

SUBJECT

First Reading of Ordinance No. 038, 2011, Appropriating Prior Year Reserves in the Natural Areas Fund for the Purpose of Providing Natural Areas Programming Not Included in the 2011 Adopted City Budget.

EXECUTIVE SUMMARY

Prior to 2004, the Natural Areas Program was housed within the Capital Projects Fund and therefore funds did not lapse from year to year. During 2004, in order to comply with the Governmental Accounting Standards Board, Natural Areas appropriations and funding sources were all moved into the Natural Areas Fund, a lapsing fund. Therefore, unspent funds need to be re-appropriated into the following year's budget. The purpose of the previously appropriated funds remains the same: land conservation, construction of public improvements, restoration of wildlife habitat and other natural area program needs to benefit the citizens of Fort Collins.

BACKGROUND / DISCUSSION

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

The anticipated use of these funds is as follows:

- Land Conservation - \$1,490,000. This balance of unspent Open Space Yes! and County Help Preserve Open Space appropriations will be used for land conservation.
- Education - \$69,494. Funds in this category include a grant made by the Pulliam family trust to support education activities at Bobcat Ridge Natural Area. The funds will also be used to complete an online registration and volunteer coordination database to greatly improve customer service and volunteer coordination.
- Program Management - \$100,000. These funds will be used as contingency for all aspects of the Natural Areas Program.
- Resource Management - \$180,000. These funds are primarily unspent Resource Management funds from 2010 that will be carried over to finance several major habitat restoration and rehabilitation projects along the Poudre River in 2011.
- Public Improvements - \$1,111,657. These funds are being appropriated for paved trail construction. Each year, Natural Areas contributes \$350,000 to Parks to help fund the regional paved trail system. Parks has been building up these funds to construct a trail to connect the Fossil Creek Trail (Cathy Fromme Prairie Natural Area) to the Spring Creek Trail (Pineridge Natural Area and Spring Canyon Community Park). The trail and the underpass at County Road 38E are expected to cost about \$1,200,000 and will be built in 2011.
- Public Improvements - \$313,786. Most of these funds will be spent on a variety of unfinished 2010 projects. The projects include a second parking lot for Reservoir Ridge off Overland Trail Road and a new trail to connect the Foothills Trail to Overland Trail Road; a new trail to an outdoor classroom, vault toilet and other improvements for the new parking lot at Red Fox Meadows; trails at Pelican Marsh; a natural play area at Gateway Natural Area; and, a vault toilet at Gustav Swanson Natural Area.
- Facility Operations - \$89,868. These funds will be used for needed capital improvements including energy improvements and water treatment for the Ranger house and office at Gateway Natural Area; maintenance

for the caretaker house at Reservoir Ridge; a small equipment storage building at Soapstone; and, a trash compactor at the Nix Farm - Natural Areas maintenance facility.

- Land Management - \$20,000. These funds will be used to make needed repairs to the pivot irrigation system on the Maxwell farm in the Wellington Community Separator Area, to keep the farm productive and leased until a conservation easement can be placed on the farm and the farm can be sold (pending Council review and approval).

FINANCIAL / ECONOMIC IMPACTS

This Ordinance increases 2011 appropriations in the City's Natural Areas Fund by \$3,374,805. The requested appropriation from prior year reserves in the Natural Areas Fund represents 2010 appropriations that were unspent and unencumbered at year-end 2010. These funds are restricted to the purposes of the Natural Areas Program.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

ORDINANCE NO. 038, 2011
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING PRIOR YEAR RESERVES IN THE NATURAL AREAS FUND
FOR THE PURPOSE OF PROVIDING NATURAL AREAS PROGRAMMING NOT
INCLUDED IN THE 2011 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 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 program is funded primarily through the collection of 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; and

WHEREAS, the Natural Areas Fund has unspent and unencumbered appropriations from 2010 in the amount of \$3,374,805; and

WHEREAS, Article V, Section 11 of the City Charter requires that all appropriations unexpended or unencumbered at the end of the fiscal year lapse to the applicable general or special revenue fund, except that appropriations for capital projects and federal or state grants do not lapse until the completion of the capital project or until the expiration of the federal or state grant; 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, City staff recommends appropriating from prior year reserves in the Natural Areas Fund the unexpended and unencumbered appropriations totaling \$3,374,805 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.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS that there is hereby appropriated for expenditure from prior year reserves in the Natural Areas Fund the sum of THREE MILLION THREE HUNDRED SEVENTY-FOUR THOUSAND EIGHT HUNDRED FIVE DOLLARS (\$3,374,805) 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 15th day of March, A.D. 2011, and to be presented for final passage on the 19th day of April, A.D. 2011.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 19th day of April, A.D. 2011.

Mayor

ATTEST:

City Clerk