



# Town of Johnstown

## TOWN COUNCIL AGENDA COMMUNICATIONS

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<b>AGENDA DATE:</b>	November 7, 2022
<b>SUBJECT:</b>	Public Hearing: Proposed 2023 Budget
<b>ACTION PROPOSED:</b>	No Action – Public Hearing Only
<b>ATTACHMENTS:</b>	<ol style="list-style-type: none"><li>1. Exhibit A – FY 2023 Proposed Budget</li><li>2. Exhibit B – FY 2023 Proposed Changes</li><li>3. Presentation FY 2023 Proposed Budget</li></ol>
<b>PRESENTED BY:</b>	Devon McCarty, Interim Finance Director

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The Town of Johnstown Home Rule Charter, Section 12.5, and Colorado Revised Statutes 29-1-108(1) require that a public hearing be held at a regular meeting of the Town Council to give interested citizens an opportunity to file or register objections or suggestions thereto at any time prior to the adoption of the 2023 Budget.

The original proposed 2023 budget was presented to the Town Council on September 12, 2022 and September 26, 2022. The proposed budget that was originally presented to the Town Council has been amended to reflect Council suggestions, updates to revenue projections as well as other changes that better reflect the current and expected future financial position of the Town.

The 2023 Proposed Budget includes a number of important features including the continuation of core services provided by the Town, including police services, planning services, water, sewer, and storm utility services, parks and open space maintenance, cemetery maintenance, municipal courts, transportation networks, infrastructure, building and construction oversight, and various administrative duties including human resources, finance and administration.

In addition to the core services, a number of capital items that will produce significant outcomes for the community are also addressed in the budget. These improvements are a result of the Council goals and objectives and implementation of the various plans that have been developed

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with the Council, Staff and most importantly, the Community. Some of the more notable items that have been included in the budget are as follows:

- General Fund
  - Shared Emergency Management Coordinator
  - Johnstown Downtown Branding study completion
  - Loan to the water and sewer funds
  - Broadband technology (fiber) solutions
  - Design for Police Department building expansion
- Parks and Open Space Fund
  - Construction of the Little Thompson Trail project
  - Construction of pickleball courts
  - Construction of a dog park
  - Master plan for Letford Elementary School property
- Street and Alley Fund
  - Street maintenance program
  - Charlotte Avenue reconstruction/improvements
  - Signal at Carlson Blvd. and Highway 60
- Capital Projects Fund
  - I-25 and Highway 60 Interchange aesthetic improvements
  - Permanent Signage based on results from Downtown Branding Study
- Water Fund
  - Construction of the new Water Treatment Plant Expansion
  - Raw water trunk line
- Storm Water Fund
  - Charlotte Avenue improvements
  - MS4 permit plans and standards
- Sewer Fund
  - Low Point construction
  - North Interceptor construction

While service delivery is either maintained at a consistent level or improved, we expect expenditures to increase when measured across all funds. Managing this increase is only possible when revenues and existing fund balance exceed the project expenditures. Should revenues not come in as expected, it is possible that these expenditures could change and be decreased. As always, we will monitor these on a continuous basis for any abnormalities.

The budget parallels the methods of accounting used for the Town's funds. Modified accrual basis is used for all governmental fund operations. Proprietary and fiduciary funds use full accrual basis. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both

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measurable and available and expenditures are recorded when a liability is incurred except for debt service and compensated absences. Under the full accrual basis of accounting, revenues are recorded when earned and that expenditures are recorded when a liability is incurred without consideration of the timing of related cash flows. The basis of accounting used in the budget is the same basis of accounting used in the financial statements. The figures presented in the budget represent the estimated cash balances for the budget year 2023.

**LEGAL ADVICE:**

A public hearing is required per state and local law.

**FINANCIAL ADVICE :**

This public hearing will maintain our compliance with both state and local regulations.

**RECOMMENDED ACTION:** No action is necessary this is a public hearing.

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*Reviewed and Approved for Presentation,*



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Town Manager