

2025 Proposed Budget Presentation

September 2, 2024



2025 Budget Topics



- 2025 Budget Overview
- Capital Improvement Program

2025 PROPOSED BUDGET CHALLENGES

- Revenue Uncertainty
 - Sales tax growth declining with inflation slowing and Costco in its 2nd year of operation
 - An ever-changing landscape for property tax appraisal rates
 - Impacts of SB23B-001, SB24-233 and now HB24B-1001
 - Initiatives 50 & 108
 - Declines in gas & cable franchise revenue & court revenues
- Employment
 - Increases in market pay, particularly in public safety
 - Increased benefit cost for sworn CBA personnel
- Providing resources necessary to meet the rising demand for existing services

Key concepts coming into the budget

- With property tax uncertainty, the budget as proposed will need to be amended before adopting, and it is highly likely it may need to be amended again in November due to impacts of 2024 legislation:
 1. August preliminary AV's add \$2.68 million
 2. Impacts of 2024 legislation appear to be in 2026

2025 PROPOSED BUDGET HIGHLIGHTS

- It is a balanced budget with no tax rate increases.
- Total operating budget including all funds:
 - \$469.67 million
 - \$25.72 million more than 2024 adopted budget of \$443.95 million
 - 5.79% increase over 2024 adopted budget

2025 PROPOSED BUDGET HIGHLIGHTS cont.

- All funds are balanced with sources of revenue identified to meet all projected expenses.
- The proposed budget includes an average 6.8% increase in electric rates, and an average 10% increase in sewer rates, both previously adopted by the City Council.

2025 PROPOSED BUDGET HIGHLIGHTS cont.

- Approximately \$31.48 million in accumulated fund balances will be drawn down in 2025, primarily to meet capital improvement needs.
- Significant capital projects being funded through accumulated fund balance include:
 - Water Distribution Rehab & Imp – Water Fund - \$8.9 million
 - Asphalt Pavement Mgt Program - Street Fund – \$9.97 million
 - Aid to Construction - Electric Utility – \$3.9 million
 - Storm Drainage Rehab & Imp – Storm Drainage Fund – \$1.8 million
 - S&J Rehabilitation – Public Improvement Fund -\$1.2 million

2025 PROPOSED BUDGET HIGHLIGHTS

- Staff currently projects 2024 sales and use tax growth at 3.42% over 2023 collections.
- The 2025 budget projects sales and use tax at 3.08% above 2024 projected sales & use tax.
- Sales & use tax in the 2025 budget is \$5.24m greater than in the 2024 budget; \$2.51m greater in the General Fund.
- The 2025 budget currently projects a \$2.8m decrease in property tax revenue from the 2024 budget – no change in ongoing revenue as \$2.8m was used for one time expense in 2024. As indicated, \$2.68m can be added back based on August AV's.

2025 PROPOSED BUDGET HIGHLIGHTS cont.

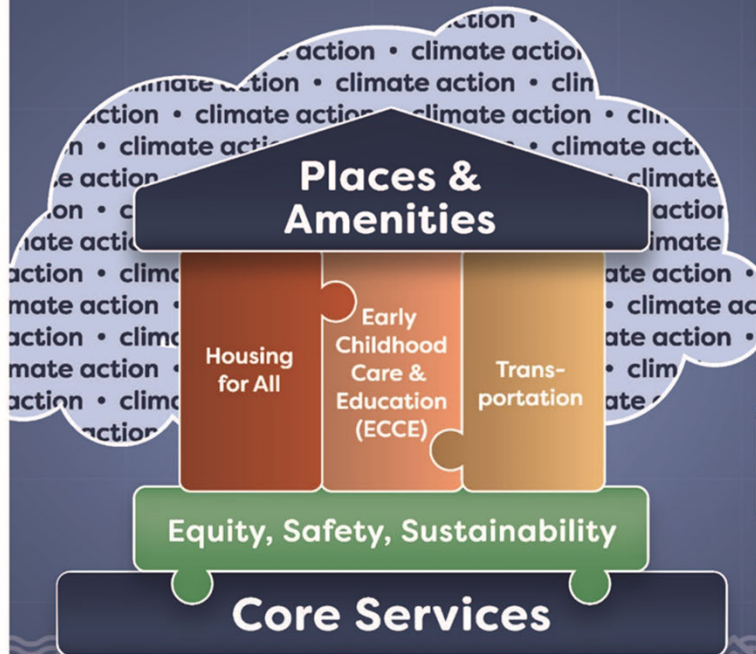
- The proposed General Fund budget for 2025 is \$127.07 million, an increase of 5.3% or \$6.35 million.
- Ongoing expenses in the proposed General Fund budget increase from \$112.9 million in 2024 to \$119.0 million in 2025.
- One-time expenses increase from \$7,739,170 in 2024 to \$8,066,546 in 2025.
- A major portion of the one-time expense for 2025 is \$2.2 million for Public Safety Retiree Health benefits.
- \$1.2m of one-time expense is for the Police Take Home car program

2025 PROPOSED BUDGET HIGHLIGHTS cont.

- There is a 3.0% minimum increase in pay ranges in the proposed budget.
- Police CBA sworn employee increases from 9.66% to 14.28%
- Fire CBA sworn employee increases at 8.98% to 16.45%
- Open range employee compensation budgeted at 100% of market.
- Step increases for step employees
- Exceptional pay for employees who meet criteria in delivering extraordinary performance



2023 Council Priorities



Climate Action

Protecting the environment we live in, a need that permeates all our decision making. These priorities include renewable energy, carbon reduction, and community-shared climate solutions.

Places & Amenities

Realizing the opportunities for quality of life, enrichment and urbanization that Longmont's places hold. This specifically includes the opportunities presented by the River Corridor.

Transportation

Creating an interconnected, multi-modal plan that provides options and accessibility, encourages walkability, and places safety and Vision Zero at its core.

Early Childhood Care and Education

Helping ensure that families with children under age 5 receive appropriate, affordable and high-quality care and education.

Housing for All

Developing programs, plans and incentives that assure the creation of safe, affordable and attainable housing.

Equity, Safety, Sustainability

Maintaining the core values of the City; the lens through which we view all our actions.

Core Services

Sustaining the fundamentals that allow the City to function: water, power, sewer, parks, broadband and more. Like all foundations, these are often out of sight but essential.

CITY COUNCIL VISION FOR LONGMONT - PEOPLE

Longmont will be the world's greatest village, where children are most fortunate to be born and raised, older adults are supported through their entire life journey, where people will have access to food, shelter and everyone has the opportunity to thrive and feel they belong.



CITY COUNCIL VISION FOR LONGMONT - PLACES

Longmont's quality of life and economic vitality includes safe mobility options that connect our community. We enjoy 100% renewable power while addressing the effects of climate change over time. There is a vibrant Main Street, and a river corridor stretching from the Sugar Mill to the Fairgrounds that is a residential, cultural and entertainment epicenter that sustainably respects the natural environment.



2025 BUDGET PROPOSES 18 NEW FTE

- 3.35 in Water Fund
- 3.30 in Open Space Fund
- 3.0 in Parks and Greenway Fund
- 2.50 in Streets Fund
- 2.30 in Sewer Fund
- 1.30 in Storm Drainage
- 1.0 in Electric & Broadband
- 1.0 in Affordable Housing
- 0.25 in Sustainability

New Positions

Request Title	Core Services	Climate Action	Places & Amenities	Transportation	Early Childhood and Education	Housing for All	Equity, Safety, Sustainability	Council Vision
309 - Convert Temp. to Term Vol. Proj Coord. (5-Yr. Term FTE) - Open Sp/Sust	X		X					
35 - Convert Temp Natural Resources Technician - Weeds to Tech III - 2025 (conversion of temp wages)	X		X					
372 - 5-Yr. Term Agricultural Resource Specialist / Project Mgr. II	X		X					
398 - Convert Temp. to Term Volunteer Coord. (3-Yr. Term FTE) - Open Sp/Rec	X		X					
225 - Housing Compliance Specialist	X					X	X	X
166 - Three (3) Additional Grounds Maintenance Tech II	X		X					
329 - Energy Technologies Specialist	X	X						
417 - New FTE - Transportation Engineering Assistant	X			X				
422 - New FTE - Construction Inspector	X			X			X	
98 - Two (2) Full Time Public Works Tech Positions	X							
117 - New Field Engineer for Utilities O&M	X							
118 - New Logistics Supervisor for Utilities O&M	X							
119 - Two (2) New Water Utility Technician II Positions	X							
120 - New WUT I Position - Automated Meter Operations and Maintenance	X							

2025 BUDGET – OTHER COUNCIL DIRECTED

- \$275,000 of increased ongoing funding for the Humane Society contract

2025 BUDGET – PROPERTY TAX

- August AV's added \$2.68 million that needs to be added to the proposed budget.
- Will add it for one time expenses though once legislative impacts are clear it could be considered to be used for:
 - Pay at 101% of market
 - Restore exceptional pay budget to 2%

LOOKING AHEAD

- There are still a number of economic risks:
 - Continued impacts of inflation and supply chain issues
 - Further efforts to reduce property tax assessment rates
 - Slowed growth to the sales tax base
 - Continued growth in market pay & benefits



2025-2029 Proposed Capital Improvement Program (CIP)

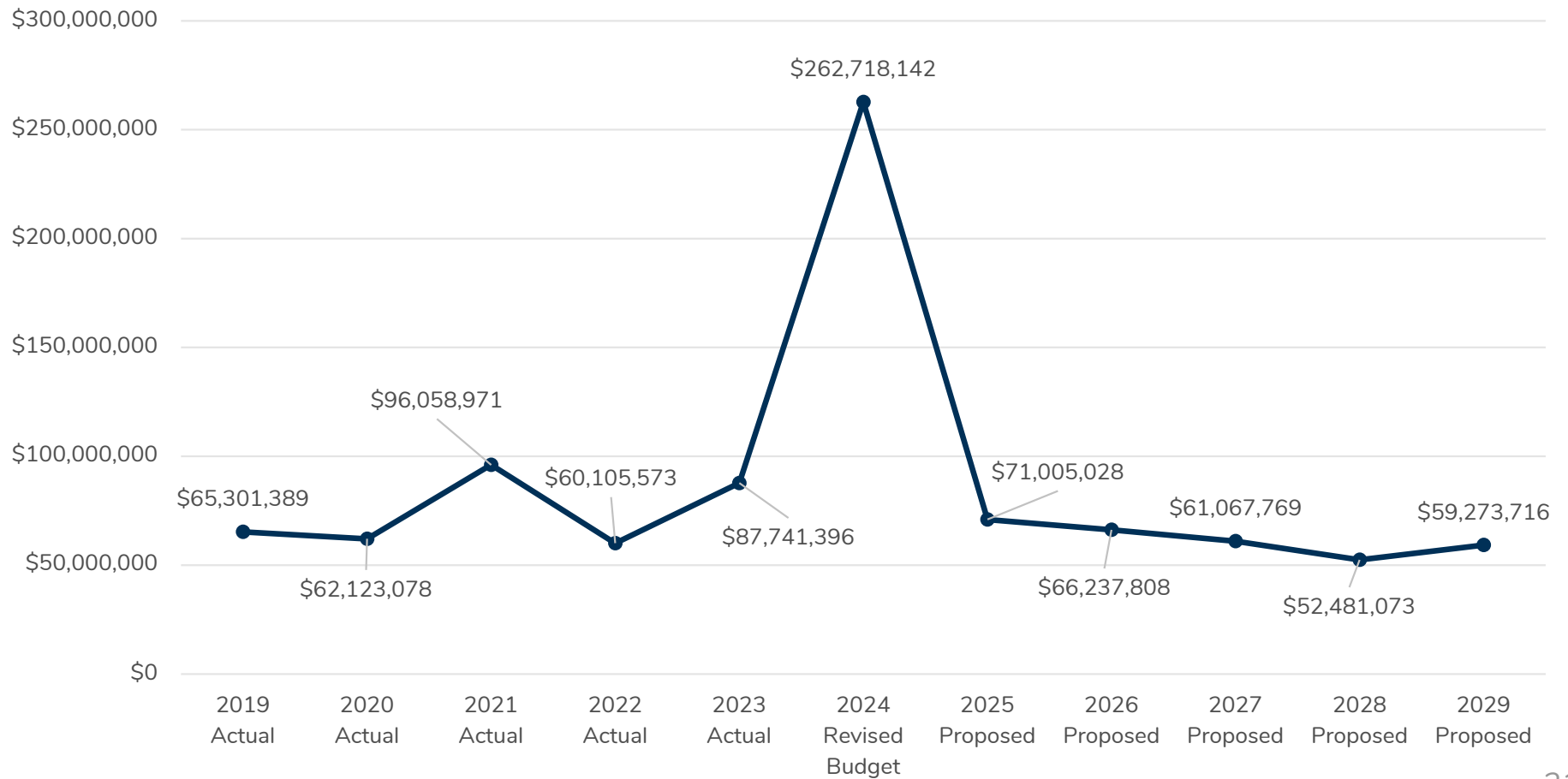


What is a CIP?

