City of Fort Collins

09-15-2026

2027- 2028 Recommended Budget

Presented by:

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Realignment Budget

The gap reflects both external pressures and deliberate choices to sustain community priorities and organizational resilience:

- Costs of many goods and services rising faster than revenue
- Making formerly ARPA-funded social services ongoing
- Budgeting realistically for recurring costs such as snow removal
- Investing in competitive employee compensation
- Supporting a growing community
- Maintaining critical staffing in areas such as Police

Budget Development Process

City of Fort Collins

Current Levels of Service + **Economic Outlook / Revenue Trends** + **Expansion of Footprint**

Preliminary Projections - Estimated Gap

Costs to maintain current levels of service and forecasted revenues

8% Reduction Exercise

Each service area identified reductions equal to 8% of projected 2027 costs

Required consistent scrutiny into ongoing budgets and surfaced tradeoffs

Evaluation

Leadership weighed proposals against **council priorities**, **the strategic plan**, and **community needs**

Budget Modifications

- Align costs & revenues
- Deliver services differently or more efficiently
- Adjust service levels

2027 – 2028 Recommended Budget

Citywide Budget

Total and Net City Budget

	Adopted 2026	2027	% Change	2028	% Change
Operating	$835.6	$879.0	5.2%	$862.1	(1.9%)
Debt	59.8	55.9	(6.5%)	59.6	6.7%
Capital*	680.4	104.4	29.8%	95.9	(8.2%)
Total City Appropriations**	**975.8**	**1,039.2**	**6.5%**	**1,017.5**	**(2.1%)**
Less					
Internal Service Funds	(109.5)	(119.9)	9.4%	(122.4)	2.1%
Transfer to Other Funds	(59.0)	(97.9)	66.0%	(84.3)	(13.9%)
GIDs	(0.3)	(0.4)	38.0%	(0.4)	0.3%
URAs *	(7.2)	(12.3)	72.2%	(12.8)	3.9%
DDA	(38.3)	(38.3)	0.0%	(38.3)	0.0%
Total	**(214.3)**	**(268.8)**	**25.5%**	**(258.2)**	**(3.9%)**
Net City Budget	**$761.5**	**$770.4**	**1.2%**	**$759.3**	**(1.4%)**

