

AGENDA ITEM SUMMARY

May 21, 2019

City Council

STAFF

John Stokes, Natural Resources Director
Barb Brock, Natural Areas Financial Coordinator
Jody Hurst, Legal

SUBJECT

Second Reading of Ordinance No. 064, 2019, Appropriating Prior Year Reserves for Natural Areas Programming Not Included in the 2019 Adopted City Budget.

EXECUTIVE SUMMARY

This Ordinance, unanimously adopted on First Reading on May 7, 2019, appropriates \$10,215,000 in prior year reserves and unanticipated revenues in the Natural Areas Fund. These appropriations are for land conservation and restoration of wildlife habitat, as well as other Natural Areas Department programs to benefit the citizens of Fort Collins.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

ATTACHMENTS

1. First Reading Agenda Item Summary, May 7, 2019 (w/o attachments) (PDF)
2. Ordinance No. 064, 2019 (PDF)

AGENDA ITEM SUMMARY May 7, 2019
City Council

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SUBJECT

First Reading of Ordinance No. 064, 2019, Appropriating Prior Year Reserves for Natural Areas Programming Not Included in the 2019 Adopted City Budget.

EXECUTIVE SUMMARY

The purpose of this item is to appropriate \$10,215,000 in prior year reserves and unanticipated revenues in the Natural Areas Fund. These appropriations are for land conservation and restoration of wildlife habitat, as well as other Natural Areas Department programs to benefit the citizens of Fort Collins.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading

BACKGROUND / DISCUSSION

Appropriated funds for the Natural Areas Department (NAD) for purposes other than capital projects lapse at the end of each year if not spent. Unspent funds need to be appropriated into the following year's budget before they can be used. Of the total appropriation, \$9,100,000 will be used for land conservation. Over \$6,000,000 in land acquisitions are under negotiation; there is a reasonable likelihood that most of these funds will be spent in 2019.

In addition to prior year reserves and unspent 2018 appropriations, NAD received \$1,400,878 in unanticipated revenues; \$580,000 of these funds are being appropriated for the purpose of providing Natural Areas programming not included in the 2019 adopted City Budget.

NOTE: Of the \$1,400,878 in unanticipated revenues, \$580,000 is being appropriated in this Ordinance for current project needs and the remainder will be appropriated in the future as needed.

The funds for NAD come from the following designated sources of revenue: the City - Open Space Yes! ¼ cent sales tax; the Larimer County - Help Preserve Open Space ¼ cent sales tax; and miscellaneous anticipated and unanticipated revenues. All of these funds are restricted to the purposes of the Natural Areas Department, including unanticipated revenues which consist generally of income from sales tax revenues, easements, leases or grants.

The prior year reserve funds being appropriated in this Ordinance are more specifically described as:

\$ 9,635,000	Unspent 2018 Budgeted Funds - being re-appropriated for same purpose
<u>\$ 580,000</u>	Unanticipated Revenues
\$10,215,000	Prior Year 2018 Reserves

The anticipated use of these funds is as follows:

Land Conservation - \$9,100,000 in unspent land conservation funds will fund land conservation efforts per the Natural Areas Master Plan.

Rangers - \$30,000 for a new Ranger vehicle. The existing 10-year-old Ford Escape (hybrid) Ranger vehicle, which is no longer meeting the Ranger's needs, is being repurposed to replace a leased 10-year-old Prius.

Resource Management

- \$200,000 in unspent 2018 restoration project funds will fund the completion of the restoration at Kingfisher Natural Area and other restoration projects.
- \$150,000 for the first phase of infrastructure required to implement a recently completed water augmentation plan associated with numerous ponds on the Cache la Poudre River.

Facility Operations - \$330,000 to fund the remodel of the Field Services office building, refinish the floors in the shop and vehicle storage building to increase safety, and a portion of NAD costs for a fueling station to be shared with other departments at the Crushing Operations Facility.

Trails and Visitor Amenities - \$405,000 in unspent 2018 trails and visitor amenities project funds will fund a variety of trail and visitor amenity projects.

CITY FINANCIAL IMPACTS

This Ordinance increases 2019 appropriations in the City's Natural Areas Fund by \$10,215,000. The requested total appropriation of \$10,215,000 in the Natural Areas Fund represents 2018 appropriations that were unspent and unencumbered at year-end 2018 and unanticipated revenues. These funds are restricted to the purposes of the Natural Areas Department.

BOARD / COMMISSION RECOMMENDATION

At its April 17, 2019 meeting, the Land Conservation and Stewardship Board voted unanimously to recommend that City Council approve the appropriation.

PUBLIC OUTREACH

Natural Areas Funds will be spent in alignment with the Natural Areas Master Plan, which was extensively reviewed by the public prior to its adoption in October 2014.

ATTACHMENTS

1. Land Conservation and Stewardship Board minutes, April 17, 2019 (draft) (PDF)

ORDINANCE NO. 064, 2019
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING PRIOR YEAR RESERVES FOR NATURAL AREAS
PROGRAMMING NOT INCLUDED IN THE 2019 ADOPTED CITY BUDGET

WHEREAS, the City is committed to preserving natural areas and providing educational, interpretive and appropriate recreational opportunities to the public; and

WHEREAS, Natural Areas programming implements open land conservation priorities identified in the City's Comprehensive Plan by purchasing land or conservation easement interests in key natural areas, community separators, or other open lands; providing stewardship for lands purchased; and developing trails and interpretive features for public use; and

WHEREAS, the Natural Areas Department is funded primarily through the collection of City Open Space - Yes sales and use tax revenue, as well as revenues from the Larimer County Help Preserve Open Space sales and use tax, investment earnings, and other miscellaneous revenues deposited in the Natural Areas Fund; and

WHEREAS, Article V, Section 9 of the City Charter permits the City Council to appropriate by ordinance at any time during the fiscal year such funds for expenditure as may be available from reserves accumulated in prior years, notwithstanding that such reserves were not previously appropriated; and

WHEREAS, Article V, Section 11 of the City Charter states that all appropriations unexpended or unencumbered at the end of the fiscal year shall lapse to the applicable general or special revenue fund, except appropriations for capital projects and federal or state grants, which do not lapse until completion of the capital project or expiration of the respective grant; and

WHEREAS, the City Manager has determined that the appropriations as described herein are available and previously unappropriated in the Natural Areas Fund for 2019; and

WHEREAS, the City Manager has recommended the appropriation from prior year reserves in the Natural Areas Fund of a total of \$10,215,000, comprised of \$9,635,000 in unspent and unencumbered appropriations from 2018 and \$580,000 in unanticipated revenue, to be used for acquisition, construction, enhancement and maintenance of trail systems, wildlife habitat and other natural areas to benefit the citizens of the City; and

WHEREAS, this appropriation benefits public health, safety, and welfare of the citizens of Fort Collins and serves the public purpose of helping to conserve and protect the natural areas in and around Fort Collins for the benefit of all of its citizens.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That there is hereby appropriated from prior year reserves in the Natural Areas Fund the sum of TEN MILLION TWO HUNDRED FIFTEEN THOUSAND DOLLARS (\$10,215,000) to be used for acquisition, construction, enhancement and maintenance of trail systems, wildlife habitat and other natural areas to benefit the citizens of the City.

Introduced, considered favorably on first reading, and ordered published this 7th day of May, A.D. 2019, and to be presented for final passage on the 21st day of May, A.D. 2019.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 21st day of May, A.D. 2019.

Mayor

ATTEST:

City Clerk