

2009

COMPREHENSIVE ANNUAL FINANCIAL REPORT



FORT COLLINS, COLORADO
YEAR ENDED DECEMBER 31, 2009

City of Fort Collins, Colorado

Comprehensive Annual Financial Report
For the fiscal year ended
December 31, 2009

Prepared by the Finance Department:

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About our cover and section tabs...

The cover picture is Soapstone Prairie Natural Area. The chalky white/pink "Soapstone Cliffs" that can be seen from Fort Collins are part of the geologic formation known as the Cheyenne Ridge. When wet the white soil gets quite slippery, like soap, however, it is not actually soapstone - it's a silt-stone. Since these cliffs are visible from many miles, they likely served as a prominent landmark for people many centuries ago, including the Folsom people who inhabited the area more than 12,000 years ago. Today, this area is home to golden eagles and many other birds of prey.

The "Introductory Section" tab photo features an event held during Fort Collins' largest community festival, Bohemian Nights at NewWestFest, celebrating the establishment and birthday of the City. The festival has been held in August each year for over two decades, nestled amongst the historic buildings of Downtown Fort Collins. High quality artisans, performers, hundreds of Colorado musicians, eight stages of free continuous entertainment, children's areas and carnival, great Colorado beers and cuisines from all over the world make up this exciting community celebration.

The "Financial Section" tab features the Hispanic dancers of Grupo Folkorico, performing at the annual Fourth Grade Rendezvous at the Fort Collins Museum. Over 1,400 children enjoyed the traditional Mexican dance performance, as well as hands-on activities highlighting life in the "Old West."

The "Statistical Section" tab shows the Garden of Lights display at the Gardens on Spring Creek, our community botanic garden. Throughout the month of December, Garden of Lights features tens-of-thousands of LED lights in colorful, whimsical and horticulturally-inspired displays. Live musical performances, tasty holiday treats, and a visit with Santa make this event a family tradition for Northern Colorado residents.

The "Other Schedules" tab displays the Fossil Creek Trail winding through Redtail Grove Natural Area. The City's Natural Areas Program has contributed to the network of paved and soft-surface trails throughout Fort Collins both financially and through strategic land acquisitions. Redtail Grove Natural Area has not only been an important refuge for its name-sake, the Redtailed Hawk; but has also allowed for the connection between the Mason Street Trail and the Fossil Creek Trail to the east. One day, it will also help provide the needed connections to complete the Fossil Creek Trail from east to west connecting to Cathy Fromme Prairie.

The repeating sectional tabs display Fort Collins' Birney Safety Car No. 21. It was built in 1919, restored in the 1980s by the Fort Collins Municipal Railway Society and is now listed on the National Register of Historic Places. Streetcars served the residents of Fort Collins from 1907 until 1951, providing convenient, reliable and affordable (only 5¢ a trip) public transportation. Fort Collins has the distinction of being the smallest city in the United States ever to own and operate an electric trolley system. Running on weekends and holidays, Car No. 21 invites young and old to live our history!

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INTRODUCTORY SECTION

INTRODUCTORY SECTION

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May 28, 2010

Honorable Mayor, Members of City Council, Residents and Customers of the City of Fort Collins, Colorado:

We submit, for your information and review, the Comprehensive Annual Financial Report (CAFR) for the City of Fort Collins, Colorado (the City), for the year ended December 31, 2009.

This report consists of management's representations concerning the finances of the City of Fort Collins. Consequently, management assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects. The City has included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities.

The City Charter and State law require an annual audit by independent certified public accountants selected by the City Council. The goal of the independent audit was to provide reasonable assurance that the financial statement of the City for the fiscal year ended December 31, 2009 are free of material misstatement. The independent accountant, McGladrey & Pullen, LLP, concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City's financial statements for the fiscal year ended December 31, 2009 are fairly presented in conformity with accounting principles generally accepted in the United States of America.

The independent audit of the financial statements of the City is required to complete the federally mandated "Single Audit" designed to meet the special needs of the federal grantor agencies. The results of the single audit are available in the City's separately issued Single Audit Report (Compliance Report).

Accounting principles generally accepted in the United States of America require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A. The City's MD&A can be found immediately following the report of the independent audit accountant.

Governmental Structure

The City of Fort Collins, incorporated in 1872, is located in north central Colorado, east of the continental divide, and is approximately sixty miles north of Denver. It is the fifth largest city in Colorado with an estimated population of 138,100 in 2009. This is approximately 48% of the Larimer County population.

The City provides services that include community planning, general government, police, streets and highways, cultural facilities, parks and recreation, transportation, golf courses and public utilities. The City's utilities include electric distribution, water treatment, wastewater treatment, and storm drainage. Fire protection and library services are not provided by the City but instead by Poudre Fire Authority (PFA) and Poudre River Public Library District. The City is the primary financial supporter for PFA.

The City's financial statements include the Downtown Development Authority, Fort Collins Capital Leasing Corporation, General Improvement District No. 1, and the Urban Renewal Authority.

The City is a home rule city, organized under provisions of the Colorado Constitution. The City Charter, adopted in 1953, provides for the council-manager form of local government. The voters directly elect the mayor to serve a two-year term. Within districts, voters elect six Council members on a non-partisan basis, to staggered four-year terms. The financial statements, schedules, and statistical tables contained in this report include all funds under the control of City Council. The Council is responsible for passing ordinances, adopting the two-year budget and annual appropriations ordinance, appointing advisory board and commission members, and hiring the City Manager, City Attorney, and Municipal Judge. The City Manager is responsible for implementing the policies and ordinances of Council, overseeing the day-to-day operations, and appointing service area directors and other staff members.

Factors Affecting Economic and Financial Condition

Unemployment in Fort Collins has risen as a result of the national recession. At the end of 2009, the local unemployment rate stood at 6.6%, which compares favorably to the State rate of 7.3% and national rate of 9.3%.

The essential economic indicators for the City were all weaker in 2009. Even though the population grew 1.2%, residential building permits declined. Sales tax collections were down 3.8% and use tax collections were down 20.3%. In addition, use tax from business was down 8.5% as a result of belt tightening in response to the recession. Growth in inflation, as measured by the Denver-Boulder-Greeley Consumer Price Index was down .67% as a result of food and fuel prices in 2009.

The City relies heavily on sales and use tax revenue. Overall governmental revenue declined 9.7% in 2009. Sales and use tax only declined 6.2%, which is \$4.7 million less than 2008. Use tax collections declined 20.3% primarily due to a significant decline in building activity as result of the recession. The fall off in consumer confidence and higher unemployment related to the economic downturn led to a decline in sales tax revenue for 2009 of 3.8% as compared to 2008 collections. In response to the revenue decline, the City reduced the budget by \$7.7 million. The City also utilized a limited amount of reserves to maintain the level of service expected by the community. At year-end, the City held \$304.4 million in unrestricted net assets, \$29.6 million less than 2008. Please see page 18 for more information about the City's total net assets.

Data-driven and Transparent. The City of Fort Collins has deliberately moved to a data-driven organization. The City is using data to improve efficiency, accountability, and transparency. Expenditure transactions are posted monthly on <http://www.fcgov.com/openbook>. Consolidated performance data and information are provided annually in a Community Scorecard.

Resourcing Our Future. Even before the current recession began, resources to pay for the services citizens want and expect had been declining. Areas needing additional resources are street maintenance, police, fire, parks, and recreation. Of 14 major cities in Colorado, the overall sales and use tax rate in Fort Collins is the third lowest at 6.7%. City Council and management are holding discussions with the public about whether to bring forward a ballot measure asking voters to approve an increase to the sales and use tax rate, or alternatively, make further cuts in services.

Promoting Economic Health

North College Avenue Urban Renewal Authority Plan Area. Projects in the plan area will improve streetscapes, install continuous bike lanes and pedestrian sidewalks, and upgrade the storm drainage system. The North College area holds unique opportunities. Perhaps most important is broad, robust support for growth and change on the part of property and business owners in the corridor. There is a general consensus that the area is "left behind, and needs to catch up" with the rest of Fort Collins in terms of the quality of the urban environment. Along with that consensus, however, comes a strong concern that redevelopment and public improvements should be coordinated to

maintain the distinct character of the plan area, focus attention on the area's unique circumstances and history, and avoid homogenizing the corridor with standardized suburban development commonly found along other commercial corridors.

Midtown Commercial Corridor Study. One of the most common questions the City receives from community members is, "what's happening to the mall?" The City doesn't have any direct involvement with financing or administering private shopping centers; however, City Council and management are taking the lead on a commercial corridor study of College Avenue, from Prospect south to Harmony, including the Foothills Mall area and the vacant Wal-Mart just south of Harmony.

While Fort Collins was once the regional hub for retail and shopping, times have changed. Neighboring communities have expanded and increased their own populations, making it feasible to support a variety of shopping options in their own communities.

With approximately 655,000 square feet of empty retail, College Avenue is ripe for revitalization and renewed attention of developers and investors. The Midtown Commercial Corridor study will evaluate opportunities and challenges of the corridor, and provide strategic direction for the City and community.

Supporting Start-ups and Entrepreneurs. Rocky Mountain Innovation Initiative (RMI2) is a non-profit, technology incubator that provides high-potential innovation-based startups with facilities, access to a network of seasoned mentors and advisors, hands on support services, business connections, networking opportunities and education. Through the Urban Renewal Authority, the City is assisting RMI2 in the construction of a new facility on North College Avenue.

