CITY COUNCIL COMMUNICATION

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TYPE OF ITEM: General Business

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SUBJECT/AGENDA TITLE:
2027 Proposed Budget Presentation

EXECUTIVE SUMMARY:

COUNCIL OPTIONS:
Click or tap here to enter text.

RECOMMENDED OPTIONS:

FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION:

BACKGROUND AND ISSUE ANALYSIS:
Citizens wishing to view the 2027 budget information can access these documents on the City's website at the following location: 2027 Budget Documents

EMPLOYEE COMPENSATION AND BENEFITS

Compensation Plan
Human Resources staff will present the pay plan which is included in the proposed 2027 information that is available on the City's website at the following link. Below is the overview which is included in the pay plan.

For 2027, the City will hold the 2026 pay plan benchmarks and will not apply a separate 2027 market adjustment or market movement. Rather than adjusting the pay plan based on updated 2027 market data, the City will apply a 3.0% range movement across the board to all non-collectively bargained positions.

The 3.0% range movement will be incorporated into the 2027 pay plan while the underlying market benchmarks remain at the 2026 levels. This approach allows the City to provide a

consistent annual increase while maintaining the compensation structure's 2026 market positioning.
Below is the methodology of the 2026 market.

Providing City services is inherently labor-intensive, with nearly three-quarters of General Fund expenditures tied directly to employees. Because the quality of services we deliver is only as strong as the people who provide them, it is critical that the City offer competitive wages and benefits to attract and retain highly skilled, motivated staff. Like many of our peer cities, we have conducted a compensation study to help guide this effort. Compensation adjustments resulting from this study were completed in 2025 were reflected in the 2026 pay plan benchmarks.

The City's Pay Plan is based primarily on open range, individualized salary bands. Open ranges exist for all employees except sworn Public Safety positions and designated electric line positions in Longmont Power & Communications. Open ranges allow for employees to move through the range based on market position and job performance. Step pay systems are only for Public Safety and the noted LPC positions because the step system is the prevailing method for establishing pay for these jobs throughout the region to which we compare. Step employees typically receive annual pay increases when market adjustments are made to the steps.

In 2025 and 2026, the city continued to align with the recommendations of the Mercer compensation study as noted above. These same benchmarks resulting from these recommendations have been held for the 2027 Pay Plan. Positions not benchmarked through custom internal surveys were instead benchmarked against external market surveys. The surveys utilized included: Mercer Benchmark Database (General Industry & High-Tech Industry), Mercer IHN Healthcare Survey, Willis Towers Watson (General Industry & High-Tech), and Pay Factors Peer and Market data. Positions were aligned to the market 50th percentile, maintaining consistency with the City's compensation philosophy. For surveys that relied on national data, a 10% geographic adjustment was applied to account for cost-of-labor differentials.

The City's Financial Policy on compensation states: "The City will strive to establish prevailing market ranges of pay for City positions." A key guideline within this policy is that the City's financial capacity to pay remains a primary consideration. Thanks to the significant progress made over the past two years, most City positions are now aligned with market levels. Any positions that fell below the 2026 market were adjusted upward to meet the market in the 2026 Pay Plan.

Since 2015, the City has consistently maintained a goal of benchmarking positions at 102% of market range. This goal was based on our high expectations and accountability levels for our employees. As an organization we continue to ask our employees to do more with less. Our staffing is similar to that of similar-sized cities, but as a full-service city, Longmont employees are spread across more service departments. As our expectations are higher than normal or average, our employees should be compensated for meeting those expectations at an amount higher than midpoint or average. This proposed 2027 budget has pay budgeted at 101% of market. We are still targeting 102% of market, however we will not reach that in 2027.

In order to align actual salaries with the City's compensation philosophy to strive to pay employees meeting or exceeding expectations at 100% of market-level pay this proposed 2027 budget includes all non-collectively bargained open range salaries budgeted at 101% and allows for performance-based movement within the open range for open range employees who are below the 2027 position pay range midpoint. Performance-based movement through the range will be reviewed and is allowed, as long as the movement does not take the employee's salary beyond 101% of the 2027 position midpoint.

This proposed 2027 budget also includes funding of a maximum of 1.5% of pay in each department budget to allow for employees who meet certain criteria in delivering extraordinary performance to be compensated between 101% and 110% of the range midpoint. This is a component of our compensation program that is designed to both reward exceptional performance and provide an opportunity for employees to be compensated beyond the range midpoint.

