety programs, such as the employee health clinic, preventive care initiatives, and workplace safety training. These programs help reduce claims, improve employee well-being, and enhance the sustainability of the plan.
- **Flexibility in Benefit Design:** With access claims data, the City can tailor benefits to meet specific employee needs, making the plan more responsive and cost-effective.

The City partners with independent insurance broker, Brown & Brown, to provide expert support in administering the self-insured health plan. The broker plays a critical role in analyzing claims data, projecting future costs, and identifying trends to inform strategic decisions. Additionally, the broker assists in negotiating stop-loss coverage, managing vendor relationships, and ensuring compliance with industry regulations. Based on industry best practices, Brown & Brown recommends building a fund balance to cover the risk corridor between expected and maximum claims, ensuring financial stability. This collaboration enables the City to optimize plan performance, mitigate potential financial risks, and maintain a sustainable, cost-effective program.

2024 Experience and 2025 Plan

The City's administration of the self-insured health plan includes regular claims analysis and strategic sessions with Brown & Brown and is performing as anticipated. Year-to-date, claims are trending 4.7% above Brown and Brown's current expected claim levels yet remain well below maximum claims. The additional costs for 2024 are expected to be offset by prescription rebate revenue.

Some key 2024 performance statistics from Brown and Brown:

- Per Employee Per Month (PEPM): A key performance indicator used to analyze and manage insurance-related costs.
- Plan Cost Projections:
 - Projected Maximum Plan Cost (at the beginning of the year): \$1,947 PEPM
 - Projected Expected Plan Cost (at the beginning of the year): \$1,613 PEPM
 - Average Plan Cost (through September 30th): \$1,530 PEPM
 - Current Projected Average Plan Cost (for the entire year): \$1,462 PEPM
- Employee Enrollment:
 - Average Number of Employees Enrolled: 779
 - 74% enrolled in a copay plan
 - 26% enrolled in a high-deductible plan
 - Coverage Breakdown:
 - 37% enrolled in employee-only coverage
 - 19% enrolled in employee + spouse coverage
 - 44% enrolled in employee + family coverage

During strategic planning with Brown & Brown for 2025, the City is budgeting based on projected claims, coupled with a 20% increase in fixed costs related to third-party administration and stop-loss insurance. This approach has resulted in a 15% premium increase to cover anticipated expenses and maintain financial stability. For comparison, B&B estimated that if the City were fully insured, the increase would be closer to 25% for 2025.

Additionally, as recommended by B&B, the City is actively working to build the insurance fund balance over the next 3 to 5 years. By the end of 2025, the fund balance is expected to reach \$5.1 million which is 65% of the target, aligning with long-term financial goals.

*C: John Shaver, City Attorney
Department Directors*