

GRAND JUNCTION CITY COUNCIL WORKSHOP SUMMARY
November 9, 2015 – Noticed Agenda Attached

Meeting Convened: 5:00 p.m. in the City Hall Auditorium

Meeting Adjourned: 8:45 p.m.

City Council Members present: All, Bennett Boeschstein arrived at 5:03 p.m.

Staff present: Moore, Shaver, Carruth, Taylor, Prall, Schoeber, Camper, Romero, McInnis, Watkins, Valentine, Evans, Lanning, Hazelhurst, Hermundstad, and Tuin

Also: Dennis Simpson

Council President Norris opened the meeting and Interim City Manager (ICM) Tim Moore introduced the first topic and then deferred to Parks and Recreation (P&R) Director Rob Schoeber.

Agenda Topic 1. Rates and Fee Change Listing – Continued from October 26, 2015

Parks and Recreation

Mr. Schoeber handed out an updated proposal for all P&R rate and fee changes. He reviewed the proposed changes to the annual Golf Pass program which included information on the type and number of golf passes sold, their revenue, and projected revenue. He explained the plan to go to a single golf pass system; the goal is to simplify the system while increasing revenue. He noted a reduced green fee is charged when passes are used.

Mr. Schoeber then highlighted the Department's operating revenue which includes donations (program sponsorships) and explained they were not able to raise fees for some programs because they had contracted rates. The proposed changes are projected to net a 2.1% revenue increase.

Municipal Court

Jodi Romero, Financial Operations Director, provided a handout on the proposed Municipal Court fee increases and noted a comparison review of fines and fees was completed earlier this year; fines were found to be in line with the State and similar communities and therefore no increases were recommended. Ms. Romero listed the fees identified for increases and noted Diversion Fees were introduced in 2015; City Attorney Shaver explained the intent of this fee. The projected revenue from these increases would be almost \$31,000. All court fees go into the General Fund.

Municipal Court Judge Care' McInnis was asked for her input regarding the proposed increases. Judge McInnis introduced Associate Judge Sara Hermundstad and then spoke about her observations regarding the budget process and how, as a manager, she was not included in the discussions. She explained judges have a duty to ensure independence in their courts and determine what resources are needed to function efficiently and independently; the top judge should be able to go to the policy making body regarding the budget in order to help set fees and fines. She stressed the importance

that this process should be a function of the presiding judge and felt the City had blurred lines regarding the three branches of government. Judge McInnis further explained that established fees should be about systems (not individuals) and provide direction for judges regarding the municipality's intent while allowing the judge discretion in how they are assessed. The role of the court cannot be revenue, not even for self-sustaining purposes. She said the court has no part deciding if a Diversion is offered or assessing that fee (decisions regarding this option are exercised before a defendant appears in court), and expressed concern regarding the intent of the proposed increases, how they would be perceived (as a fine or fee), and the large proposed increase in traffic deferment fees.

Discussion ensued regarding the logic behind the increases, that the presiding judge should be included in budget discussions even though fees are determined by the Financial Division, why Diversion Fees were added in 2015, what the percentage of the fee increases would be, who is responsible for fee collection, and what the possible incentives are for seeking a deferred judgment.

Judge McInnis said she followed the mandated process of going through the Chief of Police for needed security improvements; his suggestions were requested in the 2015 budget, but were not approved. However, private security was arranged through the Police Department. She explained how this further emphasized how the court does not have a direct communication line to Council. Ms. Romero said due to budget constraints, facility improvements were moved to the "B" list. Jay Valentine, Internal Services Manager, said the budget request for the improvements was \$17,000 and for all of City Hall the amount was \$153,000. Ms. Romero said the other City Hall windows should also be considered for security improvements because there would be little value if three out of four windows are left open.

It was decided to remove the new traffic deferment fees, but keep the diversion fees, and schedule a Workshop to further discuss Court issues such as staffing, case assignments, security improvements, and Judge McInnis' concerns regarding the communication process.

Grand Valley Drainage District Fees

ICM Moore asked that \$53,000 be added to the 2016 budget to potentially cover the District's new fees. Greg Lanning, Public Works Director, reviewed the projects the new fees will go toward and felt they were all needed. Mr. Lanning noted the bill received was a sample meant for review; the finalized bill is scheduled to be mailed in February 2016 with the payment due within three months.

Council President Norris suggested creating a line item for this, but to investigate if other municipalities plan to pay the new fees. She did not want the City to set a precedent of making payment if others do not.

Other questions asked were if a line item for drainage had been previously budgeted (ICM Moore said there was a line in the Capital Budget), if this would be an annual fee (yes), if the fee amount would remain the same (unknown), if the City obligated to pay or just allocate the funds (unknown), and what fund would this payment come from (the City's additional funds not allocated toward budget), how the line item would be labeled (Drainage). Councilmember McArthur mentioned Ute Water Conservancy District would be hosting a roundtable discussion on this topic November 13th.

Council agreed to add the line item.

Economic Development Budget - Final

Ms. Romero reviewed the changes to the "B" list, noted there were no changes to Requested, then listed the items Council was to consider at this meeting.

There was discussion regarding what the Business Incubator is requesting funds for (Technology Accelerator, second phase) and if and when funds would be dispersed (\$29,000 to be allocated in 2016).

