

Council Work Session

2027-28 Budget Update

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Budget Status Update



Strategies and Key Approaches



$\frac{1}{4}$ Cent Capital Schedule

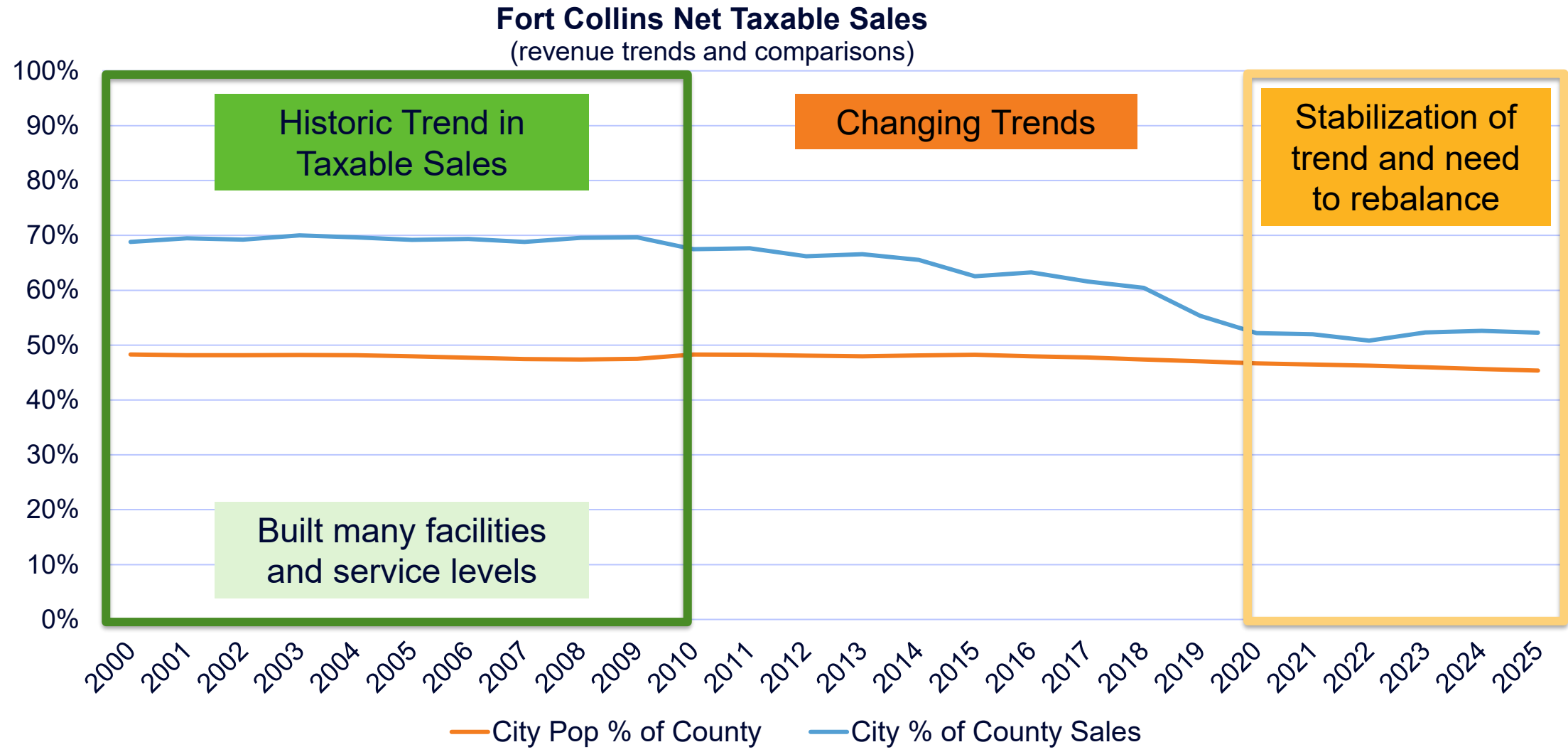


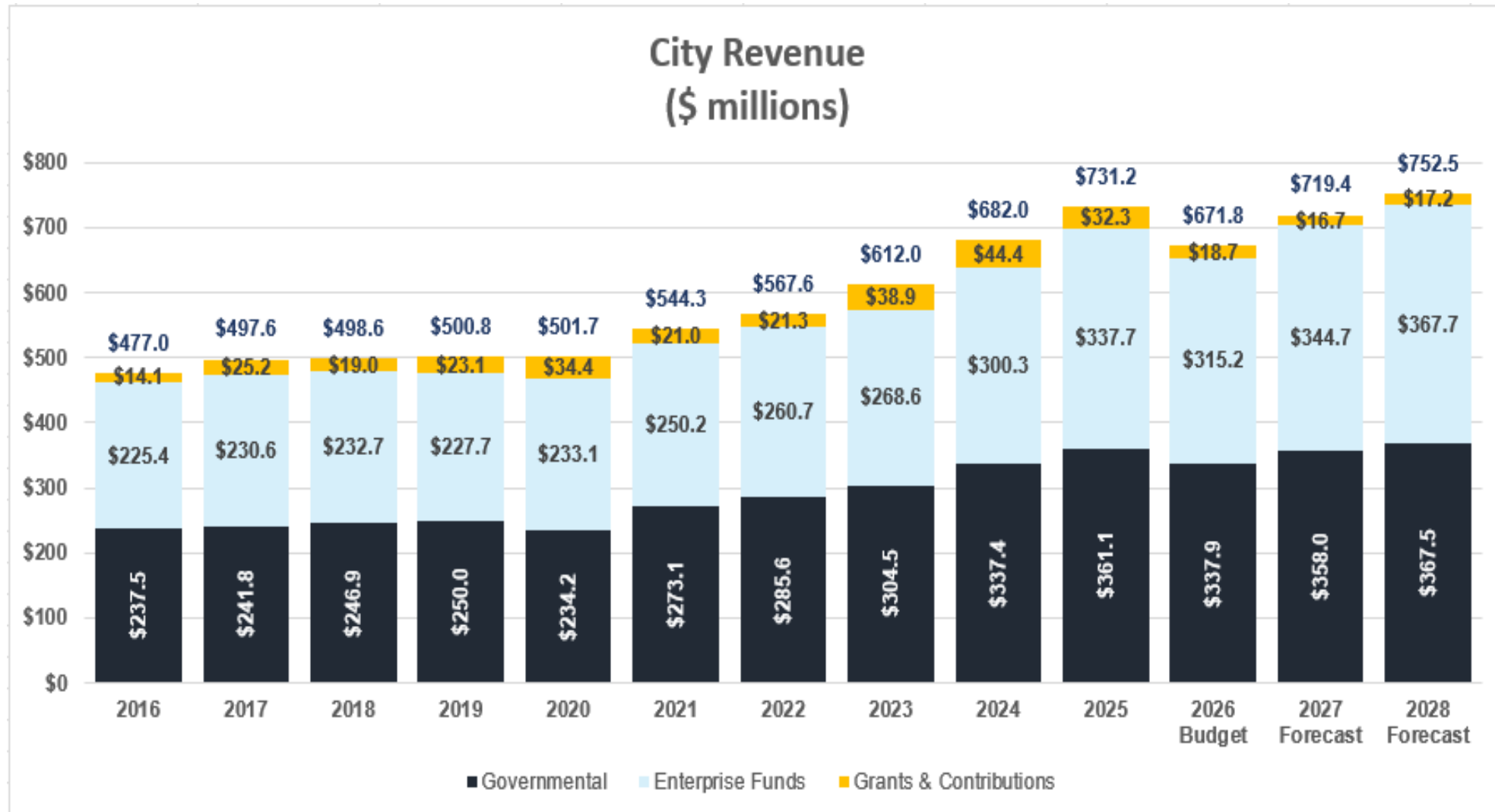
What guidance does Council have on the proposed $\frac{1}{4}$ Capital Tax schedule?



