



Economic Health and Development

Budget Presentation – November 15,
2022



Budget Process Recap and Next Steps

- Budget Timeline

- **September Workshop**

- Overview of City Manager's Recommended Budget to City Council

- **October 18, 2022, Meeting**

- Capital Projects and Infrastructure Overview
 - Core Services

- **October Workshop**

- Outside Agency Funding Requests and Misc. Items



Budget Process Recap and Next Steps

- Budget Timeline

- **November 1, 2022, Meeting:**

- Quality of Place and Community Wellness
 - Personnel and Employee Retention

- **November 15, 2022, Meeting:**

- Economic Health and Development
 - Public Hearing – Budget Overview

- **November Workshop**



Budget Process Recap and Next Steps

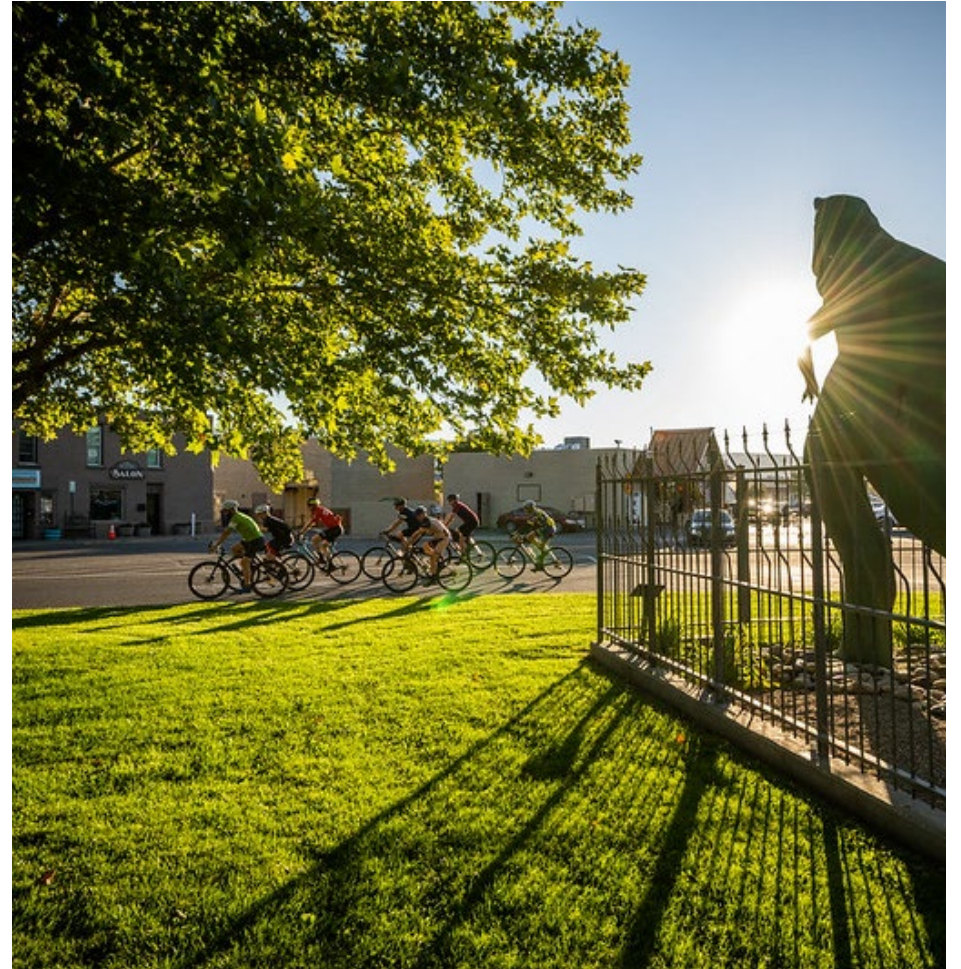
- **December 6, 2022, Meeting**

- Budget Adoption Includes Four Steps:
 1. **Approve Fees and Charges for 2023**
 2. **Adopt Budget for Fiscal Year 2023**
 3. **Appropriate Money for the 2023 Budget**
 4. **Set Mill Levy**



Economic Health & Development

- **Community Development Year in Review**
 - Through October 2022:
 - 744 Planning Clearances Issued
 - 88 New Residential Planning Clearances (Single Family Attached, Detached, Manufactured)
 - Commercial – 22 Remodel Clearances (interior remodels, any investment in existing building, utilities upgrades, etc).
 - 91 Short-Term Rental Permits



Economic Health & Development

- **Development Review Process**

- **2023 Goal** - Implement Full System of Cloud-Based Development Review Software by March 2023 - \$35,000
 - Purchased in 2022 through RFP Process.



