



# MONTHLY FINANCIAL REPORT

December 2011\*

## PERFORMANCE AT A GLANCE

	CURRENT MONTH	YEAR TO DATE	REFERENCE
<b>GENERAL FUND</b>			
General Fund Exp vs. Rev	WARNING	POSITIVE	Page 3
Overall Sales Tax Revenue (prior month activity)	POSITIVE	POSITIVE	Page 3
Overall Use Tax Revenue	POSITIVE	POSITIVE	Page 4
Property Tax Revenue	WARNING	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	POSITIVE	POSITIVE	Page 8
General Fund Expenditure vs. Budget	POSITIVE	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.

\* December's numbers are subject to change as end of year postings occur until the end of February.

## 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 fourth quarter of 2011 increased at a rate of 2.8%. In the third quarter of 2011 GDP increased at a revised rate of 1.8%.

**Interest Rates:** — The Federal Open Market Committee met on January 25th 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 December were at a seasonally adjusted rate of 657,000. This is 4.1% below the revised November 2011 figure of 685,000, but is 24.9% above the December 2010 rate of 526,000.

### UNEMPLOYMENT RATES

**National:** ↓ The National unemployment rate for December 2011 decreased to 8.5% from the November rate of 8.7%.

**State-wide:** ↓ The Colorado unemployment rate for December 2011 decreased to 7.9% from the November 2011 rate of 8.0%.

**Larimer County:** ↑ The Fort Collins-Loveland area unemployment rate for December 2011 was 6.3%. This is an increase from the revised November rate of 6.2%.

### BUILDING ACTIVITY

**State-wide:** ↑ Building permits for December 2011 numbered 1,090. This is an increase from the November 2011 count of 933.

**Local:** — City Building and Zoning reported 629 Building Permits issued in December 2011 with a value of \$13,871,595. November 2010 had 523 building permits with a value of \$16,421,648.

# CITY NEWS

City of Fort Collins State of the City, Feb. 15

Please join Mayor Karen Weitkunat, the Fort Collins City Council, and City Manager Darin Atteberry for the annual State of the City from 5-7 p.m., Wednesday, Feb. 15, in the Lincoln Center Canyon West Room, 417 W. Magnolia St.

The event will focus on the current state of the Fort Collins community. Mayor Weitkunat and City Manager Atteberry will introduce video segments that feature Councilmembers and other community members sharing their perspectives on Fort Collins and our future. The event will conclude with a light reception where attendees can mingle with the City Manager, Mayor and other Councilmembers.

The event will be broadcast live on Cable 14, and, following the conclusion, will be available via video on demand at [fcgov.com/video](http://fcgov.com/video). Seating is limited; attendees are encouraged to RSVP online at [fcgov.com/stateofthecity](http://fcgov.com/stateofthecity).

### City's Bicycle Coordinator Treks to California, City Begins Replacement Search

Dave "DK" Kemp, City of Fort Collins Bicycle Coordinator, will leave his post to take on a new position with the City of Davis, California as their Bicycle/Pedestrian Coordinator.

FCBikes is the comprehensive bicycle program for the City of Fort Collins. The Fort Collins community rose from a silver level designation to a gold level Bicycle Friendly Community and is now striving to attain the platinum level status within the coming year. Through partnerships within the community, the City been able to significantly raise the awareness of all facets of cycling in Fort Collins. This has led to an increase in cyclists, as well as, a tremendous amount of positive attention for Fort Collins both regionally and nationally.

