

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 26

DATE: November 21, 2006

STAFF: Darin Atteberry
Diane Jones
Ann Turnquist

SUBJECT

Second Reading of Ordinance No. 177, 2006, Being The Annual Appropriation Ordinance Relating to the Annual Appropriations for the Fiscal Year 2007; Amending the Budget for the Fiscal Year Beginning January 1, 2007, and Ending December 31, 2007; and Fixing the Mill Levy for Fiscal Year 2007.

RECOMMENDATION

Staff recommends adoption of the Ordinance on Second Reading.

FINANCIAL IMPACT

This Ordinance amends the City Budget for fiscal year 2007 and represents the annual appropriation for fiscal year 2007 in the amount of \$473,456,338. The Ordinance also sets the City mill levy at 9.797 mill, unchanged since 1991.

EXECUTIVE SUMMARY

State statutes and the City Charter both require an annual appropriation to cover expenses for the ensuing fiscal year (2007) based upon the adopted budget. The Second Reading must be adopted before the last day of November.

On October 17, 2006, City Council approved the recommended changes to the 2007 budget and approved the 2007 Appropriation Ordinance on First Reading by a vote of 5-2 (Nays: Brown, Kastein). With Second Reading of the Ordinance, there is an adjustment that takes into account changes in the new Special Services Fee (Transportation Maintenance Fee and the Community Parks Maintenance Fee) revenues approved by Council on First Reading on November 7, 2006.

The Net City Budget of \$379,328,212 for 2007, which excludes transfers, remains the same as was included in First Reading of this Ordinance.

	Adopted 2007	Amended 2007
Operations	\$322,633,068	\$322,799,201
Debt Service	24,269,655	24,269,655
Capital	26,465,106	32,259,356

BACKGROUND

The Amended 2007 Budget and the Annual Appropriation Ordinance reflect several changes to the adopted 2006-2007 Budget. The majority of adjustments are to balance the General Fund in light of the projected \$5.8 million revenue shortfall and additional budget issues such as expanded Transfort Fixed Routes and restructuring of Dial-a-Ride services, extension of City services for the Southwest Annexation, and earmarking monies for the Manufacturers' Use Tax Rebate.

General Fund cost reductions included reduced employee compensation, Information Technology efficiencies and consolidation, and over \$3.0 million in numerous service reductions.

To avoid further service cuts, two new special services fees are reflected in the budget that will provide approximately \$3.15 million in revenue for 2007. Additionally, new revenues from the Southwest Annexation are to be allocated toward Police Services.

2007 REVENUE ADJUSTMENTS

The annual appropriation ordinance is being adjusted on Second Reading to reflect changes made to the Transportation Maintenance Fee and Park Maintenance Fee on November 7, 2006. The fees approved by Council are:

Special Services Fees Effective January 1, 2007		
Transportation Maintenance Fees:		
Institutional	\$16.44	Per Acre
Industrial	\$13.09	Per Acre
High Traffic Retail	\$125.11	Per Acre
Retail	\$51.65	Per Acre
Commercial	\$16.44	Per Acre
Residential	\$1.06	Per Dwelling Unit
Community Park Maintenance Fee:		
Residential	\$2.76	Per Dwelling Unit

The total net revenue from the new special services fees will equal approximately \$3.15 million per year. The TMF revenue will be allocated to the Pavement Management Program and the CPMF revenue will be allocated to the maintenance of City Parks. General Fund resources have also been adjusted to reflect the impact of the Special Service fees on the General Fund.

	Transportation Maintenance Fee	Park Maintenance Fee	Total
New Revenue	\$1,736,568	\$1,686,722	\$3,423,290
Exemptions	\$<272,835>	n/a	\$<272,835>
Net Revenue	\$ 1,463,733	\$1,686,722	\$3,150,455

2007 SERVICE ADJUSTMENTS

To recap, funding has been included in the amended 2007 General Fund Budget for several items:

\$1,100,000 Additional Transfort Fixed Routes /Dial a Ride:

Reduces Dial-a-Ride services to the Americans for Disabilities (ADA) services levels and curtails night services. Offsetting the changes, the \$1.1 million appropriation adds three new fixed routes on Harmony, Timberline and East Prospect. The expanded fixed route service is accompanied with the mandatory DAR service within 3/4 miles of the fixed routes.

