



City Council Work Session Agenda

September 15, 2026 at 7:00 PM

Emily Francis, Mayor
Julie Pignataro, District 2, Mayor Pro Tem
Chris Conway, District 1
Josh Fudge, District 3
Melanie Potyondy, District 4
Amy Hoeven, District 5
Anne Nelsen, District 6

Council Information Center (CIC)
300 Laporte Avenue, Fort Collins

Cablecast on FCTV
Channel 14 on Connexion
Channel 14 and 881 on Comcast

Carrie Daggett
City Attorney

Kelly DiMartino
City Manager

Delynn Coldiron
City Clerk

City Council members may participate in this meeting via electronic means pursuant to their adopted policies and protocol: [Rules of Procedure](#)

ATTENDANCE OPTIONS

- Meetings are open to the public and can be attended by anyone in person by anyone.
- Meetings are televised live on Channels 14 & 881 on cable television.
- Meetings are livestreamed on the City's website, <https://fortcollins.gov/fctv>.

CITY COUNCIL WORK SESSION

Starting 20 minutes after end of Regular Meeting.

Durante esta reunión se dispone de interpretación en español.

A) CALL MEETING TO ORDER

B) ITEMS FOR DISCUSSION

1. 2027-2028 Biennial Budget – Work Session #1

The purpose of this item is to review the 2027-2028 Recommended Budget, which was delivered to Council and the City Clerk on September 3, 2026, pursuant to provisions of Article V, Section 2 of the City Charter. In September and October, Council will have a series of work sessions to discuss the City Manager's Recommended Budget and conduct two Public Hearings to gather input from the community as outlined in the table below.

At the September 15, 2026, Work Session, staff will present a summary overview of these Service areas:

- Community Services
- Community Development, Housing, and Sustainability
- Transportation Services

C) ANNOUNCEMENTS

D) ADJOURNMENT

Upon request, the City of Fort Collins will provide language access services for individuals who have limited English proficiency, or auxiliary aids and services for individuals with disabilities, to access City services, programs and activities. Contact 970.221.6515 (V/TDD: Dial 711 for Relay Colorado) for assistance. Please provide advance notice. Requests for interpretation at a meeting should be made by noon the day before.

A solicitud, la Ciudad de Fort Collins proporcionará servicios de acceso a idiomas para personas que no dominan el idioma inglés, o ayudas y servicios auxiliares para personas con discapacidad, para que puedan acceder a los servicios, programas y actividades de la Ciudad. Para asistencia, llame al 970.221.6515 (V/TDD: Marque 711 para Relay Colorado). Por favor proporcione aviso previo. Las solicitudes de interpretación en una reunión deben realizarse antes del mediodía del día anterior.

File Attachments for Item:

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September 15, 2026



WORK SESSION AGENDA ITEM SUMMARY

City Council

STAFF

Kelly DiMartino, City Manager
Caleb Weitz, Chief Financial Officer
Victoria Shaw, Budget Director

SUBJECT FOR DISCUSSION

2027-2028 Biennial Budget – Work Session #1

EXECUTIVE SUMMARY

The purpose of this item is to review the 2027-2028 Recommended Budget, which was delivered to Council and the City Clerk on September 3, 2026, pursuant to provisions of Article V, Section 2 of the City Charter. In September and October, Council will have a series of work sessions to discuss the City Manager's Recommended Budget and conduct two Public Hearings to gather input from the community as outlined in the table below.

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GENERAL DIRECTION SOUGHT AND SPECIFIC QUESTIONS TO BE ANSWERED

1. What clarifying questions does Council have regarding the areas presented?
2. What follow-up items are there on budget issues related to these areas?

BACKGROUND / DISCUSSION

Budget Process

The 2027-2028 budget process represented an important transition in how the City develops its budget. After many years of using Budgeting for Outcomes (BFO), the City began transitioning to a Priority-Based Budgeting approach designed to more clearly communicate the connection of resources to services, strategic priorities and community outcomes. The transition provided an opportunity to build on the strengths of the City's prior budget process while introducing new tools and practices to support longer-term financial sustainability and decision-making.