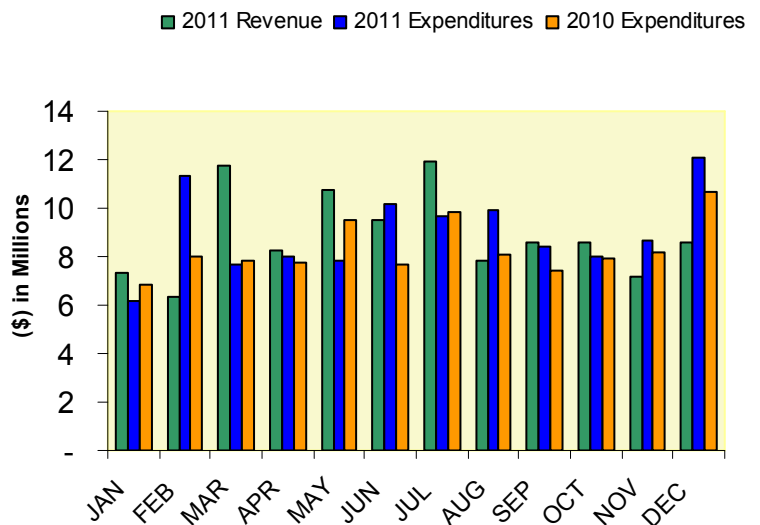
To fill this position, Karen Cumbo, Executive Director of Planning, Transportation and Development, plans to reach out to other bicycle communities, the League of American Bicyclists and related bicycle networks for possible candidates. "Bicycling is important to our community, and we want a leader in the field," Karen explains. "We will initiate this effort as soon as possible."

For information about FCBikes and the City's bicycling efforts, visit [fcgov.com/bicycling](http://fcgov.com/bicycling).

## OVERALL FUND PERFORMANCE:

## GENERAL FUND REVENUE VS EXPENDITURES 2011

	2011 Revenue	2011 Expenditures	Monthly Variance
JAN	\$ 7,299,434	\$ 6,159,093	\$ 1,140,341
FEB	6,348,630	11,308,468	(4,959,838)
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	8,391,963	167,841
OCT	8,587,109	8,001,005	586,104
NOV	7,207,729	8,635,076	(1,427,347)
DEC	8,562,983	12,114,180	(3,551,197)
Totals	\$ 106,486,328	\$ 107,798,417	\$ (1,312,089)

**WARNING**

December 2011 generated a negative cash flow month with expenditures greater than revenues by \$3,551,197. During the month expenditures were 41.4% higher than revenues. The historical trend is that during the second half of the year expenditures are greater than revenues. Although it looks as if the City is emerging from the recent recession the National and International economy remain volatile which will lead staff to closely monitor both revenues and expenditures as we move into 2012.

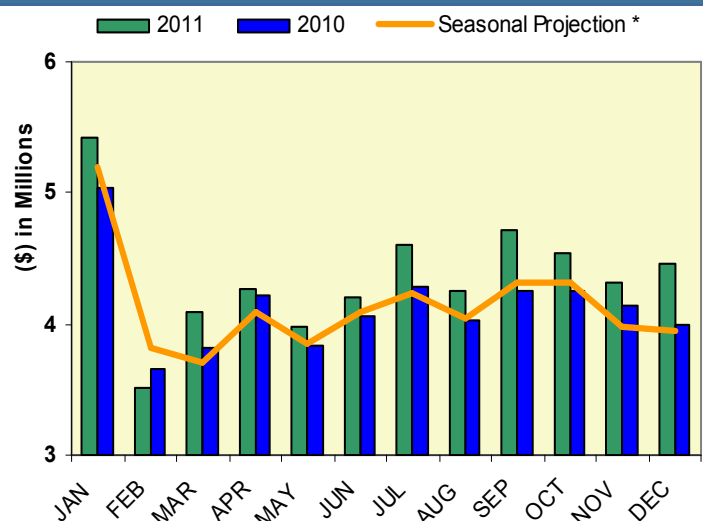
## REVENUE ANALYSIS:

## 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	4,314,496	4,134,031	3,975,581
DEC	4,461,324	4,001,978	3,942,062
TOTALS	\$ 52,388,870	\$ 49,591,497	\$ 49,587,000

Sales Tax collections are for Sales in prior month.

