

2026 Budget

Public Presentation and Hearing

November 19, 2025



2025-2027 Strategic Framework

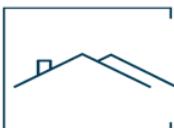
Guiding Principles:

- Maintain Long-Term Perspective
- Communicate with Clarity and Purpose
- Support Council and City Leadership Efforts to Increase Connection and Meaningful Engagement with the Community
- Foster Cross-Departmental Collaboration
- Utilize Innovation and Efficiency for Continuous Improvement

Strategic Pillars:



Core
Services



Housing



Fiscal
Policy &
Position



Government
Transparency &
Accountability



Government
Efficiency

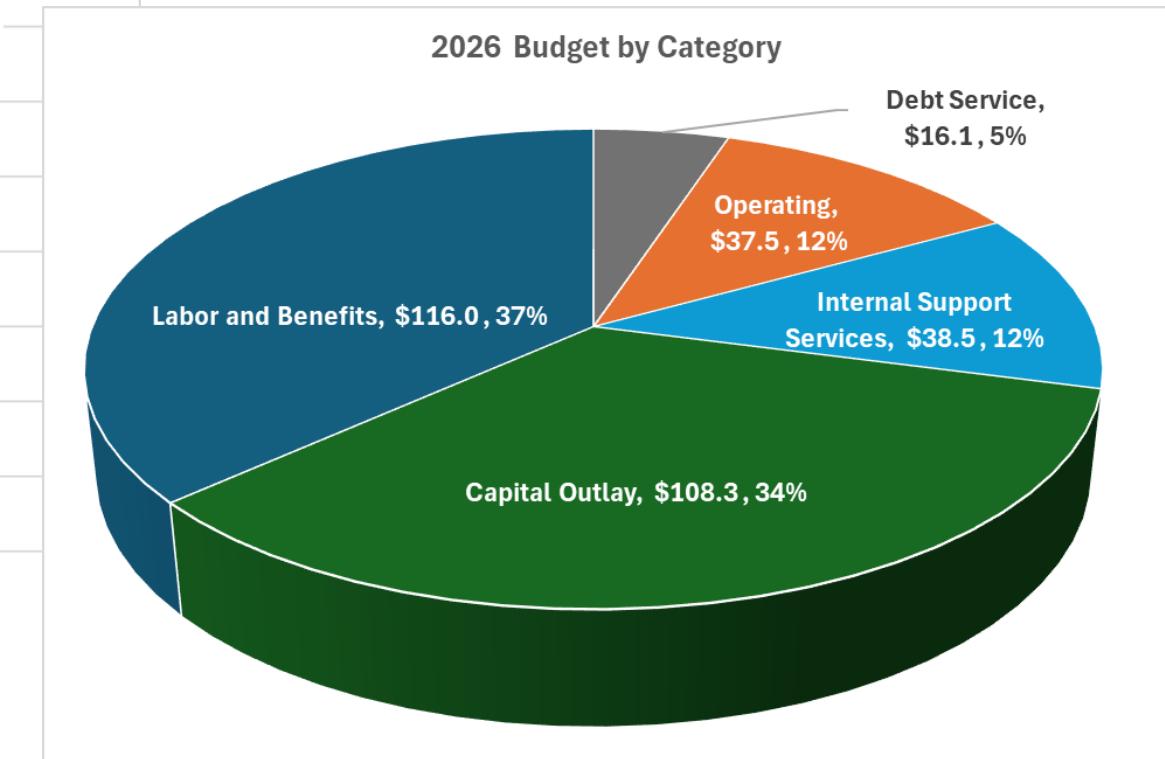
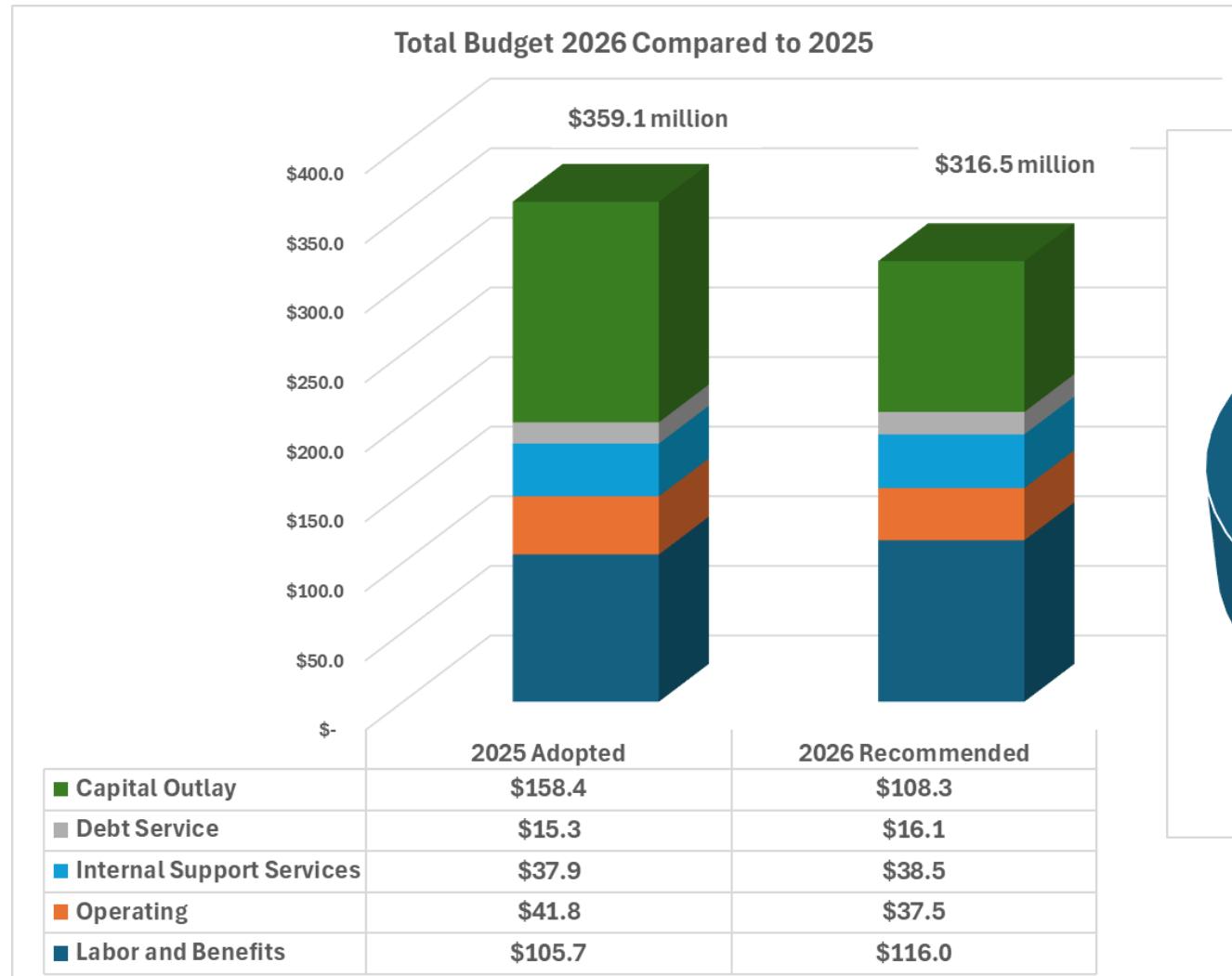
2026 Budget Principles

