

AGENDA ITEM SUMMARY

City Council



STAFF

Trevor Nash, Senior Accounting Manager

SUBJECT

First Reading of Ordinance No. 193, 2025, Appropriating Prior Year Reserves and Authorizing Transfers of Appropriations of Keep Fort Collins Great Fund Residual Balance.

EXECUTIVE SUMMARY

The Keep Fort Collins Great Fund (KFCG Fund) was created to receive the proceeds of a 0.85% voter approved sales tax that was collected from 2011 – 2020. As of October 2025, there is a residual balance in the fund of \$193,938. As the fund has completed operations, it is prudent fiscal management to close the fund, which requires a transfer of the residual fund balance.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

Between 2011 and 2020, the Keep Fort Collins Great (KFCG) voter approved sales tax brought more than \$255 million in sales and use tax revenues to the City. Proceeds from the tax were spread between six different purposes in the ballot language: street maintenance and repair (33%), other street and transportation needs (17%), police services (17%), fire protection and other emergency services (11%), parks maintenance and recreation services (11%), and community priorities other than those listed above, as determined by Council (11%).

The tax proceeds were appropriated and spent according to standard budget procedures at the City. At this point the proceeds have been nearly fully expended, with a residual balance representing 0.08% of total collections remaining in the fund.

Financial activity within the KFCG Fund has effectively concluded. The funds are no longer being budgeted for the purposes identified in the KFCG ballot language, and there has not been significant transaction activity in the fund for close to two years. The KFCG Fund is, for all purposes, a dormant fund. It is considered an industry best practice to close unused funds to prevent inadvertent usage, clean up required reporting, and provide clarity on financial activity.

Staff in the Accounting and Budget departments of Financial Services have reviewed close-out options for the KFCG Fund and recommend to Council that the most efficient way to close the KFCG fund is to transfer the remaining balance of \$193,938 to other funds within the City that align with the purposes of the KFCG,

as approved by voters 2010 ballot language. The funds will be eligible for appropriation and usage through the standard budget process in the future.

Ballot language	Percentage	City Fund	Amount
Street Maintenance and Repair	33%	Transportation Fund	\$64,000
Other Street and Transportation Needs	17%	Transit Services Fund	\$32,969
Police Services	17%	General Fund	\$32,969
Fire Protection and Other Emergency Services	11%	General Fund	\$21,333
Parks Maintenance and Recreation Services	11%	50% Recreation Fund 50% General Fund	\$21,333
Community Priorities, other than those listed above, as determined by Council	11%	General Fund	\$21,333

CITY FINANCIAL IMPACTS

There is no fiscal impact, in that revenue is being transferred within the City fund structure. In 2025 the amount transferred will be added to the reserve balance of each recipient fund. In future years, the revenues in those funds will be available for appropriation through the standard budget process.

The City Manager has also determined that these appropriations are available and previously unappropriated from their designated City Fund and will not cause the total amount appropriated in those Funds to exceed the current estimate of actual and anticipated revenues.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

PUBLIC OUTREACH

None.

ATTACHMENTS

1. Ordinance No. 193, 2025