



# MONTHLY FINANCIAL REPORT

February 2012\*

## 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	POSITIVE	POSITIVE	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	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.

\*Numbers in this report are subject to change as items are posted into the period they occurred.

## 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 January were at a seasonally adjusted rate of 699,000. This is 1.5% below the revised December 2011 figure of 689,000, and is 9.9% above the January 2011 rate of 636,000.

### UNEMPLOYMENT RATES

**National:** ↓ The National unemployment rate for January 2012 decreased to 8.3% from the December 2011 rate of 8.5%.

**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 January 2011 numbered 989. This is a decrease from the December 2011 count of 1,090.

**Local:** ↑ City Building and Zoning reported 438 Building Permits issued in February 2012 with a value of \$8,551,686. February 2011 had 329 building permits with a value of \$8,400,033.

# CITY NEWS

## City Receives Financial Reporting Certificate for 24th Year

The City of Fort Collins recently received a Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA). The certificate recognizes the City's comprehensive annual financial report (CAFR) for the year ended December 31, 2010. This is the 24th consecutive year that the City has received this prestigious award.

The Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting. In order to earn the certificate, a government must publish an easily readable and efficiently organized comprehensive annual report. This report must satisfy both legal requirements and accounting principles generally accepted in the United States.

The certificate for the 2010 report was awarded to John Voss, Accounting and Financial Reporting Manager, who served as the Interim Finance Director for 2010-2011.

"This award recognizes the high quality work John and the rest of our Finance department put in to both managing and reporting the City's financial picture," said Mike Beckstead, Chief Financial Officer. "That the City has received this recognition year after year is a tribute to our goal of highly transparent and accountable City government."

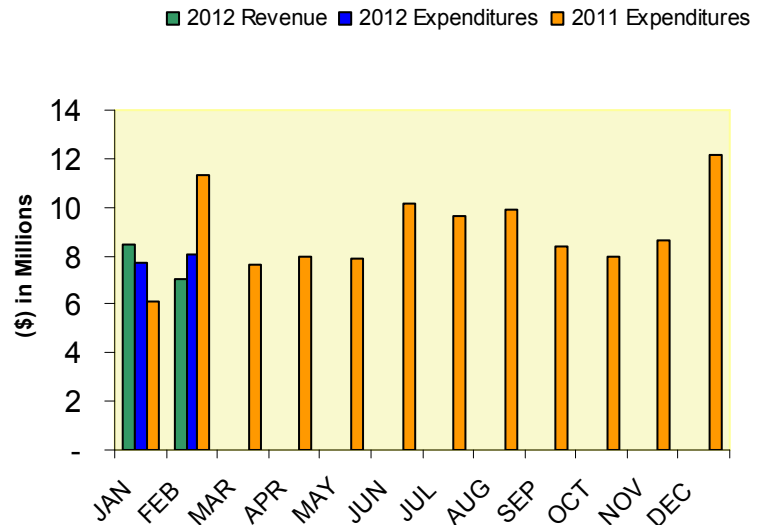
The City's CAFR has been judged by an impartial panel to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the CAFR.

The 2010 CAFR is available online at <http://www.fcgov.com/finance/pdf/cafr-2010.pdf??07082011>. The 2011 report will be published in the second quarter of this year.

## OVERALL FUND PERFORMANCE:

## GENERAL FUND REVENUE VS EXPENDITURES 2012

	2012 Revenue	2012 Expenditures	Monthly Variance
JAN	\$ 8,482,105	\$ 7,700,004	\$ 782,101
FEB	7,073,082	8,009,974	(936,892)
MAR			
APR			
MAY			
JUN			
JUL			
AUG			
SEP			
OCT			
NOV			
DEC			
Totals	\$ 15,555,187	\$ 15,709,978	\$ (154,791)

**POSITIVE**

February 2012 generated a negative cash flow month with expenditures greater than revenues by \$936,892. During the month expenditures were 13.2% higher than revenues. The trend is for revenues to be greater than expenditures during the first half of the year. Since February produced a negative cash flow staff will closely monitor both revenues and expenditures as we come to the end of the first quarter.

