

COUNCIL COMMUNICATION

Meeting Date: October 12, 2021	Agenda Item: 12F	Agenda Location: Action Items	Goal(s):	Legal Review: <i>TY</i>	<input checked="" type="checkbox"/> 1 st Reading <input type="checkbox"/> 2 nd Reading
Subject: An ordinance adopting the fourth amendment to the 2021 Budget amending section one of Ordinance 3569, making appropriations for the City of Thornton, Colorado for the fiscal year 2021 for all funds except that appropriations for certain individual projects shall not lapse at year end but continue until the project is completed or cancelled (Coronavirus Disease 2019 Testing and Vaccination, 2021 American Rescue Plan Act, Additional Funding for Approved Incentive and Revenue Sharing Agreements, and Payment in Lieu of Cost of Living Adjustment).					
Recommended by: Robb Kolstad <i>RK</i>				Approved by: Kevin S. Woods <i>KW</i>	
Presenter(s): Erika Senna, Budget Manager				Ordinance previously introduced by: _____	

SYNOPSIS:

This ordinance is for the fourth amendment to the 2021 Budget and authorizes funding for 1) continued Coronavirus Disease 2019 (COVID-19) testing and vaccinations, including booster shots; 2) 2021 American Rescue Plan Act (ARPA)-related programs and projects, funded through the replacement of City revenue; 3) a payment to general employees in lieu of cost of living adjustment for the first twelve pay periods in 2021; and 4) additional funding for approved incentive and revenue sharing agreements.

RECOMMENDATION:

Staff recommends Alternative No. 1, approval of the ordinance amending the 2021 Budget.

The 2021 Budget, which authorizes expenditures of \$442,071,461, is proposed to increase by \$8,420,000. The amended Budget will be \$450,491,461 and accomplish the following:

1. Appropriate \$408,000 in the General Fund to fund the City's continued response to the COVID-19 pandemic, including a vaccination booster program for individuals aged 65+ and other eligible individuals, and continued testing. This funding will sustain the program through the balance of 2021 and will be fully reimbursed by the Federal Emergency Management Agency (FEMA).
2. Appropriate \$4,800,000 in the Governmental Capital Fund for 2021 ARPA-related programs and projects. Those programs and projects include a Start-up Business Grant Program (\$100,000), COVID-19 non-profit grants (\$100,000), infrastructure to facilitate redevelopment of the Eastlake Grain Elevator (\$2,000,000), and acquisition of land for future Fire Station #8 (\$2,600,000). These programs and projects will be funded as eligible government services through the replacement of City revenue that was lost due to the COVID-19 public health emergency.
3. Appropriate \$1,274,000 to fund a payment to current employees in lieu of a cost of living adjustment for the first twelve pay periods in 2021 (\$1,100,000 in the General Fund, \$123,000 in the Water Fund, \$8,000 in the Sewer Fund, \$25,000 in the Sanitation Fund, \$14,000 in the Stormwater Fund, and \$4,000 in the Risk Fund). This funding is proposed as a flat \$850 payment for full-time employees and will be prorated for part-time employees.
4. Appropriate \$1,938,000 in the Governmental Capital Fund to fund approved incentive and revenue sharing agreements. These agreements have all previously been approved by

Council, but require additional funding in 2021 as the timing of the incentive has moved up or because more revenue was earned than previously anticipated in the case of the revenue sharing agreement.

BUDGET/STAFF IMPLICATIONS:

Funding for the City's continued COVID-19 testing and vaccination will initially come from unappropriated fund balance in the General Fund, but will be fully reimbursed by FEMA.

Funding for the ARPA-related programs and projects will come from a portion of the \$21.0M in ARPA allocation provided to the City, which will be used to replace City revenue that was lost due to the COVID-19 public health emergency. In addition, ARPA funding will be used to fund 2021 costs for operating the Alliance Business Assistance Center; however, that funding was already appropriated in the 2021 Budget.

Funding for the City's payment to current general employees in lieu of a cost of living adjustment for the first 12 pay periods in 2021 will come from unappropriated fund balance in the General Fund, Water Fund, Sewer Fund, Sanitation Fund, Stormwater Fund, and Risk Fund.

Funding for the incentive and revenue sharing agreements will come from unappropriated fund balance in the Governmental Capital Fund.

ALTERNATIVES:

1. Approve the ordinance amending the 2021 Budget.
2. Do not approve the ordinance amending the 2021 Budget.

BACKGROUND (ANALYSIS/NEXT STEPS/HISTORY): (includes previous City Council action)

City Council approved Ordinance 3569 making appropriations for the 2021 Budget on October 27, 2020.

City Council approved Ordinance 3577 on second reading adopting the first amendment to the 2021 Budget on February 23, 2021.

City Council approved Ordinance 3583 on second reading adopting the second amendment to the 2021 Budget on April 27, 2021.

City Council approved Ordinance 3592 on second reading adopting the third amendment to the 2021 Budget on August 10, 2021.