- Budget is the highest expression of the City Council's policies and decision making
- Guided by the five pillars of the City Council's Strategic Framework
- Charter requirement for the City Manager to prepare the annual budget
- Emphasizes operational & capital investments to maintain, strengthen core service infrastructure
- Ongoing investment in public safety personnel and equipment, ensuring the protection of our community remains a top priority.
- Recommended budget presented and discussed with City Council in two workshops

2026 Budget Highlights

- 2026 Total Budget is \$316.4 million
- Decrease from 2025 due to completion of major phase of capital projects
- Balanced budget with ongoing operations supported by recurring revenues
- Council directed use of General Fund Reserves for \$698,443 in support of attainable and available housing incentives, services for the unhoused, and additional \$30,000 for Arts & Culture Commission as directed at the November 19th budget hearing
- General Fund balance of \$46.7 million with \$29.3 million minimum reserve, \$1 million internal loans, leaving \$16.4 million available for future needs and one-time initiatives.

Overview of the 2026 Budget



Schedule for 2026 Budget Adoption

City Council Workshop-October 6th, 4pm to 8pm

 2026 Budget Presentation and Council Discussion

City Council Workshop-October 13th, 4pm to 8pm

 Budget follow up

City Council Meeting-November 5th, 5:30 pm

 Public Presentation, Appropriation Ordinance-First Reading and Public Hearing

City Council Meeting-November 19th

 Public Presentation, Appropriation Ordinance-2nd Reading and Public Hearing

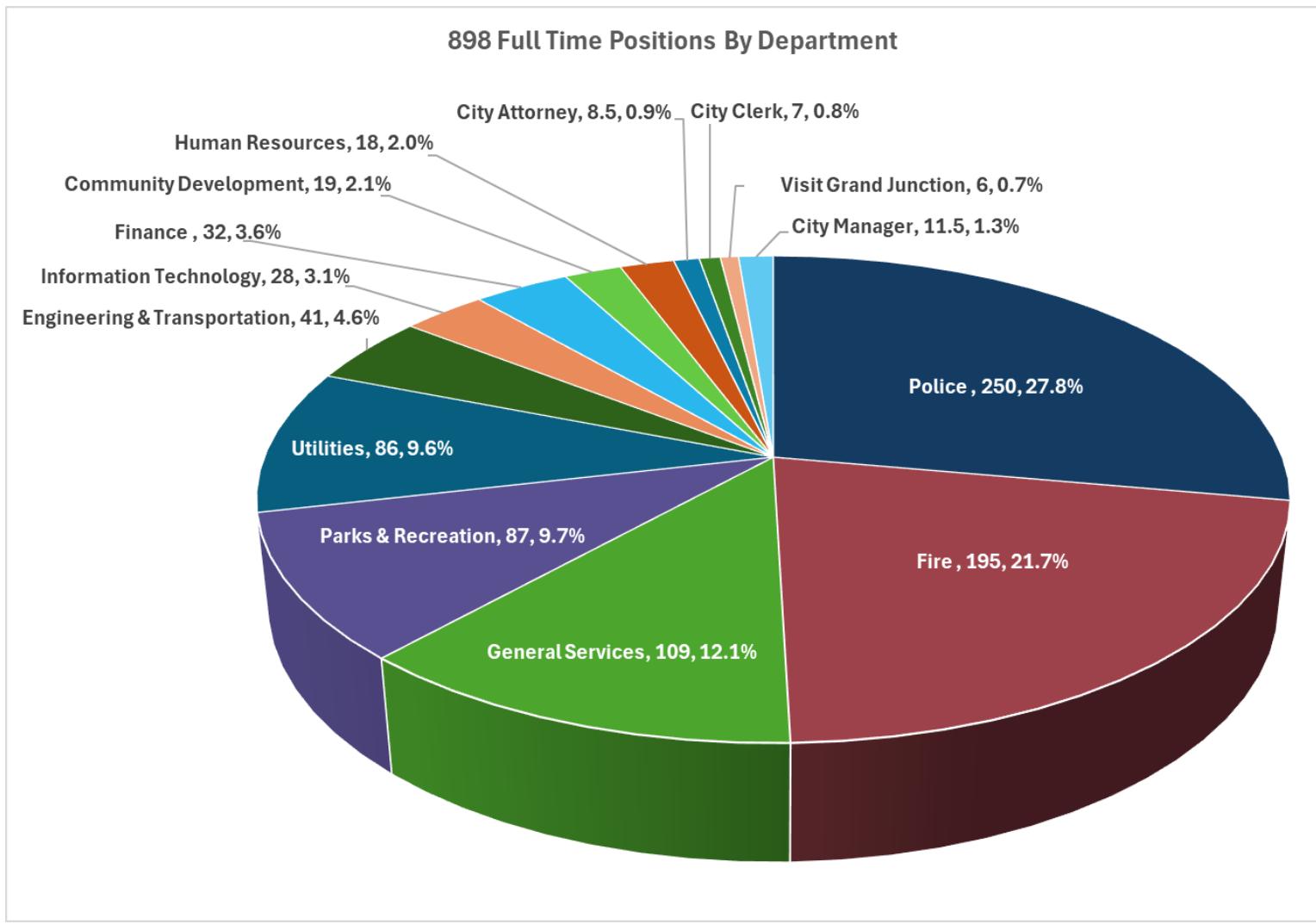
 Other Related Budget Actions; Mill Levy, Rate Resolutions, Business Improvement Districts, and
DDA TIF Share Resolution