Economic Health & Development

- **Building Inspections Division**
 - \$330,000 Budgeted for new program.
 - 2.75 FTE
 - Chief Building Official
 - Two Building Inspectors



Economic Health & Development

• Economic Development Partnerships

- Update memorandum of understanding between the City of Fruita and the Business Incubator, Grand Junction Economic Partnership (GJEP), and the Fruita Area Chamber of Commerce to align goals and provide clarity of partnerships and expectations by August 2023.
- Contributions in 2023 Budget –
 - GJEP - \$10,000 (Economic Development Fund)
 - Fruita Area Chamber of Commerce - \$30,000 (General Fund)
- 1/3 of new 3% lodging tax to be set aside for Economic Development efforts.



Economic Health & Development

- **Housing Program Goals**

- Utilizing the Economic & Planning Systems study to help create a housing program in Fruita.
- Create policies for Low Income Housing Tax Credit Programs (LIHTC).



Economic Health & Development

• Housing Program Goals

- Fiscal Impact - Setting aside 1/3 of new 3% lodging tax to be set aside for housing strategies.
- Establish strategic goals for workforce housing.
- Creation of Housing Authority for limited tool to assess proposed tax abatement for lower income housing proposals.





2023 Budget Overview



Fund Balances – Governmental Funds

Governmental Funds		2020	2021	2022 Estimated	2023 Budgeted	Changes in FB
	General Fund	13,284,494	15,829,951	15,482,531	13,608,946	(1,873,585)
	Conservation Trust	386,332	521,213	499,013	264,963	(234,050)
	Economic Dev.	-	80,103	80,103	170,103	90,000
	Marketing	162,098	239,497	283,497	243,497	(40,000)
	Public Places	-	43,647	192,647	122,647	(70,000)
	Community Center	2,907,566	3,631,702	3,789,662	2,942,487	(847,175)
	Capital	284,710	284,710	285,355	256,755	(28,600)
	Debt	757,839	748,200	748,200	748,200	-
		17,783,039	21,379,023	21,361,008	18,357,598	(3,003,410)



