



**CITY OF BOULDER
CITY COUNCIL AGENDA ITEM**

MEETING DATE: April 3, 2025

AGENDA TITLE

Process Overview and Update on the Long-Term Financial Strategy

PRESENTERS

Nuria Rivera-Vandermyde, City Manager
Chris Meschuk, Deputy City Manager
Joel Wagner, Interim Chief Financial Officer
Charlotte Huskey, Budget Officer
Scott Carpenter, Principal Budget Analyst

EXECUTIVE SUMMARY

The purpose of this item is to present to City Council an update on the city's progress to develop a Long-Term Financial Strategy. The City of Boulder's [Long-Term Financial Strategy](#) (LTFS) is a two-year initiative that focuses on the development of a comprehensive financial strategy to help guide fiscal decision-making and long-range financial health of the city. Named a City Council priority in April 2024, the LTFS builds upon prior policy guidance from the Blue Ribbon Commission (BRC) [2008](#) and [2010](#) reports and the Budgeting for Community Resilience Report of [2019](#), as well as recent lessons learned from the pandemic period. These reports called for a comprehensive financial plan, cautioned the city's overreliance of sales tax and dedication of funding sources, and encouraged the development of an outcomes-based budgeting system. The LTFS receives input from the city's existing Financial Strategy Committee as well as an internal Executive Steering Committee.

The LTFS is supported by a cross-departmental project team, with monthly policy guidance from the city's Financial Strategy Committee. The team is advancing the effort through four primary workstreams, with two phases of work, including:

- 1) **Long-Term Financial Plan:** Developing guiding principles, current state inventory, and a five-year comprehensive financial plan
- 2) **Alternative Funding Mechanisms:** Identifying alternative funding and revenue opportunities
- 3) **Core Service Levels:** Identifying the levels of service the city should provide for programs and services through benchmarking analysis and community conversations

- 4) **Multi-Year Ballot Measure Strategy:** Developing a multi-year tax ballot measure strategy for 2025 and 2026 to support unmet needs and additional investments in alignment with community priorities

City Council first confirmed the approach of the LTFS Multi-Year Ballot Measure Strategy for 2025 and 2026, with direction to work with the Financial Strategy Committee, during council ballot items discussion on [May 9, 2024](#). With this guidance, staff performed analysis and proposed a multi-year ballot measure framework and potential tax ballot measure options to the Financial Strategy Committee. The committee, as summarized in the Financial Strategy Committee LTFS Letter to Council (Attachment A), ultimately recommends for consideration two ballot measures for 2025:

- 1) An extension of the existing 0.30% **Community, Culture, Resilience & Safety (CCRS) sales & use tax** through 2050 or permanently to continue to support city infrastructure and maintenance, as well as nonprofit capacity building and capital investments.
- 2) The creation of a **Public Realm Tax**, which would increase the existing Permanent Parks property tax from 0.900 mills to 2.252 mills and expand the use of the tax, allow debt issuance, to infrastructure and capital maintenance projects more broadly in the public realm, such as parks, open space, civic buildings and areas, and the public right-of-way such as streets, sidewalks, bike lanes, and multi-use paths.

These two ballot measures uplift the LTFS guiding principles of revenue sufficiency and stability, funding flexibility, and diversification of revenues. As discussed in further detail in the Analysis section, City Council will have several opportunities to provide input and consider both the 2025 tax ballot measures and potential options for 2026 tax ballot measures. Specifically, staff will seek input and policy guidance on the recommended 2025 tax ballot measures from City Council members during the following scheduled council meetings:

- **April 3** – Grounding of the full Council in the staff analysis, ballot measure framework, guiding principles, communication and engagement approaches, followed by clarifying questions on the two recommended 2025 tax ballot measures.
- **May 8** – Council discussion and input on recommended tax ballot items to place on the 2025 ballot.
- **June 26** – Staff will share the results of the 2025 statistically valid polling voter survey with City Council. Council members will have the opportunity to ask questions of the consultant and consider these results ahead of the July and August council meetings to confirm and approve 2025 ballot measures.
- **July 24** – First reading of 2025 ballot items.
- **Aug. 7** – Second reading, council discussion, and public hearing on 2025 ballot items. If a third reading is not required, this is the final date for City Council to consider and approve 2025 tax ballot items recommended within the LTFS Multi-Year Ballot Measure Strategy. If needed, a third reading would occur on Aug. 21.

Staff last presented to City Council on the LTFS during the [2025 Mid-Year Check-in](#) on Feb. 27, 2025, and 2025 Budget meetings, including the Sept. 12, 2024 Study Session [presentation](#) and

[memo](#), the Oct. 3, 2024 First Reading [presentation](#) and [memo](#), and Oct.17, 2024 Second Reading [presentation](#) and [memo](#).

KEY COUNCIL QUESTIONS

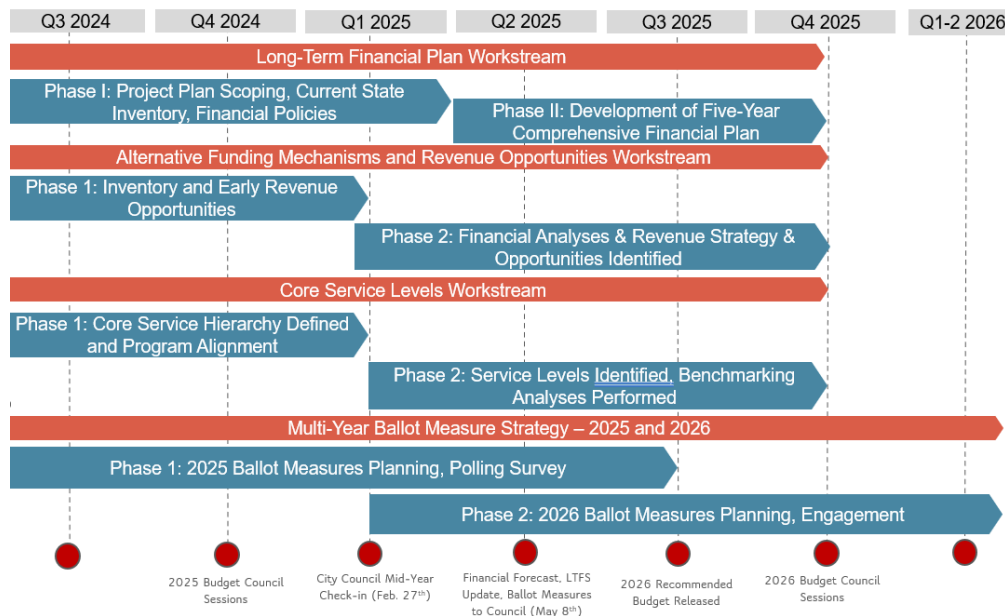
1. Do council members have any questions or feedback on the LTFS multi-year ballot measure strategy for 2025 and 2026, and specifically on the multi-year ballot measure framework that considers two 2025 recommended tax ballot measures and the approach for 2026 potential tax ballot measures?
2. Do council members have any questions or feedback on the approach of the LTFS community engagement strategy, and specifically the role of council members in supporting this effort?

BACKGROUND

The LTFS builds upon prior policy recommendations from key reports on the city’s financial health and long-term planning and budgeting, including the Blue Ribbon Commission Reports of 2008 and 2010 and the Budgeting for Community Resilience Report of 2019, and recent lessons learned from the pandemic period, where the city’s major revenue source experienced a drastic decline in revenues, resulting in programmatic and service cuts to the city and community. The city’s Finance Department and Budget Office staff have been leading this cross-departmental initiative with support from city executive leaders and department finance staff, in addition to policy guidance from the three Financial Strategy Committee members during monthly committee meetings.

The LTFS consists of four workstreams with two phases, as shown in the project timeline below.

Long-Term Financial Strategy Project Timeline



Phase I (Q3 2024–Q1 2025) focuses on a current state analysis of prior policy recommendations and existing city fees and service levels, identifying early revenue opportunities, and the development of potential 2025 tax ballot measures for City Council consideration.

Phase II (Q1 2025–Q2 2026) focuses on prioritizing revenue opportunities, additional research and benchmarking analysis, and comprehensive community engagement to inform 2026 tax ballot measures. In addition, staff has developed synergistic communications and engagement plans to support this effort, including leveraging existing engagement input, polling voters about preferences, and opportunities to learn about and provide input on potential funding mechanisms and prioritization of unmet needs in core function areas.

