



**GRAND JUNCTION CITY COUNCIL
MONDAY, OCTOBER 2, 2017**

**WORKSHOP, 4:00 P.M.
CITY HALL AUDITORIUM
250 N. 5TH STREET**

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

1. Discussion Topics

- a. Budget Overview and Major Operating Department Presentations: Police Department, Fire Department, Parks & Recreation, Public Works, Utilities

2. Next Workshop Topics

- a. Budget: Downtown Development Authority, Grand Junction Downtown Business Improvement District, Horizon Drive Association Business Improvement District, Economic Development, Capital

3. Other Business



Grand Junction City Council

Workshop Session

Item #1.a.

Meeting Date: October 2, 2017

Presented By: Greg Caton, City Manager

Department: City Manager

Submitted By: Greg Caton, City Manager

Information

SUBJECT:

Budget Overview and Major Operating Department Presentations: Police Department, Fire Department, Parks & Recreation, Public Works, Utilities

EXECUTIVE SUMMARY:

The City Manager will present the City Manager's 2018 Recommended Budget. Five of the major operating departments the Police Department, Fire Department, Parks & Recreation, Public Works, and Utilities will accompany the presentation.

BACKGROUND OR DETAILED INFORMATION:

The City Manager will present the City of Grand Junction balanced budget for 2018. The 2018 recommended budget totals \$158.3 million, a \$17.9 million, or 12.7% increase from the adopted 2017 budget totaling \$140.5 million. The General Fund Budget results in surplus of \$893,678 bringing the fund balance to \$21.6 million. The budget represents the allocation of resources to achieve the goals identified in the City's adopted Strategic Plan.

The presentation will include overviews from five of the major operating departments that include:

- Police
- Fire
- Parks & Recreation
- Public Works
- Utilities

FISCAL IMPACT:

This presentation and discussion is for informational purposes.

SUGGESTED ACTION:

This presentation and discussion is for informational purposes.

Attachments

1. 2018 Budget Transmittal Letter



CITY MANAGER'S OFFICE

September 29, 2017

To the Honorable Mayor and Members of City Council:

It is my pleasure to present the City of Grand Junction balanced budget for 2018. The 2018 recommended budget totals \$158.3 million, a \$17.9 million, or 12.7% increase from the adopted 2017 budget totaling \$140.5 million. The General Fund Budget results in surplus of \$893,678 bringing the fund balance to \$21.6 million. The budget represents the allocation of resources to achieve the goals identified in the City's adopted Strategic Plan.

In August of this year, City Council unanimously adopted the 2017 City of Grand Junction Strategic Plan. The document will serve as a guide for the City Council and City staff over the course of the next two years. The principles and directives of the Strategic Plan provided direction during the development of this year's budget. The Strategic Plan has two guiding principles, Partnership & Intergovernmental Relationships and Fiscal Responsibility, which provide overarching direction for implementation of the plan, and four strategic directives, which are high-level priorities for the City. These directives helped to frame the components in this budget:

- Public Safety
- Planning & Infrastructure
- Diversification of our Economic Base
- Communication, Outreach & Engagement

Fiscal Responsibility

Fiscal responsibility is paramount to the operations at the City of Grand Junction. Given the changes in our current economic environment, the recommended budget will continue to allow the organization to be nimble in the coming years.

The 2017 budget included significant labor reductions in order to address the structural deficit the City was experiencing due to the decrease in overall resources since the recession. The City continues to address other modifications that will save expenses long term. The results from these structural changes are starting to produce the resources to allocate to City Council strategic directives. The 2017 budget also included cyclical (short-term) reductions, some of which have been restored in the 2018 budget. In particular, replacement of public safety specialty operating equipment, computers and fleet that was previously deferred, and the emphasis on training employees.

In 2017, the City made a significant operational shift by outsourcing the management of Two Rivers Convention Center, the Avalon Theatre, and the Amphitheater for specific events. The results of those

efforts impact the 2018 budget positively by reducing expenses or improving revenues related to those operations.

Over a two-year budget period (2017 & 2018), the City's spending has emphasized public safety by adding 20 new positions in the Police and Fire departments, infrastructure by working with the voters to gain authorization to increase spending on street maintenance including the overlay of the Riverside Parkway, and cultivating economic development opportunities with our community partners and private industry. Furthermore, the General Fund balance has been replenished from the acquisition of property and is significantly higher than it was a few years ago.

The Recommended 2018 Budget prioritizes spending according to the four strategic directives by:

- Adding 10 new public safety positions, six in Fire and four in Police
- Establishing a traffic team beginning mid-year which is possible by adding four new police officers
- Putting into operation a temporary emergency medical services station in the north area
- Investing in fire training components of the public safety training facility
- Adding additional ambulance to the fleet and replacing several others
- Replacement/purchase of specialized public safety equipment (fire personal protection equipment, 800 MHZ radios, bomb suit, body cameras)
- Developing a 10-year major capital projects plan and general fund 5-year financial forecast
- Implementing a sustainable pay plan that is fiscally responsible and affordable that attracts and retains a highly-qualified workforce
- Increasing maintenance and reconstruction of existing street infrastructure by 70% to \$6 million
- Increasing overall economic development investment by 49% to over \$5.3 million
- Partnering with the Downtown Development Authority and private industry in major economic development projects; Las Colonias Business Park, completion of Las Colonias Recreation Park, and significant improvements to Two Rivers Convention Center in preparation for expansion and connection to a 100-room hotel

The City continues to budget conservatively in order to operate within existing resources, prioritize the safety of our community, save and spend for infrastructure and economic development projects, and plan for the future.

Revenue

The economy in the Grand Junction area is showing definitive signs of improvement. There are several major economic development projects underway that will generate jobs in the community. Grand Junction has returned to positive job growth of 2% and the energy sector has stabilized. Consumer confidence has improved and the economy is strengthening as evidenced by growth in sales tax revenues in 2017.

Sales and use tax revenues are the major source of revenues for general government operations and general government capital. The majority of that revenue is derived from the City's 2.75% sales and use tax. For the 2017 budget, we conservatively projected no increase in sales tax revenues. So far this year

actual sales tax revenues are above 2016 with the last five months of positive growth averaging 7.5%. For the remainder of the year we are projecting a 5% average increase. For the 2018 Recommended Budget we are projecting a conservative 1% increase in sales tax revenues.

The real estate market in Mesa County and the City of Grand Junction is strong, with a low absorption rate and low foreclosure numbers. By mid-year 2017, median home prices have increased from \$205,000 to \$216,000 and family home sales were up 16.6%. Through August of this year, planning clearances related to all types of residential activities increased dramatically at 52% above last year. The City has an estimated 1300 single family lots pending approval or currently under review with large scale residential developments expected to move forward in 2018. We are also seeing a renewed interest in apartment and townhome housing units with projects within the downtown area starting in 2018. Commercial and industrial projects have seen a small increase over 2016, however the scale of projects is significant including the 63,000-square foot expansion of Mind Springs Health, St. Mary's \$48 million expansion for a center for heart and vascular health, and a new Home2 Suites by Hilton hotel (91 units) at 24 and F ½ Roads.

During 2017, staff conducted a comprehensive review of rates, fees, and charges across all departments of the organization. All rates, fees, and charges are based on a set of philosophies. Those philosophies vary based on considerations such as benefit to the overall community, cost recovery models, comparison to the market and other entities, as well as legal considerations. Recommended changes to fees and charges were discussed with City Council in workshop and approved in July of this year to take effect January 2018. Recommended changes to utility rates are in accordance with rate studies and long-term financial plans. The resulting increase in revenues is included in the Recommended 2018 Budget.

Lodging revenues are the primary source of revenue for Visit Grand Junction, formerly the Visitor and Convention Bureau. Although year-to-date lodging tax is only at 1.7% above 2016, based on fall special events, increase in the reported average daily rate and occupancy rate, we are projecting to end the year in accordance with 2017 projections. We expect this trend to continue and future tour and event bookings are strong, so we have budgeted a 3% increase in lodging in the Recommended 2018 Budget.

Investing in Employees

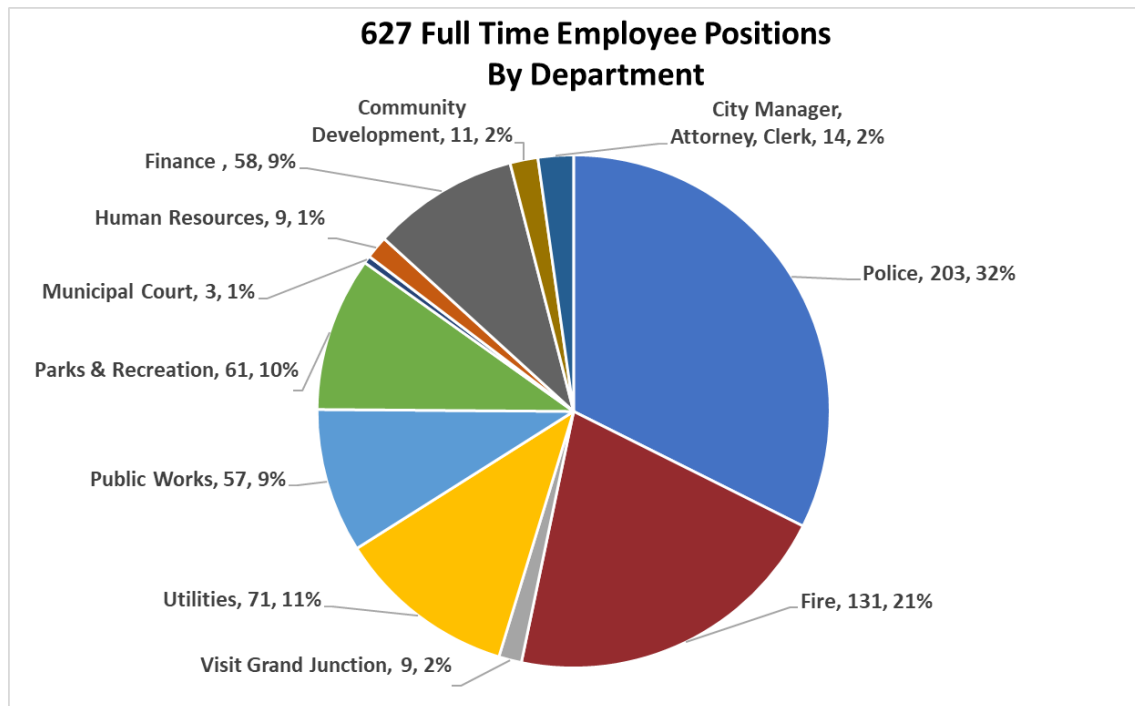
The City of Grand Junction provides services and programs that are required by the Charter, the law and expected by community members. The delivery of high-quality services and programs are a direct result of strong leadership and the City's expert staff members. The attraction and retention of employees is critical to success of the organization. Included in the 2018 Recommended Budget is the implementation of a new pay plan that establishes broader pay ranges that allow for movement through the plan at 2.5% step intervals based on an acceptable performance appraisal and the City's ability to fund.

We are continuing to evaluate health insurance options and are anticipating a 10% increase in 2018. During 2018, we will explore methods of managing health care inflation into the future through options such as clinics, self-funding, or modifications to the benefits plan.

The 2018 Recommended Budget includes the addition of Martin Luther King Day as an observed holiday. Comparable municipalities in Colorado observe 11 holidays on average, with 13 of the 15 cities in our market as well as Mesa County and the State observing Martin Luther King Day. City employees generally do not receive additional compensation for holidays which contributes to a minimal financial impact.

The Educational Reimbursement Program will be reinstated in 2018. The program provides full or partial reimbursement for college course work completed by City employees as part of a degree program, and coursework for desired licenses or certifications beneficial to the participant's employment with the City of Grand Junction. This program further supports City leadership's commitment to employee training and development.

In 2017, we started the budget process with 641 authorized positions, 25 positions were eliminated as part of the effort to correct the structural deficit, and 10 public safety positions were added. Any new vacancies are reviewed as they occur and positions are filled as justified. The 2018 Recommended Budget includes a total of 627 authorized full-time employee positions with 423 in the General Fund. Over half or 334 are in the public safety departments. In addition to the full-time employee positions, the City employs over 500 seasonal and part-time employees in Parks and Recreation and Public Works. The Colorado state minimum wage increase will affect staffing levels of seasonal employees in these departments. The following is a chart depicting the 627 full-time employee positions by department:



Strategic Directive – Public Safety

Grand Junction is a stand-alone regional hub with urban challenges not common in other communities on the Western Slope of Colorado. Establishing public safety programs to meet current and anticipate

future needs will require the City to partner with other agencies, analyze best practices, and evaluate current workloads. The City will also look to establish clear policy direction and funding that aligns with our public safety model and service delivery standards.

The Downtown Ambassador program will continue in 2018. This partnership with the Downtown Development Authority, Downtown Business Improvement District, Police Department, and Parks and Recreation will continue to address concerns from businesses and residents in the downtown core. Ambassadors will be downtown on weekdays from Memorial Day through Labor Day, as well as during special weekend events. The civilian Parks Patrol unit will continue to provide parking enforcement services in 2018. The Police Department partnered with the Downtown Development Authority, to add two officers to the Community Resources Unit in order to provide additional directed patrol on Main Street and in the downtown region. The Police Department budgeted to lease body-worn cameras for office use in 2018 and will identify a half-time position devoted to managing, redacting, and producing video content for the use of attorneys, the media, and other consumers.

Illegal camps, particularly along the riverfront and in large undeveloped properties, present major health hazards and lead to criminal activity while also inhibiting the use of the riverfront for recreation. The Police Department will increase the number of camp cleanup operations in 2018 while simultaneously warning violators, offering assistance, and providing offenders with adequate time to relocate to available shelters. The Department aims to prevent the proliferation and re-establishment of camps in more impacted areas.

Police Department recruiting efforts will continue to be a priority in 2018, particularly with an emphasis on staffing a Traffic Team mid-year. Once operational, the Traffic Team will handle numerous traffic complaints, investigate serious traffic accidents, and provide directed enforcement at locations with high accident rates. The Department will recruit for lateral officers, certified officers, and sponsored officers. Recruiting for dispatchers and the new call-taker positions in our Communication Center will be emphasized in order to address staffing challenges. Identifying applicants with the ability and desire to handle the demanding work within the Communication Center has proven to be difficult, particularly in our rather isolated geographic region.

To address an increase in service calls, the Fire Department will add an additional full-time ambulance into service plus the replacement of others. In addition, three Firefighter positions will be added in 2018. These adjustments in staffing will help reduce overtime costs for the Department and improve services. The Fire Department will also establish a temporary response location for an ambulance in the north area of the City. This will eventually lead to the construction of a permanent fire station for this area. Three new, plus three existing personnel will be added for this unit along with the purchase or lease of a facility to house the ambulance and crew.

The Fire Department will purchase a heavier-duty ambulance with the help of a State EMS grant. In 2018 the Department will replace three ambulances. A replacement for the platform ladder truck damaged in the 2017 January ice storm will be received in 2018. The Fire Department will also begin the replacement of firefighter personnel protective equipment to meet National Fire Protection Standards and unsupported department radios in 2018. 2018 will also see the start of the process for funding and constructing a fire training facility, which will include a burn building.

In 2018, the City will provide Fire and EMS services to the City annexed properties that were previously in the Clifton Fire Protection District. An Automatic Aid Agreement is being developed with the Clifton Fire Protection District to assist both departments in response to larger and more critical calls for service. The 10-year Service Agreement with the Grand Junction Rural Fire Protection District is up for renewal and the City will be working with the district board to review and update the agreement.

The Fire Department hired its first apprentice under the CareerWise Colorado initiative in the Community Outreach Division. Under the guidance of a department mentor, the apprentice will work as a Marketing and Outreach Apprentice and develop skills in written and oral communication, graphic design, marketing, self-direction, problem solving, and customer orientation. The Fire Department joins nine other employers in our community actively participating in CareerWise Colorado.

Parks & Recreation will start a pilot program to install automated locking mechanisms on 12 restroom doors previously contracted for locking and unlocking service. The remaining locks on the 41 park restrooms will continue to be contracted. The program aims to improve the safety of restroom users and reduce potential damage to park restroom facilities.

Strategic Directive – Planning & Infrastructure

To ensure infrastructure is appropriately planned for and areas of new or expanded infrastructure is congruent with the areas that are planned for growth, City plans must be relevant and reflective of the community's vision and needs. In doing so, Community Development will begin a review process to update the 2009 Comprehensive Plan. This review and 10-year update will include a community needs and preference survey in 2018.

The City of Grand Junction ensures that existing infrastructure is adequately maintained and that the construction of future infrastructure is done with fiscal responsibility. The City understands the current condition of its infrastructure and performs maintenance and construction accordingly. Parks & Recreation uses the 2010 Parks Inventory and Needs Assessment as a metric for the current condition and future replacement of all park facilities. 2018 improvements include restroom upgrades for the west side of Stocker Stadium and at Emerson Park, trail maintenance, and infield improvements at Suplezio Field. Several park playgrounds will also receive replacement features. The Canyon View Park south tennis courts will be repainted and the Riverfront Trail will be repaired in required areas.

Public Works will continue to increase the pavement condition index from 69 to 73 as specified in the Strategic Plan. A portion of the ¾ cent sales tax for capital projects, along with voter approved TABOR excess funds, will allow for \$5.6 million to be invested in street maintenance. The largest single investment will be in the reconstruction of 7th Street from North Avenue to Patterson. There is also bridge replacement over Lewis Wash at F ½ and 30.8 Roads that is 80 percent funded by a federal grant. Public Works will also continue efforts to actively manage street lighting costs and traffic control infrastructure. The City's operation and ownership of almost 7,000 street lights maximizes the potential for savings from LED lighting technology. Investments will be made in 2018 for upgrades to signal equipment and controllers that will allow the system to keep pace with current technology supporting traffic signal coordination, vehicle detection, emergency pre-emption systems and meet federal requirements. All of which contribute to safer and less congested roadways.

The Persigo Wastewater Treatment Plant will add an effluent diffuser in 2018. The diffuser will be used to meet new nutrient limitations by discharging through the diffuser directly into the Colorado River. This new process will eliminate the need to perform costly upgrades to the Persigo plant to meet the new regulations. The wastewater system will see several replacements and rehabilitations in 2018 to improve efficiency and maintain the infrastructure of the plant. A portion of the collection system infrastructure will be replaced in 2018, ensuring more reliable treatment of wastewater, and will reduce cleaning and maintenance expenses associated with older pipe. In addition, there are plans to consider the extension of sewer north of the interstate to increase the sewer service area. Aging chemical feed tanks will ensure safe storage of chemicals used to treat wastewater. One of the gates diversion structures at Persigo that allows flow through the plant to the final clarification process will be replaced. Finally, the lift stations at Persigo will be rehabilitated to help remove corrosion and apply a protective epoxy coating. Overall \$9.2 million of improvements to the plant and collection systems of the Joint Sewer operation are planned for 2018.

During 2018, the Water Services Division will replace a portion of the Kannah Creek raw water delivery flow-line. Older steel pipe segments will be replaced with new PVC pipe at a cost of approximately \$1.2 million. The water treatment facility will begin the second phase of a facility upgrade project to design and install a Supervisory Control and Data Acquisition (SCADA) system which will allow for a computer interface between all processes at the plant and also incorporate watershed and distribution system monitoring. Another project proposed for 2018 is the rehabilitation of Reservoir #3, which is a 15-million-gallon raw water storage facility located at the water treatment facility. This project will remove dirt and debris from the structure and repair cracks in the concrete structure.

In pursuit of earning Silver Bicycle Friendly Community and Walk Friendly Community designations, planned improvements such as guide signage, enhanced crosswalks, bike lanes, bike blocks, and flashing beacons will be deployed with an emphasis on enhancing the connection of community assets and area surrounding schools will occur. \$75,000 will be dedicated to the replacement and repair of sidewalks and trails.

One of the core functions of the City is to maintain and expand infrastructure. Given the potential for significant growth in the community, planning for future infrastructure needs that can support quality of life, economic growth, and core municipal service delivery is key. In the Spring of 2018, the City's Solid Waste Division will add a pilot green waste program for the Spring Valley subdivision. The City will be the first in the Grand Valley to pilot a program of this kind, which will help divert green waste to the compost facility as well as help extend the life of the Mesa County landfill. Based upon the success of the pilot, the City will expand availability to all City solid waste customers in 2019.

Parks & Recreation will start a 1.5-mile trail connection from No Thoroughfare to the Lunch Loop providing a safe connection from the Riverfront Trail and several underserved neighborhoods. The two-year project is funded by a \$1.5 million GOCO Connect grant and is scheduled to be completed in 2019. In 2018, the Las Colonias Amphitheater will build on the successes of four months of programming to bring more events to the park. Pinnacle Venue Services will work in conjunction with Parks & Recreation to organize twelve large and small events of varying genres in 2018 that will establish the Amphitheater as a regional center for social and cultural events along the riverfront.