Shop Fort Collins First. Money spent in Fort Collins stays in Fort Collins. This ongoing community campaign continues to raise awareness of the importance of shopping in Fort Collins. Sixty percent of the City's budget comes from sales tax collections; when people shop in Fort Collins, businesses, consumers, and the City all win.

Targeted Industry Clusters. The City has identified five key industries that are the focus of the City's employment strategies. These industries are Bioscience, Clean Energy, Chip Design, Software, and Uniquely Fort Collins. Employment gains were experienced in the Clean Energy and Software sectors. However, there was a decline in the Chip Design sector. The City continues to work aggressively with various stakeholders on developing these industries. The continued implementation is proving successful in retaining jobs and encouraging existing companies to expand. All these actions, of course, take place in an increasingly complex regional economy where Fort Collins is no longer the sole major economic player.

Other Information

Certificate of Achievement for Excellence in Financial Reporting. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Fort Collins for its comprehensive annual financial report for the year ended December 31, 2008. This was the 22nd consecutive year that the City has achieved this prestigious award. In order to earn a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual report. This report must satisfy both applicable legal requirements and accounting principles generally accepted in the United States of America. A reproduction of the Certificate of Achievement is included at the end of the introductory section of the comprehensive annual financial report. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the requirements of the Certificate of Achievement Program and we will submit it to the GFOA to determine its eligibility for another certificate.

Acknowledgments. We recognize the dedicated efforts of all officials and staff involved in managing and accounting for the City's financial operations. The process of financial planning, management, and accounting requires a team effort by City Council and City staff to be successful. The preparation of this 2009 Comprehensive

Annual Financial Report was made possible by the dedicated service of the entire Finance Department. We would like to recognize the members of the Accounting Division who worked many extra hours to ensure the completion of this document and fulfill other financial responsibilities over the past few months. We also thank McGladrey and Pullen the firm that serves as the City's external auditor. Through the challenges, we are resolved to deliver the best possible services to the Fort Collins community.

Respectfully submitted,



Darin A. Atteberry
City Manager



Charles M. Seest
Finance Director



Michael A. Freeman
Chief Financial Officer



John W. Voss
Accounting & Financial
Reporting Manager

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Fort Collins
Colorado

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
December 31, 2008

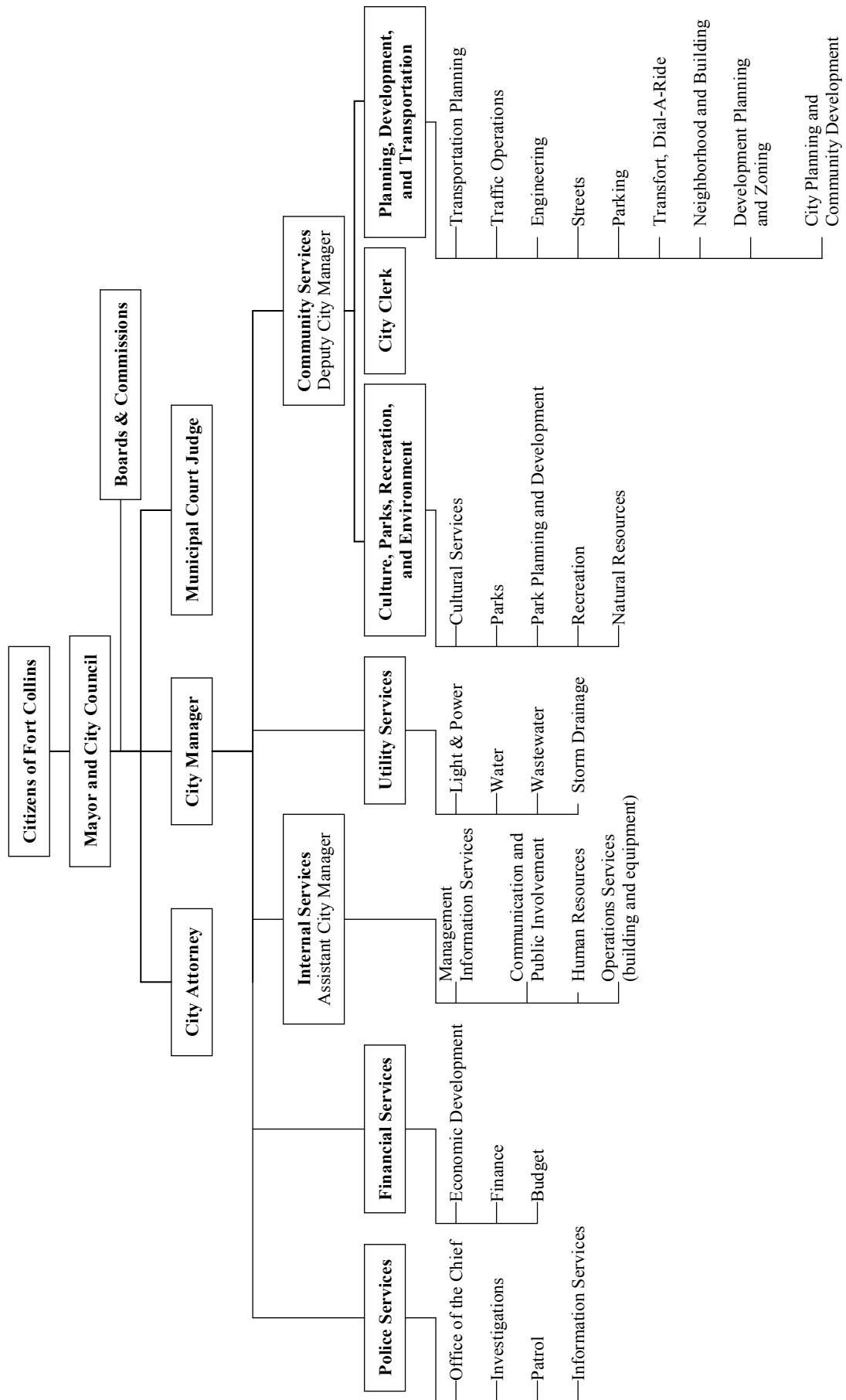
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

City of Fort Collins Organization Chart 2009



City of Fort Collins, Colorado
Elected and Appointed Officials
As of December 31, 2009

Elected Officials

Doug Hutchinson.....	Mayor
Aislinn Kattwitz.....	District 3 Council Member
Ben Manvel.....	District 1 Council Member
Kelly Ohlson.....	Mayor Pro Tem, District 5 Council Member
Lisa Poppaw	District 2 Council Member
David Roy.....	District 6 Council Member
Wade Troxell	District 4 Council Member

Appointed Officials

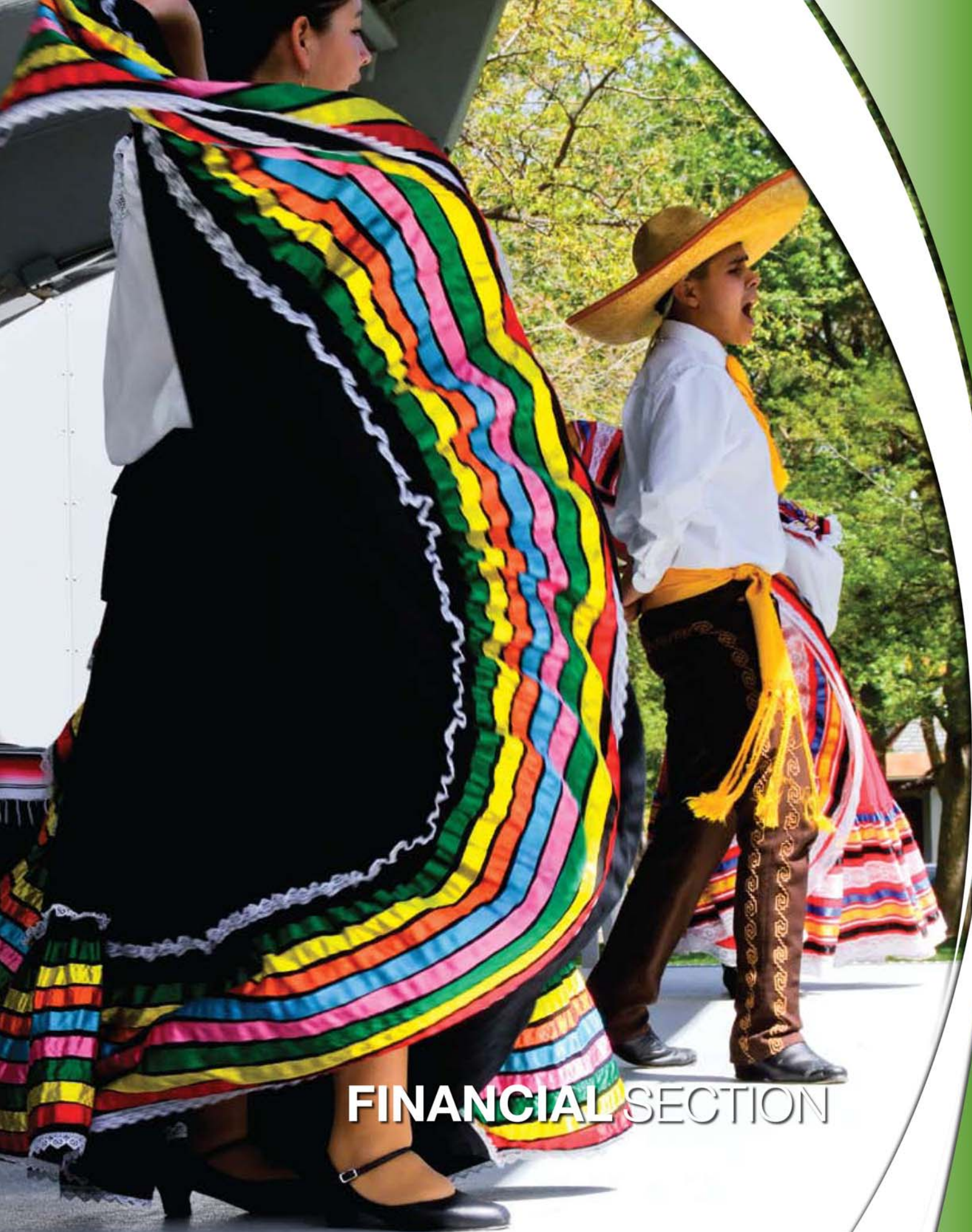
Darin Atteberry.....	City Manager
Wanda Krajicek.....	City Clerk*
Stephen J. Roy	City Attorney
Kathleen Lane.....	Municipal Judge