\$250,000 Manufactures Use Tax Rebates:

For the 2007 Amended Budget, the recommendation is to earmark \$250,000 for Use Tax rebates for eligible local manufacturers.

\$150,000 Natural Gas Cost Increase:

The volatility and growing costs for Natural Gas could not be accommodated under the 2007 budget funding levels and additional funds are added to cover these costs.

\$170,000 Employee Compensation Corrections:

Several adjustments to employee compensation are necessary in 2007 to correct pay inequities that resulted from freezing the pay plan in 2002.

\$437,122 Southwest Annexation

An enclave area of approximately 2.7 square miles was recently annexed into the City. The City will be providing services to the Phase One area. While services, such as Golf, Electric and Stormwater, are directly funded by user fees, other services are funded by a combination of property taxes, sales taxes, and fees. Many of the City's services are currently used by enclave residents and do not trigger additional expenditures. All of the new revenue generated from the Phase One Southwest Annexation is allocated toward increasing Police Services.

Dial-a-Ride/Paratransit Service

The 2007 budget as approved on First Reading October 17 includes changes to Transfort/Dial-a-Ride (DAR) Services. Due to the increasing demand for DAR and its high cost per trip, the budget reduces the service levels to the Americans with Disabilities Act (ADA) service levels. This will reduce the service coverage area from the current Growth Management Area, to the Federally required minimum of 3/4 miles from the fixed routes. Also, night service would be curtailed and the fare and eligibility policies changed to match the ADA standards. Offsetting these changes, the budget appropriates an additional \$1,100,000 for three new fixed routes on Harmony, Timberline, and East prospect. The expanded fixed route service is accompanied with the mandatory DAR service within 3/4 miles. These changes in service will help to control the cost growth while providing much more actual transit service to the public in accordance with the Transfort strategic plan.

At the October 17 meeting, Councilmembers requested that staff work with Larimer County, non-profit organizations, and DAR users to seek alternative solutions to City operated DAR services for those patrons who would lose service under the new ADA minimum service area. On November 2, Transportation Services staff sponsored a focus group meeting to begin the process of engaging these groups. There were 15 attendees including staff and a Council member. There was consensus that the attendees could be the foundation for a steering committee. The notion is that everyone would digest the information, return to their organizations, and recommend additional participants. A subsequent steering committee would be called for the task of organizing a Dial-a-Ride "Summit", which would be a public meeting. Consequently, at the time of final budget adoption this will still be a work in progress. The second meeting has been scheduled for December 1, 2006.

The City Council also requested staff to investigate the possibility of using one-time funds to extend DAR service outside the new service area to allow time for users to find alternatives to the City provided service. Presently approximately 85 present active users would reside outside the new service area. The budget assumes that the three new fixed routes would begin service on January 1, 2007. However, on closer analysis of the service plan it has become apparent that equipment, bus stops, and other needs make full implementation on January 1 a significant challenge. Transfort is prepared to start the Harmony immediately in 2007. A more reasonable target for the Timberline and East Prospect routes is March 2007. This two month period would allow \$60,000 to be available for DAR alternatives without any additional appropriation.

In conjunction with the November 21 Council agenda packet, a separate staff memorandum will be sent to Council that presents possible options for providing some level of service until alternatives can be examined for current DAR riders that will lose service.

Conservation Trust Fund:

Council asked for some additional information regarding the options that may be available to the City for shifting the use of Conservation Trust Fund revenue from capital projects and trail development toward trail maintenance. CLRS staff and Natural Resources staff have developed more detailed information for Council's consideration. A memorandum is provided under separate cover as part of the November 16 Council Thursday Packet.

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

ITEM NUMBER: 34
DATE: October 17, 2006
**STAFF: Darin Atteberry/
Diane Jones**

SUBJECT

First Reading of Ordinance No. 177, 2006, Being the Annual Appropriation Ordinance Relating to the Annual Appropriations for the Fiscal Year 2007; Amending the Budget for the Fiscal Year Beginning January 1, 2007, and Ending December 31, 2007; and Fixing the Mill Levy for Fiscal Year 2007.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

This Ordinance amends the City Budget for fiscal year 2007 and represents the annual appropriation for fiscal year 2007 in the amount of \$472,620,071. The Ordinance also sets the City mill levy at 9.797 mill, unchanged since 1991.

