

FCSG Statement on the Appropriation of General Fund Reserves for CAP Programs

Statement updated on July 24, 2016

On June 21st, City Council voted unanimously (5-0, with Gino Campana and Ray Martinez absent) on first reading to spend \$1.545 Million from prior year reserves in the General Fund on three Climate Action Plan (CAP) programs. Those three programs are: business energy efficiency rebates, residential energy efficiency assessments and rebates, and development of a City composting site for landscape debris. Most (94%) of the funds provisionally approved on June 21st would be devoted to the two energy efficiency programs. City Council will consider these funding requests on second reading of Ordinance 081, 2016 during its meeting on July 19th.

The Fort Collins Sustainability Group (FCSG) supports funding these three programs using General Fund reserves. We are particularly supportive of funding the two energy efficiency programs. Those programs – if fully funded for the next four and a half years – will contribute nearly half of the greenhouse gas (GHG) emissions reductions needed to meet Fort Collins' 2020 CAP goal. Additionally, the incremental spending requested through the end of this year on those two programs will leverage \$8 - \$14 Million in lifetime energy cost savings for Fort Collins businesses and residences. For more information, see the summary for Agenda Item 16, available here:

http://citydocs.fcgov.com/?cmd=show_related&vid=72&dt=SUMMARY+AGENDA&rid...

The FCSG believes that City staff's recommendation to postpone consideration of energy efficiency funding for at least 60 more days is overly cautious. If followed, that recommendation would effectively delay further spending on the business efficiency program until 2017, and would place spending on the residential program at risk later this year as well.

We think that pausing either efficiency program mid-year would result in a loss of momentum that would be difficult to regain for some time. Given the importance of these programs to meeting our community-wide CAP goals and the amount of money in General Fund and Utilities Light and Power reserves (\$23.1 Million), we believe that the \$1.46 Million proposed would be both easily affordable and money well-spent.

The FCSG strongly recommends that Council show its unqualified support for the Climate Action Plan by approving these three funding requests on second reading of Ordinance 081, 2016 on July 19th.

Update: At its meeting on July 19th, Council approved Ordinance 081, 2016 without amendments on a 5-2 vote, with Councilmembers Campana and Martinez opposed.