*City Manager appointed, City Council approved

City Officials and Department Directors

Steve Catanach.....	Light & Power Operations Manager
Kelly DiMartino.....	Communications and Public Involvement Director
Mike Freeman.....	Chief Financial Officer
Kevin Gertig	Water Resources/Treatment Operations Manager
Dennis Harrison.....	Chief of Police
Jon Haukaas	Water Engineering Field Operations Manager
Martin J. Heffernan.....	Director of Cultural, Parks, Recreation and Environmental Services
Brian Janonis	Utilities Executive Director
Diane Jones.....	Deputy City Manager
Ken Mannon	Operation Services Director
Janet Miller	Human Resources Director
Jeff Scheick.....	Planning, Development and Transportation Director
Charles M. Seest.....	Finance Director
Tom Vosburg	Chief Information Officer
Wendy Williams	Assistant City Manager/Internal Services

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FINANCIAL SECTION

FINANCIAL SECTION

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McGladrey & Pullen

Certified Public Accountants

Independent Auditor's Report

To the Honorable Mayor and
Members of the City Council and City Manager
City of Fort Collins, Colorado
Fort Collins, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component unit and remaining fund information of the City of Fort Collins, Colorado as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Fort Collins, Colorado's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate discretely presented component unit and remaining fund information of the City of Fort Collins, Colorado as of December 31, 2009, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General Fund, Sales and Use Tax Fund, and Transportation Services Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As explained in Note III, F to the basic financial statements, the City adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which changed its method of accounting for governmental funds' fund balance classifications.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 28, 2010 on our consideration of the City of Fort Collins, Colorado's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 15 through 26, the modified approach for City Streets Infrastructure capital assets on pages 89 through 90, the Pension Plan Schedules of Funding Progress and Schedules of Employer Contributions on page 91 and Other Postemployment Benefits Plan Schedule of Funding Progress on page 92 are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Fort Collins, Colorado's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The accompanying introductory, statistical sections and other schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. This information has not been subjected to the auditing procedures applied in our audit of the basic financial statements and, accordingly, we express no opinion on them.

McGladrey & Pullen, LLP

Denver, Colorado
May 28, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

The City of Fort Collins (the City) offers the readers of the City's financial statements this narrative overview and analysis of the financial activities for the year ended December 31, 2009. In addition to this overview and analysis based on currently known facts, decisions and conditions, the City would encourage readers to consider the information presented in the City's letter of transmittal and the City's financial statements, which begin on pages 3 and 27 of this report, respectively.

Financial Highlights

The assets of the City exceeded its liabilities at December 31, 2009 by \$1,342.3 million (net assets). Of the net asset balance, \$304.4 million is unrestricted and is available to meet the government's ongoing obligations in accordance with the City's fund designations and fiscal policies.

The City's net assets increased by \$20.3 million (1.5%). The governmental net assets increased by \$7.2 million (1.0%) and the business-type assets increased by \$13.1 million (2.2%).

The General Fund, the City's primary operating fund, ended 2009 with a \$37.6 million fund balance, a decline of \$7.9 million (17.3%) on a current financial resource basis. Of this amount, \$21.0 million is spendable and meets the policy minimum.

The City's total long-term debt increased by \$12.6 million (8.4%) during the current year. Within that activity, the City's governmental debt decreased by \$5.3 million and business-type debt increased by \$17.9 million. There were 2 significant debt transactions in 2009.

There were \$7,815,000 Water Utility Refunding Bonds issued since long-term interest rates were favorable. The average interest rate was 2.5%. The net present value savings was \$497,257.

There were \$30,655,000 in Wastewater Utility Sewer Revenue Bonds issued for the purpose of funding a major capital improvement project at the Mulberry Reclamation Facility. These improvements include both the design and construction of the new facility. There is a 3.98% net effective interest rate on these 20 year bonds.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements consist of the following three components: 1) Government-Wide Financial Statements, 2) Fund Financial Statements and 3) Notes to the Financial Statements. Other supplementary information is also included at the end of the report.

Government-Wide Financial Statements. The government-wide statements are designed to provide readers with a broad overview of the City's finances using the accrual basis of accounting, the basis of accounting used by most private-sector businesses.

The statement of net assets presents information on all of the City's assets and liabilities. The difference between assets and liabilities is reported as net assets. Over time, increases and decreases in net assets may provide an indication of whether the City's financial position is improving or deteriorating.

The statement of activities presents information reflecting how the City's net assets have changed during the fiscal year just ended. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future periods (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government, public safety, library service provided under an intergovernmental agreement, cultural, parks recreation and environmental services, planning and development services, and transportation. The business-type activities of the City include light and power, water, wastewater, storm drainage, and golf.

The government-wide financial statements also include the City of Fort Collins' Downtown Development Authority (DDA) as a discretely presented component unit of the City. See Note 1 in the notes to the City's financial statements (page 50) for more details regarding the DDA and its relationship to the City.

Fund Financial Statements. Traditional users of the City's financial statements will find the fund financial statement presentation more familiar. The focus is now on major funds rather than fund types.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. A major fund should generally meet both of the following criteria: 1) total assets, liabilities, revenues, or expenditures/expenses are at least 10% of the corresponding total (assets, liabilities, etc.) for that fund type (i.e., governmental or enterprise funds) and 2) total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5% of the corresponding total for all governmental and enterprise funds combined.

The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Governmental funds are used to report those same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide statements, the fund financial statements are prepared on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available, and expenditures are recognized when the related fund liability is incurred, with the exception of long-term debt and similar long-term items which are recorded when due. Therefore, the focus of the governmental fund financial statements is on near-term inflows and outflows of spendable resources as well as on the balance of spendable resources available at the end of the fiscal year.

Since the focus of the governmental funds is on near-term resources, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. To facilitate this comparison, reconciliations are provided for both the governmental fund balance sheet and the governmental statement of revenues, expenditures, and changes in fund balances.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Sales & Use Tax Special Revenue Fund, the Transportation Special Revenue Fund and the Capital Projects Fund. These four funds are considered to be major funds. Data from the other governmental funds is combined into a single, aggregated presentation. Individual fund data for each of these non-major funds is provided in the form of combining statements located within the supplementary information following the notes to the financial statements.

The City adopts an annual appropriated budget for all of its governmental funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 32-38 of this report.

Proprietary funds. The City maintains two different types of proprietary funds, enterprise and internal service funds. The proprietary fund financial statements are prepared on the accrual basis of accounting. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial

statements. The City uses enterprise funds to account for its light & power, water, wastewater, storm drainage and golf operations. Internal service funds are accounting devices used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for employee benefits provided by the City, its communications system, its fleet of vehicles and its self-insurance programs. Aside from the fleet of vehicles, these services predominantly benefit the governmental rather than business-type functions. As such, they have been included within the governmental activities in the government-wide financial statements. The activity in the Equipment Fund used for monitoring the fleet of vehicles is allocated between the governmental and business-type activities based upon actual usage. In addition, the utilities use an internal service fund to account for customer and administrative services. Because this fund is used solely by the utilities, it is included within the business-type activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Light & Power, Water, Wastewater and Storm Drainage enterprise funds are considered to be major funds and are therefore presented separately within the proprietary fund financial statements. The Golf Fund is presented as a non-major enterprise fund. All internal service funds are considered to be non-major funds and therefore are combined into a single, aggregated presentation in the proprietary fund statements. Individual fund data for each of the non-major proprietary funds is provided in the form of combining statements located within the supplementary information following the notes to the financial statements.

The City adopts an annual appropriated budget for all of its proprietary funds. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

The basic proprietary fund financial statements can be found on pages 40-45 of this report.

Fiduciary funds. The City maintains two different types of fiduciary funds, trust and agency funds. The fiduciary fund financial statements are prepared on the accrual basis of accounting.

The fiduciary funds are used to account for resources held by the City in a trustee capacity or as an agent for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The funds underlying each of the fiduciary fund types are combined into a single, aggregated presentation in the fiduciary fund statements. Individual fund data for each of the fiduciary funds is provided in the form of combining statements located within the supplementary information following the notes to the financial statements.

Aside from the General Employees' Retirement Plan Trust fund, the City does not adopt an annual appropriated budget for its fiduciary funds. A budgetary comparison statement for the General Employees' Retirement Plan Trust fund has been provided to demonstrate compliance with the budget.

The basic fiduciary fund financial statements can be found on pages 46-47 of this report.

