



# 2023 Budget

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Second Public Presentation and Hearing

December 7, 2022

Greg Caton, City Manager

# Importance of a Budget

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1. As a **policy document**, the budget indicates what services the City will provide during the next year and spells out the level of services and reasons for their provision;
2. As an **operations guide**, the budget indicates how departments and funds are organized to provide services to the community;
3. As a **financial plan**, it summarizes the cost to the taxpayers for current and approved service levels and how they will be funded;
4. As a **communications tool**, the budget is designed to be user-friendly with summary information in text, charts, tables and graphs.

# Budget Process Timeline

## May/June

- Review Current Year Capital Projects
- Discuss Labor
- Non-Profit Funding
- Review Economic Indicators
- Revenue Projections
- Establish Budget Development Parameters

## September/October

- Finalization of Revenue Projections
- Budget Balancing
- City Manager Recommended Budget
- City Council Budget Workshops
- Economic Development, Non-Profit, Major Capital, DDA, BIDs

## July/August

- Citizen Budget Discussions
- Major Capital Projects Prioritized with Capital Plan
- Departments Submit Operating Budgets
- Department Line-Item Budgets Reviewed

## November/December

- First Public Presentation, Hearing, and Comment November 2nd
- Second Public Presentation, Hearing and Comment, and Final Adoption of Budget December 7th

# Comprehensive Plan



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- Collective Identity
  - Resilient and Diverse Economy
  - Responsible and Managed Growth
  - Downtown and University Districts
  - Strong Neighborhoods and Housing Choices
  - Efficient and Connected Transportation
  - Great Places and Recreation
  - Resource Stewardship
  - Quality Education and Facilities
  - Safe, Healthy, and Inclusive Community
  - Effective and Transparent Government

# Strategic Priorities

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Public Safety

Quality of Life

Housing

Mobility and Infrastructure

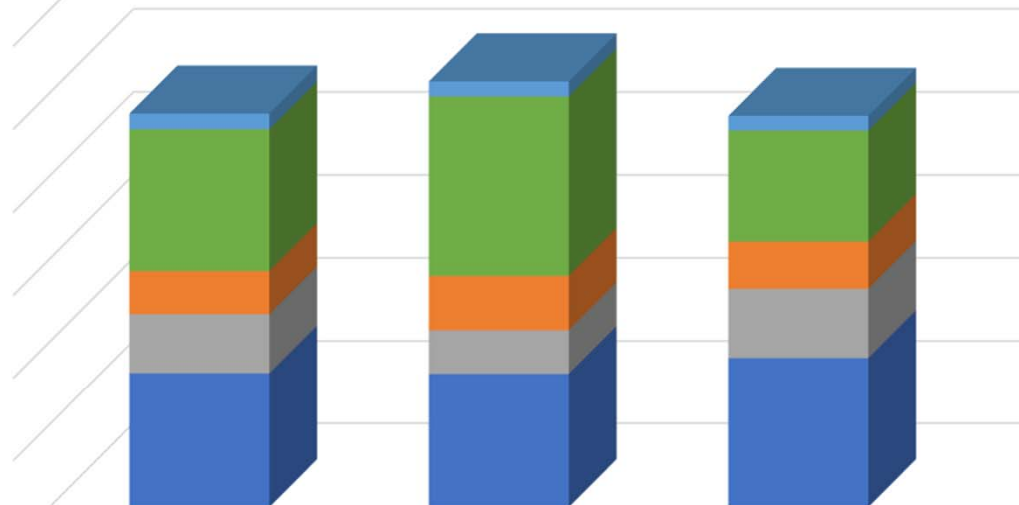
Economic Development

# 2023 Recommended Budget

- Recommended Budget Total = \$236.2 million (\$236,161,400)
- Total budget less than 2022 Adopted; labor and operating budget increases
  - New positions
  - Wage increases
  - Continued First Responder spending
  - Affordable housing funding
  - Infill funding
  - Equipment needs, cost increases
- Total Revenues projected at 3% above 2022 Adopted
- General Fund balanced with a surplus of \$344,308
- Projected ending General Fund balance of \$39.7 million; \$4.1 million restricted, \$24.8 minimum reserve