A summary of significant updates and major project milestones are provided below, with further detail provided in the Analysis section.

Phase I (Q3 2024–Q1 2025)

1. *Long-Term Financial Plan*
 - a. Established guiding principles of Fiscal Sustainability and Sufficiency, Equity, and Resiliency
 - b. Performed a current state assessment against the recommendations within the Blue Ribbon Commission Reports
2. *Alternative Funding Mechanisms*
 - a. Completed a current state assessment and inventory of existing fees
 - b. Performed initial fee policy and revenue research
3. *Core Service Levels*
 - a. Completed initial assessment of the city’s budgeted programs against a core service level hierarchy
4. *Multi-Year Ballot Measure Strategy*
 - a. Developed a multi-year ballot measure framework for 2025 and 2026 tax ballot measures, focused on unmet needs and additional investments supporting key community priorities
 - b. Identified two potential tax ballot items for council consideration
 - c. Perform a 2025 statistically valid polling voter survey

Phase II (Q1 2025–Q2 2026)

1. *Long-Term Financial Plan*
 - a. Development of five-year comprehensive financial plan
2. *Alternative Funding Mechanisms*
 - a. Refine revenue research, benchmarking, and financial analyses
 - b. Identification of prioritized revenue opportunities and implementation strategies
3. *Core Service Levels*
 - a. Identification of services and service levels
 - b. Benchmarking analysis of service levels
 - c. Comprehensive engagement and communications strategy
4. *Multi-Year Ballot Measure Strategy*
 - a. 2026 potential tax ballot measures development
 - b. Comprehensive engagement and communications strategy

ANALYSIS

Staff began the development of the Long-Term Financial Strategy in 2024 and identified four key workstreams within the strategy, with two phases of work.

In Phase I, from September 2024 through March 2025, staff advanced the first phase of each of these workstreams through a current state analysis and inventory, including an inventory of existing fees and revenues, compared current financial practices and policies against the Blue Ribbon Commission and Budgeting for Resilience reports, defined core service and aligned program areas to a core service hierarchy, and developed potential 2025 tax ballot measure options for council consideration.

In Phase II, from March 2025 through Spring 2026, staff will advance the second phase of each workstream through refined research, analysis and identification of recommendations for updates to financial practices, policies, and/or revenue framework. This will include the development of a five-year comprehensive financial plan, identification of potential revenue opportunities, an inventory and benchmarking of city services and service levels, and the development of potential 2026 tax ballot measures. A key component of this effort will be engaging community in conversations through a comprehensive engagement strategy, *Fund Our Future*, that will begin with preview sessions to boards and commissions just after the April 3, 2025 City Council update on the Long-Term Financial Strategy. Additional details and analysis are provided below in further detail by each workstream area.

1. Long-Term Financial Plan

The Long-Term Financial Plan focuses on the city's financial governance framework and the development of a five-year comprehensive plan. This includes the establishment of LTFS guiding principles, revisions to specific financial policies and procedures, and the development of prioritized recommendations for potential future revenue updates.

In Phase I of the LTFS, staff performed a comparison of current financial practices and policies against the Blue Ribbon Commission and Budgeting for Resilience reports. In this current state analysis, staff identified and categorized report recommendations that have been completed, others that are in progress, and others that have not yet been scoped. Key findings and recommendations of the Blue Ribbon Commission Report and Budgeting for Resilience Report identified an overreliance on sales tax, service level challenges to maintain and increase service levels against the city's existing revenue structure, prioritization needs and performance-based budget decision-making, and limited flexibility and reduced efficiency with the dedication of the city's revenues. Attachment C provides a summary of the current state analysis conducted against key report recommendations.

In addition, building upon the key report findings and recent lessons learned from the pandemic, staff – with input from the Financial Strategy Committee – developed three key guiding principles to the LTFS. The LTFS guiding principles are Fiscal Sustainability and Sufficiency, Equity, and Resiliency. Fiscal Sustainability and Sufficiency focuses on ensuring revenue sufficiency, flexibility and diversity of the city's revenues and funding levels to meet core service needs and community priorities. Equity focuses on the advancement of racial equity through updated financial policies and revenue structures that aim to reduce tax and fee burdens

on historically disadvantaged groups. Resiliency ensures that the city is able to anticipate, adapt, and recover quickly to adversity and change, supported by a diversification of revenues and sufficient reserve levels to meet emerging community needs, emergencies, and changing economic conditions.

Phase II of the Long-Term Financial Plan will support the refinement of the city's existing financial governance framework through the development of a five-year comprehensive financial plan, seeking to implement key recommendations of the reports and uplifting our guiding principles for the city's financial practices and policies. While more operational in nature, the Long-Term Financial Plan will be further informed by phase II of the LTFS, including research and analysis and community and council conversations. With anticipated completion in quarter 4 of 2025, the Long-Term Financial Plan will serve to guide the city's financial governance structure forward for the city.

2. Alternative Funding Mechanisms

The Alternative Funding Mechanisms workstream focuses on identifying additional revenue opportunities, including performing a holistic review of existing revenues and considering potential new revenues to support the city's programs and services.

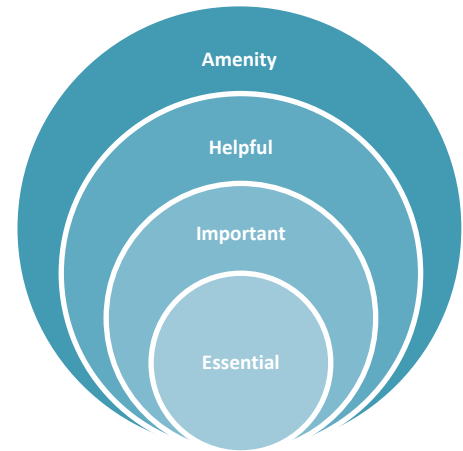
In Phase I, staff performed a current state inventory of all existing fees in the city. This initial inventory gathered key details of existing fees such as current cost recovery levels, methodologies of fee calculations, and the year of the last fee update. Staff found significant variation in existing cost recovery levels and frequency of fee updates, with many cost recovery levels unknown and fee updates performed three or more years ago. This current state analysis presents an opportunity for revising the citywide fee policy and planned updates and additional analysis of existing fees, which could lead to additional revenues.

In Phase II of this workstream, staff will gather and synthesize fee update recommendations based on two-year department revenue plans that identify a pathway for updating fees and cost of service analyses and potential new revenue opportunities in 2026 and 2027. The criteria for the two-year revenue plans for existing fees will prioritize highest revenue potential, date of last fee update, and nexus to flexibility of funding. Additional revenue opportunities will also be identified for future consideration, such as new fees, grants, and/or private partnership opportunities. Finally, these plans will help to identify opportunities for a more coordinated approach to fee updates across the city. Staff will complete this work by quarter 4 of this year.

3. Core Service Levels

The Core Service Levels workstream focuses on identifying the criticality of core service areas and service levels provided by the city. This includes a heightened and more transparent understanding of the city's existing service levels, performing benchmarking analyses against existing service levels, refinement of the city's unfunded needs list, and key community conversations on service area prioritization.

In Phase I of the Core Service Levels workstream, staff established a core services hierarchy, which built upon the framework and recommendations from the Budgeting for Resilience Report of 2019. This hierarchy established a four-tiered framework to understand the criticality of services, including Essential, Important, Helpful, and Amenity. Attachment D provides a summary of the definitions of these four levels within the hierarchy.



In Phase II of this workstream, staff will perform a current state inventory of services and service levels and a benchmarking analysis against the city’s services and services levels. Benchmarking research and analysis will be supported by a Harvard Bloomberg Fellow for a 10-week fellowship from June-August 2025.

Phase II will also result in a refined list of the city’s unfunded and underfunded needs. As shared with City Council during 2025 budget discussions, the city’s unfunded needs are great, which includes a backlog of capital infrastructure renovation, replacement, and maintenance projects to support our existing infrastructure and assets, in addition to funding to support ongoing or grant-funded programs and services. A draft list of estimated unfunded needs is provided in Attachment E. Staff will develop a refined comprehensive update to the unfunded needs list that will be reviewed by the City Manager’s Office and Executive Budget Team in June-July 2025.