Notes to the Financial Statements. The notes to the financial statements are considered an integral part of the basic financial statements since they provide additional information needed to gain a full understanding of the data provided in both the government-wide and fund financial statements. The notes to the financial statements can be found on pages 49-88 of this report.

Other Information. The City has elected to use the modified approach to account for and report its street infrastructure capital assets and the pension and other postemployment benefits plan. The City has included required supplementary information that explains the modified approach and recent assessments that have been performed using the related asset management system. These schedules can be found on pages 89-92 of this report.

Combining Statements. The combining statements referred to earlier in connection with the non-major governmental funds, non-major enterprise fund, internal service funds, fiduciary funds, and the component unit funds are presented following the required supplementary information. In addition, budget statements for the Capital Projects Fund and the major enterprise funds are also presented following the required supplementary information.

Government-Wide Financial Analysis

Statement of Net Assets

The following table reflects the condensed Statement of Net Assets.

Statement of Net Assets as of December 31 (amounts expressed in thousands, totals may not add due to rounding)						
	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Current and other assets	\$ 231,954	\$ 254,533	\$ 254,406	\$ 237,247	\$ 486,360	\$ 491,780
Capital assets	630,733	610,621	540,456	516,746	1,171,189	1,127,367
Total assets	<u>862,687</u>	<u>865,154</u>	<u>794,862</u>	<u>753,993</u>	<u>1,657,549</u>	<u>1,619,147</u>
Other liabilities	72,937	82,779	83,853	78,780	156,790	161,559
Long-term liabilities	60,494	60,299	97,920	75,213	158,414	135,512
Total liabilities	<u>133,432</u>	<u>143,079</u>	<u>181,773</u>	<u>153,992</u>	<u>315,205</u>	<u>297,071</u>
Net assets:						
Invested in capital assets, net of related debt	573,887	551,853	453,420	429,392	1,027,307	981,245
Restricted	8,960	5,229	1,671	1,642	10,631	6,872
Unrestricted	146,408	164,992	157,998	168,966	304,406	333,958
Total net assets	<u>\$ 729,256</u>	<u>\$ 722,074</u>	<u>\$ 613,089</u>	<u>\$ 600,000</u>	<u>\$ 1,342,345</u>	<u>\$ 1,322,075</u>

For more detailed information see the Statement of Net Assets on page 29 of this report.

By far the largest portion of the City's net assets, \$1,027.3 million (76.5%) is invested in capital assets (e.g., land, buildings, machinery and equipment), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net assets, \$10.6 million (.8%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets, \$304.4 million (22.7%), may be used to meet the City's ongoing obligations to its citizens and creditors.

The City's total net assets increased by \$20.3 million in 2009. However, unrestricted net assets decreased \$29.6 million and were used to support core operations, maintain infrastructure, and invest in critical capital assets. A significant portion of the \$46.1 million increase in net assets invested in capital assets was a non-cash contribution of transportation related infrastructure valued at \$16.9 million. Additional details of capital asset activity can be seen on pages 24-25.

Changes in Net Assets. The following table reflects a condensed summary of activities and changes in net assets.

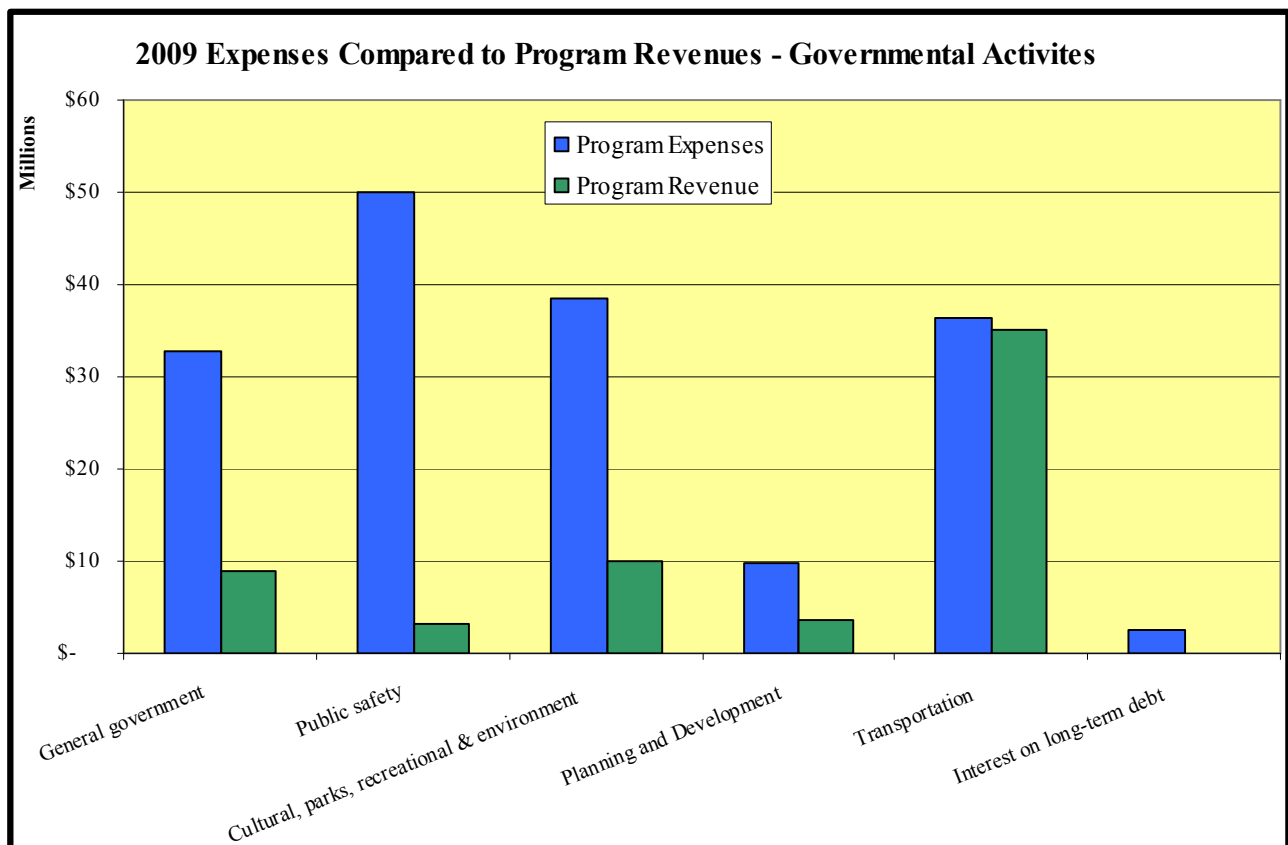
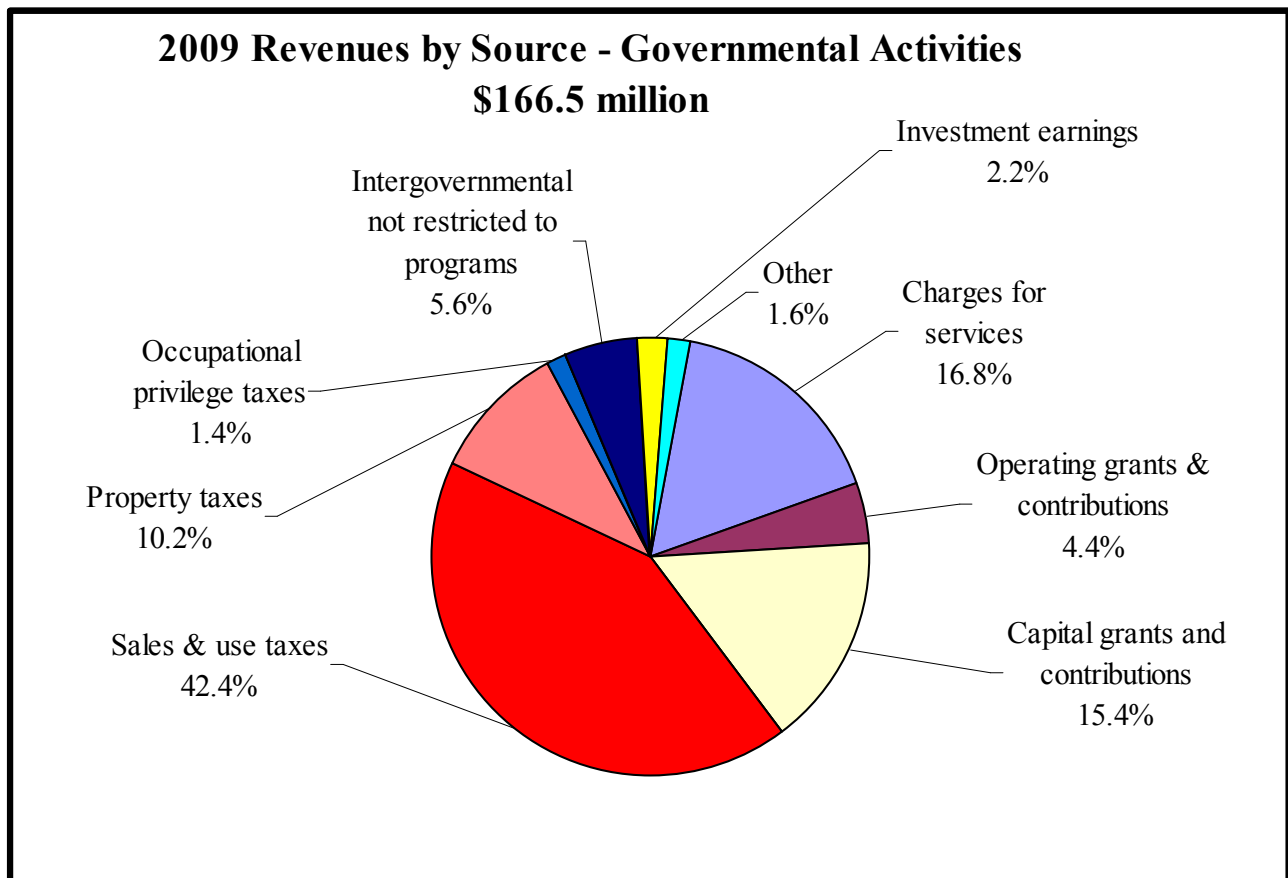
Statement of Activities & Changes in Net Assets
as of December 31
(amounts expressed in thousands, totals may not add due to rounding)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2009	2008	2009	2008	2009	2008
Revenues:						
Program revenues:						
Charges for services	\$ 27,752	\$ 36,502	\$ 140,273	\$ 140,512	\$ 168,025	\$ 177,014
Operating grants & contributions	7,387	6,412	112	24	7,499	6,436
Capital grants and contributions	25,717	7,775	8,169	12,233	33,885	20,009
General revenues:						
Sales & use taxes	70,501	75,865	-	-	70,501	75,865
Property taxes	17,038	16,683	-	-	17,038	16,683
Occupational privilege taxes	2,413	2,494	-	-	2,413	2,494
Lodging taxes	736	833	-	-	736	833
Intergovernmental not restricted to programs	9,277	10,420	-	-	9,277	10,420
Gain on investment in joint venture	611	505	-	-	611	505
Investment earnings	3,655	9,043	4,727	9,583	8,382	18,626
Other	1,394	14,400	1,792	1,839	3,186	16,240
Total Revenues	166,482	180,934	155,072	164,191	321,554	345,124
Expenses:						
General government	32,868	33,535	-	-	32,868	33,535
Public safety	50,055	46,521	-	-	50,055	46,521
Cultural, parks, recreation and environment	38,515	35,490	-	-	38,515	35,490
Planning and development	9,706	6,585	-	-	9,706	6,585
Transportation	36,471	44,659	-	-	36,471	44,659
Interest on long-term debt	2,632	3,063	-	-	2,632	3,063
Light & power	-	-	83,888	81,620	83,888	81,620
Water	-	-	20,667	21,205	20,667	21,205
Wastewater	-	-	14,668	13,370	14,668	13,370
Storm drainage	-	-	9,426	9,021	9,426	9,021
Golf	-	-	2,387	2,507	2,387	2,507
Total expenses	170,247	169,852	131,037	127,723	301,283	297,575
Increase (decrease) in net assets before transfers	(3,765)	11,082	24,035	36,468	20,270	47,549
Transfers	10,947	11,820	(10,947)	(11,820)	-	-
Increase in net assets	7,182	22,902	13,088	24,648	20,270	47,549
Net assets - beginning	722,074	699,172	600,000	575,353	1,322,075	1,274,525
Net assets - ending	\$ 729,256	\$ 722,074	\$ 613,089	\$ 600,000	\$ 1,342,345	\$ 1,322,075