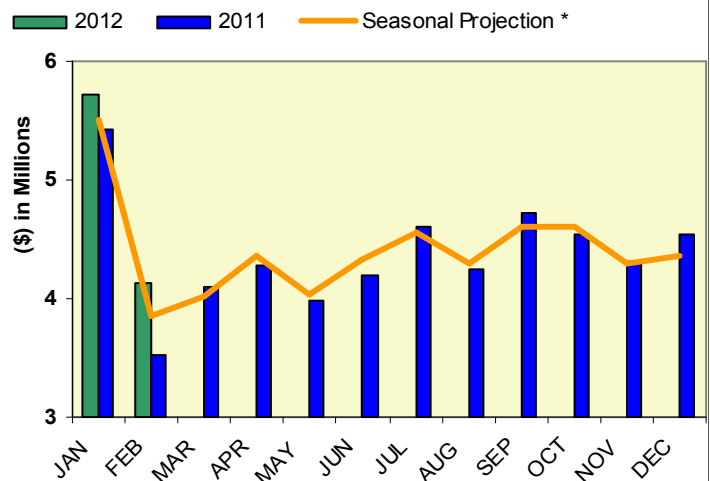
## REVENUE ANALYSIS:

## GENERAL FUND SALES TAX 2011-2012 COMPARISON

	2012	2011	Seasonal Projection *
JAN	\$ 5,716,879	\$ 5,421,512	\$ 5,505,219
FEB	4,126,638	3,518,181	3,853,323
MAR		4,093,808	4,013,288
APR		4,275,177	4,358,933
MAY		3,983,462	4,025,252
JUN		4,204,117	4,320,722
JUL		4,604,545	4,555,644
AUG		4,246,151	4,301,264
SEP		4,723,839	4,601,689
OCT		4,542,258	4,606,321
NOV		4,314,496	4,301,537
DEC		4,535,163	4,361,808
TOTALS	\$ 9,843,517	\$ 52,462,709	\$ 52,805,000

Sales Tax collections are for Sales in prior month.

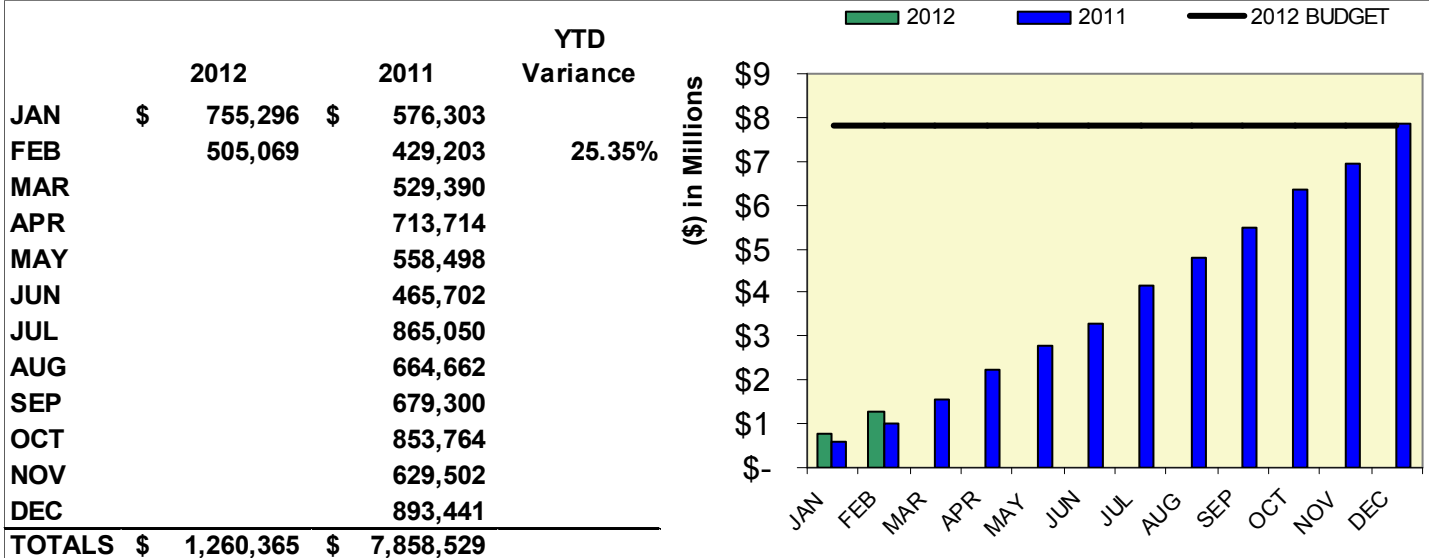
\* Seasonally adjusted projection based on last three years' activity