EXECUTIVE SUMMARY

This Ordinance amends the adopted 2007 Budget and sets the amount of \$472,620,071 to be appropriated for fiscal year 2007. The Net City Budget, which excludes internal transfers between City funds, is \$379,328,212 for 2007. The Net City Budget, as amended, is allocated to:

	Adopted 2007	Amended 2007
Operations	\$322,633,068	\$322,799,201
Debt Service	24,269,655	24,269,655
Capital	26,465,106	32,259,356

This Ordinance also sets the 2007 City mill levy at 9.797 mills, unchanged since 1991.

BACKGROUND

In November 2005, City Council adopted the 2006-2007 Biennial Budget and appropriated monies for expenditure in fiscal year 2006. State statutes and the City Charter both require an annual appropriation to cover expenses for the ensuing year (2007) based upon the adopted budget. The

Second Reading of this ordinance must be completed before the last day of November and is currently scheduled to occur on November 21, 2006.

The Appropriation Ordinance makes several changes to the adopted 2006-2007 Budget. The major adjustments included in the ordinance are to balance the General Fund in light of the projected \$5.8 Million revenue shortfall. The Appropriation Ordinance also addresses a variety of other changes which reflect relatively minor changes in other City Funds. Finally, some housekeeping changes are included in the ordinance to make adjustments to other funds.

A significant adjustment in the Sales Tax Fund is the addition of the revenue from the Building on Basics (BOB) sales tax program. When the 2006-2007 Budget was being considered by Council in 2005, the results of the November 2005 election were not yet known; therefore the receipt of revenue from Building on Basics program was not budgeted in the Sales and Use Tax Fund budget. These revenues are included in the amended 2007 Budget and are therefore reflected in this Appropriation Ordinance.

2007 General Fund Gap:

In the originally adopted 2006-2007 Biennial Budget, General Fund revenues for 2007 were projected on the assumption of implementing a proposed Transportation Maintenance Fee and sales taxes increasing by 4% over 2006.

Based on the original \$2.3 million gap that was to be covered by the Transportation Maintenance Fee (TMF) plus underperforming sales tax collections in the amount of \$3.5 million, a \$5.8 million shortfall in General Fund revenues was projected.

Strategies to Address Funding 2007 General Fund Revenue Gap:

As Council has discussed, there are three basic strategies to address the shortfall—seek operational efficiencies throughout the City, reduce expenditure and related services or increase resources to cover expenditures. There can also be some combination of these three approaches.

Based on discussion and direction provided by Council during six work sessions, the amended General Fund 2007 Budget includes a “combination” strategy. The recommended strategy includes service and expenditure cuts, organizational efficiencies and new revenues to address the projected \$5.8 million 2007 shortfall. The following table (Table 1) describes the current funding gap, the recommended reductions, other General Fund budget issues which must be addressed in 2007, and the recommended new revenue package.

At the October 10 Work Session, Council requested that two options to implement a Transportation Maintenance Fee (TMF) and Park Maintenance Fee (PMF) be presented at First Reading of the fee ordinances on November 7. The options (Alternatives 1 and 3) will be developed as two separate ordinances for Council’s consideration. In addition, staff will provide information regarding the financial impacts of exempting private schools (k-12) and churches from the Transportation Maintenance Fee. The Appropriation Ordinance reflects Alternative 1, the City Manager’s recommended budget. If Council chooses to alter the new revenue strategy when it considers the fee implementation ordinances on November 7, the Appropriation Ordinance can be amended on Second Reading to reflect that change.

In accordance with Council direction at the October 10 Work Session, staff has made one modification to the City Manager's recommended service reductions. The reduction offer from the Senior Center was modified to eliminate the cut for the Senior Trips program. The impact of this change is \$30,000.

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Recommendation Summary:

The City Manager's recommended budget amendments include the following key items:

Table 1		
	Recom- mendation	Running Total
Revenue Shortfall	\$ (5,800,000)	\$ (5,800,000)
Cost Reductions:		
Reduce Employee Compensation	\$ 1,000,000	
Information Technology Efficiencies/Consolidation	\$ 250,000	
City Manager's Recommended Reductions	\$ 3,075,000	
	\$ 4,325,000	\$ (1,475,000)
Additional 2007 Budget Issues:	\$ (2,107,000)	
		\$ (3,582,000)
New Revenue--Transportation Maintenance Fee	\$ 2,300,000	
New Revenue--Parks Maintenance Fee	\$ 880,000	
New Revenue--SW Annexation Taxes and Fees	\$ 437,000	
	\$ 3,617,000	BALANCED

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Overview of Service and Expenditure Reductions:

The City Manager's recommended General Fund budget for 2007 includes \$4.3 million in reductions to services and expenditures. These reductions represent significant changes in several services and significant cost cutting efforts to many other on-going services.