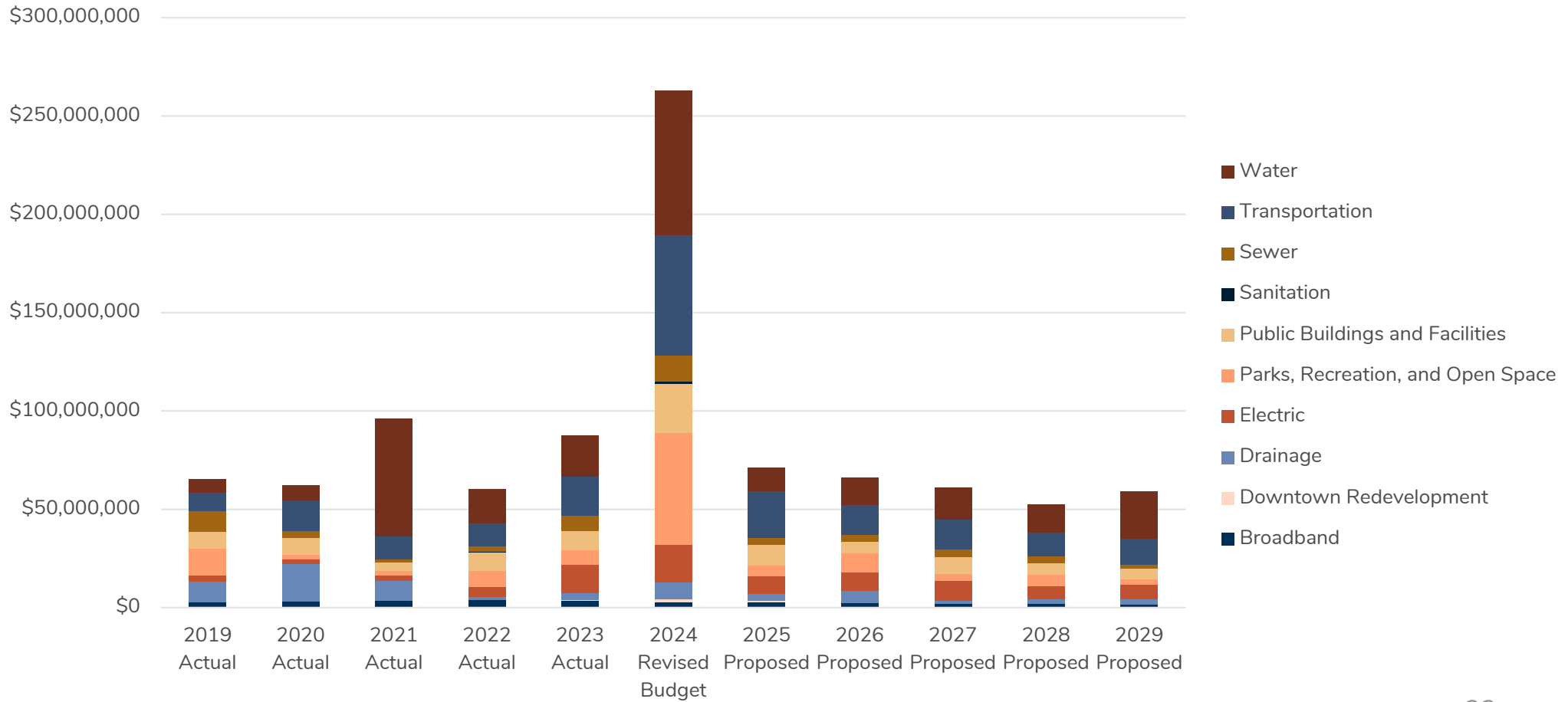
- Capital Improvement Plan
- Shows the City's infrastructure needs over the next 5 years
- Includes infrastructure with
 - Minimum life expectancy of 5 years
 - Minimum cost of \$10,000
- Projects funded in 2025 are included in the 2025 budget if approved
- Years 2026-29 show the City's plan for the future



CIP Costs Over Time – 2019 to 2029



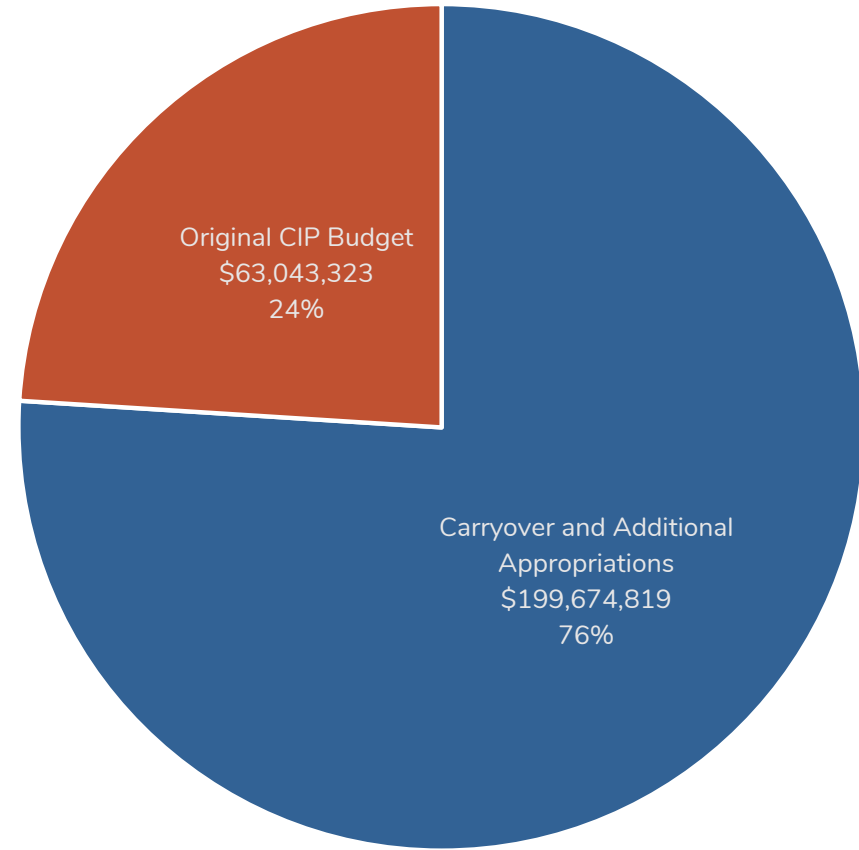
CIP Costs Over Time – 2019 to 2029 (cont.)



2024 CIP Update

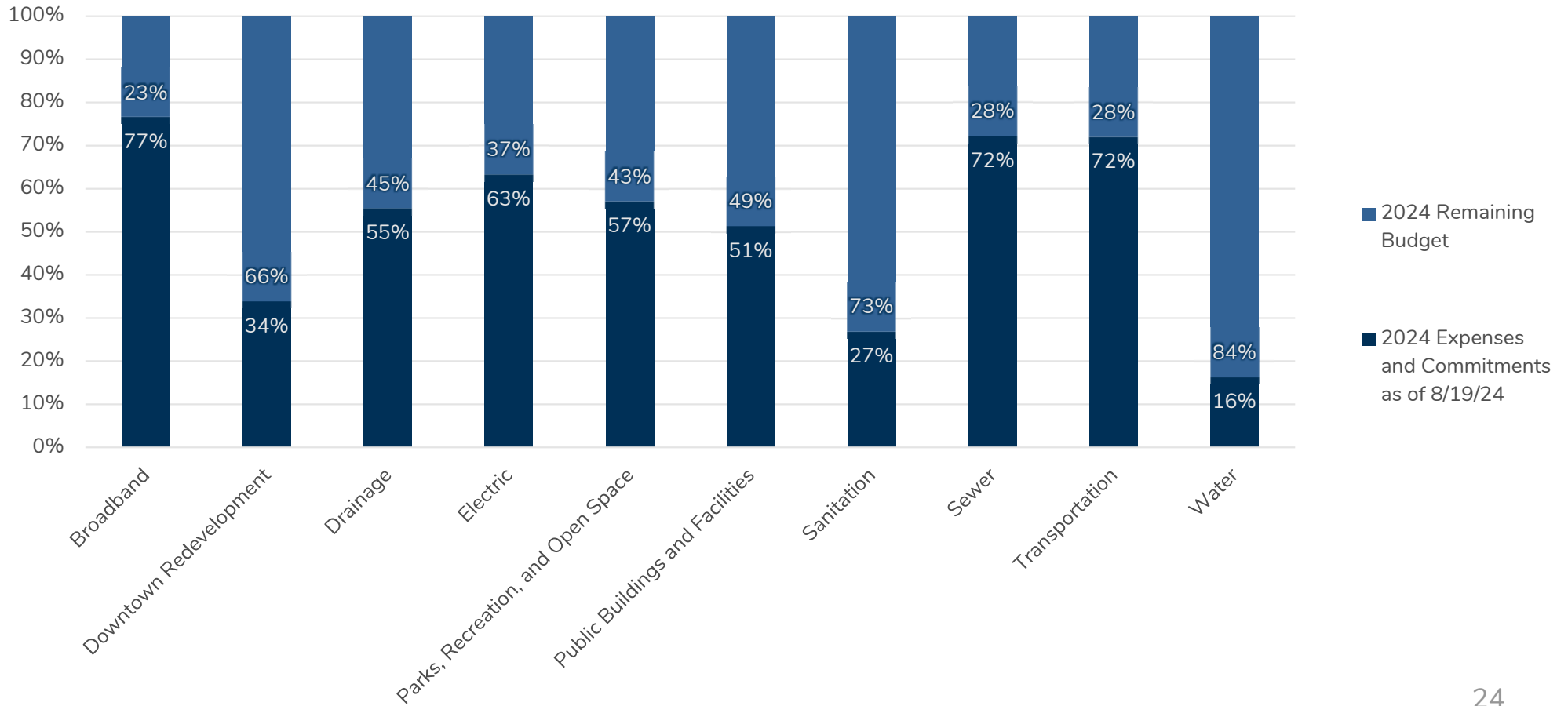
Project Category	2024 Revised CIP Budget (\$)
Water	73,389,162
Transportation	60,843,320
Parks, Recreation, and Open Space	56,982,509
Public Buildings and Facilities	24,683,751
Electric	18,932,575
Sewer	13,368,288
Drainage	8,762,984
Broadband	2,913,675
Sanitation	1,509,800
Downtown Redevelopment	1,332,078
Total	262,718,142