Finally, a key component to the Core Service Level and Multi-Year Ballot Measure Strategy workstreams is a holistic community conversation about the city’s services and service levels. Staff developed a comprehensive engagement strategy, *Fund Our Future*, that will begin mid-April 2025. The goal of this engagement will be to further understand the community’s desired level of service, prioritization, and feedback on trade-offs of unfunded priorities, including considering alternative streams of revenue. These conversations will involve city council, boards and commissions, Community Connectors-in-Residence, and additional community groups. The feedback will inform decisions about potential 2026 actions and ballot items.

4. Multi-Year Ballot Measure Strategy

Last year, City Council first confirmed support for a Multi-Year Ballot Measure Strategy within the LTFS at the [May 9, 2024](#) City Council Meeting on ballot items. The Multi-Year Ballot Measure Strategy is a two-year approach to consider potential tax ballot measures for 2025 and 2026. This strategy focuses on identifying potential tax ballot measures for council consideration that uplift the LTFS guiding principles of Fiscal Sustainability and Sufficiency, Equity, and Resiliency. By uplifting the LTFS guiding principles within the Multi-Year Ballot Measure Strategy, the city aims to heighten revenue sufficiency and stability, reduce tax burdens on historically disadvantaged communities, and increase diversification of revenues.

In Phase I of the Multi-Year Ballot Measure Strategy, staff and the Financial Strategy Committee (FSC), developed a two-year ballot measure framework for 2025 and 2026 that establishes key focus areas for each year:

- In 2025, the framework establishes a narrowed, incremental approach to potential tax ballot measures to focus on taking care of what we have, including investing in existing assets, addressing the backlog of capital infrastructure renovation, replacement, and maintenance projects and funding opportunities for core services such as: transportation infrastructure development, replacement of parks assets, and renovations of city facilities.
- In 2026, the framework identifies an expanded, more comprehensive and creative approach to potential tax ballot measure options, seeking both to focus on the city's unmet needs in addition to community priorities of city programs and services.

The process to develop the 2025 potential tax ballot measures included staff analysis of potential revenue generation, a comparison analysis of tax ballot issues across Colorado municipalities, consideration of alignment with the LTFS guiding principles, and discussions and policy guidance received during monthly meetings with FSC members.

FSC policy guidance on the Multi-Year Ballot Measure Strategy included recommendations such as:

- Prioritizing flexibility of funding to meet community needs, recognizing the challenges of restricted funding
- Understanding the interaction of city tax ballot measures with wider organizational finances, including outcomes-based budgeting, existing fees, and other revenue opportunities
- Evaluating the timing urgency for ballot measures
- Understanding potential implications of other state and county measures
- Focusing on reducing tax burdens for historically disadvantaged groups, and
- Distributing the tax burden more equitably

Based on this policy guidance, in addition to staff analysis, staff considered a total of nine tax ballot measure options. A summary table of these options is provided in Attachment B. FSC ultimately recommended two ballot measures for 2025:

- 1) An extension of the existing 0.30% **Community, Culture, Resilience & Safety (CCRS) sales & use tax** through 2050 or permanently to continue to support city infrastructure and maintenance and non-profit capacity building and capital investments.
- 2) The creation of a **Public Realm Tax**, which would increase the existing Permanent Parks property tax from 0.900 mills to 2.252 mills, expand the use of the tax, and allow debt issuance to support infrastructure and capital maintenance projects more broadly in the public realm, such as parks, open space, civic buildings and areas, and the public right-of-way.

The 0.30% CCRS Tax extension would generate approximately \$15.0M in annual sales and use tax revenues supporting capital infrastructure and total cost of ownership, meeting the LTFS guiding principles of revenue sufficiency and funding flexibility. This tax extension would build upon the city's current tax structure by expanding the term of the existing tax, and provide increased funding stability for capital infrastructure, renovation, and replacement projects for the city (90% of revenues, \$13.5M annually) and non-profit organizations (10% of revenues, \$1.5M annually).

The Public Realm Tax would increase the existing Permanent Parks tax by 1.352 mills, taking the property tax to the City Charter Sec. 94 limit of 13.000 mills, and expand the use to capital infrastructure and capital maintenance in the public realm. This would generate approximately \$7.0M in annual property tax revenues and meet the LTFS guiding principles of revenue sufficiency and stability, funding flexibility, and revenue diversification.

Staff also completed the selection work for the 2025 Polling Voter Survey shared with council at the Mid-Year Check-In on February 27. Once the contract is awarded, staff will begin the kickoff work with the consultant. Staff plans to consider questions within the 2025 polling survey such as: preferences on recommended 2025 tax ballot measures, priorities of city programs and services, and preferences on types of taxes.

Staff will seek policy guidance from the City Council to help inform the two recommended 2025 tax ballot items throughout the ballot measure decision-making process. This includes the following City Council meeting touchpoints:

- **April 3** – Council questions on the two recommended 2025 tax ballot measures.
- **May 8** – Council discussion, input, and questions on recommended tax ballot items to place on the 2025 ballot.
- **June 26** – Staff will share the results of the 2025 statistically valid polling survey with City Council. City Council will have the opportunity to ask questions of the consultant, and consider these results ahead of the July and August council meetings to confirm and approve 2025 ballot measures.
- **July 24** – First reading, council discussion, and public hearing on 2025 ballot items.
- **August 7** – Second reading, council discussion, and public hearing on 2025 ballot items. If a third reading is not required, this is the final date for City Council to consider and approve 2025 tax ballot items recommended within the LTFS Multi-Year Ballot Measure Strategy. If needed, a third reading would occur on August 21.

Phase II of the Multi-Year Ballot Measure Strategy focuses on consideration of potential 2026 tax ballot measures, a comprehensive communications plan, and a holistic engagement strategy, *Fund Our Future*, which aims to receive input from a variety of stakeholders on trade-off of service level priorities as well as educate the public on the city's finances and budget. *Fund Our Future* will help to inform potential 2026 tax ballot measures by understanding the public's desired level of service and prioritization of those services, and consideration of alternative revenue streams.

Fund Our Future will include several engagement offerings between April 2025-Spring 2026, including the below list. A timeline of engagement activities is included in Attachment F.

- Preview sessions with Board & Commissions and Community Groups
- Be Heard Boulder Online Engagement Platform
- Partnership with Community Connectors-in-Residence
- Community & Council Forum on June 12, 2025
- Information & Input Sessions – Virtual and In-Person
- Statistically Valid Polling Voter Survey for 2026 Tax Ballot Measures (Early 2026)

In addition to the holistic community engagement strategy, phase II includes a comprehensive communications plan that focuses on a clear communications hierarchy and creation of deliverables such as presentations, talking points, postcard mailings, and website and blog posts to support *Fund Our Future* engagement. The communications plan recognizes the partnership opportunities with Financial Strategy Committee members and City Council members to support this effort, and will include opportunities and support for engaging with community members through staff-facilitated in-person and virtual forums and media platforms. Specifically, these council opportunities for support in *Fund Our Future* will include:

- Community & Council Forum on June 12, 2025
- Information and input sessions with community groups between July-October 2025
- Project updates and interviews on various online platforms and print media, such as Inside Boulder News and print newsletters, beginning July 2025

Finally, phase II of the Multi-Year Ballot Measure Strategy will also include a tax burden and revenue analysis of potential changes to the city's existing tax structure and new taxes. The goal of this analysis is to inform and support decision-making for potential tax changes in 2026, in addition to community engagement input. This analysis will be informed by the LTFS guiding principles and may consider items such as: an incremental shift from sales & use tax to property tax, expansion of sales tax to broaden the taxing base such as including services, occupation (head) tax, and vacancy tax, among others. This work will begin in early fall 2025 with anticipated completion in quarter 4 of 2025. Staff will bring forward an update to City Council in May 2026.

Additional Risk Factors for Consideration

Staff are focused on advancing this important work and recognizes the potential risk factors to certain components of the LTFS initiative. Primary risk factors that may prevent success of the project within the timeline include potential scope changes, community alignment with the LTFS guiding principles supporting flexibility, diversity, and stability of funding sources, voter support for implementation of potential tax ballot measures, and short-term economic and/or other external factors implicating city finances and financial planning.