# 2023 Budget By Spending Category

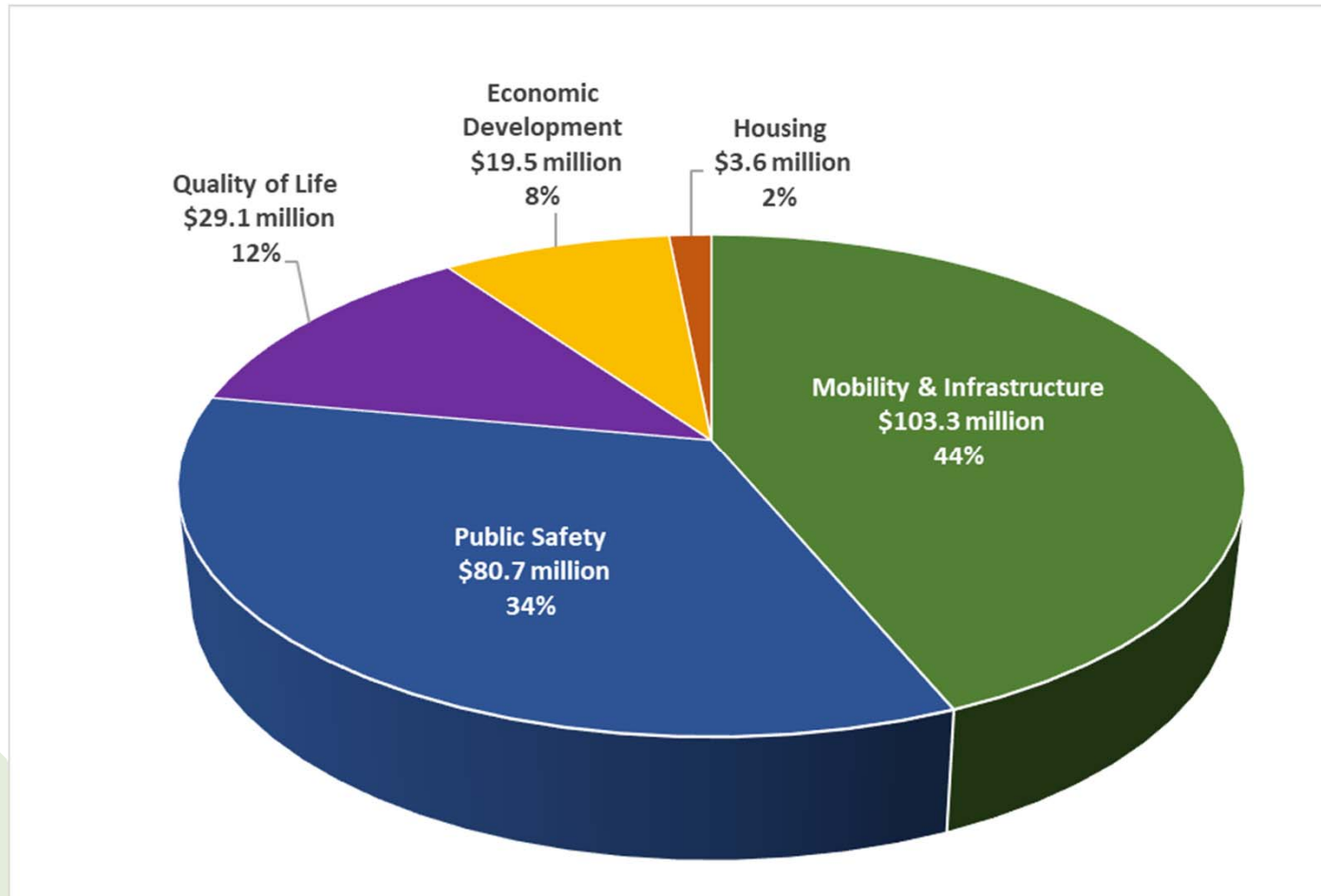
Expenses Year Over Year Comparison (in millions)



	2022 Adopted	2022 Amended	2023 Recommended
■ Debt Service	\$9.4	\$9.1	\$8.8
■ Capital	\$85.4	\$108.1	\$67.0
■ Internal Support Services*	\$26.0	\$32.8	\$28.4
■ Operating	\$35.7	\$26.3	\$41.8
■ Labor	\$81.0	\$80.7	\$90.2

\*Internal Support Services include Technology, Fleet, Facilities, Dispatch, and Insurance