Total 2024 Revised CIP Budget



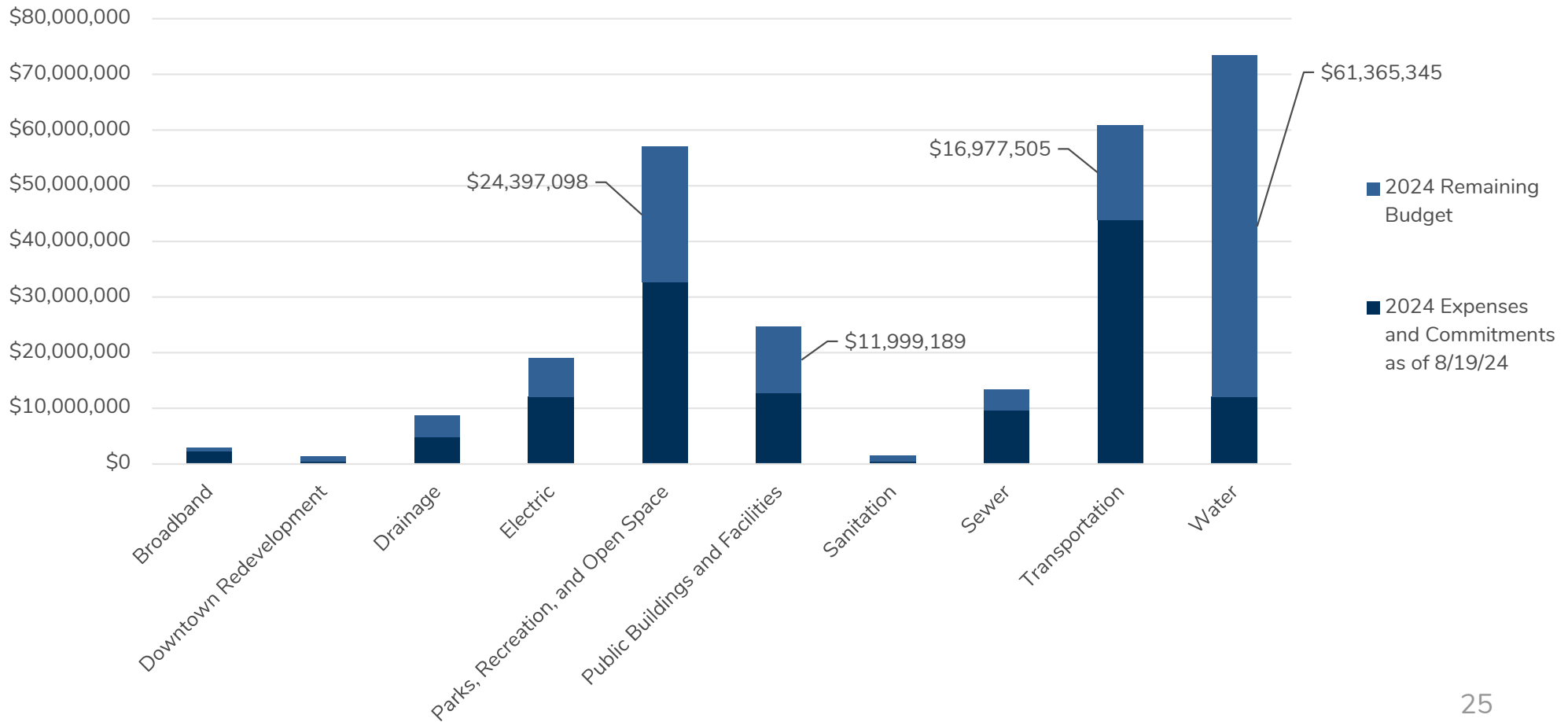
2024 CIP Update (cont.)

Total of 50% expended or committed to date and 50% of project funds remaining



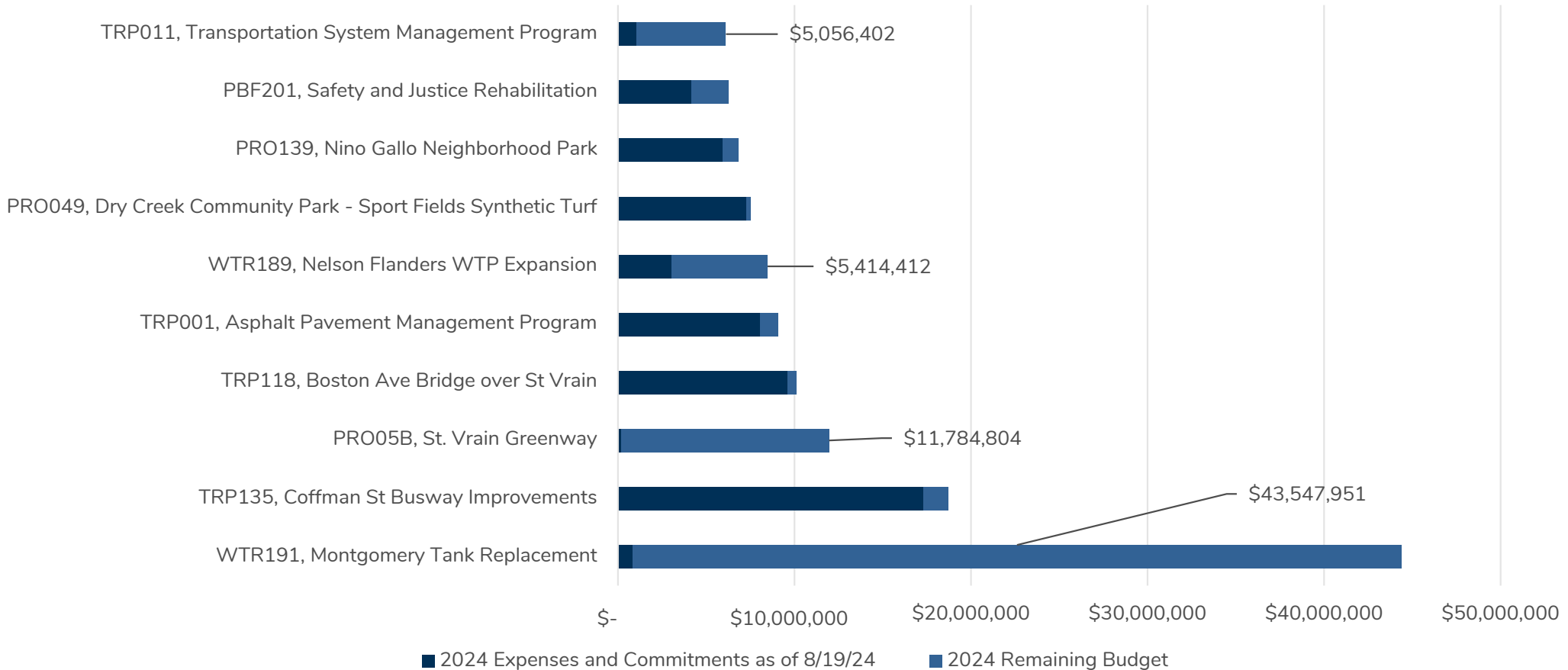
2024 CIP Update (cont.)

Total of \$131 million expended or encumbered and \$132 million of project funds remaining












