

CITY COUNCIL COMMUNICATION



MEETING DATE: September 16, 2025 **ITEM NUMBER:** 6.{{item.number}}

SECOND READING: {{customfields.ResoOrdNumber}} **TYPE OF ITEM:**

PRESENTED BY:

Harold Dominguez, City Manager's Office, Harold.Dominguez@longmontcolorado.gov

Teresa Molloy, Finance Administration, Teresa.Molloy@longmontcolorado.gov

Sandra Sifuentes, Budget, Sandra.Sifuentes@longmontcolorado.gov

Other City Staff

SUBJECT/AGENDA TITLE:

2026 Proposed Budget Presentation

EXECUTIVE SUMMARY:

The Proposed 2026 Budget Presentation will focus on the 2026-2030 Capital Improvement Program (CIP). Staff will be presenting on several select projects that are proposed for funding in 2026. Presentation will also touch on Nextlight and Utilities Budget Summaries, the Sanitation Fund, as well as the new Technology Services Fund. This information will be available on the City's website with the 2026 proposed budget documents should we need to refer back to any information from this communication as we continue to move through the weekly 2026 budget presentations.

COUNCIL OPTIONS:

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RECOMMENDED OPTIONS:

FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION:

BACKGROUND AND ISSUE ANALYSIS:

Citizens wishing to view the 2026 budget information can access these documents on the City's website at the following location: [2026 Budget Documents](#)

FOLLOW-UP FROM PRIOR MEETINGS AND QUESTIONS FROM COUNCIL MEMBERS

On-Line Sales and Use Tax

Mayor Peck requested information on the on-line sales and use tax. The state internet portal has been a significant growth factor for sales and use tax in recent years. The city joined the state portal for online filing in 2020 and in 2021 it brought in over \$808,000 of tax revenue; \$2,029,775 in 2022; \$3,996,208 in 2023; and \$6,432,316 in 2024. Through July 2025 we have received \$6,388,876 of revenue through the state portal.



Boulder County's Affordable & Attainable Housing Grant Program

Councilmember Popkin asked the following question: Regarding the attainable housing fund, has Longmont received any funds from the county's affordable housing grant process? Molly O'Donnell, Director of Housing & Community Investment, provided the following answer: Staff is currently negotiating the agreement template with the county. The city does expect to be under contract for about \$2.9M out of the 2025 budgeted funds as soon as the agreement language can be finalized and approved by Council. The county is limiting funds for government, housing authority, or non-profit use at this point in time so that limits the ability to be used on a wide range of attainable housing projects or programs.

Ridership and Utilization Numbers for Transportation Options

Staff will provide a follow-up on the question from Councilmember Popkin regarding ridership and utilization numbers for the FLEX bus, RIDE Longmont, RideFree Longmont, and ECOpass in the Council Communication for the budget presentation on September 23.

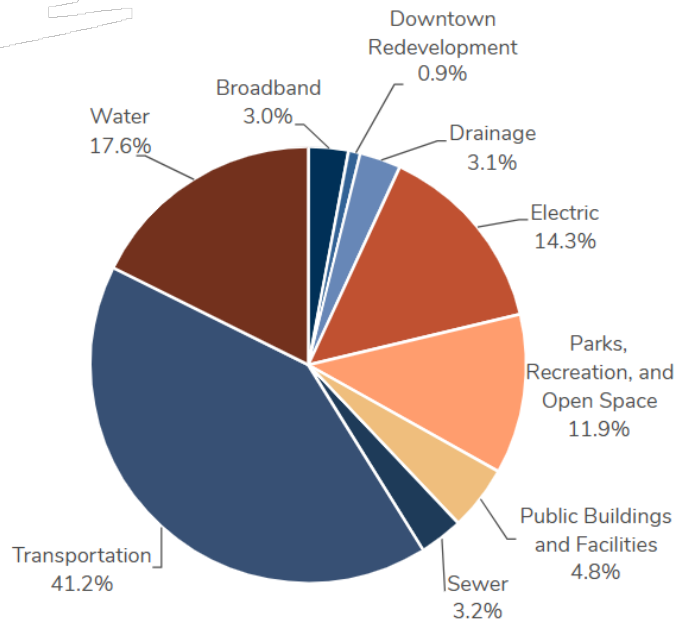
2026-2030 CAPITAL IMPROVEMENT PROGRAM (CIP)

The Proposed 2026-2030 Capital Improvement Program can be accessed on the City's website using the following [link](#).

For the five-year period from 2026-2030, \$357,829,797 of capital projects are proposed to be funded. Of that amount, projects totaling \$93,244,624 are planned for 2026 and are included in the proposed 2026 Operating Budget. By category, the projects proposed to be funded for 2026 are:

Project Category	2026 Funded Projects
Transportation	\$ 38,415,350
Water	16,451,720
Electric	13,377,588
Parks, Recreation, and Open Space	11,064,801
Public Buildings and Facilities	4,474,624
Sewer	3,019,500
Drainage	2,850,850
Broadband	2,770,191
Downtown Redevelopment	820,000
Sanitation	-
Total Funded Projects in the 2026 Budget	\$ 93,244,624

2026 PROPOSED CIP PROJECTS BY CATEGORY



Staff will be presenting on several select projects that are underway in 2025 as well as select projects that are proposed for funding in 2026. Should Council have questions on any projects included in the Proposed 2026-2030 Capital Improvement Program, staff will be available.

NEXTLIGHT AND UTILITIES BUDGET SUMMARIES

Staff will present Nextlight and Utilities Budget Summaries as part of the CIP presentations.

SANITATION FUND BUDGET SUMMARY

The proposed Sanitation Fund budget for 2026 is \$11,511,764, which is a 7.33% decrease compared to the adopted 2025 budget. A Sanitation Cost of Service Study was completed and brought to Council in August for further direction. The current Sanitation Fund budget reflects a reduction of \$735,000 in one-time expenses pending rate increases Council approved to be adopted in 2026. Staff will return early next year, to update Sanitation Fund revenues and expenses so they align more closely with the approved rate changes.

TECHNOLOGY SERVICES FUND BUDGET SUMMARY

The 2026 budget ordinances will include an enabling ordinance for a new internal services fund called the Technology Services Fund. This will function similarly to the Fleet Fund, encompassing expenses, personnel, and assets related to the City's use of technology. Costs will then be allocated to other funds according to their use. This year, the expenses include the personnel, licensing, and professional services costs associated with the continued implementation of Salesforce. Additional expenses and assets will be transferred into the fund in future budget years. The 2026 budget includes a total of \$2,186,135, of which



\$553,840 supports 4 new term-limited positions, and \$1,632,295 covers licensing and implementation. Centralizing these costs will improve our understanding of the full cost of technology services across all funds and departments.

ATTACHMENTS: None