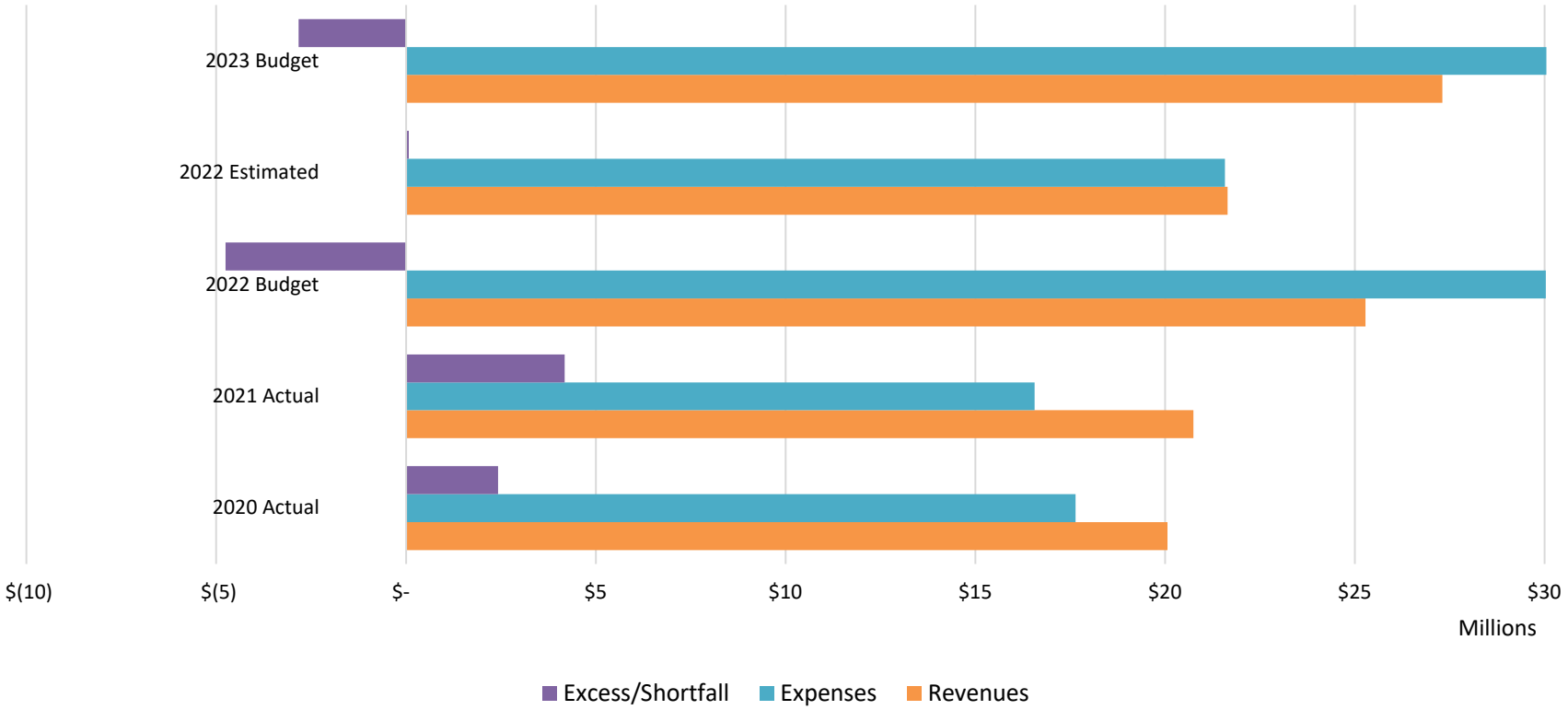
Fund Balances – Enterprise Funds

Enterprise Funds		2019	2020	2021 Estimated	2022 Budgeted	Changes in FB
	Devils Canyon	218,268	194,874	194,874	194,874	-
	Irrigation	191,012	192,418	192,418	192,418	-
	Sewer	5,454,242	6,051,280	6,125,155	6,296,905	171,750
	Trash	172,798	177,316	177,316	177,316	-
		6,036,320	6,615,888	6,689,763	6,861,513	171,750
Internal Service Fund						
	Fleet	17,605	19,483	19,843	19,843	-
		17,605	19,483	19,843	19,843	-
TOTAL ENDING FB		23,836,964	28,014,394	28,034,968	25,213,608	(2,821,360)
<i>*Enterprise Funds - Excludes amounts invested in capital assets</i>						



Revenues and Expenses - All Funds

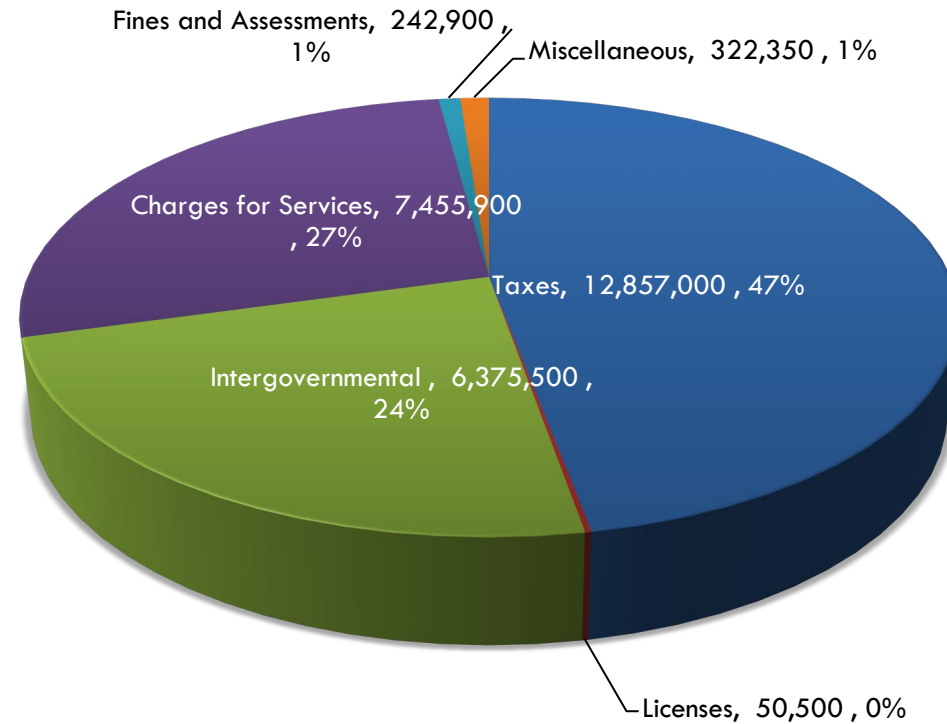
Revenues and Expenses - All Funds
(excludes transfers)