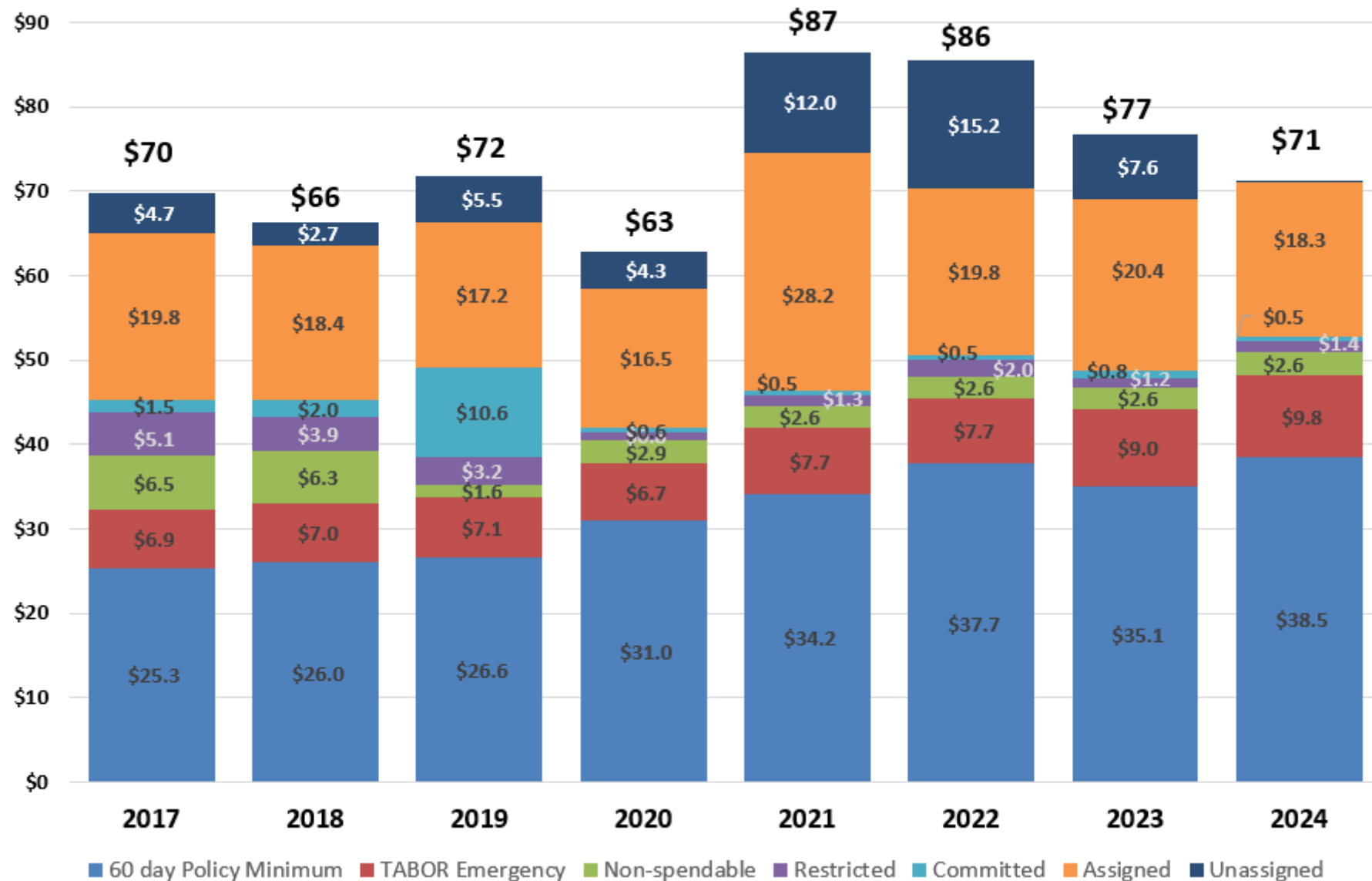
What additional information would be most helpful ahead of the Recommended Budget presentation?