2024 CIP Update (cont.)

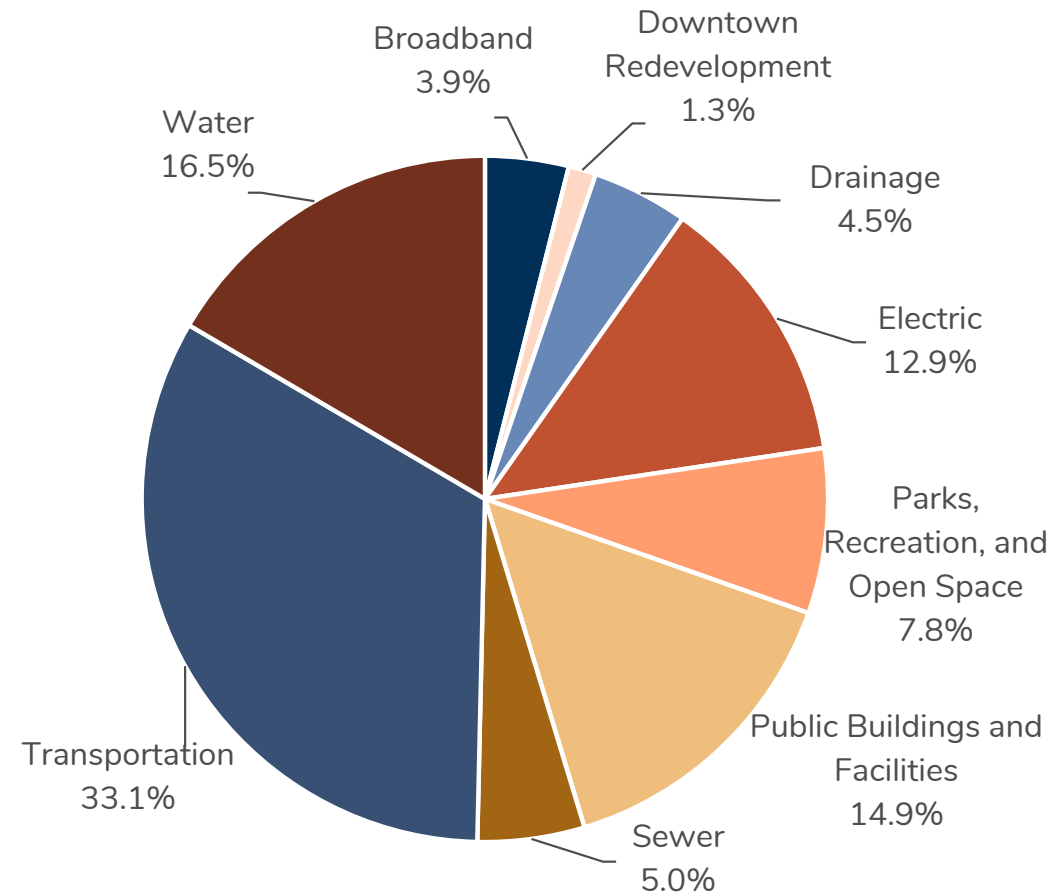
Top 10 budgeted projects in 2024



2025 Proposed CIP Projects

\$71,005,028 in proposed projects in 2025

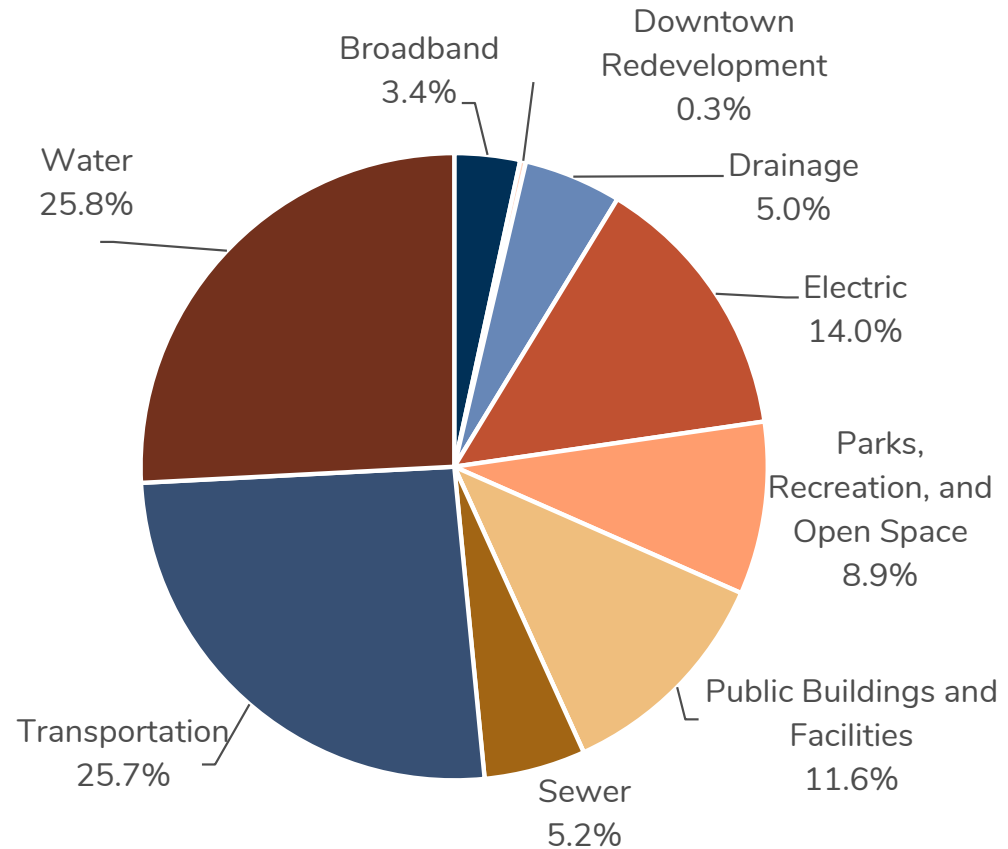
-  • \$23,500,000 in Transportation
-  • \$11,749,790 in Water
-  • \$10,593,805 in Public Buildings & Facilities
-  • \$9,125,108 in Electric
-  • \$5,519,900 in Parks, Rec. & Open Space
-  • \$3,580,000 in Sewer
-  • \$3,218,350 in Drainage
-  • \$2,798,075 in Broadband
-  • \$920,000 in Downtown Redevelopment
-  • \$0 in Sanitation



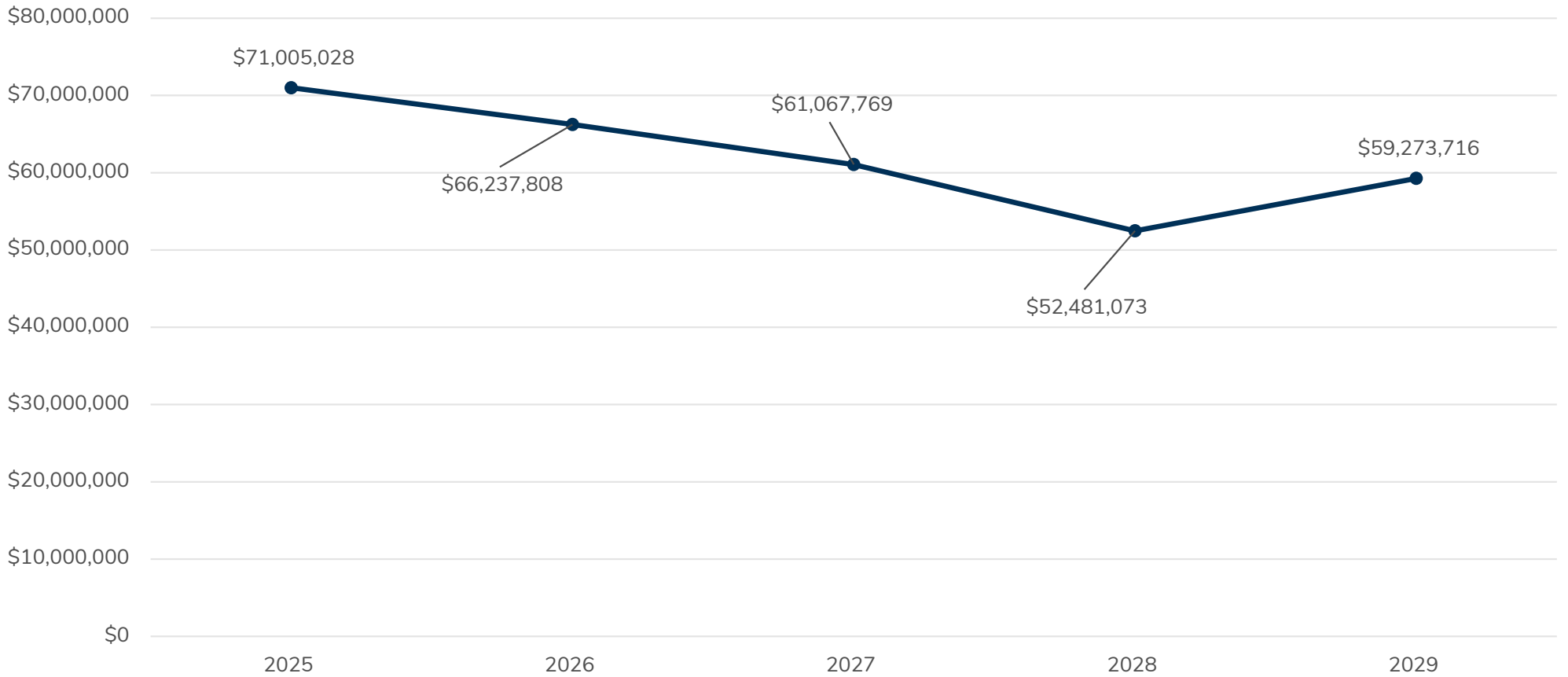
2025-29 Proposed CIP Projects

\$310,065,394 in proposed projects

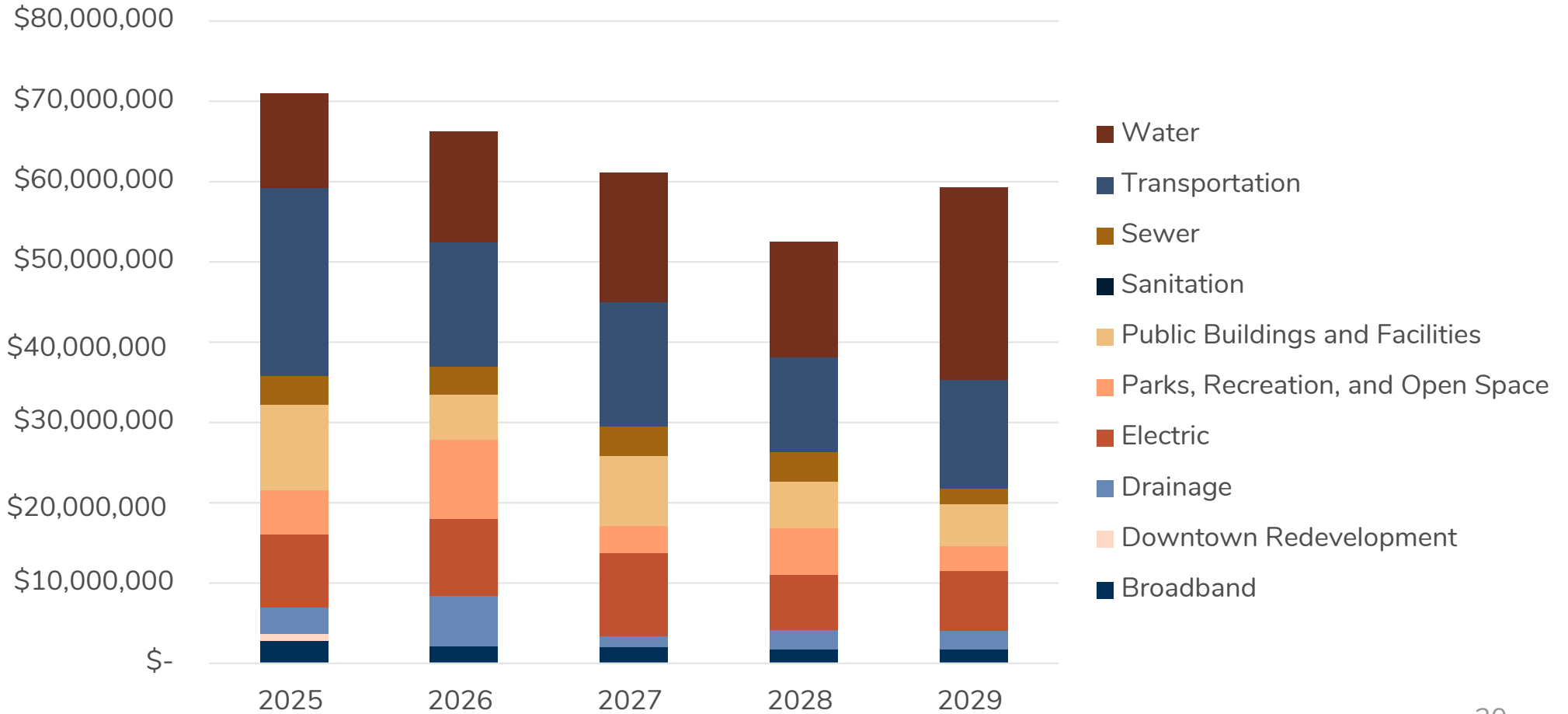
- \$80,058,080 in Water
- \$79,766,850 in Transportation
- \$43,356,579 in Electric
- \$36,028,611 in Public Buildings & Facilities
- \$27,607,387 in Parks, Rec. & Open Space
- \$16,231,740 in Sewer
- \$15,599,750 in Drainage
- \$10,496,397 in Broadband
- \$920,000 in Downtown Redevelopment
- \$0 in Sanitation



2025-29 Proposed CIP Costs Over Time



2025-29 Proposed CIP Costs Over Time (cont.)



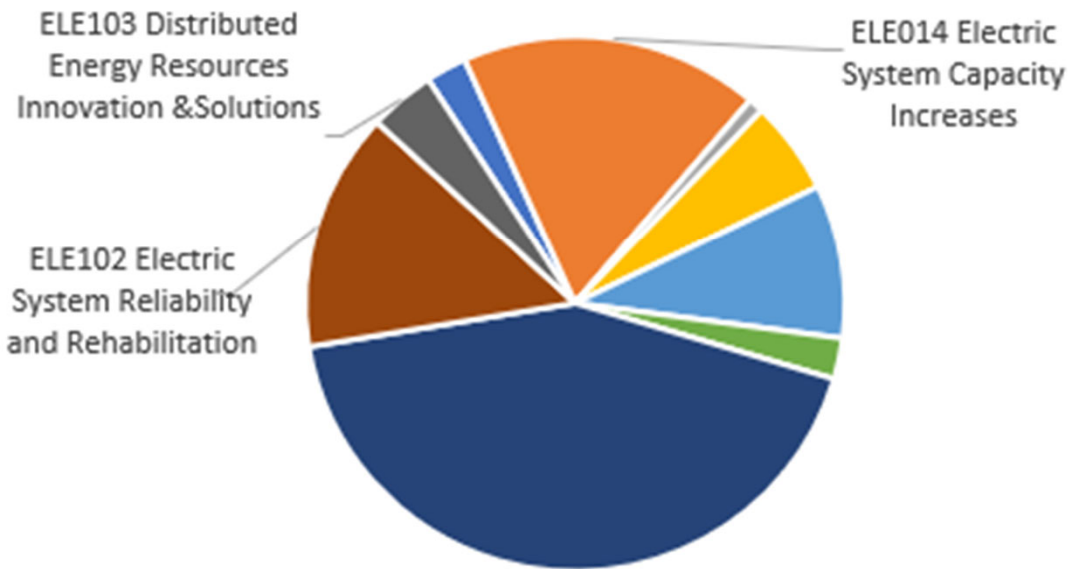
Electric

2025 LPC CIP – \$9.1M, 13% of Total CIP

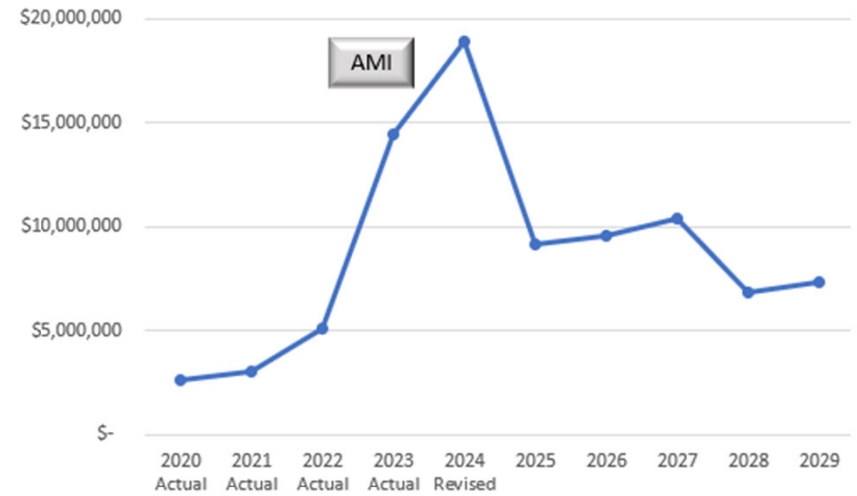
Notable Projects

- Electric System Capacity Increases - \$1.6M
- Electric System Reliability and Rehabilitation - \$1.3M
- Distributed Energy Resources Innovation & Solutions - \$360K