In 2026, two-year contracts for both the Police and the Fire collective bargaining units were negotiated and approved for 2027 and 2028. This proposed 2027 budget includes the increases that were negotiated in those contracts.

The 2027 budget includes $284,631 to continue the bilingual pay compensation program. This program recognizes regular, temporary, and part time non-benefitted employees who can provide translation and interpretation services in Spanish and American Sign Language, which enhances our capacity to deliver services to our diverse customers.

Defined Benefit Pension Plans

The City sponsors three defined benefit (DB) pension plans. Two of those plans are closed plans that covered fire and police employees hired before April 8, 1978. The third defined benefit plan is for non-uniformed general employees. Each of these DB plans have their actuarial status measured annually based on actuarial assumptions along with actual membership, contribution and investment performance data. Each are governed by a retirement board and the City Council ultimately approves any plan amendments by ordinance as well as city contributions through the annual budget.

Old Hire Fire Pension Plan and Old Hire Police Pension Plan

Actuarial reviews are performed on the old hire plans every year and the most recent was as of January 1, 2026. The Old Hire Fire plan had 7 members/beneficiaries as of 1/1/26 and is 156.1% funded, up from 136.2% as of 1/1/25. The Old Hire Police plan had 6 members/beneficiaries and is 109.7% funded, up from 106.3% as of 1/1/25. For 2027, no contribution is required to be made to either plan. No increases were given for 2025 and with both these plans fully funded, the boards approved a 5% benefit increase per year for 2025/2026 for the members of the Old Hire Fire plan and a 2% per year increase for 2025/2026 for members of the Old Hire Police Plan. The increases will not require any city contributions in 2027. Staff will return to council later in the fall with the ordinances necessary to put the increase in place. Attachment A is the presentation made to the retirement boards on the 2026 actuarial reports for these two defined benefit plans and is included for your information.

General Employees Retirement Plan
The City sponsors a defined contribution retirement plan and a defined benefit pension plan for each of its non-uniformed general employees. The defined contribution plan is provided to regular employees in lieu of Social Security. The defined benefit plan, called the General Employees Retirement Plan (GERP), is funded through contributions by the City and employees. Historically the City contributed 6% of compensation to the GERP while employees contributed 4.5% of compensation.

In 2001 the City created a Retirement Health Savings (RHS) plan for employees and the City annually contributes $400 for each regular full-time employee to this defined contribution plan. The City reduced its funding to the GERP from 6% to 5% to create funding for the RHS plan.

The economic downturn in the fall of 2008 had a significant impact on the investment returns of the GERP. When the actuary study was performed in 2009 the full contribution requirement rose from 8.3% to 13.4% of pay. Despite the actuarial approach of smoothing investment returns over five years the funded ratio of the plan dropped from fully funded at 105.9% to unfunded at 86.7%.

Starting in 2017 the city began to be more aggressive with contribution rates to make some progress on the unfunded liability. Further adjustments have been made since this time as the contribution requirement has continued to increase.

In addition to the required employee and city contributions, the city has made one-time contributions to the plan in 2019, 2020, 2021, 2023, 2024, 2025, and plans to make additional contributions in 2026, if possible.

Below are employee and city contributions going back to 2012.

Year	Employee Contributions	City Contributions	Additional One-Time Contributions Made	Funded Ratio as of Jan 1
2012	5.00%	6.10%		94.1%
2013	5.00%	6.30%		90.8%

2014	5.70%	6.70%		93.1%
2015	5.70%	6.70%		93.9%
2016	5.70%	6.70%		92.5%
2017	5.80%	7.20%		91.8%
2018	5.80%	7.70%		92.9%
2019	5.80%	7.70%	Yes	88.6%
2020	6.00%	8.00%	Yes	87.9%
2021	6.00%	8.40%	Yes	82.7%
2022	6.60%	9.00%		86.3%
2023	6.60%	9.00%	Yes	82.8%
2024	7.00%	9.40%	Yes	83.6%
2025	7.00%	9.40%	Yes	84.3%
2026	7.00%	9.40%	Yes, if possible	86.1%

Attachment B is the presentation made to the GERP Board on the most recent actuarial report for the plan and is included for your information.

Staff and the GERP retirement board believe that bringing the plan to a funded status needs to continue to be a goal. As long as the plan remains unfunded there can be no cost-of-living adjustment to the benefits of the retirees as the plan document requires any such adjustment cannot be made unless the plan is fully funded. The last adjustment was made in 2009.