It was decided to disperse the remaining funds in the A. Heyward Jones Trust equally between Mesa County Public Library District and the Museum of the West.

It was noted that the contract with the Events Center consultant was amended to look at Two Rivers Convention Center as a standalone venue but the Las Colonias Amphitheater is only included in the scope of the contract as to its impact on the Events Center. Mr. Valentine recommended that once the analysis comes back, the Council can then consider if additional information is needed for the Amphitheater as a standalone facility.

Council President Norris said Hunden Strategic Partners advised some Councilmembers visit the CenturyLink Arena in Boise, Idaho. Jay Valentine, Internal Services Manager, said the early analysis was favorable to move forward with a local event center. If a trip is planned to Boise, Hunden would also like to attend. It was decided Ms. Romero should earmark funds in anticipation of this.

Ms. Romero explained the funds for the Horizon Drive conduit were dispersed this year which left the Contingency Fund balance at \$176,892.

Councilmember Chazen asked, after Staff made budget cuts and funds were allocated to the Spring Clean-Up Program and Capital, where was the remaining \$300,000. Ms. Romero said her understanding was Council did not want to allocate the funds yet.

TABOR Calculation

Ms. Romero explained the TABOR calculation, when the final calculations are to be tabulated, and the due date. She noted the projected amount is usually within .1 to .2 points and there was no "Black Box" excess in 2014. Two amounts are calculated; the Black Box which includes all revenues subject to TABOR limitations (federal funds are excluded) and an adjusted calculation that allows, per the amendment, debt payments and the TABOR transfer from the previous year's excess to be deducted.

There was discussion regarding what qualifies as revenue in respect to TABOR calculations and that the State has considered TABOR reforms.

Concerns were expressed the City's policy may be too conservative based on the difference between the two calculations. City Attorney Shaver said the amendment calls for both calculations to be made, but there is not guidance on which amount to use and Council can direct Staff regarding policy. He explained when TABOR was enacted, it was determined by Council, if both amounts were in excess to use the greater of the two and remain consistent. A third party could review the City's policies to ensure Staff followed policy. It was suggested Associated Governments of Northwest Colorado and/or

the Colorado Municipal League could be contacted regarding policy. City Attorney Shaver said this discussion is more political than legal.

More questions were asked regarding debt payoff amounts and times and how Department of Local Affairs grants impact these calculations.

It was decided to reevaluate the TABOR calculations and policy in a 2016 Workshop.

General Fund Balancing Summary

Ms. Romero noted Council had earlier decided to eliminate Deferment Fees and add Drainage Fees as a contingency and reviewed the requested line item changes.

Councilmember Taggart expressed concern regarding TRCC's estimated reduction in revenue; he didn't understand the process that allowed a division to state a revenue reduction without presenting information to Council. ICM Moore said he will follow up with Convention and Visitor Services Director Debbie Kovalik regarding this change.

Council President Norris clarified with Ms. Romero that the Projected Available Funds for 2016 is \$759,320. It was agreed Council would split this amount with Staff and each would decide on how it should be spent. Staff decided to hold onto these funds until after the First Quarter of 2016 had been processed. Council also did not want to commit on how to spend the funds yet.

Talks continued on Economic Development (ED) and if there were funds that would rollover from 2015 to the 2016 budget. The main ED expense for 2016 is earmarked for North Star Designation Strategy's recommendation from their Final Report which is currently on the "B" list; it is hoped the County will be able to contribute. Council President Norris said she and Mesa County Commissioner Rose Pugliese agreed an oversight committee would be beneficial to ensure ED projects are prioritized and Partner commitments are carried out. Currently, the ED Partners have submitted their final report and are putting together a 2016 work plan; North Star is finalizing the branding piece.

Final Capital Worksheets

Ms. Romero reviewed the following handouts: Capital Worksheet, Enterprise and Internal Service Funds Capital Projects, Fund Balance Worksheet, Line Item Budget, and the 2016 Requested Budget.

Councilmember Traylor Smith mentioned utilizing OpenGov software to help reduce or eliminate the need for financial handouts.

Next Steps

November 16th USA Pro Cycling Challenge Workshop (food will not be served) will be moved to November 18th at 5:30 p.m.

November 23rd Workshop is canceled.

With no further business, the meeting was adjourned.

GRAND JUNCTION CITY COUNCIL
MONDAY, NOVEMBER 9, 2015

WORKSHOP, 5:00 P.M.
CITY HALL AUDITORIUM
250 N. 5TH STREET

To become the most livable community west of the Rockies by 2025

1. Budget

- **Rates and Fee Change Listing – continued** [Supplemental Documents](#)
- **Grand Valley Drainage District Billed Fees**
- **Final ED Budget** [Supplemental Documents](#)
- **TABOR Calculation** [Supplemental Documents](#)
- **General Fund Balancing Summary** [Supplemental Documents](#)
- **Final Capital Worksheet** [Supplemental Documents](#)
- **Fund Balance Worksheet** [Supplemental Documents](#)
- **Line Item Budget by Fund** [Supplemental Documents](#)

2. Next Steps

- November 16th – USA Pro Cycle Challenge Follow-up
- November 18th – Adopt Rates and Fees Resolution, Set Public Hearing for Appropriation Ordinance
- December 2nd – Mill Levy Adoption, Public Hearing and Budget Adoption

3. Other Business

4. Board Reports