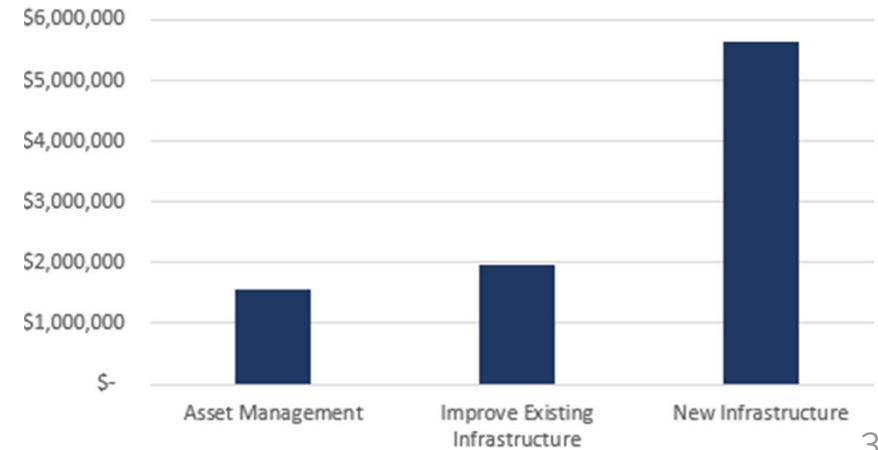
2025 Electric CIP by Project



2020-2029 Electric CIP Trend

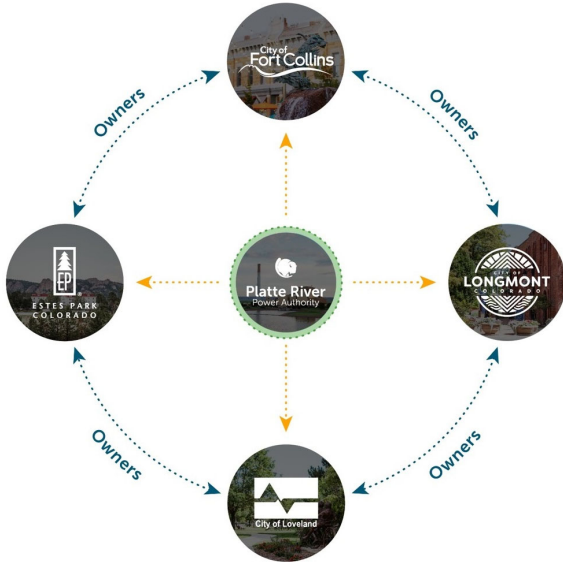


2025 Electric CIP by Investment Category



2025 LPC CIP – 100% Renewable Energy Goal

Reliability



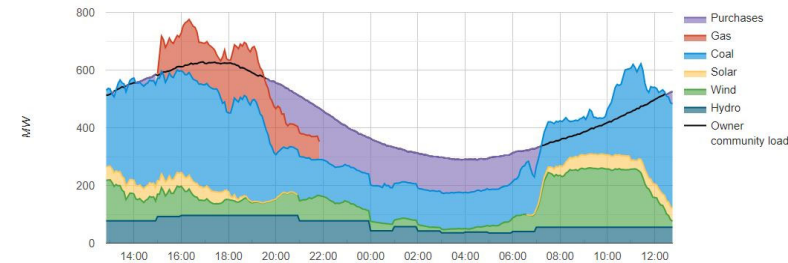
Maintenance

Renewables



Wildfire Mitigation

Capacity Expansion



Electrification

2025 LPC CIP – Electric System Capacity Increases



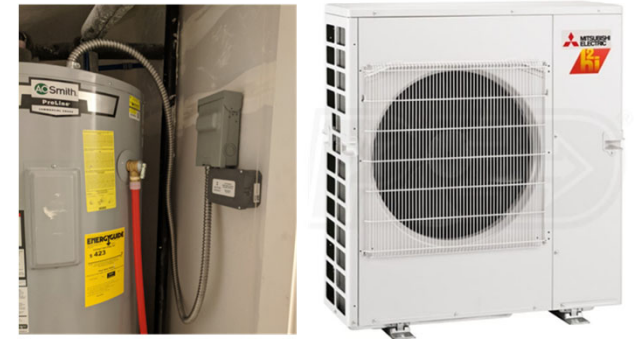
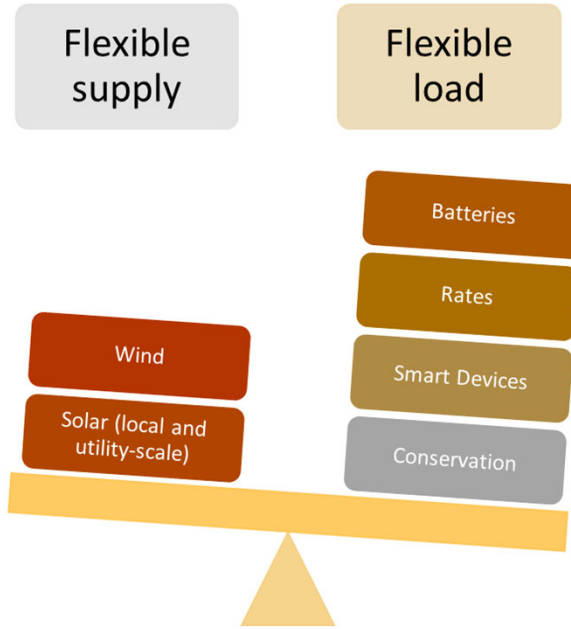
2025 LPC CIP – Electric System Reliability and Rehabilitation



2025 LPC CIP – Distributed Energy Resources, Innovation, and Solutions



City of Fort Collins: <https://www.fcgov.com/utilities/residential/renewables/solar-rebates>



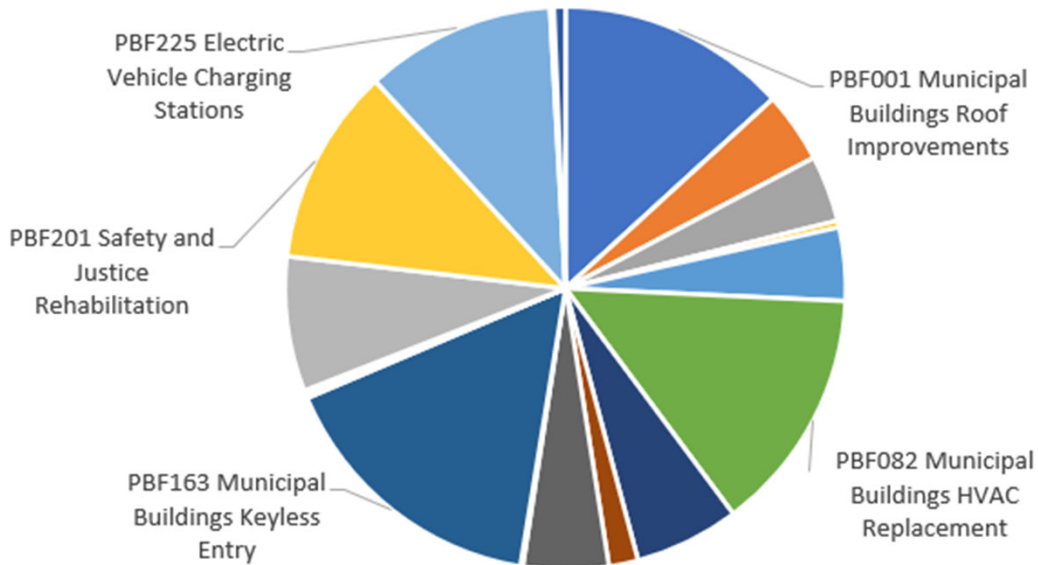
Public Buildings and Facilities

2025 Public Buildings CIP – \$10.6M, 15% of Total CIP

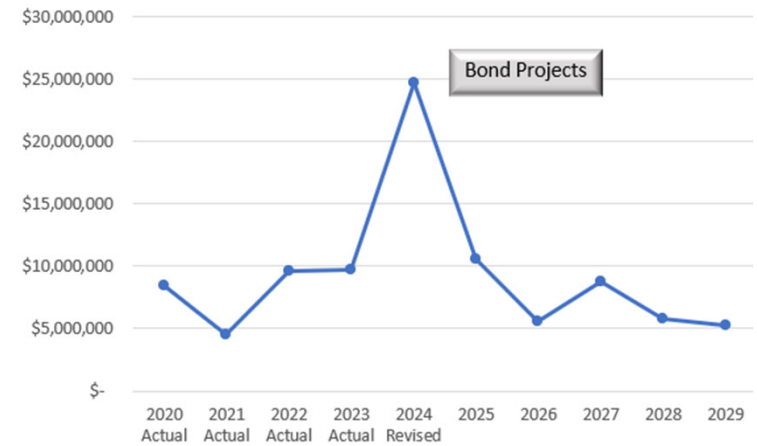
Notable Efforts

- Municipal Buildings Keyless Entry - \$1.7M
- Safety and Justice Rehabilitation - \$1.2M
- Electric Vehicle Charging Stations - \$1.2M

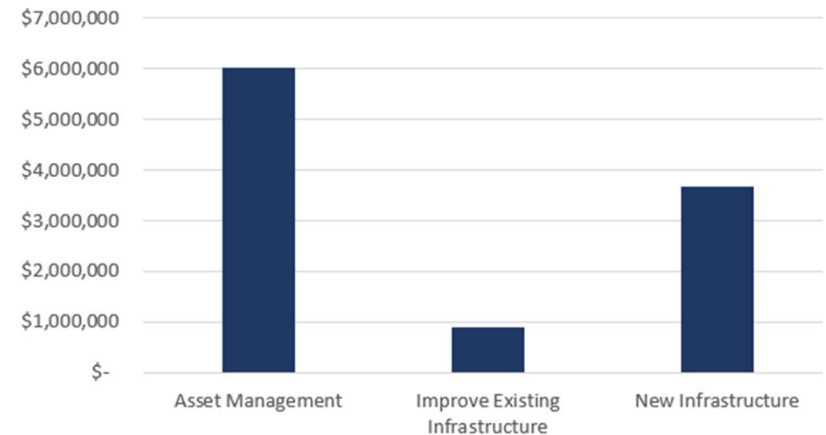
2025 Public Buildings CIP by Project



2020-2029 Public Building CIP Trend



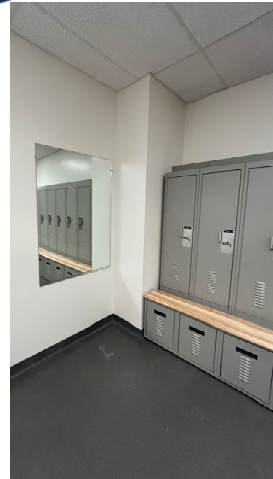
2025 Public Buildings CIP by Investment Category





PBF 201 SAFETY & JUSTICE TRANSITION FROM REHABILITATION TO EXPANSION

- Need for Assessments
- Sustainable Solutions by Extending Building Life Cycle
- Locker Room Expanded
- Rehabilitation Project Complete
- Entrance Relocated – Combined Court and Public Safety Lobby
- Parking Garage Shoring Underway
- First Floor Interior/Exterior Slab Removal Scheduled for this Fall
- Precast & Clocktower Removal Anticipated Summer 2025





SAFETY & JUSTICE EXPANSION PROJECT

PBF-163 | MUNICIPAL BUILDINGS KEYLESS ENTRY



Existing System

- End of Life Expectancy
- Limited Functionality & Reliability
- No Available Technical Support
- Limited Replacement Hardware

\$1.7M Funded for 2025

- Enhanced Security & Vendor Support
- Hardware Availability
- Increased Access Control
- Consistent Access Card Ability
- Potential Integration with Building Cameras
- Report Tracking

PBF-225 | Fleet Electric Vehicle Charging Stations

Level 3



Public Works-
Airport Road
Service Center-Fleet
Services

Phase 1 – almost done!



