



# MONTHLY FINANCIAL REPORT

October 2011

## PERFORMANCE AT A GLANCE

	CURRENT MONTH	YEAR TO DATE	REFERENCE
<b>GENERAL FUND</b>			
General Fund Exp vs. Rev	POSITIVE	POSITIVE	Page 3
Overall Sales Tax Revenue (prior month activity)	POSITIVE	POSITIVE	Page 3
Overall Use Tax Revenue	NEGATIVE	WARNING	Page 4
Property Tax Revenue	POSITIVE	POSITIVE	Page 4
Fees and Charges	POSITIVE	POSITIVE	Page 5
Other Revenues	POSITIVE	POSITIVE	Page 6
YTD Revenues with Budget Line	POSITIVE	POSITIVE	Page 6
General Fund Monthly Collection Comparison	POSITIVE	POSITIVE	Page 7
YTD Expenditures with Budget Lines	WARNING	POSITIVE	Page 8
General Fund Expenditure vs. Budget	WARNING	POSITIVE	Page 8

The monthly Financial information for the Utility Funds is provided in a separate report prepared by the City of Fort Collins Utilities.

### PERFORMANCE INDICATORS

**POSITIVE** = Positive variance or negative variance < 1% compared to seasonal trends.

**WARNING** = Negative variance of 1-4% compared to seasonal trends.

**NEGATIVE** = Negative variance of > 4% compared to seasonal trends.

## ECONOMIC INDICATORS

### NATIONAL ECONOMY

**National GDP:** ↑ GDP is defined as the output of goods and services produced by labor and property located in the United States. The Bureau of Economic Analysis reported that the GDP for the third quarter of 2011 increased at a rate of 2.5%. In the second quarter of 2011 GDP increased at a revised rate of 1.3%.

**Interest Rates:** — The Federal Open Market Committee met on November 2nd and the outcome of the meeting was maintaining the Federal Funds interest rate to float between 0% and 0.25%.

**Housing Starts:** ↑ Housing Starts in September were at a seasonally adjusted rate of 647,000. This is 2.1% above the revised August 2011 figure of 634,000 and is 2.1% above the September 2010 rate of 634,000.

### UNEMPLOYMENT RATES

**National:** ↓ The National unemployment rate for October 2011 decreased to 9.0% from the September rate of 9.1%.

**State-wide:** ↓ The Colorado unemployment rate for September 2011 decreased to 8.3% from the August 2011 rate of 8.5%.

**Larimer County:** ↓ The Fort Collins-Loveland area unemployment rate for September 2011 was 6.0%. This is a decrease from the revised August rate of 6.9%.

### BUILDING ACTIVITY

**State-wide:** ↓ Building permits for September 2011 numbered 1,180. This is a decrease from the August 2011 count of 1,676.

**Local:** ↑ City Building and Zoning reported 1,653 Building Permits issued in October 2011 with a value of \$13,670,410. October 2010 had 553 building permits with a value of \$18,967,923.

# CITY NEWS

## John Hutto to be Next Fort Collins Police Chief

The City of Fort Collins has hired John Hutto of Austin, TX as our new Police Chief. He will begin work on Dec.1. Hutto brings more than 25 years of law enforcement experience and is currently serving as the Assistant Chief of Police in Austin, TX.

According to City Manager Darin Atteberry, "John has an exceptionally strong mix of operational experience in a University community, proven strategic leadership skills, and a commitment to collaboration and community. We have an excellent Police Department, and I believe John is just the right guy to take us to an even higher level of community service."

As part of the recruitment process, the City gathered feedback from community members and City staff about the characteristics and priorities that people believe are most important in our next Chief. Themes that emerged were a person with strong leadership and team-building skills, solid skills and expertise in strategic planning, data-driven decision making, community-oriented policing, relationship building and collaboration. After a nation-wide search and an extensive community interview process, Hutto was selected from a pool of 106 candidates.

"It is with great enthusiasm that I accept the position of Police Chief and I look forward to serving the community that has been so welcoming throughout this entire process," said Hutto. "To be selected to lead the men and women of Fort Collins Police Services is an honor and a privilege."

Hutto will begin work in Fort Collins on December 1, 2011.