**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 February and collected by merchants in January experienced an increase of 17.3% from sales tax remitted in February 2011. Monthly collections by merchants were higher than the seasonal projection by 7.1%. The year over year increase was primarily due to the increase in Building Materials, Garden Equipment and Supplies; Vehicle Sales, Parts and Repairs; and Grocery, Convenience, Liquor categories (up 27.2%, 17.9% and 11.8% respectively).

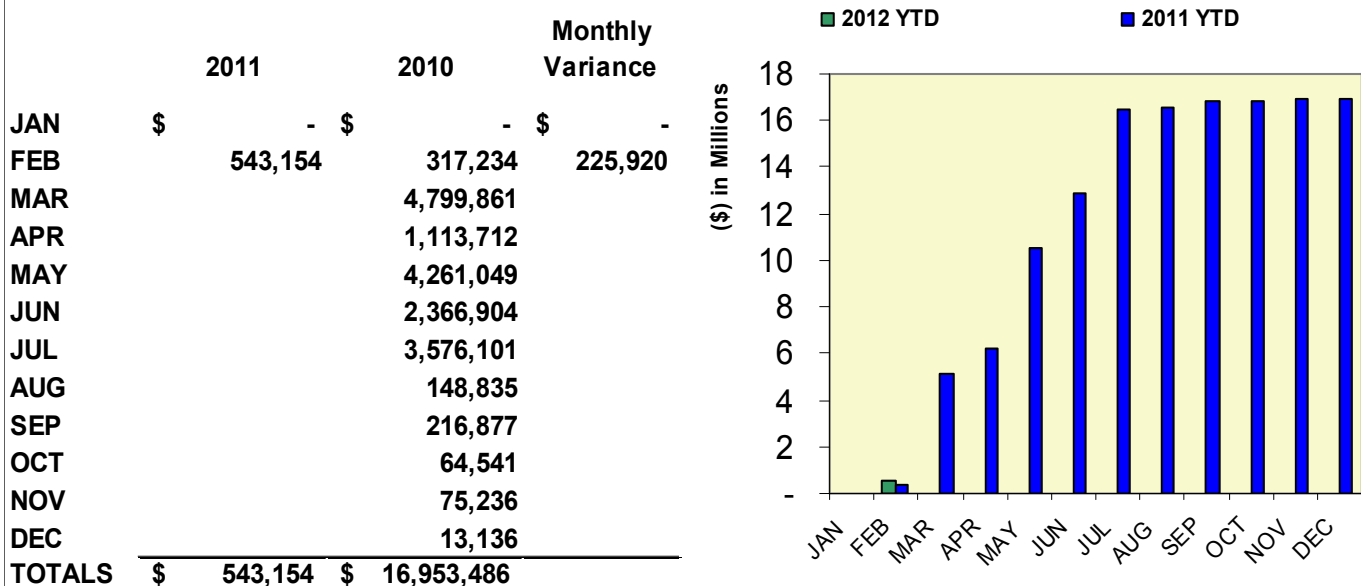
## REVENUE ANALYSIS (continued):

## GENERAL FUND USE TAX 2011-2012 COMPARISON

**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 February 2012 were up 17.7% compared to February 2011. The increase was due to increased collections in Building Permits and Car Tax (up 79.9% and 24.0% respectively).