Strategic Directive – Diversification of our Economic Base

Economic development continues to be a focus in 2018. Grand Junction has historically experienced boom and bust cycles. In 2018, the City will take proactive steps to help mitigate the effects of peaks and valleys in economic activity. Since economic development is driven by factors beyond the scope of our organization, the City will continue to outsource economic development activities through support of its economic development partners. The Grand Junction Economic Partnership and the Grand Junction Chamber of Commerce lead new business recruitment and support existing business in the community. The Business Incubator Center, Colorado Mesa University, and Western Colorado Community College encourage new business growth and talent development.

Total funding for economic development partners in 2018 is \$3,189,558 and includes funding for the following:

- \$650,000 in total for Colorado Mesa University for the classroom building and expansion
- \$1,000,000 to Bonsai Design to start construction in the Las Colonias Business Park
- \$53,600 to the Business Incubator Center operations
- \$40,000 for the Grand Junction Economic Partnership operations
- \$389,886 for Grand Valley Transit
- \$100,000 to Broadband
- \$15,269 to Downtown Business Improvement District
- \$370,000 for economic development partnership with the Grand Junction Chamber of Commerce, Business Incubator Center, Sports Commission, and Grand Junction Economic Partnership
- \$954,921 to the Downtown Development Authority in partnership on the Las Colonias Business and Recreation Park and Two Rivers Convention Center projects

The development of the Amphitheater has broadened the utilization of Las Colonias by creating opportunities for retail, light industrial, and hospitality services through the development of the Las Colonias Business Park. The business park received its anchor tenant, Bonsai Design, and will focus on blending outdoor recreation business with recreational amenities such as a boat launch, zip line, festival area, and dog park. Development of the Jarvis Property and the addition of Colorado DiscoverAbility next to the Western Colorado Botanical Gardens will help to expand services and opportunities for businesses that will help connect them with the downtown area. Public Works is adding utilities, circulation roads, and park space to the areas which will help the development of potential riverfront restaurants and light retail space in a new community focal point adjacent the Colorado River.

Development of the riverfront complements the City's investment in the downtown area in 2018. Through a public and private collaboration with the Downtown Development Authority and private partners, the Two Rivers Convention Center will undergo the first phase of a renovation project to both refresh and improve the facility. Additionally, the construction of a hotel adjacent to the convention center will add a junior ballroom and over 100 hotel rooms that are connected to the existing facility. The expansion of convention and event space will help Grand Junction both market to larger events and create the ability to host two events simultaneously.

Visit Grand Junction will continue to support special events held in the city. Through their marketing efforts and recruitment of tourists and special events, lodging tax is projected to increase 3 percent in 2018. Visit Grand Junction has identified challenges to our tourism and event economy and will play an active role in exploring ways to improve transportation options and average daily hotel rates, as well as attracting special events in the shoulder seasons, which will help reduce fatigue on our event facilities from peak seasons.

Strategic Directive – Communication, Outreach & Engagement

The City aims to keep its residents well informed and provide opportunities for citizens to get involved in local government. In 2018, the City will focus on improving outreach to residents, find new and innovative methods of communication to reach a broader audience, and will become more visible in the community. Grand Junction will perform a citizen survey, which will be used to identify the insights of residents. This survey will help the City understand the sentiment of the community so we may better decide where our resources are most needed. This will complement the \$20,000 added to Community Development to conduct a community survey in preparation for the Comprehensive Plan update. This survey will be used to receive statistically valid opinions and feedback from the community regarding a variety of issues such as the type, density and location of where growth should occur, desired public and civic amenities, types and need for motorized and non-motorized transportation improvements, and other related community planning issues.

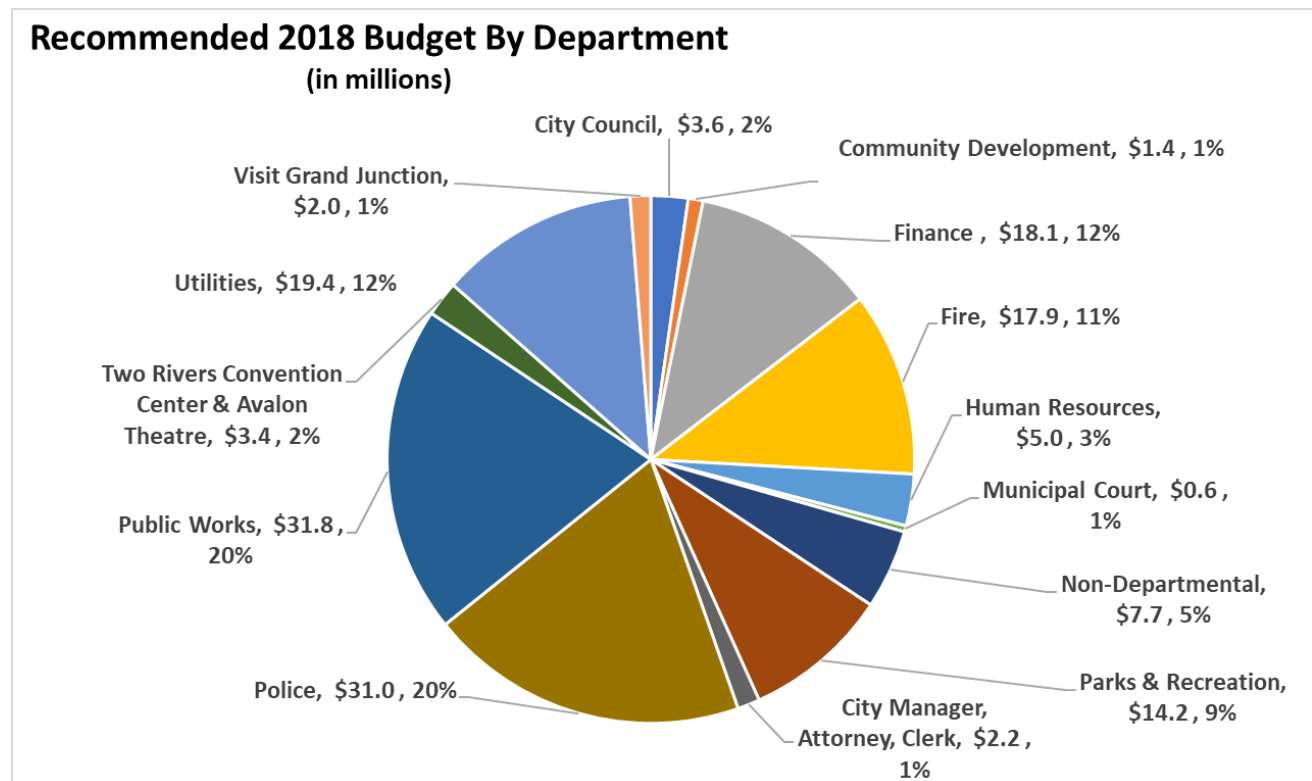
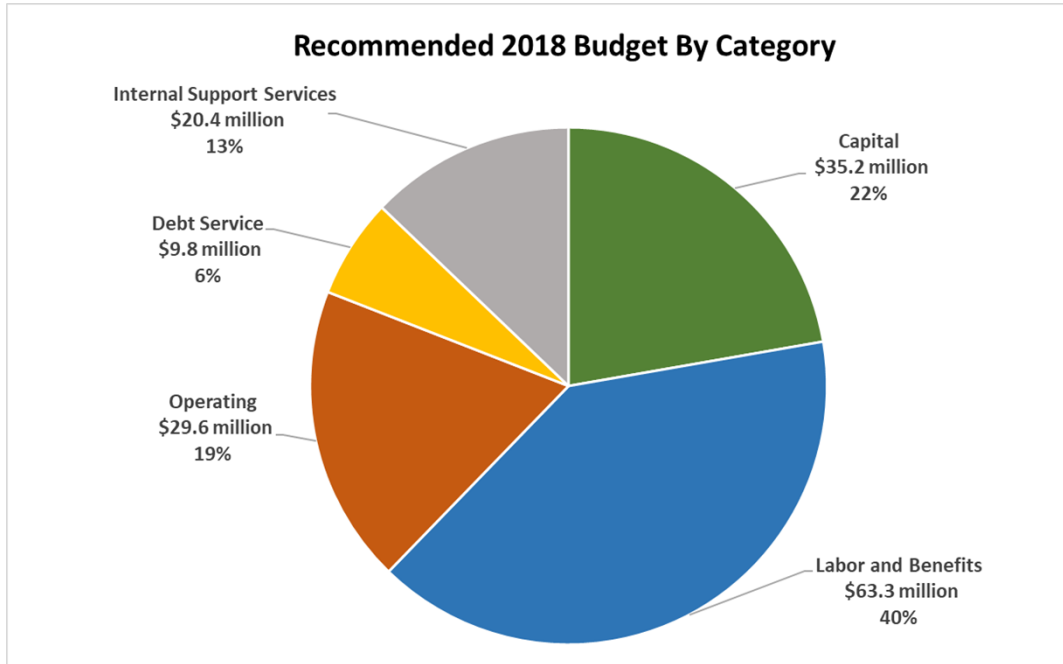
The Police Department will engage both the local and law enforcement community in 2018. The Department will establish a Benchmark Cities group of agencies with similar demographics and challenges, with whom crime control and policing ideas will be shared. The Police Department will implement a new program designed to ensure the credibility and effectiveness of our Internal Affairs process. Three individuals from the community have been selected to sit on the Internal Affairs Audit Team. Semi-annually, the team will independently and randomly audit various types of internal investigations, including citizen complaints, internally-generated investigations, and response to resistance reports. Although unable to overrule the results of an investigation or amend disciplinary decisions, the team will prepare a report outlining concerns of internal Police Department affairs with the intent preserving trust in the community.

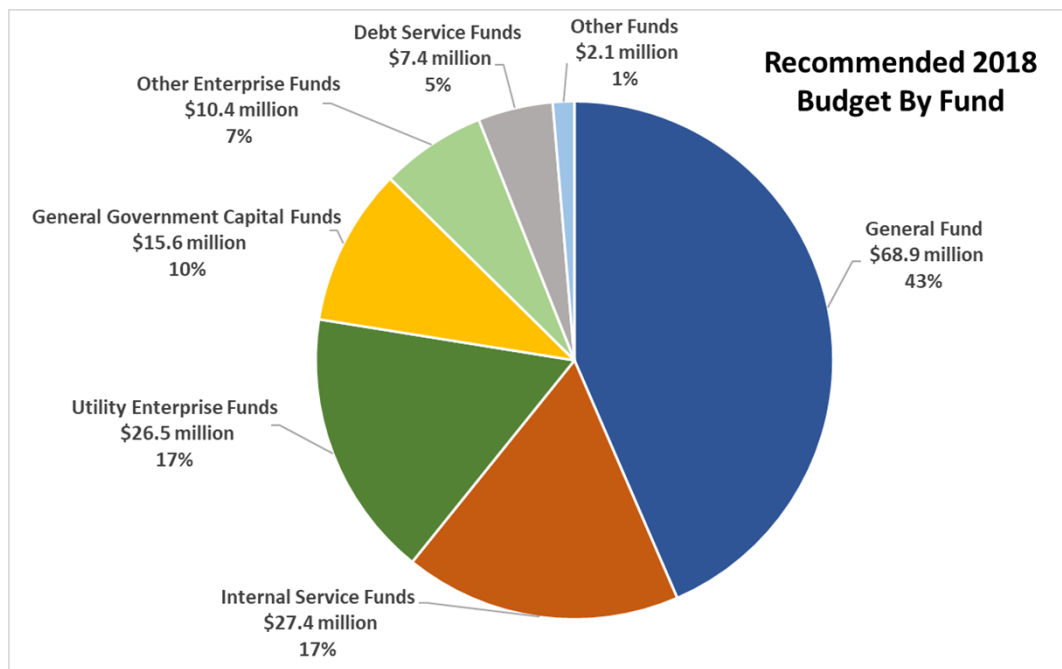
Parks & Recreation will work with PLACE (People for Local Activities and Community Enrichment) to engage in a feasibility study for a community center. The Recreation Division continues to market community programs using traditional sources including the activity guide, radio, and television. However, Recreation will expand the use of social media platforms to reach new customers

Visit Grand Junction will implement its rebranding and will place outdoor recreation at the center of the new marketing campaign. Placing focus on the new Outdoor Retailer and Travel Adventure Show in Denver will increase exposure to this market. In addition, Visit Grand Junction will increase the marketing focus on mountain, regional and Front Range communities, with an outreach to direct fly and important drive markets. Visit Grand Junction will increase funding for special events and staff training, and will increase funding for paid advertising to help promote Grand Junction. Building on partnerships with GJEP, the Greater Grand Junction Sports Commission, Colorado Mesa University, the Grand Junction Regional Airport, Powderhorn Ski Resort and the Colorado Tourism Office, Visit Grand Junction will launch a local media campaign designed to educate the community on the economic importance of tourism and the services available to visitors and locals.

Financial Overview

The following section offers an overview of the General Fund for 2018 while the charts display the total 2018 Recommended Budget of \$158.3 million by category, department, and fund.





General Fund Highlights

The recommended General Fund budget totals \$68.9 million and is a 6.6% increase, or \$4.3 million more than the 2017 Adopted Budget of \$64.6 million. The General Fund is balanced with sources exceeding uses resulting in a surplus of \$893,678 and a projected ending fund balance of \$21,592,048.

The following are key revenue provisions included in the recommended General Fund budget:

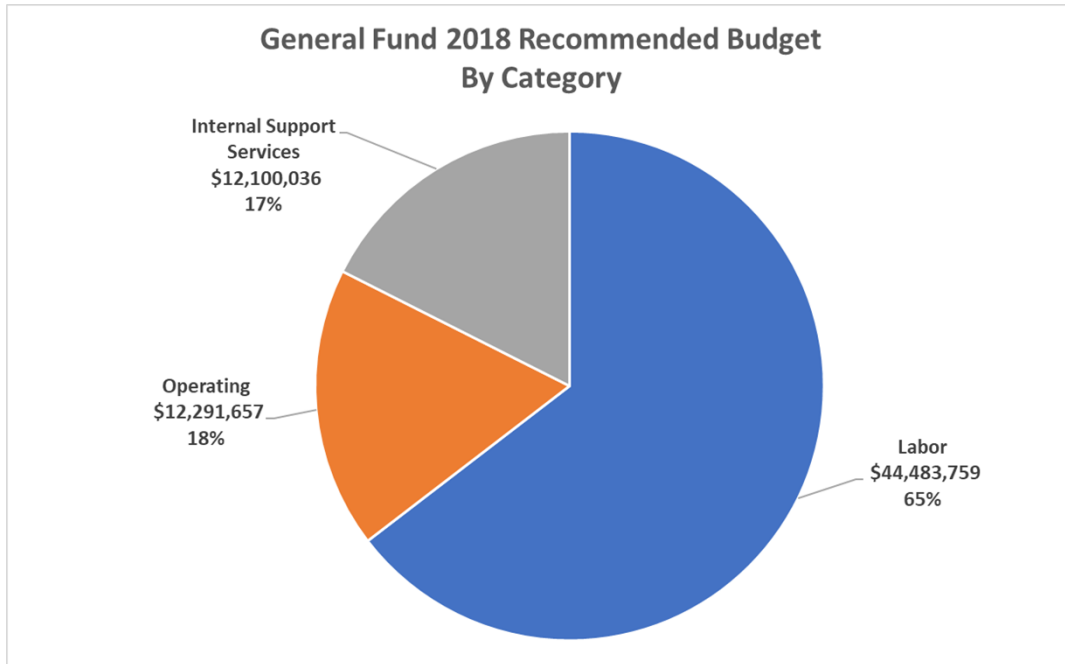
- Sales tax revenues projected to increase 1%
- General government interfund charge increase to sewer fund to equal charges to other funds
- Severance tax revenue increase, federal mineral leasing and highway user tax decrease
- Increase in revenue due to change in fees and charges
- Property tax flat based on preliminary certifications
- Overall General Fund revenue increases 3% over estimated 2017 revenue

The following are key expenditure provisions included in the recommended General Fund budget:

- Labor increase due to implementation of new pay plan, health insurance increase
- Ten new public safety positions were significantly offset from reduction in overtime
- Increase in operating expenses due to replacement of specialized public safety equipment
- Increase in economic development
- Increase in fleet replacement (from deferment)

The chart shows the 2018 Recommended Budget of \$68.9 million by category. As seen, because we are a service organization, the majority of the General Fund budget is allocated to labor. The major items in operating costs include economic development, specialty operating equipment, utilities (street lights),

training, and contract services. The costs associated with providing support to those departments serving the community are comprised primarily of dispatch services, information technology, and fleet.



Finally, 58% of the total 2018 Recommended General Fund budget is for public safety services, followed by 13% each for Public Works and Parks and Recreation, 2% for Community Development, and the remaining 14% for general government support services completing the budget.

Acknowledgements

This budget document reflects the efforts of many long hours contributed by staff from all City departments and input generated by employees and City Council. Special recognition goes to the City's budget team for their extraordinary collaboration in preparing this recommended budget. The budget team consisted of Linda Longenecker, Jay Valentine, Greg LeBlanc, and Jodi Romero.

Respectfully submitted,

Greg Caton
City Manager

City Manager's Recommended Budget 2018

City Council Workshop October 2nd, 2017



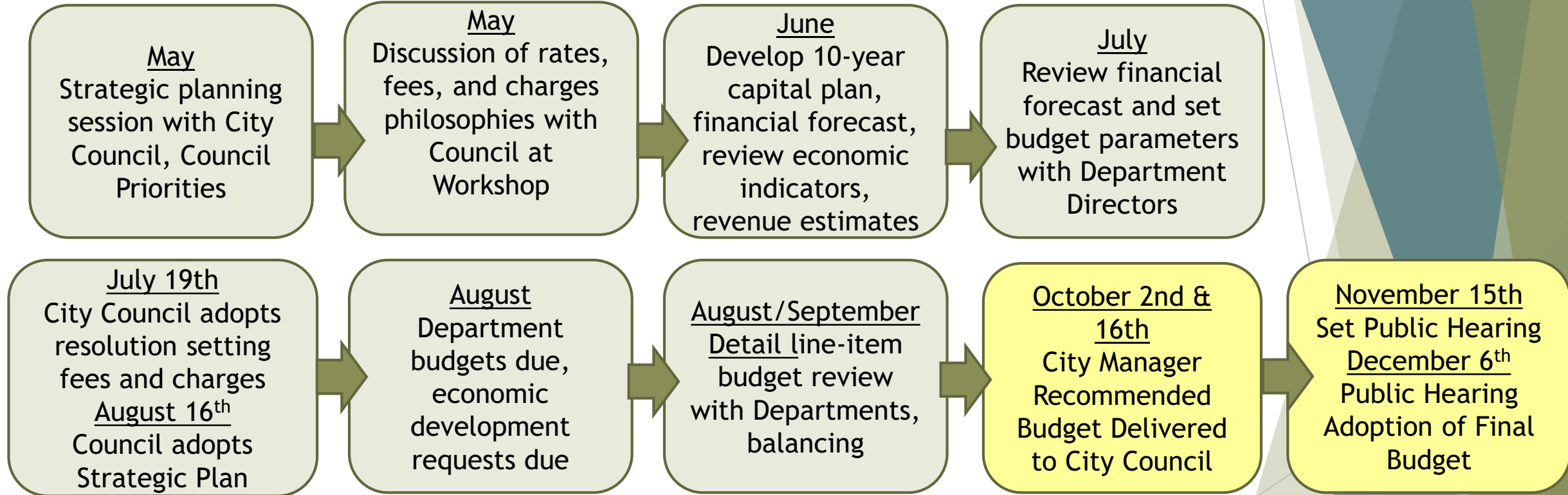
Agenda

- ▶ Timeline
- ▶ Strategic Plan
- ▶ Budget Overview
- ▶ Major Operating Department Presentations
 - ▶ Police
 - ▶ Fire
 - ▶ Parks & Recreation
 - ▶ Public Works
 - ▶ Water Utility

Agenda Next Workshop October 16th

- ▶ Downtown Business Improvement District Budget
- ▶ Horizon Drive Business Improvement District Budget
- ▶ Economic Development
- ▶ Capital

2018 Budget Timeline



2018 City Manager's Recommended Budget

- ▶ Recommended Budget total = \$158,336,372
- ▶ \$17.9 million, 12.7% increase from Adopted 2017
- ▶ Increase due to:
 - ▶ \$12.9 million increase in major capital projects
 - ▶ Re-establish deferred replacement of specialty operating equipment, fleet, and computers
- ▶ General Fund surplus (sources over uses) of \$893,768. Replace funds used to acquire property. Projected ending fund balance \$21,592,048 which is \$3.4 million above Adopted 2017 or a 19% increase in fund balance.

