

2024 Proposed Budget

August 29, 2023



History of issues dealt with in Budget and Long-term Impact

- 2012 – Budget Reset—4 million shifted to on-going expense
- 2013 – today - Flood Recovery
- Affordable Housing—1 million on-going
- Health and Human Service increase \$850k to 3%
- Years with limited new revenue
- 2023 - Creation of Attainable housing fund
- Recent inflation and compensation pressure

2024 PROPOSED BUDGET CHALLENGES

- Revenue Uncertainty
 - Significant increase in property values led to a high number of appeals
 - HH
 - Will it pass
 - If it passes what is the impact
- Inflation and high interest appears to have impacted Use Tax
- Employment
 - Pay markets changing fast throughout the year
 - Recruitment
 - Retention
- Inflation impacting costs citywide
- Providing resources necessary to meet the rising demand for existing services

Key concepts coming into the budget

- With property tax uncertainty and tax increase ballot questions it is highly likely that this budget may need to be amended in November due to:
 1. Outcome and impacts of Proposition HH
 2. Outcome of City ballot questions

2024 PROPOSED BUDGET HIGHLIGHTS

- It is a balanced budget with no tax rate increases.
- Total operating budget including all funds:
 - \$444.53 million
 - \$31.44 million more than 2023 adopted budget of \$419.09 million
 - 7.61% increase over 2023 adopted budget

2024 PROPOSED BUDGET HIGHLIGHTS cont.

- All funds are balanced with sources of revenue identified to meet all projected expenses.
- The proposed budget includes an average 4% increase in water rates, an average 12.9% increase in storm drainage rates, and an average 9% increase in sewer rates, all previously adopted by the City Council.

2024 PROPOSED BUDGET HIGHLIGHTS cont.

- Approximately \$28.38 million in accumulated fund balances will be drawn down in 2024, primarily to meet capital improvement needs.
- Significant capital projects being funded through accumulated fund balance include:
 - Aid to Construction - Electric Utility – \$3.1 million
 - System Capacity increases – Electric Utility - \$1.7 million
 - St Vrain Greenway – Open Space Fund – \$5.5 million
 - Raw Water Transmission Rehab & Imp - Water Fund – \$1.6 million
 - Water Distribution Rehab & Imp – Water Fund - \$3.9 million
 - Waste Services CNG Building Expansion – Sanitation utility -\$990k

2024 PROPOSED BUDGET HIGHLIGHTS

- Staff currently projects 2023 sales and use tax growth at 2.23% over 2022 collections.
- The 2024 budget projects sales and use tax at 3.49% above 2023 projected sales & use tax.
- Sales & use tax in the 2024 budget is \$4.48m greater than in the 2023 budget; \$2.05m greater in the General Fund.
- The 2024 budget projects a \$7m increase in property tax revenue from the 2023 budget - \$3.5m is proposed for ongoing expense & \$3.5m for one time expense

2024 PROPOSED BUDGET HIGHLIGHTS cont.

- The proposed General Fund budget for 2024 is \$121.39 million, an increase of 10.5% or \$11.49 million.
- Ongoing expenses in the proposed General Fund budget increase from \$104.2 million in 2023 to \$112.9 million in 2024.
- One-time expenses increase from \$5,666,429 in 2023 to \$8,439,170 in 2024.
- A major portion of the one-time expense for 2024 is \$3 million from property tax contingent on the outcome of Proposition HH and property tax appeals.
- \$1.2m of one-time expense is for the Take Home car program

2024 PROPOSED BUDGET HIGHLIGHTS cont.

- There is a 4.64% minimum increase in pay ranges in the proposed budget.
- Police CBA employee increases at 4%
- Fire CBA employee increases at 4%
- Open range employee compensation budgeted at 101% 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.



PROPOSED 2024 BUDGET ALIGNMENT - PEOPLE

- \$70,000 ongoing funding CARES rebates
- \$100,000 of ongoing funding for early childhood & employee childcare
- \$275,000 of ongoing funding from the special marijuana tax for mental health & addiction
- \$400,000 of one time funding & \$350,000 of ongoing funding for attainable housing
- \$179,196 increase of funding for human service needs
- \$40,000 ongoing funding for I Have A Dream, Boulder County Program Cohort

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.