NEXT STEPS

Staff will share updates to City Council on the Long-Term Financial Strategy and seek policy guidance from City Council at several upcoming council meetings, as listed below. Specifically, as discussed above, staff is seeking council policy guidance on the 2025 and 2026 potential tax ballot measures within the Multi-Year Ballot Measure Strategy of the Long-Term Financial Strategy:

- May 8 – Financial Forecast, 2025 Ballot Measures
- June 12 – City and Community Forum – Long-Term Financial Strategy
- June 26 – Presentation on Polling Survey Results on 2025 Tax Ballot Measures
- July 24 – First Reading 2025 Ballot Items
- Aug. 7 – Second Reading 2025 Ballot Items

ATTACHMENTS

A – Financial Strategy Committee Letter for Council on the Long-Term Financial Strategy

- B – Summary Table of Potential Tax Ballot Measure Options
- C – LTFS Current State Analysis Summary: Comparison of Key Recommendations from the Blue Ribbon Commission and Budgeting for Resilience Reports
- D – Core Services Hierarchy
- E – Draft Unfunded Needs List
- F – *Fund Our Future* Engagement Strategy and Communications Plan Timeline
- G – City of Boulder Sales & Use Tax Term Lengths

Attachment A – Financial Strategy Committee Letter to Council on the Long-Term Financial Strategy

March 19, 2025

Dear colleagues,

We are writing as the Council's representatives to the Financial Strategy Committee, to share our collective thoughts on the multi-year ballot measure strategy and plan for engagement and community budget conversations as part of the city's Long-Term Financial Strategy before our April 3, 2025 Council discussion.

The primary focus for this Council discussion will be an update on the process and development of the Long-Term Financial Strategy, with specific focus areas on the multi-year ballot measure strategy for 2025 and 2026 for enhancing revenues to support unfunded needs and community priorities, and the associated engagement plan and community conversations relating to this next phase of work within the Long-Term Financial Strategy.

As individual Councilmembers, the three of us have different revenue and spending priorities. As your Financial Strategy Committee representatives, we all agree on three points relevant to the upcoming Long-Term Financial Strategy work we will discuss on April 3:

1. The financial priority for this year's ballot measures should be taking care of existing infrastructure. We discussed the city's approximately \$380M backlog of unfunded and underfunded projects as a Council during last fall's budget discussions. The potential funding from the prior CCRS tax extension is largely exhausted, and our ability to address current and near-term infrastructure needs from this source is limited. Addressing this infrastructure backlog is crucial, and a further extension of the CCRS tax is suggested.

In addition, we suggest the exploration and consideration of a new Public Realm Tax to increase funding for capital infrastructure by an increase of 1.352 mills in our existing Permanent Parks tax, and expand the use of the tax to the public realm, which would help fund infrastructure within public spaces, parks, civic buildings and areas, open space, and the public right-of-way.

These ballot items represent a threshold of approximately \$7.0M in potential revenues that could support a higher level of funding to meet the city's unfunded needs, supporting the intent of the LTFS project.

2. An exploration of additional sources of revenue and consideration of current revenue streams should be further informed by upcoming community engagement and priority-setting related to the Long-Term Financial Strategy. We should identify our desired revenue streams and spending priorities before we start generating new revenue. We also

Attachment A – Financial Strategy Committee Letter to Council on the Long-Term Financial Strategy

should not dedicate more revenue before we understand if the Council and community are comfortable with the great extent to which many of our revenue sources are committed – and therefore limited – to dedicated funds. It is expected that this analysis will occur in the next year, and that additional ballot measures may be proposed for 2026.

3. A crucial element of our overall financial strategy will be our budget, which will come before the Council in the near future. Our city’s long-term success depends on our individual and collective willingness to explain our budget to the community, as well as the Long-Term Financial Strategy the Council develops over the next 12-18 months. We need to be champions for the city’s long-term financial work, and we will all need to spend time this summer and fall drawing attention to this critical area. The community must understand that we are facing significant tradeoffs in our spending choices, and that while we will prioritize sustainability, equity, and resilience, not every expenditure that we desire is an expenditure that can be made under current financial and economic conditions.

We look forward to our Council conversation and appreciate your attention to our conclusions.

Councilmembers on Financial Strategy Committee

(Council Member Speer, Council Member Wallach, Council Member Schuchard)

Attachment B – Summary Table of Potential Tax Ballot Measure Options

Tax Ballot Item	Estimated Revenue	Program/Services Focus Area	Who Benefits/Burden? Outcomes?	LTFS Guiding Principles	Issues to Consider	2025 or 2026
General Purposes Tax for Civic Infrastructure (0.075% Sales Tax)	~\$3.5M	General Purposes: Public Safety, Human Services, Public Spaces	Contributions to civic infrastructure (ex. community resiliency, social infrastructure)	Revenue sufficiency	Benefits: Ongoing revenues for general purposes; ease of tax administration Challenges: Continued sales tax reliance, tax burden considerations	2026 – consider within larger comprehensive ballot strategy
Public Realm Tax – Sales Tax & Debt Combining ~0.5% Existing Sales Tax	~\$20-25M combined CIP funding across existing dedicated funds	Capital-focus on public infrastructure and operations & maintenance; transportation, parks, open space, facilities	Contributions to the public realm (public spaces, public infrastructure, right of way, parks, publicly accessible open spaces, civic buildings)	Revenue sufficiency Funding flexibility	Benefits: Combination of existing funding, leveraging capital financing opportunities across current dedicated funding Challenges: Continued dedication of taxes, community engagement considerations	2026 – consider within larger comprehensive ballot strategy
Public Realm Tax – Property Tax & Debt (Increasing and Expanding Use of Permanent Parks Tax by 1.352 mills)	~7.0M	Capital infrastructure and maintenance; transportation, parks, open space, facilities	Contributions to the public realm (public spaces, public infrastructure, right of way, parks, publicly accessible open spaces, civic buildings)	Revenue diversification Revenue sufficiency Funding flexibility	Benefits: Expanding and increasing existing funding, utilizing more stable major revenue source for capital needs, leveraging capital financing opportunities across infrastructure areas Challenges: Continued dedication of taxes, community engagement considerations, future property tax legislation and property tax burden	2025 – consider within focused ballot strategy
Community, Culture, Resilience & Safety (CCRS) Tax Extension through 2050 or permanent	~\$15.0M	Capital infrastructure and maintenance, continuation of non-profit support for capital planning & infrastructure	Contributions to city capital infrastructure, non-profit organizations capacity building and capital needs	Revenue sufficiency Funding flexibility	Benefits: Builds upon current tax structure and framework, expansion of existing tax, benefits non-profit organizations for longer term Challenges: Recent passage in 2021, communications considerations	2025 – consider within focused ballot strategy
Local Tax on Cigarettes (Sales Tax Exemption Repeal)	~300-500K	General Purposes	Tax administration shifts from state to local – slight tax burden increase	Revenue diversification Revenue sufficiency Funding flexibility	Benefits: Shifts existing taxing structure, Could potentially perform without requiring ballot initiative Challenges: Equity considerations – continuation of sin tax, Smaller revenue generation	2026 – consider within larger comprehensive ballot strategy
Second Homes (Vacancy) Tax	~\$1.0-2.0M	General Purposes	Contributions to general purposes; tax burden for second homeowners	Revenue diversification Revenue sufficiency Funding flexibility Equity	Benefits: Applies to narrow taxing base, Contributes to general purposes Challenges: Difficulty in administering, Need to define "vacant" – no current category for owner-occupied home, Self-reporting and enforcement considerations, Tax estimates margin of error	2026 – consider within larger comprehensive ballot strategy
Occupation (Head) Tax	~2.0-3.0M	General Purposes	Tax burden on employers/employees	Revenue diversification Revenue sufficiency Funding flexibility	Benefits: Applies to narrow taxing base, Contributes to general purposes Challenges: Consideration of tax burden on businesses, employees, "nuisance" tax	2026 – consider within larger comprehensive ballot strategy
Increase Property Tax Cap (15 mills)	~10.0-11.0M Potential	General Purposes/Future Flexibility and Potential above 13 mills cap	Support for future general purposes	Funding flexibility Contingency planning	Benefits: Increasing potential for property tax maximum, Setting up Challenges: Future property tax legislation and opposition from property owners.	2026 – consider within larger comprehensive ballot strategy
General Fund Debt Capacity	~\$75.0-100.0M Debt Capacity	General Purposes/Capital Flexibility	Support for future capital projects	Funding flexibility Contingency planning	Benefits: Setting up pathway for future infrastructure and financial planning, Utilizes existing revenues - no tax increase or expansion Challenges: Limited General Fund capacity on short-term horizon, No immediate financing benefits	2026 – consider within focused ballot strategy