Strategic Plan

- ▶ Guiding Principles
 - ▶ Partnership & Intergovernmental Relationships
 - ▶ Fiscal Responsibility
- ▶ Strategic Directives
 - ▶ Public Safety, Planning & Infrastructure, Diversification of Economic Base, and Communication, Outreach & Engagement

Partnership & Intergovernmental Relationships

- ▶ Public safety, recreation, transportation
 - ▶ Regional Communication Center
 - ▶ Grand Valley Regional Transportation
 - ▶ Persigo Wastewater Enterprise
 - ▶ Grand Junction Regional Airport
 - ▶ Orchard Mesa pool, 5.2.1 Drainage, Parks Improvement, Riverfront Commission
 - ▶ Animal services, building services, elections, CNG vehicle maintenance, parks and pools programming, sports facilities, law enforcement records, fire and emergency medical service records, public safety training facility, campus police, downtown police, police and fire academies, hazmat, technical rescue, bomb squad

Partnership & Intergovernmental Relationships

- ▶ Economic development, education, business development
 - ▶ Grand Junction Economic Partnership
 - ▶ Downtown Development Authority
 - ▶ Horizon Drive Business Improvement District
 - ▶ North Avenue Business Association
 - ▶ Colorado Mesa University
 - ▶ Business Incubator Center
 - ▶ Grand Junction Chamber of Commerce

Fiscal Responsibility

- ▶ Prioritize spending
 - ▶ Develop a 10-year major capital projects plan (5 year balanced)
 - ▶ Develop general fund 5-year financial forecast
- ▶ Revenue projections based on economic indicators
 - ▶ Positive job growth
 - ▶ Sales tax revenues growing; 1% projected increase in 2018
 - ▶ Increase in median home price; sales up 16.6%
 - ▶ 1,300 residential lots in process
 - ▶ Large scale commercial expansions
- ▶ Fees, rates, and charges based on community benefit, cost recovery, market comparison, rate studies and long-term financial plans

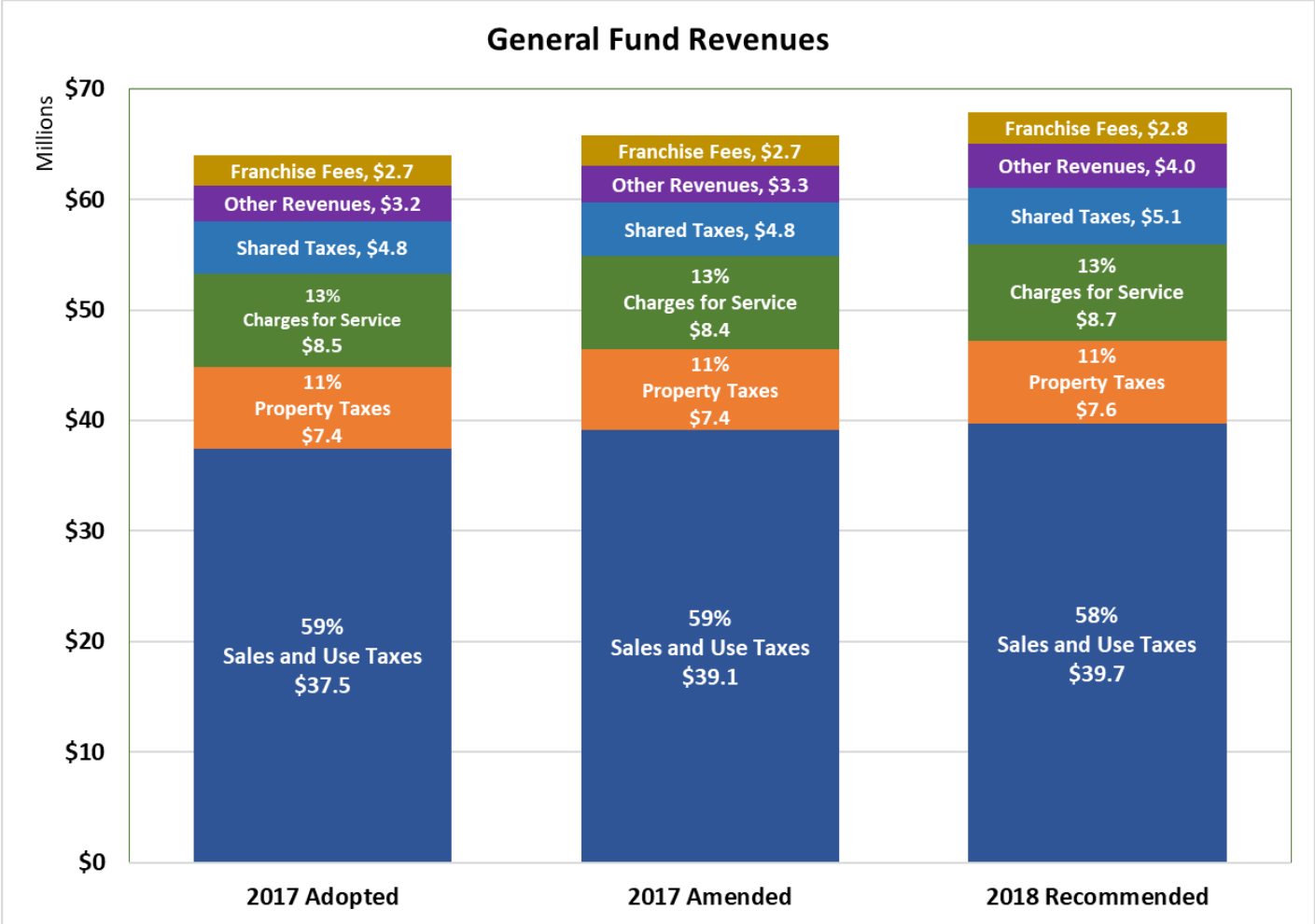
Budget Highlights

- ▶ In 2018, 627 authorized full-time positions, 79% of all General Fund positions are in public safety
 - ▶ Add 10 new public safety positions, 20 over 2 years
- ▶ Implementing a sustainable pay plan that is fiscally responsible and affordable; that attracts and retains a highly-qualified workforce
- ▶ Increasing maintenance and reconstruction of existing street infrastructure by 70% to \$6 million
- ▶ Add North Area ambulance station
- ▶ Increasing economic development investment by 49% to over \$5.3 million
- ▶ Partnering with the Downtown Development Authority and private industry in major economic development projects
- ▶ Detail Line Item review of department budgets
 - ▶ Budget City Manager contingency for unexpected expenses in 2018

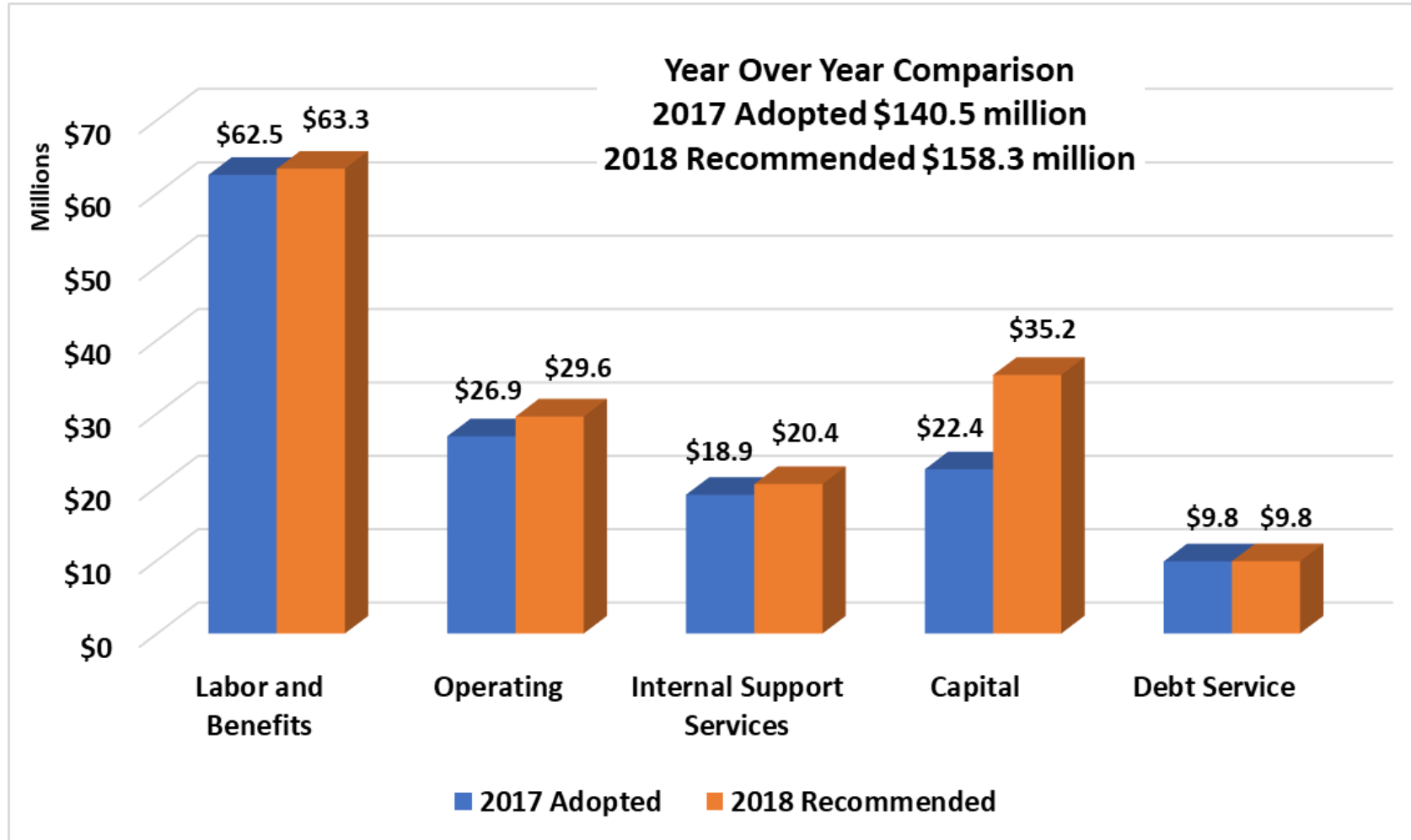
General Fund Revenues-Major Categories

- ▶ General Fund supports the major general government operations of the City including Police, Fire, Parks, and Public Works
- ▶ Sales and use taxes comprise 58% of the revenue for the General Fund. In 2018 we have conservatively budgeted a 1% increase from estimated 2017.
- ▶ Property taxes comprise 11% of the General Fund revenues and are budgeted nearly flat in 2018 based on preliminary certifications from the County
- ▶ Increase in charges for service due to change in fees
- ▶ Shared Taxes (HUTF, County Road and Bridge, Severance, FML, etc.)
 - ▶ Highway users tax is budgeted at a 5% decrease based on Colorado Municipal League projections
 - ▶ Federal mineral and severance tax increase based on Governor's Office of State Planning and Budget

General Fund Revenues



Total City Manager's 2018 Recommended Budget





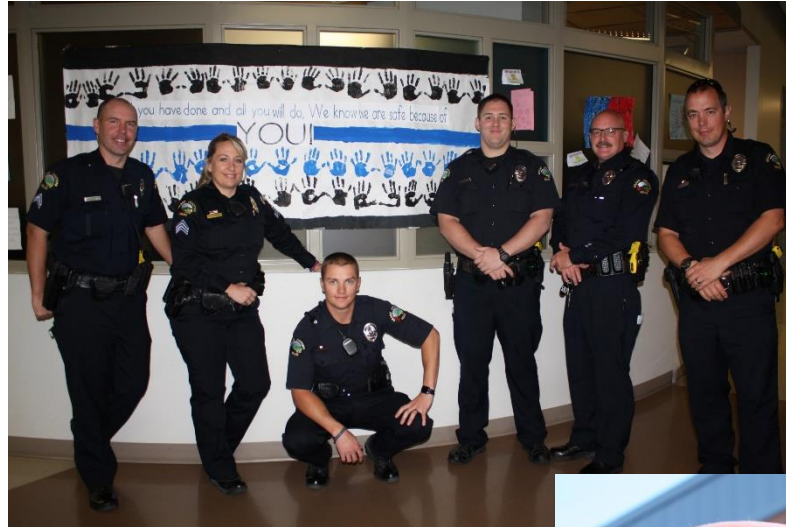
Grand Junction Police Department

Budget and Strategic Planning Initiatives Information

Staffing Information

117 Sworn Positions

- ▶ 84 Officers/Detectives
- ▶ 8 Corporals
- ▶ 16 Sergeants
- ▶ 6 Commanders
- ▶ 2 Deputy Chiefs
- ▶ 1 Chief

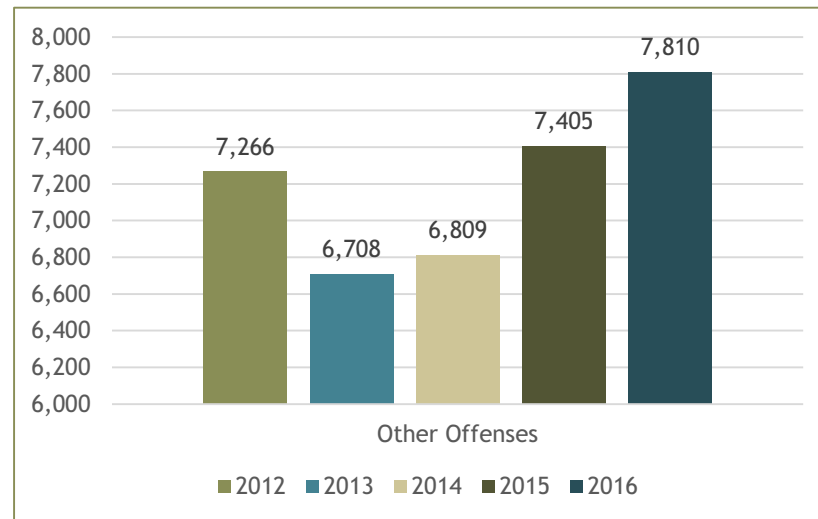
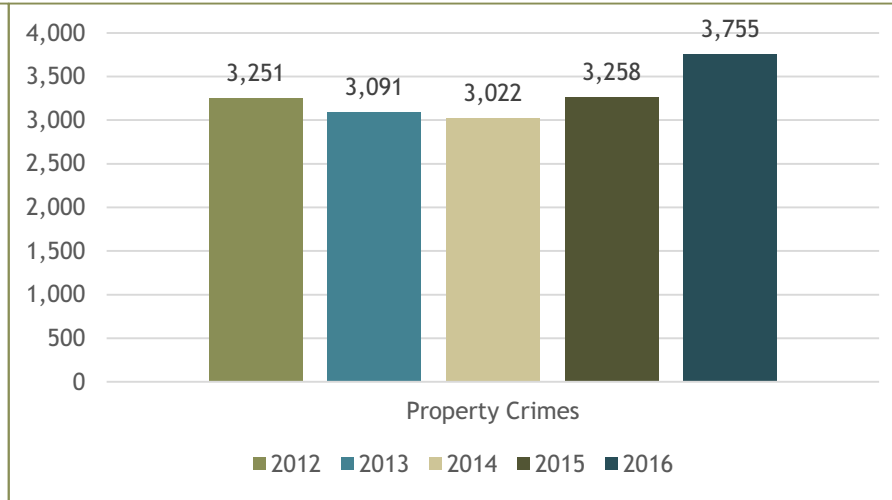
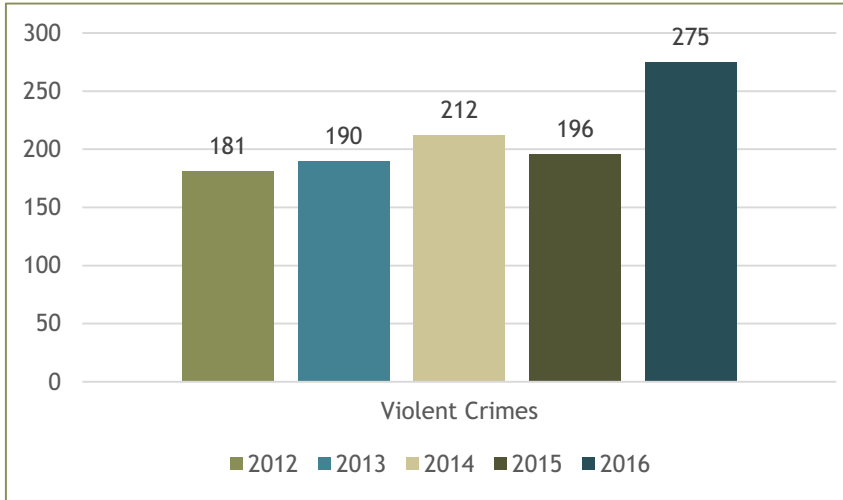


Staffing and Services

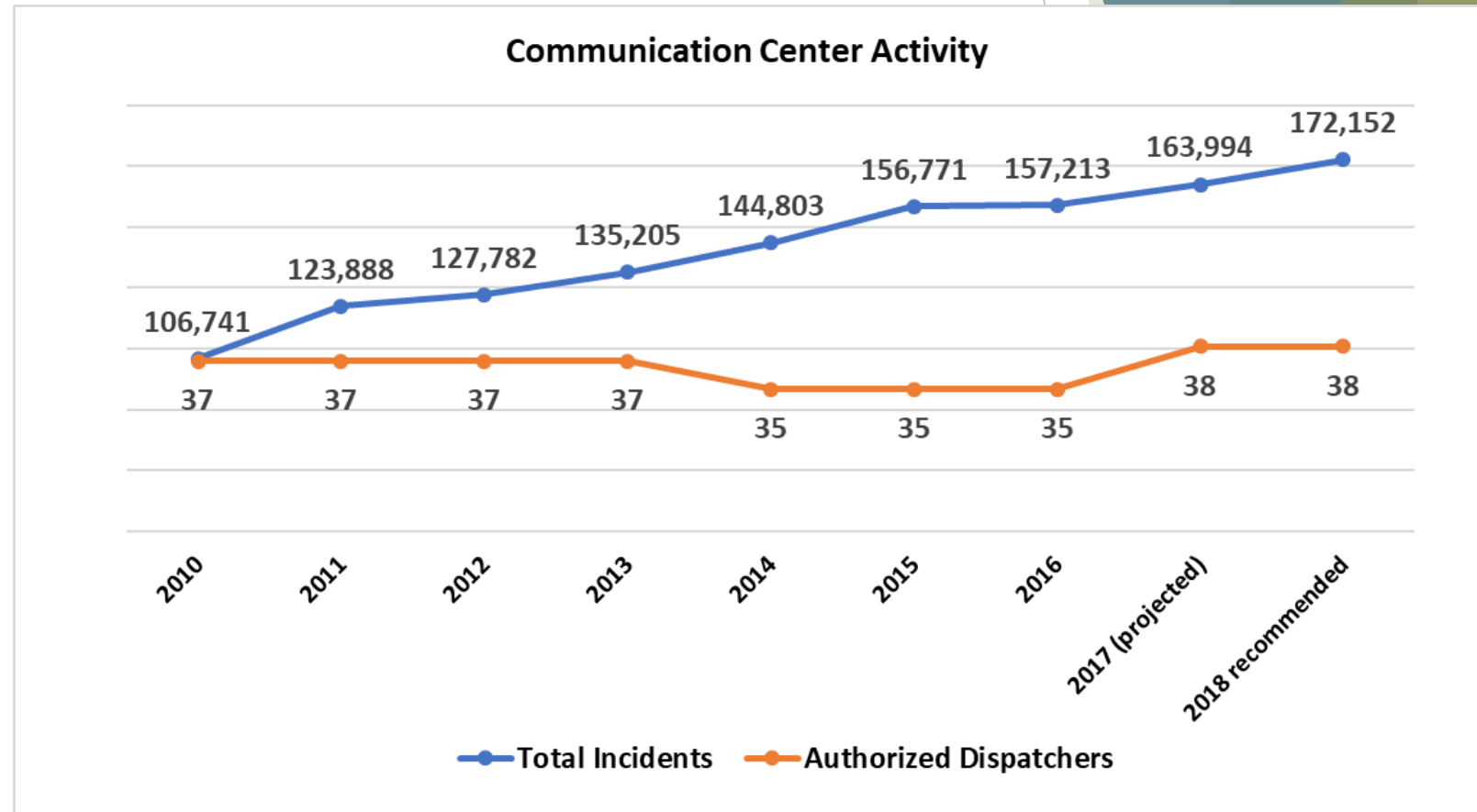
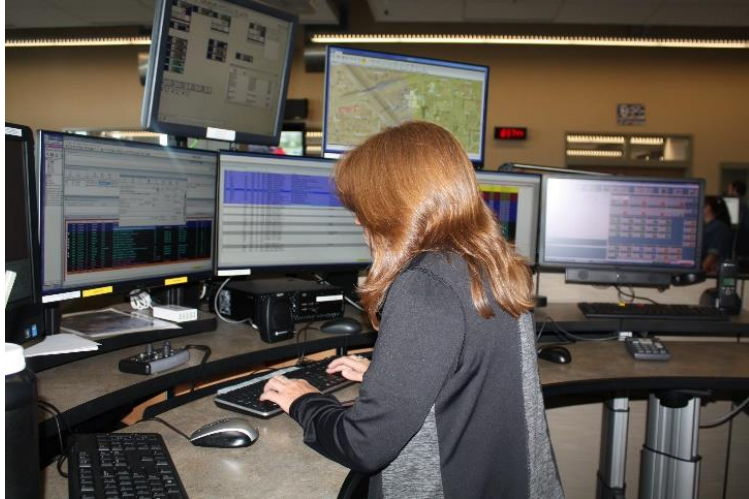
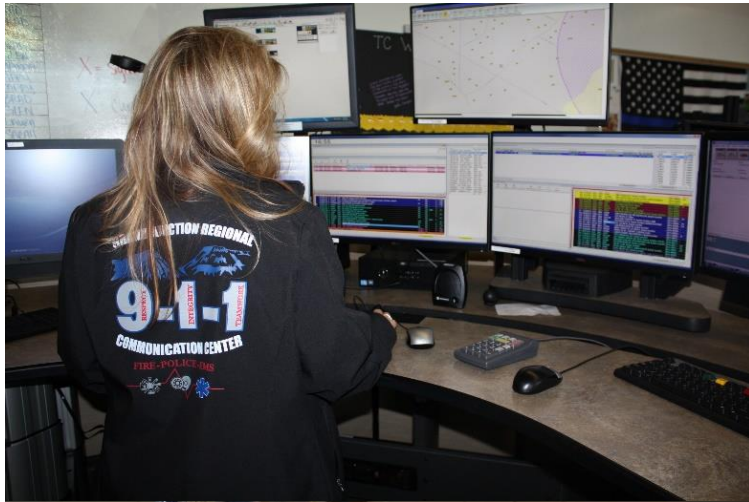
- ▶ Uniformed Patrol
- ▶ Community Resources
 - ▶ School Resource Officers
 - ▶ Code Enforcement
 - ▶ Downtown Officers
 - ▶ Homeless/Vagrancy issues
- ▶ Street Crimes Unit *temporarily redeployed
- ▶ Parks Patrol
- ▶ CMU Team
- ▶ Police Service Technicians
- ▶ Investigations
 - ▶ Drug Task Force
 - ▶ Victim Advocates
- ▶ Communication Center
- ▶ Records
- ▶ Professional Standards
 - ▶ Training
 - ▶ Recruiting
 - ▶ Internal Affairs
 - ▶ Volunteer Program
 - ▶ Lab/Property/Evidence
- ▶ Bomb Squad
- ▶ SWAT
- ▶ K-9
- ▶ Academy Instruction