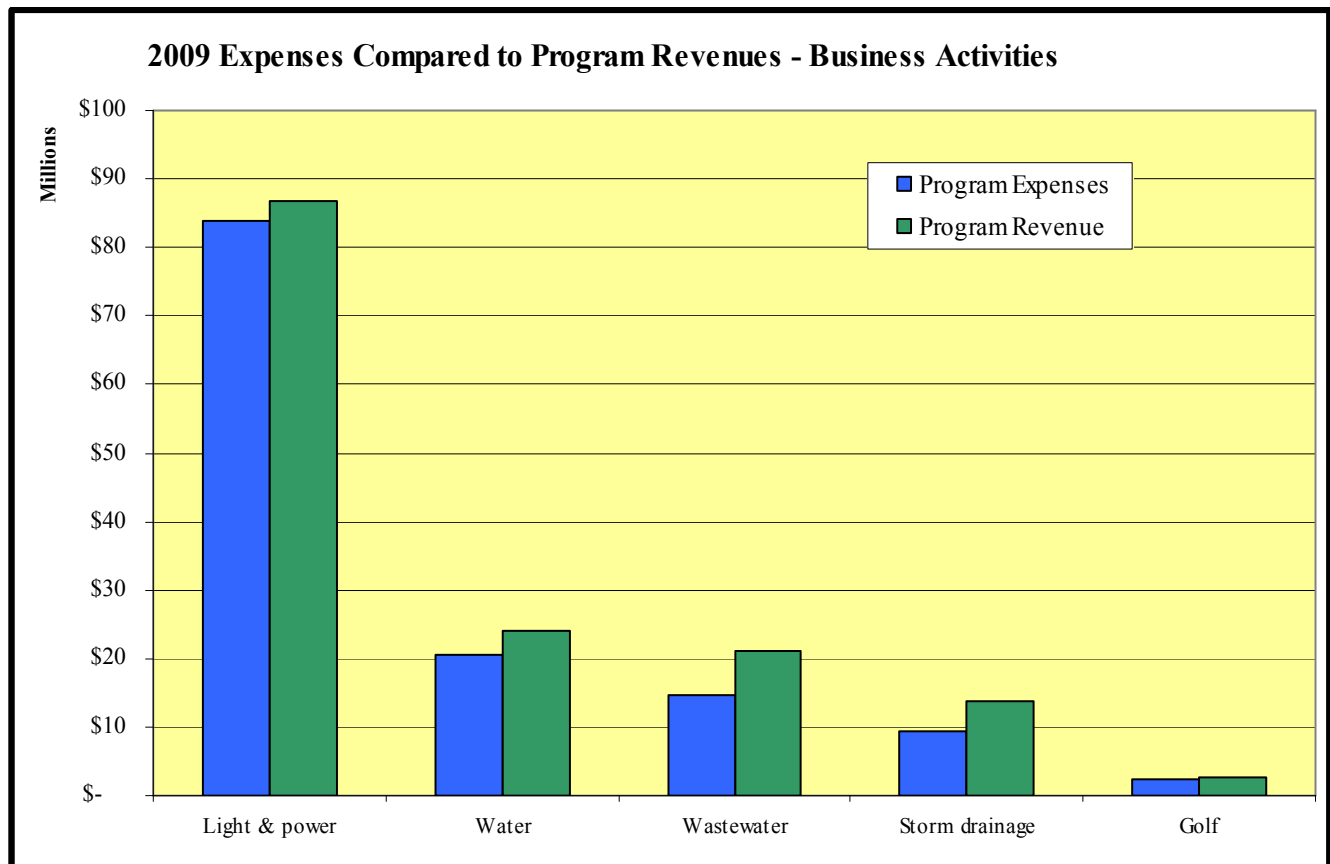
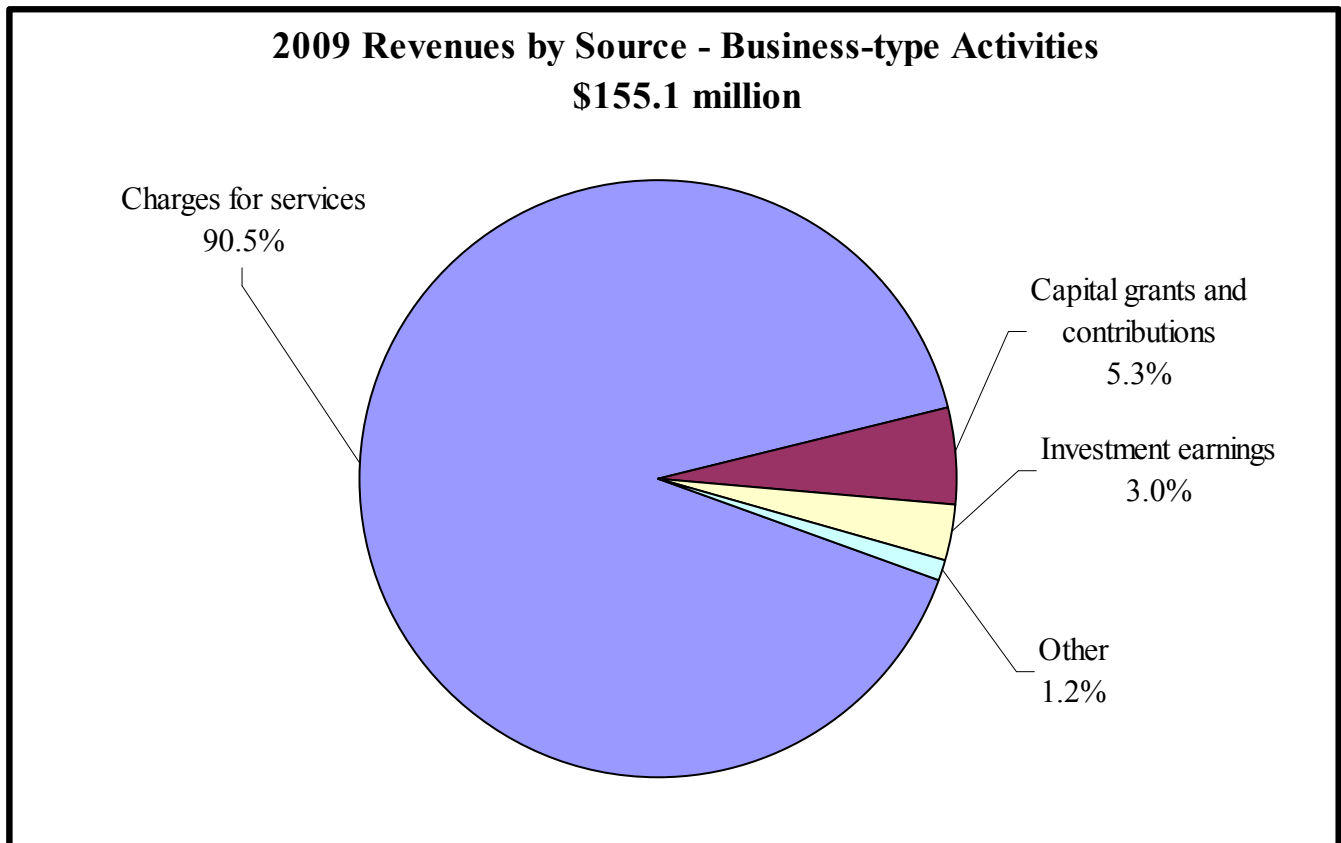
For more detailed information see the Statement of Activities on pages 30-31 of this report.