Fort Collins Net Taxable Sales



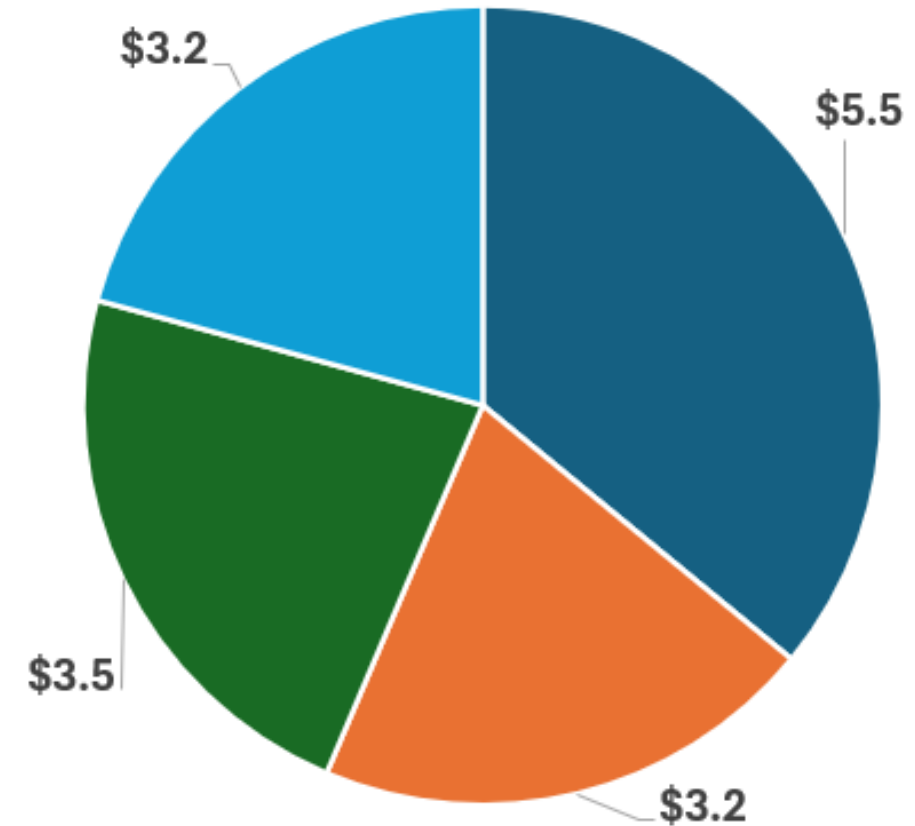


General Fund Reserves by Year in \$M



2026 Revision Reductions by Category

Reduction Strategy	Amount (in \$M)	Highlights
Personnel Savings	\$5.5	- Phased hiring freeze release - 1% reduction to the merit increase - Benefits fund savings opportunities
Vacant Position Elimination	\$3.2	- 25 positions, but management will have the opportunity to reassess eliminated positions as additional vacancies occur
Program and Service Reductions	\$3.5	- Street and alley maintenance / Medians - Forestry - Internal Services - Various non-personnel programmatic reductions
Funding Shifts and Revenue Enhancements	\$3.2	- Use of Equipment Fund reserves - Parks/Recreation earned revenue - Sales tax auditor - Early retirement of legacy technology systems
\$15.4		



Advance the Council priority for ensuring long-term financial sustainability

- Continuity of service for residents, continued support for basic municipal obligations and service to vulnerable populations
- Transparent financial decisions



- Revise budget methodology
- Establish program inventory
- Asset Management investments
- Opportunities to align costs with expenses

Respond to current economic circumstances and cost pressures

- Balance conservatism in forecasting with efficient and maximal allocation of resources



- Mapping contingencies and one-time funding needs
- Pause and evaluate fleet strategy

Scrutiny of ongoing expenditures to maximize resources, efficiency, and alignment with Council priorities.