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

**POSITIVE**

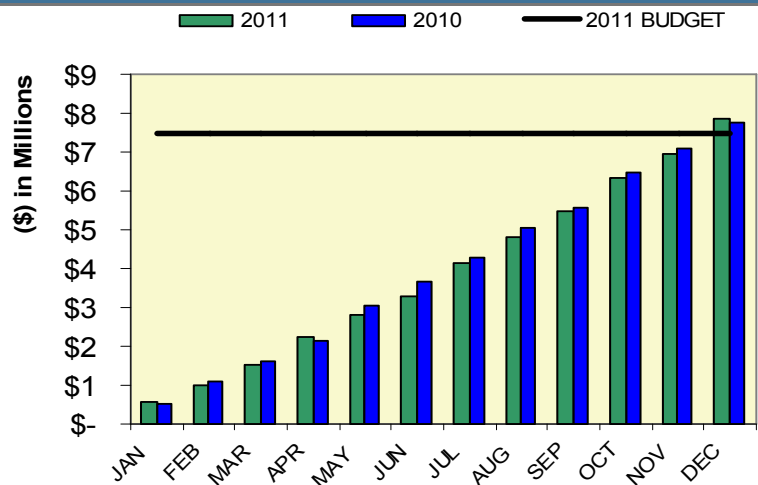
Sales Tax represents just over 50% of the General Fund Budget and serves as the primary funding source for the general government. The General Fund allocation of sales tax remitted to the City in December and collected by merchants in November experienced an increase of 11.5% from sales tax remitted in December 2010. Monthly collections by merchants were higher than the seasonal projection by 13.2%. The year over year increase was primarily due to the increase in Vehicle Sales, Parts and Repairs; Electronics and Appliances; and Grocery, Convenience, Liquor categories (up 15.2%, 11.9% and 11.5% 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	
NOV	629,502	593,911	
DEC	882,682	686,725	
<b>TOTALS</b>	<b>\$ 7,847,770</b>	<b>\$ 7,761,961</b>	<b>1.11%</b>

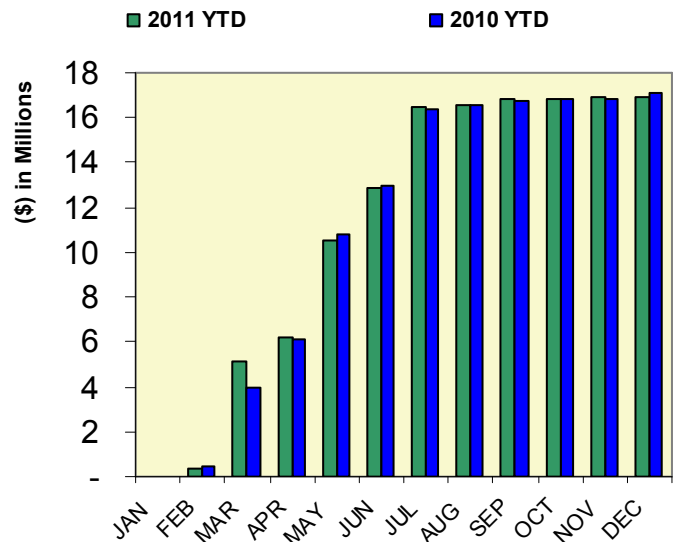
\* Use Tax Collections are for Sales in prior month.

**POSITIVE**

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 December 2011 were up 6.0% compared to December 2010. The increase was due to increased collections in Car Tax and Building Permits (up 19.7% and 9.7% 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	75,236	50,185	25,051
DEC	12,781	216,267	(203,486)
<b>TOTALS</b>	<b>\$ 16,953,813</b>	<b>\$ 17,064,113</b>	<b>(110,300)</b>