- \$1,000,000 Projected Employee Compensation Increases:**
 The 2007 Budget included projected increases to employee compensation for both Cost of Living increases and for merit/skill increases. This recommended reduction would limit salary increases to COLAs only, absent exceptional circumstances for particular employees. The available funds are projected to provide 2.3% cost of living increases for employees in 2007.
- \$ 250,000 Information Technology Organizational Efficiencies:**
 The City will undertake a consolidation of Information Technology Services to improve efficiency and the effectiveness of the City's technology resources.
- \$ 3,075,000 Recommended Service and Expenditure Reductions:**
 A summary of all recommended service and expenditure reductions in Attachment 1.

Additional 2007 Budget Issues:

In developing the 2007 General Fund Budget Recommendation and the 2007 Appropriations Ordinance, several issues must be addressed and adjustments made to the previously adopted 2007 Budget. These issues were not anticipated when the 2006-07 Budget was adopted. In previous years, revenues that exceeded projections would likely have been available to address these issues in the second year exceptions budget process. With the projected revenue shortfall for 2007, these additional budget issues add to the expected budget shortfall and should be addressed in the context of the overall General Fund budget.

Staff recommends funding the following items in the 2007 General Fund Budget.

- \$1,100,000 Additional Transfort Fixed Routes /Dial a Ride:**
The rapidly rising cost of providing Dial-a-Ride services throughout the Growth Management Area have created an increasingly unsustainable program. Staff has recommended a reduction of \$600,000 in current Dial-a-Ride services, while also recommending an increase in fixed route services. These two actions, in combination, will result in a significant change in the community's public transportation system and improve the long-term financial viability of the program.
- \$250,000 Manufactures Use Tax Rebates:**
For the 2007 Amended Budget, the recommendation is to earmark \$250,000 for Use Tax rebates for eligible local manufacturers.
- \$150,000 Natural Gas Cost Increase:**
Growing costs for Natural Gas will not be accommodated under the 2007 budget funding levels and additional funds will be needed to cover these costs. This volatile cost was recently reevaluated and an additional \$150,000 in fuel costs is projected for next year.
- \$170,000 Employee Compensation Corrections:**
Several adjustments to employee compensation are necessary in 2007 to correct pay inequities that resulted from freezing the pay plan in 2002. Issues include compression between some supervisors and their subordinate employees, new hire employees who are paid at a higher rate than frozen longer term employees, merit increases for some employees to bring them to at least 4% over the pay range minimum, and skill based pay adjustments for some employees are included in these corrections.
- \$437,122 Southwest Annexation**
An enclave area of approximately 2.7 square miles was recently annexed into the City. Because the resources needed to serve the entire enclave are limited at this point in time, the annexation is to take effect over a period of several years. Pending Council approval, the Phase One portion of the enclave will be recorded and take effect in November 2006.

The City will be providing services to the Phase One area. While services, such as Golf, Electric and Stormwater, are directly funded by user fees, other services are funded by a combination of property taxes, sales taxes, and fees. Many of the City's services are currently used by enclave residents and do not trigger additional expenditures.

Staff is recommending that all of the new revenue generated from the Phase One Southwest Annexation be allocated toward increasing Police Services.

New Revenue Recommendation:

Staff recommends that the 2007 General Fund budget be balance by implementing two new special services fees—Parks Maintenance Fee and Transportation Maintenance Fee, and by allocating new revenue from the Southwest Annexation toward Police Services.

At the October 10 Work Session, City Council discussed several alternative combinations of new revenue from the TMF and PMF. Council asked for additional information regarding two of the options, Alternative 1 (weighted to TMF) and Alternatives 3 (balanced revenue between TMF and PMF). This Appropriation Ordinance was developed assuming the implementation of Alternative 1, with the majority of the new revenue coming from the TMF. Council will be asked to consider the adoption of the fee ordinances at its November 7 meeting. If Council decides to adopt the Alternative 3 calculations of the fees, the Appropriations Ordinance can be amended to reflect that decision prior to the Second Reading on November 21. Any changes would be reflected in the General Fund and Transportation Fund.