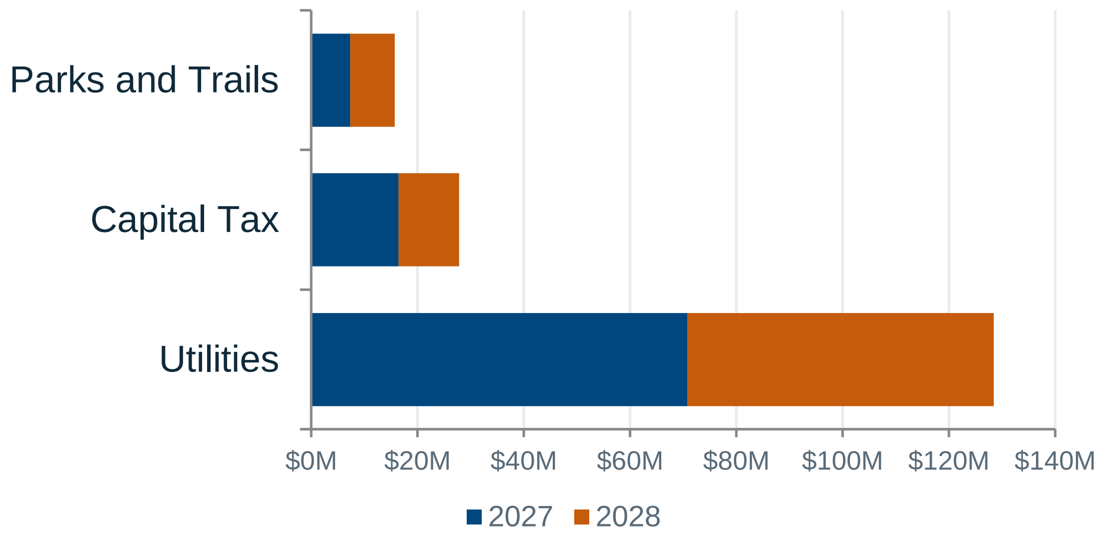
Capital Investments

$172.0M
Total Capital in 2027 – 2028 Recommended Budget

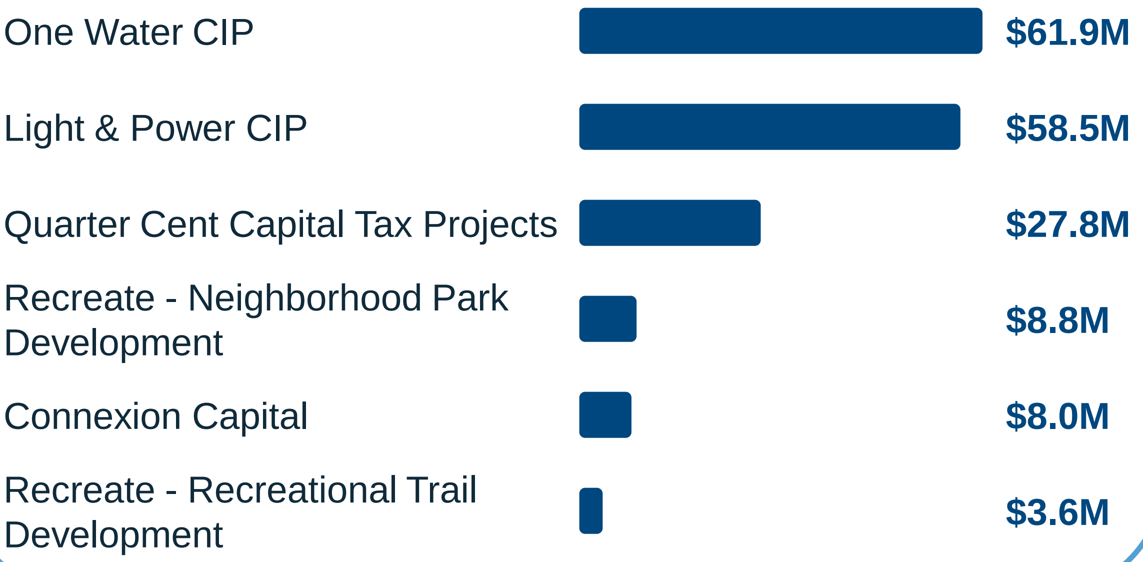
$94.6M
2027 funding

$77.4M
2028 funding

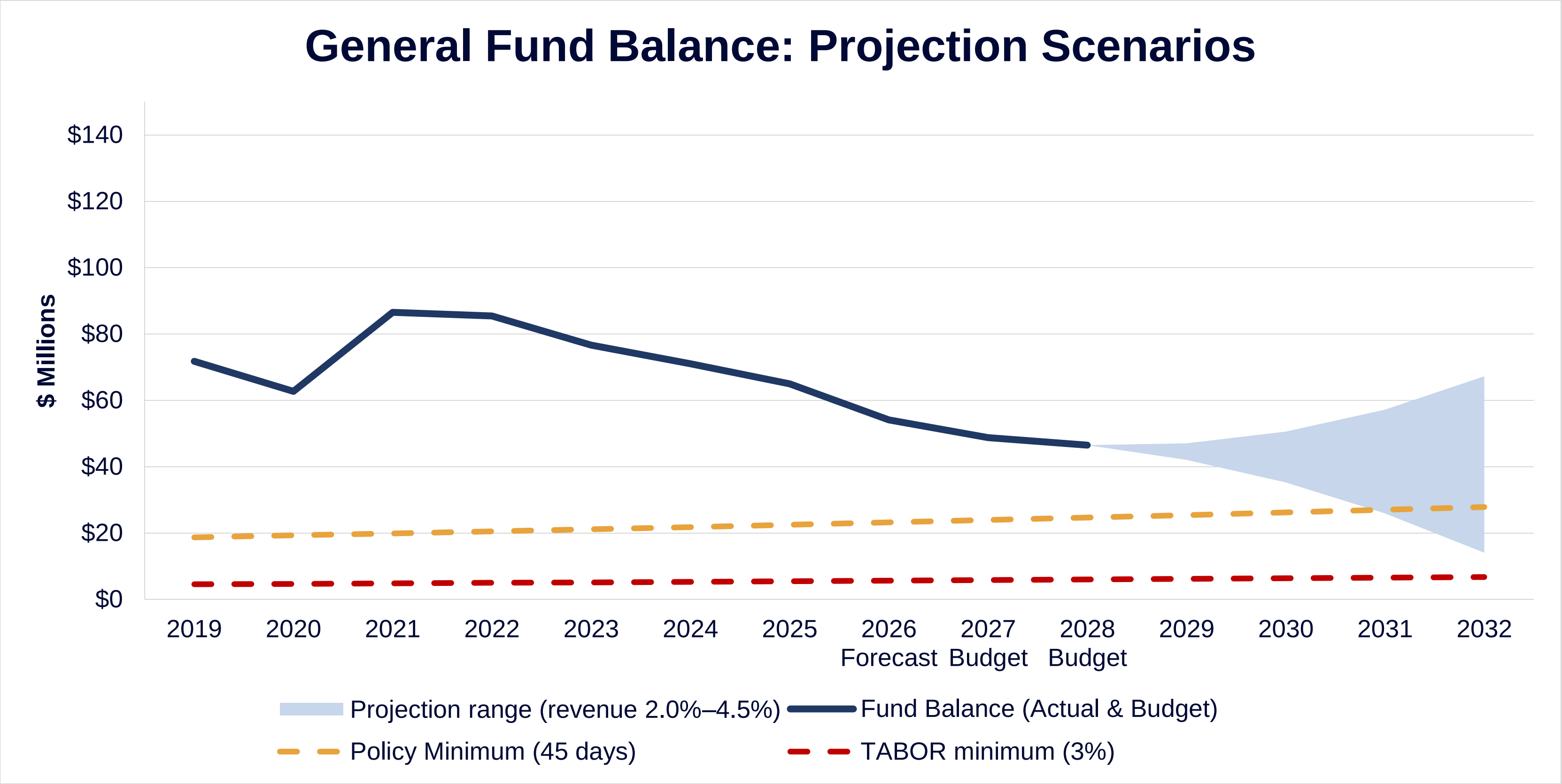
Capital by Area



Guiding Capital or Master Plans



General Fund Reserve Balance Outlook



- Assumes 10-yr average CPI growth of 3.1% for expenses
- Revenue scenarios between 2% (short-term budget assumption) and 4.5% (10-year average taxable sales growth)
- Fund balance project does not reflect assignments

Recommended Adjustments

$1M

Align costs & revenues

Match sources and uses of funds more strategically with no change to level of investment or services provided.

- Dedicated funding paying for proportional labor costs
- Increased revenues, such as recreation, offsetting General Fund contributions

$3M

Deliver services differently or more efficiently

Reduce costs through process improvements, innovation, and operational changes without significant service impacts.

- Consolidating vendors for similar services
- Insourcing training or studies
- Conversion of sworn position to civilian

$6M

Adjust service levels

Intentional tradeoffs that reduce or delay services where necessary to keep the budget aligned.

- Reducing service frequency
- Holding budgets while footprint grows
- Prioritizing maintenance needs

Align $1M	Deliver Services Differently $3M	Adjust Service Levels $6M

Areas with New Investment

Service Area	2027	2028
Community Services	$1.0	$2.9
Information & Employee Services	$0.4	$0.4
Transportation Services	$0.9	$0.5
Community Development, Housing & Sustainability	$3.3	$3.8
Police Services	$0.6	$0.6
Finance & Strategic Services	$16.1	$5.4
Legal Services	$0.1	$0.2
Connexion (Broadband)	$0.3	$0.8
Subtotal - Unrestricted Ongoing General Fund	**$1.0**	**$1.1**
Subtotal - Other	**$21.8**	**$13.6**
Grand Total ($M)	**$22.8**	**$14.7**