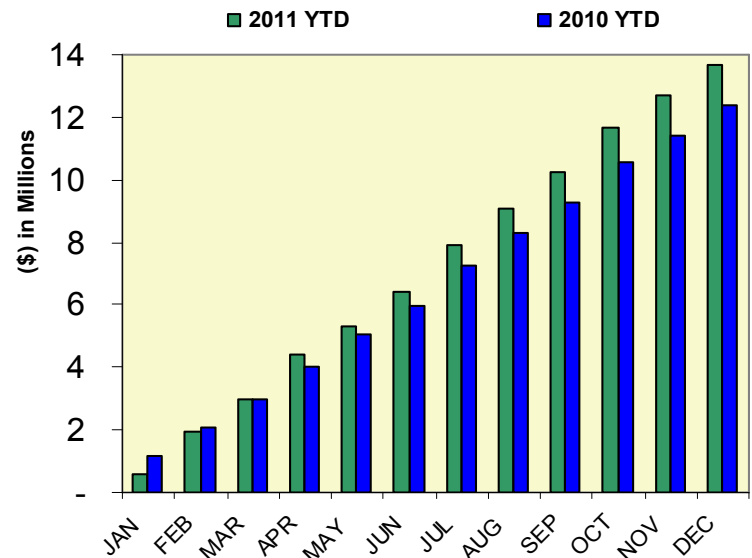
**WARNING**

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 December 2011 were down \$203,486 compared to December 2010. Overall Property Taxes for 2011 were lower than 2010 by \$110,300.

## REVENUE ANALYSIS (continued):

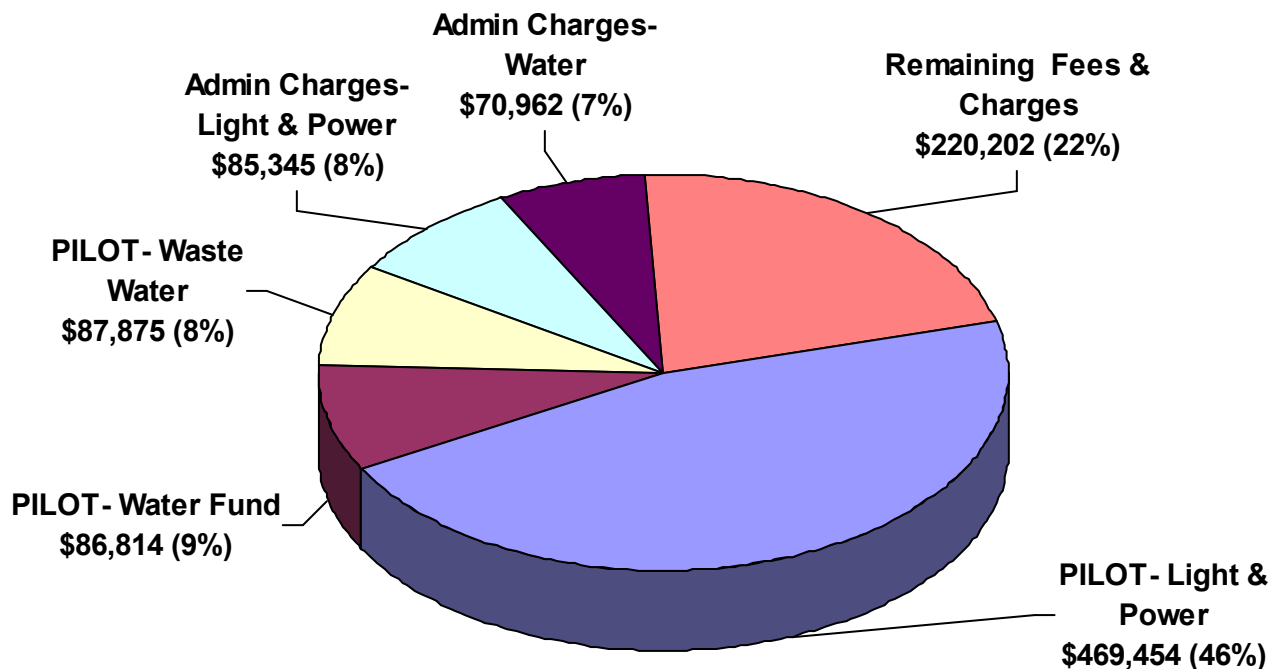
## FEES AND CHARGES 2010-2011 COMPARISON

	2011	2010	YTD Variance
JAN	\$ 551,908	\$ 1,174,468	
FEB	1,380,799	752,403	
MAR	1,067,637	963,675	
APR	1,395,093	925,953	
MAY	950,056	1,290,355	
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	
NOV	994,511	1,280,423	
DEC	1,020,652	1,534,690	
<b>TOTALS</b>	<b>\$ 13,696,459</b>	<b>\$ 13,608,142</b>	<b>10.6%</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. December 2011 Fees and Charges were down 33.5% compared to December 2010. A majority of the difference is due to the timing of the Cable Franchise fee that has not yet been received for the fourth quarter. It will be posted to December 2011 once it is received.

