**GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY**
**October 5, 2026**

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

**City Councilmembers Present:** Councilmembers Robert Ballard (virtual), Scott Beilfuss, Cody Kennedy, Jason Nguyen, Anna Stout, Ben Van Dyke and Mayor Laurel Lutz.

**Staff present:** City Manager Mike Bennett, Interim City Attorney Jeremiah Boies, Deputy City Manager Kimberly Bullen, Chief Financial Officer Jay Valentine, Interim Utilities Director Ashley Firl, Assistant to the City Manager Johnny McFarland, Transportation and Engineering Director Trent Prall, Parks and Recreation Director Ken Sherbenou, IT Director Scott Hockins, Communications Manager Kelsey Coleman, General Services Director Jerod Timothy, Human Resources Director Shelley Caskey, Interim Community Development Director Thomas Lloyd, Fire Chief Peter Skeris, Police Chief Matt Smith, Deputy Finance Director Brandon Hinze, Visit Grand Junction Director Elizabeth Fogarty, Budget Manager Matt Martinez, and City Clerk Selestina Sandoval.

## 1. Discussion Topics

### a. 2027 City Manager's Recommended Budget

City Manager Mike Bennett, Chief Financial Officer Jay Valentine, and the City's budget team presented the 2027 Recommended Budget, focusing on addressing the City's structural deficit while maintaining essential services and long-term financial sustainability.

Budget Overview and Structural Deficit

- The proposed 2027 budget totals $317.4 million, less than a 1% increase over 2026, with a General Fund budget of $120.8 million.
- The City faces an approximately $6 million structural deficit, with expenditures increasing 53% since 2021 compared to 30% revenue growth.
- Initial departmental requests totaled approximately $20.9 million, including additional operating costs, one-time expenditures, and personnel needs.
- Staff emphasized prioritizing core services, reducing recurring expenditures, and avoiding across-the-board cuts.
- The recommended budget reflects reductions intended to address ongoing financial challenges rather than relying on temporary solutions.

Personnel and Public Safety

- The budget includes $2.7 million for public safety staffing and compensation, including six police officers and three fire battalion chiefs.
- Three additional positions are supported through E911 funding.

- Staff discussed partnerships with Colorado Mesa University and the airport to offset police staffing expenses.
- A $3.1 million allocation across City funds is included for potential employee compensation adjustments following completion of the compensation and classification study.
- Staff recommended using $2.3 million from General Fund reserves and $2.3 million from the First Responder Fund balance to temporarily support public safety operations.
- Bennett emphasized pursuing a potential regional fire district as a long-term solution to increasing public safety costs and service demands.

Budget Reductions and Service Impacts

- Staff identified approximately $2 million in personnel reductions, $1 million in departmental operating reductions, and $2.1 million in reallocations of labor expenses to capital projects.
- Proposed service adjustments include:
    - Closing City Hall to walk-in services on Fridays while continuing online, telephone, and appointment-based services.
    - Reducing Lincoln Park Pool hours and staffing coverage at the Dos Rios splash pad.
    - Transitioning senior programming to the Community Recreation Center.
    - Eliminating the Ash Tree Program and discontinuing the annual City calendar after 2027.
- Certain housing programs would transition to community partners, including Housing Resources of Western Colorado and the Grand Junction Housing Authority.
- Council discussed evaluating City-owned properties for potential sale or alternative uses to generate revenue or reduce leasing expenses.

Employee Health Insurance

- Staff discussed increased claims expenses and recommended a $4 million fund balance transfer to strengthen the City's self-insured health insurance program.
- Proposed adjustments to copayments and out-of-pocket maximums could generate approximately $2 million to $4 million in savings.
- The City has realized approximately $5.8 million in savings since transitioning to a self-insured model.
- Staff emphasized maintaining competitive employee benefits while addressing rising costs.

Economic Development and Tourism

- Visit Grand Junction is preparing for an $864,000 reduction in operating resources, with reductions phased in strategically.
- Staff discussed hotel occupancy trends and the need for additional lodging to support continued tourism growth.

- Council discussed the impacts of extended-stay hotel occupancy and Colorado Mesa University's student housing needs.
- Staff highlighted ongoing efforts to attract hotel developers, including interest in the Dos Rios area.

Operational Efficiencies and Technology

- Staff highlighted initiatives to improve efficiency, reduce costs, and increase transparency.
- Improvements include interactive budget and revenue dashboards, quarterly financial reporting, and online development fee estimates.
- An internally developed Report a Concern platform has replaced an outside subscription service.
- Electronic ticketing and automated financial reporting have streamlined processes across departments.
- Staff discussed additional technology and artificial intelligence initiatives to improve public access to information and reduce administrative workloads.

Fund Balance and Long-Term Financial Sustainability

- General Fund reserves increased from $21.7 million in 2016 to $48.5 million in 2025, with a minimum reserve requirement of approximately $29.8 million.
- Staff emphasized that reserves provide temporary financial support but do not resolve ongoing structural deficits.
- Council discussed the long-term sustainability of the First Responder Fund and the increasing personnel costs associated with public safety.
- Staff reiterated the need for continued expenditure reductions, operational efficiencies, partnerships, and sustainable funding solutions heading into 2028.

**2. Council Communication**

- Councilmembers acknowledged the receipt of a citizen’s emailed input regarding the budget.

**3. Next Workshop Topics**

City Manager Bennett summarized list of next workshop topics.

- The next budget workshop was scheduled for October 26, 2026, at 4:00 p.m.
- Additional discussion would focus on enterprise funds, outstanding budget questions, and topics requiring further Council consideration.

4. **Other Business**

There was none.

5. **Adjournment**

There being no further business, the workshop was adjourned at 7:07 p.m.