Parks-South Sunset (5)
Service Center (5)

Level 2



Waste Services (ADA)-South Martin



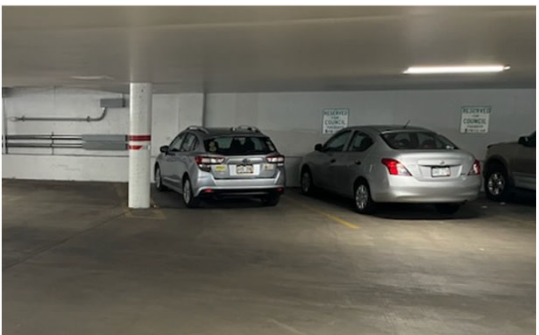
Fleet Services
Garage (2)



PBF-225 | Fleet Electric Vehicle Charging Stations

Phase 2 – Begins 2024

- Service Center (3)
- Utility Center (3)
- Civic Center (3)
- Public Works-Airport Road (3)



Phase 3 – Begins 2025

Level 3 - Public Safety (1)

Level 2 (9)

- Public Safety (2)
- Union Reservoir (1)
- Sandstone Ranch (1)
- Recreation Center (1)
- Senior Center (1)
- Service Center Warehouse (1)
- Parks-South Martin (1)
- Youth Services (1)



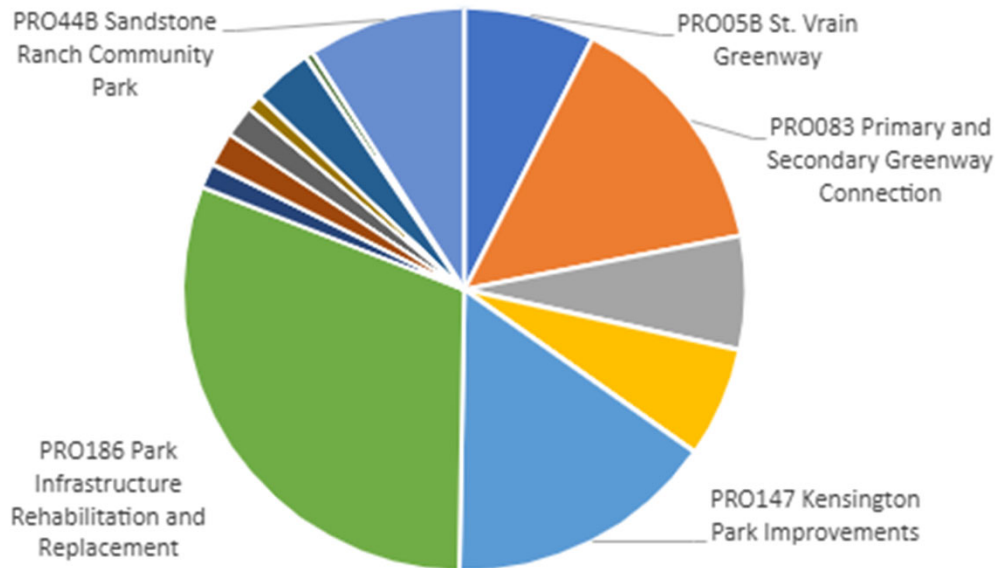
Parks, Recreation, and Open Space

2025 CIP – Parks, Rec, Open Space, \$5.5M, 8% of Total CIP

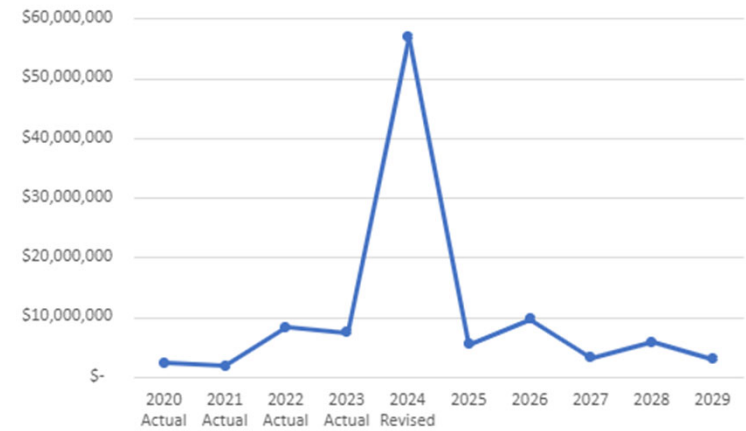
Notable Projects

- Park Infrastructure Rehab & Replacement - \$1.7M
- Kensington Park Renewal - \$856K
- Primary and Secondary Greenway Connection - \$795K
- Sandstone Ranch Phase IV Design - \$500K
- St Vrain Greenway - \$415K

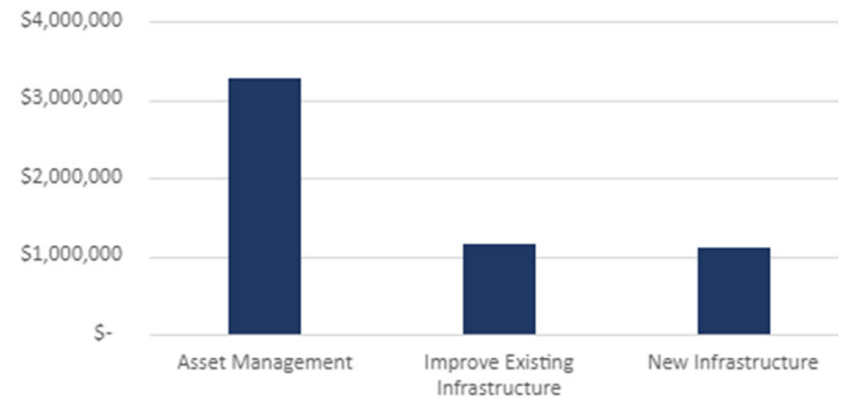
2025 Parks, Rec, Open Space CIP by Project



2020-2029 Parks, Rec, Open Space CIP Trend



2025 Parks, Rec, Open Space CIP by Investment Category



Park Renewals 2025: Hover Acres Park

PRO186: Hover Acres Park Renewal

Scope: (pending funds available)

- Playground replacement
- Hardscape/landscape improvements
- Restroom/shelter renovation
- Sport court improvements
- Site furnishings



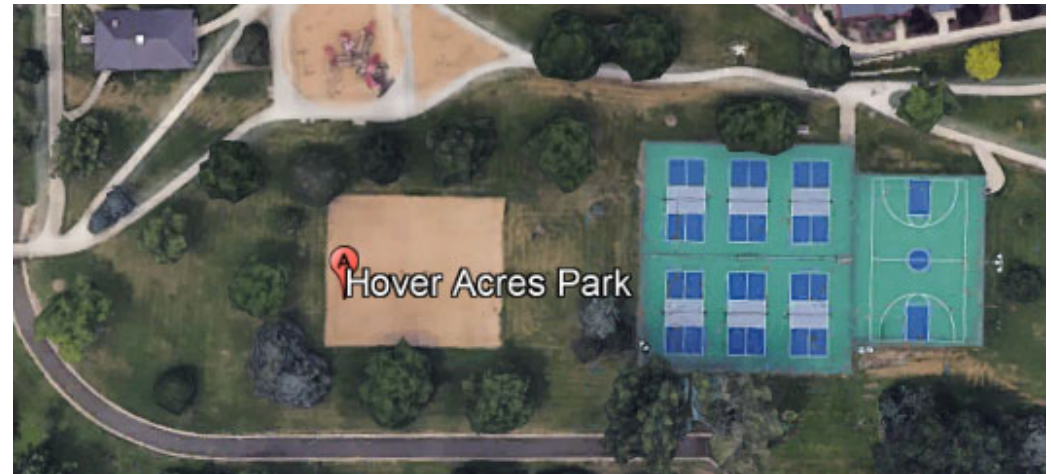
Design: 2025

Construction: Anticipated 2025/2026

Estimated Project Cost: \$2,402,382

CIP Funding 2025: \$1,692,685 Source of Funds:

- Public Improvement Fund
 - Funded (per CIP): \$500,000
- Park and Greenway Maintenance Fund
 - Funded (per CIP): \$1,192,685



Sewer

2025 CIP – Sewer \$3.5M, 5% of total CIP

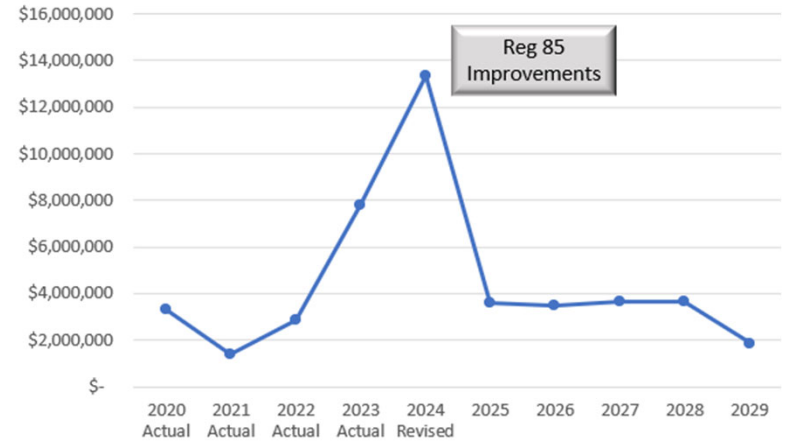
Notable Projects

- Collection System Rehabilitation - \$3M

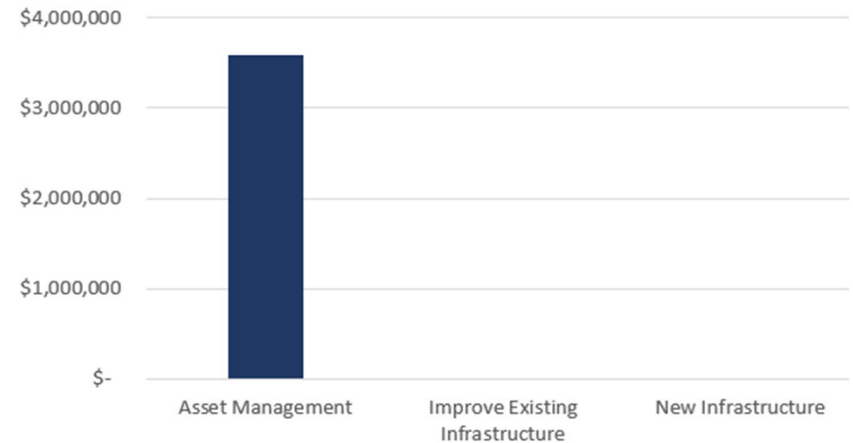
2025 Sewer CIP by Project



2020-2029 Sewer CIP Trend



2025 Sewer CIP by Investment Category



Collection System Rehabilitation

- Trenchless Technologies
- Approximately 3 miles of pipe rehabilitation
- Increase system reliability
- Maintain service to business and residents