With the plan assumptions and contribution levels, it is projected that the GERP plan could reach a fully funded status in approximately 2043 if contributions are made to meet the actuarially determined contribution rate of 8.3% and 2034 if employer contributions remain at 9.4%. The 2027 budget continues employer contributions at 9.4%.

Police & Fire Retirement Benefits
In July of 2021 the City Council approved collective bargaining agreements for Police & Fire personnel. As part of those agreements the City agreed to allow the sworn Police & Fire who were covered by the City New Hire Police & New Hire Fire retirement plans to make a one-time irrevocable choice to enter the Colorado Fire and Police Pension Association (FPPA) system. As of November of 2021, all sworn Police & Fire new hires become members of the FPPA defined benefit plan. Employees hired before November of 2021 made a choice in the 4th quarter of 2021 to either enter the FPPA system or remain in the existing City New Hire retirement plans. Those that chose to enter the FPPA retirement system also had a choice to enter the FPPA defined benefit plan or the FPPA hybrid plan which offers both a defined benefit as well as a money purchase benefit. Among the Police employees, 109 chose to stay in the city defined contribution plan, 19 entered the FPPA defined benefit plan, and 19 entered the FPPA hybrid plan. Among the Fire employees, 36 chose to stay in the city defined contribution plan, 18

entered the FPPA defined benefit plan, and 37 entered the FPPA hybrid plan. Contribution rates for 2027 will remain the same as 2026.

Employee Benefits Fund

During the budget process staff estimate the annual City cost for all employee health and dental benefit expenditures and converts that cost into a percentage of budgeted salaries for the next budget year. These City contributions to the Employee Benefits Fund are transferred monthly from each of the respective funds. Employee contributions for these benefits are withheld from each paycheck and transferred into the Employee Benefits Fund on a biweekly basis. Retiree contributions are withheld monthly from pension benefit checks. These three sources comprise the majority of the revenues to the Employee Benefits Fund. All employee benefit-related expenditures are made from the Employee Benefits Fund. Attachment C is an operating statement for the Employee Benefits Fund, and it provides a detailed summary of the revenues and expenditures for the fund.

The Employee Benefits Fund experienced expenses greater than annual revenues from 2009 through 2012. City contributions to the fund increased from 14.5% of pay in 2012 to 15.7% in 2013 and then to 17% for 2014. Since that time, it hovered between 17% and 16% until reaching 16% in 2022. In 2023, with significant growth in compensation for 2023 and no increase in the Kaiser premium we were able to reduce the city contribution percentage to 15.0%. Even still the fund balance grew in 2023. For 2024, there was a 5% increase in the Kaiser health premium but also a market pay adjustment of 4.64% or higher increasing city contributions as well. Thus, the level of contributions to the Employee Benefit Fund was lowered to 14.5% for 2024. While there was an increase in the Kaiser cost again for 2025 there are also increases of 3% and greater in employee pay so the 2025 budget maintained the 14.5%. The 2026 budget continued the 14.5% contribution, and staff is proposing to maintain this level in the 2027 proposed budget.

Besides the provision of health benefits, the Employee Benefit Fund is also used to pay premiums for dental, vision, long term disability and life insurance coverage as well as EAP services for our employees. In addition, the fund is used to provide wellness exams and other related expenses, wellness incentives in the form of health benefit premium discounts or rebates, and the cost of employee recreation passes.

The Employee Benefits Fund fund balance to begin 2025 was $8.7 million and 2025 operations reduced this to $8.5 million. Projections for 2026 show this fund increasing to $10.1 million at the end of 2026 and then down to $9.3 million by the end of 2027. While the Employee Benefits Fund has been very strong in the last few years, unpredictable changes could quickly destabilize it, and fiscal prudence calls for a minimum fund balance level for optimal future management. As recommended in past years, staff believe three months of expenses from this fund, currently about $5.5 million, should always be maintained to serve as an emergency reserve to guard against a drop in revenues.

Self-Insurance Funds

The City maintains two self-insurance funds, one for general & property claims and another for workers' compensation claims. In each instance the City is self-insured but secures insurance coverage for claims above a certain limit. Essentially the City is using these self-insurance funds to pay deductibles or amounts that do not rise to our level of insurance coverage. These two funds are internal service funds which are not budgeted. The revenues to these funds are primarily from transfers from the major operating funds of the City. The transfers to the Liability Insurance Fund are budgeted as a liability expense line item throughout the operating budget while the transfers to the Workers Compensation Fund are budgeted as a workers compensation expense line item throughout the operating budgets. Transfer amounts are based on claims experience and claims exposure.