Transportation Maintenance Fee

Staff recommends that a Transportation Maintenance Fee (TMF) be implemented at the full amount possible with exemptions provided for Government and Public School parcels. The exemptions would eliminate approximately \$300,000 in potential revenue. The proposal would also cover the projected \$130,000 in administrative costs. These revenues match the assumed TMF revenue which was included in the adopted 2006-2007 Budget.

Park Maintenance Fee

Staff recommends that the Park Maintenance Fee (PMF) be implemented at a level of \$1 Million per year. After administrative costs, rebates and uncollectible delinquencies, the yield to the Parks Maintenance Program will equal approximately \$880,000. These revenues will free-up an equal amount of General Fund revenues which are reallocated to other items in the City Manager's Recommended Budget.

Southwest Annexation

The largest General Fund impact of the Phase One annexation is the need to extend Police service to this area. General Fund revenues from the Phase One area are estimated to be \$437,122 in 2007. The City is committing this new revenue from the Phase One area to go toward adding Police personnel for this new service area in Fort Collins.

2007 Budget Exceptions:

Attachment 2 provides a summary of the 2007 Budget Exceptions which are included in the Appropriations Ordinance. These budget exceptions represent the significant changes to the 2007

Budget that Council has not yet reviewed as a part of the past budget work sessions. Each of these budget exceptions have an identified funding source. None of these exceptions will affect the overall balancing of the General Fund.

Some minor housekeeping changes are included in the ordinance to make minor adjustments to other funds.

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ATTACHMENTS

1. 2007 General Fund Recommended Budget - Recommended Service and Expenditure Reductions (October 17, 2006)
2. 2007 Budget Adjustment Requests

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ORDINANCE NO. 177, 2006
OF THE COUNCIL OF THE CITY OF FORT COLLINS
BEING THE ANNUAL APPROPRIATION ORDINANCE
RELATING TO THE ANNUAL APPROPRIATIONS
FOR THE FISCAL YEAR 2007; AMENDING THE BUDGET FOR
THE FISCAL YEAR BEGINNING JANUARY 1, 2007, AND ENDING
DECEMBER 31, 2007; AND FIXING THE MILL LEVY FOR FISCAL YEAR 2007

WHEREAS, on November 15, 2005, the City Council adopted on second reading Ordinance No. 132, 2005, thereby approving a biennial budget for the years beginning on January 1, 2006, and January 1, 2007; and

WHEREAS, the City Manager has submitted to the Council proposed amendments to the 2007 budget adopted by the Council in Ordinance No. 132, 2005; and

WHEREAS, Article V, Section 4, of the City Charter (the "Charter") requires that, before the last day of November of each fiscal year, the Council shall appropriate on a fund basis and by individual project for capital projects and federal or state grant projects, such sums of money as it deems necessary to defray all expenditures of the City during the ensuing fiscal year based upon the budget as approved by the Council; and

WHEREAS, Article V, Section 5, of the Charter provides that the annual appropriation ordinance shall also fix the tax levy upon each dollar of the assessed valuation of all taxable property within the City, such levy representing the amount of taxes for City purposes necessary to provide for payment during the ensuing fiscal year for all properly authorized expenditures to be incurred by the City, including interest and principal of general obligation bonds; and

WHEREAS, Article XII, Section 6, of the Charter permits the Council to fix, establish, maintain, and provide for the collection of such rates, fees, or charges for water and electricity, and for other utility services furnished by the City as will produce revenues sufficient to pay into the General Fund in lieu of taxes on account of the City-owned utilities such amount as may be established by Council; and

WHEREAS, Article V, Section 10, of the Charter authorizes the Council to transfer by ordinance any unexpended and unencumbered appropriated amount or portion thereof from one fund or capital project to another fund or capital project, provided that the purpose for which the transferred funds are to be expended remains unchanged; the purpose for which the funds were initially appropriated no longer exists; or the proposed transfer is from a fund or capital project in which the amount appropriated exceeds the amount needed to accomplish the purpose specified in the appropriation ordinance.