The above condensed summary of the City's governmental and business type activities for the period ended December 31, 2009 reflects net assets increasing by \$20.3 million (1.5%). The prior period is also included for comparative purposes. In addition, revenue and expense graphs have been presented on pages 20-21 to enhance the reader's understanding of the current year activities.

Governmental Activities:



Business-type Activities:



Governmental activities. Governmental activities increased the City's net assets by \$7.2 million, accounting for 35.4% of the City's \$20.3 million overall increase in net assets. Major variations are due to the following:

Capital grants and contributions increased by \$17.9 million in 2009. This was primarily due to non-cash contributions/donated infrastructure received in the Transportation area. There were \$8 million of Street infrastructure donations and \$8.9 million of Right of Way donations. Included in the above amounts, the Southwest Annexation received \$10.2 million in donations. The City of Fort Collins donated the \$6.2 million Council Tree Library and the old Main Library building and land, with a net book value of \$0.8 million, to the Poudre River Public Library District (PRPLD).

Charges for Services decreased \$8.7 million. This was primarily due to lower Street Oversizing Fees of \$2.3 million because of the recession and significantly less revenues from building inspections and permits. Street Maintenance revenues decreased \$1.6 million due to reduced development activity and the economic downturn. The Lincoln Center Performing & Visual Arts revenues decreased by \$0.6 million in 2009. This was primarily due to decreased ticket sales and 16 fewer shows performed in 2009.

Investment Earnings decreased by \$5.4 million (59.6%) in 2009. The city earned a 2.55% average interest rate in 2009 compared to 3.91% in 2008. There was a 13.5% decrease in the amounts invested in 2009 due primarily to the use of reserves.

Combined sales and use tax collections were \$5.4 million lower (6.2%) than 2008 collections. The overall decrease in 2009 was influenced by several categories with negative growth. Business Services decreased 18%, General Merchandise decreased by 3.8%, Home Furnishings & Consumer Electronics decreased 11.5%, and Auto Dealers & Service Stations decreased 9.6%.

Operating grants and contributions increased \$1 million primarily due to the Community Development Block Grant (CDBG) receiving American Recovery & Reinvestment Act (ARRA) funds to support rental assistance.

There was an \$8.2 million decrease in Transportation expenditures. This was primarily due to a \$5.5 million decrease in Street and Bridge Maintenance area.

Business-type activities. Business-type activities in the utility funds increased the City's net assets by \$13.1 million, accounting for 62.9% of the City's \$20.3 million increase in net assets. This was lower than the last 2 years. Major variations are due to the following:

Charges for services in the utilities business activities decreased \$98,049 (0.1%) from 2008 to 2009. Conservation efforts, the economy, and weather patterns continue to impact the utilities revenues. The Light and Power Fund operating revenues increased 1% which is less than the electric rate increase of 2.8% implemented in January 2009. There were no changes in the water rates for 2009; however, a wet cool summer resulted in a 10.4% reduction in water operating revenues. Wastewater operating revenues increased 9.5% from the previous year following implementation of an 11% rate increase. Stormwater rates remained unchanged in 2009 and the fund's revenues increased 0.4%.

Capital contributions decreased \$4.1 million due primarily to lower plant investment fees and decreased water rights. Development review fees were lower also. Investment Earnings decreased \$4.9 million primarily due to the lower average interest rate.

The increases in net assets in the Utilities are being accumulated for significant future capital purchases.

Financial Analysis of the City's Funds

As noted previously, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At 12/31/09, the total Governmental fund balances were \$134.1 million, a decrease of \$17.1 million (11.3%) compared to the prior year. There was \$16.6 million non spendable, restricted was \$9.0 million, committed was \$15.1 million, assigned was \$92.4 million, and unassigned was \$1.0 million.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. The fund experienced a net increase of \$0.9 million which resulted in a 12/31/09 assigned fund balance of \$33.8 million. The largest capital project expenditures were on Street Oversizing Projects, I-25 & SH 392 Interchange and Improvement, and Mason Street Transportation Corridor. The Council Tree Library was completed in 2009.

The General Fund is the chief operating fund of the City. At 12/31/09, the total fund balance was \$37.6 million. The spendable fund balance was \$21.0 million. The General Fund experienced a decrease of \$7.9 million in 2009 primarily due to lower sales and use tax revenues.

The Transportation Services Special Revenue Fund is another major governmental fund of the City. At 12/31/09, the fund balance was \$12.6 million. It decreased by \$0.4 million in 2009. The assigned fund balance was \$11.7 million. The revenues decreased by \$2.1 million. The primary causes were the lower revenues in the road and bridge levy shared revenues from Larimer County (\$0.5 million) and lower auto specific ownership tax revenues.

Proprietary funds. The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The unrestricted net asset balances and the growth in net assets of the City's proprietary funds (including the major enterprise funds) are reflected in the following table.

Change in Net Assets - Proprietary Funds
(amounts expressed in thousands, totals may not add due to rounding)

	Unrestricted Net Assets at 12/31/09	Change in Net Assets for Yr Ended 12/31/09
<u>Proprietary Funds</u>		
Light & Power	\$ 48,926	\$ (983)
Water	70,522	3,051
Wastewater	23,612	6,754
Storm Drainage	13,471	4,367
Total of Major Enterprise Funds	156,531	13,189
Other Enterprise Fund	557	68
Total Enterprise Funds	157,088	13,257
Internal Service Funds	19,166	(1,207)
Total Proprietary Funds	<u>\$ 176,254</u>	<u>\$ 12,050</u>

General Fund Budgetary Highlights

The final budget appropriations were \$5.7 million higher to the original budget appropriations. They are summarized below:

The 2009 ordinances created new budget appropriations for the following items: \$1.3 million Energy Efficiency and Conservation Block grant was appropriated in November and expenditures will occur in 2010 across various projects; \$0.5 million from the re-appropriation ordinance for various affordable housing items, operations facilities major repair and maintenance tasks, and other various necessary areas;

\$0.4 million for Joint Justice Assistance Grant (JAG) for regional law enforcement communications equipment; \$0.5 million in the clean-up ordinance for Fort Collins Police Services (FCPS) shared cost for the CAD system with Larimer County and other various FCPS appropriations to cover operational expenditures; and \$0.7 million combined for Midtown Commercial Corridor (Economic Health Program), three grants for the Northern Colorado Drug Task Force, and lodging tax excess revenues.

The variance between actual expenditures and the final budget amounted to \$15.3 million in unspent appropriations and is summarized below:

In response to a decrease in revenues and transfers for 2009, \$7.7 million of appropriations were frozen within the General Fund budget.

Executive, Legislative, and Judicial Services had unspent appropriations of \$1.2 million. These savings were primarily in the consulting area for the Economic Health Program projects like Mid Town and CSU Benchmarking on Fort Collins Industry Clusters. Close captioning money for some city council events was not spent. There were unspent appropriations in online mapping software. City executives substantially reduced out-of-state conference and travel expenses to such events as National League of Cities and some green conferences. There were unspent appropriations in copy and reproduction services for City News utility bill supplements and district meetings advertising materials.

Planning and Development Services had unspent appropriations of \$1.8 million. The recession caused a decrease in building activity, development review, city planning, and code compliance. The 2009 total construction value was \$116.0 million. This was a decrease of \$135.4 (53.9%) million in 2009. The average value of building permits was \$19,772 (down 59.5%). Due to the difficult economic environment, staffing levels and budget were reduced. The Affordable Housing Trust had unspent funds since awards are made via the competitive process during the spring and fall award cycles. The Human Services Program provides necessary assistance to various community organizations that help citizens in need. Due to their fiscal year ending 9/30/10, there was unspent money at 12/31/09. Some City Planning and Community Development multi-year planning projects were not completed as of 12/31/09.

Cultural, Parks, Recreation, and Environment Services had unspent appropriations of \$1.5 million. This was primarily due to the Energy Efficiency Grant being awarded late in 2009 with ARRA funding.

Administrative Services, which is primarily Facility Operations, had unspent appropriations of \$0.8 million. This was primarily due to utility cost savings realized in natural gas. Higher natural gas prices were anticipated when the 2009 budget was completed based on prior years' rate increases.

The Police Department had unspent appropriations of \$1.8 million. One major reason was lower expenditures in 5 JAG Grants and the 800 MHz Direct ARRA grant was received late in 2009. There were also lower expenditures in communications equipment.