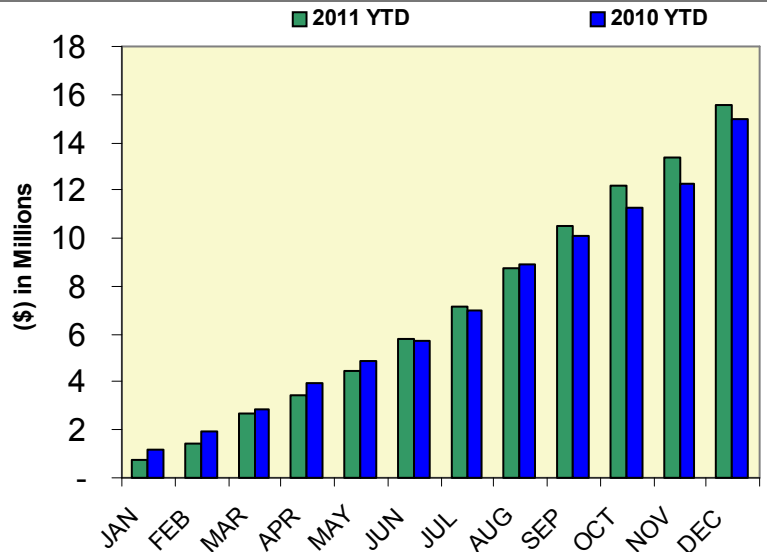
## DECEMBER 2011 FEES &amp; CHARGES



## REVENUE ANALYSIS (continued):

## OTHER REVENUE 2010-2011 COMPARISON

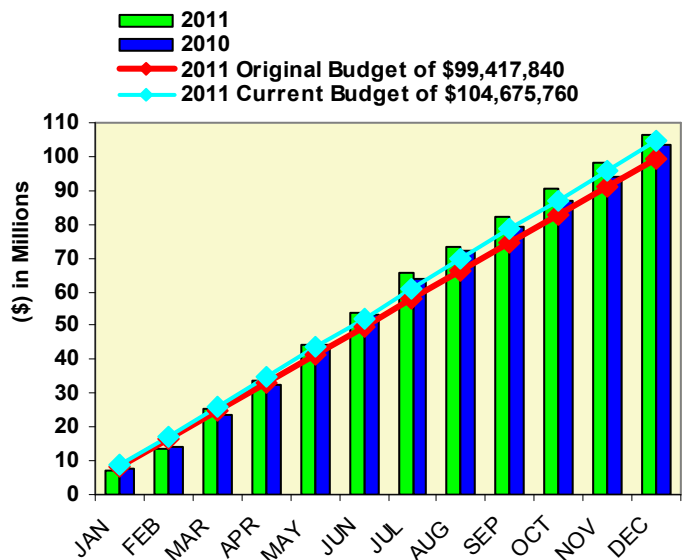
	2011	2010	YTD Variance
JAN	\$ 749,711	\$ 1,189,958	
FEB	703,213	743,106	
MAR	1,246,671	938,020	
APR	746,933	1,070,750	
MAY	996,840	918,909	
JUN	1,359,168	839,004	
JUL	1,348,848	1,241,657	
AUG	1,603,437	1,941,352	
SEP	1,773,101	1,191,316	
OCT	1,691,553	1,174,128	
NOV	1,193,984	1,046,656	
DEC	2,185,544	2,664,593	
TOTALS	\$ 15,599,003	\$ 14,959,449	4.3%

**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 were lower than December 2010 by 18.0%. The monthly decrease is due to the timing of the payment for the Resource Officers for Poudre School District.