Other Funding Requests Considered

	2027	2028
Facilities capital asset management (HVAC & roofs)	$6.45M	$3.13M
Sales tax & licensing software	$1.4M	$0.65M
Accelerating facility improvements	$0.6M	$0.6M
Emerging Council priority work*	—	—
Total additional considerations	**~$8.5M**	**~$4.4M**

- Opportunity to advance funding from anticipated 2026 year-end reserve availability
- Recommended Budget includes $2M placeholder for Form-based code work or other sustainable growth funding in 2027

Talent Impacts - Citywide

30.75	~ 15.75	2027: 4% 2028: 3%
vacant FTE eliminated	**net FTE reduction by 2028**	**wage adjustment funding**
currently authorized but unfilled	*after new & redeployed positions*	

Rely on existing vacancies and anticipated normal turnover during 2027 rather than layoffs

- A hiring freeze created additional vacancies, further supported by ongoing organizational reprioritization
- Hourly position impacts vary by department

Continue to invest in talent through wage adjustment funding equivalent to 4% of the eligible wage base in 2027 and 3% in 2028.

- 2.5% across-the-board wage adjustment for eligible employees; 1.5% reserved for performance-based and other targeted adjustments in 2027
- Benefits expense also increasing faster than inflation/revenue

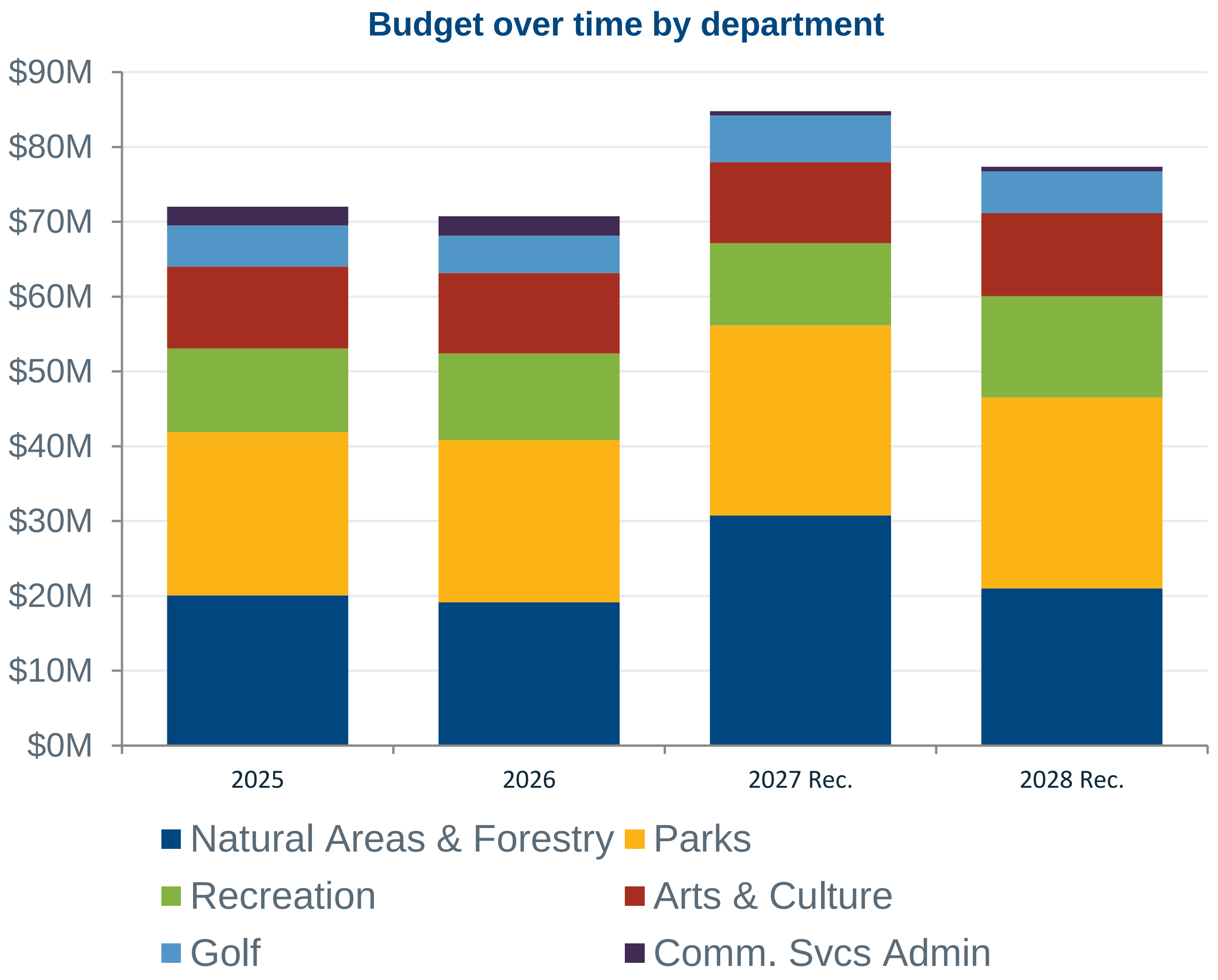
Work Session Schedule

September 15 Service Delivery and Community Investments	**September 22** Internal Operations, Governance, and Utilities	**October 13**
Overall Themes and Citywide assumptions	Police Services	Additional follow-up based on Council questions, direction, or items requiring further discussion Consideration of alternatives
Community Services	Information & Employee Services	
Community Development, Housing & Sustainability	Finance, Executive, Legal, and Judicial Services	
Transportation Services	Utilities	

Community Services

Parks & Recreation
Arts & Culture
Natural Areas & Forestry
Administration

Community Services Overview