The fund balances in these two funds at the end of 2025 were $4.0 million in the Self Insurance Fund and $6.8 million in the Workers Compensation Fund. Transfers from the operating funds in the proposed 2027 budgeted at $1.8 million to the Liability Insurance Fund, no chance form 2026. The contribution to the Workers Compensation Fund in 2026 was budgeted at $1.3 million. Given the health of this fund and the declining claims rate we have reduced this transfer to $700,000 for 2027. This reduction resulted in $382,308 savings to the General Fund.

LONGMONT DOWNTOWN DEVELOPMENT AUTHORITY BUDGET (LDDA)

The LDDA prepares and submits several budgets annually. There are five individual sub-funds:

- The DDA operating fund
- The DDA construction fund
- The DDA debt service fund
- The DDA building permit fund or development incentive program (DIP)
- The DDA Arts & Entertainment fund

Along with these budgets the LDDA also prepares and submits the budget for the Downtown Parking Fund and the General Improvement District #1.

Below is an overview of the 2027 proposed budget for each of these. The details can be found in the All Other Funds section of the proposed budget document once it becomes available.

Fund		**Revenue**	**Expenses**	**Contribution to/(from) Fund Balance**
DDA Operations		$ 431,085	$ 428,556	$ 2,529
DDA Construction		756,031	756,031	-
DDA Debt Service		1,540,507	1,117,744	422,733

DDA Building Permit		64,386	62,500	1,886
DDA Arts and Entertainment		580,275	580,275	-
Downtown Parking		106,461	118,669	(12,208)
General Improvement District #1		152,448	219,811	(67,363)

DDA Operating Fund
The main source of revenue for the Operating Fund is property tax from a 5.000 mill levy assessed within the boundaries of the DDA. Funding covers operational expenses, staff, maintenance and programming.

DDA Construction Fund
The LDDA construction fund is utilized when there are projects that involve the use of LDDA tax increment dollars. The main source of revenue for this fund is a loan of tax increment dollars from the Debt Service Fund.

A number of projects totaling $756,031 are proposed to be funded using tax increment dollars in 2027. These are projects and priorities from the Downtown Longmont Master Plan of Development.

- Pedestrian metrics $ 8,000
- Arts District 42,767
- Clean & safe 25,000
- Economic vitality 32,500
- Placemaking 30,000
- Cameras 22,000
- Spoke garage O&M & lease 50,000
- Infrastructure renewal & replacement 73,998
- 600 Main operations 43,000

Total $ 327,265

There is another $28,766 in this budget to cover the operations and management of these projects and with the completion of Hotel Longmont there is $400,000 for reimbursement of TIF funds per the development agreement.

DDA Debt Service Fund
The final payment on the tax increment financing (TIF) bonds issued in 1998 was made in December of 2008. In order to have the tax increment stream of revenue continue as allowed by statute a new debt was established in 2007 by creating an interfund debt to finance the use of TIF dollars (which can only be used to pay debt) for 2008. That debt is maintained so that the TIF revenue can continue.

TIF revenue in the 2027 budget is projected at $1,400,000 based on assessed valuation information from 2025 as this information was not yet available from the County at the time the proposed budget was presented. There is $555,540 budgeted for the use of the TIF dollars to fund the projects and operations referenced for the Construction Fund above and $555,234 repay a loan to provide funding for the DDA Arts & Entertainment Fund for 2027.

DDA Building Permit Fund
The DDA Building Permit Fund administers the Development Improvement Program (DIP). Revenues come from fees on building permits from construction projects in the DDA area. Under an IGA, the City transfers an amount equal to these fees to the DDA DIP Fund for downtown improvement projects. The proposed 2027 budget includes $64,386 of revenues for the program. Expenses are budgeted at $62,500 for the program.

DDA Arts and Entertainment Fund
Since 2007 the LDDA has used TIF funds to fund a marketing and advertising program for business recruitment, marketing, branding, special events and promotion for the downtown. The proposed 2027 budget for the Arts and Entertainment Fund of $580,275 will be used for will be used for ongoing programming including LoCol Square, marketing, events, downtown gift card, holiday lighting and programming, as well as small business support.