2023 Revenues – \$27.3 Million

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Excludes Other Financing Sources and Transfers from Other Funds



2023 Revenues

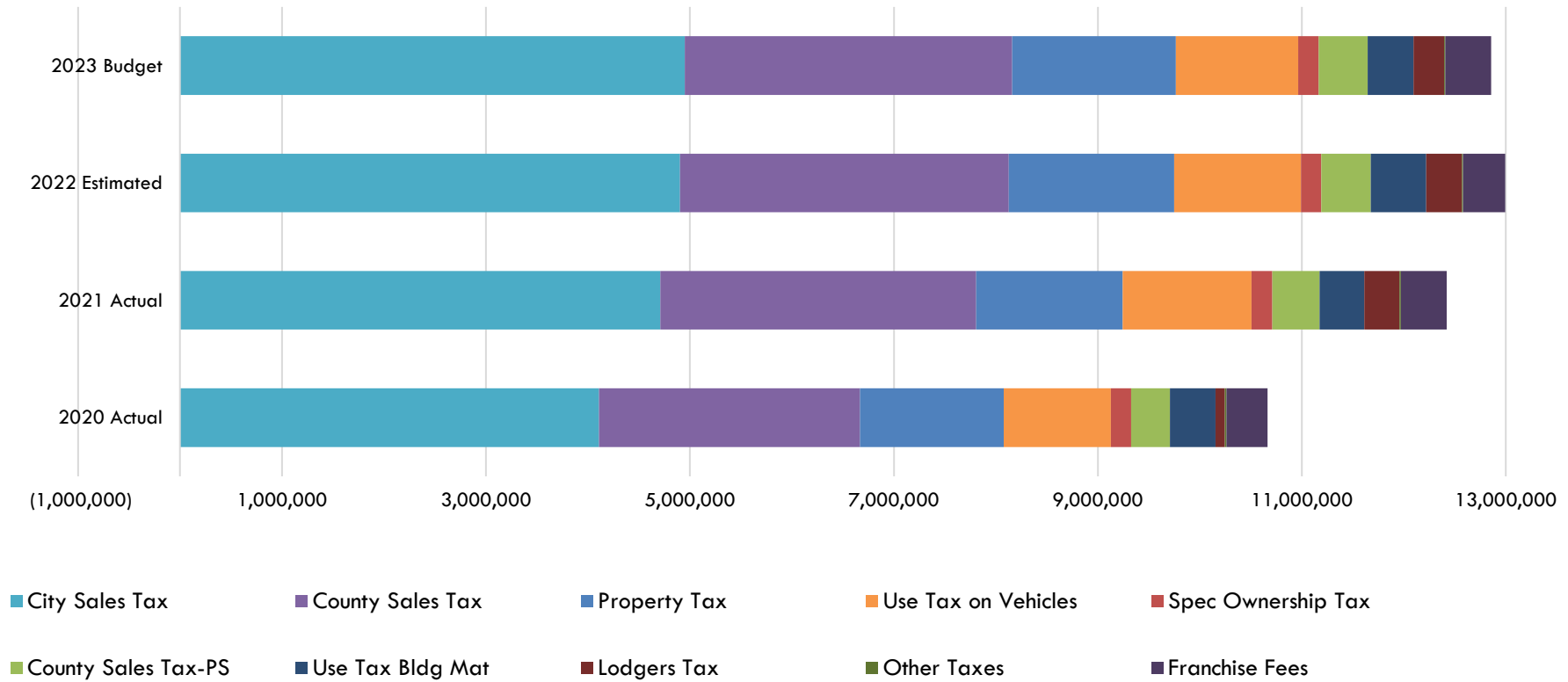
- **Tax Revenues**

- Revenues of \$12.9 Million
 - Increase of 6% compared to 2022 Budget
 - Decrease of less than 1% when compared to 2022 Estimated Revenues (Inflationary Impacts)



2023 Revenues – Tax Revenues

Tax Revenues - \$12.9 million



2023 Revenues

• Intergovernmental Revenue

- \$6.4 Million
 - 15% increase from 2022 Budget, 591% increase over estimated revenues (due to carrying grants forward).
 - \$5.6 Million in Grants

