

TOWN COUNCIL
SPECIAL MEETING
PACKET

December 9, 2019



**Town Council
Special Meeting**



**Agenda
Monday, December 9, 2019
Town Hall, Council Chambers
450 So. Parish Avenue
7:00 PM**

MISSION STATEMENT—*The mission of the government of the Town of Johnstown is to provide leadership based upon trust and integrity, commitment directed toward responsive service delivery, and vision for enhancing the quality of life in our community.*

Members of the audience are invited to speak at the Council meeting. Public Comment (item No. 5) is reserved for citizen comments on items not contained on the printed agenda. Citizen comments are limited to three (3) minutes per speaker. When several people wish to speak on the same position on a given item, they are requested to select a spokesperson to state that position. If you wish to speak at the Town Council meeting, please fill out a sign-up sheet and present it to the Town Clerk.

1) CALL TO ORDER

A) Pledge of Allegiance

2) ROLL CALL

3) AGENDA APPROVAL

4) NEW BUSINESS

- A. Consider Resolution No. 2019-28, A Resolution of Johnstown, Colorado, Summarizing Expenditures and Revenues for Each Fund and Adopting and Appropriating the Budget for the Calendar Year 2020
- B. Consider Resolution No. 2019-29, A Resolution Levying General Property Taxes for the Year 2020, To Help Defray the Cost Government for the Town of Johnstown, Colorado, for the 2020 Budget Year

5) ADJOURN



NOTICE OF ACCOMODATION

If you need special assistance to participate in the meeting, please contact the Town Clerk at (970) 587-4664. Notification at least 72 hours prior to the meeting will enable the Town to make reasonable arrangements to ensure accessibility to the meeting.

AGENDA ITEM 4A

Resolution 2019-28

TOWN COUNCIL AGENDA COMMUNICATION

AGENDA DATE: December 09, 2019

ITEM NUMBER: 4A

SUBJECT: Resolution No. 2019-28, A Resolution of Johnstown, Colorado, Summarizing Expenditures and Revenues for Each Fund and Adopting and Appropriating the Budget for the Calendar Year 2020

ACTION PROPOSED: Approve Resolution No. 2019-28

PRESENTED BY: Mitzi McCoy, Finance Director

AGENDA ITEM DESCRIPTION:

The proposed 2020 Budget for the Town of Johnstown, Colorado was originally presented to the Council at meetings held on September 9, 2019 and September 23, 2019. Public hearings regarding the 2020 Proposed Budget were held by the Town Council at the regular Council meetings on November 4, 2019 and November 18, 2019, where citizens were invited to file or register objections or suggestions thereto at any time prior to the adoption of the 2020 Budget.

The original proposed 2020 Budget that was presented in September was amended to reflect Council suggestions and a more conservative approach was taken with regard to property tax revenue projections for Larimer County. The amended 2020 Budget document was made available for public inspection on the Town of Johnstown website and at Town Hall prior to the first public hearing on November 4, 2019. No changes have been made to expenditures or revenues. There have been updates made to the estimated beginning fund balances, for the General Fund, Water Fund, Sewer Fund and Capital Projects Fund to reflect the most recent budget amendment approved by Council on December 2, 2019.

The amended 2020 Proposed Budget for the Town of Johnstown, Colorado includes a number of important features and objectives to be achieved. As the budget was developed, the initial focus was to continue to provide the core services expected and delivered by the Town of Johnstown. Those core services include police services, planning services, water, sewer, and storm water utilities, parks and open space maintenance, cemetery maintenance, municipal court, transportation networks and associated infrastructure, building and construction oversight, and various administrative duties including finance, human resources and administration.

As part of the budget development, the priorities and core functions of the Town were reviewed to ensure services and delivery of those services were either maintained or an enhancement of the existing services currently provided to the community. Some elements of the review included an evaluation of the procedures and processes in place while others required an evaluation of capital outlays and improvement needs. As a result, we do not anticipate any reduction or elimination of any of the high-quality services or programs provided to the Community. A number of capital items are included in the budget that will produce significant outcomes for the community. These improvements are a result of Council goals and objectives and the implementation of various plans

that have been developed in concert with the Council, Staff and most importantly, the Community. Some of the more notable items that have been included in the budget include:

- General Fund
 - o Implementation of Trak-It Community Development software
 - o HVAC Repairs for Senior Center
 - o Parking lot sealing at Town Hall and the public lot downtown
- Street and Alley Fund
 - o Reconstruction of Estes between N. 1st and N 2nd
 - o Purchase of backhoe
 - o Purchase of a street sweeper
 - o Paving a section of WCR 50
 - o Partnering with CDOT on I-25 improvements
- Conservation Trust Fund
 - o Pour in place for Parish Park
- Water Fund
 - o Media replacement at water plant
 - o South water tower project
 - o SCADA installation
 - o New motors for the pump house
 - o Fence for Lonetree
- Storm Water Fund
 - o Curb and gutter work at Estes and N. 1st
 - o Trickle channel at Aragon Park
 - o Storm drains – Greeley area
- Sewer Fund
 - o Design and installation of a gravity line to Central
 - o Manhole rehabilitation
 - o Replace chemical lines
 - o New mixing pumps at Low Point
 - o New sludge pad and wet well
 - o Chemical tank insulation and recirculate fans
- Parks and Open Space Fund
 - o Trails – Little Thompson and Hays Park
 - o Trails – Design work and construction on Big Thompson
 - o Cemetery – Construction of a columbarium
 - o Installation of a new pump at the lake pump house
- Recreation Center Fund
 - o Construction completion of the Recreation Center

When 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 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 2020.