John Hutto

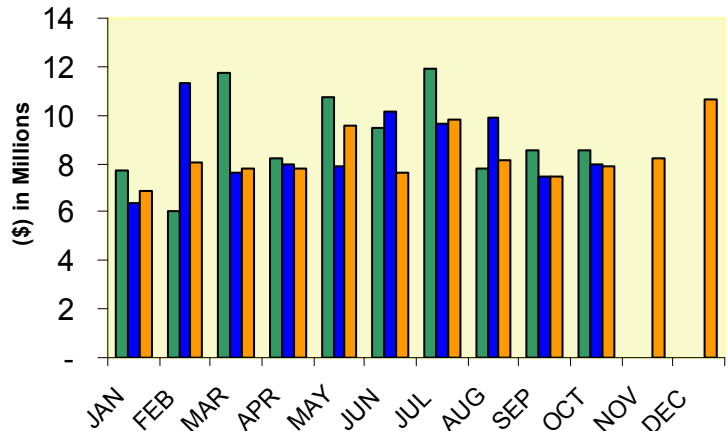


## OVERALL FUND PERFORMANCE:

## GENERAL FUND REVENUE VS EXPENDITURES 2011

	2011 Revenue	2011 Expenditures	Monthly Variance
JAN	\$ 7,727,661	\$ 6,390,375	\$ 1,337,286
FEB	6,013,198	11,308,468	(5,295,270)
MAR	11,738,462	7,656,324	4,082,138
APR	8,244,628	8,000,303	244,325
MAY	10,749,906	7,840,726	2,909,180
JUN	9,488,647	10,151,004	(662,357)
JUL	11,889,765	9,638,522	2,251,243
AUG	7,809,231	9,901,753	(2,092,522)
SEP	8,559,804	7,446,190	1,113,614
OCT	8,587,109	8,001,005	586,104
NOV	-	-	-
DEC	-	-	-
<b>Totals</b>	<b>\$ 90,808,411</b>	<b>\$ 86,334,670</b>	<b>\$ 4,473,741</b>

■ 2011 Revenue ■ 2011 Expenditures ■ 2010 Expenditures

**POSITIVE**

October 2011 generated a positive cash flow month with revenues greater than expenditures by \$586,104. During the month revenues were 7.3% higher than expenditures. The majority of the increase in revenue is due to the increased collection in Sales Tax and Fees and Charges as well as a one time transfer from the Sales and Use Tax Fund for the upgrade to the Police Dispatch system per Ordinance 122. Although City revenue collections for the month were positive the National and International economy remained volatile during October which will lead staff to closely monitor both revenues and expenditures through the remainder of 2011.

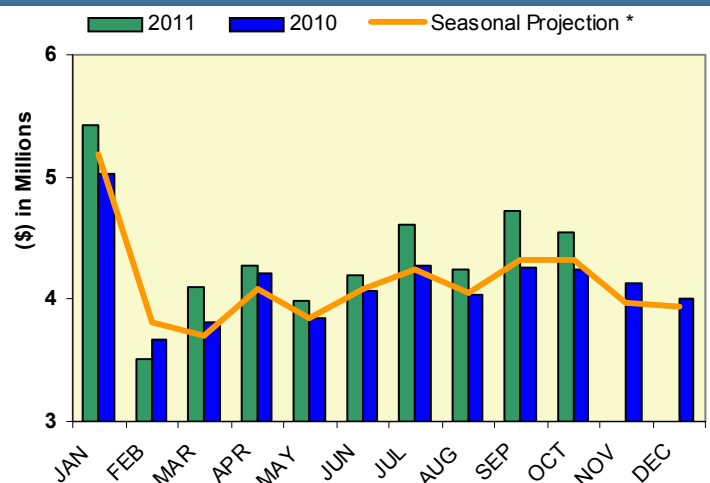
## REVENUE ANALYSIS:

## GENERAL FUND SALES TAX 2010-2011 COMPARISON

	2011	2010	Seasonal Projection *
JAN	\$ 5,421,512	\$ 5,030,942	\$ 5,193,617
FEB	3,518,181	3,662,496	3,821,543
MAR	4,093,808	3,818,122	3,706,598
APR	4,275,177	4,217,536	4,084,505
MAY	3,983,462	3,842,064	3,851,940
JUN	4,204,117	4,065,506	4,087,582
JUL	4,604,545	4,279,664	4,238,184
AUG	4,246,151	4,033,768	4,050,417
SEP	4,723,839	4,255,076	4,318,196
OCT	4,542,258	4,250,314	4,316,775
NOV	-	4,134,031	3,975,581
DEC	-	4,001,978	3,942,062
<b>TOTALS</b>	<b>\$ 43,613,050</b>	<b>\$ 49,591,497</b>	<b>\$ 49,587,000</b>

Sales Tax collections are for Sales in prior month.