The process began by developing the City's financial outlook and identifying the resources available to support ongoing services. As the financial outlook was refined, the City identified a gap between projections of ongoing revenues and ongoing expenditures to maintain current levels of service. Service areas were then asked to scrutinize all ongoing expenditures, including an exercise to identify opportunities to reduce projected ongoing costs by 8%.

In parallel, the City developed comprehensive program inventories to establish a clearer understanding of the services it provides, the resources required to deliver those services, and how they contribute to community priorities. These inventories, along with financial information and service-level considerations, provide a foundation for evaluating budget recommendations.

Budget development continued through multiple rounds of review, refinement and deliberation by the Budget Leadership Team and executive leadership. The process incorporated updated revenue and expenditure forecasts, compensation and benefit assumptions, capital and asset management needs, strategic priorities, and input from the community and City Council. As part of the transition away from BFO, the process placed greater emphasis on understanding the full cost and value of current services and needs, and on making deliberate choices about how limited resources should be allocated.

The result is a Recommended Budget that reflects both the City's financial realities and its priorities for the future. The budget includes ongoing realignment of resources to better match expenditures with ongoing revenues, while also advancing strategic investments and identifying opportunities to change how services are delivered. The transition to Priority-Based Budgeting will continue beyond the 2027-2028 budget cycle as the City further develops its program inventories, financial planning tools, and practices for connecting resources to priorities and outcomes.

Budget Preview

The 2027-2028 Recommended Budget was developed in a period of continued growth and change for Fort Collins and continues the realignment work that began in the 2026 Budget Revision process. As we grow, our physical footprint continues to expand, and the expectations and demands for City services continue to evolve. At the same time, the cost to maintain existing services and infrastructure, and to invest in a talented workforce continues to increase. These pressures require staff to carefully consider not only what the City wants to accomplish, but how to sustain those commitments over time.

The Recommended Budget adjusts close to \$10 million annually across governmental funds to better align ongoing expenditures with ongoing revenues. The budget recommendations reflect three key strategies:

- **Align Ongoing Costs with Ongoing Revenues:** Improve the sustainability of the budget by matching sources and uses of funds more strategically, without changing the level of investment or services provided.
- **Deliver Services Differently and More Efficiently:** Reduce costs through process improvements, innovation, or operational changes without significant impacts to level of service.
- **Make Strategic Choices About Service Levels:** Intentional tradeoffs that reduce or delay services when necessary to keep ongoing expenditures aligned with ongoing revenues.

In the presentation, staff will explore examples of budget modifications that were recommended from these strategies and discuss the impacts on related service levels, organization-wide talent impacts, and projected impacts to reserves.

City Council Budget Meetings

Council has a series of work sessions scheduled in September and October to discuss the proposed 2027-2028 Budget. These work sessions will include staff presentations regarding specific service areas, as outlined below, followed by an opportunity for questions and discussion.

Key dates for Council discussions and Public Hearings are as follows:

Meeting Date	Topic
September 15, 2026 Work Session	Presentations, Questions and Discussion: 1. Community Services 2. Community Development, Housing & Sustainability 3. Transportation Services
September 22, 2026 Work Session	Presentations, Questions and Discussion: 1. Police Services 2. Information & Employee Services 3. Finance, Executive, Legal, and Judicial Services areas 4. Utilities Services
October 6, 2026 Regular Meeting	Budget Public Hearing #1 of 2
October 13, 2026 Work Session	General Discussion and Follow-up based on prior Work Sessions for items requiring further discussion.
October 20, 2026 Regular Meeting	Budget Public Hearing #2 of 2
October 27, 2026 Work Session	General Discussion – Final Council Direction
November 3, 2026 Regular Meeting	First Reading of the 2027-2028 Budget and the 2027 Appropriation Ordinance
November 17, 2026 Regular Meeting	Second Reading of the 2027-2028 Budget and the 2027 Appropriation Ordinance

NEXT STEPS

This is the first Work Session scheduled; this will be followed by the second scheduled work session to discuss the remaining areas on September 22, 2026.