Budget Modification Highlights:

- Parks absorbs an expanded system footprint
- Realignment of Conservation Trust and 2050 funding to sustain maintenance.
- Natural Areas includes a one-time $10M reserve-funded land purchase in 2027; Forestry eliminates a vacant position and lowers tree-infrastructure replacement.
- Recreation and Arts & Culture limit General Fund subsidy through fee updates and efficiencies

Community Services – All Modifications to align budget

Area	Vacant FTE Reduced	2027	2028
Arts and Culture	3.0	**($0.6)**	**($0.6)**
Community Services Administration	1.0	**($0.2)**	**($0.2)**
Forestry	1.0	**($0.4)**	**($0.4)**
Nature in the City	-	**($0.1)**	**($0.1)**
Parks	0.5 *(5.5 FTE less growth)*	**($0.3)**	**($0.2)**
Recreation	3.0 *(and 3.0 FTE less growth)*	**($0.3)**	**($0.6)**
West Nile Virus	-	**($0.1)**	**($0.1)**
Community Services Total ($M)	**8.5**	**($2.0)**	**($2.3)**

Community Services – New Investments

Service Area	Investment	Funding Source	2027	2028
Community Services	Southeast Community Center startup and operations	Recreation Revenue and CCIP Dedicated O&M funding	$330,054	$2,869,947
	Golf facility assets	Golf Enterprise Fund Reserves – One Time	$672,632	$12,500
		Community Services Subtotal	**$1,002,686**	**$2,882,447**

- Recommended new investments do not require any General Fund support in this budget
- Golf is operated as an enterprise fund, and does not receive any ongoing subsidy from the governmental funds

Community Services – Capital Projects

Service Area	Capital Project	2027	2028
Community Services	Buckhorn Bridge Replacement	**$2.5**	**-**
	Capital Tax Projects 2027-28	**$5.2**	**$6.3**
	Community Park Development	**$0.5**	**$0.3**
	Neighborhood Park Development	**$2.5**	**$6.3**
	Recreational Trail Development	**$1.8**	**$1.8**
Grand Total ($M)		**$12.5**	**$14.7**

Capital Tax projects funded in this budget include:

- Community Bike Park
- Outdoor Pickleball Complex & Courts
- Downtown Parks Shop
- Nature in the City