Blue Ribbon Commission (BRC) and Budgeting for Resilience Report Topic	Sub-Topic	Report Recommendations	Report	Page	LTFS Current State Analysis	Notes
Services	Performance Measurement	Use of meaningful measures and feedback on city goals ensures efficiency in program/service delivery, boosting confidence in operations.	Blue Ribbon Commission Phase 2	1	Complete	Successful completion of outcomes-based budgeting implementation.
Services	Cost of Services	Full costing of all city services, including subsidies, must be known for informed budget decisions.	Blue Ribbon Commission Phase 2	2	In Progress	LTFS Phase II - Alternative Funding Mechanisms and Core Service Levels workstreams
Services	Centralization	Centralizing administrative functions or partnering with the private sector/nonprofits/governments to provide services will increase efficiency.	Blue Ribbon Commission Phase 2	2	In Progress	LTFS Phase II - Long-Term Financial Plan and Core Service Levels workstreams
Services	Prioritize Core Services	Focus on prioritizing core services rather than treating most city services as essential. Clarify the prioritization of city services based on their contribution to overall city goals.	Blue Ribbon Commission Phase 2	12	In Progress	LTFS Phase II - Core Service Levels workstream
Services	Core Services	If services are adequately provided by the private sector, consider phasing them out.	Blue Ribbon Commission Phase 2	12	In Progress	LTFS Phase II - Core Service Levels workstream
Services	Service Costs	Review and identify the full cost of programs and services.	Blue Ribbon Commission Phase 2	13	In Progress	LTFS Phase II - Core Service Levels workstream
Services	Service Evaluations	Establish consistent methods for evaluating new programs and services.	Blue Ribbon Commission Phase 2	13	Complete	Successful completion of outcomes-based budgeting implementation and updated budget operational policies.
Services	Performance Measurement (Core Services)	Develop a citywide performance measurement system to assess success in achieving service goals. Integrate this data into budget decisions.	Blue Ribbon Commission Phase 2	14	Complete	Successful completion of outcomes-based budgeting implementation and updated budget operational policies.
Services	Track Efficiency	Use efficiency measures like transactions per staff member, cost per work order, and expenditure per case.	Blue Ribbon Commission Phase 2	14	Complete	Successful completion of outcomes-based budgeting implementation and updated budget operational policies.
Services	Track Outcomes	Measure effectiveness with outcomes such as citizen satisfaction and safety metrics.	Blue Ribbon Commission Phase 2	14	Complete	Successful completion of outcomes-based budgeting implementation and updated budget operational policies.
Services	Performance Reporting	Report performance results to the community via the budget process.	Blue Ribbon Commission Phase 2	15	Complete	Successful completion of outcomes-based budgeting implementation and updated budget operational policies.
Services	Efficiency of Services (Centralization)	Centralize administrative support services such as accounts payable, purchasing, and facility maintenance.	Blue Ribbon Commission Phase 2	16	In progress	LTFS Phase II - Core Service Levels workstream
Services	Efficiency of Services (Partnering)	Partner with community nonprofits or other entities to deliver services more efficiently.	Blue Ribbon Commission Phase 2	17	In progress	LTFS Phase II - Core Service Levels workstream

Blue Ribbon Commission (BRC) and Budgeting for Resilience Report Topic	Sub-Topic	Report Recommendations	Report	Page	LTFS Current State Analysis	Notes
Revenue Structure	General Structure Change	Decrease dependence on sales taxes by shifting toward more stable revenue sources, such as property taxes, fees, and sales taxes on services.	Blue Ribbon Commission Phase 1	2	In Progress	LTFS Phase I and II - Multi-Year Ballot Measure Strategy 2025 and 2026 potential tax ballot measures
Revenue Structure	Development Excise Tax	Increase the development excise tax to remain competitive with surrounding municipalities and ideally recover costs fully.	Blue Ribbon Commission Phase 1	2	Complete	Replaced by Impact Fees
Revenue Structure	Renewal of Sales Taxes	Renew existing sales taxes as the top priority to address revenue needs.	Blue Ribbon Commission Phase 1	3	In Progress	LTFS Phase I and II - Multi-Year Ballot Measure Strategy 2025 and 2026 potential tax ballot measures
Revenue Structure	Structural Sales Tax Change	A structural solution should explore alternative revenue sources like a sales tax on services, but the current system needs change to address structural issues.	Blue Ribbon Commission Phase 1	25	In Progress	LTFS Phase II - Consideration Multi-Year Ballot Measure Strategy 2026 potential tax ballot measures
Policy	Policy Framework	Implement policy changes to diversify revenue tools, focusing on sources with inflation rates that more closely mirror expenditure inflation, and ensure periodic assessments of funding gaps.	Blue Ribbon Commission Phase 1	26	In Progress	LTFS Phase II - Long-Term Financial Plan workstream
Policy	Revenue Adjustments	Require trade-offs or reductions when revenue growth is insufficient, ensuring new services come with corresponding gains in revenue or productivity.	Blue Ribbon Commission Phase 1	27	In Progress	LTFS Phase II - Core Service Levels workstream
Policy	Comparative Tax Rates	Ensure that taxes and fees are comparable to those in surrounding municipalities, particularly sales tax rates and development excise taxes, to maintain economic competitiveness.	Blue Ribbon Commission Phase 1	28	In Progress	LTFS Phase I and II - Long-Term Financial Plan and Multi-Year Ballot Measure Strategy 2026 potential tax ballot measures
Policy	Fee and Efficiency Balance	Balance fee increases with greater efficiency in current service offerings. Ensure voters are assured of operational efficiencies before approving new contributions.	Blue Ribbon Commission Phase 1	28-29	In Progress	LTFS Phase I and II - Alternative Funding Mechanisms and Core Service Levels workstreams
Policy	Infrastructure Funding	Maintain infrastructure and personnel funding separate from expiring revenue sources.	Blue Ribbon Commission Phase 1	28	In Progress	LTFS Phase I and II - Multi-Year Ballot Measure Strategy 2025 and 2026 potential tax ballot measures
Policy	Capital Funding Limits	Limit earmarked funds to capital purchases and construction only.	Blue Ribbon Commission Phase 1	28	In Progress	LTFS Phase II - Consideration for Long-Term Financial Plan workstream
Policy	Debt Financing	Use debt financing for major capital projects or in situations with high inflation or low financing costs.	Blue Ribbon Commission Phase 1	28	In Progress	LTFS Phase II - Consideration for Long-Term Financial Plan workstream