ATTACHMENTS

1. Presentation

2027- 2028 Recommended Budget

Presented by:

Caleb Weitz, Chief Financial Officer
Victoria Shaw, Budget Director

Alignment 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

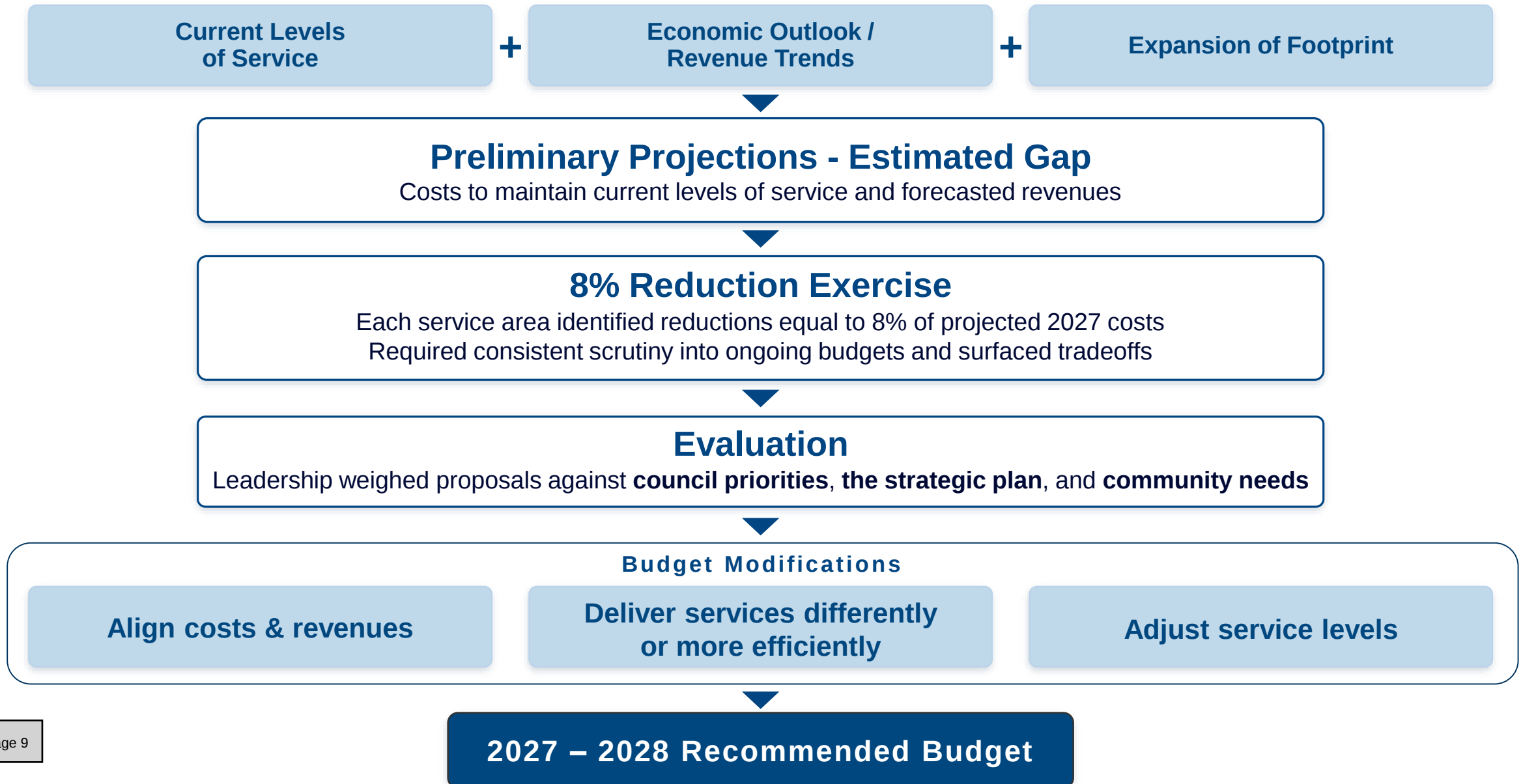


Supporting a growing community



Maintaining critical staffing in areas such as Police





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%)