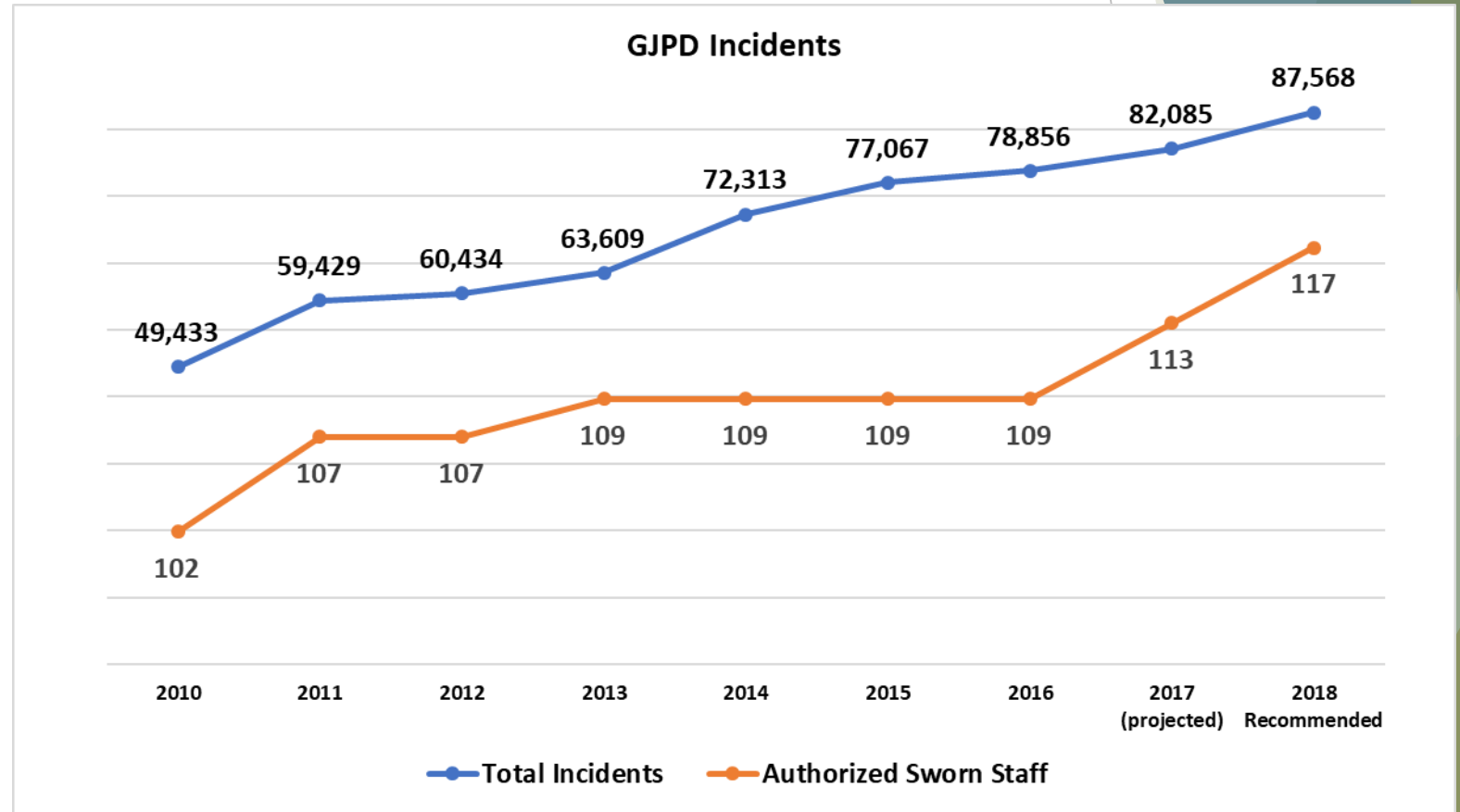
Police Department: Crime Statistics



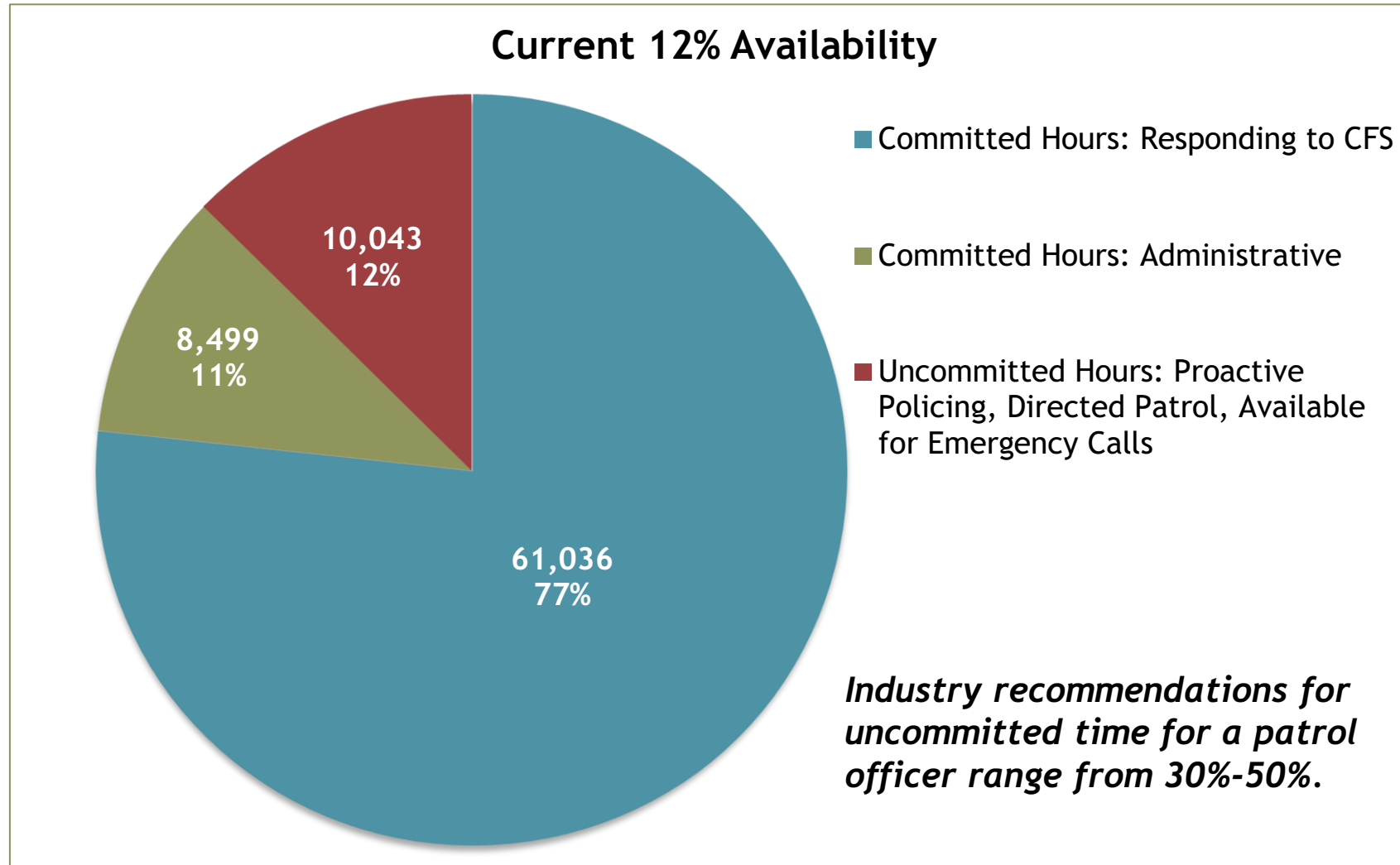
Police Department: Workload Indicators



Police Department: Workload indicators



GJPD Staffing vs WORKLOAD



Strategic Plan Initiatives: Public Safety

► Development of Framework for Effective Service Levels

► Service Modifications

- Modification of Front Desk/Records staffing hours
- Theft Report Response Method
- Private Property Traffic Accidents (State system reporting)
- Parks Patrol/Parking Enforcement Changes

► CopLogic

► Intelligence-Led Policing

- Crime Analyst
- SmartForce (2100 North Avenue, JUCO)
- Combined efforts with MCSO

► Combined Police/Fire Volunteer Program

- 4,152 volunteer hours in 2016 at PD alone
- Volunteers provide front desk hours for both Police and Fire



Strategic Plan Initiatives: Public Safety, and Diversification of our Economic Base

- ▶ **Establish Public Safety Responsibilities Relative to Other Area Agencies**
 - ▶ Benchmark Cities
 - ▶ Forensic Services Resource to Surrounding Agencies
- ▶ **Partnerships with Outside Stakeholders**
 - ▶ Downtown Development Authority
 - ▶ Drug Enforcement Agency/Drug Task Force
 - ▶ Colorado Mesa University
 - ▶ Colorado Bureau of Investigations
 - ▶ FBINAA
- ▶ **Evaluation of Current and Future Funding**
 - ▶ Public Safety Resources
- ▶ **Diversification of Economic Base - Talent Development**
 - ▶ Partnership with WCCC POST Academy



Strategic Plan Initiatives: Communication, Outreach & Engagement

- ▶ **Social Media/Online Engagement**
 - ▶ Skype Sessions during hiring process
 - ▶ 71% increase in Facebook followers from 2015 to 2016
- ▶ **Meetings in the Community**
 - ▶ Law Enforcement Latino Alliance, Black Lives Matter, National Night Out
- ▶ **Engagement with Boards/Commissions**
 - ▶ Colorado Association of Chiefs of Police
 - ▶ Grand Junction Air Show, Hilltop, United Way
 - ▶ The Center, Strive, Community Corrections
- ▶ **New System Implementation to Improve Transparency**
 - ▶ Internal Affairs Audit Team, CopLogic
- ▶ **Increase Frequency of Town Gatherings**
 - ▶ Citizen's Public Safety Academy
 - ▶ Latino-Oriented Citizen's Police Academy



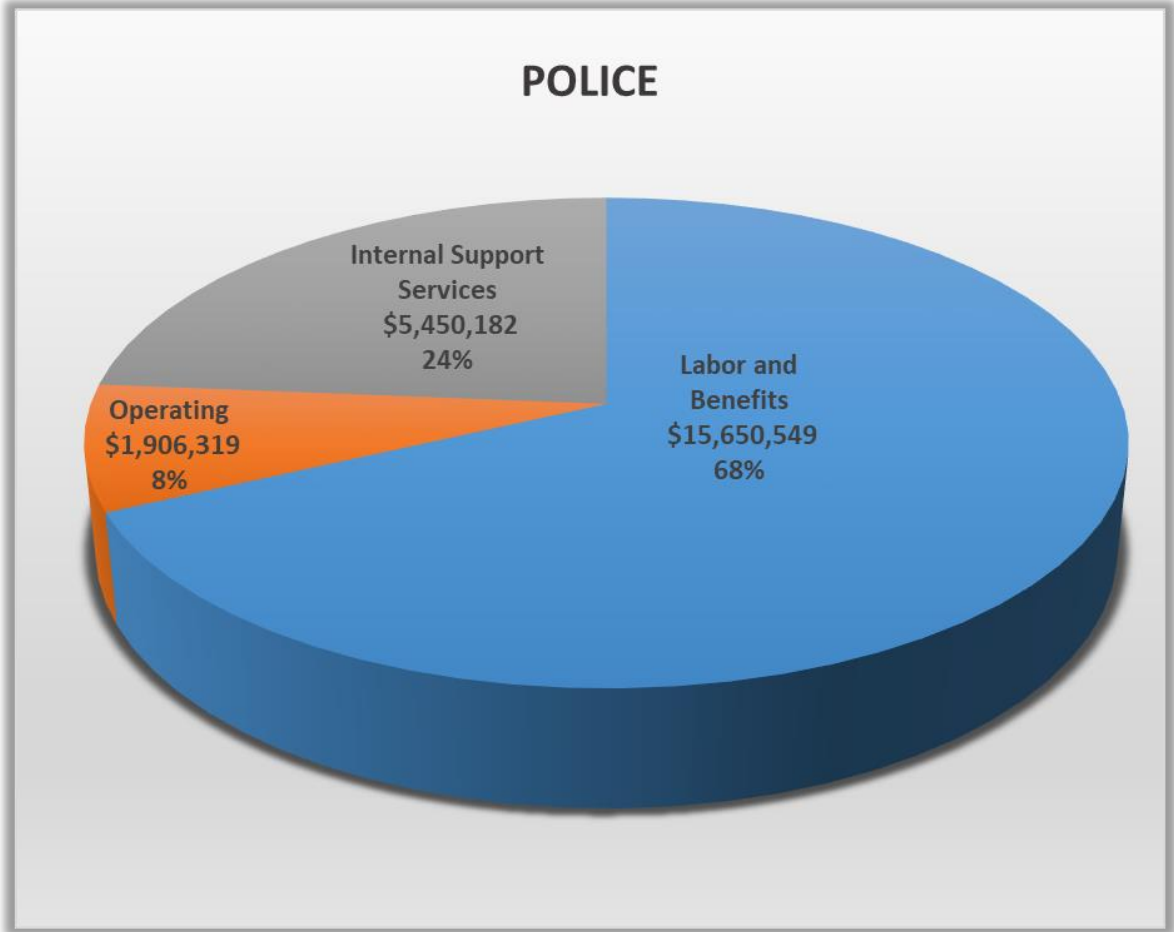
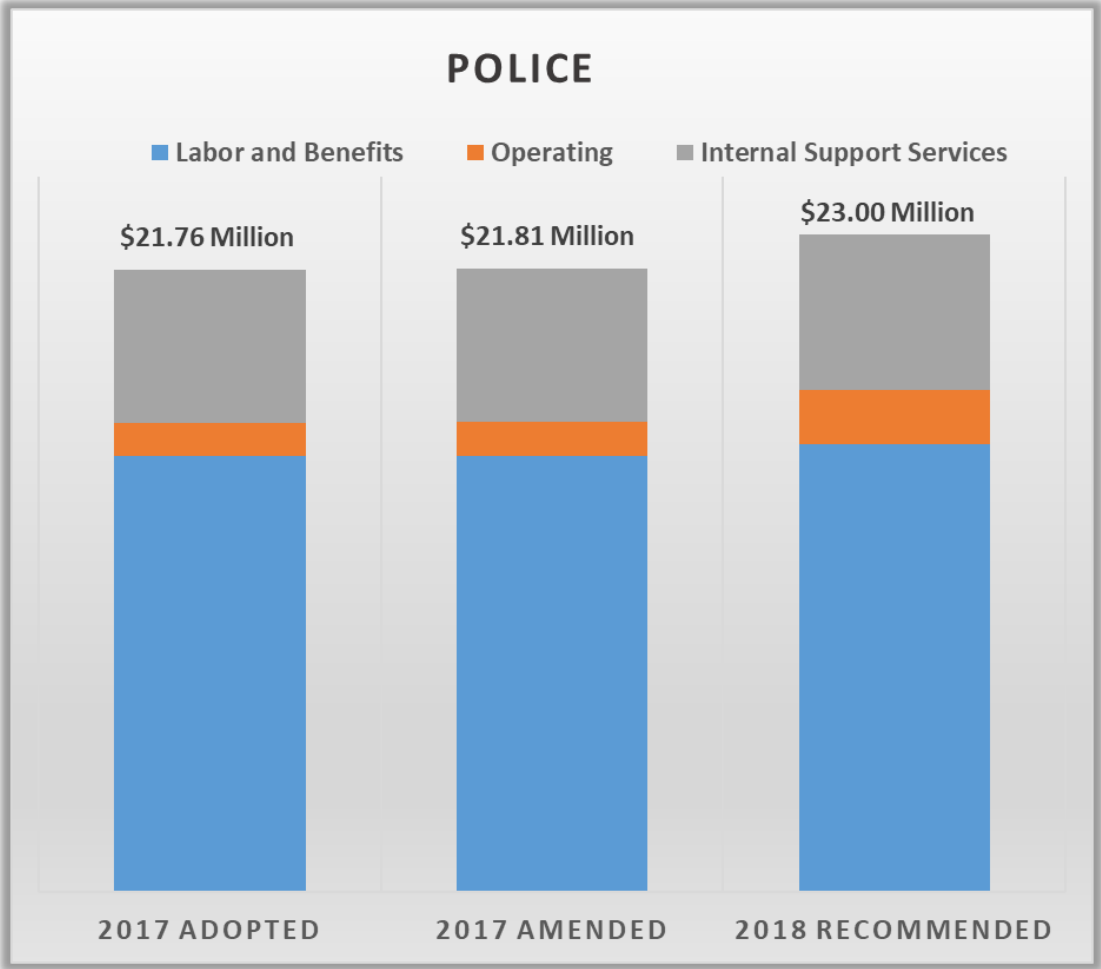
Police Department: 2018 Budget Highlights

- ▶ Begin Staffing for Traffic Unit
 - ▶ 4 Additional Sworn
- ▶ Highlighted Expenditures
 - ▶ Replace Retired K9 (\$18,000)
 - ▶ Beginning to Replace 800MHz Radios (\$250,000/yr; 3 year plan)
 - ▶ Body Cameras - lease model (\$80,000/yr), **dependent on sufficient staffing.*
 - ▶ Replace Aging Radar Units (\$30,000)
 - ▶ Add Rifles for Each Officer (\$33,703/yr; 3 year plan)
 - ▶ Camp clean-ups (\$52,000; goal of one every other week)
 - ▶ Replace Building Security System (\$55,000)
 - ▶ Bomb Suits (\$36,000 ea; 2 year plan)