Blue Ribbon Commission (BRC) and Budgeting for Resilience Report Topic	Sub-Topic	Report Recommendations	Report	Page	LTFS Current State Analysis	Notes
Policy	Economic Growth Strategy	Continue to grow the economy to increase revenue, but carefully analyze the long-term financial and infrastructure impacts of such development.	Blue Ribbon Commission Phase 1	29	Out of Scope	Led by Economic Vitality
Policy	Financial Management Centralization	Centralize financial management and improve the budgeting process to balance the financial health of all city departments, rather than operating in silos with restricted fund autonomy.	Blue Ribbon Commission Phase 1	29	Complete	Successful completion of outcomes-based budgeting implementation and updated budget operational policies.
Policy	Fund Transfer Limitations	Avoid General Fund subsidies to restricted funds for discretionary programs unless essential programs are fully funded.	Blue Ribbon Commission Phase 1	30	In Progress	LTFS Phase II - Long-Term Financial Plan and Alternative Funding Mechanisms workstreams
Policy	Land Use Conversion Impact	Carefully evaluate land use conversions from commercial/industrial to residential, considering future property tax implications due to the Gallagher Amendment.	Blue Ribbon Commission Phase 1	31	Out of Scope	Gallagher Amendment was repealed in 2019.
Policy	Revenue Sharing with Regions	Continue participation in the Boulder County Consortium of Cities; work on potential models for revenue sharing. Explore regional revenue sharing of sales tax to stabilize cyclical revenue fluctuations, benefiting the county as a whole.	Blue Ribbon Commission Phase 1	31	In Progress	LTFS Phase II - Long-Term Financial Plan and Alternative Funding Mechanisms workstreams
Policy	Tax Increase Transparency	Identify a minimum bundle of expenditures for tax increases to ensure voter understanding of specific benefits.	Blue Ribbon Commission Phase 1	31	In Progress	LTFS Phase I and II - Multi-Year Ballot Measure Strategy 2025 and 2026 potential tax ballot measures
New Taxes/Fees	Sales Tax on Services	Explore a sales tax on selected services, ensuring a study to assess potential revenue generation.	Blue Ribbon Commission Phase 1	3	In Progress	LTFS Phase II - Consideration Multi-Year Ballot Measure Strategy 2026 potential tax ballot measures
New Taxes/Fees	Fee Increases	Increase reliance on fees, as they are controlled by the city council and can be adjusted by ordinance, ensuring they keep pace with inflation during economic downturns.	Blue Ribbon Commission Phase 1	25	In Progress	LTFS Phase I and II - Alternative Funding Mechanisms workstream
New Taxes/Fees	Real Estate Transfer Tax (RETT)	Introduce a Real Estate Transfer Tax (RETT), which could be a potential solution for structural issues. This would require an amendment to the Colorado Constitution.	Blue Ribbon Commission Phase 1	26	Out of Scope	Requires amendment to Colorado Constitution
New Taxes/Fees	Fee Control	Encourage greater reliance on fees, particularly for services that are in the control of the city council and do not require voter approval.	Blue Ribbon Commission Phase 1	25	In Progress	LTFS Phase I and II - Alternative Funding Mechanisms workstream

Blue Ribbon Commission (BRC) and Budgeting for Resilience Report Topic	Sub-Topic	Report Recommendations	Report	Page	LTFS Current State Analysis	Notes
New Taxes/Fees	Gasoline Tax Modification	Modify the gasoline tax to be a percentage of the price rather than a flat rate, ensuring it scales with inflation.	Blue Ribbon Commission Phase 1	32	Out of Scope	Not applicable.
New Taxes/Fees	Internet Sales Tax	Repeal the prohibition on collecting sales tax from Internet transactions.	Blue Ribbon Commission Phase 1	32	Complete	Implemented in 2020 - Marketplace Facilitator Ordinance.
New Taxes/Fees	Admission Tax Legislation	Pass enabling legislation for an admission tax on state college events, which would not impact university revenues.	Blue Ribbon Commission Phase 1	32	In Progress	LTFS Phase II - Long-Term Financial Plan and Alternative Funding Mechanisms workstreams
New Taxes/Fees	Local Income Tax	Pass enabling legislation for a local income tax to provide more flexibility in addressing equity and revenue needs.	Blue Ribbon Commission Phase 1	33	In Progress	LTFS Phase II - Consideration Multi-Year Ballot Measure Strategy 2026 potential tax ballot measures
New Taxes/Fees	Occupational Privilege Tax	Consider implementing an occupational privilege tax, which could offer a steady source of income based on the number of employees working within the city.	Blue Ribbon Commission Phase 1	39	In Progress	LTFS Phase II - Consideration Multi-Year Ballot Measure Strategy 2026 potential tax ballot measures
New Taxes/Fees	Prepared Food Tax	Explore a tax on prepared food, which is inelastic and paid by non-residents, as a small but viable revenue option.	Blue Ribbon Commission Phase 1	40	Complete	Implemented. Food rebate program also available.
New Taxes/Fees	Transportation Maintenance Fee	Establish a transportation maintenance fee to fund street and infrastructure upkeep, similar to a storm drainage utility fee, assessed by land use type and size.	Blue Ribbon Commission Phase 1	40	In Progress	LTFS Phase II - Alternative Funding Mechanisms workstream
New Taxes/Fees	Parks Maintenance Fee	Create a parks maintenance fee assessed on residential properties via utility bills to maintain existing parks.	Blue Ribbon Commission Phase 1	40	In Progress	LTFS Phase II - Alternative Funding Mechanisms workstream
Comprehensive Financial Plan	Financial Planning	Develop a comprehensive financial plan similar to the Boulder Valley Comprehensive Plan, reviewed annually to reflect economic and budgetary changes.	Blue Ribbon Commission Phase 1	3	In Progress	LTFS Phase II - Long-Term Financial Plan workstream
Comprehensive Financial Plan	Gap Tracking	Conduct a comprehensive update every five years to track changes in the gap between revenue and expenditure projections.	Blue Ribbon Commission Phase 1	3	Complete	Performed annually as part of the budget cycle
Compensation	Total Compensation	Communicate total compensation to employees, including salary, benefits, retirement, fringe benefits, and leave accruals.	Blue Ribbon Commission Phase 2	19	Complete	Updated HR practices and policies.
Compensation	Performance-Based Compensation	Shift to a performance-based compensation system, rewarding employees for exceeding performance goals, and moving away from longevity pay and across-the-board increases.	Blue Ribbon Commission Phase 2	19	Complete	Updated HR practices and policies.

Blue Ribbon Commission (BRC) and Budgeting for Resilience Report Topic	Sub-Topic	Report Recommendations	Report	Page	LTFS Current State Analysis	Notes
Compensation	Employee Training	Provide citywide training to support the transition to a performance-based compensation system and standardize the employee evaluation process.	Blue Ribbon Commission Phase 2	20	Complete	Updated HR practices and policies.
Budgeting	Budget Process	Adoption of a budget process prioritizing services will allocate limited resources effectively to meet the city’s key goals.	Blue Ribbon Commission Phase 2	1	Complete	Successful completion of outcomes-based budgeting implementation.
Budgeting	Dedicated Funds	Dedicated funds should be used sparingly and with full understanding of their financial impact, including incremental operational/maintenance costs. Public education is necessary.	Blue Ribbon Commission Phase 2	2	In Progress	LTFS Phase I and II - Long-Term Financial Plan and Multi-Year Ballot Measure Strategy 2025 and 2026 potential tax ballot measures
Budgeting	Use of Dedicated Funds	If used, dedicated funds should only be for capital purchases and construction.	Blue Ribbon Commission Phase 2	2	In Progress	LTFS Phase II - Consideration for Long-Term Financial Plan
Budgeting	General Fund Transfers	Transfer of General Fund monies should be the exception, used only to achieve high-priority city goals. Phase out unnecessary transfers. Limit General Fund transfers to other city funds, reviewing each transfer in the annual budget process to ensure it supports high-priority goals.	Blue Ribbon Commission Phase 2	2,20	Complete	Updated budgeting practices and policies.
Budgeting	Community Engagement	Engage the community in a two-way dialogue on financial challenges and service prioritization.	Blue Ribbon Commission Phase 2	3	In Progress	LTFS Phase II - Core Service Levels and Multi-Year Ballot Measure Strategy workstreams
Budgeting	Stop Silo Mentality	Encourage a citywide approach rather than department-specific protection of budgets. Incorporate broad community input into the budget process.	Blue Ribbon Commission Phase 2	12, 13	Complete	Successful completion of outcomes-based budgeting implementation and updated budget operational policies.
Budgeting	Community Transparency	Improve transparency of budget decisions and allocations.	Blue Ribbon Commission Phase 2	13	In Progress	LTFS Phase II - Long-Term Financial Plan and Core Service Levels workstreams
Budgeting	Subsidy Knowledge	Fully identify subsidies in programs, ensuring they are deliberate and reflected in department budgets for a complete picture of costs.	Blue Ribbon Commission Phase 2	15	In Progress	LTFS Phase II - Alternative Funding Mechanisms and Core Service Levels workstreams
Budgeting	Full Cost of Services	Calculate the full cost of each service, including direct costs, overhead, and capital/facility expenses.	Blue Ribbon Commission Phase 2	16	In Progress	LTFS Phase II - Alternative Funding Mechanisms workstream
Budgeting	Evaluate Service Funding	Routinely assess which services are funded by tax revenues, user fees, or a combination.	Blue Ribbon Commission Phase 2	16	Complete	Updated budgeting practices and policies.