\* Seasonally adjusted projection based on last three years' activity

**POSITIVE**

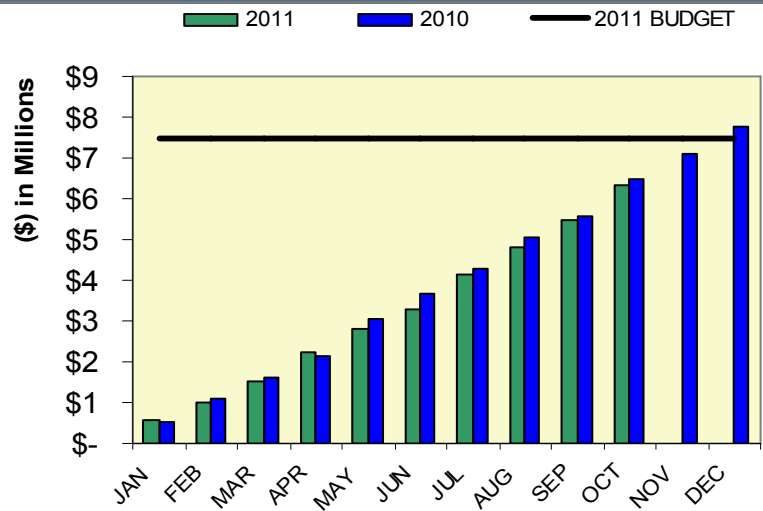
Sales Tax represents just over 50% of the General Fund Budget and serves as the primary funding source for the general government. The General Fund allocation of sales tax remitted to the City in October and collected by merchants in September experienced an increase of 6.9% from sales tax remitted in September 2010. Monthly collections by merchants were higher than the seasonal projection by 6.0%. The year over year increase was primarily due to the increase in Building Materials, Garden Equipment & Supplies; Restaurants, Caterers and Bars; and Grocery, Convenience, Liquor categories (up 30.4%, 10.5% and 10.0% respectively).

## REVENUE ANALYSIS (continued):

## GENERAL FUND USE TAX 2010-2011 COMPARISON

	2011	2010	YTD Variance
JAN	\$ 576,303	\$ 546,017	
FEB	429,203	566,418	
MAR	529,390	525,039	
APR	713,714	514,004	
MAY	558,498	872,757	
JUN	465,702	662,371	
JUL	865,050	576,394	
AUG	664,662	764,607	
SEP	679,300	550,290	
OCT	853,764	903,428	-2.25%
NOV		593,911	
DEC		686,725	
<b>TOTALS</b>	<b>\$ 6,335,586</b>	<b>\$ 7,761,961</b>	

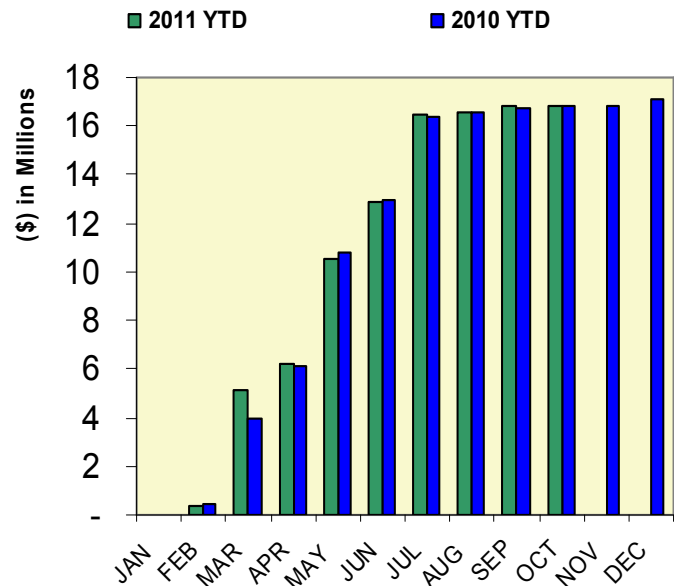
\* Use Tax Collections are for Sales in prior month.