Grant Program	Purpose	Amount
America Rescue Plan	Mulberry Street Outdoor Seating	225,000
America Rescue Plan	Broadband Connections	374,000
America Rescue Plan	Aeration Project	700,000
America Rescue Plan	Manhole Replacement	700,000
America Rescue Plan	H2S Odor Control	800,000
Energy Impact Grant	Broadband Connections	364,000
Energy Impact Grant	H2S Projects	600,000
Energy Impact Grant	Street Evaluation	25,000
CDOT Grant	S. Mesa Street	1,736,000
Charge Ahead Grant	EV Charging Stations	70,000
Federal Mineral Lease Grant	16 Road Rail Crossing	50,000
Total Grants		5,644,000
<i>* Eligibility of project for use of funds needs to be confirmed</i>		
<i>**Grant awards have not been confirmed</i>		



2023 Revenues

- Charges for Services
 - **\$7.4 Million**
 - Increase of 4% when compared 2022 Estimated Revenues.
 - **Trash Rate Increase – 17% - \$15.30 - \$17.70**
 - **Sewer Rate – 2% - \$50 to \$51**



2023 Revenues

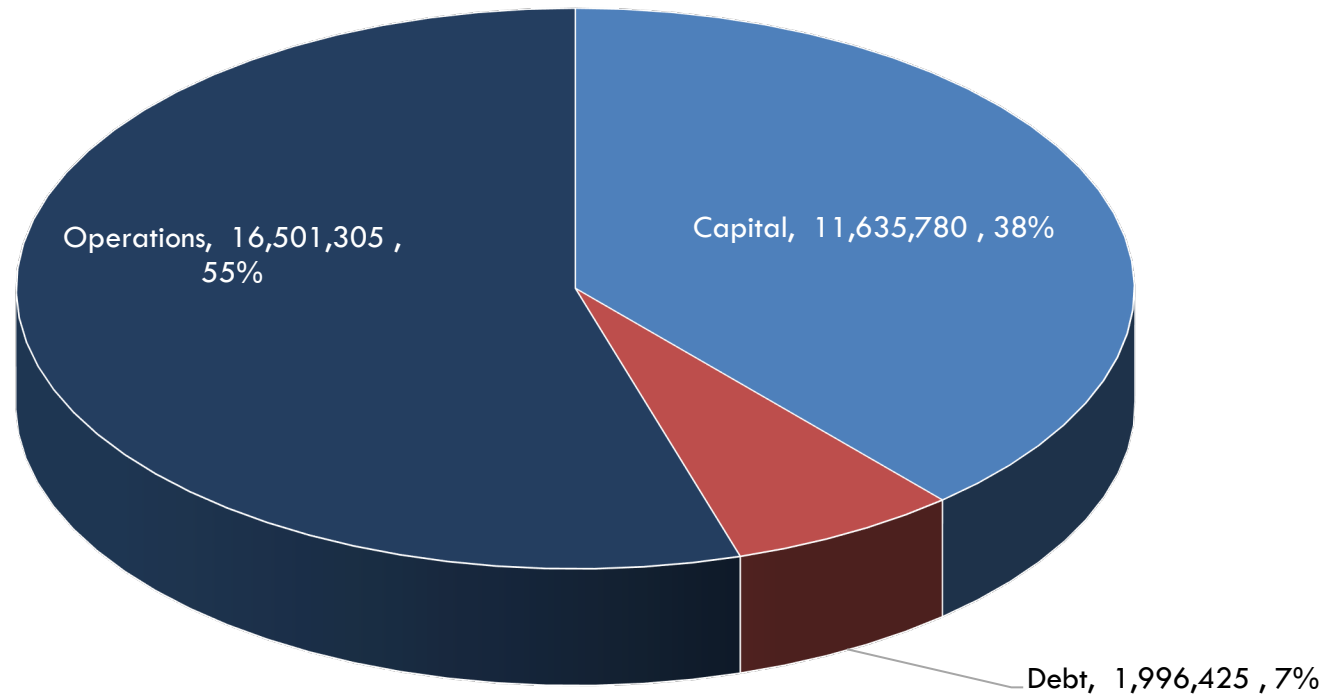
- **Misc. Revenues**

- Licenses - \$50,500
- Fines, Assessments - \$242,900
- Misc. - \$322,350
 - Interest Earnings
 - Income from Property Rentals