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)).

LEGAL ADVICE:

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

FINANCIAL ADVICE:

The budget document refers to the financial condition of the Town including revenues, expenditures, activities, purposes and goals. The budget document will be the basis by which we operate and strive to achieve greatness for the Community while operating within the parameters set by the budget document.

RECOMMENDED ACTION:

SUGGESTED MOTIONS:

For Approval:

I move to approve Resolution 2019-28, A Resolution of Johnstown, Colorado, Summarizing Expenditures and Revenues for Each Fund and Adopting and Appropriating the Budget for the Calendar Year 2020.

For Denial:

I move that we deny Resolution 2019-28, A Resolution of Johnstown, Colorado, Summarizing Expenditures and Revenues for Each Fund and Adopting and Appropriating the Budget for the Calendar Year 2020.

Reviewed and Approved for Presentation:

Town Manager

TOWN OF JOHNSTOWN, COLORADO

RESOLUTION 2019-28

A RESOLUTION OF JOHNSTOWN, COLORADO, SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING AND APPROPRIATING THE BUDGET FOR THE CALENDAR YEAR 2020.

WHEREAS, on September 9, 2019 the Town Council of the Town of Johnstown has received from the Town Manager a proposed 2020 budget for its consideration, and;

WHEREAS, upon due and proper notice, published and posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, public hearings were held on November 4, 2020, and November 18, 2020, and interested taxpayers were given the opportunity to file or register any objections to said budget, and;

WHEREAS, the Town Council has modified the proposed budget and now wishes to appropriate revenues and expenditures for the 2020 budget insuring that the budget remains in balance, as required by law, and;

WHEREAS, the Town Council considered all objections of the electors and other relevant factors concerning the budget, and;

WHEREAS, the Town Council is required by law to adopt an annual budget on or before the final day of the current fiscal year;

NOW, THEREFORE, BE IT RESOLVED BY THE Town Council of the Town of Johnstown, Colorado:

Section 1. That the budget as submitted, amended, and hereinbelow summarized by fund, hereby is approved, and adopted, as the budget of the Town of Johnstown for the year stated above.

Section 2. That the budget hereby approved and adopted shall be signed by the Mayor and Town Clerk and made a part of the Public Records of the Town of Johnstown.

Section 3. The following sums are hereby appropriated from the revenue and fund balance of each fund, to each fund, for the purposes stated in the budget document.

Fund	<u>Beginning Cash Est.</u>	<u>Revenues</u>	<u>Transfers In</u>	<u>Expenditures</u>	<u>Transfers Out</u>	<u>Ending Est. Cash</u>
General	35,143,373	14,149,480	0	7,135,480	14,097,660	28,059,713
Conservation Trust	0	84,900	0	75,000	0	9,900
Parks & Open Space	5,544,616	675,517	220,000	1,186,750	0	5,253,383
Street & Alley	8,463,136	3,705,650	2,000,000	10,968,550	0	3,200,236
Capital Projects	10,124,058	529,000	0	2,479,700	15,000	8,158,358
Tax Allocation	5,555	100	490,000	490,000	0	5,655
Water	17,994,830	5,692,625	0	9,518,470	100,000	14,068,985
Sewer	7,598,987	3,692,000	10,000,000	13,185,370	100,000	8,005,617
Drainage	3,342,074	510,200	0	984,000	20,000	2,848,274
Cemetery Perpetual	125,195	1,003	0	0	0	126,198
Library	3,491,367	857,216	1,022,660	1,589,915	0	3,781,328
Recreation Center	12,000,000	0	600,000	12,500,000	0	100,000

Section 4. Effective Date. This resolution shall become effective immediately upon adoption.

Section 5. Repealer. All resolutions, or parts thereof, in conflict with this resolution are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such resolution nor revive any resolution thereby.

Section 6. Certification. The Town Clerk shall certify to the passage of this resolution and make not less than one copy of the adopted resolution available for inspection by the public during regular business hours.

ADOPTED THIS 9th DAY OF DECEMBER, 2019.

TOWN OF JOHNSTOWN

BY: _____
Gary Lebsack, Mayor

ATTEST:

Diana Seele, Town Clerk

AGENDA ITEM 4B

Resolution No. 2019-29

TOWN COUNCIL AGENDA COMMUNICATION

AGENDA DATE: December 09, 2019

ITEM NUMBER: 4B

SUBJECT: Resolution No. 2019-29, A Resolution Levying General Property Taxes for the Year 2020, To Help Defray the Cost of Government for the Town of Johnstown, Colorado, for the 2020 Budget Year.