**NEGATIVE**

Use Tax represents slightly more than 7% of the General Fund Budget. Use tax is volatile because it is heavily dependent on building activity and vehicle sales. Overall Use tax collections in October 2011 were down 5.5% compared to October 2010. The decrease was due to decreased collections in Building Permits and Return Tax (down 33.8% and 3.9% respectively).

## PROPERTY TAXES 2010-2011 COMPARISON

	2011	2010	Monthly Variance
JAN	\$ -	\$ -	\$ -
FEB	317,234	415,421	(98,187)
MAR	4,799,861	3,541,738	1,258,123
APR	1,113,712	2,184,386	(1,070,674)
MAY	4,261,731	4,643,126	(381,395)
JUN	2,366,904	2,153,835	213,069
JUL	3,576,101	3,466,961	109,140
AUG	148,835	195,132	(46,297)
SEP	216,877	150,853	66,024
OCT	64,541	46,209	18,332
NOV		50,185	
DEC		216,267	
<b>TOTALS</b>	<b>\$ 16,865,796</b>	<b>\$ 17,064,113</b>	

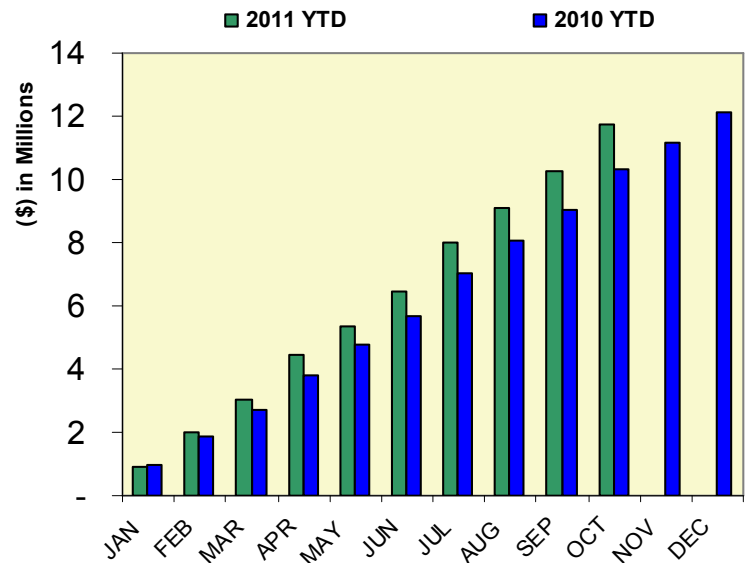
**POSITIVE**

Property taxes represent 17% of the overall General Fund Budget. They are remitted in two installments due on February 28 and June 15 or they are paid in full by April 30. Whether paid by installment or in full by the April deadline, over 95% of the levy has typically been remitted to the City by the end of July each year. Property taxes in October 2011 were up \$18,332 compared to October 2010. Overall Property Taxes are up slightly year to date compared to 2010.

