

**GRAND JUNCTION CITY COUNCIL
ADDITIONAL WORKSHOP AGENDA
NOVEMBER 14, 2005, 11:30 A.M.
ADMINISTRATION CONFERENCE ROOM
2ND FLOOR, CITY HALL
250 N. 5TH STREET**

11:30 am **ADDITIONAL BUDGET DISCUSSION:** Discussion of items not concluded at the November 5, 2005 Budget Presentation. [*Attach 1*](#)

1:00 pm **ADJOURN**

Attach 1 Additional Budget Discussion

TO: City Council
FROM: Kelly Arnold, City Manager
DATE: November 1, 2005
SUBJECT: Severance payment balance

At our workshop in August about the economic development workshop, the Council discussed the 2005 severance payment that was over and beyond our budgeted \$500,000 to be considered as “one-time” money. Under this definition, the one-time money was \$972,000. The Council at this time has designated \$500,000 to Mesa State College for their purposes. President Foster has proposed that the use of those funds be for property purchases in the area west of campus. This money has been budgeted and designated for this purpose. That designation can be found on page 37 under Outside Funding Requests.

This leaves a balance of \$472,000 that has not been designated in the budget for any purpose in 2006. As a starting point, here is a list of items that Council may want to consider to budget for 2006 with these funds.

Emerging Issues and Capital Improvements

- **Jarvis Property development:** There are some funds set aside for starting some of the improvements, but most of the costs associated with the redevelopment effort are not in the budget.
- **7th Street Improvements:** There are no funds set aside for any further phases of the improvements other than Phase 1.
- **Steamplant development:** Currently we can afford the bare minimum cleanup is in the budget, but no additional costs with a more significant re-development.
- **Add more to the overlay program:** Street maintenance continues to rank high on citizen concerns and any street improvements are always a good use of “one-time” funds.
- **Meth Task Force Efforts and/or Western Colorado Mental Health operations:** Both of these issues will be in front of Council more than likely in 2006.
- **Completion of Canyon View Park:** This amount would go a long ways to completing the landscaping in 2006 and free up some other capital improvement funds in 2007 (\$250,000) for other park improvements.
- **Implementing Avalon Theatre study:** There are no funds designated for implementing important parts of the study that still needs to be prioritized.
- **EMS costs:** This money could be used to purchase the equipment needed by the Fire Department to get a transporter program started.
- **Unanticipated additional costs for Parking Garage:** Our consultant has already told us that our cost estimate now a year old maybe slightly low.

Facilities Fund

In the past few years, the Council made a determination to initiate a Facilities Fund. The initial funding was “one-time” money and is now funded at \$250,000 per year. At this rate, the impact of the fund is really minimal for any new construction. I believe when the Council established that fund, they felt they would make an effort, whenever possible, to add to it so it could accumulate to amounts that could be used to start to construct new facilities in the near term versus many years out. The severance money could be put into this fund over and beyond the \$250,000 already budgeted this year.

Fund Balance

As always, Council has an option to not specifically budget the severance money and put it into the Fund Balance or General Fund Contingency. This would allow flexibility over the course of 2006 to put the funds to use when needed. Based upon the “Emerging Issues and Capital Improvements” list above there are still a lot of issues unresolved at the time of this budget adoption that Council may want to fund or help fund in 2006. By putting the severance funds into fund balance, these issues could be evaluated as they become resolved.

Other Outside Groups

There seems to be a growing need from outside groups for financial assistance. Designating these funds for one time use or for economic development purposes is an option.

Economic Development Fund

	<u>2006</u>	<u>2007</u>
Beginning Fund Balance (estimated)	<u>\$100,000</u>	<u>\$102,050</u>
Sales Tax CIP Revenue	<u>\$450,000</u>	<u>\$450,000</u>
Infill & Redevelopment Program	250,000	250,000
Business Incubator Center (SBDC)	40,000	40,000
GJEP – Operations	40,000	40,000
GJEP – New Business Incentives	60,000	60,000
Listening to Business Program	15,000	15,000
Mesa State College (Local CPI Creation)	5,000	5,000
Staff Support (1/2 of Asst. to City Manager)	<u>37,950</u>	<u>39,090</u>
Total Expenditures	<u>447,950</u>	<u>449,090</u>
Ending Fund Balance	<u>\$102,050</u>	<u>\$102,960</u>

***OUTSIDE FUNDING REQUESTS
COUNCIL CONTRIBUTIONS***

	<u>2005</u>	<u>2006</u>	<u>2007</u>
<u>GENERAL FUND</u>	<u>Actual</u>	<u>Proposed</u>	<u>Proposed</u>
Housing Resources of Western CO - Energy Office	4,000	4,000	4,000
Kids Voting	5,000	7,500	7,500
Mesa Land Trust	98,000	103,000	103,000
Mesa State College	0	500,000	0
Mesa State Foundation (Scholarships)	6,600	7,200	7,200
Riverfront Commission	11,936	12,652	12,652
Special Olympics	0	1,000	1,000
Grand Valley Transit	225,883	373,277	388,208
United Way	50,000	0	0

The Tree House	5,000	0	0
Total Budgeted	\$406,419	\$1,008,629	\$523,560
	<i>Additional Requests Currently Not Funded</i>		
Habitat for Humanity (Operations)		10,000	0
Western Slope Center for Children (operations)		20,000	0
Marillac Clinic (operations)		30,000	30,000
The Tree House (capital)		50,000	0
Botanical Gardens (operations)		50,000	50,000
Grand Junction Housing Authority (New Tenant Program, operations)		71,000	71,000
Grand Junction Housing Authority (New Tenant Program, operations)		30,000	0
Housing Resources (Woodstove Replacement)		25,000	0
Downtown BID (operations, 1/2 of \$25,000 request)		12,500	12,500