

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 22

DATE: February 21, 2006

STAFF: John Stokes

SUBJECT

First Reading of Ordinance No. 026, 2006 Appropriating Prior Year Reserves in the Natural Areas Fund for the Purpose of Providing Natural Areas Programming Not Included in the 2006 Adopted City Budget.

RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

FINANCIAL IMPACT

Reappropriating these monies does not affect the projected year-end reserve balances because, for budgetary purposes, all appropriated monies are considered spent when estimating reserves prior to completion of audited numbers. This action will also appropriate unanticipated revenue received within the Natural Areas Fund including, Building Community Choices (BCC) sales tax revenue and Larimer County Help Preserve Open Space (Open Space) sales tax revenue.

Monies to be reappropriated by this Ordinance are as follows:

Land Conservation	\$2,000,000
2004 Certificates of Participation (Land Conservation)	\$3,266,861
Restoration	\$ 525,000
Public Improvement	\$1,730,000
Nix Operations	\$ 52,500
Total	\$7,574,361

Unanticipated Revenue to be appropriated:

Open Space Sales Tax	\$ 199,219
BCC Sales Tax	\$ 140,601
Total	\$ 339,820

EXECUTIVE SUMMARY

The purpose of the previously appropriated funds remains the same, that being for land conservation, construction of parking lots, fences and trails, restoration of wildlife habitat and other natural areas program needs to benefit the citizens of Fort Collins.

BACKGROUND

Prior to 2004, the Natural Areas Program was housed within the Capital Projects Fund and therefore did not lapse from year to year. During 2004, in order to comply with the Governmental Accounting Standards Board, Natural Area appropriations and funding sources were all moved into the Natural Area Fund, a lapsing fund.

The Natural Areas Fund is funded from several sources of revenue, including BCC sales tax, Open Space sales tax and the issuance of the 2004 Certificates of Participation (COP).

Land Conservation - \$2,000,000. The balance of unspent BCC and Open Space appropriations is to be used for natural area land conservation.

2004 COP - \$3,266,861. This represents the remaining amount of the 2004 COP proceeds. These funds will be used for land conservation.

Restoration – \$525,000. This amount represents the amount of restoration that was started in 2005 and continues into 2006 for natural areas parcels being restored to native vegetation.

Public Improvements - \$1,730,000. This amount represents various public improvements started in 2005 and continuing into 2006, including parking lots and vault toilets, trail design and construction, and completion of Bobcat Ridge Natural Area improvements.

Nix Operations - \$52,500. This balance is the matching funds for the State of Colorado grant to complete the Nix Barn Restoration project started in 2005.

ORDINANCE NO. 026, 2006
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 2006 ADOPTED CITY BUDGET

WHEREAS, the City is committed to conserving natural areas in a manner that protects their integrity, while 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 fee simple 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 City's Natural Areas program is funded primarily through the collection of Open Space - YES sales and use tax revenue, revenues from the Larimer County Help Preserve Open Spaces Initiative, proceeds from the issuance of Certificates of Participation in 2004, fees from royalties, investment earnings, and other miscellaneous revenues received; and

WHEREAS, Natural Areas Fund appropriations totaled \$24,010,188 in 2005 and expenditures/encumbrances totaled \$16,435,827, which left a balance of unspent and unencumbered appropriations totaling \$7,574,361; and

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

WHEREAS, actual 2005 revenues collected in the Natural Areas Fund, totaling \$339,820 and which were not appropriated in 2005, are in prior year reserves of the Natural Areas Fund as of December 31, 2005; and

WHEREAS, Article V, Section 9, of the 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 aforementioned unexpended and unencumbered appropriations totaling \$7,574,361, and the unappropriated revenues received in 2005 totaling \$339,820, 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, it is the desire of the Council to appropriate the aforementioned total of \$7,914,181 from prior year reserves and unspent and unencumbered appropriations in the Natural Areas Fund 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 SEVEN MILLION NINE HUNDRED FOURTEEN THOUSAND ONE HUNDRED EIGHTY-ONE DOLLARS (\$7,914,181) 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 and considered favorably on first reading and ordered published this 21st day of February, A.D. 2006, and to be presented for final passage on the 7th day of March, A.D. 2006.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading this 7th day of March, A.D. 2006.

Mayor

ATTEST:

City Clerk