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

Section 1. That the Council has reviewed the City Manager's recommended changes to the "2007 Proposed Appropriations" section of the Fort Collins 2006 and 2007 Biennial Budget (the

“Biennial Budget”), as shown on pages 33 through 34 of the Operating Budget thereof, a copy of which Biennial Budget is on file with the office of the City Clerk, and hereby amends the Biennial Budget so as to reflect the following changes:

2007 Proposed Appropriations

	<u>Existing</u>	<u>Amount of Adjustments</u>	<u>As Amended</u>
GENERAL FUND	\$99,712,237	\$(2,302,900) \$(1,466,633)	\$97,409,337 \$98,245,604
 <u>ENTERPRISE FUNDS</u>			
Golf	\$ 2,558,154	\$52,812	\$2,610,966
 Light & Power Operating	 85,237,065		 85,237,065
Capital:			
Substation Improvements	<u>281,000</u>	_____	<u>281,000</u>
Total Light & Power	<u>85,518,065</u>	<u>0</u>	<u>85,518,065</u>
 Storm Drainage Operating	 9,424,557		 9,424,557
Capital:			
Basin Master Planning	75,000		75,000
Canal Importation Basin	5,000,000		5,000,000
Developer Repays	75,000		75,000
Drainage Systems Enhancements	<u>365,000</u>	_____	<u>365,000</u>
Total Storm Drainage	<u>14,939,557</u>	<u>0</u>	<u>14,939,557</u>
 Wastewater Operating	 17,390,784		 17,390,784
Capital:			
Collection System Replacement	855,000		855,000
Collection System Study	50,000		50,000
Sludge Disposal Improvements	125,000		125,000
Water Reclamation Replacement Program	<u>863,000</u>	_____	<u>863,000</u>
Total Wastewater	<u>19,283,784</u>	<u>0</u>	<u>19,283,784</u>
 Water Operating	 25,175,934		 25,175,934
Capital:			
Distribution System Replacement	735,000		735,000
Halligan Reservoir Expansion	13,758,000		13,758,000
Meter Conversion Program	854,500		854,500
Southwest System Improvements	400,000		400,000
Water Production Replacement Program	500,000		500,000
Water Supply Development	<u>100,000</u>	_____	<u>100,000</u>
Total Water	<u>41,523,434</u>	<u>0</u>	<u>41,523,434</u>

TOTAL ENTERPRISE FUNDS	<u>\$163,822,994</u>	<u>\$ 52,812</u>	<u>\$163,875,806</u>
<u>INTERNAL SERVICE FUNDS</u>			
Benefits	\$25,987,173		\$25,987,173
Communications	1,413,982	1,334,000	2,747,982
Equipment	7,060,266	(30,842)	7,029,424
Self Insurance	3,167,263	11,457	3,178,720
Utility Customer Service & Administration	<u>11,747,114</u>	<u> </u>	<u>11,747,114</u>
TOTAL INTERNAL SERVICE FUNDS	<u>\$49,375,798</u>	<u>\$1,314,615</u>	<u>\$50,690,413</u>
<u>SPECIAL REVENUE & DEBT SERVICE FUNDS</u>			
Capital Improvement Expansion Fund	\$ 490,507		\$490,507
Capital Leasing Corporation	5,730,934		5,730,934
Cemeteries	651,677	(26,178)	625,499
Cultural Services & Facilities	4,003,963	(83,612)	3,920,351
Debt Service	1,348,081		1,348,081
General Employees' Retirement	2,602,110		2,602,110
Natural Areas Fund	10,663,044	124,189	10,787,233
Perpetual Care	73,612		73,612
Recreation	7,744,198	(168,199)	7,575,999
Sales & Use Tax	73,158,152	2,737,210	75,895,362
Special Assessments Debt Service	0		0
Street Oversizing	5,137,336		5,137,336
Transit Services	8,880,215	743,163	9,623,378
Transportation Services	<u>26,975,620</u>	<u>(523,520)</u>	<u>26,452,100</u>
TOTAL SPECIAL REVENUE & DEBT SERVICE FUNDS	<u>\$147,459,449</u>	<u>\$2,803,053</u>	<u>\$150,262,502</u>
 <u>CAPITAL IMPROVEMENT FUNDS</u>			
<u>General City Capital</u>			
City Bridge Program	\$300,000		\$300,000
Spring Canyon Community Park	<u>29,070</u>	<u> </u>	<u>29,070</u>
Total General City Capital	<u>\$329,070</u>	<u> 0</u>	<u>\$329,070</u>
 <u>1/4 Cent BCC - Streets and Transportation</u>			
Mason Transportation Corridor	<u>1,000,000</u>	<u> 0</u>	<u>1,000,000</u>
Total 1/4 Cent BCC - Streets and Transportation	<u>\$1,000,000</u>	<u> 0</u>	<u>\$1,000,000</u>
 <u>1/4 Cent Natural Areas Capital</u>			
Transfer to Natural Areas Fund	<u> </u>	<u>608,171</u>	<u>608,171</u>