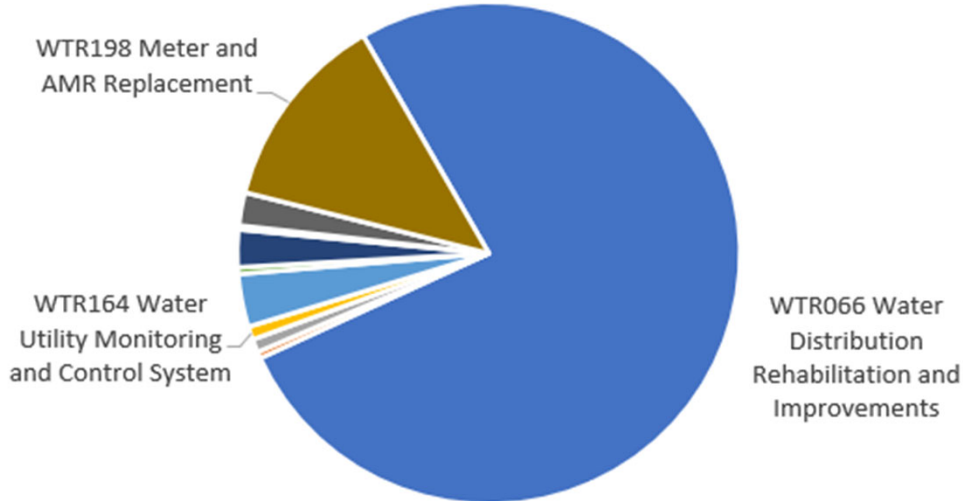
Water

2025 CIP – Water \$11.7M, 17% of total CIP

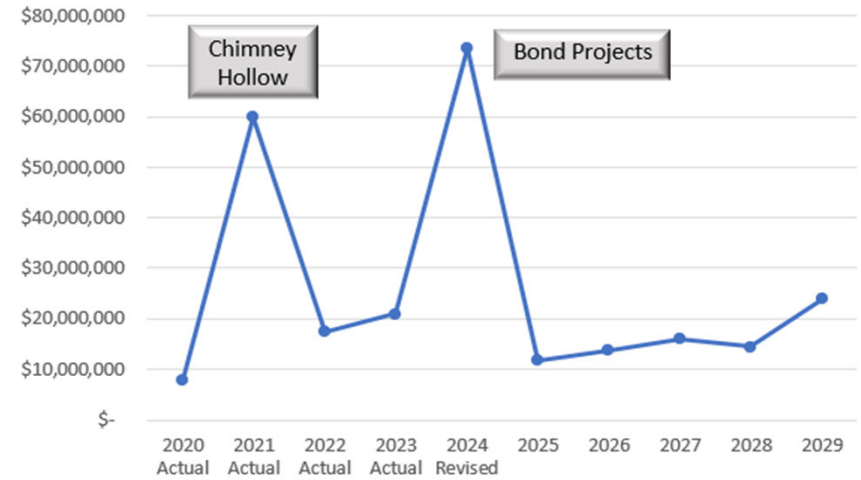
Notable Projects

- Water Distribution Rehabilitation - \$9M
- Water Meter AMR Replacements- \$1.5M
- Water Utility Monitoring and Control - \$100K

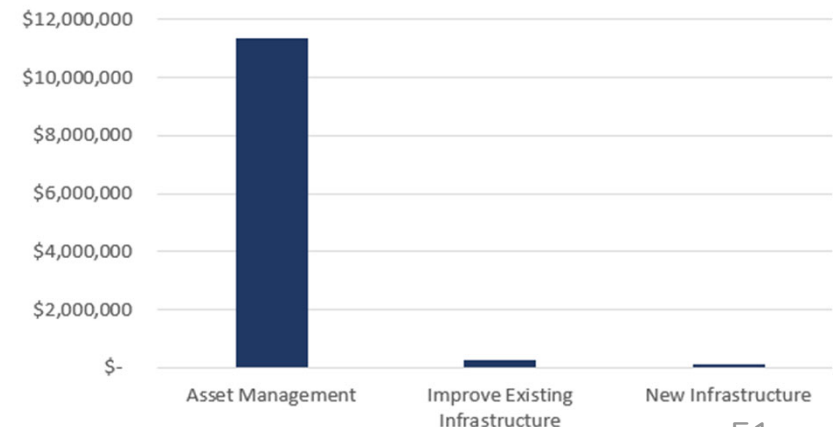
2025 Water CIP by Project



2020-2029 Water CIP Trend



2025 Water CIP by Investment Category





Major Water Projects

- Nelson-Flanders WTP – Resiliency and Redundancy Projects on-going
- Montgomery Tank – Replacement Design 2025
Construction 2026-2027

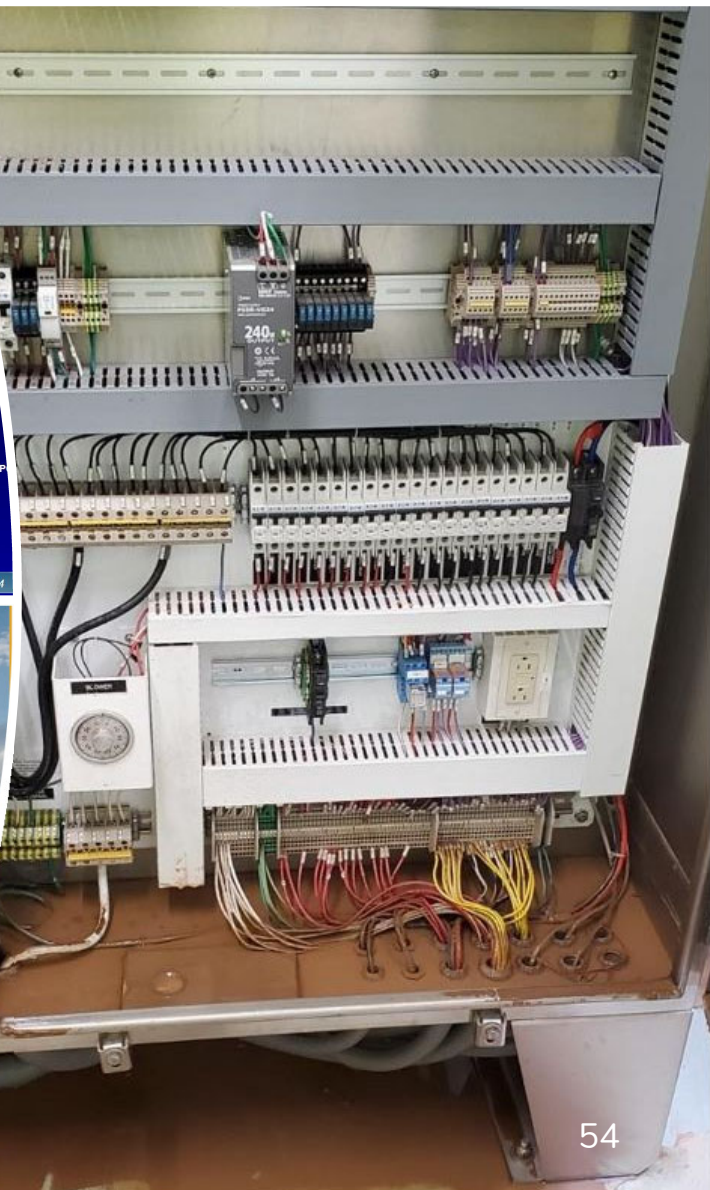
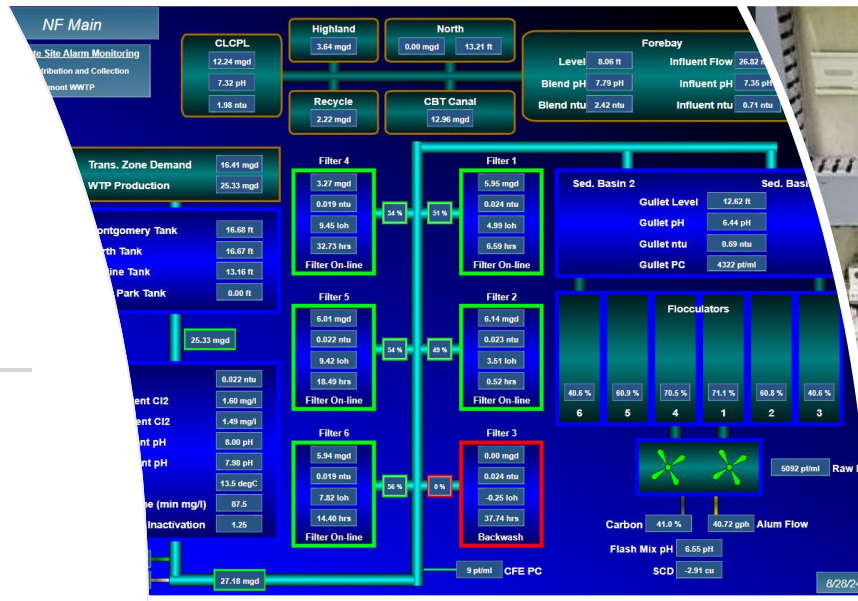
Distribution Rehabilitation

- Cast Iron - 20-year replacement of 65 miles
- Cathodic Protection Improvements



Water Utility Monitoring and Control

- Maintenance of SCADA system – Replacement and upgrades
- Provides for consistent and efficient operation of Water and Wastewater Systems



Storm Drainage

2025 CIP – Drainage \$3.2M, 5% of total CIP

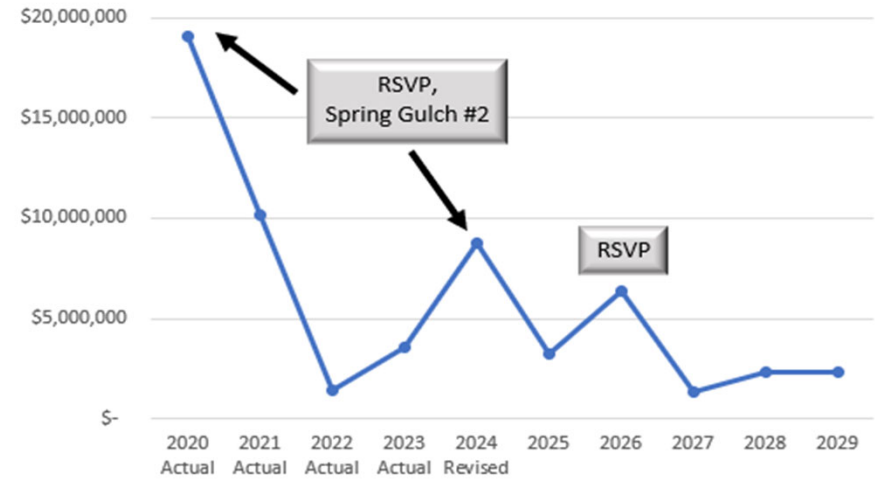
Notable Projects

- Storm Drainage Rehabilitation & Improvements - \$1.8M
- Resilient St. Vrain Project – \$1.4M