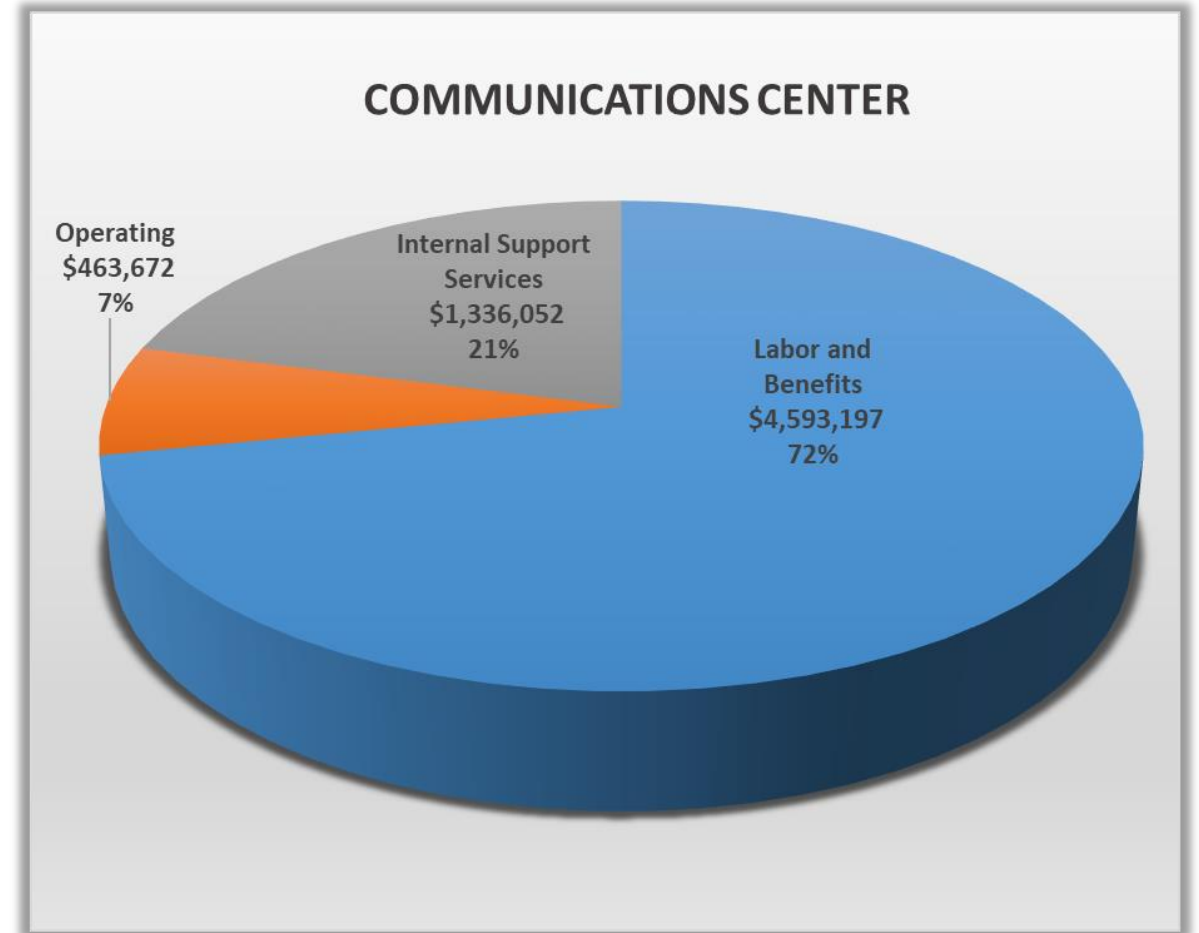
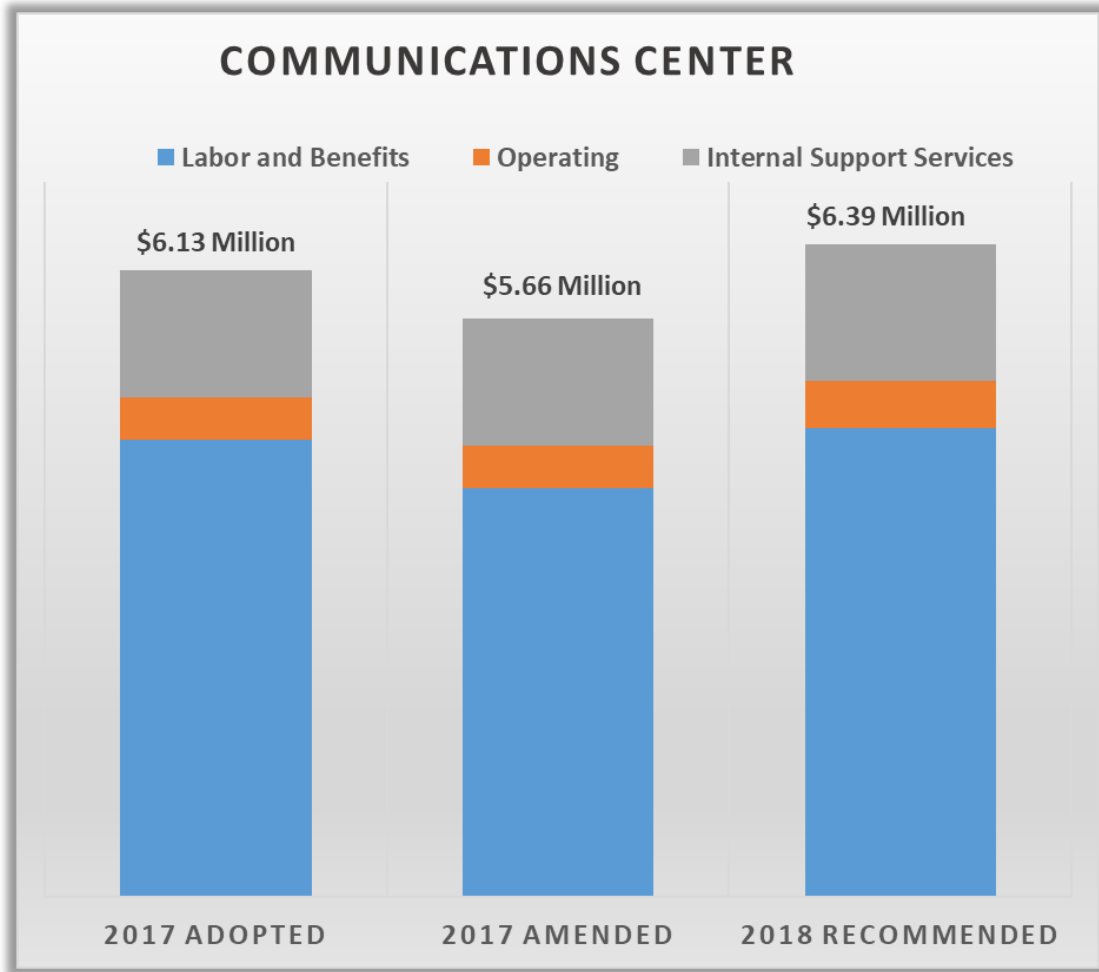


Police Department \$23 million

General Fund Operating Budget



Communication Center \$6.39 million Operating Budget



Grand Junction Police Department

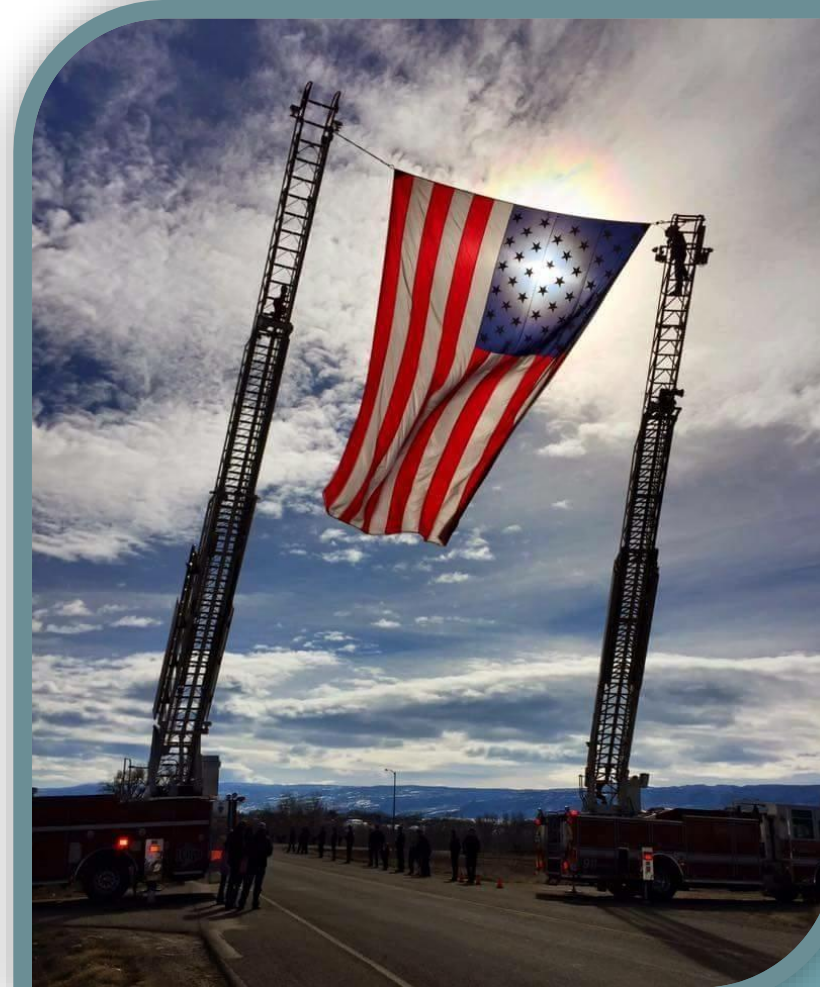
► Mission...

...to enforce the law, safeguard the community, and enhance its quality of life through the prevention, investigation, and reduction of crime and disorder.



Fire Department - Purpose, Mission, Vision

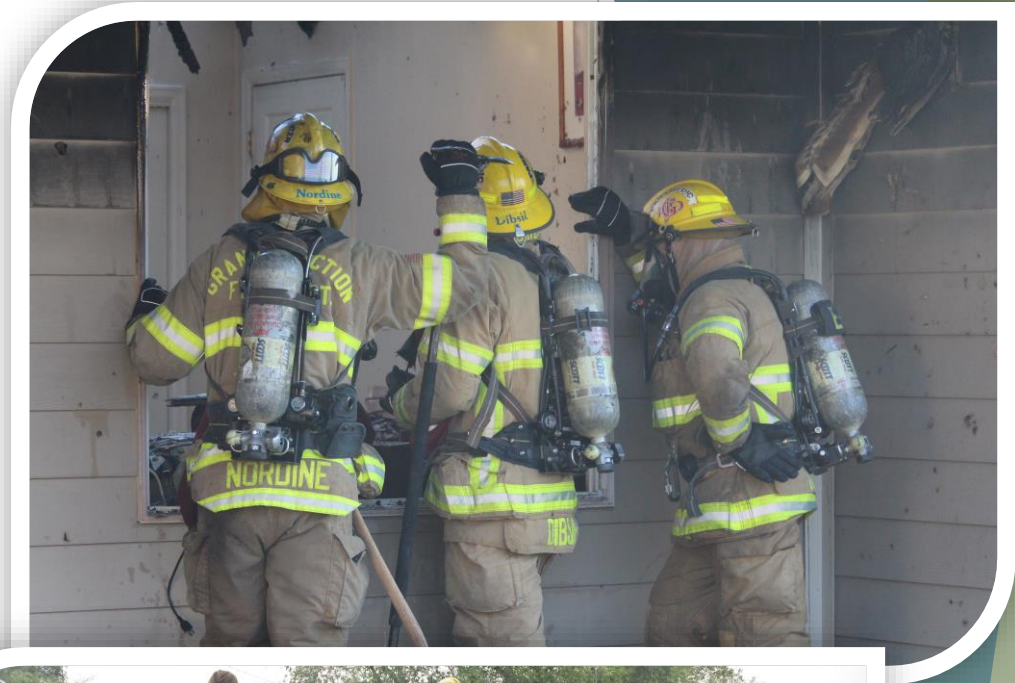
- ▶ **Purpose:** Taking care of people and property
- ▶ **Mission:** Excellence in service through Integrity, Dedication, Efficiency, Unity
- ▶ **Vision:** To be role models for our visitors, the community, and the profession through character-driven leadership in our daily pursuit to uphold the integrity of the fire service, create new and innovative traditions, and leave a legacy for future generations.



Staffing Information

123 Sworn Positions (2018)

- ▶ 99 Engineer, Paramedic, Firefighter, EMT
- ▶ 15 Captains, 1 Training Officer
- ▶ 3 Battalion Chiefs
- ▶ 3 Administrative Chiefs (EMS, Fire Marshal, Training/Emergency Management)
- ▶ 1 Deputy Chief
- ▶ 1 Chief



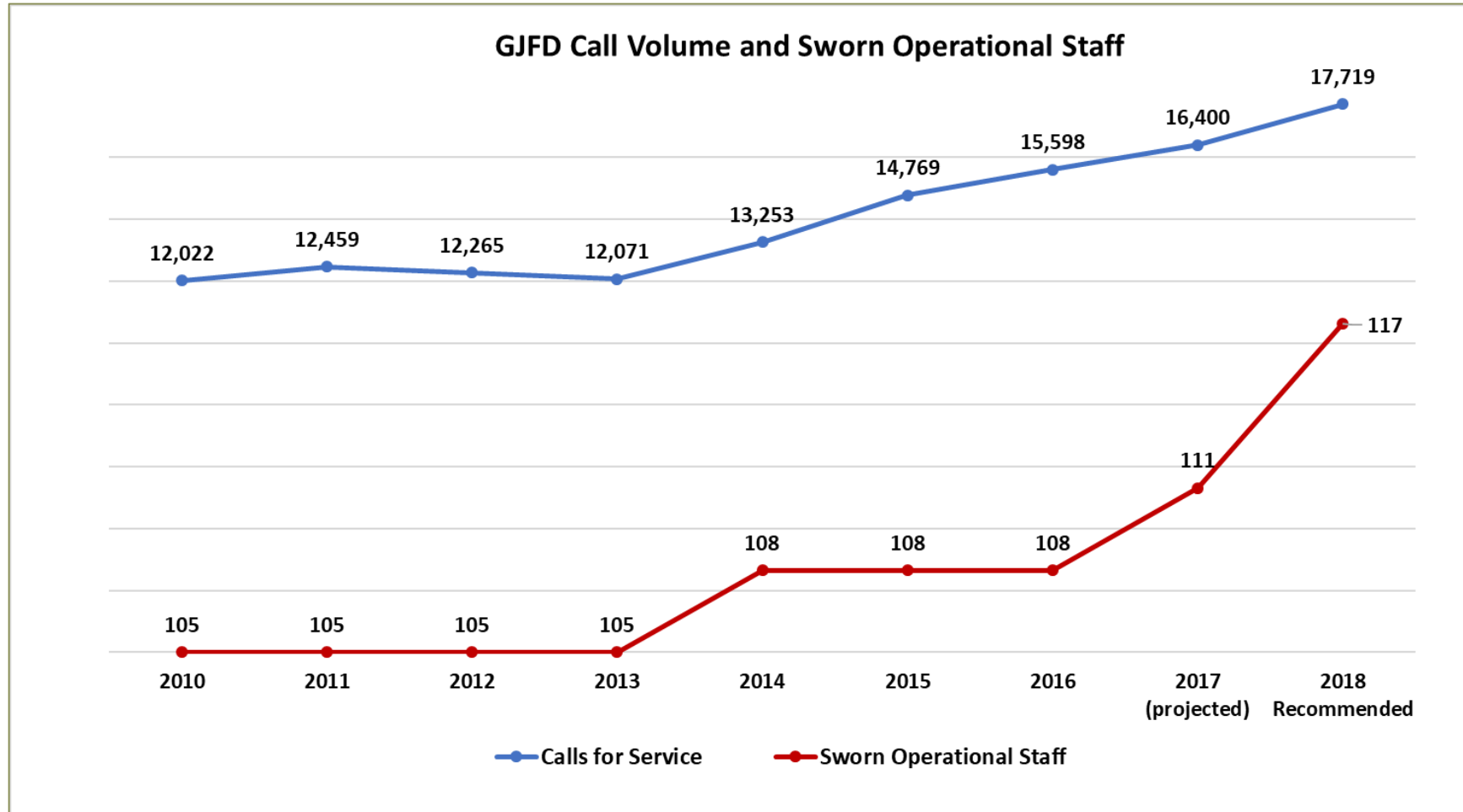
Services & Specialty Teams

- ▶ Fire Suppression
- ▶ Medical Services
 - Basic and Advanced Life Support
 - Ambulance Transport
- ▶ Fire Prevention
 - Plan Review & Code Enforcement
 - Hazardous Materials Inspection
 - Fire Investigation
- ▶ Fire and EMS Training & Certification
 - Fire Academy
 - CMU Partnership
 - State Fire & EMS Training Center

- ▶ Community Outreach
 - Fire/Life Safety Education
 - Community and Media Relations
 - Social Media, Website
- ▶ Specialty Teams
 - Hazardous Materials Mitigation
 - Technical Rescue
 - Fire Investigation
 - Hazardous Device (Bomb) Mitigation
 - Wildland Fire Team

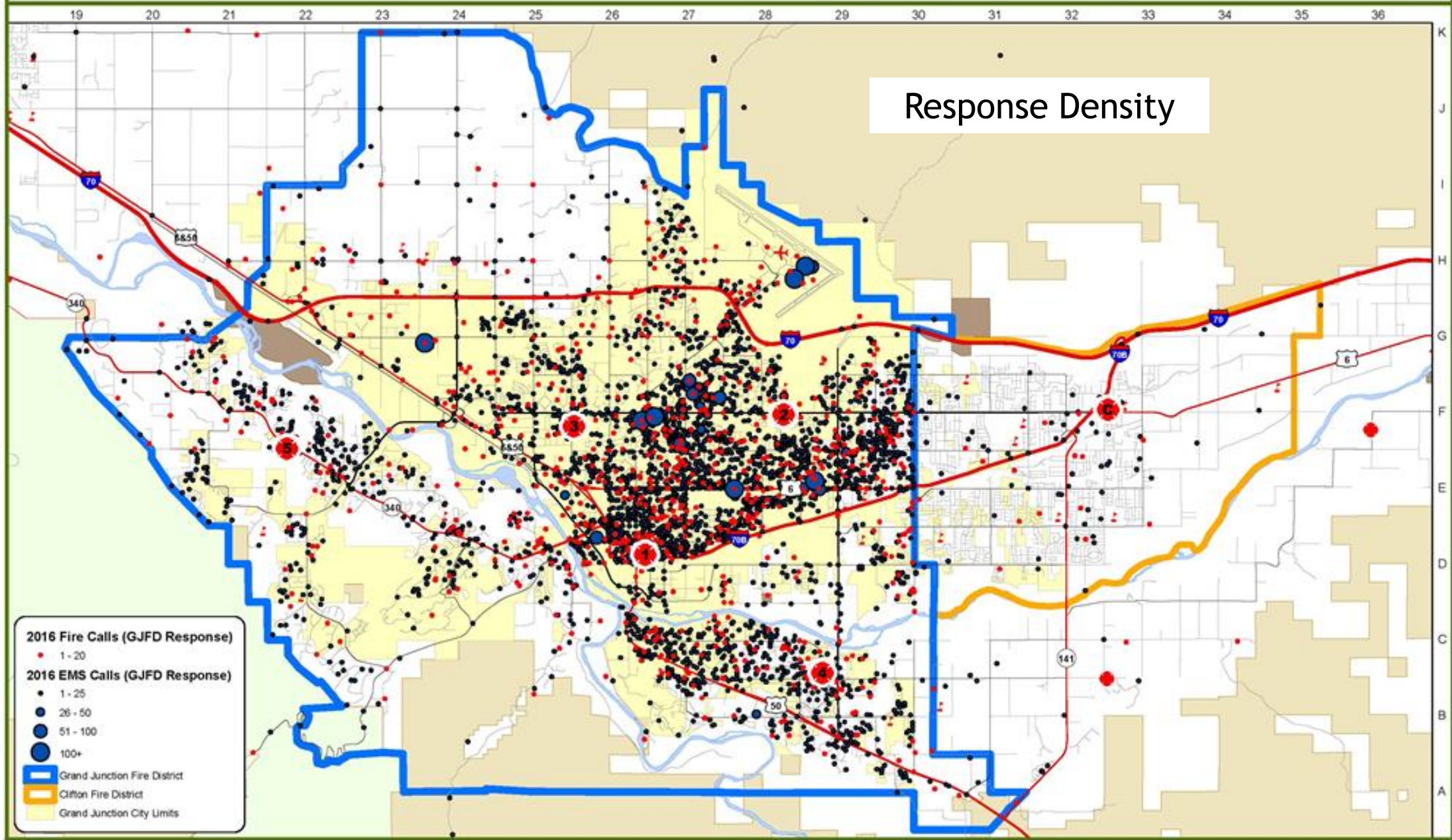


Fire Department: Workload Indicators



GJFD Fire and EMS Incidents - 2016

Response Density



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Strategic Plan Initiatives: Public Safety

- ▶ **Development of a Framework for Effective Service Levels**
 - Review of EMS Delivery System to address medical call volume - additional ambulances
 - Continue to balance staffing and overtime
 - Begin accreditation process through the Center for Public Safety Excellence
- ▶ **Partnership With Outside Stakeholders**
 - Mesa County Health Department, Mind Springs Health, GJPD - funding and implementation of Behavioral Health Response Team.
 - School District 51 - life safety education to 1st, 2nd, 7th, and 9th grade classes.
 - Healthcare Community - Hands-Only CPR, fire extinguisher training
 - American Red Cross - fire victim services and community smoke detector program.
 - Hilltop Family Services - car seat safety checks

Strategic Plan Initiatives: Public Safety

► Evaluation of Current and Future Dedicated Funding Options

- Establish capital funding to complete the Fire Training Center over next 3 years
- Establish future capital for relocation or rebuild of Fire Station 3 within 5 years
- Establish funding plan for permanent Fire Station 6 (construction, apparatus, personnel, operating equipment)
- Mesa County Federal Mineral Lease Grant for hazmat equipment
 - ✓ Consider for Fire Training Center
- State EMS Grant for ambulance replacement

► Establish Public Safety Responsibilities Relative to Other Area Agencies

- Clifton Fire Protection District - Terminate response MOA/finalize formal Automatic Aid Agreement
- Grand Junction Rural Fire Protection District - Update Service Agreement



Strategic Plan Initiatives: Planning & Infrastructure, and Diversification of Economic Base

- ▶ **Review and Update Key Plans, Agreements and Policies**
 - Funding and planning for Fire Station 6
- ▶ **Maintenance of Core Infrastructure**
 - Relocation/rebuild of Fire Station 3
- ▶ **Talent Development**
 - Career-Wise Program (high school to college to career) - hosting Palisade High School student intern
 - EMT and Paramedic training partnership with CMU

Strategic Plan Initiatives: **Communication, Outreach & Engagement**

▶ **Social Media and On-line Engagement**

- Up-to-date information, promote special events, and public safety education
- Added over 2,600 Facebook followers in the past 12 months and growing.