Recommended Motion

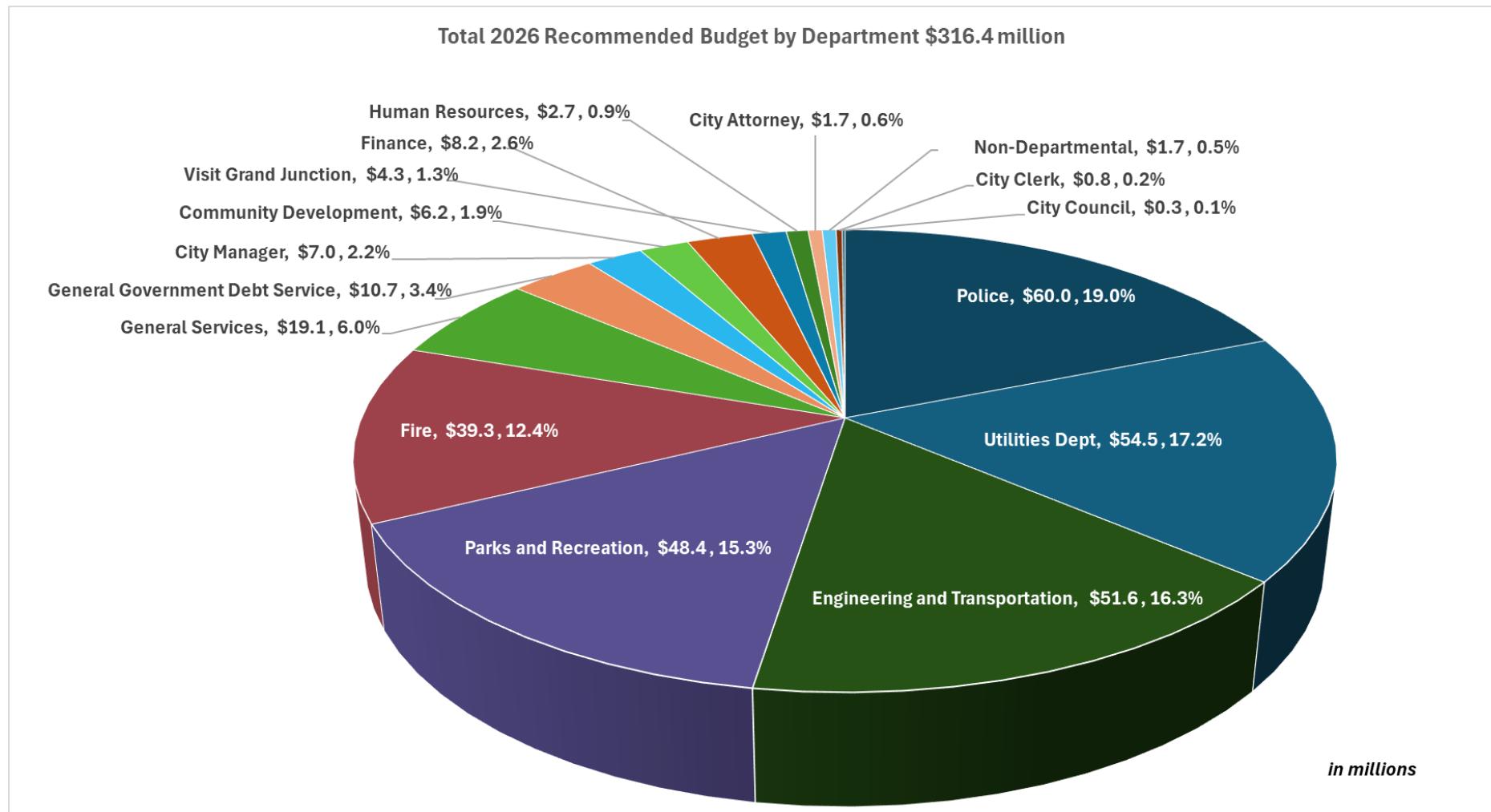
I move to adopt and approve on final passage and order final publication in pamphlet form **Ordinance 5286** appropriating certain sums of money to defray the necessary expenses and liabilities of the **City of Grand Junction** pursuant to Article VII of the **City Charter**, and to defray the necessary expenses and liabilities of the **Downtown Development Authority** for the year beginning January 1, 2026, and ending December 31, 2026. Together with the documentation of the proposed revenue and expenses prepared in support of the budget and appropriation ordinance, including and pursuant to Article VII, Paragraph 57 regarding the setting of the **City Manager's** salary with **Ordinance No. 5235** are incorporated by and made part of this ordinance by this reference as if fully set forth.