INTRODUCED BY: _____

AN ORDINANCE ADOPTING THE FOURTH AMENDMENT TO THE 2021 BUDGET AMENDING SECTION ONE OF ORDINANCE 3569, MAKING APPROPRIATIONS FOR THE CITY OF THORNTON, COLORADO FOR THE FISCAL YEAR 2021 FOR ALL FUNDS EXCEPT THAT APPROPRIATIONS FOR CERTAIN INDIVIDUAL PROJECTS SHALL NOT LAPSE AT YEAR END BUT CONTINUE UNTIL THE PROJECT IS COMPLETED OR CANCELLED (CORONAVIRUS DISEASE 2019 TESTING AND VACCINATION, 2021 AMERICAN RESCUE PLAN ACT, PAYMENT IN LIEU OF COST OF LIVING ADJUSTMENT, AND ADDITIONAL FUNDING FOR APPROVED INCENTIVE AND REVENUE SHARING AGREEMENTS).

WHEREAS, the City Council is required to adopt a budget for fiscal year 2021; and

WHEREAS, the City Council adopted a budget for fiscal year 2021; and

WHEREAS, on February 23, 2021, the City Council adopted a First Amendment to the Budget for the fiscal year 2021 and appropriated additional funds; and

WHEREAS, on April 27, 2021, the City Council adopted a Second Amendment to the Budget for the fiscal year 2021 and appropriated additional funds; and

WHEREAS, on August 10, 2021, the City Council adopted a Third Amendment to the Budget for the fiscal year 2021 and appropriated additional funds; and

WHEREAS, the City Council desires to adopt a fourth amendment to the Budget for fiscal year 2021 and appropriate additional funds; and

WHEREAS, American Rescue Plan Act funds will be utilized for the replacement of City revenue that was lost due to the COVID-19 public health emergency, which will be used for the provision of government services.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF THORNTON, COLORADO, AS FOLLOWS:

1. That Section 1 of Ordinance 3569 is hereby amended as follows:

Fund	2021 Amended Budget	Change	2021 Fourth Amended Budget
General Governmental Funds			
General Fund	\$149,578,750	\$ 1,508,000	\$ 151,086,750
Governmental Capital Fund	25,347,167	6,738,000	32,085,167
Subtotal	\$174,925,917	\$8,246,000	\$183,171,917
Internal Service Funds			
Risk Management Fund	\$7,621,032	\$4,000	\$ 7,625,032
Subtotal	\$7,621,032	\$4,000	\$ 7,625,032
Special Revenue Funds			
Adams County Road and Bridge	\$4,615,858	\$-	\$4,615,858
Adams County Open Space	2,533,030	-	2,533,030
Conservation Trust	1,803,800	-	1,803,800
Parks	-	-	-

Open Space	3,796,771	-	3,796,771
Parks and Open Space	17,120,896	-	17,120,896
Cash In Lieu	-	-	-
Subtotal	\$29,870,355	\$-	\$29,870,355
Enterprise Funds			
Water Fund	\$203,738,328	\$123,000	\$ 203,861,328
Sewer Fund	15,853,547	8,000	15,861,547
Environmental Services Fund	6,249,586	25,000	6,274,586
Storm Water Fund	3,812,696	14,000	3,826,696
Subtotal	\$229,654,157	\$170,000	\$ 229,824,157
Total All Funds	\$442,071,461	\$8,420,000	\$450,491,461

2. That there is hereby appropriated for the provision of services and capital projects for the City for the fiscal year beginning January 1, 2021 and ending December 31, 2021 the additional amount of \$8,420,000.
3. That appropriations for individual capital projects in the above mentioned funds for fiscal year 2021 shall not lapse at year end but continue until the project is completed or cancelled.
4. If any portion of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the constitutionality or validity of the remaining portions of this ordinance. City Council hereby declares that it would have passed this ordinance and each part hereof irrespective of the fact that any one part be declared unconstitutional or invalid.
5. All other ordinances or portions thereof inconsistent or conflicting with this ordinance or any portion hereof are hereby repealed to the extent of such inconsistency or conflict.
6. The repeal or amendment of any provision of the Code by this ordinance shall not release, extinguish, alter, modify, or change in whole or in part any penalty, forfeiture, or liability, either civil or criminal, which shall have been incurred under such provision, and each provision shall be treated and held as still remaining in force for the purpose of sustaining any and all proper actions, suits, proceedings, and prosecutions for the enforcement of the penalty, forfeiture, or liability, as well as for the purpose of sustaining any judgment, decree, or order which can or may be rendered, entered, or made in such actions, suits, proceedings, or prosecutions.
7. This ordinance shall take effect upon final passage.

INTRODUCED, READ, PASSED on first reading, ordered posted in full, and title ordered published by the City Council of the City of Thornton, Colorado, on _____, 2021.

PASSED AND ADOPTED on second and final reading on _____, 2021.

CITY OF THORNTON, COLORADO

Jan Kulmann, Mayor

ATTEST:

Kristen N. Rosenbaum, City Clerk

THIS ORDINANCE IS ON FILE IN THE CITY CLERK'S OFFICE FOR PUBLIC INSPECTION.

APPROVED AS TO LEGAL FORM:

Tami Yellico, City Attorney

PUBLICATION:

Posted at City Hall, Margaret W. Carpenter Recreation Center, and Thornton Active Adult Center after first and second readings.

Published on the City's official website after first reading on _____, 2021, and after second and final reading on _____, 2021.