

ORDINANCE NO. 071, 2026
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING TRANSFERS OF APPROPRIATIONS BETWEEN LAPSING AND
NON-LAPSING ACCOUNTS IN THE TRANSIT SERVICES FUND FOR FEDERAL
TRANSIT ADMINISTRATION SECTION 5307 AWARDS

A. Federal Transit Administration (“FTA”) Section 5307 discretionary grants provide federal funding for transit capital and operating assistance and transportation-related planning.

B. Transfort is exchanging eligible project activities between its Fiscal Year 2021 American Rescue Plan (“FY21 ARP”) Section 5307 Grant and its Fiscal Year 2025 (“FY25”) Section 5307 Grant.

C. The FY21 ARP Section 5307 Grant was previously appropriated in Ordinance No. 073, 2021.

D. The FY25 Section 5307 Grant, along with the required local match, were previously appropriated as non-lapsing funds to be used for Transfort operating expenses through the 2025-2026 Budgeting for Outcomes Process in Ordinance No. 163, 2024.

E. A capital project to make major improvements to the Transfort Maintenance Facility (“TMF”) currently programmed under the FY21 ARP Section 5307 Grant will be moved to the FY25 Section 5307 Grant, allowing the remaining FY21 ARP Section 5307 Grant funds to be utilized for eligible operating activities.

F. Unlike the FY25 Section 5307 Grant, the FY21 ARP Section 5307 Grant does not require any local match. Accordingly, ~~\$2,236,764~~ **\$2,201,514** in funds previously appropriated as non-lapsing local matching funds for operating expenses under the FY25 Section 5307 Grant are to be transferred to a lapsing fund and used for operating expenses during the current fiscal year, independent of any grant funding.

G. The City’s budget and accounting procedures require, in these circumstances, that revenue be projected up to three years in advance of actual receipt of revenue.

H. For Transfort, this means annual FTA grant amounts must be projected using estimates based on historical federal apportionments, anticipated trends, or anticipated changes to the federal funding bill. Confirmed award amounts for each grant typically do not become available until the spring of the award year.

I. As a result of this timing, Transfort requires a periodic reconciliation process that appropriates confirmed award amounts for grants used to reimburse the City’s fiscal year’s expenses.

J. The funds previously appropriated by the City for the FY25 Section 5307 Grant as part of the 2025-2026 Budgeting for Outcomes process currently exceed the actual apportionment released by the FTA and must, therefore, be reconciled to align with the actual federal award and associated local match.

K. To align the City's appropriations with the actual FTA apportionment of FY25 Section 5307 Grant funding, \$299,971 in funds that were previously appropriated as non-lapsing funds associated with the FY25 Section 5307 Grant are to be transferred to a non-lapsing fund, independent of any grant funding.

L. This appropriation benefits the public health, safety, and welfare of the residents of Fort Collins and serves the public purpose of supporting the essential transportation services that many transit dependent members of the community rely on to get to and from work, buy groceries and other essentials, to receive medical care, and to care for family or friends.

M. Article V, Section 10 of the City Charter authorizes City Council, upon recommendation by the City Manager, 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.

N. The City Manager has recommended the transfer of ~~\$2,236,764~~ \$2,201,514 from the FY2025 5307 local match non-lapsing project account in the Transit Services Fund to the lapsing project account in the Transit Services Fund and determined that the purpose for which the transferred funds are to be expended remains unchanged.

O. The City Manager has recommended the transfer of \$299,971 from FY2025 5307 non-lapsing project accounts in the Transit Services Fund to a non-lapsing project account in the Transit Services Fund and determined that the purpose for which the transferred funds are to be expended remains unchanged.

P. Article V, Section 11 of the City Charter authorizes City Council to designate in the ordinance when appropriating funds for a federal, state or private grant or donation, that such appropriation shall not lapse at the end of the fiscal year in which the appropriation is made, but continue until the earlier of the expiration of the federal, state or private grant or donation or the City's expenditure of all funds received from such grant or donation.

Q. City Council wishes to designate the appropriation herein for \$299,971 of existing Federal Transit Administration Section 5307 grants as an appropriation that shall not lapse until the earlier of the expiration of the grant (or donation) or the City's expenditure of all funds received from such grant (or donation).

In light of the foregoing recitals, which the Council hereby makes and adopts as determinations and findings, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. The unexpended and unencumbered appropriated amount of ~~TWO MILLION TWO HUNDRED THIRTY-SIX THOUSAND SEVEN HUNDRED SIXTY-FOUR DOLLARS (\$2,236,764)~~ TWO MILLION TWO HUNDRED ONE THOUSAND FIVE HUNDRED FOURTEEN DOLLARS (\$2,201,514) is authorized for transfer from the non-lapsing capital project account in the Transit Services Fund to the lapsing project account in the Transit Services Fund and appropriated therein to be expended for purposes which remains unchanged.

Section 2. The unexpended and unencumbered appropriated amount of TWO HUNDRED NINETY-NINE THOUSAND, NINE HUNDRED SEVENTY-ONE DOLLARS (\$299,971) is authorized for transfer from the non-lapsing capital project accounts in the Transit Services Fund to the non-lapsing capital project account in the Transit Services Fund and appropriated therein to be expended for purposes which remains unchanged.

Section 3. The appropriation herein for TWO HUNDRED NINETY-NINE THOUSAND, NINE HUNDRED SEVENTY ONE DOLLARS (\$299,971) of FY25 Section 5307 Grant awards is hereby designated, as authorized in Article V, Section 11 of the City Charter, as an appropriation that shall not lapse at the end of this fiscal year but continue until the earlier of the expiration of the grant (or donation) or the City's expenditure of all funds received from such grant (or donation).

Introduced, considered favorably on first reading on June 16, 2026, and approved on second reading for final passage on July 21, 2026.

Mayor

ATTEST:

City Clerk

Effective Date: July 31, 2026

Approving Attorney: Madelene Shehan

Exhibit: None