▶ **Meetings in the Community**

- Fire Citizen's Academy/Community Emergency Response Team Pilot Program

▶ **Engagement with Boards and Commissions**

- Department representation on state, regional and local boards

▶ **New System Implementation to Improve Transparency**

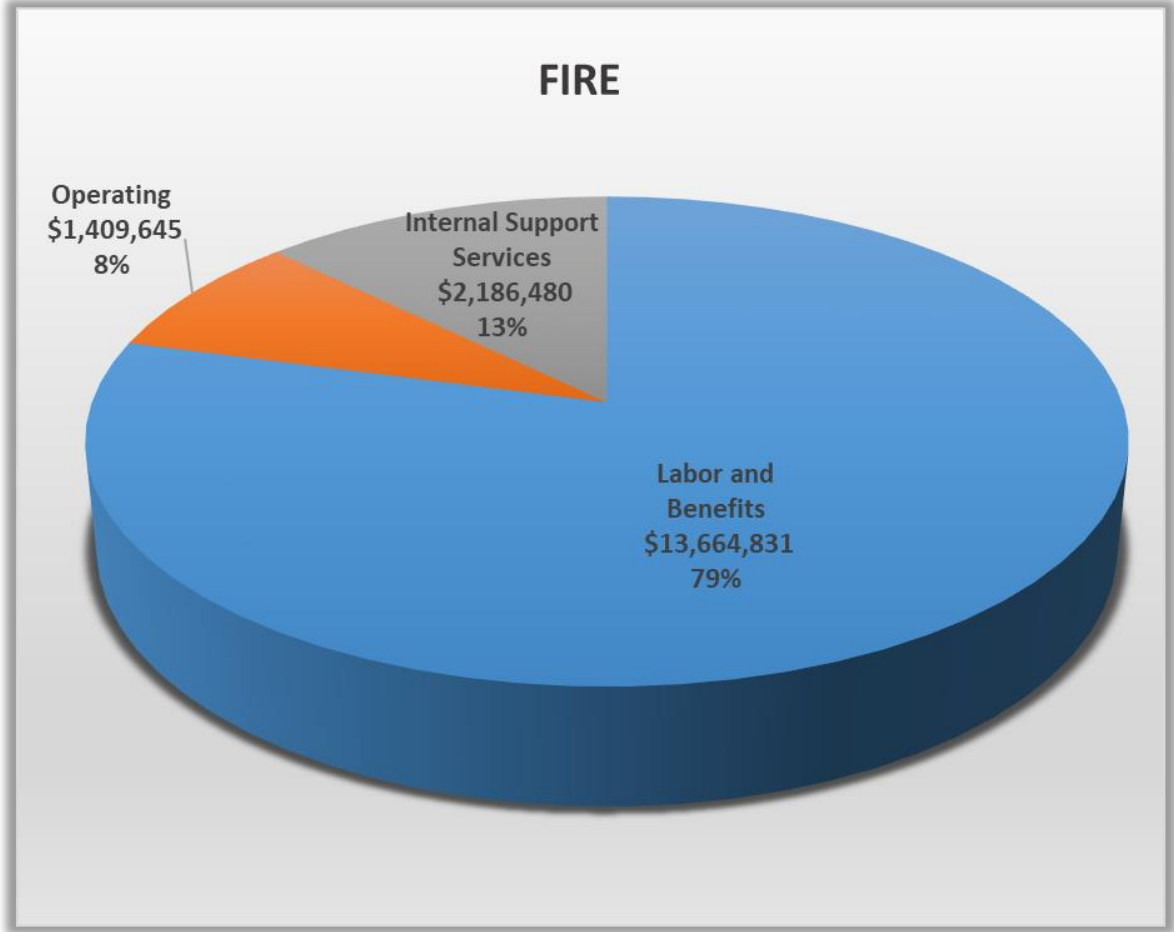
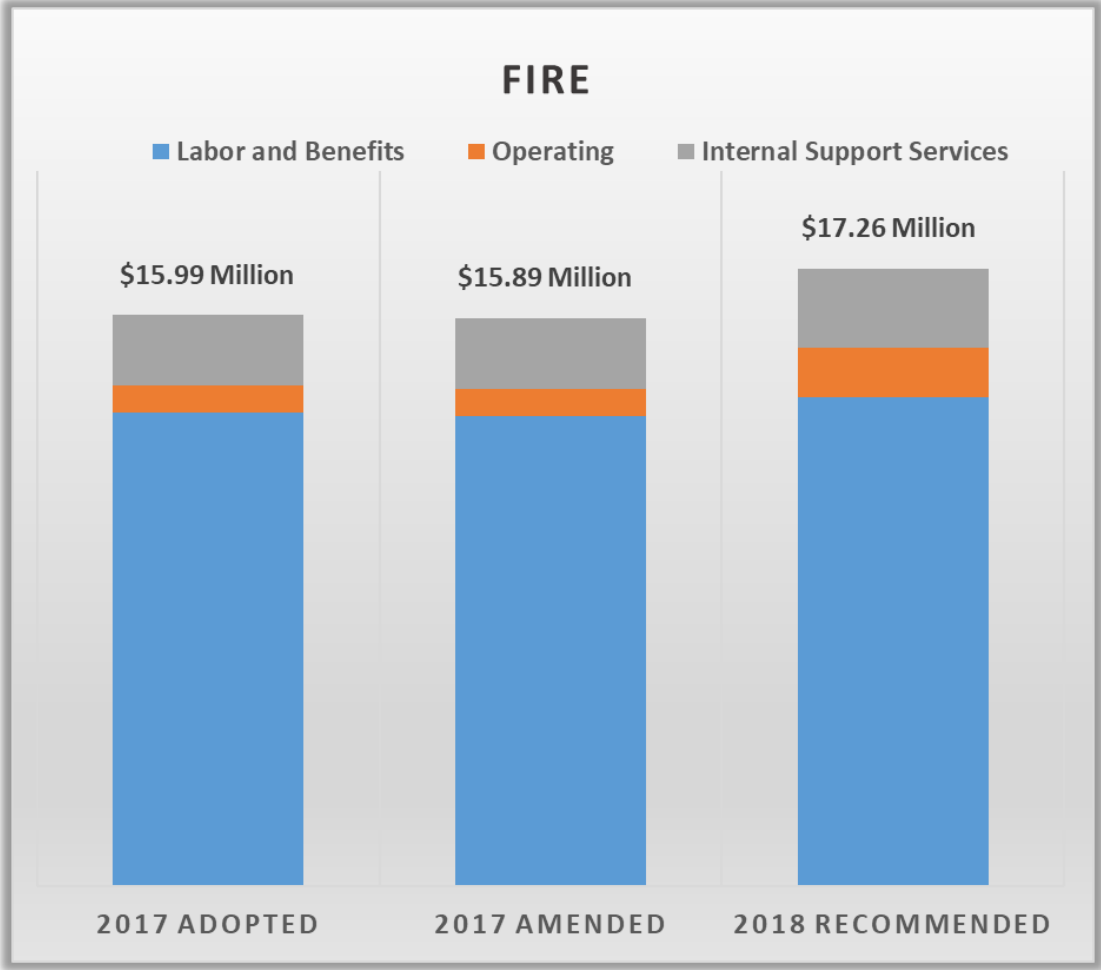
- New records system: improve and streamline record request system
- Detailed summaries of significant fire investigations to media outlets; updates through social media
- Department website will allow citizens to directly request incidents reports digitally.

Fire Department - 2018 Budget Highlights

- ▶ North Area Ambulance Station
 - Establish temporary location for ambulance
 - Add ambulance for north area
 - ✓ 6 additional personnel
- ▶ Fleet Improvements-Additional Ambulances
 - Delivery of one medium duty ambulance - City and State grant funds
 - Two replacement ambulances budgeted
 - One re-chassis - City and State grant funds
- ▶ Operating Capital
 - \$600,000 in specialty operating equipment funded
 - ✓ Replacement of records management system
 - ✓ Year 1 of a three year program to replace radio equipment
 - ✓ Year 1 of a two year program to replace firefighter personal protective equipment



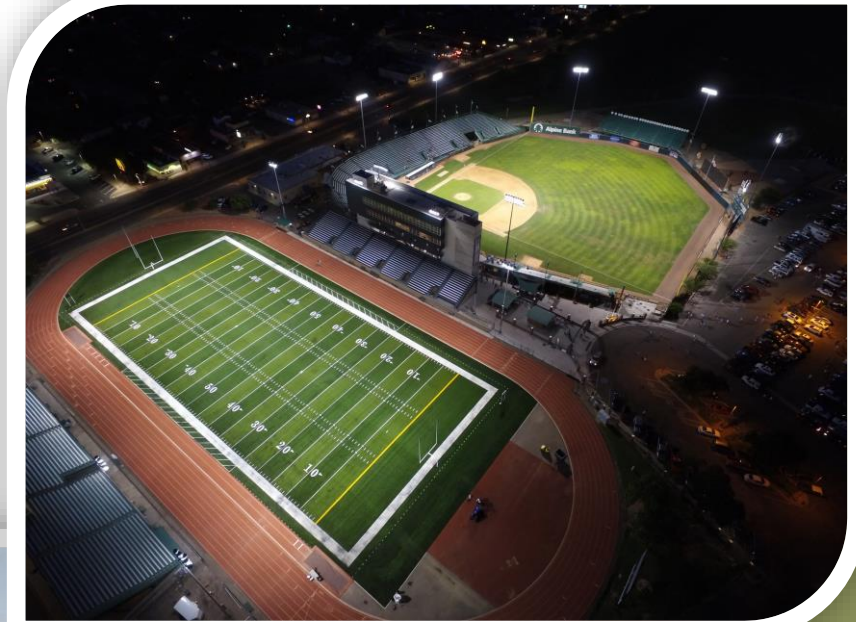
Fire Department \$17.26 million General Fund Operating Budget



Grand Junction Parks & Recreation Department

► *Mission Statement:*

Grand Junction Parks & Recreation is dedicated to providing all people quality recreation and leisure opportunities managed with integrity and professionalism.



► *Tag Line:*

“We Make It Better!”



Grand Junction Parks & Recreation Department

Staffing:

- ▶ **61 FTE's**
 - ▶ Administration - 3
 - ▶ Recreation & Aquatics - 10
 - ▶ Parks Operations - 41
 - ▶ Golf - 7
- ▶ **300 +/- Seasonal Staff**

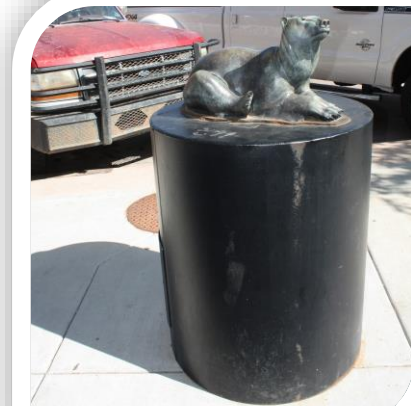


Grand Junction Parks & Recreation Department

Primary Functions:

- ▶ Recreation Programming
- ▶ Pool Operations (3)
- ▶ Park Maintenance
 - ▶ 36 Developed Parks
 - ▶ 5 Undeveloped Parks
- ▶ Food Service Management
- ▶ Cemetery Operations (2)
- ▶ Full Golf Operations (2)
- ▶ Sports Facilities
- ▶ Special Events
- ▶ Trails (21 Miles)
- ▶ Weed Abatement
- ▶ Arts & Culture
- ▶ Senior Center
- ▶ Forestry/Horticulture

BEFORE



AFTER



Strategic Plan Initiatives: Public Safety

- ▶ Partnerships with Outside Stakeholders
 - ▶ Downtown Ambassadors Program



Strategic Plan Initiatives: **Planning & Infrastructure**

- ▶ **Review Parks Inventory and Needs Assessment**
 - ▶ Restroom Upgrades (\$105,000)
 - ▶ Trail Maintenance (\$25,000)
 - ▶ Infield Improvements - Suplezio (\$36,000)
- ▶ **Federal and State Grants**
 - ▶ Lunch Loop Trail (\$75,000/3 Years)

Strategic Plan Initiatives: Planning & Infrastructure

► Maintenance of Core Infrastructure

- Automated Lock Program
- Art on the Corner
- Increased Service Areas

- Maintenance Increased at LC Amphitheater, Horizon Drive, North Avenue, 1st Street, and I-70B
- 5.1 acres of landscaped areas and 2.6 miles of sidewalks to be maintained



Strategic Plan Initiatives: **Diversification of Economic Base**

▶ **Business Retention and Growth**

▶ Las Colonias Amphitheater

- ▶ Early Completion = Added Events
- ▶ Management Partnership with Pinnacle Venue Services
- ▶ Increased Development Interest Along Riverfront Trail



Strategic Plan Initiatives: **Communication, Outreach & Engagement**

▶ **Innovation**

- ▶ Round Up for Recreation

- ▶ Downtown Ambassadors Program

 - ▶ Partnership with Downtown Development Authority

- ▶ **Golf Partnerships**

 - ▶ Colorado Mesa University

 - ▶ School District 51

 - ▶ Exploring Public/Private Partnership at Lincoln Park Golf Course

Strategic Plan Initiatives: **Communication, Outreach & Engagement**

▶ **Meetings with the Community**

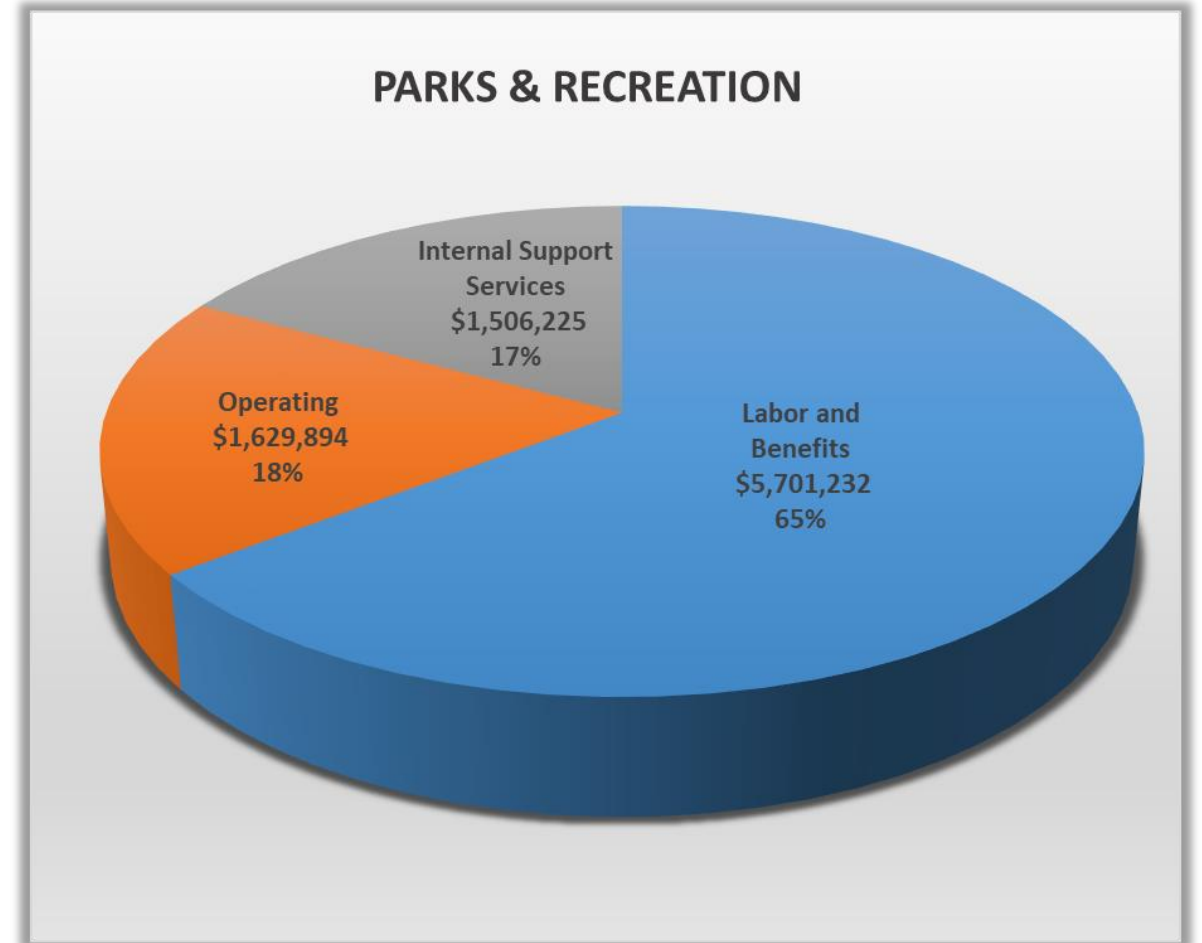
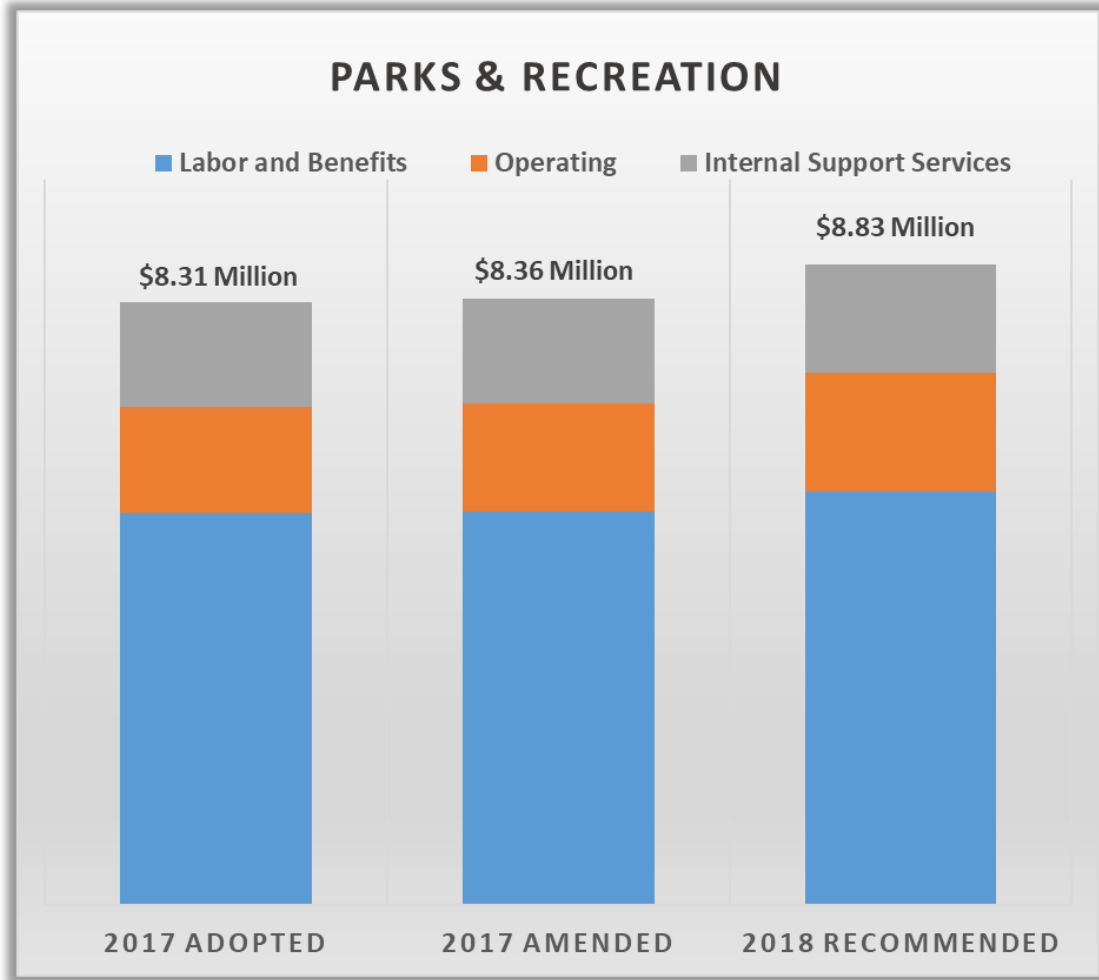
- ▶ Community Center Feasibility Study in Partnership with PLACE Committee