# REVENUE ANALYSIS (continued):

## FEES AND CHARGES 2010-2011 COMPARISON

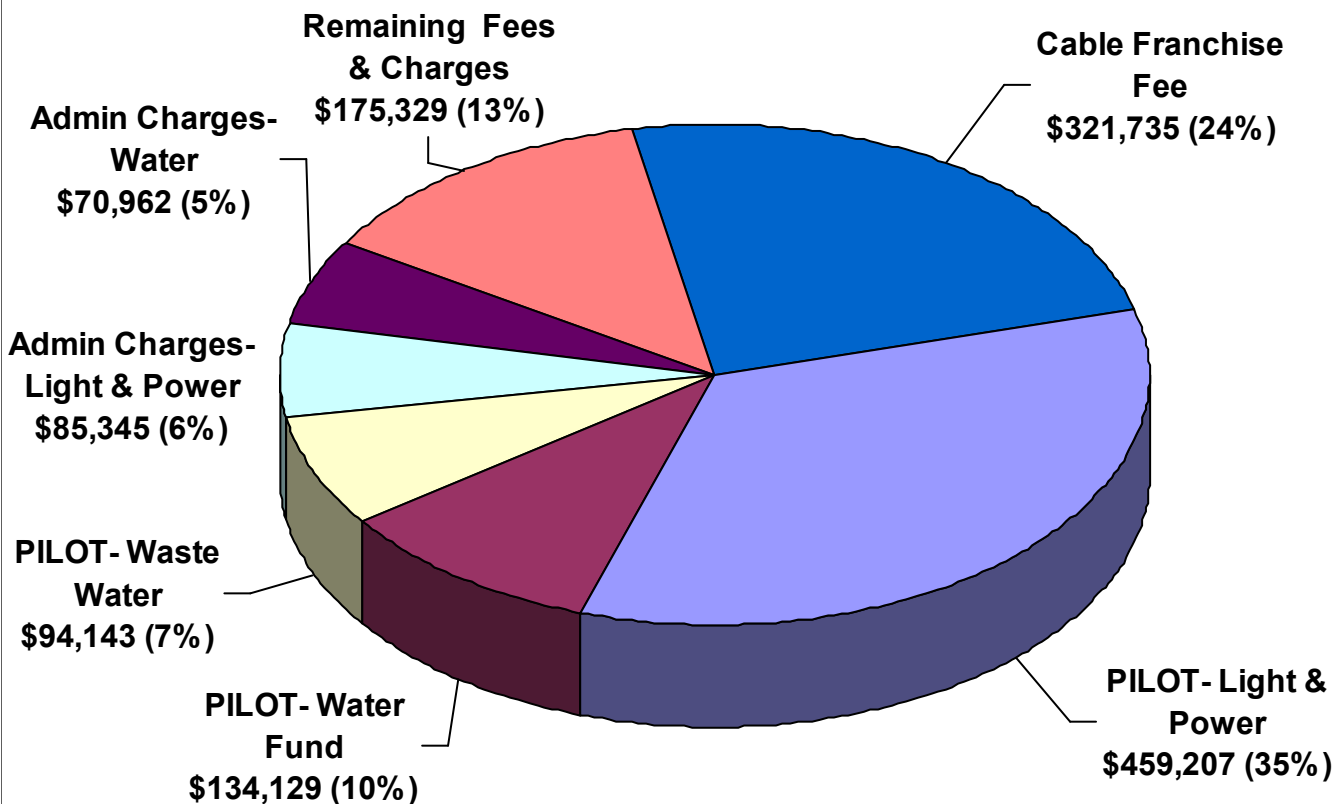
	2011	2010	YTD Variance
JAN	\$ 926,702	\$ 940,451	
FEB	1,045,367	752,403	
MAR	1,067,637	963,675	
APR	1,395,093	925,953	
MAY	950,056	1,289,915	
JUN	1,092,756	1,001,620	
JUL	1,495,221	1,496,159	
AUG	1,146,146	1,124,552	
SEP	1,166,687	1,067,342	
OCT	1,434,993	996,502	13.4%
NOV		1,280,423	
DEC		1,090,943	
<b>TOTALS</b>	<b>\$ 11,720,658</b>	<b>\$ 12,929,938</b>	



### POSITIVE

Fees and charges represent nearly 15% of the overall General Fund Budget. Fees and charges for services include the following: payments in lieu of taxes ("Pilot") paid by the Utilities to the General Fund, administrative charges, plan checking fees, PUD Subdivision & zoning fees, real estate service fees, custodial service fees, project management service fees, and cable franchise fees. October 2011 Fees and Charges were up 44.0% compared to October 2010. A majority of the difference is due to the timing of the Cable Franchise fee that was received during the month. In 2010 the Cable Franchise fee was received in November.