Questions?
Community Services

Parks & Recreation

Arts & Culture

Natural Areas & Forestry

Administration

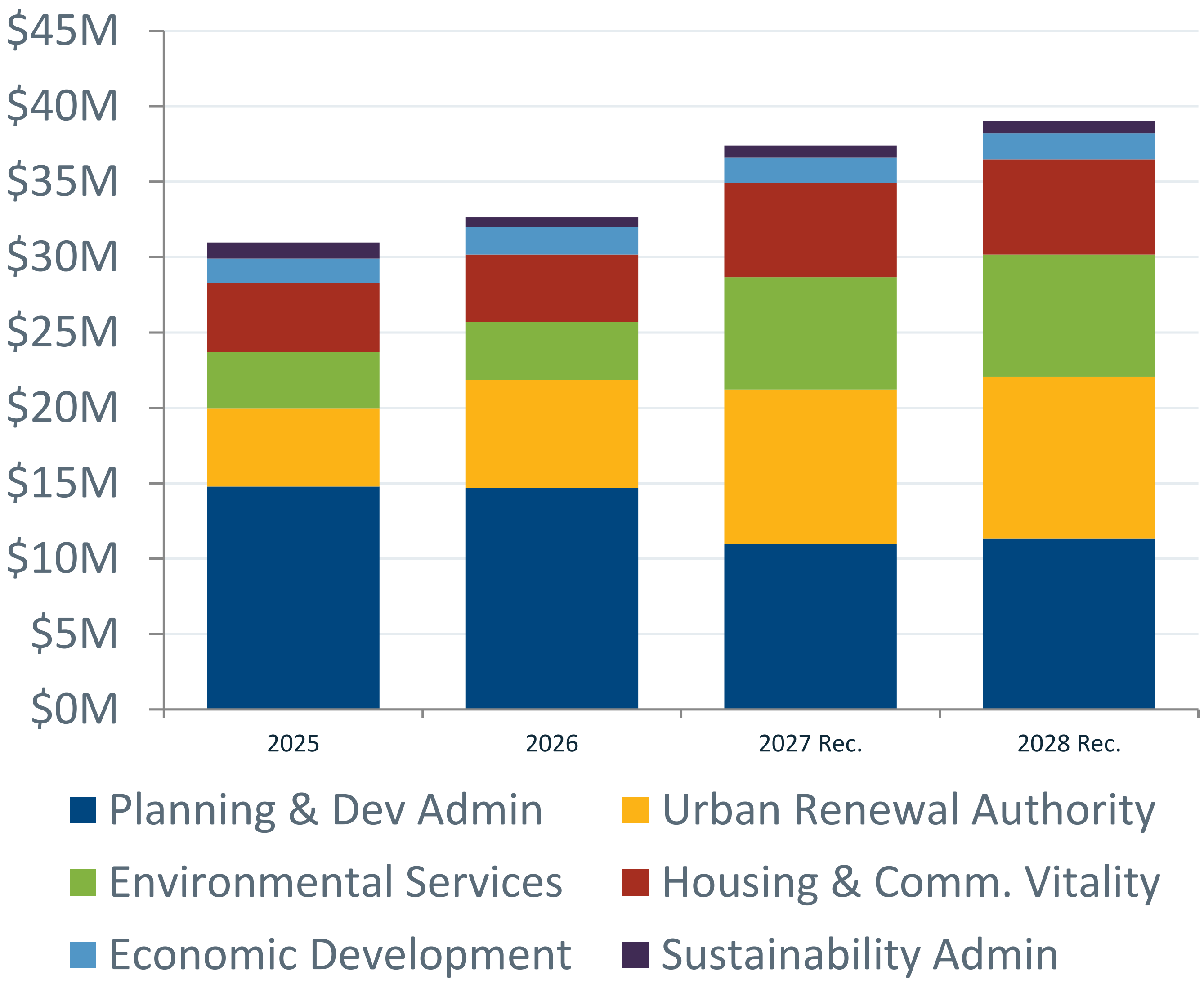
City of Fort Collins

Community Development, Housing and Sustainability

Environmental Services
Administration
Housing & Community Vitality
Economic Development
Planning Services
Building Services

Community Development, Housing & Sustainability (CDHS) Overview

Budget over time by department



Budget Highlights:

- Our City's Future (OCF) climate work expands, funded by dedicated 2050 Tax for one-time and shorter-term Environmental Services projects.
- Organizational streamlining across Environmental Services, Sustainability, and Planning contribute to personnel savings.
- Housing, economic development, and development-review functions hold steady.
- Urban Renewal Authority reflects project- and debt-driven timing.