Capital Asset and Debt Administration

Capital Assets. The City's investment in capital assets for its governmental and business-type activities as of December 31, 2009 amounted to \$1,171.2 million (net of accumulated depreciation). This was an increase of \$43.8 million (3.9%). This investment in capital assets includes land, water rights, buildings and improvements, machinery, equipment, and light & power, water, wastewater and storm drainage infrastructure as well as street system infrastructure.

The City has elected to use the modified approach for infrastructure reporting of its street system infrastructure. The City completes assessments of its entire street system on a 3 year cycle. The most recent 3 year assessment was completed as of December 31, 2009. It resulted in a Pavement Condition Index (PCI) rating of 71. It met the City's policy of achieving a good (Level of Service B) rating. For 2009, the City spent \$7.8 million on its street maintenance program as compared to \$10.1 million, the estimate provided by the asset management system. For more detailed information see the Required Supplementary Information on pages 89-90 of this report.

Capital Assets Net of Depreciation
as of December 31
(amounts expressed in thousands, totals may not add due to rounding)

	Governmental Activities		Business-type Activities		Total Primary Government	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Land, rights of way, water rights, other	\$ 196,280	\$ 114,803	\$ 61,960	\$ 61,454	\$ 258,240	\$ 176,257
Street system infrastructure	251,514	312,569	-	-	251,514	312,569
Construction in progress	15,081	12,799	74,581	46,496	89,662	59,295
Infrastructure	7,707	-	-	-	7,707	-
Buildings and improvements	101,664	115,266	146,563	150,963	248,227	266,229
Improvements other than buildings	34,685	29,032	245,424	246,540	280,109	275,572
Machinery and equipment	23,802	26,152	11,928	11,293	35,730	37,445
Total capital assets	<u>\$ 630,733</u>	<u>\$ 610,621</u>	<u>\$ 540,456</u>	<u>\$ 516,746</u>	<u>\$1,171,189</u>	<u>\$ 1,127,367</u>

There was a reclassification of \$72.7 million in rights of way in 2009. The 2009 rights of way are included in Land, rights of way, water rights, other; whereas, the 2008 rights of way were included in Street system infrastructure.

Major capital improvements during this fiscal year included the following:

Governmental Activities

Completed in 2009:

Old Fort Collins Heritage Park - \$618,000

Other new capital assets in 2009:

Additions to Street Infrastructure - \$11.6 million
Fort Collins Museum/Discovery Science Center Facility - \$666,000
I-25 & SH 392 Interchange - \$1.6 million
Harmony Bridge Replacement - \$415,000
N. College Avenue Improvements - \$632,000
Mason Street Trail Improvements - \$723,000
Down-payment on 6 new buses for Transfort - \$857,000
Soapstone Public Improvement Project – accumulated costs to date - \$4.8 million
Additions to Right of Way - \$8.9 million
Wellington Community Separator Land - \$1.1 million
Bernard Ranch Land – 880 acres - \$990,000

Proprietary Activities

Completed in 2009:

Various basin improvement projects - \$601,000
Acquired additional dedicated water rights - \$136,000
Sewer improvements - \$918,000
Computer software system upgrade - \$538,000
Various water main projects - \$892,000

Other new capital assets in 2009:

Halligan Reservoir Enlargement Project – accumulated costs to date - \$8.2 million
Canal Importation Ponds & Outfall – accumulated costs to date - \$11.9 million
Various underground conduits & conductors - \$6.9 million
Portner Substation Light & Power – accumulated costs to date - \$8.4 million
Mulberry Water Reclamation Facility Improvements – accumulated costs to date - \$12.2 million
Wastewater Odor Control Projects – accumulated costs to date - \$5.7 million

Additional information on the City's capital assets can be found in Note III.C. on pages 63-64 of this report.

Long-term debt. At the end of the current fiscal year, the City had total debt outstanding of \$161.9 million (bonds, certificates of participation, capital leases, etc.). This was an increase of \$12.6 million (8.4%). Of this amount, \$103.4 million represents bonds secured by specified revenue sources (i.e., revenue bonds). The remaining \$58.5 million represents debt primarily secured by the new facilities or equipment being financed by certificates of participation, assignment of lease payments or capital leases.

Outstanding Debt as of December 31 (amounts expressed in thousands)					
	Governmental Activities		Business-type Activities		Total Primary Government
	2009	2008	2009	2008	
Revenue bonds	\$ 985	\$ 2,250	\$ 102,440	\$ 81,618	\$ 103,425
General obligation bonds (water)	-	-	-	2,535	-
Certificates of participation	52,225	55,340	1,470	1,595	53,695
Assignment of lease payments	627	666	1,996	2,117	2,623
Capital leases	1,736	2,636	381	544	2,117
Total outstanding debt	<u>\$ 55,573</u>	<u>\$ 60,892</u>	<u>\$ 106,287</u>	<u>\$ 88,409</u>	<u>\$ 161,860</u>

Additional information on the City's long-term obligations can be found in Note III.E on pages 65-73 of this report.

Other Potentially Significant Matters

The Smart Grid Investment Grant received unanticipated revenue of \$18,101,264. The grant will help fund the installation of an Advanced Metering Infrastructure (AMI) System. In addition to the installation, the grant will fund the Utilities Information Technology Long Range Strategic Plan related to the implementation of AMI and Smart Grid Technology. It will further help the Fort Collins Utilities expand their fiber optic system and grid automation equipment.

Requests for Information

The City's financial statements are designed to provide users with a general overview of the City's finances and to demonstrate the City's accountability. Questions concerning any of the information presented in this report or requesting additional information should be sent to the Finance Director's attention at the following address:

Director of Finance
215 North Mason Street 2nd Floor
PO Box 580
Fort Collins, CO 80522-0580



BASIC FINANCIAL STATEMENTS

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STATEMENT OF NET ASSETS
DECEMBER 31, 2009

	Primary Government -- City of Fort Collins			
	Governmental Activities	Business-type Activities	Total	Component Unit
ASSETS				
Cash and cash equivalents	\$ 14,347,424	\$ 15,792,973	\$ 30,140,397	\$ 1,076,790
Investments	125,290,198	128,909,480	254,199,678	10,194,966
Cash held by fiscal agent	-	514,242	514,242	-
Securities lending collateral	35,684,360	59,651,892	95,336,252	-
Receivables:				
Property taxes	17,910,461	-	17,910,461	6,274,809
Sales and use taxes	7,194,099	-	7,194,099	-
Accounts	4,875,727	16,774,251	21,649,978	4,535
Notes	2,509,464	467,726	2,977,190	-
Interest	967,921	1,231,024	2,198,945	77,075
Prepaid	185,903	-	185,903	15,844
Internal Balances component unit	5,726,976	5,931,086	11,658,062	(11,658,062)
Internal Balances	1,721,735	(1,721,735)	-	-
Due from other governments	3,417,964	51,879	3,469,843	-
Inventories of materials and supplies	530,628	5,283,952	5,814,580	-
Inventory of real property held for resale	2,896,665	-	2,896,665	135,464
Restricted cash and cash equivalents	29,864	1,156,341	1,186,205	-
Restricted investments	-	19,570,392	19,570,392	-
Investment in joint venture	8,004,881	-	8,004,881	-
Capital assets (non-depreciable)	462,874,910	136,540,659	599,415,569	2,528,747
Capital assets (net of accumulated depreciation)	167,857,742	403,914,850	571,772,592	4,488,444
Unamortized bond issuance costs	660,515	792,946	1,453,461	9,110
Total Assets	862,687,437	794,861,958	1,657,549,395	13,147,722
LIABILITIES				
Accounts payable	4,331,271	12,425,321	16,756,592	88,155
Interest payable	242,749	426,240	668,989	26,582
Wages payable	2,049,649	483,662	2,533,311	8,997
Due to other governments	43,876	-	43,876	-
Unearned revenue	18,954,095	-	18,954,095	6,383,809
Obligations under securities lending	35,684,360	59,651,892	95,336,252	-
Non-Current liabilities				
Due within one year	11,631,368	10,865,932	22,497,300	213,648
Due in more than one year	60,494,297	97,920,037	158,414,334	190,807
Total Liabilities	133,431,665	181,773,084	315,204,749	6,911,998
NET ASSETS				
Invested in capital assets, net of related debt	573,886,817	453,420,445	1,027,307,262	7,017,191
Restricted for:				
Debt service	29,864	1,156,341	1,186,205	-
Gifts and grants	1,726,422	-	1,726,422	-
Agreements	3,785,004	514,242	4,299,246	-
Emergencies	3,419,183	-	3,419,183	-
Unrestricted (deficit)	146,408,482	157,997,846	304,406,328	(781,467)
Total Net Assets	\$ 729,255,772	\$ 613,088,874	\$ 1,342,344,646	\$ 6,235,724

The notes to the financial statements are an integral part of this statement.