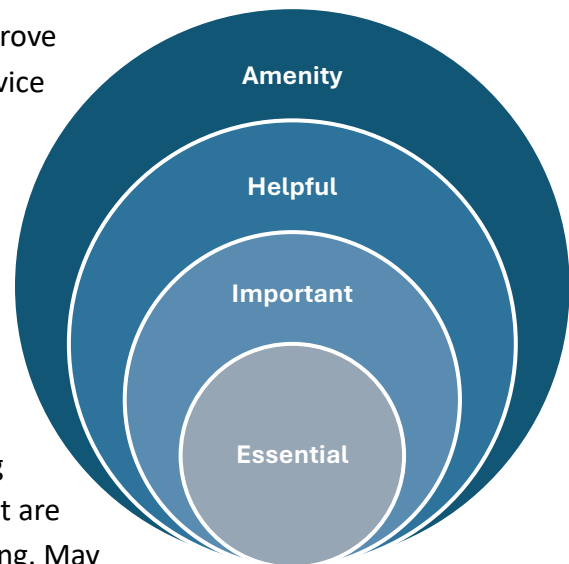
Blue Ribbon Commission (BRC) and Budgeting for Resilience Report Topic	Sub-Topic	Report Recommendations	Report	Page	LTFS Current State Analysis	Notes
Budgeting	Align Priorities with Outcomes	Link city leadership and council priorities to citywide framework and outcome indicators	Budgeting for Resilience Report	20	Complete	SER Framework, Citywide Strategic Plan, and Council Priorities are key pillars of Budgeting for Resilience & Equity
Budgeting	Evaluation Approach	Adopt evaluation rubric to compare budget proposals	Budgeting for Resilience Report	20	Complete	Successful completion of outcomes-based budgeting implementation and updated budget operational policies.
Budgeting	Outcomes and KPIS	Embed outcomes and KPIS into budget process	Budgeting for Resilience Report	20	Complete	Successful completion of outcomes-based budgeting implementation and updated budget operational policies.
Budgeting	Outcomes and KPIS	Develop Department Outcomes and KPIS to set clear outcomes, performance indicators and targets	Budgeting for Resilience Report	20	Complete	Successful completion of outcomes-based budgeting implementation and updated budget operational policies.
Budgeting	Fund Education	Educate the public on the trade-offs in the city's budget and engage them in prioritizing how limited funds are spent.	Blue Ribbon Commission Phase 2	18	In Progress	LTFS Phase II - Core Service Levels and Multi-Year Ballot Measure Strategy workstreams
Asset Management	Asset Mgmt Plan	Proactively manage assets (land, facilities, vehicles, equipment), with policies reviewed regularly to maximize efficiencies.	Blue Ribbon Commission Phase 2	2	In Progress	LTFS Phase II - Consideration for Long-Term Financial Plan workstream
Asset Management	Inventory	Maintain a complete inventory of land, property, and equipment, including market values, and actively manage the value of real estate holdings.	Blue Ribbon Commission Phase 2	20	In Progress	LTFS Phase II - Consideration for Long-Term Financial Plan workstream
Asset Management	Valuation	Include property evaluations, consider property disposition strategies.	Blue Ribbon Commission Phase 2	20	Complete	Updated financial practices and policies.
Asset Management	Maintenance	Prevent costly future expenses by maintaining city facilities and equipment according to industry standards.	Blue Ribbon Commission Phase 2	20	In Progress	LTFS Phase II - Long-Term Financial Plan workstream
Asset Management	Vehicles	Balance vehicle replacement with extending the life of vehicles in good condition when cost-effective.	Blue Ribbon Commission Phase 2	20	In Progress	LTFS Phase II - Long-Term Financial Plan workstream

Attachment D – Core Services Hierarchy Definitions

Core Services Hierarchy

The Core Services Hierarchy was redefined as part of Phase I of the LTFS Core Service Levels workstream. The definitions of Essential, Important, Helpful, and Amenity build upon the framework and recommendations from the [Budgeting for Resilience Report of 2019](#), and is a framework hierarchy to understand criticality of city services and service levels. Phase II of the Core Service Levels workstream will focus on a current state inventory of services and services levels to perform benchmarking analysis and community conversations on service area prioritization.

- **Essential:** City services are required by federal or state agencies and/or support fundamental human needs for safety, survival, health & well-being. The city service must be provided continuously with little or no interruption to services. Advances multiple goals and objectives within SER Framework and Citywide Strategic Plan.
- **Important:** City services that enhance or improve quality of life and economic stability. The service fosters growth, equity and a well-functioning community, but can be adjusted without causing immediate harm to public health or safety. Advances multiple goals and objectives within SER Framework and Citywide Strategic Plan.
- **Helpful:** City services that support day-to-day functioning of the community by offering convenience and improving quality of life that are not crucial for survival or health and well-being. May indirectly advance SER Framework and Citywide Strategic Plan.
- **Amenity:** City service that provides enhanced experience or service that is not offered by most other municipalities and exceeds service levels found in benchmark municipalities and communities. May indirectly advance SER Framework and Citywide Strategic Plan.



Attachment E – Long-Term Financial Strategy Update to Council

Draft List of Unfunded Needs

Important Note: This draft list of unfunded needs is not final nor comprehensive and will be refined, reviewed, and vetted further by the City Manager’s Office and Executive Budget Team as part of the 2026 budget process and Phase II of the Long-Term Financial Strategy.

Staff provided the below draft of the city’s unfunded needs during the 2025 Budget council meetings in the fall of 2024. The following list is not comprehensive and represents estimates of underfunded and unfunded needs, currently at a minimum of \$380 million for ongoing and one-time capital replacement and renovations, transportation construction and capital maintenance programs, park asset maintenance, building modernizations and replacements, permanent supportive housing funding, public safety staffing and operations, climate resiliency, and human services and basic needs, to name a few. The unfunded needs list will be further refined and updated as part of the 2026 budget development process and Phase II of the city’s Long-Term Financial Strategy, which is anticipated to be available in June-July 2025.

Unfunded Need	Amount
Recreation Centers	130,000,000
City Building Maintenance Backlog	53,000,000
Park Asset Maintenance	50,000,000
Civic Area Project	23,000,000
Valmont South Project	20,000,000
Reservoir Project	13,500,000
Pearl Street Mall Project	10,000,000
Tom Watson Park Project	10,000,000
Transportation Capital Maintenance*	7,000,000
Harlow Plats Project	7,000,000
Core Arterial Network Folsom Street Final Design and Construction	6,000,000
High-Utilizers Program - Property Acquisition and Operating Costs*	5,000,000
Reimagine Policing Plan Implementation*	4,113,000
Advanced Life Support/EMS Implementation*	4,000,000
Transportation Median Maintenance and Irrigation Systems*	3,758,000
Core Arterial Network 30th Street Final Design and Construction	3,500,000
Affordable Housing Funding*	3,500,000
Snow and Ice Response Program Expansion*	3,070,000
Primos Park Project	3,000,000
Guaranteed Income Pilot Program (ARPA-Funded)*	2,000,000
Business Equity and Economic Vitality Investments*	2,000,000
Fire Apparatus Replacement and Maintenance*	1,800,000
IT Broadband System Maintenance, Replacements, Security	1,500,000
Fire-Rescue Additional Staffing*	1,230,000
Core Arterial Network Iris Avenue Construction - Possible Grant Match	1,000,000
Police Overtime*	1,000,000
Full Court Software Replacement	1,000,000

Internal Services Support*	850,000
Building Home Program, Peer Support, Retention Services (ARPA-Funded)*	850,000
9.0 FTE Firefighters for Light Response*	807,300
Wildland and Water Rescue PPE, Vehicles, and Equipment	630,000
Process Design for Climate Resilience and Adaptation Funding*	500,000
City Employee Workforce Development Training, Career Counseling, Engagement Surveys*	420,000
Day Service Center Mental/Behavioral and Peer Services*	420,000
Transportation Grant Match for Bus Electrification	400,000
Enhanced Human Services Funding*	210,000
EV Charging Units (Public Safety)	234,300
Police Victim Services Support, Crash Report and Accreditation Staffing*	467,300
Crisis Team As-Needed Clinician Support*	50,000
Neighborhood Community Connector Program*	43,000
Transportation CO 119 Connectivity Improvements to Future BRT/Bikeway	Unidentified
Western City Campus (Alpine/Balsam) Transportation Connections	Unidentified
Airport Funding	Unidentified
Total	376,852,900