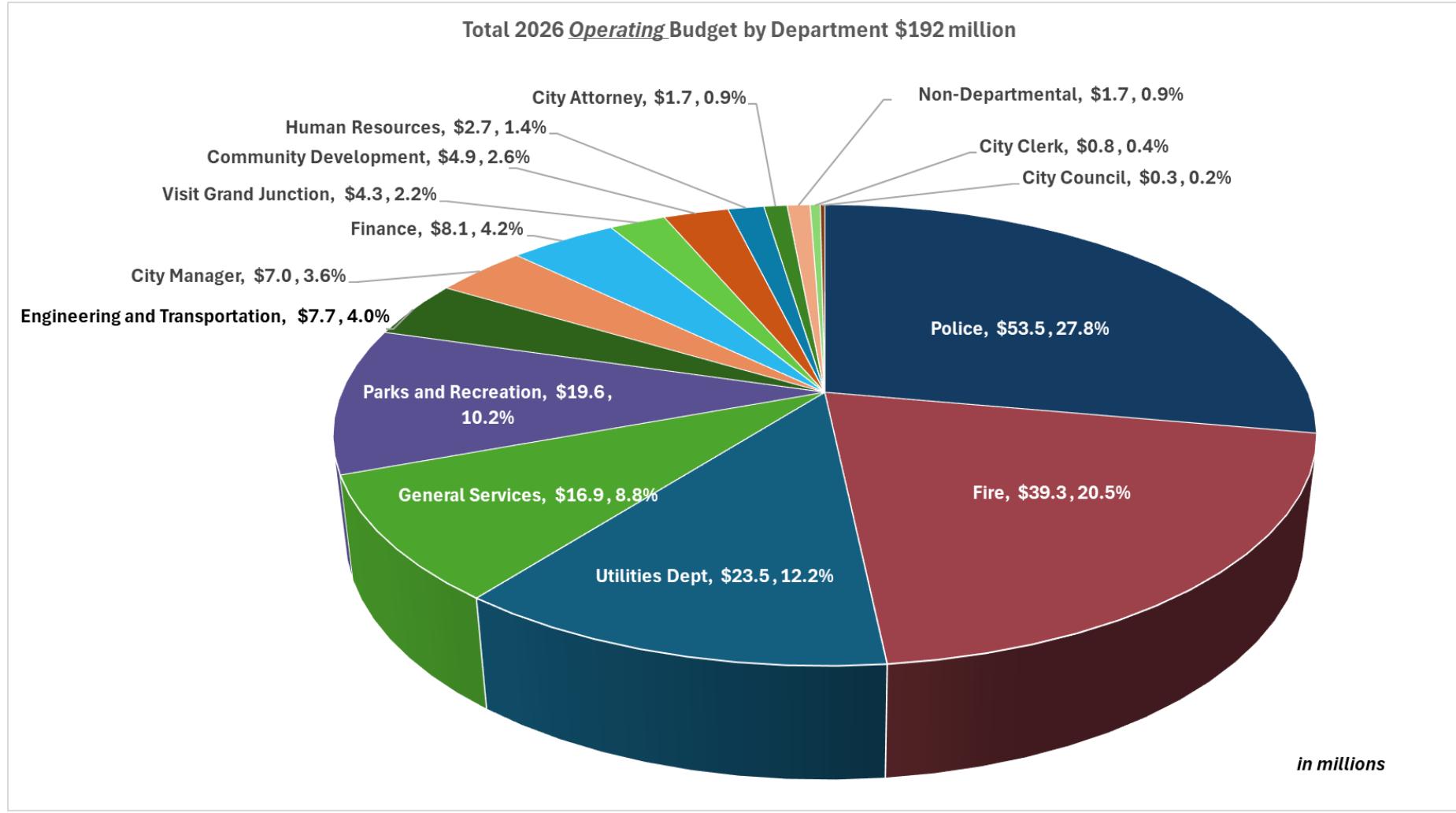
Overview of the 2026 Budget



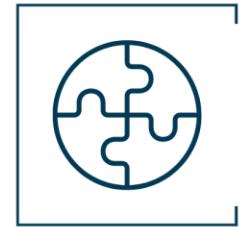
Overview of the 2026 Budget



Overview of the 2026 Budget



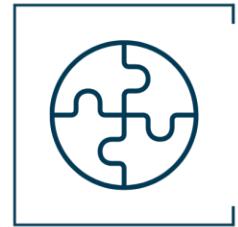
Core Services



Police Department

- 5 new police officers
- BearCat tactical vehicle
- Advanced Real-Time Information Center (ARTIC)
- Police annex and COP funding
- Communication Center upgrades

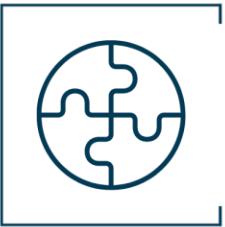
Core Services



Fire Department

- Community Paramedic Program-3 new Community Paramedics added to existing team
- 5 additional new positions: 3 Firefighter/EMTs, 1 Fire Inspector, 1 Battalion Chief
- Fire Academy with capacity for more positions filled
- Station 2 Dual Company (future)