CDHS – All Modifications to align budget

Community Development Housing & Sustainability Alignment Actions	Vacant FTE Reduced	2027	2028
Personnel Reductions (Vacant FTE and Hourly) and Admin Budget reduction	2.0	**($0.3)**	**($0.3)**
Larimer Humane Society Contract		**($0.2)**	**($0.2)**
Redesign of Grocery Rebate Program and Human Services Grants		**($0.3)**	**($0.3)**
Community Development, Housing & Sustainability Total ($M)	**2.0**	**($0.7)**	**($0.7)**

CDHS – New Investments & Capital

Investment	Funding Source	2027	2028
OCF Strategic Funding Plan — Climate portion expansion	Ongoing (OCF plan)	$3,110,300	$3,669,058
Development Services Navigator (1.0 FTE)	General Fund	$114,053	$117,960
Hybrid position — opioid use disorder support	Restricted General Fund - Opioid Settlement	$29,000	$29,000
Community Development, Housing, & Sustainability New Investments		**$3,253,353**	**$3,816,018**

Capital Project	2027	2028
Capital Tax Projects 2027-28 – Affordable Housing	**$1.3**	**-**
Community Development, Housing, & Sustainability New Investments Capital	**$1.3**	**$0.0**

City of Fort Collins

Questions?
Community Development, Housing and Sustainability

Environmental Services
Administration
Housing & Community Vitality
Economic Development
Planning Services
Building Services