## PROPERTY TAXES 2011-2012 COMPARISON

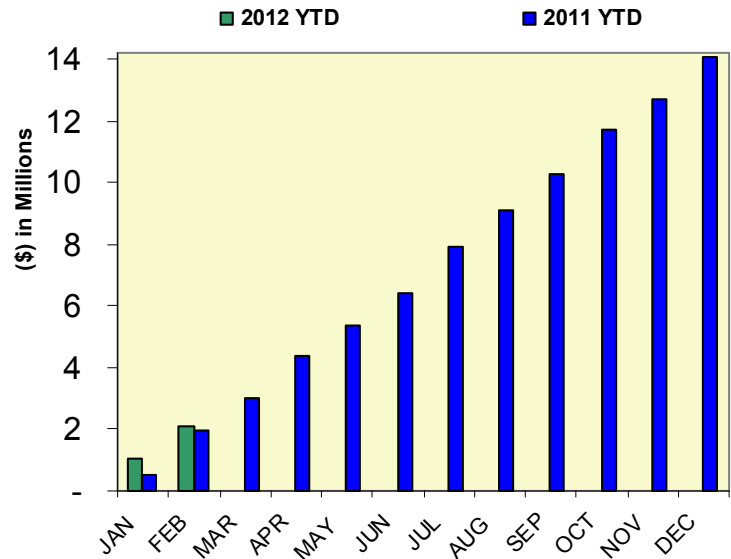
**POSITIVE**

Property taxes represent 17% of the overall General Fund Budget. They are remitted in two installments due on February 29 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 tax collections for February 2012 were greater than 2011 by 71.2%.

## REVENUE ANALYSIS (continued):

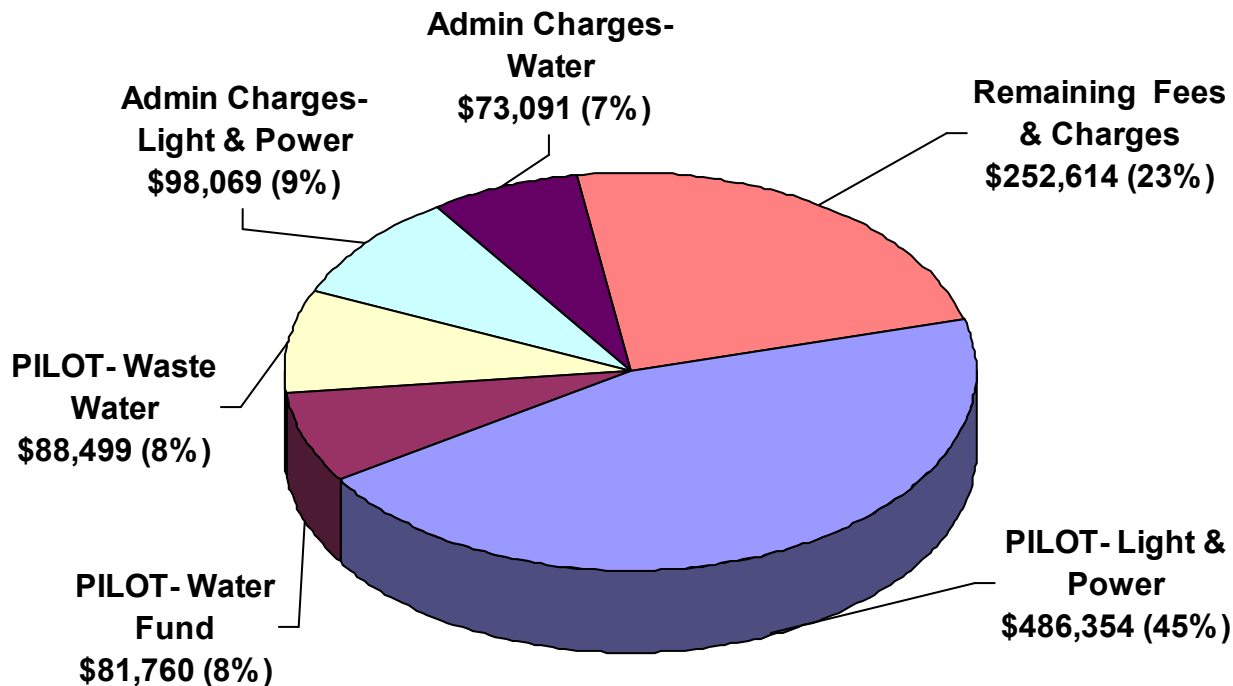
## FEES AND CHARGES 2011-2012 COMPARISON