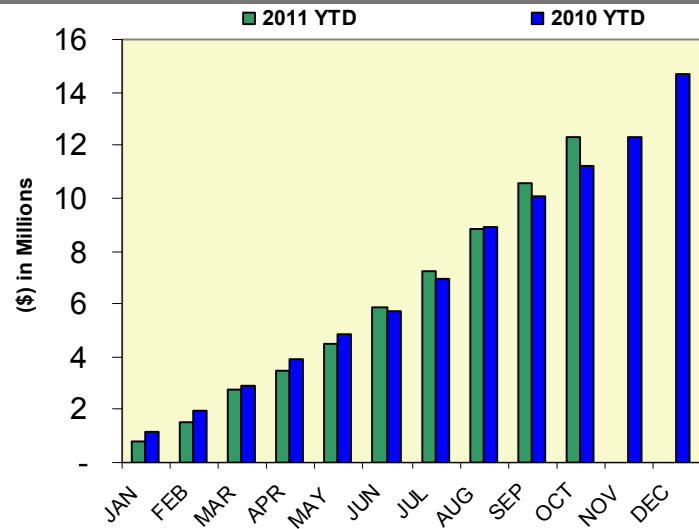
## OCTOBER 2011 FEES & CHARGES



# REVENUE ANALYSIS (continued):

## OTHER REVENUE 2010-2011 COMPARISON

	2011	2010	YTD Variance
JAN	\$ 803,144	\$ 1,189,958	
FEB	703,213	743,106	
MAR	1,246,671	938,020	
APR	746,933	1,070,750	
MAY	996,840	918,743	
JUN	1,359,168	839,004	
JUL	1,348,848	1,241,657	
AUG	1,603,437	1,941,352	
SEP	1,773,101	1,191,316	
OCT	1,691,553	1,174,128	9.1%
NOV		1,046,656	
DEC		2,396,891	
TOTALS	\$ 12,272,908	\$ 14,691,581	

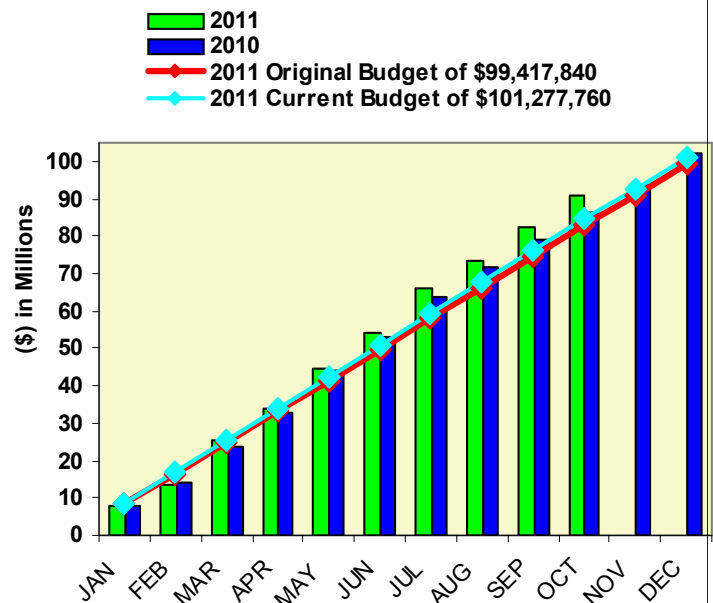


### POSITIVE

Other revenue consists of licenses (e.g., contractor license, liquor license), permits (e.g., building permits, street cut permits), fines (e.g., court fines, camera radar fines), earnings on investments and miscellaneous. The volume of activity (i.e., building permits and fines) will fluctuate month to month. Other Revenue collections year to date are higher by 44.1%. The monthly increase is due to the one time transfer into the General Fund for upgrading the Police Dispatch system per Ordinance 122.

## YTD REVENUES WITH ORIGINAL (CURRENT) BUDGET 2010-2011 COMPARISON

	2011	2010	Monthly Variance
JAN	\$ 7,727,661	\$ 7,707,368	\$ 20,293
FEB	6,013,198	6,139,844	(126,646)
MAR	11,738,462	9,786,594	1,951,868
APR	8,224,628	8,912,629	(688,001)
MAY	10,749,906	11,566,605	(816,699)
JUN	9,488,647	8,722,336	766,311
JUL	11,889,765	11,060,835	828,930
AUG	7,809,231	8,059,411	(250,180)
SEP	8,559,804	7,214,877	1,344,927
OCT	8,587,109	7,370,582	1,216,527
NOV		7,105,205	
DEC		8,392,805	
Totals	\$ 90,788,411	\$ 102,039,091	