Total 1/4 Cent Natural Areas Capital	\$	<u>608,171</u>	<u>608,171</u>
<u>1/4 Cent BCC-Natural Areas & Parks Capital</u>			
Transfer to Natural Areas Fund		<u>198,094</u>	<u>198,094</u>
Total 1/4 Cent BCC-Natural Areas & Parks Capital	\$	<u>198,094</u>	<u>198,094</u>
<u>1/4 Cent Building on Basics</u>			
Administration	0	\$50,000	\$50,000
Fort Collins Museum/Discovery Science Center Joint Facility	0	5,433,750	5,433,750
Pedestrian Plan and ADA Improvements	<u>0</u>	<u>310,500</u>	<u>310,500</u>
Total 1/4 Cent Natural Areas and Parks	\$	<u>0</u>	<u>\$5,794,250</u>
<u>Conservation Trust Fund</u>			
Administration	\$ 290,612		\$ 290,612
Fossil Creek Trail	50,000		50,000
Open Space Acquisition	10,000		10,000
Trail Acquisition, Development & Repair	240,100		240,100
Transfer to General Fund-Parks Maintenance	521,685	125,000	646,685
Tri-City Trails	<u>30,000</u>		<u>30,000</u>
Total Conservation Trust Fund	<u>\$1,142,397</u>	<u>\$125,000</u>	<u>\$1,267,397</u>
<u>Neighborhood Parkland Fund</u>			
Administration	\$ 343,606	21,425	\$ 365,031
Golden Meadows Park	100,000		100,000
Lee Martinez Park Addition	75,000		75,000
New Park Site Acquisition	150,000		150,000
New Park Site Development	150,000		150,000
Old Fort Collins Heritage Park	50,000		50,000
Park Site Equipment	15,000		15,000
Provincetowne Park	130,000		130,000
Richards Lake Park	100,000		100,000
Trail Head Park	<u>50,000</u>		<u>50,000</u>
Total Neighborhood Parkland Fund	<u>\$1,163,606</u>	<u>\$21,425</u>	<u>\$1,185,031</u>
TOTAL CITY FUNDS	\$464,005,551	\$8,614,520	\$472,620,071
		\$9,450,787	\$473,456,338

Section 2. Appropriations. That there is hereby appropriated out of the revenues of the City of Fort Collins, for the fiscal year beginning January 1, 2007, and ending December 31, 2007, the sum of FOUR HUNDRED SEVENTY-TWO ~~THREE~~ MILLION SIX ~~FOUR~~ HUNDRED TWENTY

~~FIFTY-SIX THOUSAND THREE HUNDRED SEVENTY-ONE THIRTY-EIGHT~~ DOLLARS (\$472,620,071 ~~\$473,456,338~~) to be raised by taxation and otherwise, which sum is deemed by the Council to be necessary to defray all expenditures of the City during said budget year, to be divided and appropriated for the purposes shown in Section 1 above.

Section 3. Mill Levy.

a. That the 2007 mill levy rate for the taxation upon each dollar of the assessed valuation of all the taxable property within the City of Fort Collins as of December 31, 2006, shall be 9.797 mills, which levy represents the amount of taxes for City purposes necessary to provide for payment during the aforementioned budget year of all properly authorized expenditures to be incurred by the City, including interest and principal of general obligation bonds.

b. The City Clerk shall certify this levy of 9.797 mills to the County Assessor and the Board of Commissioners of Larimer County, Colorado, in accordance with the applicable provisions of law, as required by Article V, Section 5, of the Charter of the City of Fort Collins.

Introduced, considered favorably on first reading, and ordered published this 17th day of October, A.D. 2006, and to be presented for final passage on the 21st day of November, A.D. 2006.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading this 21st day of November, A.D. 2006.

Mayor

ATTEST:

City Clerk