\$172.0M

Total Capital in 2027 – 2028
Recommended Budget

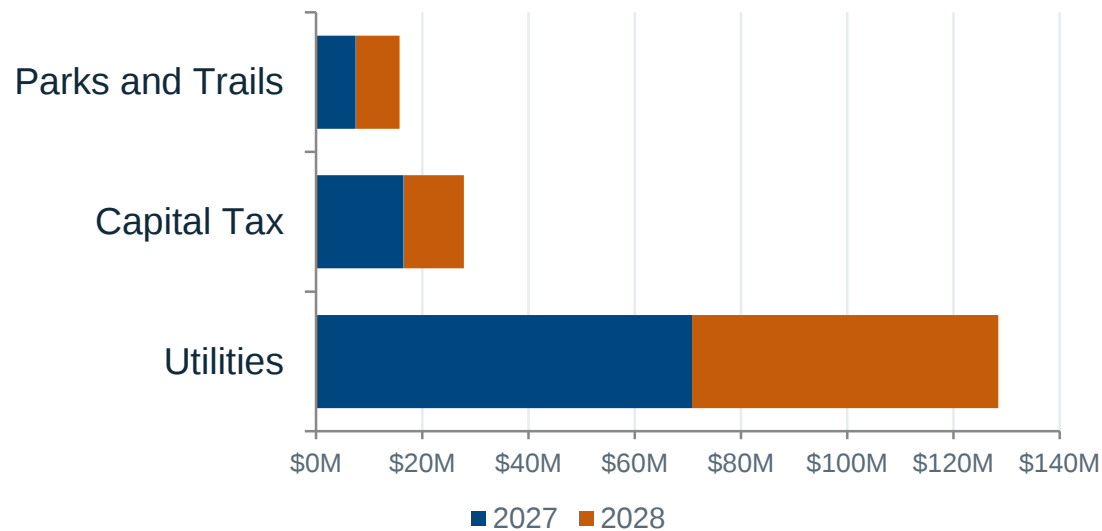
\$94.6M

2027 funding

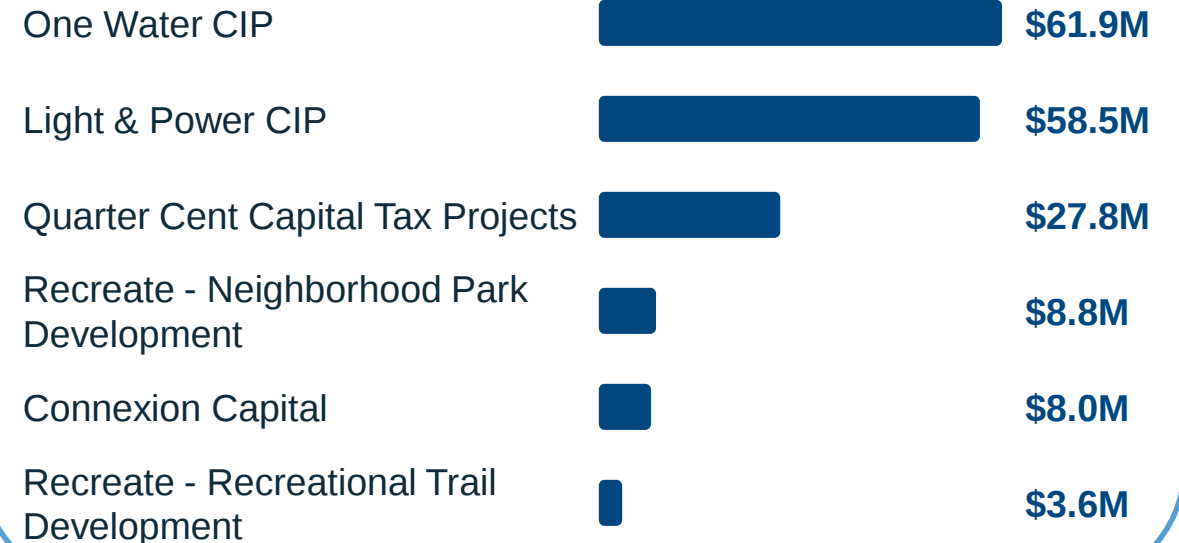