▶ **Engagement with Boards and Commissions**

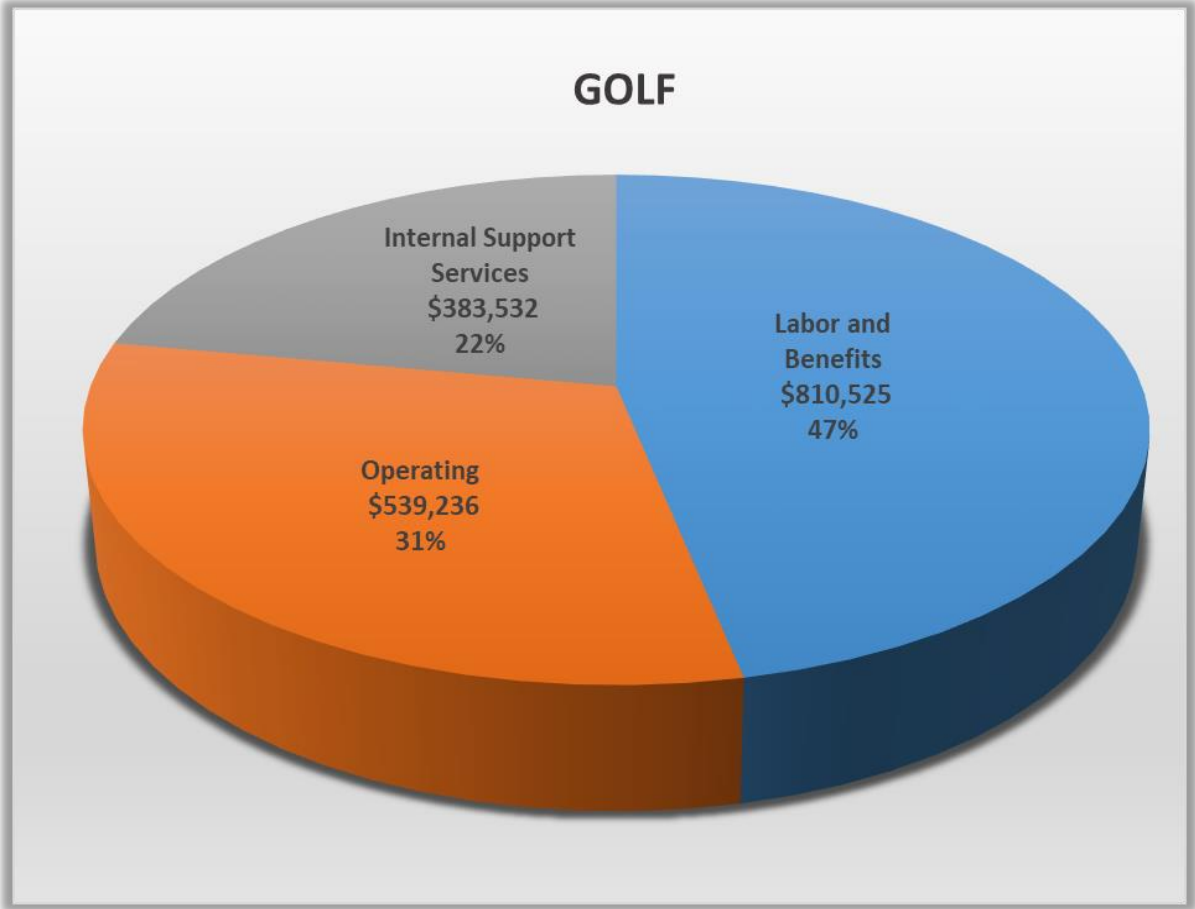
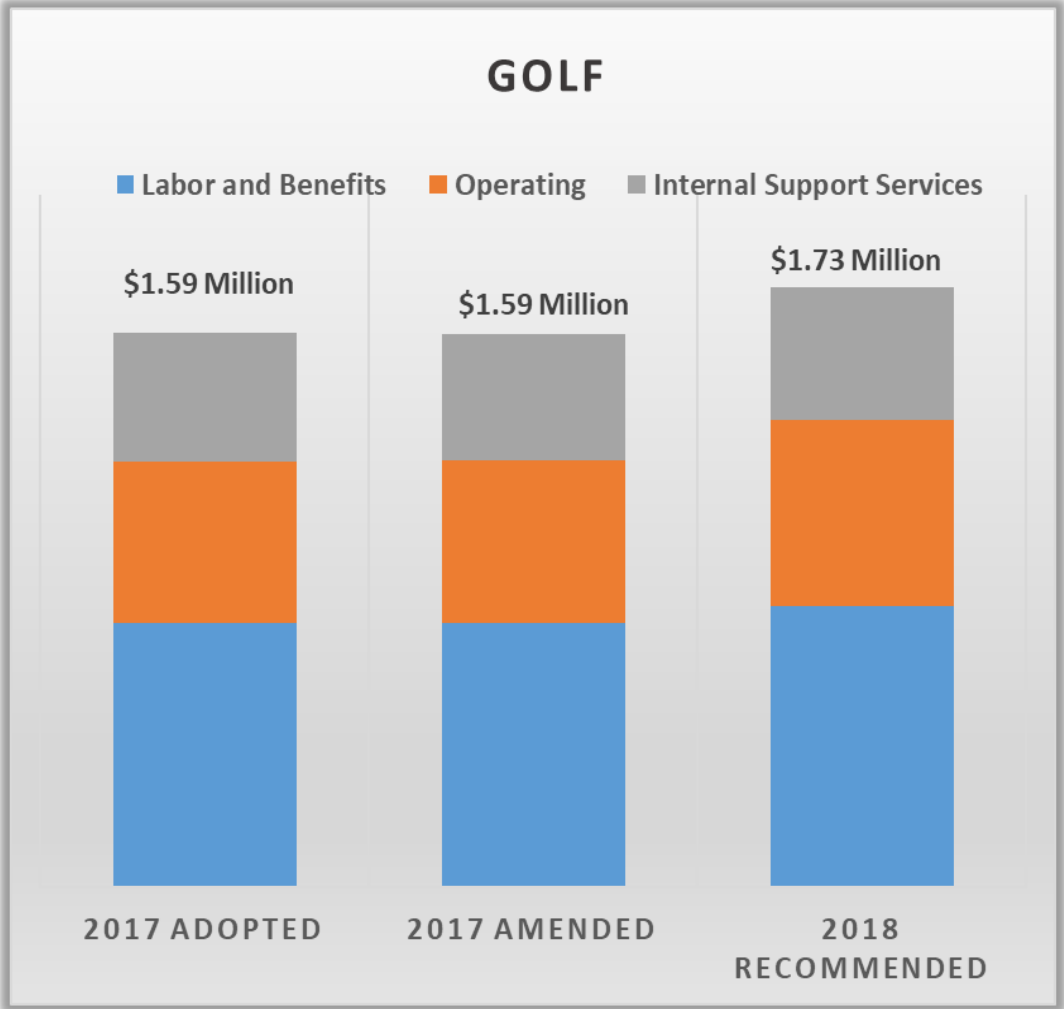
- ▶ Parks & Recreation Advisory Board
- ▶ Forestry Board
- ▶ Arts & Culture Commission
- ▶ Park Improvement Advisory Board
- ▶ Orchard Mesa Pool Board

Parks and Recreation

\$8.83 million General Fund Operating Budget



Golf Enterprise \$1.73 million Operating Budget



Public Works Department

- ▶ *Supports and enhances a high quality of life for the City's residents, businesses and visitors by providing maintenance of the City's core transportation and stormwater infrastructure along with planning, design, and oversight of most of the City's capital improvement program.*



Staffing Information

- ▶ Total Full-Time Positions 57
 - ▶ 22- Street Maintenance, Stormwater, Sweeping
 - ▶ 12- Transportation Engineering and Traffic Operations
 - ▶ 12- Solid Waste
 - ▶ 10- Engineering
 - ▶ 1- Director

- ▶ Plus 12 Seasonal

Strategic Plan Initiatives: Planning & Infrastructure

► Maintenance of Core Infrastructure

► Street Maintenance

Center Line Miles 365 / Lane Miles -1,013

- PCI from 69 to 73 by 2022
- Increased to \$6 million with 2B funds
 - Self performed Chip Seal/Crackfill
 - Outsourced Street Maintenance (\$2.6 million)
- Reconstruction - 7th Street (\$2.4 million)
- Road Survey (\$90,000)



Strategic Plan Initiatives: Planning & Infrastructure

- ▶ **Maintenance of Core Infrastructure**
 - ▶ Street Lighting (\$1.5 million)
 - ▶ Bike and pedestrian enhancements
 - ▶ Safe Routes to Schools-CDBG Funding
 - ▶ Bookcliff Middle School Sidewalk Improvements
 - ▶ Nisley Sidewalk Improvements
 - ▶ Bike Infrastructure and Signage

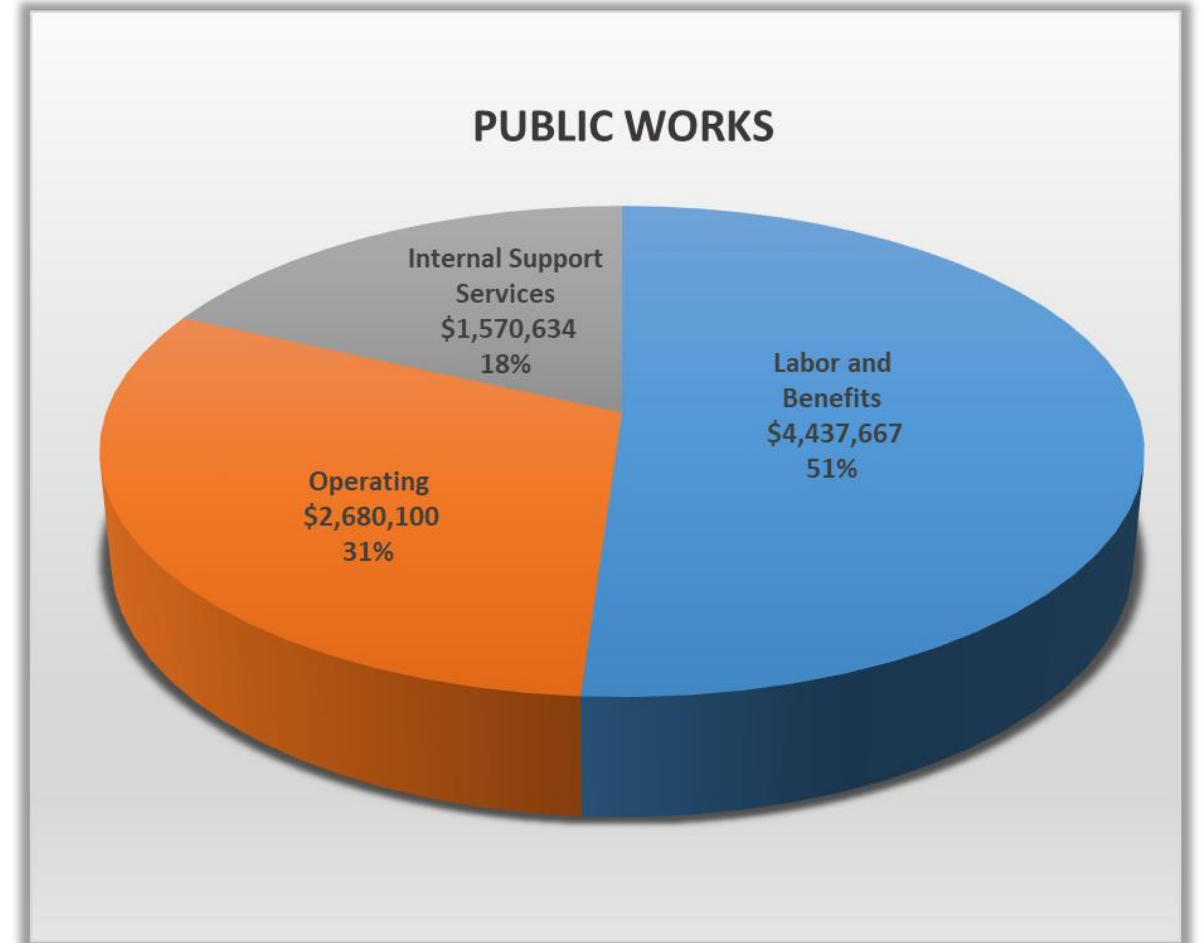
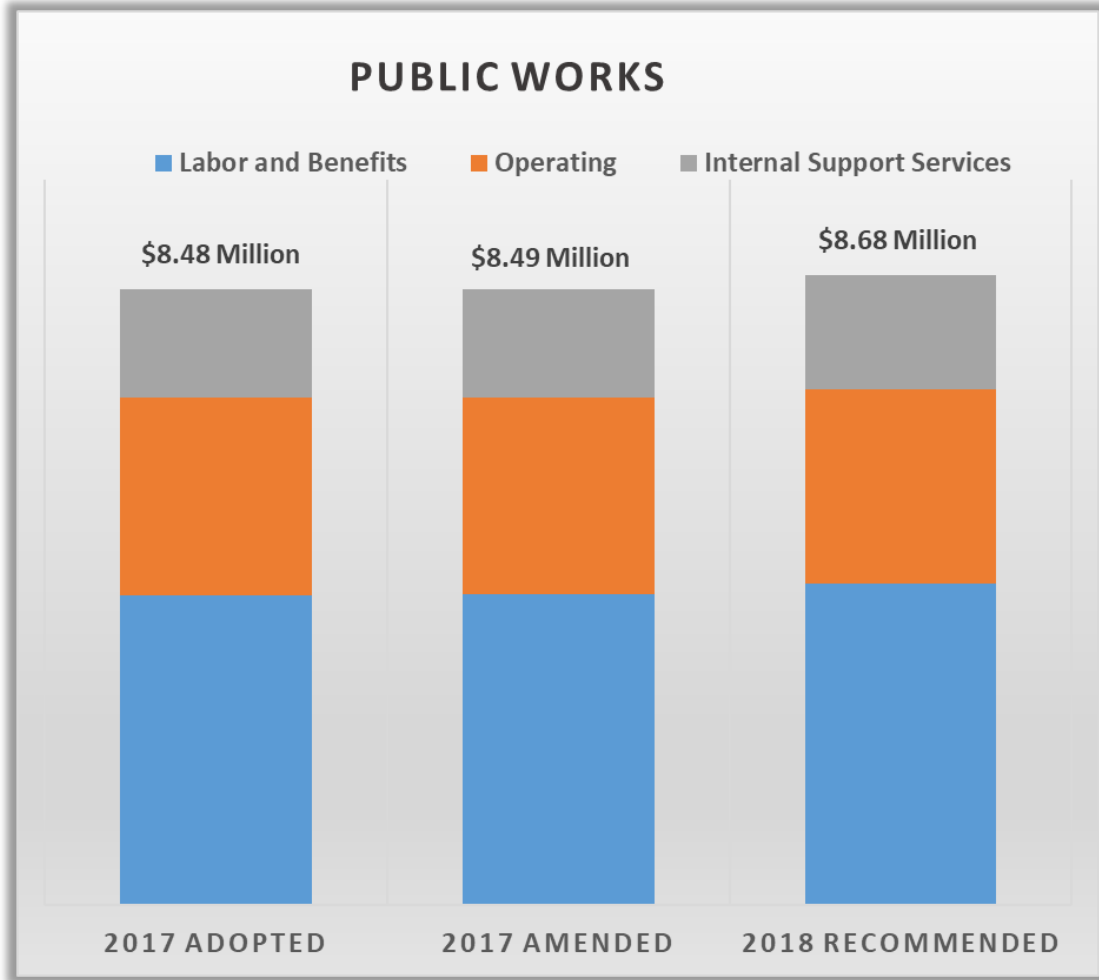


Strategic Plan Initiatives: Planning & Infrastructure, and Communication, Outreach & Engagement

- ▶ **Maintenance of Core Infrastructure, Engagement with Boards & Commissions**
 - ▶ Since 2010 - 5.2.1 has contracted with the City for:
 - ▶ Board support through Public Works Director, Engineering Manager, and Admin Assistant
 - ▶ Implementation of stormwater quality regulations
 - ▶ Public education and participation
 - ▶ Construction permitting and inspection

Public Works

\$8.68 million General Fund Operating Budget



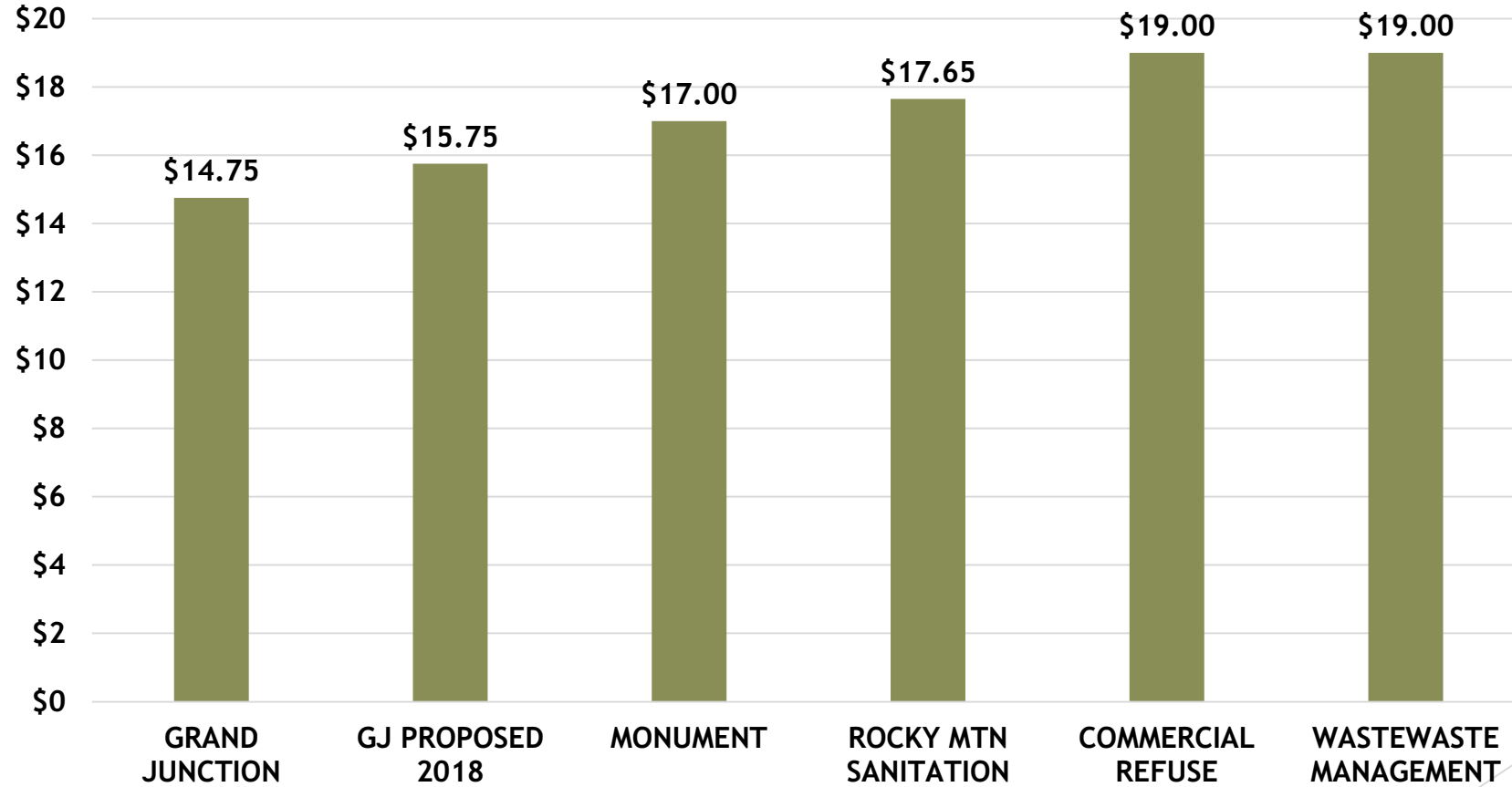
Solid Waste

- ▶ 19,100 Containers per week (M-F)
- ▶ 21,000 tons last year
- ▶ No collection days missed
- ▶  Recycling: Public/Private Partnership
- ▶ 2018 - Pilot Curbside Green Waste Program
 - ▶ Spring Valley
 - ▶ Looking for 20% participation (130 homes)
 - ▶ Cost \$8.00/month
 - ▶ Service to run April through September