	2012	2011	YTD Variance
JAN	\$ 1,040,553	\$ 551,908	
FEB	1,080,386	1,380,799	9.7%
MAR		1,068,732	
APR		1,395,093	
MAY		950,056	
JUN		1,092,756	
JUL		1,495,221	
AUG		1,146,146	
SEP		1,166,687	
OCT		1,434,993	
NOV		994,511	
DEC		1,390,213	
TOTALS	\$ 2,120,939	\$ 14,067,115	

**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. February 2012 Fees and Charges were down 21.8% compared to February 2011. A majority of the difference is due to the timing of the collection of the Cable Franchise fee.

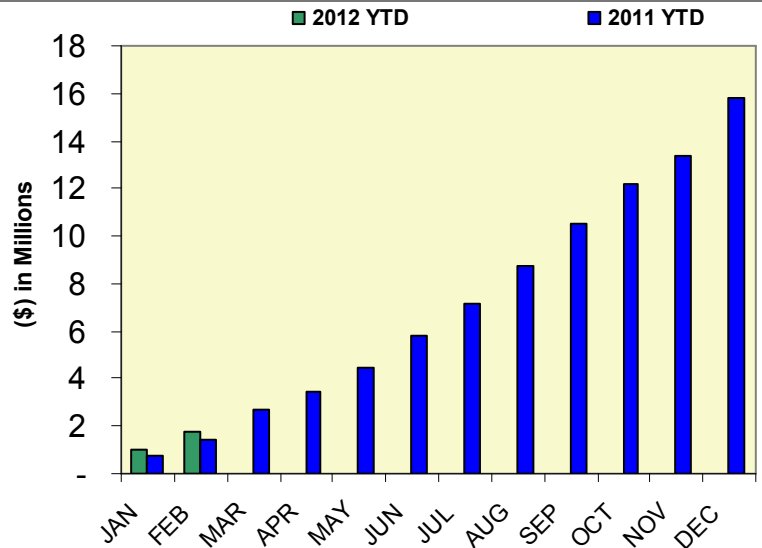
## FEBRUARY 2012 FEES &amp; CHARGES



## REVENUE ANALYSIS (continued):

## OTHER REVENUE 2011-2012 COMPARISON

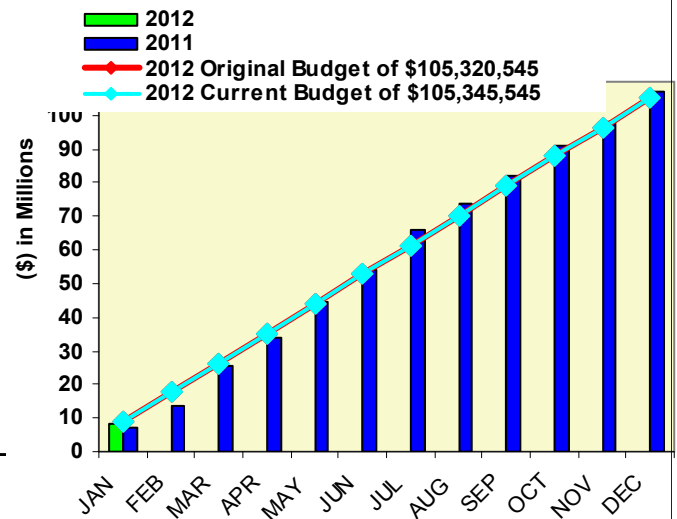
	2012	2011	YTD Variance
JAN	\$ 971,193	\$ 749,711	
FEB	817,835	703,213	23.1%
MAR		1,246,671	
APR		746,933	
MAY		996,840	
JUN		1,359,168	
JUL		1,348,848	
AUG		1,603,437	
SEP		1,773,101	
OCT		1,691,553	
NOV		1,193,984	
DEC		2,377,356	
TOTALS	\$ 1,789,028	\$ 15,790,815	