Core Services



2026 Capital Program – Building and Maintaining

Category	Description	2026 Budget
Transportation (Maintenance & Safety)	Pavement preservation, sidewalk & traffic safety, street overlays	\$8.5 million
Parks & Recreation (Renewal & Upkeep)	Trails, playgrounds, irrigation, Canyon View and Lincoln Park repairs, water conservation projects	\$4.1 million
Facilities & Fleet (Operations Support)	Facility lifecycle replacements, HVAC and roofing upgrades, fleet and equipment renewals	\$7.3 million
Utilities (Water, Sewer, Storm, Irrigation)	Replacement of lines and tanks, pump and drainage improvements, treatment plant renewal projects	\$12.2 million
	Total – Core Infrastructure Maintenance & Renewal	\$32.1 million

Core Services



2026 Transition Year – Major One-Time Funded Projects

Project	Description	2026 Budget
Police Annex	Design facility to expand space for officers, equipment, and training	\$2 million
Sewer Plant Expansion & Admin Building	Modernizes treatment capacity for next 30 years	\$13.8 million
Community Recreation Center	Major construction continues through 2026; opens late year	\$25.7 million
Transportation Expansion	29 Road, Four Canyons Pkwy, D $\frac{1}{2}$ Road capacity projects	\$27.4 million
	Total Investment	\$68.9 million

Housing



- City focus – enabling production through policy and partnerships, not direct funding
- Updates - housing needs assessment, housing action plan (grant funded), CDBG 5 year plan
- Public-private partnerships – Salt Flats (324 units), Housing Resources of Western Colorado, Grand Junction Housing Authority, Habitat for Humanity
- Housing Affordability Code Task Force – streamline processes and eliminate regulatory barriers
- AI-assisted plan review pilot with Mesa County – faster, more predictable permitting

Housing



- ADU incentive program between \$125,000 and \$325,000 dependent on grant award
- Council authorized on October 13th use of General Fund reserves as needed:
 - \$1,383,833 for attainable and affordable housing
 - 203 units for 3 projects
 - Funded also with CDBG funds \$218,410 and \$757,184 released from GJHA Current project for impact fees now waived due to new Council impact fee incentive policy
 - \$450,000 services for unhoused individuals
 - \$250,000 for Hilltop & United Way
 - \$100,000 for Joseph Center
 - \$75,000 for Grand Valley Catholic Outreach (funded with \$13,847 in CDBG)

Fiscal Policy & Position



Economic Development Partners

- Colorado Mesa University
- Grand Junction Economic Partnership
- Business Incubator Center
- Grand Valley Transit
- Grand Junction Chamber, Industrial Development Inc.

DDA

- TIF share from sales tax and property tax \$1 million
- Contributions towards debt service for Las Colonias and GJ Convention Center \$954k

Recommended 2026 Economic Development Funding to Partners		
PARTNER/AGENCY	USE OF FUNDS	2026 RECOMMENDED
ECONOMIC DEVELOPMENT		
Business Incubator Center	Sponsorship for Incubator Program	\$ 53,600
CMU - Classroom Building (Reduces in 2026)	Building Commitment	500,000
CMU - Scholarships	Scholarship for Local SD51 Youth	-
Downtown Business Improvement District	Marketing Downtown GJ	15,269
Grand Junction Economic Partnership	Operational funding	40,000
Grand Valley Transit	Operations	923,040
ECONOMIC DEVELOPMENT FUNDING (From .75% Sales Tax)		\$ 1,531,909
ECONOMIC DEVELOPMENT PARTNERSHIP		
Business Incubator Center	Maker Space/Incubator Kitchen	\$ 83,000
Grand Junction Chamber of Commerce	Business Retention	46,000
Industrial Development Inc.	Incentives for Job Creation	98,000
Grand Junction Economic Partnership	Business Expansion	182,000
Grand Junction Economic Partnership	Incentives for Job Creation	98,000
Grand Junction Economic Partnership	Las Colonias Development Corp.	29,000
ECONOMIC PARTNERSHIP FUNDING (From Vendor Fee Cap)		\$ 536,000
TOTAL ECONOMIC DEVELOPMENT FUNDING		\$ 2,067,909

Fiscal Policy & Position



Eliminate Vendor's Fee

- Aligns with State and neighboring cities (Fruita, Palisade, Delta, Montrose)
- Most full-service municipalities have not allowed a vendor's fee for years
- Currently the average amount retained by local storefront businesses is \$53 per month; when eliminating the large storefront retailers the average is \$30 per month
- Result is it passes through all taxes paid by taxpayer and eliminates a benefit that disproportionately favors larger businesses

Tourism critical economic driver of the local economy

- Over 4700 jobs sustained by tourism
- Studies show up to 30% of sales tax revenues generated by visitors which decreases the cost of municipal services on residents