ACTION PROPOSED: Approve Resolution No. 2019-29

ATTACHMENTS: 1. Certification of Tax Levies for Weld and Larimer Counties

PRESENTED BY: Mitzi McCoy, Finance Director

AGENDA ITEM DESCRIPTION:

The purpose of the attached resolution is to set the mill levy for General Fund operations. The mill levy must be certified to Weld and Larimer Counties by December 15th of each year. Since the 15th falls on a Sunday this year, the deadline for submittal is 5:00pm on December 13th.

In recent years the Town of Johnstown has maintained the mill levy at 22.147 mills for the Town and 1.8 mills for the Library, for a total of 23.947 mills, in order to preserve the opportunity to collect property tax revenue for operations in the General Fund. For the upcoming 2020 budget year, an increase in valuations in both counties will result in an increase in revenues. In Weld County, the increase in assessed valuation totaled \$15,222,740. The growth in valuation for Weld County is detailed by category below:

Assessed Values	2018	2019	Growth in 2019	% Growth in 2019
Vacant Land	1,808,760	2,182,090	373,330	20.64%
Residential	86,346,150	101,169,990	14,823,840	17.17%
Commercial	18,238,470	23,537,430	5,298,960	29.05%
Industrial	13,326,510	15,054,250	1,727,740	12.96%
Agricultural	926,910	795,290	-131,620	-14.20%
Oil & Gas	23,939,800	16,666,540	-7,273,260	-30.38%
State Assessed	5,126,290	5,530,040	403,750	7.88%
Exempt	10,181,040	10,966,610	785,570	7.72%

The increase in assessed valuation for Larimer County was substantially higher than that of Weld County with it coming in at \$123,348,118. The growth in valuation for Larimer County is detailed by category below:

Assessed Values	2018	2019	Growth in 2019	% Growth in 2019
Vacant Land	5,748,073	7,039,847	1,291,774	22.47%
Residential	32,894,393	41,018,768	8,124,375	24.70%
Commercial	59,877,926	74,158,676	14,280,750	23.85%
Industrial	3,875,293	4,788,419	913,126	23.56%
Agricultural	467,247	435,558	-31,689	-6.78%
Oil & Gas	13,480,069	112,162,372	98,682,303	732.06%
State Assessed	4,037	4,037	0	0.00%
Exempt	575,511	611,890	36,379	6.32%

The total net taxable assessed valuations for both counties combined increased from \$278,657,958 in 2018 to \$416,121,807 in 2019.

LEGAL ADVICE:

Resolution was reviewed by legal counsel.

FINANCIAL ADVICE:

N/A.

RECOMMENDED ACTION:

SUGGESTED MOTIONS:

For Approval:

I move to approve Resolution 2019-29, A Resolution Levying General Property Taxes for the Year 2020, to Help Defray the Cost of Government for the Town of Johnstown, Colorado, for the 2020 Budget Year.

For Denial:

I move that we deny Resolution 2019-29, A Resolution Levying General Property Taxes for the Year 2020, to Help Defray the Cost of Government for the Town of Johnstown, Colorado, for the 2020 Budget Year.

Reviewed and Approved for Presentation:

Town Manager

TOWN OF JOHNSTOWN, COLORADO

RESOLUTION 2019-29

A RESOLUTION LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2020, TO HELP DEFRAY THE COST OF GOVERNMENT FOR THE TOWN OF JOHNSTOWN, COLORADO, FOR THE 2020 BUDGET YEAR.

WHEREAS, the Town Council of the Town of Johnstown has adopted the annual budget in accordance with the Local Government Budget Law, on December 9, 2019, and;

WHEREAS, the amount of money necessary to balance the budget for the general operating purposes is \$8,959,420 and;

WHEREAS, the amount of money necessary to balance the budget for the library operating purposes is \$728,177 and;

WHEREAS, the 2019 net valuation for assessment for the Town of Johnstown as certified by the Weld County Assessor is \$164,935,630;

WHEREAS, the 2019 net valuation for assessment for the Town of Johnstown as certified by the Larimer County Assessor is \$239,607,677;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF JOHNSTOWN, COLORADO;

Section 1. That for the purpose of meeting all general operating expenses of the Town of Johnstown during the 2020 budget year, there is hereby levied a tax of 23.947 mills, upon each dollar of the total valuation of assessment of all taxable property within the Town for the year 2019.

Section 2. That the Finance Director is hereby authorized and directed to immediately certify to the County Commissioners of Weld County and Larimer County, Colorado, the mill levies for the Town of Johnstown as hereinabove determined and set.

ADOPTED THIS 9th day of December, 2019.

TOWN OF JOHNSTOWN

BY: _____
Gary Lebsack, Mayor

ATTEST:

Diana Seele, Town Clerk