- Required 8% Reduction Proposals
- Hiring freeze generated additional vacancies

Areas of New Investment Need



Enterprise
Resource Planning
System



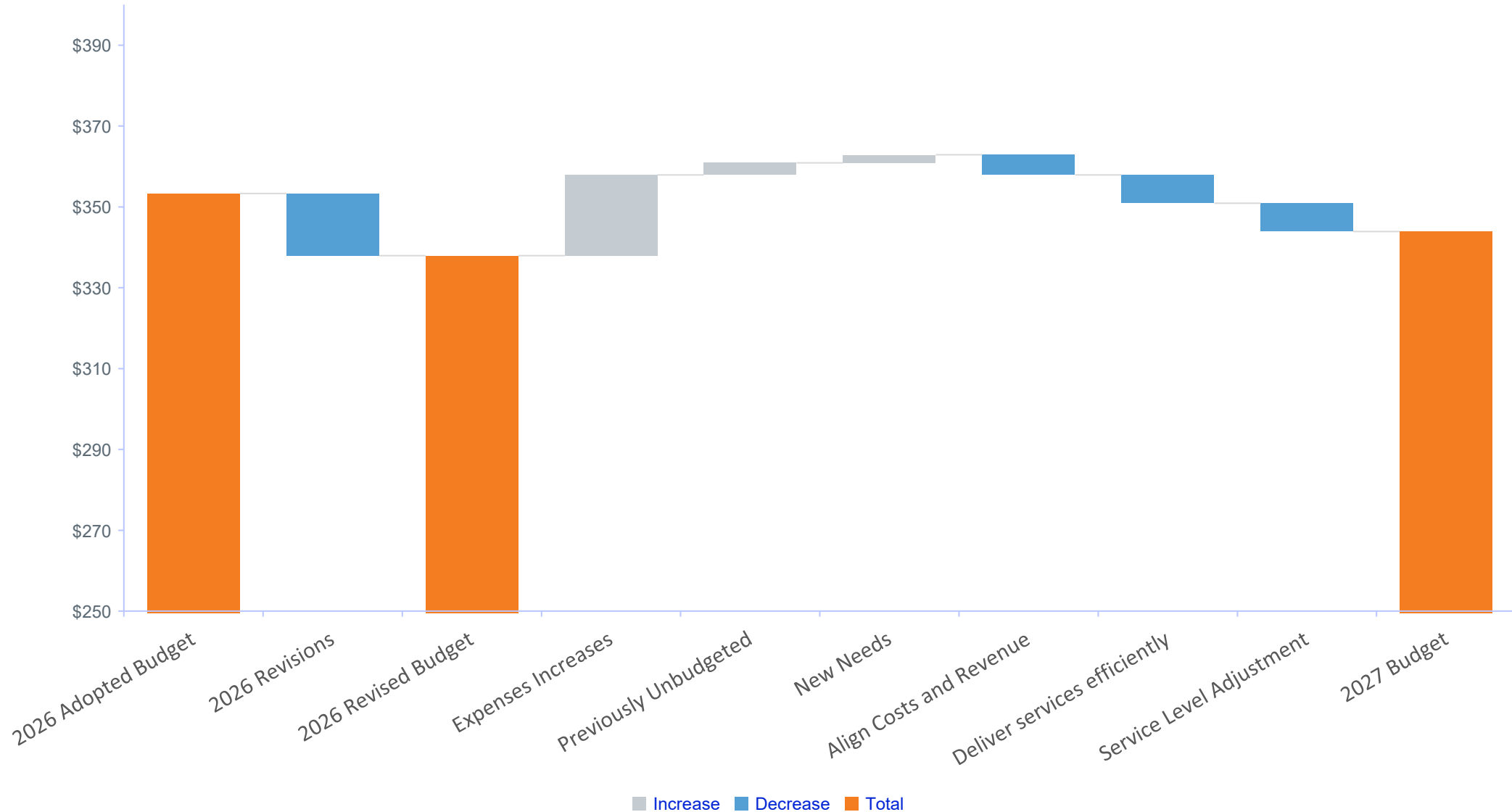
Cybersecurity



Southeast
Community Center

Aligning the Budget

\$M Governmental Budget – Figures are approximate and illustrative





**2027-28 Budget
Quarter-Cent Capital Tax
Draft Project Schedule**



2026-2035 Capital Sales Tax Project Package

2026-2035 Project List

Pedestrian Sidewalk Program	14,000,000
Arterial Intersection Improvement & Streetscapes Program	12,000,000
Bicycle Infrastructure & Overpass/Underpass Program	11,000,000
Affordable Housing Capital Fund	10,000,000
Mulberry Pool Recreational Replacement Leveraging Fund	10,000,000
Poudre River North – Health, Access, Parks, and Trails	8,000,000
Composting Infrastructure Advancement	7,000,000
Downtown Parks Shop	5,500,000
Community Bike Park	5,000,000
Outdoor Pickleball Complex & Courts	4,000,000
Nature in the City	3,000,000
Transfort Bus Replacement & Stop Enhancements	3,000,000
Recreational Paved Trails	2,500,000
Construction Waste Diversion Equipment	2,200,000
Historic Trolley Building Renovation	2,200,000
Gardens on Spring Creek - Garden & Infrastructure	1,300,000
Lee Martinez Farm Renovation & Expansion	1,000,000
Timberline Recycling Center Improvements	1,000,000
Total	\$ 102,700,000

- Predictable and consistent funding for “programs”, primarily transportation, to allow for long-term planning and potential grant matches.
- Identify “quick-wins.” Projects that are “shovel-ready”, have known dependencies and/or partner funding, and can advance in a timely manner.
- Efforts that are known community/Council priorities.
- Consideration combining capital efforts for greater impact and/or less disruption.
- Staff recommends project timing based on these principles with a degree of certainty in the budget cycle.

Programs

Pedestrian Sidewalk Program	\$1,500,000
Arterial Intersection Improvement & Streetscapes Program	\$643,000
Bicycle Infrastructure & Overpass/Underpass Program	\$1,178,000
Transfort Bus Replacement & Stop Enhancements	\$315,000

Projects/Standalone

Community Bike Park	\$30,000
Affordable Housing Capital Fund	\$2,500,000
Total	\$6,166,000

Use of CCIP Reserves (2016-2025)

