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TOWN COUNCIL AGENDA COMMUNICATIONS

AGENDA DATE: December 2, 2024

SUBJECT: Resolution No. 2024-51 – Adopting and Appropriating the Budget for the Calendar Year 2025

ACTION PROPOSED: Approve Resolution No. 2024-51

ATTACHMENTS:

1. Resolution No. 2024-51
2. Exhibit A – 2025 Amended Proposed Budget
3. Capital Improvement Plan 2025 - 2034

PRESENTED BY: Mitzi McCoy, Deputy Town Manager

AGENDA ITEM DESCRIPTION:

The proposed 2025 Budget for the Town of Johnstown, Colorado was presented to Council at meetings held on September 30, 2024, and October 15, 2024. Public hearings regarding the proposed 2025 Budget were held by the Town Council on November 4, 2024, and November 18, 2024, where citizens were invited to file or register objections or suggestions thereto at any time prior to the adoption of the 2025 Budget.

The original proposed 2025 Budget presented in September was 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 amended document was made available to the public on the Town's website and at Town Hall prior to the public hearings. There have been no changes made to expenditures or revenues since the document was posted prior to the public hearing. The property tax revenues are based on preliminary certifications.

The budget document serves as the Town of Johnstown's roadmap, guiding operational decisions by addressing the Council's priorities and becoming a policy guide to strengthen our organizational values, goals, objectives, and service priorities in addition to providing a long-range plan that provides a sustainable framework for years to come. The 2025 Budget reinforces our commitment to financial stewardship, operational efficiency, strategic investments and effective change management.

The Community that Cares

The overall size of the Town budget has increased over the past few years as the Town adjusts its services to meet the expectation of a growing population, fund civic and infrastructure projects, and keep pace with inflation. The 2025 budget focuses on the continuation of high-quality customer service and core services such as public safety, infrastructure maintenance, public facilities, planning and development, parks, transportation networks, water, sewer and stormwater utility services, as well as continuing to build community partnerships to improve the quality of life for Johnstown residents, businesses and visitors alike.

Capital Projects

As the Town continues to grow, maintaining and improving our facilities and infrastructure is essential to maintaining readiness and the ability to provide essential services. Projects included in the 2025 budget span from extending water and sewer infrastructure, to expanding public facilities and buildings, to developing parks and trails, to improving storm drainage. By collaborating with community and corporate partners, the Town continues to progress.

A few of the major capital projects included in this spending plan are highlighted below:

- General Fund
 - Completion of the Police Department expansion project
 - Design of a new Senior Center
 - Construction of a Development Services building
 - Pond improvements
- Arts& Culture Fund
 - Art Project for community
- Parks and Open Space Fund
 - Trail development
 - Playground improvements
 - Completion of the Parks Master Plan
 - Pioneer Ridge irrigation replacement
 - Tree program
- Street and Alley Fund
 - Street maintenance program
 - Alley resurfacing program
 - Street improvements at SH60 and CR13
 - Roosevelt Roundabout construction
- Capital Projects Fund
 - EV charger installation
 - Alleyway improvements downtown
 - Park development
 - Historic improvements
 - LED signage
- Water Fund
 - Construction of the water treatment plant expansion
 - Installation of a raw water transmission line
- Storm Water Fund

- Maestas Street drainage improvements
- Stormwater Master Plan
- MS4 permit plans and standards
- Sewer Fund
 - Construction on Central Wastewater Treatment Plant
 - Infrastructure expansion

The primary goal across all funds is to maintain or enhance service delivery. Although it's been several years since the beginning of the pandemic, certain economic challenges persist, impacting both the daily operations of the Town and future planning efforts. Staying vigilant in monitoring economic conditions and their potential effects on the Town is crucial, as is safeguarding the Town's strong financial condition.

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 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 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 2025.

The Town of Johnstown Home Rule Charter, Section 12.7 requires that the Council adopt the budget for the next fiscal year by ordinance or resolution on or before the final day of the current fiscal year. However, state law requires the Town to adopt a budget prior to certifying the tax levy and the deadline for certifying the tax levy to county commissioners is December 15 (C.R.S. 39-5-128(1)).

Finally, included in the resolution is also approval of the 2025-2034 Capital Improvement Plan (CIP) for the Town of Johnstown. The CIP document contains information on how the Town plans to invest available resources into key infrastructure and facilities between 2025 and 2034. The plan provides a working blueprint for sustaining and improving the community's assets by coordinating strategic planning, financial capacity, and physical development. The goals of the CIP are to provide sustainable funding sources for essential capital needs; improve the resiliency of essential services; and save the Town money over the long runtime by not deferring necessary improvements.

The CIP is a living document and as such, it is reviewed and updated annually to reflect changing community needs, priorities and funding opportunities to ensure that the infrastructure exists to advance the strategic and long-term goals and objectives.

STRATEGIC PLAN ALIGNMENT:

- Organizational Excellence & Public Trust
 - *Strengthen public trust and confidence*

The Community that Cares

- *Engage, inform and involve the community*
- *Be an employer of choice that attracts dedicated team members, passionate about Johnstown*
- **Safe & Welcoming community**
 - *Provide and maintain public safety services and awareness in our community*
 - *Partner in creating more community based, community service and action opportunities*
 - *Create arts and culture opportunities that connect the community*
 - *Grow an open, inclusive environment where all residents have the opportunity to flourish*
- **Healthy & Resilient Economy**
 - *Invest in the development of a vibrant and interconnected downtown*
 - *Drive projects and initiatives that promote Johnstown as a premier destination for business*
 - *Cultivate local and regional partnerships that ensure the long-term success and growth of Northern Colorado*
 - *Support the local labor market and work with partners to grow diverse employment opportunities*
- **Natural & Built Environment**
 - *Invest in, enhance, and conserve our parks, open spaces, agricultural areas and natural environment*
 - *Expect and encourage community centered design*
 - *Support a broad range of housing options*
- **Quality Infrastructure & Facilities**
 - *Establish and maintain levels of service*
 - *Ensure future viability of infrastructure and facilities*
 - *Repair and maintain existing infrastructure, facilities and equipment*

LEGAL ADVICE:

The Resolution presented has been reviewed and approved by the Town Attorney.

FINANCIAL ADVICE:

The budget document outlines the financial condition of the Town, covering revenues, expenditures, activities, purposes and goals. It serves as the foundation for our operations and guides us in our pursuit of excellence for the community while operating within the parameters it establishes.

The Community that Cares

RECOMMENDED ACTION: Staff recommends approval of Resolution 2024-51, A Resolution of Johnstown, Colorado, Summarizing Expenditures and Revenues for Each Fund and Adopting and Appropriating the Budget for the Calendar Year 2025.

SUGGESTED MOTIONS:

For Approval:

I move to approve Resolution 2024-51, A Resolution of Johnstown, Colorado, Summarizing Expenditures and Revenues for Each Fund and Adopting and Appropriating the Budget for the Calendar Year 2025.

For Denial:

I move to deny Resolution 2024-51, A Resolution of Johnstown, Colorado, Summarizing Expenditures and Revenues for Each Fund and Adopting and Appropriating the Budget for the Calendar Year 2025.

Reviewed and Approved for Presentation,



Town Manager