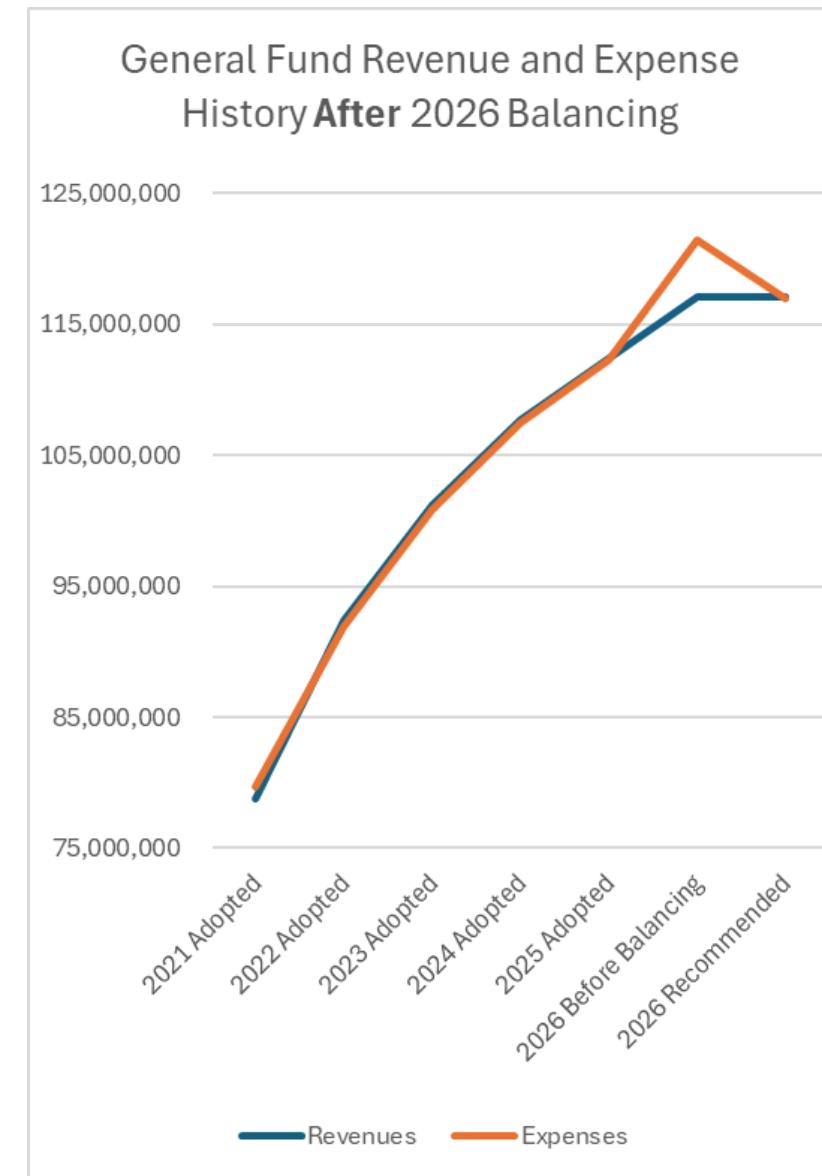
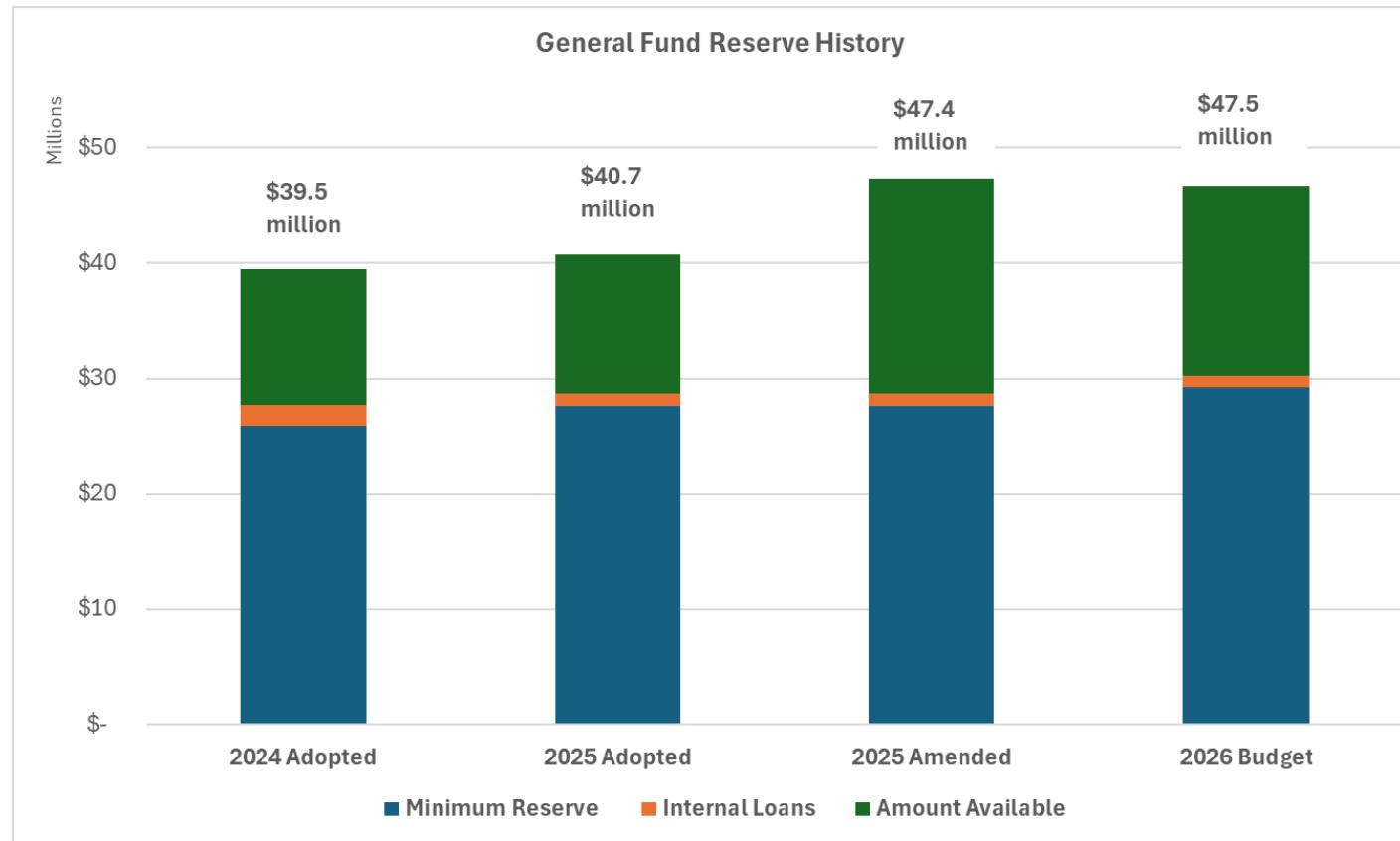
Fiscal Policy & Position