Southeast Community Center (November 2025*)	\$9,500,000
Affordable Housing Capital Fund	\$5,717,333

- Resolution 2025-104 directing remaining reserves to Affordable Housing Capital Fund
- Appropriation planned for August 2026 execution of SECC construction contract
- *Based on COP issuance, potential opportunity now exists to redirect up to \$3M from Southeast Community Center

Draft Project Schedule

2027-2028 Budget

Transportation Programs (Sidewalks, Intersections, Bicycle, Transfort)	7,649,000
Affordable Housing Capital Fund	4,169,000
Streetscapes Program	6,885,000
Community Bike Park	5,703,000
Outdoor Pickleball Complex	4,318,000
Nature in the City	414,000

2027/28 Total: \$29,138,000

2029-2030 (Anticipated)

Transportation Programs	8,180,000
Affordable Housing Capital Fund	4,243,000
Nature in the City	859,000
Downtown Parks Shop	7,371,000
Lee Martinez Farm Renovation	1,340,000
Construction Waste Diversion Equipment	1,593,000

2031-2035

Transportation Programs	\$20M
Recreational Paved Trails	\$2.5M
Mulberry Pool Recreational Replacement	\$10M
Gardens on Spring Creek	\$1.3M
Historic Trolley Building Renovation	\$2.2M
Construction Waste Diversion Equipment	\$0.5M
Composting Infrastructure	\$7.0M
Timberline Recycling Center Improvements	\$1.0M
Poudre River North – Health, Access, Trails	\$8.0M

- Front-load more transportation program funding (Vision Zero)
- Accelerate start of recreational paved trails additional funding (Vision Zero)
- Timing of affordable housing capital fund
- Downtown Parks Shop design 2028, construction 2029/30
- Pickleball design 2028, construction 2029/30



Questions?

Quarter-Cent Capital Tax
2027/28 Budget

Budget Timeline

	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov
Council Finance Committee	Service Area Financial Overviews					Asset Management Approach	Level of Service – Forestry	Budget Review		
Council				Work Session		Work Session		Work Sessions		Budget Adoption
Engagement			Chamber LLAC Economic Advisory Board	Super Issues Board				Super Issues Board <i>Sept 21</i>	Public Hearings <i>Oct 6 & 20</i>	

- Recommended Budget Published by Sept 3



What guidance does Council have on the proposed $\frac{1}{4}$ Capital Tax schedule?



What additional information would be most helpful ahead of the Recommended Budget presentation?