City of Fort Collins

Transportation Services

Parking Services

Streets

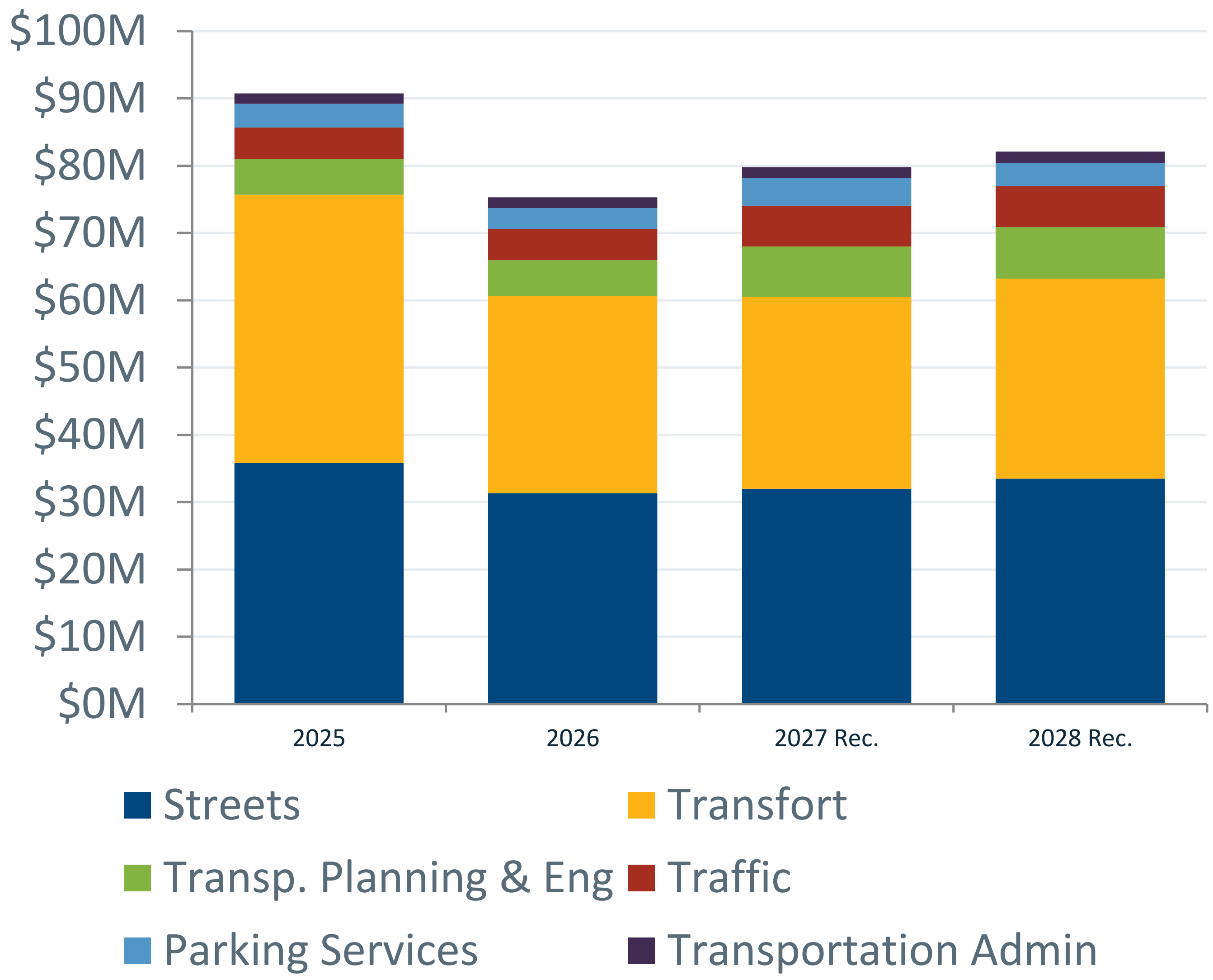
Traffic

Transportation Planning & Engineering

Transfort

Transportation Overview

Budget over time by department



Budget Highlights:

- Budget does not reflect grants where award decision is unknown at the time of the budget
- Streets faces significant materials inflation (asphalt, concrete, aggregate, fuel) from the growing transportation footprint — absorbed by reducing three vacant crew positions, trimming snow/de-icing materials, and cutting residential sweeping from 4× to 3× per year.
- Transfort makes small alignment adjustments while resourcing to the newly optimized transit plan
- Traffic and Administration align budget through redeployment and vacancy elimination

Transportation Services – All Modifications to align budget

Transportation Services Alignment Actions	Vacant FTE Reduced	2027	2028
Engineering & FC Moves	3	**($0.2)**	**($0.2)**
Admin	1	**($0.1)**	**($0.1)**
Streets Equipment		**($0.5)**	**($0.3)**
Streets Staffing and Supplies	3	**($0.8)**	**($0.9)**
Transfort	2	**($0.3)**	**($0.3)**
Neighborhood Traffic Mitigation Redeploy		**($0.2)**	**($0.2)**
Transportation Services Total ($M)	**$8.8**	**($2.1)**	**($1.9)**

Transportation Services – New Investments & Capital

Investment	Funding Source	2027	2028
Parking guidance system replacement	Parking Fund Reserves – One Time	$700,000	—
Parking enforcement vehicle replacement	Parking Fund Reserves – One Time	$171,000	$114,000
College Avenue repaving — partnership / cost share	1/4 Cent Sales and Use Tax - Streets	$50,000	$400,000
	Transportation Services New Investments	**$921,000**	**$514,000**

Capital Project	2027	2028
Capital Tax Projects 2027-28	**$9.9**	**$5.1**
Transportation Services Capital	**$9.9**	**$5.1**

Capital Tax projects funded in this budget include:

- Arterial Intersection Improvement & Streetscapes Program
- Bicycle Infrastructure & Overpass/Underpass Program
- Pedestrian Sidewalk Program
- Transfort Bus Replacement & Stop Enhancements

City of Fort Collins

Questions?
Transportation Services

Parking Services

Streets

Traffic

Transportation Planning & Engineering

Transfort

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Questions?

2027 – 2028 Recommended Budget