PROPOSED 2024 BUDGET ALIGNMENT - PLACES

- \$648,060 of one-time funding for a micro transit bus system
- \$400,000 of one-time funding for Sugar Mill, wetlands, river corridor & updated studies
- \$60,000 of one-time funding for plugged & abandoned well investigations
- \$150,000 of one-time funding for completion of the Roadway/Multimodal Plan update
- \$150,000 of one-time funding to complete the update to Vision Zero Action Plan
- \$505,000 of one-time funding for the 1st & Main transit station project
- \$240,000 Ice Rink Repair at Roosevelt

2024 BUDGET PROPOSES 34 NEW FTE

- 13.5 in General Fund
- 4.94 in Streets Fund
- 4.31 in Electric and Broadband Fund
- 4.0 in Public Safety Fund
- 2.10 in Open Space Fund
- 2.04 in the Fleet Fund
- 1.0 in Attainable Housing
- 0.67 in Storm Drainage
- 0.50 in Sustainability
- 0.49 in Water Fund
- 0.31 in Sewer Fund
- 0.14 in Sanitation Fund

New and Changed Positions

Request Title	Core Services	Climate Action	Places & Amenities	Transportation	Early Childhood and Education	Housing for All	Equity, Safety, Sustainability	Council Vision
110 - Upgrade GIS Mapping Technician to Sr GIS Mapping Tech	X							
156 - Position Reclassification - PS Tech Support to SR PS Tech Support	X						X	
174 - Senior Center Friends Transfer to General Fund - Staff Salaries	X							X
184 - Neighborhood Resource Officer (conversion of PS Outreach Manager)	X		X				X	
267 - Senior Center - Programmer	X							
292 - Sr GIS Mapping Technician	X			X			X	
300 - Technical/Functional Analyst CRM and Special Projects	X							
307 - Technical Functional Analyst	X							
310 - New Youth Program Specialist - REWIND	X					X	X	x
333 - Increase in current position, Risk Admin	X							
348 - ADDITIONAL TECHNICIAN TO ASSIST LEAD TECH	X						X	
377 - New Youth Program Specialist - Family Engagement	X				X		X	X
378 - 2024 Senior Union Ranger	X		x				X	

New and Changed Positions

Request Title	Core Services	Climate Action	Places & Amenities	Transportation	Early Childhood and Education	Housing for All	Equity, Safety, Sustainability	Council Vision
384 - FLEET SERVICE COORDINATOR ASSISTANT FULL-TIME	X	X					X	
400 - 2024- Additional Grounds Maintenance Tech II	X		X					
401 - 2024- Additional Parks Supervisor	X		X					
435 - Natural Resources Technician III - Weeds - Level II for 2024	X	X					X	
433 - Natural Resources Technician III - Plant Ecologist - Level II for 2014	X	X					X	
453 - PIO additional half FTE with benefits	X							
471 - Senior Code Enforcement/Zoning and Housing Inspector	X					X	X	
477 - NEW FTE REQUEST - Data Analyst	X							
478 - Create career series for existing NR Techs - to NR II for this year	X							
482 - WASTE SERVICES TECHNICIAN, ASE Master II conversion to EVT, 2 positions	X							
490 - Homeownership Specialist (Housing & Community Investment Specialist)	X					X	X	
491 - Senior Accountant - 100% to AHF	X					X	X	
498 - Alternative Transportation Planner	X			X		X	X	

New and Changed Positions

Request Title	Core Services	Climate Action	Places & Amenities	Transportation	Early Childhood and Education	Housing for All	Equity, Safety, Sustainability	Council Vision
507 - New FTE - Transportation Engineering Assistant	X			X		X	X	
515 - new Journey Substation Worker	X							
519 - Energy Efficiency and Education Specialist	X	X				X	X	
521 - Term-Limited Admin Analyst	X							
74 - Outreach Victim Advocate Position	X						X	X
77 - Three Additional Shift Firefighters	X						X	
9 - Custodians	X							
Community Enforcement Manager (MPO moved from Police)	X		X			X	X	
Neighborhood Resource Specialist	X			X			X	
Redevelopment Manager (5-yr fixed term)			X	X		X		
287 - Fixed Term or Contract Device Specialist	X							
325 - John Sedgwick - 2024 Fixed term employee	X							
67 - PMO - PMO Manager	X		X	X		X		
71 - PMO - Administrative Analyst	X		X	X		X		

2024 BUDGET – OTHER COUNCIL DIRECTED

- \$115,000 of increased ongoing funding for Longmont Public Media
- \$575,000 of increased ongoing funding for the Humane Society contract

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
 - Reductions to the sales tax base
 - Potential of a recession