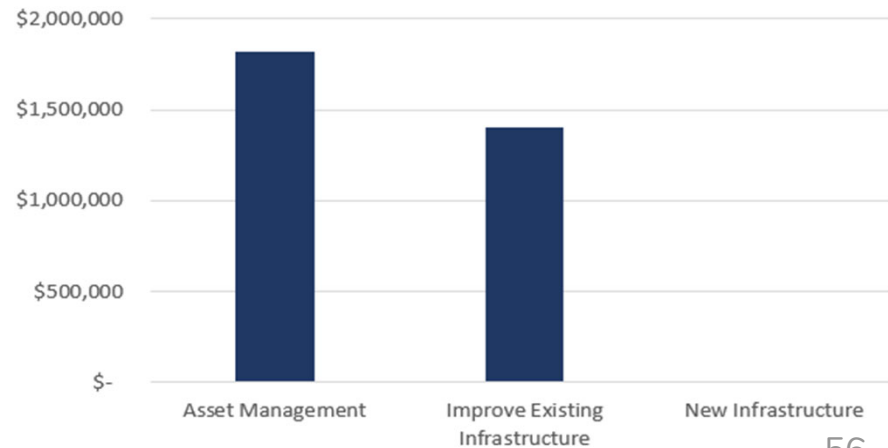
2025 Drainage CIP by Project



2020-2029 Drainage CIP Trend



2025 Drainage CIP by Investment Category



DRN021-Storm Drainage Rehabilitation

Scope:

- Replace aging and deteriorated drainage infrastructure
- Reduce flooding to protect people and property
- Improve water quality

External Revenue Sources:

- None



Status:

- 3rd Avenue, Sherman St to Francis St - Construction
- Lefthand Drive, East of Bowen St. - Design
- 9th Ave, Bowen St to Bross St - 2025
- 17th Ave & Longmont Supply Ditch Avenue - 2025



DRN039-Resilient St. Vrain Project

Scope:

- Fully restore the St. Vrain Greenway Trail
- Improve channel to protect people, property and infrastructure from future flood risks
- Complete work in an environmentally sensitive way

External Revenue Sources:

- Federal/State (\$1.0M)

Status:

- Boston Ave Bridge – Under construction
- [REDACTED]
- Hover Reach - Design in 2024/2025



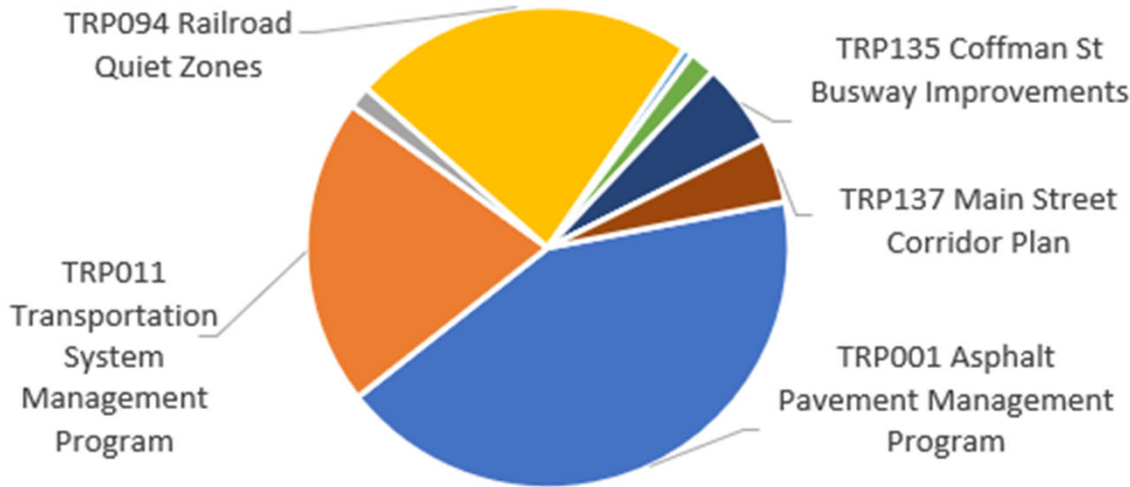
Transportation (Street Fund)

2025 CIP – Transportation \$23.5M, 33% of total CIP

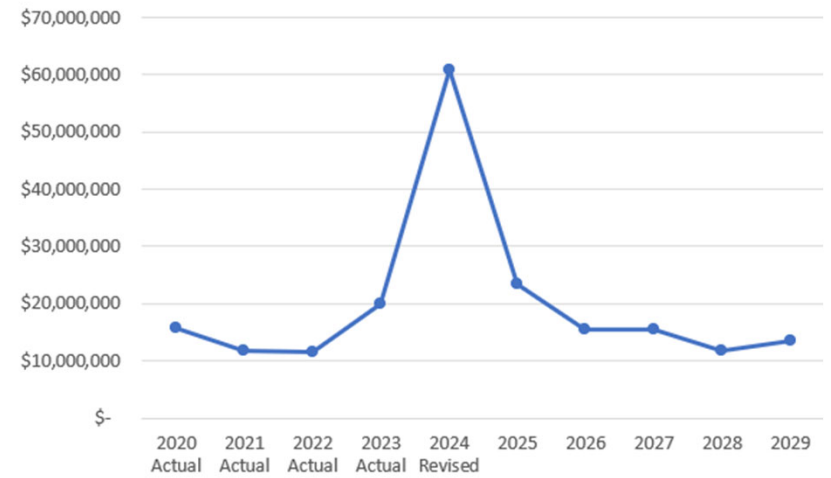
Notable Projects

- Asphalt Pavement Management Program - \$10M
- Transportation System Management Program - \$4.9M
- Railroad Quiet Zones - \$5.4M
- Coffman St. Busway Improvements - \$1.3M
- Main Street Corridor Plan - \$1M

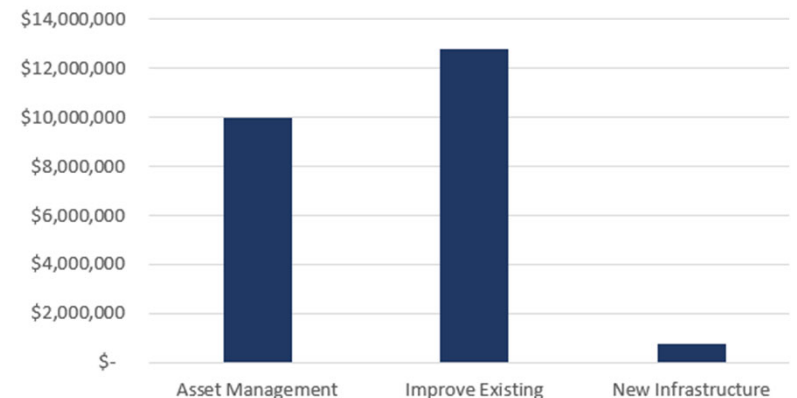
2025 Transportation CIP by Project



2020-2029 Transportation CIP Trend



2025 Transportation CIP by Investment Category



TRP001-Asphalt Pavement Management

Scope:

- City-wide asset management
- Asphalt rehab w/ proximal concrete repairs
- Opportunities for improvements to multimodal facilities or other infrastructure
 - Bike and ped facilities
 - Pace St Widening
 - Bridge expansion joint rehab
- Optimization of city resources to meet community needs
- Data driven decisions



External Revenue Sources:

- None

Status:

- 2024 construction on-going
- 2025 planning/design underway



TRP011-Transportation System Management

Scope:

- Network of projects supporting:
 - Safety Improvements
 - Multimodal Improvements
 - Neighborhood Traffic Mitigation (speed tables)
 - Traffic Signal Improvements
 - ADA Compliance
- Vision Zero

External Revenue Sources:

- Federal/State (\$4.5M)

Status:

- Sunset Street & SH 119 Intersection & Road Diet (Construction early 2025)
- County Line Road, 17th Avenue to SH 66 Bike Lanes (Construction 2025)



TRP094-Railroad Quiet Zones

Location:

- Numerous locations
 - Package #1 – 3rd, Longs Peak, 9th & 17th Avenues
 - Package #2 – 4th, 6th, 21st Avenues

Scope:

- Construct railroad quiet zone compliant crossings

External Revenue Sources:

- Federal (\$4M)

Status:

- Package #1 – Bidding
- Package #2 – Under design



TRP135-Coffman Street Busway Improvements

Location:

- Coffman Street – 1st Ave to 2nd Avenue

Scope:

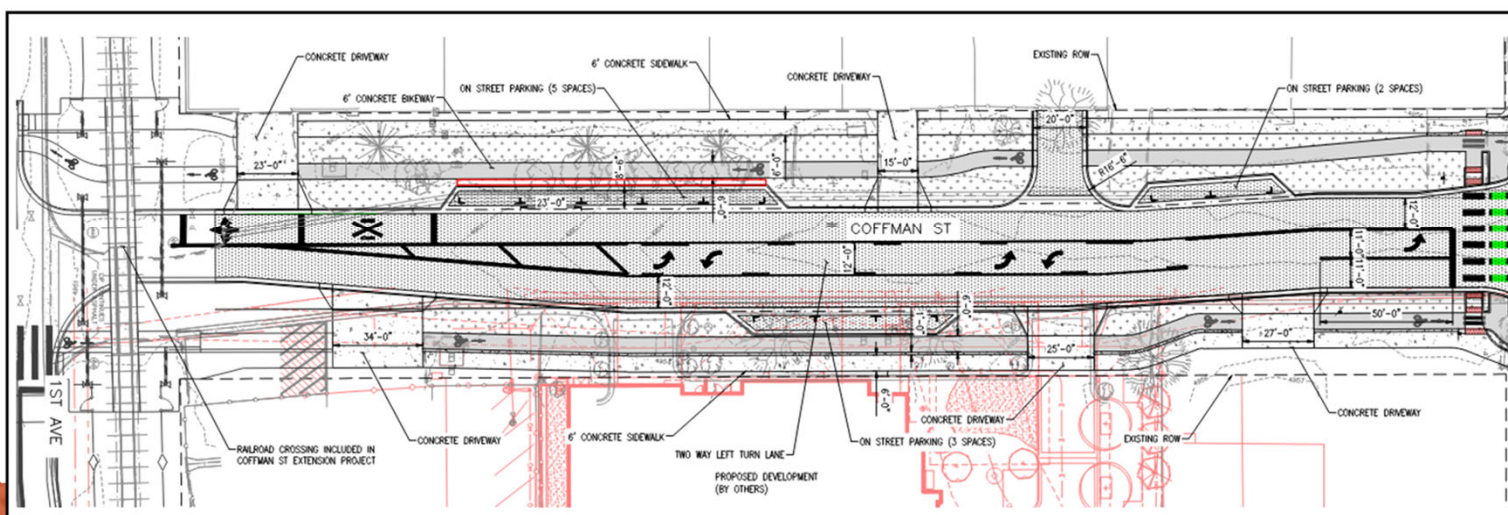
- Continuation of improvements to the north
- Multimodal improvements
- Asset management

External Revenue Sources:

- 1st to 2nd Ave – None
- 2nd Ave to 9th Ave – Federal/State (\$7.65M)

Status:

- Design over 30% complete
- Construction starts early 2026



TRP137-Main Street Corridor Plan



Location:

- Intersection of 21st Ave. and Main St.

Scope:

- Study & design for multimodal improvements
- Vision Zero and pedestrian safety
- RTD coordination

External Revenue Source:

- Federal (\$1M)

Status:

- Study phase in progress
- Design to start early 2025

Additional Questions on 2025-2029 Capital Improvement Program (CIP)

Topics for September 10 Budget Discussion



- Employee Compensation and Benefits
- General Fund Budget Summary
- Public Safety Fund Budget Summary



Thank You