\$77.4M

2028 funding

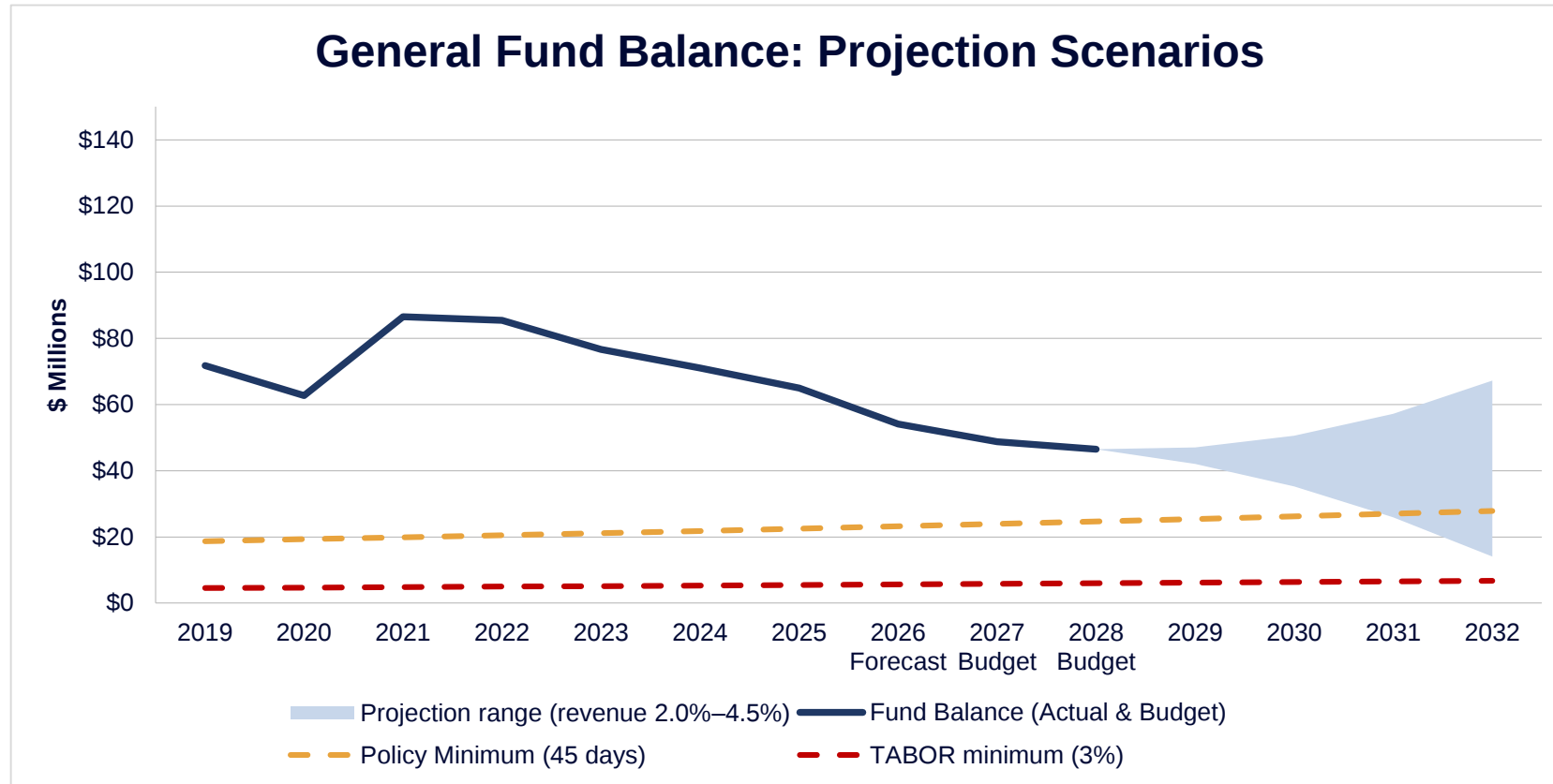
Capital by Area



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)