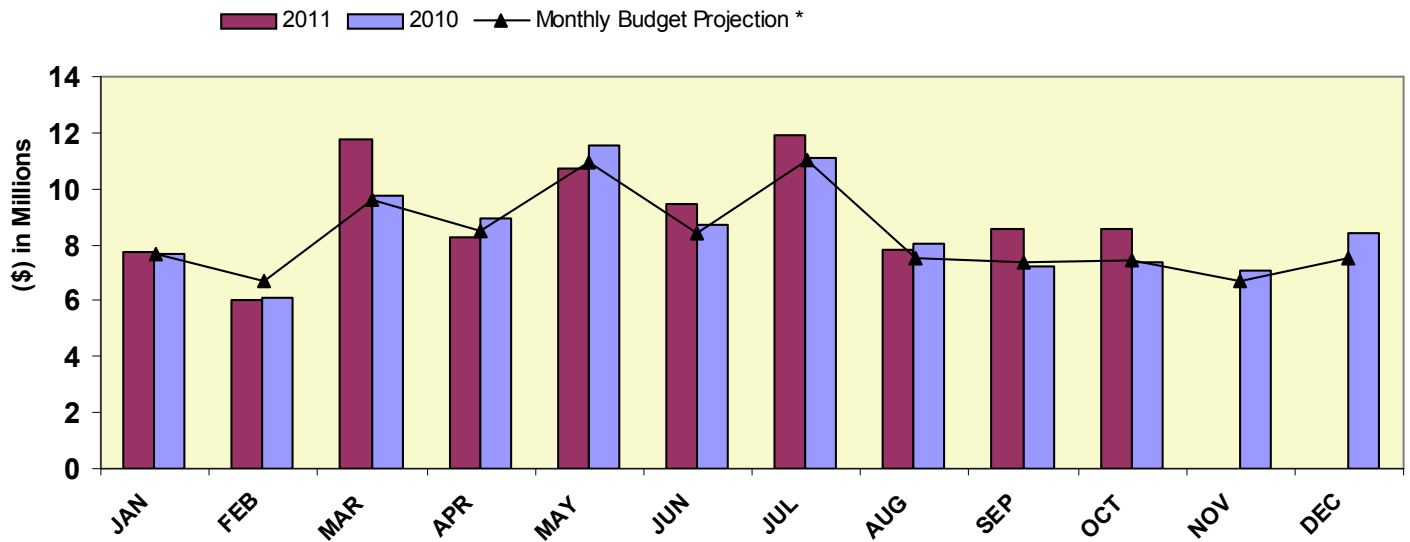


### POSITIVE

Revenues for October 2011 were higher than October 2010 by \$1,216,527. The year over year increase was due to higher collections in Sales Tax, Fees and Charges, and Other Revenue.

# REVENUE ANALYSIS (continued):

## GENERAL FUND REVENUE MONTHLY COLLECTION COMPARISON



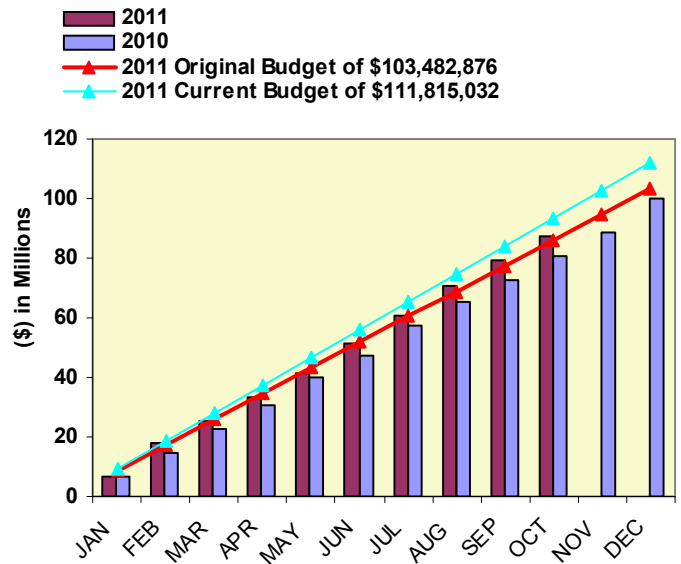
### POSITIVE

October 2011 General Fund revenue collections were higher than October 2010 by 16.5%. The year over year increase was due to the one time transfer from the Sales and Use Tax Fund for upgrading the Police dispatch system per Ordinance 122. October collections were higher by 15.8% when compared to the monthly budget projection.