**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 higher than February 2011 by 16.3%.

YTD REVENUES WITH ORIGINAL  
(CURRENT) BUDGET 2011-2012 COMPARISON

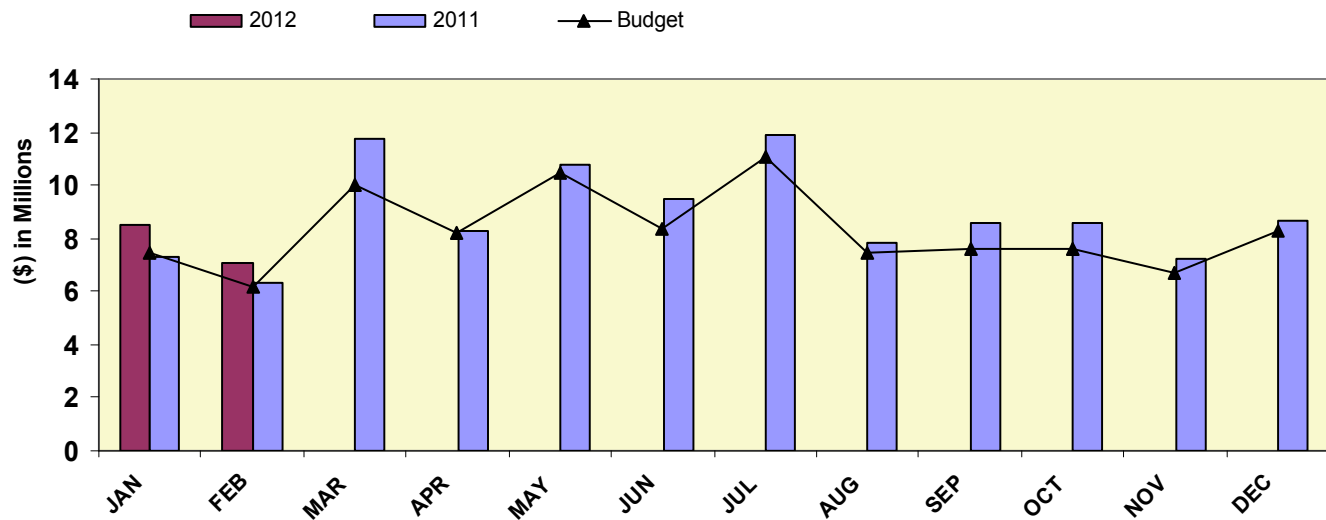
	2012	2011	Monthly Variance
JAN	\$ 8,483,921	\$ 7,299,434	\$ 1,184,487
FEB	7,073,082	6,348,630	724,452
MAR		11,738,462	
APR		8,244,628	
MAY		10,749,906	
JUN		9,488,647	
JUL		11,889,765	
AUG		7,809,231	
SEP		8,559,804	
OCT		8,587,109	
NOV		7,207,729	
DEC		9,209,309	
TOTALS	\$ 15,557,003	\$ 107,132,653	

**POSITIVE**

Revenues for February 2012 were higher than February 2011 by \$724,452. The year over year increase was due to higher collections in Sales Tax, Use Tax, Property Tax, and Other revenue.

## REVENUE ANALYSIS (continued):

## GENERAL FUND REVENUE MONTHLY COLLECTION COMPARISON

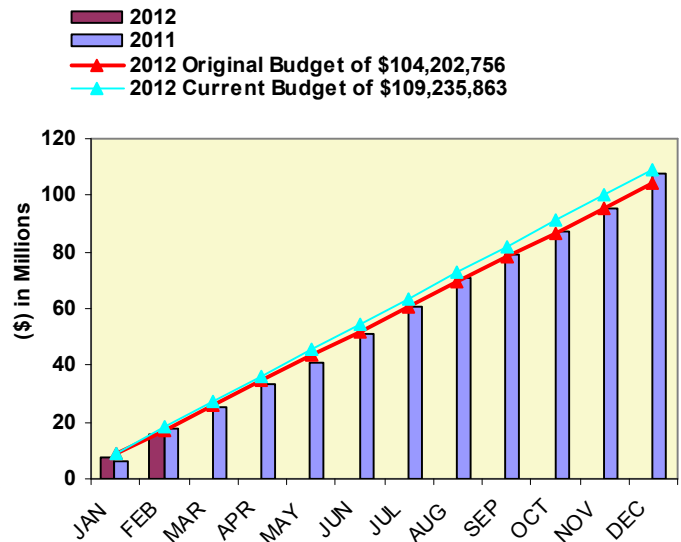
**POSITIVE**

February 2012 General Fund revenue collections were higher than February 2011 by 11.4%. Compared to the three year average projection revenues were up 14.5%. The year over year increase was due to higher collections in Sales Tax, Use Tax, Property Tax, and Other revenue.