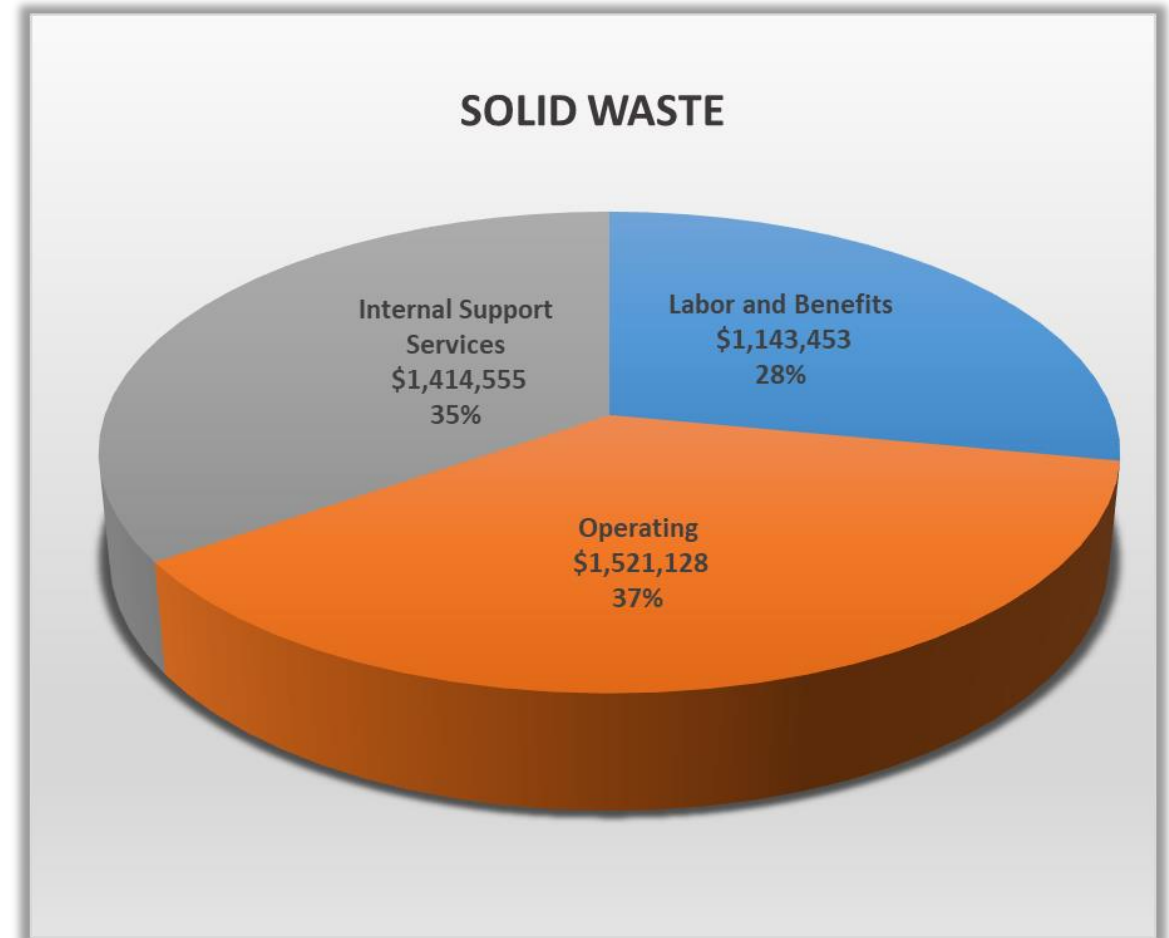
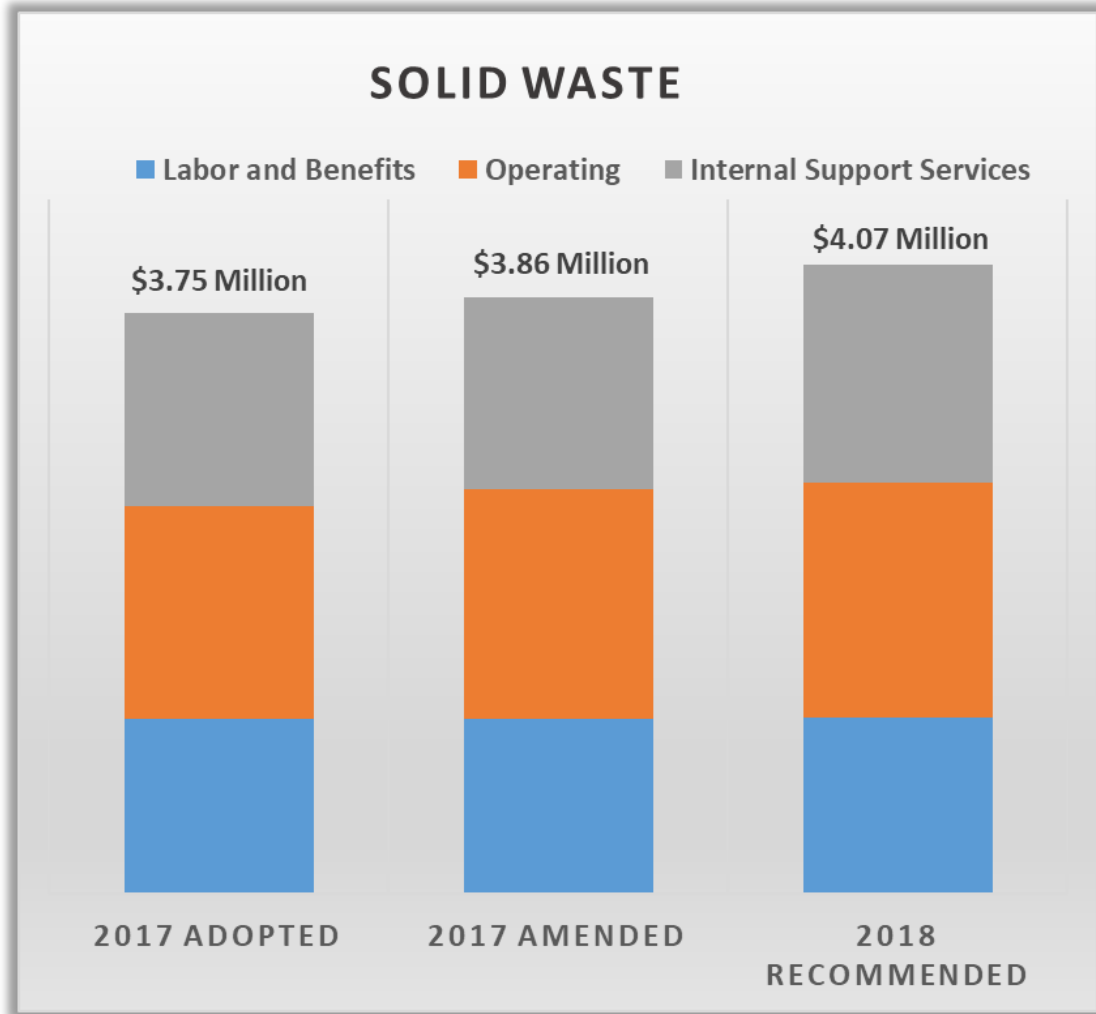


Solid Waste

Area 2017 Solid Waste Rates



Solid Waste Enterprise \$4.07 million Operating Budget



Water

▶ *Mission Statement:*

To provide the highest quality drinking water in the most cost effective manner possible.

▶ Staffing- 32 Full-time Positions

- ▶ 14-Distribution System Operations
- ▶ 2-Water Supply Operations
- ▶ 6-Utility Billing
- ▶ 7-Treatment Plant Operations
- ▶ 2-Administration
- ▶ 1-Ridges Irrigation System



Strategic Plan Initiatives: Planning & Infrastructure

► Maintenance of Core Infrastructure

► Reservoir Storage/Transmission of Raw Water

- 19 Reservoirs
- 2 years of water storage
- 20 Miles of 20" Steel Pipe-Kannah Creek
- 17 Miles of 20" Steel/PVC Pipe-Purdy Mesa

► Treatment Plant Operations

- GJ Treatment Plant - 27,000 Customers
- Kannah Creek Treatment Plant - 350 Customers

► Pipeline Maintenance

- Maintaining over 150 Miles of Pipe
- Ridges Irrigation - 798 Customers



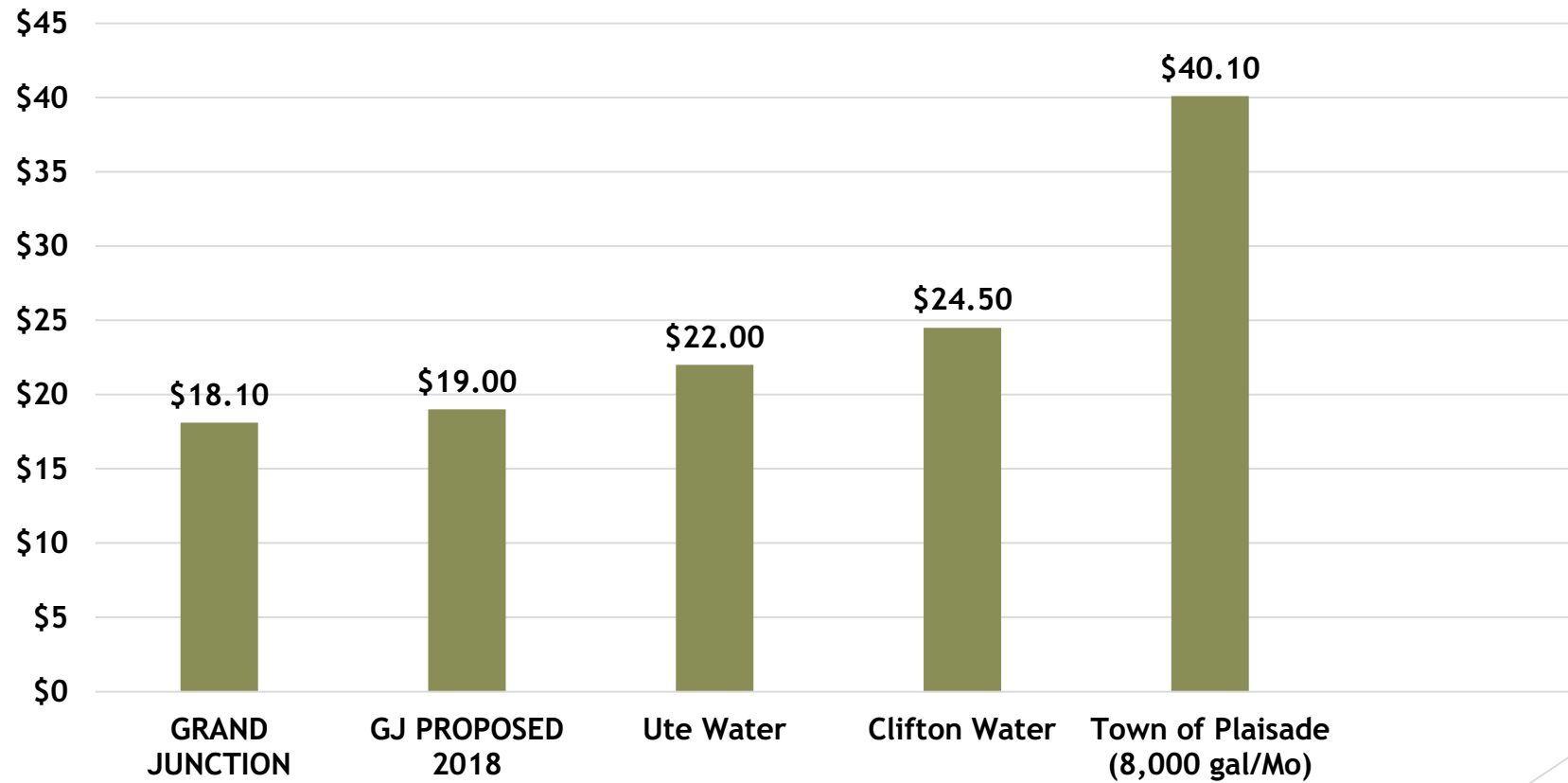
Strategic Plan Initiatives: **Communication, Outreach & Engagement**

- ▶ Watershed Management
 - ▶ Protection of Water Quality
 - ▶ Review Oil & Gas Industry Drilling Proposals
 - ▶ Review “Palisade Plunge” Proposal
 - ▶ Provide Public Education Regarding Recreational Activities
- ▶ Ranch Oversight
 - ▶ Inspect City Owned Ranches - 13,500 Acres
 - ▶ Work With Ranch Lessees' to Plan for Improvement Projects
 - ▶ Provide Guidance on Ranch Operations

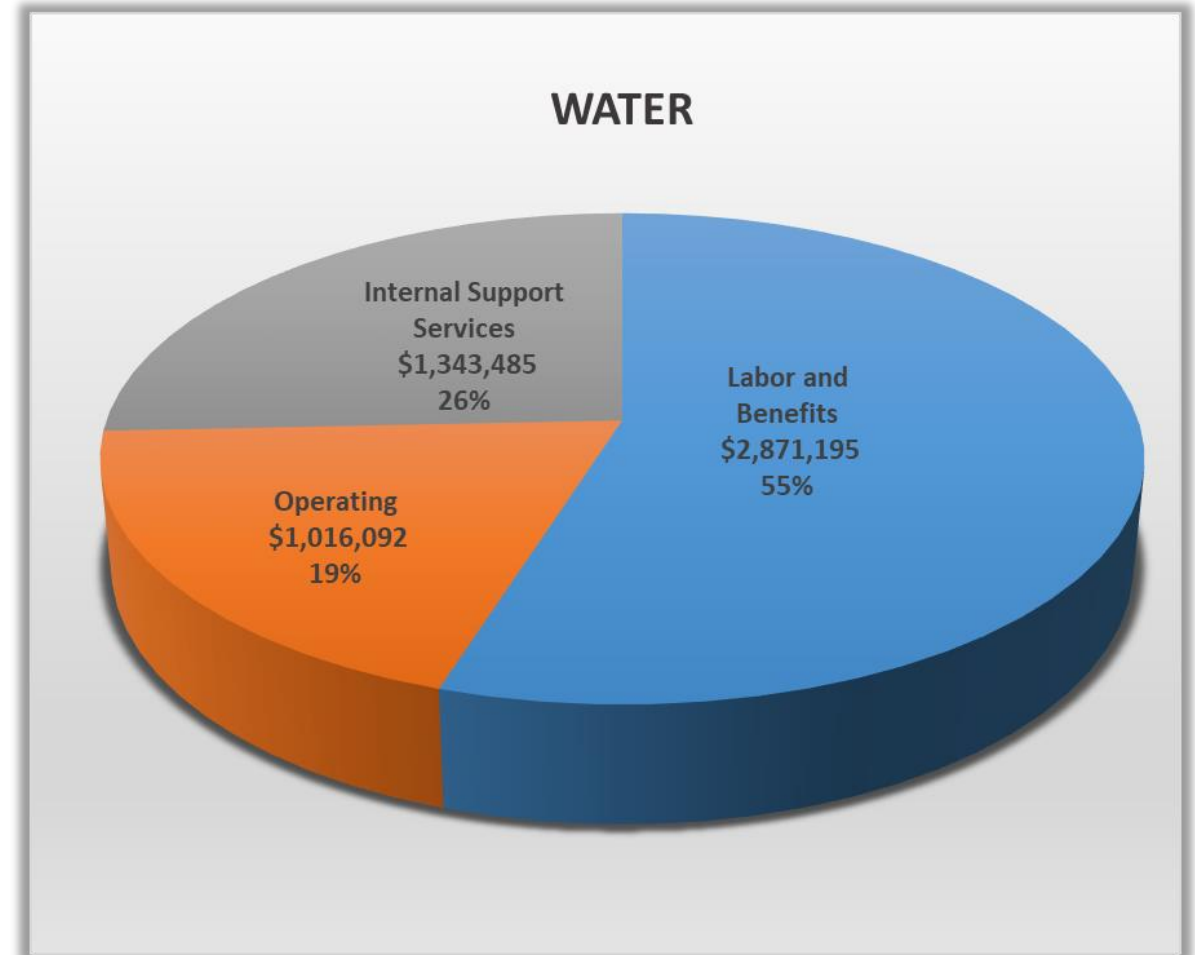
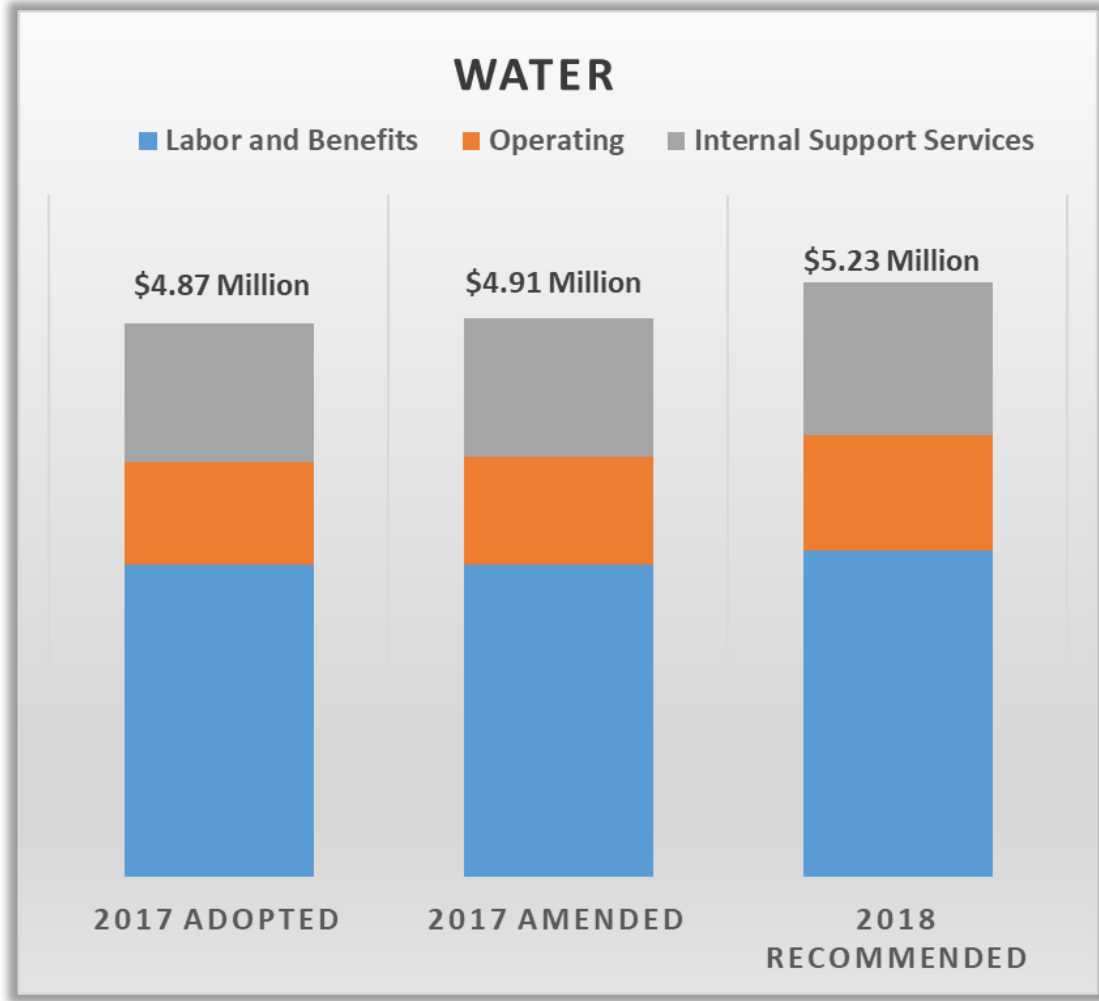


Water Department

2017 Water Rate Comparison 3,000 gal/Month



Water Enterprise \$5.23 million Operating Budget



Next Steps

- ▶ Workshop October 16th
- ▶ Downtown Development Authority Budget October 30th
- ▶ Modifications to Budget
- ▶ Utility Rates Resolution November 15th
- ▶ Set Public Hearing November 15th
- ▶ Public Hearing and Final Budget Adoption December 6th
 - ▶ Mill Levy Certification
- ▶ Budget Book