nd balance project does not reflect assignments

\$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

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

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

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

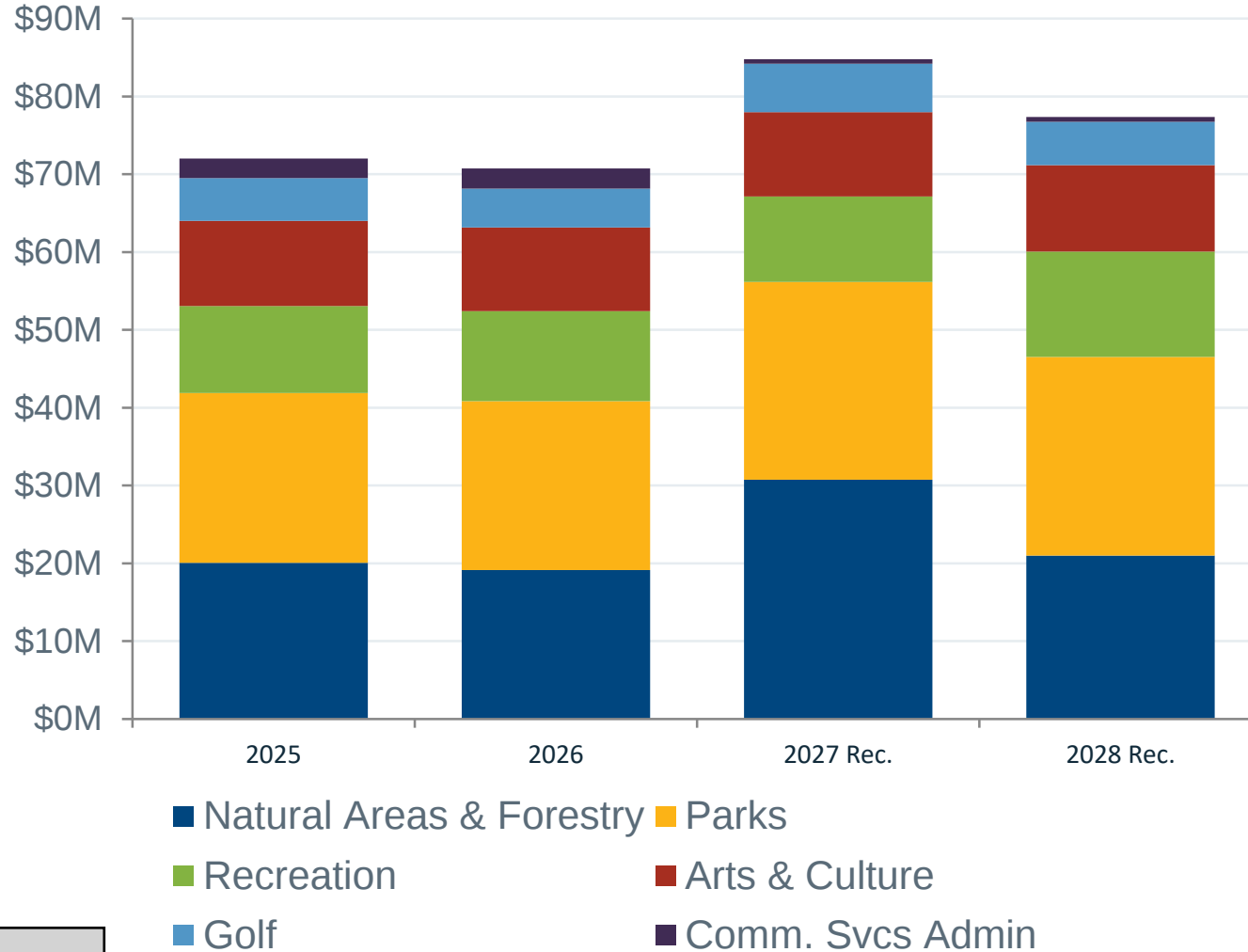
Parks & Recreation

Arts & Culture

Natural Areas & Forestry

Administration

Budget over time by department



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 <i>(5.5 FTE less growth)</i>	(\$0.3)	(\$0.2)
Recreation	3.0 <i>(and 3.0 FTE less growth)</i>	(\$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