## EXPENDITURE ANALYSIS:

## 2011-2012 YTD EXPENDITURES WITH BUDGET COMPARISON

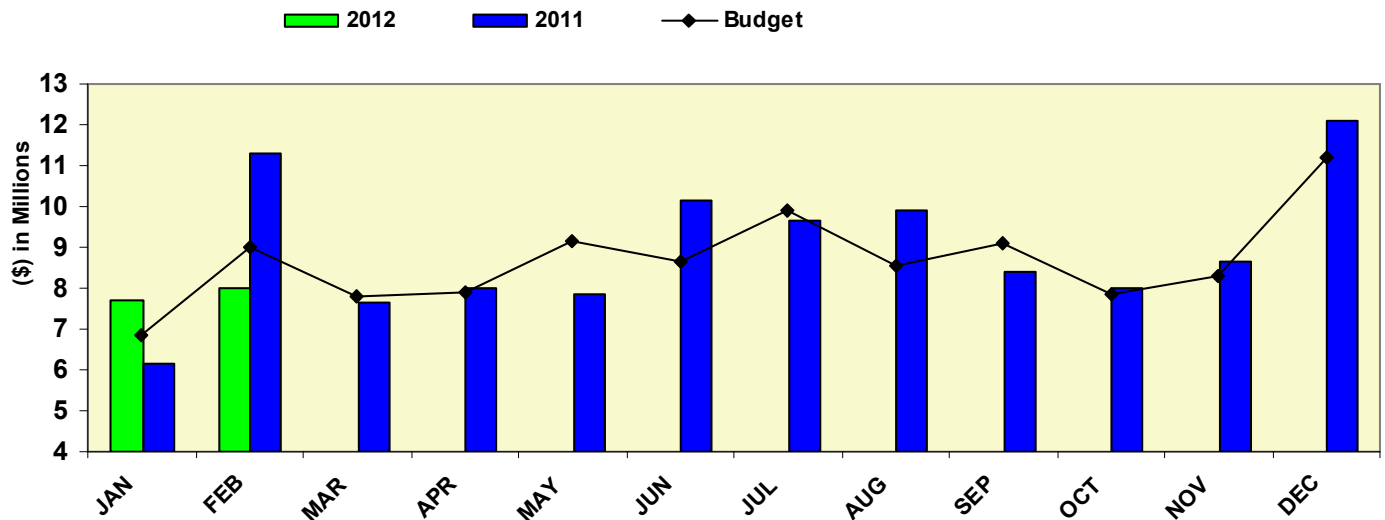
	2012	2011	Variance
JAN	\$ 7,700,004	\$ 6,159,093	\$ 1,540,911
FEB	8,009,974	11,308,468	\$ (3,298,494)
MAR		7,656,324	
APR		8,000,303	
MAY		7,840,726	
JUN		10,151,004	
JUL		9,638,522	
AUG		9,901,753	
SEP		8,391,963	
OCT		8,001,005	
NOV		8,635,076	
DEC		12,114,180	
TOTALS	\$ 15,709,978	\$ 107,798,417	



## POSITIVE

Expenditures in February 2012 were lower than February 2011 by \$3,298,494. The difference is due to the one time payment in February 2011 for the I-25/Highway 392 interchange.

## 2011-2012 MONTHLY EXPENDITURES WITH HISTORICAL TREND LINE



## POSITIVE

Expenditures for February 2012 were lower than February 2011 by 29.2% and were lower than the monthly trend by 11.0%. The difference is due to the one time payment in February 2011 for the I-25/Highway 392 interchange.