## EXPENDITURE ANALYSIS:

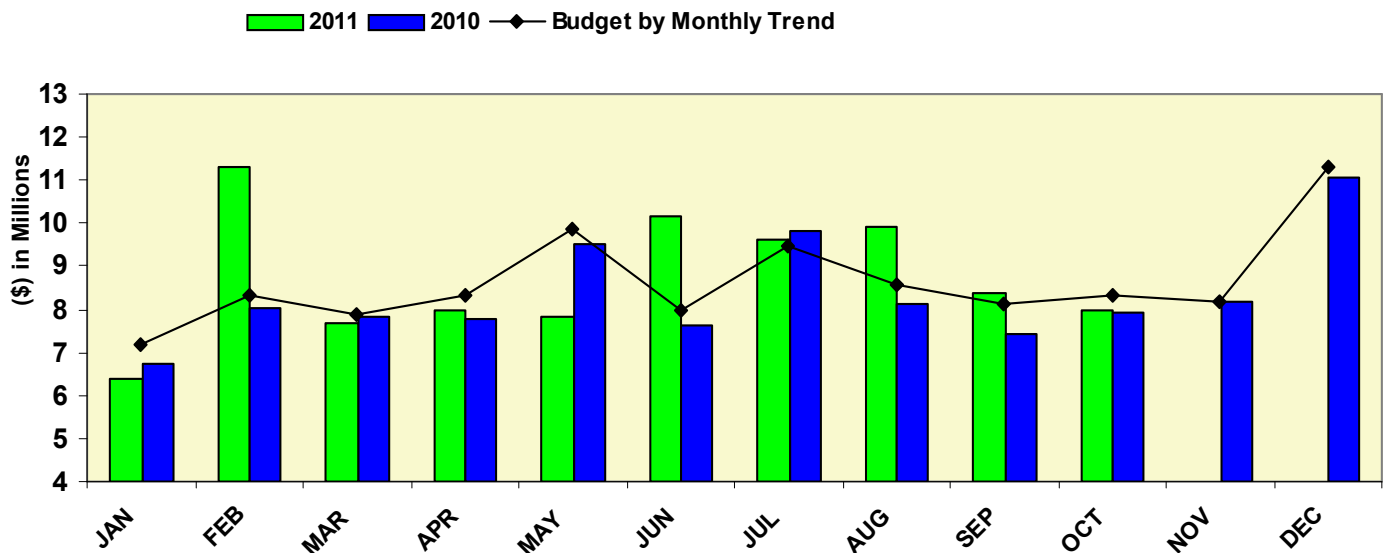
## 2010-2011 YTD EXPENDITURES WITH BUDGET COMPARISON

	2011	2010	Variance
JAN	\$ 6,390,375	\$ 6,727,606	\$ (337,231)
FEB	11,308,468	8,024,473	3,283,995
MAR	7,656,324	7,837,388	(181,064)
APR	8,000,303	7,767,851	232,452
MAY	7,840,726	9,530,463	(1,689,737)
JUN	10,151,004	7,648,718	2,502,286
JUL	9,638,522	9,813,433	(174,911)
AUG	9,901,753	8,107,966	1,793,787
SEP	8,391,963	7,446,190	945,773
OCT	8,001,005	7,905,469	95,536
NOV		8,174,630	
DEC		11,047,629	
Totals	\$ 87,280,443	\$ 100,031,816	

**WARNING**

Expenditures in October 2011 were higher than expenditures in October 2010 by \$95,536. Expenses in 2011 include a one time payment of \$2.6 million for the I-25/Highway 392 interchange in February.

## 2010-2011 MONTHLY EXPENDITURES WITH HISTORICAL TREND BUDGET LINE

**WARNING**

Expenditures for October 2011 were higher than October 2010 by 1.2%, but were lower than the budget by monthly trend by 1.6%. Expenses for 2011 include a one time payment of \$2.6 million for the I-25/Highway 392 interchange in February.