Downtown Parking Fund
The Downtown Parking Fund is a City fund that is administered by the LDDA through the annual IGA. Parking permits projected at $95,000 for 2027 are the primary source of revenue. Expenditures during 2027 total $118,669 for parking lot upkeep and upgrades.

General Improvement District #1 Fund (GID)
The General Improvement District #1 budget is another City fund that is administered by the LDDA through the annual IGA. The main source of funding is a 6.798 property tax mill levy estimated at $128,641 for 2027. Expenses for 2027 of $219,811 will be used for beautification, maintenance, pressure washing, landscaping and management of the GID district.

LDDA Tax Increment Financing
In the state of Colorado, the state statutes allow for the creation of downtown development authorities and the statutes also govern the powers of such authorities. The section of the statutes that pertain to downtown development authorities is Section 31 Article 25 Part 8. Those sections also address the use of tax increment financing by DDA's. One of the powers or responsibilities assigned to a DDA in state statute is to:

Plan and propose, within the downtown development area, plans of development for public facilities and other improvements to public or private property of all kinds, including removal, site preparation, renovation, repair, remodeling, reconstruction, or other changes in existing buildings which may be necessary or appropriate to the execution of any such plan which in the opinion of the board will aid and improve the downtown development area.

The Longmont DDA first created a plan of development upon being formed in 1982. The Authority's Plan of Development, adopted by the City Council in June of 1983, describes a series of objectives designed: to promote the health, safety, prosperity, security and general welfare of the District; to strengthen the economic vitality of the downtown area by preventing the deterioration of property values and structures and by eliminating blighted conditions; and to prepare and implement plans for the economic and physical revitalization of the DDA. The LDDA updated the Master Plan of Development in 1987; in 1995; and most recently in 2017.

In adopting the LDDA Plan of Development in 1983 the City Council adopted the use of tax increment financing as authorized in the Colorado State Statutes:

That portion of said property taxes…in excess of such amount shall be allocated to and, when collected, paid into a special fund of the municipality for the payment of the principal of, the interest on, and any premiums due in connection with the bonds of, loans or advances to, or indebtedness incurred by, whether funded, refunded, assumed, or otherwise, the municipality for financing or refinancing, in whole or in part, a development project within the boundaries of the plan of development area.

The Plan established a base property valuation for the overall District as of December 1982 and beginning in 1983, the incremental property tax generated by the various mill levies on those properties above the 1982 base level is earmarked as LDDA TIF revenue and deposited in the LDDA TIF Fund.

While the state statutes allow for tax increment financing by a DDA, they limit the use of those funds to the payment of debt used to finance a development project. Such debt is subject to voter authorization. In March of 1985 the qualified electors of the District authorized the City to issue bonds in an aggregate amount not to exceed $4,500,000 to finance DDA development projects. That authorization was used up with bond issues in 1986 and 1998 and smaller financing projects in between. In 2005 the LDDA received voter approval of a ballot question that would allow debt to be increased up to $10,000,000 for DDA development projects pursuant to the LDDA plan of development which projects may include but not be limited to, at the discretion of the Authority, a mixed-use parking structure. Between 2005 and 2015 the LDDA and the City approved the use of $10 million of tax increment financing for the following projects:

Legal expenses for 2005 election $ 7,000
St. Stephen's pocket park1 42,693
Marketing & promotion of downtown 20,000
Marketing program (2007-2013) 1,000,820

Façade loan program	1,300,000
Alleyscape study	18,750
Master plan of development	75,000
Longs Peak & Main market study	8,666
DR-8 Downtown alley improvements	1,414,360
DR-24 Longmont Theatre	250,000
Arts & Entertainment District	75,000
DR-23 Parking lot improvements	340,167
DR-25 Downtown breezeway improvements	746,400
A&E District programs	1,062,504
Storefronts campaign	50,000
Business retention & recruitment	16,666
BID plan	25,000
Incentive programs	1,100,000
Parking structure at Roosevelt apartments	2,024,000
DR-19 Streetscape improvements	175,000
Infrastructure replacement funding	47,974
Total uses	$ 10,000,000

In November of 2012 LDDA voters approved an additional $25 million of debt authorization which is likely to cover the use of LDDA TIF revenue through 2033 for which the TIF is currently authorized to continue under state statute. Since receiving the $25 million authorization the LDDA and the City have approved the use of $12,326,554 of tax increment financing for projects and efforts such as the following:

PBF-215 Coffman Project	2,000,000
Incentive programs	450,000
Infrastructure replacement funding	510,375
Project management expenses	250,586
DTR-008 Downtown Alley/Breezeway Improvements	120,000
DTR-023 Downtown Parking Lot improvements	30,000
DTR-029 Downtown Alley Planning	25,000
DTR-032 Plaza Rehabilitation	100,000
DTR-033 Wayfinding Gateways	270,000
DTR-036 Crosswalk Enhancements	30,000
Arts District and Arts & Entertainment programs	3,089,093
Clean & safe programs	130,000
Placemaking programs	410,000
Connectivity programs	150,000
Creative District programs	60,000
Economic vitality programs	265,000
Redevelopment programs	25,000

Marketing collaboration programs	30,000
Metrics	54,000
Electric assessment & upgrades	70,000
COVID grants	200,000
Mural/Cultural project	65,000
Alley cameras	262,000
Parking study update	90,000
Parklet maintenance	25,500
Placer AI	42,000
Spoke garage maintenance	210,000
Main St speed mitigation	500,000
Event trailer	20,000
Micro transit	150,000
DTR037 600 Main Rehabilitation	1,650,000
TRP141 S&J Retaining Wall and Parking Deck	600,000
600 Main operations	43,000
Hotel Longmont agreement	400,000

Beginning in 2014, the thirty-first year of the LDDA TIF, the base year for the calculation of the increment was 1992 and the LDDA was only entitled to receive 50% of the TIF. The City and the LDDA negotiated with some of the other taxing entities to receive more than 50% of the TIF generated by their respective mill levies. The DDA has an agreement with the St. Vrain Valley School District for a portion of their mill levy. That agreement, along with the City's own mill levy, is the only TIF dollars beyond the allowed 50% that the LDDA will receive. As a result, the LDDA TIF revenue in this proposed 2027 budget is projected at $1,400,000.

In the 2023 legislative session, the Colorado General Assembly passed SB23-175 regarding the financing of Downtown Development Authority Projects. The bill created the option for additional 20-year extensions after the expiration of the first 20-year extension. The LDDA first 20-year extension ends in 2033. The extension does not increase or change any mill rate or property tax commitments of the property owner. It authorizes an allocation of the normally assessed property tax within properties downtown to be used to invest in projects and programs within the Downtown District. The City Council passed ordinance O-2023-53 in October of 2023 authorizing the additional 20-year extension.

Downtown Infrastructure Renewal

Maintenance of the downtown is contracted for by the LDDA Executive Director as per the duties identified in the annual IGA's between the LDDA and the LGID; and between the City and the LDDA. While some services are provided by external contractors a portion of it is being provided by Public Works and by Natural Resources. Depending on the type of maintenance or support provided the funding source comes from either the Longmont General Improvement District; the Downtown Parking Fund; the Arts & Entertainment Fund; and occasionally the DDA

Operating Fund. Primarily the Longmont GID is the historical funding source for expenses related to the repair, replacement and maintenance of District assets including sidewalks, parking lot surfaces and improvements, breezeway walks, structures and other improvements.

In 2013 the Parks Division completed an asset inventory for the downtown to identify the need for continued maintenance and renewal of assets in the downtown. City staff met with the LDDA Executive Director to discuss approaches to meeting those needs. Staff checked with other cities with downtown development authorities that had funded infrastructure in their downtowns and how those entities handled the ongoing maintenance and replacement of those assets. Some were maintained by the City and some by the DDA. With the reduction in TIF revenue the LDDA began to experience in 2014 (year 31) it was unable to solely fund the maintenance and replacement costs. City staff concluded that the infrastructure should be treated as it would be elsewhere in the City where developer improvements are accepted and maintained by the City. Staff also concluded that services to the downtown involving trash removal and street cleaning were services being provided elsewhere in the City by the Sanitation Fund and Streets Fund respectively. Accordingly, it was decided that those services should also be provided by those funds to the downtown as well.

As indicated above, the City Council agreed to allow the LDDA to keep 100% of the TIF generated by the 13.42 mill levy of the General Fund rather than retain the 50% that is allowed for in year 31 under the state statutes. The LDDA Board designated that 50% of that amount, or 25% of the overall TIF generated by the levy (estimated at $73,998 for 2027), would be set aside for renewal or replacement of downtown infrastructure assets.

ATTACHMENTS:
Attachment A – Old Hire Fire and Police Actuarial Presentation to Board
Attachment B – General Employees Retirement Plan Actuarial Presentation to Board
Attachment C – Employee Benefits Fund Operating Statement