Community Development, Housing and Sustainability

Environmental Services

Administration

Housing & Community Vitality

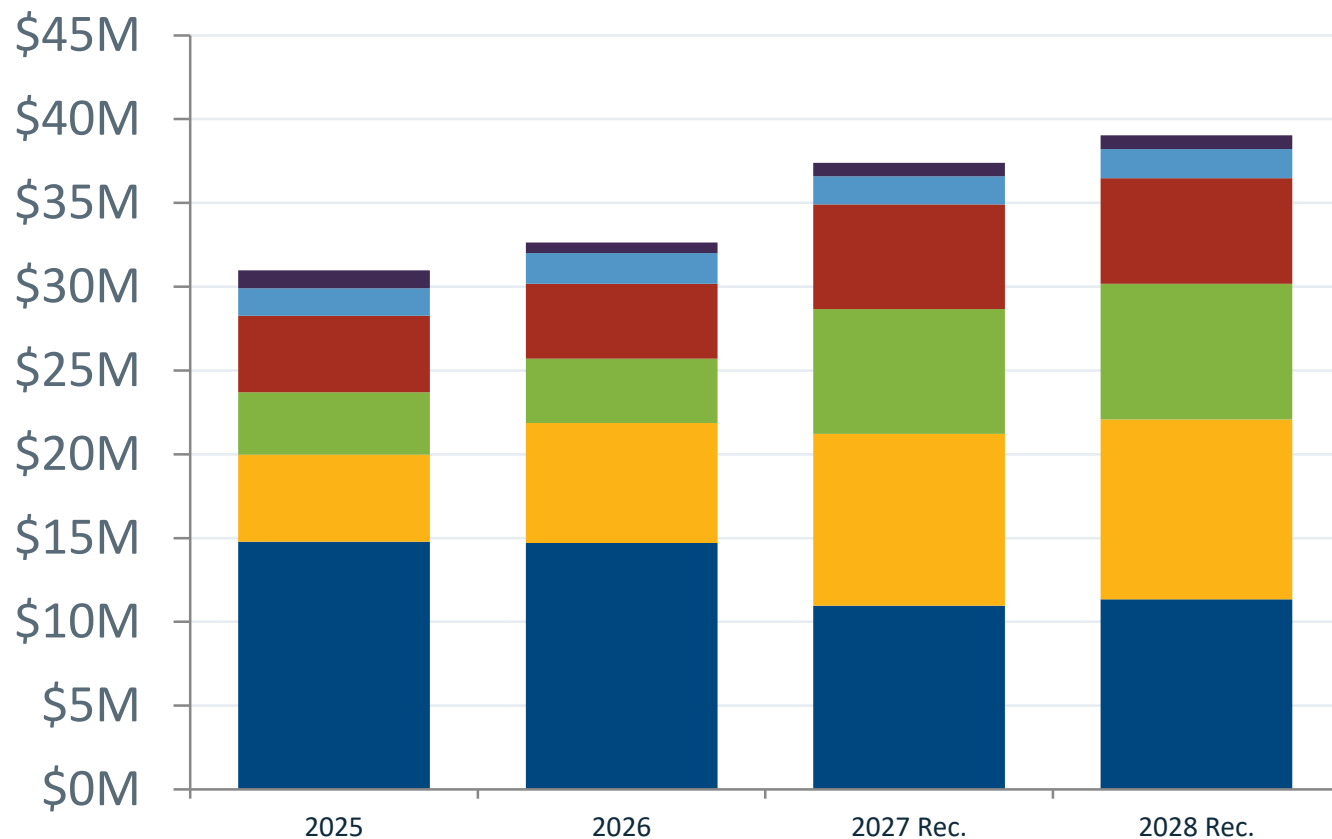
Economic Development

Planning Services

Building Services

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.