**Ongoing funding needed*

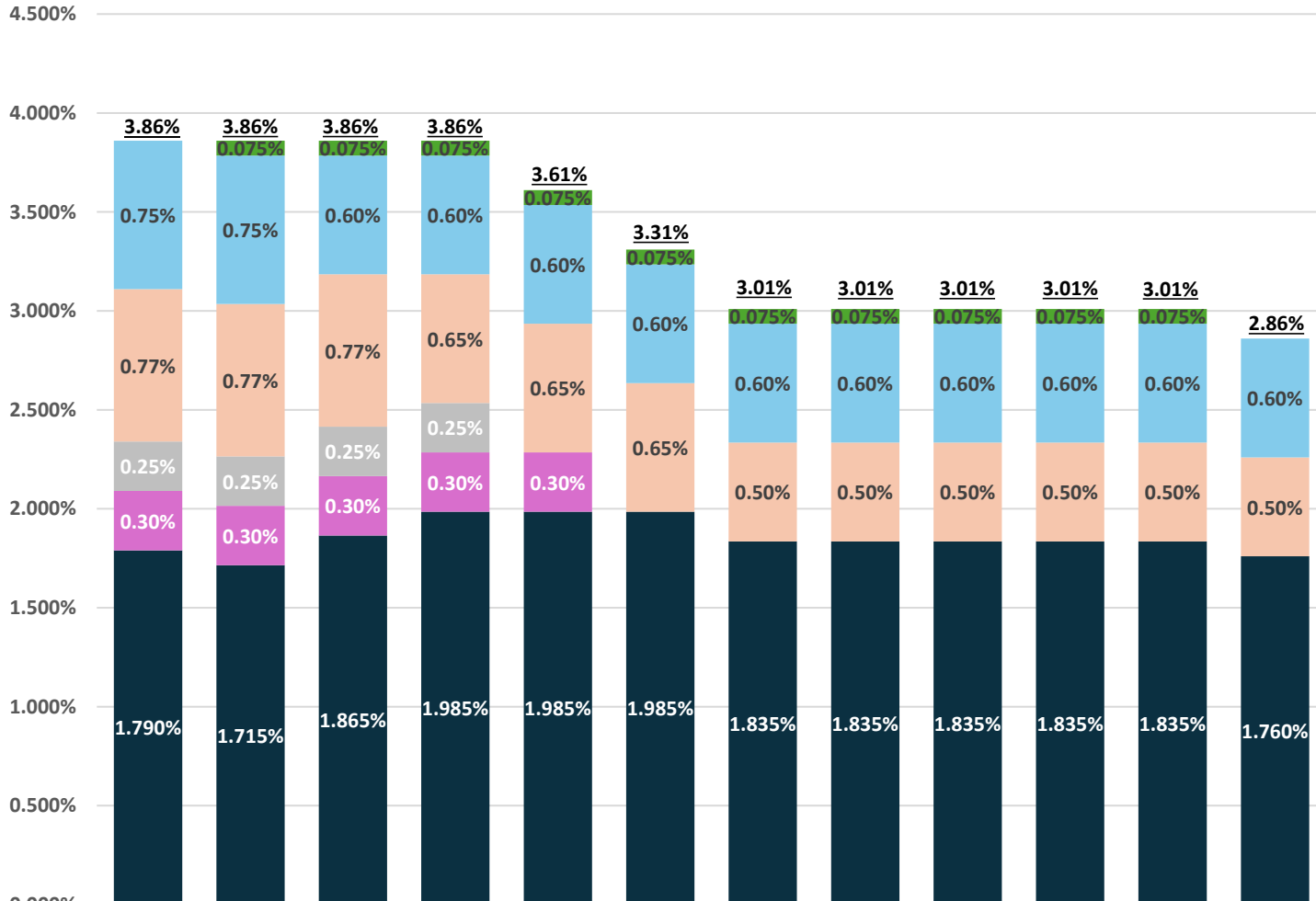
Attachment F – Long-Term Financial Strategy Update to Council

Fund Our Future Engagement Strategy and Communications Plan Timeline

Engagement or Communications Plan Item	Forum/Medium	Description	Date
LTFS Engagement Plan to Financial Strategy Committee	Council Committee Meeting	Overview provided to Financial Strategy Committee on <i>Fund Our Future</i> engagement plan	March 19, 2025
LTFS Engagement Plan to Council	City Council Meeting	Engagement plan shared with City Council for input during April 3 City Council Meeting during update on Long-Term Financial Strategy. City Council provides feedback on the approach of the LTFS community engagement strategy, specifically considering the role of council members in supporting the LTFS initiative.	April 3, 2025
Fund Our Future LTFS Preview to Boards & Commissions and Community Groups	Board & Commission Meetings, Community Meetings - In-Person and Virtual	Staff to provide high-level preview to boards & commissions and community groups. Community meetings will be organized and facilitated by city staff. City council members will have the opportunity to attend and support the <i>Fund Our Future</i> previews to community groups.	April-May 2025
2025 Ballot Measures Item to Council	City Council Meeting	City Council to consider and provide input on 2025 recommended tax ballot measures.	May 8, 2025
Community & Council Forum - LTFS Fund Our Future Conversation	City Council Meeting	City Council and community forum to help inform <i>Fund Our Future</i> community conversations in summer and fall of 2025. Community conversations will inform trade-off considerations for city service levels and prioritization discussion to help inform 2026 potential tax ballot measures.	June 12, 2025
2025 Polling Survey on Tax Ballot Measures Presentation to Council	City Council Meeting	Presentation provided to City Council on the results of the 2025 statistically valid polling voter survey to help inform council consideration of 2025 tax ballot measures.	June 26, 2025
Online Community Input on Fund Our Future shared through Be Heard Boulder	Be Heard Boulder - Online Platform	<i>Fund Our Future</i> promoted through Be Heard Boulder platform for online community input on service level prioritization.	Beginning July 2025
Updates and interviews on Inside Boulder News, Print Newsletters, City Newsroom Blogposts, and Op-Eds	Various Online and Print Media	<i>Fund Our Future</i> updates and interviews with city staff, and with support from Financial Strategy Committee and council members, on various city platforms such as Inside Boulder News, City Print Newsletters, Newsroom	Beginning July 2025

Engagement or Communications Plan Item	Forum/Medium	Description	Date
<i>Fund Our Future</i> Community Conversations: Information & Input Sessions	Community Meetings - In-Person and Virtual	Community conversations, facilitated by city staff with opportunity for council support, will provide overviews of the city budget and long-term financial outlook, an overview of unfunded needs, discussion on prioritization of needs and clarifying levels of service, and questions from community members. City council members will have the opportunity to attend and support these information & input sessions.	July-October 2025
2026 Polling Survey Results Presentation to Council	City Council Meeting	Staff to provide presentation on results of 2026 polling voter survey that considers potential 2026 tax ballot measures. City Council to provide input on 2026 potential tax ballot measures.	Early May 2026

Attachment G – City of Boulder Sales & Use Tax Term Lengths



	2023-2024	2025-2029	2030-2034	2035	2036	2037-2039	2040	2041	2042	2043	2044	2045
Arts Culture & Heritage	0.00%	0.075%	0.075%	0.075%	0.075%	0.075%	0.075%	0.075%	0.075%	0.075%	0.075%	0.000%
Transportation	0.75%	0.75%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%
Open Space	0.77%	0.77%	0.77%	0.65%	0.65%	0.65%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%
Parks and Recreation	0.25%	0.25%	0.25%	0.25%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Community Culture Resilience & Safety Tax	0.30%	0.30%	0.30%	0.30%	0.30%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
General Fund	1.790%	1.715%	1.865%	1.985%	1.985%	1.985%	1.835%	1.835%	1.835%	1.835%	1.835%	1.760%