General Fund Reserve (fund balance)

- Council adopted resolution establishing a minimum reserve of 25% of operating expenses
- Can use minimum reserve up to 20% as long as it is replenished the following budget year
- General Fund balance has increased over the last few years due to frugal budget and spending practices (conservative revenues, careful allocation of expense budgets)
- However, the rate of increase in expenses has now outpaced growth of existing revenue sources

Fiscal Policy & Position



Government Transparency & Accountability



- Expanding community communication channels, including *Meet You There* events, newsletters, and project update dashboards
- Enhancing online engagement tools for residents to track projects and provide feedback
- Using analytics and engagement metrics to evaluate outreach effectiveness and public sentiment
- Strengthening open data and performance reporting for greater accountability

Government Efficiency



- Implementing a new E-ticketing system to streamline enforcement and reduce paperwork
- Consolidating communications functions across departments for consistent messaging and improved coordination
- Continuing fleet right-sizing and warehouse restructuring to reduce costs and efficiency
- Advancing process mapping and performance benchmarking to identify savings and improve customer service

Rates

- Rates set by Council through resolution
 - Increase in water and sewer rates based on rate studies and long-term financial plans
 - Monthly water rate increase from \$0.27 to \$2.62 depending on usage level
 - Monthly sewer rate increase for single family is \$3.31 per month
 - Golf rates set based on market
 - Rates increase from \$2 to \$5 per round
 - Cart rates increase \$1
 - Parking rates and fees set to sustain current operations only
 - Hourly rates increase from \$0.20 to \$0.30 per hour depending on 2- or 4-hour meter
 - Permit fees increase from \$5 to \$15 per month
 - Solid waste and recycling rates increase based on market and operational cost increases
 - Residential solid waste and recycling rates increase from \$1 to \$2 per month depending on container size and services



2025 ANNUAL BUDGET

CITY OF **Grand Junction** COLORADO



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Grand Junction
Colorado**

For the Fiscal Year Beginning

January 01, 2025

Christopher P. Morrell

Executive Director

**CITY OF
Grand Junction
COLORADO**