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

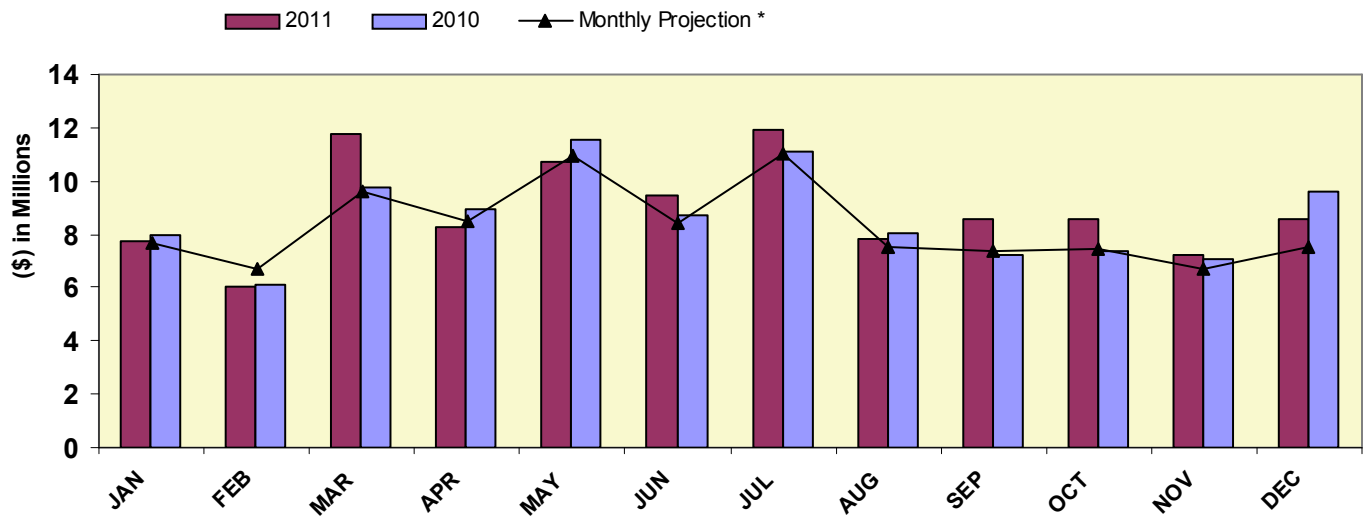
	2011	2010	Monthly Variance
JAN	\$ 7,299,434	\$ 7,941,386	\$ (641,952)
FEB	6,348,630	6,139,844	208,786
MAR	11,738,462	9,786,594	1,951,868
APR	8,244,628	8,912,629	(668,001)
MAY	10,749,906	11,567,291	(817,385)
JUN	9,488,647	8,722,336	766,311
JUL	11,889,765	11,060,835	828,930
AUG	7,809,231	8,059,411	(250,180)
SEP	8,559,804	7,214,877	1,344,927
OCT	8,587,109	7,370,582	1,216,527
NOV	7,207,729	7,105,205	102,524
DEC	8,562,983	9,639,309	(1,076,326)
TOTALS	\$ 106,486,328	\$ 103,520,299	2,966,029

**POSITIVE**

Revenues for December 2011 were lower than December 2010 by \$1,076,029. The year over year decrease was due to lower collections in Property Tax, Dues and Fees, and Other revenue. Compared to 2010 overall revenue collections were up 2.9% in 2011.

## REVENUE ANALYSIS (continued):

## GENERAL FUND REVENUE MONTHLY COLLECTION COMPARISON

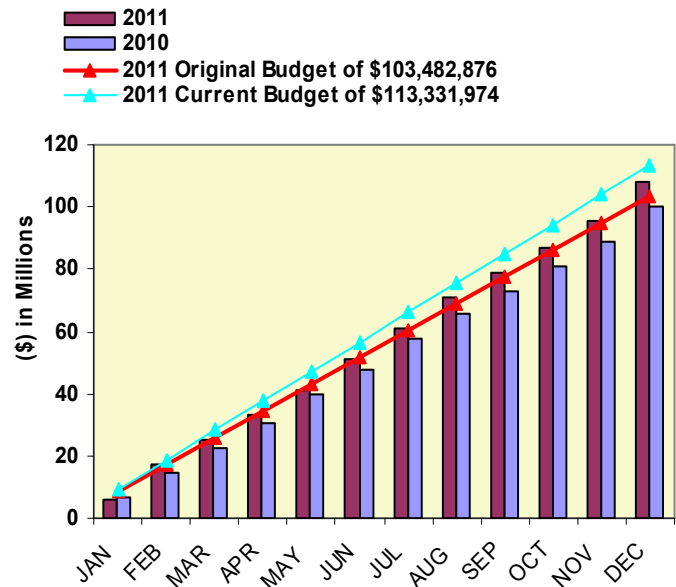
**POSITIVE**

December 2011 General Fund revenue collections were lower than December 2010 by 11.2%. Compared to the three year average projection revenues were up 14.1%. The year over year decrease was due to lower collections in Property Tax, Dues and Fees, and Other revenue.