# 2023 Budget By Strategic Priority





# Housing Program Budget Before Vote on November 8th

- **Community Development Department**

- Revenue \$3,115,272
  - Short term rental and lodging taxes \$1,063,000
  - General Fund \$1,000,000 (from 2022)
  - General Fund \$549,772
  - 2% General Fund sales tax on Cannabis \$502,500
- Expense \$3,115,272
  - Housing incentives \$2,565,500
  - Labor \$306,462
  - Operating \$243,310

## Update Housing Program Budget After Vote

- **Ballot questions for new tax revenue of \$1,063,000 not authorized by voters**
- **Option 1-Use other General Fund Revenues to replace all of the revenue and do not reduce the budget for housing initiatives**
  - Current projected ending fund balance in the General Fund is \$39.7, \$10.8 million after restricted and minimum reserve
  - Current 2023 Budget surplus in the General Fund is \$344,308
  - Result would be a use of fund balance of \$718,692 (\$1,063,000-\$344,308)
- **Option 2-Reduce housing incentives expense budget from \$2,565,500 to \$1,502,500**
  - \$1,502,500 funded by \$1,000,000 not spent in 2022 and 2% General Fund tax on Cannabis of \$502,500
  - Reduces total City budget from \$236.2 million to \$235.1 million (\$235,098,400)
  - Reduces General Fund appropriation from \$101,849,377 to \$100,786,377