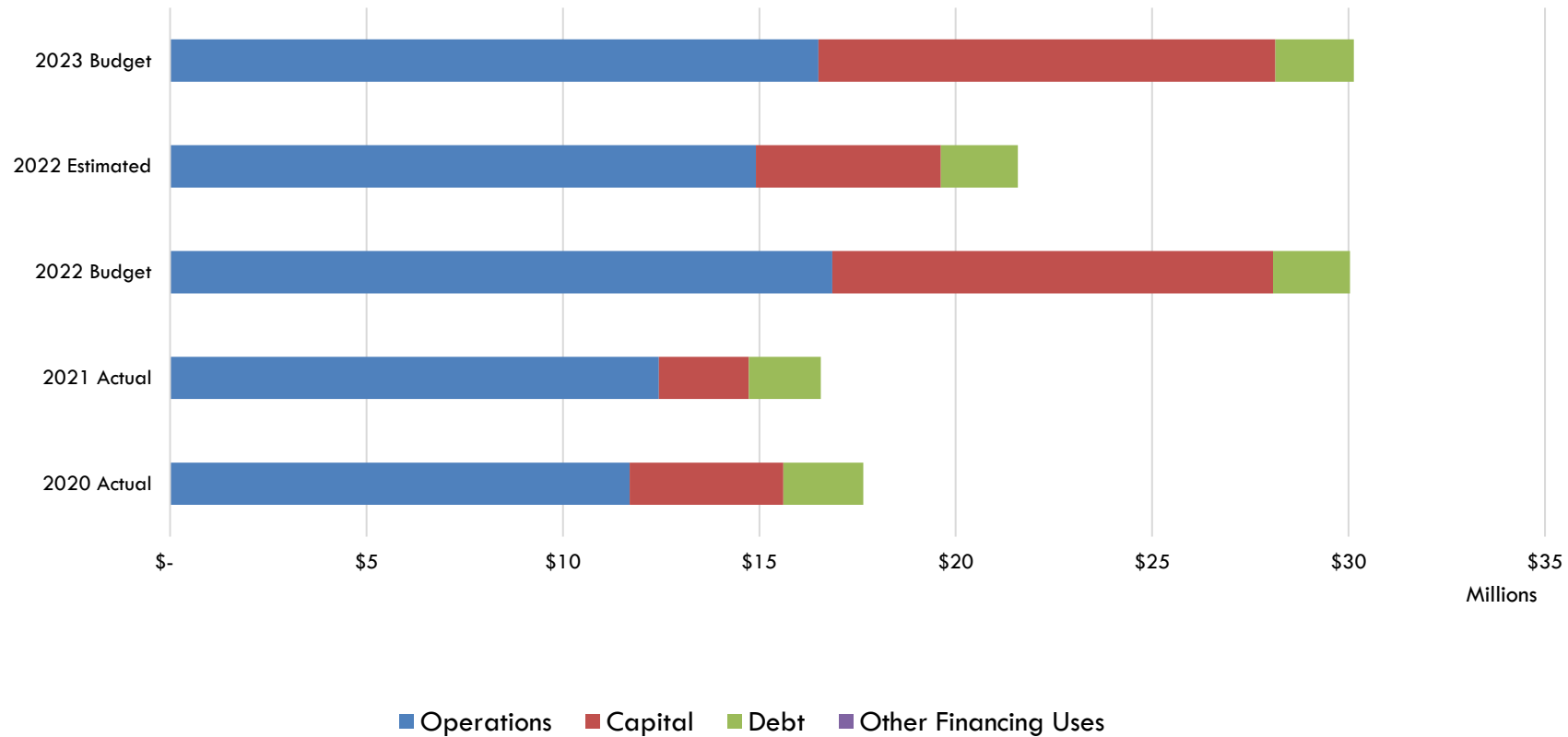
2023 Expenses – All Funds

2023 Expenses - Excluding Transfers - \$30 Million



2023 Expenses – All Funds

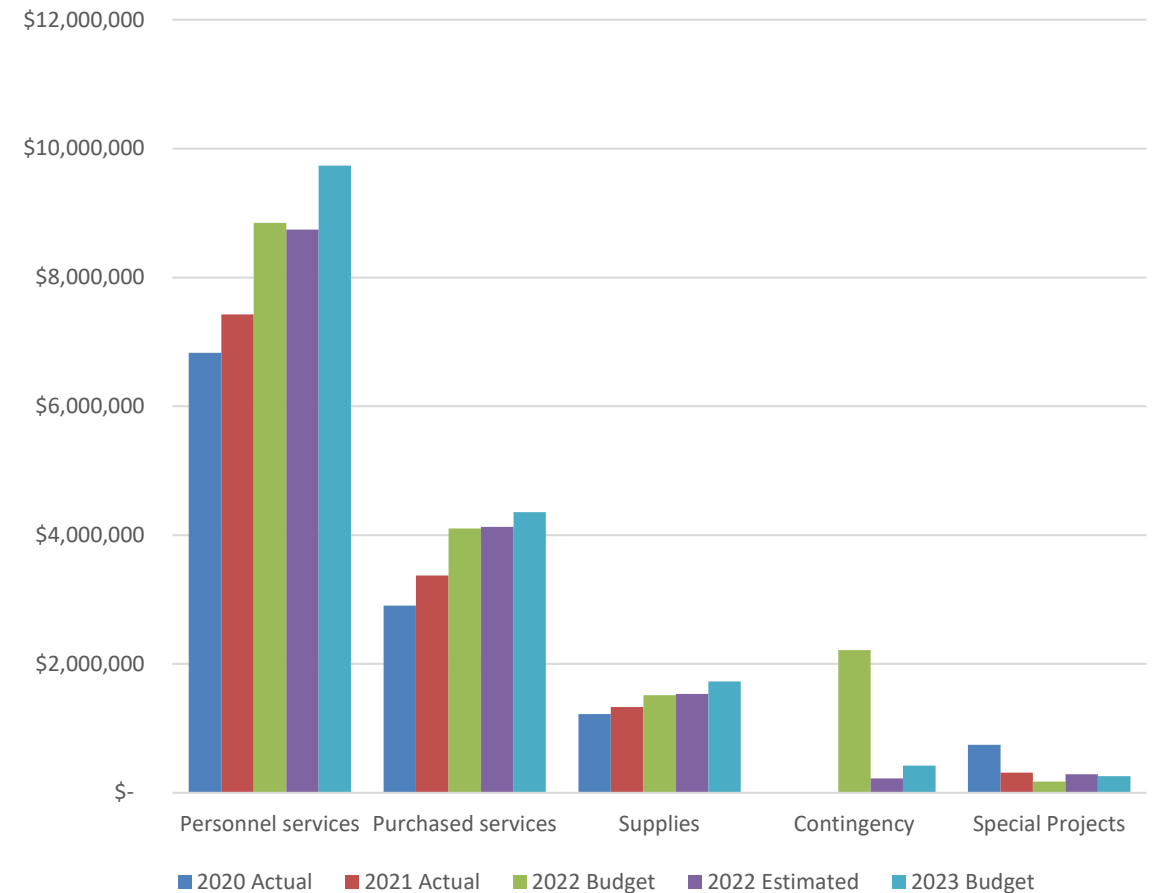
Expenses - All Funds
Excluding transfers



2023 Expenses

• Operating Expenses

- \$16.5 Million
 - Decrease of 2% when compared to 2022 Budget
 - Increase of 10% compared to 2022 Estimated Actuals





2023 Expenses

- **Operating Expenses**

- Includes –

- Personnel - \$9.7 Million

- Salary, Benefits, Fringe Benefits

- Purchased Services - \$4.4 Million

- Professional services such as engineering, auditing, legal fees.

- Trash collection services



2023 Expenses

- **Operating Expenses**

- Supplies - \$1.7 Million
 - Tools and equipment, electrical and gas services, etc.
- Special Projects - \$255,000
 - Transportation/Bus Services, Fireworks Display, non-recurring projects.
- Contingency - \$422,150



2023 Expenses

- **Capital Expenses - \$11.8 Million**
 - **Capital Equipment - \$856,630**
 - **Capital Projects - \$10.9 Million**
 - Many Projects and Equipment Carried Forward



2023 Capital Equipment

- New Equipment – \$477,430
- Replacement Equipment - \$379,200 (as part of the Capital Equipment Replacement Fund)
 - Summary can be found in All Funds Chapter of Budget Book.