## EXPENDITURE ANALYSIS:

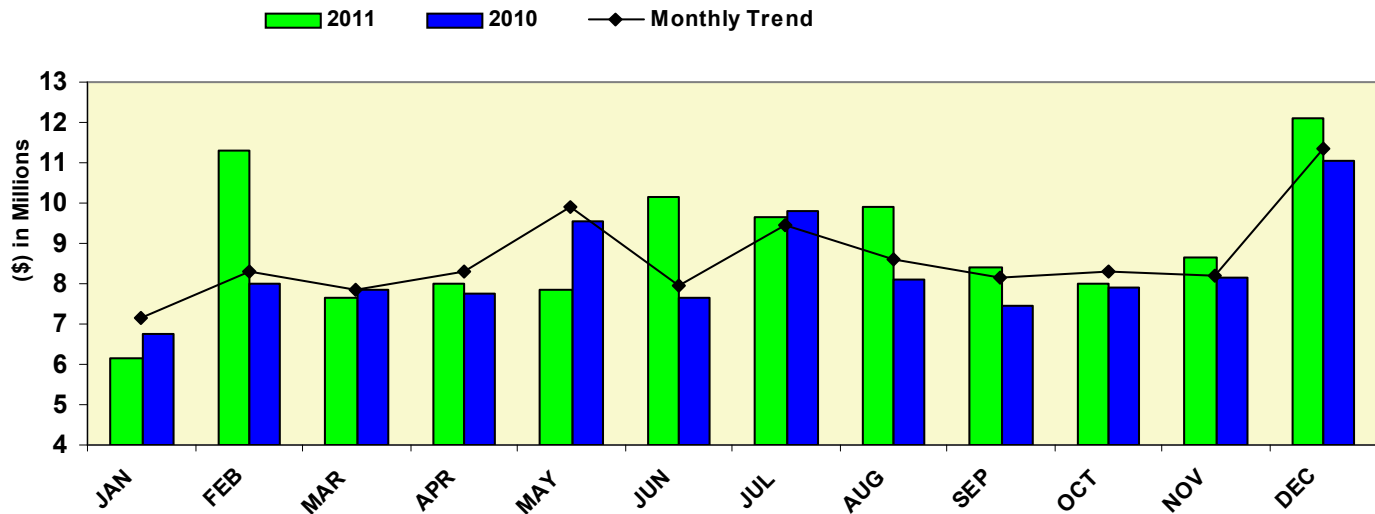
## 2010-2011 YTD EXPENDITURES WITH BUDGET COMPARISON

	2011	2010	Variance
JAN	\$ 6,159,093	\$ 6,727,606	\$ (568,513)
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	8,635,076	8,174,630	460,446
DEC	12,114,180	11,205,527	908,653
TOTALS	\$ 107,798,417	\$ 100,189,714	7,608,703

**POSITIVE**

Expenditures in December 2011 were higher than December 2010 by \$908,653. Total expenditures for the year were 7.6% higher than 2010, however, compared to the current budget they were 5.0% lower. Expenditures in 2011 include a one time payment of \$2.6 million for the I-25/Highway 392 interchange in February and a one time payment of \$1.2 million in December for the clean up of the October snow storm.

## 2010-2011 MONTHLY EXPENDITURES WITH HISTORICAL TREND LINE

**POSITIVE**

Expenditures for December 2011 were higher than December 2010 by 8.1% and were higher than the monthly trend by 6.6%. Expenditures in 2011 include a one time payment of \$2.6 million for the I-25/Highway 392 interchange in February and a one time payment of \$1.2 million in December for the clean up of the October snow storm.