HS – 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)

HS – 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



Questions? Community Development, Housing and Sustainability

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



Transportation Services

Parking Services

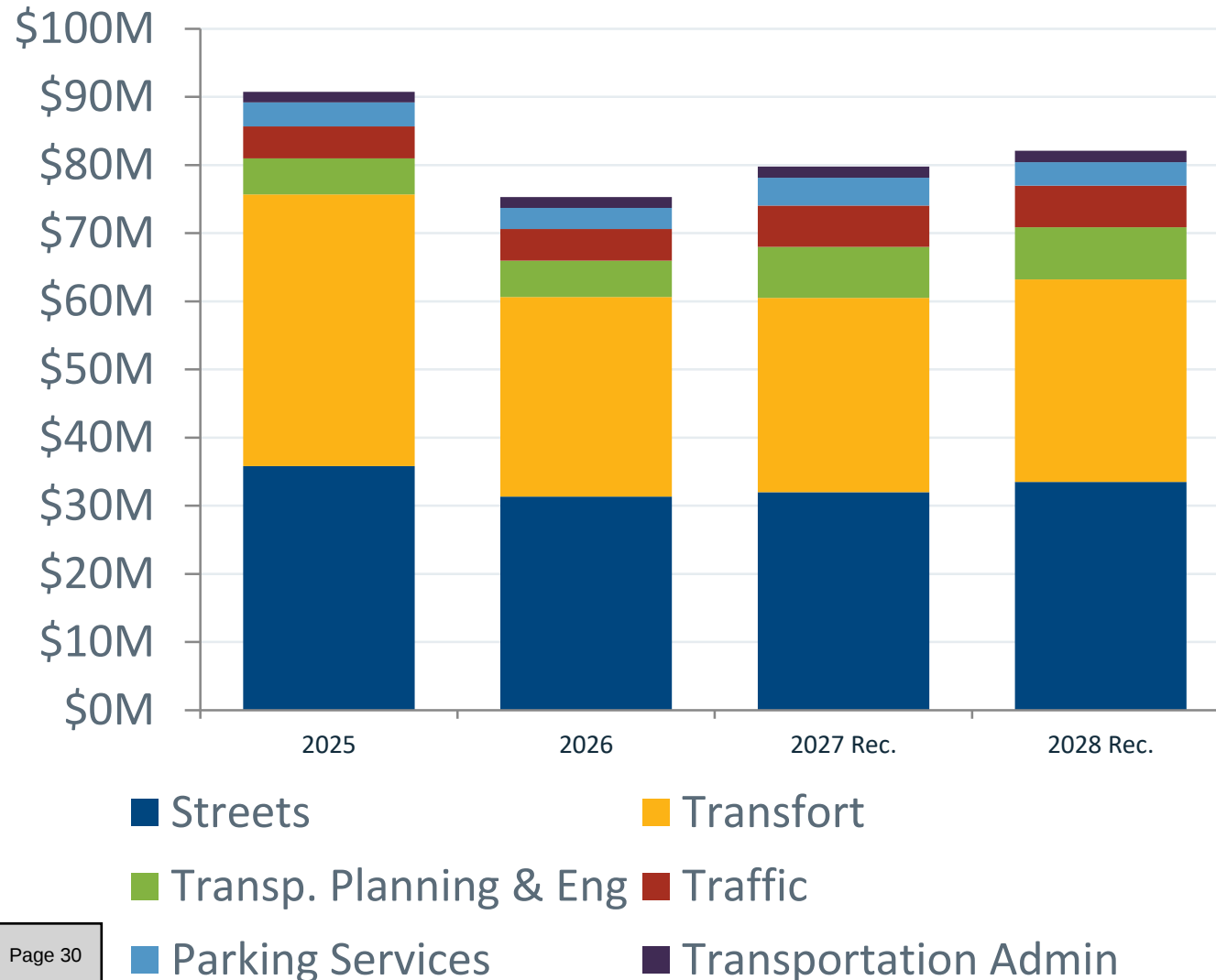
Streets

Traffic

Transportation Planning & Engineering

Transfort

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



Questions? Transportation Services

Parking Services

Streets

Traffic

Transportation Planning & Engineering

Transfort

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Questions?

2027 – 2028 Recommended Budget