CAPITAL EQUIPMENT			
Description			Budgeted Amount
Mobile Equipment			
CERF	110	Dump Truck	252,200
CERF	110	Truck 4 x 4 with Dump Bed	72,000
CERF	127	Building Maintenance Truck - Community Center	55,000
New	110	Engineering Truck	30,000
New	110	Tractor - Parks	47,000
New	110	Police Interceptor	55,000
<i>Subtotal Mobile Equipment</i>			511,200
Computer Equipment			
	110	Annual Computer Equipment - General Fund	30,230
	110	Computer Equipment - Police Department	13,500
	110	Computer Equipment - Building Inspections	5,000
<i>Subtotal Computer Equipment</i>			48,730
Furniture and Equipment			
	110	Water Meters	9,000
	110	Traffic Safety Trailer	10,000
	110	Printer - Administration	6,000
	110	Office Equipment - Police Department	4,000
	110	Tasers (3)	3,000
	127	Aquatics equipment	59,500
	127	Fitness equipment	27,800
	127	Building maintenance equipment	115,000
	211	Irrigation meters	2,400
	212	CCTV Computer and Inspection Software	45,000
	212	CCTV Utility Push Camera	15,000
<i>Subtotal Furniture and Equipment</i>			296,700
TOTAL CAPITAL EQUIPMENT			\$856,630

2023 Capital Projects

- **New Projects –**
 - \$5.5 Million
- **Reappropriated Projects –**
 - \$5.4 Million

CAPITAL PROJECTS		
Capital Projects		Budgeted Amount
110	Sidewalk Replacement	100,000
127	Water Slide - Indoor Pool	850,000
127	Building Maintenance Projects	135,000
130	Electric vehicle charging station	150,000
130	Mulberry Street outdoor seating	450,000
130	Broadband connections	738,000
130	16 Road Rail Crossing	390,000
130	Mesa Street Improvements	2,150,000
130	Overlay program	300,000
130	Fremont Street Land Acquisition	410,000
130	Maple Street Bridge Land Acquisition	100,000
130	19 Road Land Acquisition	400,000
130	Trails design	90,000
130	Reed Park improvements	950,000
130	Prospector Park Improvements	66,350
130	Dog Park	50,000
212	H2S Treatment System	1,200,000
212	Sewer Line Upgrades - H2S	900,000
212	S. Mesa Street Sewer Line Replacement	240,000
212	Aeration System Project	1,300,000
TOTAL CAPITAL PROJECTS		\$10,969,350

Summary of Funds Available



SUMMARY OF FUNDS AVAILABLE - 2023 BUDGET

	Estimated Beg Funds Available	Revenues	Expenditures	Change in Available Funds	Ending Funds Available	Capital
Governmental Fund Types						
General	\$15,482,531	\$ 11,743,125	\$ (13,616,710)	\$ (1,873,585)	\$13,608,946	\$2,916,430
Conservation Trust	499,013	160,100	(394,150)	(234,050)	264,963	394,150
Economic Dev	80,103	100,000	(10,000)	90,000	170,103	-
Marketing	283,497	162,000	(202,000)	(40,000)	243,497	-
Public Places	192,647	50,000	(120,000)	(70,000)	122,647	100,000
Community Center	3,789,668	3,569,200	(4,416,375)	(847,175)	2,942,493	1,242,300
Capital Projects	285,355	6,215,750	(6,244,350)	(28,600)	256,755	6,244,350
Debt Service	748,200	748,600	(748,600)	-	748,200	-
Subtotal	\$ 21,361,014	\$ 22,748,775	\$ (25,752,185)	\$ (3,003,410)	\$ 18,357,604	\$ 10,897,230
Enterprise & Internal Service Funds						
Devils Canyon	\$ 195,114	\$ -	\$ -	\$ -	\$ 195,114	\$ -
Irrigation Water	192,418	136,550	(136,550)	-	192,418	2,400
Sewer	6,125,155	7,127,000	(6,955,250)	171,750	6,296,905	3,700,000
Trash	177,316	1,076,000	(1,076,000)	-	177,316	-
Fleet Maintenance	19,843	412,400	(410,100)	2,300	22,143	-
Subtotal	6,709,846	\$ 8,751,950	\$ (8,577,900)	\$ 174,050	\$ 6,883,896	\$3,702,400
Total - All Fund Types	\$ 28,070,860	\$ 31,500,725	\$ (34,330,085)	\$ (2,829,360)	\$ 25,241,500	\$14,599,630

Questions?

- **Staff Recommendation –**
 - **Open Public Hearing, Accept Public Comment, Then Move To:**
 - **CONTINUE THE PUBLIC HEARING ON THE 2023 ANNUAL BUDGET UNTIL THE DECEMBER 6, 2022, CITY COUNCIL MEETING.**

Next Steps

- **December 6, 2022, Meeting**
 - Budget Adoption Includes Four Steps:
 - 1. Approve Fees and Charges for 2023**
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