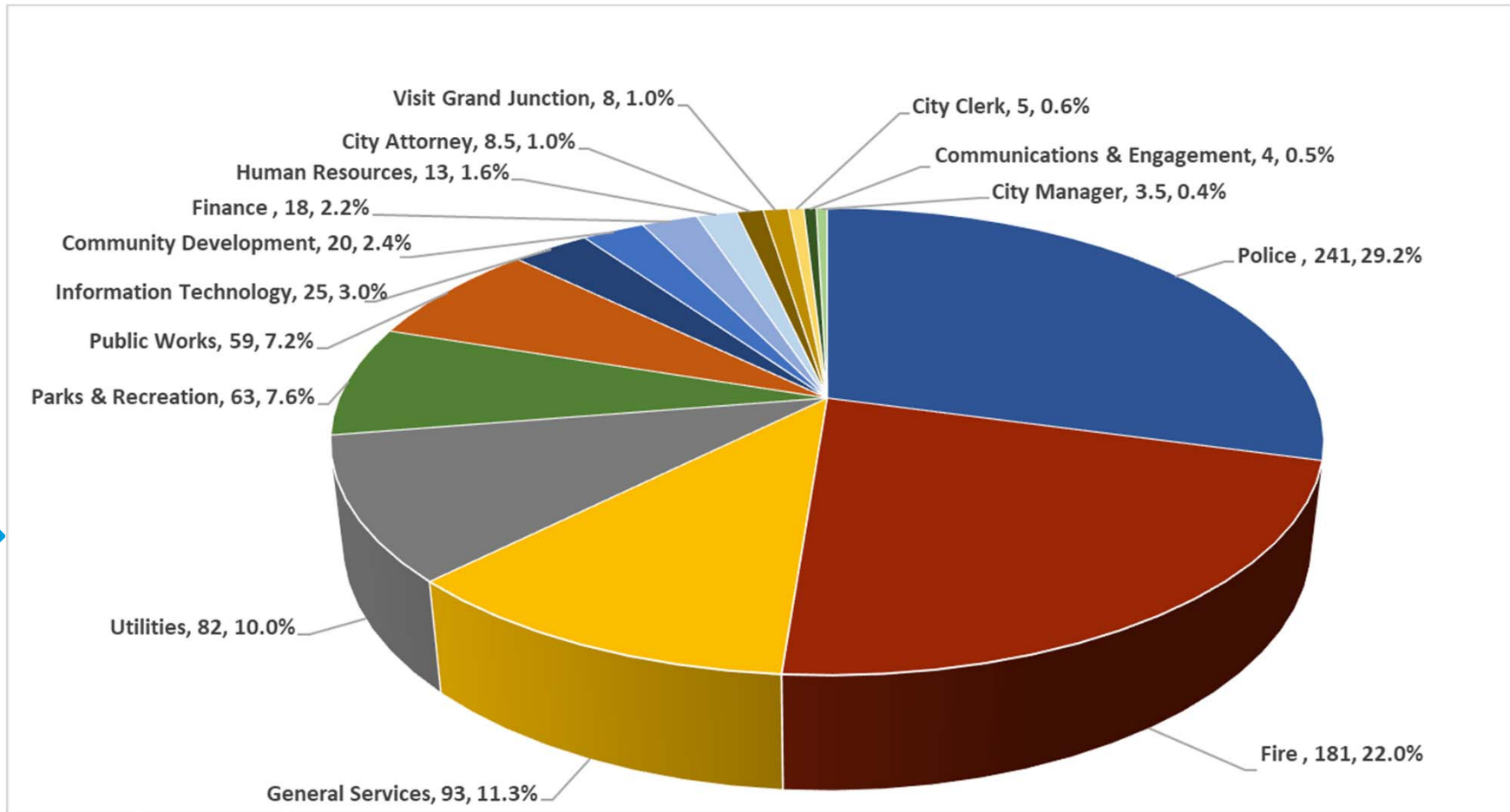
# 2023 Capital Investment

- Transportation Expansion
- Water and Sewer Infrastructure Projects
- Street Maintenance and Improvements
- Fire Station #7
- Carrier Neutral Location for Broadband
- Conceptual Design and Site Location for Material Recycling Facility
- Parks and Recreation Amenities and Improvements
- Drainage, Trails, Quiet Zone
- Communications Center Projects including microwave replacements

# 2023 Employee Investment

- 23 New Positions to total 824; \$1.9 million (\$730k General Fund)
  - 1 housing specialist
  - 5 in public safety (1 First Responder funded)
  - 6 in support positions (City Attorney's office, Community Development, Finance, General Services, Public Works)
  - 11 in enterprise operations (recycling, utilities, golf, parking)
- Retention and Recruitment
  - Wage increases \$3.2 million (\$1.43 million General Fund)
  - Wage increases 3%, Police Sworn 9% additional funded by First Responder; one-time compensation
- Expanded hours at Employee Health and Wellness Center
- Part-Time/Internship Program; 17 Colorado Mesa University interns, Best and Brightest, AmeriCorps \$500,000
- Professional development \$1.8 million
  - Commercial drivers license in-house training
  - Tuition reimbursement program improvement
  - Outside and in-house training opportunities

# 2023 Recommended - 824 Positions by Department



# Serving with Excellence

- Public Safety Strong - 130 sworn police, 170 firefighters/EMS responders
- Answering the Call - 300,000 911 calls per year, 53 in dispatch
- Shop with a Cop helping 50 families during the holidays
- Citizens' Police Academy 25 participants per class
- Victim's advocacy program
- 7,000 community members receive Fire education including elementary school visits
- Block party trailer used at 38 events
- 28 new subdivisions, 820 new lots
- Planning clearances for over 1,000 new residential units with over 660 multi-family
- Digitized 1.8 million pages of community development records to make readily available to the public

# Serving with Excellence

- Spring Clean Up – enough to fill a football field 10 feet deep
- Leaf Pick Up – 10,000 cubic yards of composted leaves
- 73 meetings with Spanish speaking community stakeholders and committees
- Interpretation and translation assistance for Spanish and other languages
- Summer Camp 360 children served each day at 11 sites
- 16,000 swim lessons each year
- 1,100 youth basketball participants
- 350 acres/35 public parks
- Maintain 37,000 public trees-Tree City USA 40 years running
- 20+ miles of hard surface trails
- Holiday lights 110 trees decorated

# Questions and Discussion

## City Council

- Greg Caton, City Manager
- John Shaver, City Attorney
- Trent Prall, Public Works Director
- Matt Smith, Interim Police Chief
- Elizabeth Fogarty, Visit Grand Junction Director
- Ken Sherbenou, Parks & Recreation Director
- Randi Kim, Utilities Director
- Sara Spaulding, Communications and Engagement Director
- Ken Watkins, Fire Chief
- Tamra Allen, Community Development Director
- Shelley Caskey, Human Resources Director
- Jay Valentine, General Services Director
- Amy Phillips, City Clerk
- Paul Schultz, Information Technology Director
- Jodi Welch, Finance Director

### Special Thanks to the Budget Team

Linda Longenecker, Matt Martinez, Johnny McFarland, Andrea Brush, Ann Guevara, Jason Davis, Ashley McGowan, Brandon Hinze