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009**

		Program Revenues		
		Charges for	Operating	Capital
	Expenses	Services	Grants and	Grants and
			Contributions	Contributions
<u>FUNCTIONS/ PROGRAM ACTIVITIES:</u>				
Primary Government:				
Governmental Activities:				
General government	\$ 32,867,878	\$ 8,863,075	\$ 108,646	\$ 56,470
Public safety	50,055,591	1,929,663	1,167,434	79,759
Culture, parks, recreation and environment	38,514,849	7,387,578	341,142	2,166,048
Planning and development	9,706,377	994,413	2,610,275	-
Transportation	36,470,606	8,577,376	3,159,769	23,414,305
Interest on long-term debt	2,631,790	-	-	-
Total Governmental Activities	170,247,091	27,752,105	7,387,266	25,716,582
Business-type Activities:				
Light & Power	83,888,068	84,253,267	111,785	2,468,448
Water	20,666,996	21,978,074	-	2,115,681
Wastewater	14,668,227	17,803,072	-	3,416,317
Storm Drainage	9,426,174	13,630,980	-	168,243
Golf	2,387,248	2,607,550	-	-
Total Business-type Activities	131,036,713	140,272,943	111,785	8,168,689
Total Primary Government	301,283,804	168,025,048	7,499,051	33,885,271
Component Unit:				
Downtown Development Authority	\$ 4,308,618	\$ 70,686	\$ 41,671	\$ -

The notes to the financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Assets				
Primary Government - City of Fort Collins				Component Unit
Governmental Activities	Business-type Activities	Total		
\$ (23,839,687)	\$	\$ (23,839,687)	\$	
(46,878,735)		(46,878,735)		
(28,620,081)		(28,620,081)		
(6,101,689)		(6,101,689)		
(1,319,156)		(1,319,156)		
(2,631,790)		(2,631,790)		
<u>(109,391,138)</u>		<u>(109,391,138)</u>		
	2,945,432	2,945,432		
	3,426,759	3,426,759		
	6,551,162	6,551,162		
	4,373,049	4,373,049		
	220,302	220,302		
-	17,516,704	17,516,704		
<u>(109,391,138)</u>	<u>17,516,704</u>	<u>(91,874,434)</u>		
				<u>(4,196,261)</u>
General Revenues				
Sales & use taxes	70,501,307	-	70,501,307	-
Property taxes	17,038,447	-	17,038,447	5,751,420
Occupational privilege taxes	2,413,205	-	2,413,205	-
Lodging taxes	735,634	-	735,634	-
Intergovernmental not restricted to programs	9,276,551	-	9,276,551	-
Gain on investment in joint venture	610,967	-	610,967	-
Investment earnings	3,655,468	4,726,939	8,382,407	430,803
Miscellaneous	1,394,268	1,791,570	3,185,838	(240,970)
Transfers	10,946,753	(10,946,753)	-	-
Total general revenues and transfers	<u>116,572,600</u>	<u>(4,428,244)</u>	<u>112,144,356</u>	<u>5,941,253</u>
Changes in Net Assets	7,181,462	13,088,460	20,269,922	1,744,992
Net Assets--January 1 as restated	722,074,310	600,000,414	1,322,074,724	4,490,732
Net Assets--December 31	<u>\$ 729,255,772</u>	<u>\$ 613,088,874</u>	<u>\$ 1,342,344,646</u>	<u>\$ 6,235,724</u>

**GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2009**

	Primary Government					
	General	Sales and Use Tax	Trans- portation Services	Capital Projects	Total Other Governmental	Total Governmental
ASSETS						
Cash and cash equivalents	\$ 1,850,761	\$ 311,866	\$ 1,058,244	\$ 3,167,985	\$ 3,555,644	\$ 9,944,500
Investments	20,995,000	2,172,781	10,060,089	30,001,471	42,872,926	106,102,267
Securities lending collateral	8,418,191	877,094	4,080,392	-	14,538,779	27,914,456
Receivables						
Property taxes	17,171,541	-	-	-	738,920	17,910,461
Sales and use taxes	-	7,194,099	-	-	-	7,194,099
Accounts	901,790	-	1,903,206	1,086,370	537,328	4,428,694
Notes and loans	125,000	-	-	-	2,384,464	2,509,464
Interest	162,024	15,881	78,191	232,377	330,803	819,276
Prepaid item	6,007	-	150	-	1,148	7,305
Due from other funds	372,694	-	-	-	-	372,694
Advances to component unit	3,280,033	74,747	253,946	617,450	1,004,392	5,230,568
Advances to other funds	10,303,939	-	-	-	-	10,303,939
Due from other governments	134,028	-	214,986	1,008,551	2,024,284	3,381,849
Inventory of materials and supplies	4,328	-	-	-	-	4,328
Inventory of real property held for resale	2,896,665	-	-	-	-	2,896,665
Restricted assets - cash and cash equivalents	-	-	29,864	-	-	29,864
Total Assets	66,622,001	10,646,468	17,679,068	36,114,204	67,988,688	199,050,429
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable, accruals, and other	1,748,855	2,281	643,985	1,082,299	648,972	4,126,392
Wages payable	1,564,962	-	130,490	10,190	233,162	1,938,804
Due to other governments	39,036	-	3,587	-	1,253	43,876
Due to other funds	-	-	-	-	372,694	372,694
Deferred revenue	17,257,434	-	212,971	1,248,036	1,466,609	20,185,050
Advance from other funds	-	-	-	-	10,363,939	10,363,939
Obligations under securities lending	8,418,191	877,094	4,080,392	-	14,538,779	27,914,456
Total Liabilities	29,028,478	879,375	5,071,425	2,340,525	27,625,408	64,945,211
Fund Balances						
Nonspendable	16,615,968	-	150	-	1,148	16,617,266
Restricted	4,286,553	-	900,748	-	3,773,172	8,960,473
Committed	699,677	-	-	-	14,351,818	15,051,495
Assigned	5,014,700	9,767,093	11,706,745	33,773,679	32,167,176	92,429,393
Unassigned	10,976,625	-	-	-	(9,930,034)	1,046,591
Total Fund Balances	37,593,523	9,767,093	12,607,643	33,773,679	40,363,280	134,105,218
Total Liabilities and Fund Balances	\$ 66,622,001	\$ 10,646,468	\$ 17,679,068	\$ 36,114,204	\$ 67,988,688	\$ 199,050,429

The notes to the financial statements are an integral part of this statement.

**RECONCILIATION OF THE BALANCE SHEET OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2009**

Amounts reported for governmental activities in the statement of net assets (page 29) are different because:

Total fund balances - governmental funds (page 32)	\$ 134,105,218
Capital assets of \$716,911,771 net of accumulated depreciation of \$91,210,426 used in governmental activities are not financial resources, therefore, are not reported in the funds.	625,701,345
City's joint venture equity interest in Fort Collins/Loveland Airport.	8,004,881
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.	1,908,551
Internal service fund allocated to business type activities	1,781,735
Long-term liabilities are not due and payable in the current period and therefore are not reported in funds:	
Interest payable	(241,984)
Bonds payable	(985,000)
Certificates of Participation	(52,225,000)
Assignment of lease	(627,546)
Premium & deferral, net	(1,272,694)
Capital lease	(1,304,709)
Compensated absences	(3,947,126)
Net pension obligation	(1,753,873)
Postemployment healthcare obligation	<u>(962,946)</u>
	(63,320,878)
Internal service funds are used by management to charge the costs of certain activities to individual funds. Except for the utility customer service and administrative fund, the assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets.	<u>21,074,920</u>
Net assets of governmental activities (page 29)	<u>\$ 729,255,772</u>

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2009

	Primary Government					
	General	Sales and Use Tax	Trans- portation Services	Capital Projects	Total Other Governmental	Total Governmental
REVENUES						
Taxes	\$ 19,693,259	\$ 70,501,307	\$ -	\$ -	\$ 494,028	\$ 90,688,594
Licenses and permits	851,383	-	161,294	-	-	1,012,677
Intergovernmental	8,803,774	-	6,491,384	3,146,248	11,360,649	29,802,055
Fees and charges for services	7,074,880	-	7,075,617	-	8,767,353	22,917,850
Fines and forfeitures	2,779,255	-	-	-	-	2,779,255
Earnings on investments	962,041	78,411	390,898	727,742	923,151	3,082,243
Interest on security lending income	45,036	6,912	3,108	-	48,000	103,056
Miscellaneous revenue	590,477	996,892	44,884	168,667	670,991	2,471,911
Total Revenues	40,800,105	71,583,522	14,167,185	4,042,657	22,264,172	152,857,641
EXPENDITURES						
Current operating						
Executive, legislative, and judicial	10,922,298	-	-	-	-	10,922,298
Facility Operations	7,484,975	-	-	-	-	7,484,975
Cultural, parks, recreation and environment	8,743,083	-	-	-	17,437,628	26,180,711
Planning and Development	5,133,395	-	-	-	4,544,009	9,677,404
Police protection	29,268,829	-	-	-	-	29,268,829
Transportation	-	-	23,866,978	-	8,884,181	32,751,159
Other	1,057,732	1,781,595	-	-	164,562	3,003,889
Security lending interest expense	22,305	3,088	1,555	-	26,220	53,168
Security lending agent fees	11,927	1,678	904	-	13,473	27,982
Intergovernmental						
Fire protection	17,223,795	-	-	-	-	17,223,795
Capital outlay	1,393,421	-	475,502	15,240,709	6,834,644	23,944,276
Debt service						
Principal	406,818	-	96,103	-	4,227,661	4,730,582
Interest	70,413	-	11,393	-	2,572,342	2,654,148
Total Expenditures	81,738,991	1,786,361	24,452,435	15,240,709	44,704,720	167,923,216
Excess (Deficiency) of Revenues Over (Under) Expenditures	(40,938,886)	69,797,161	(10,285,250)	(11,198,052)	(22,440,548)	(15,065,575)
OTHER FINANCING SOURCES (USES)						
Transfers in	58,336,508	-	10,378,818	13,685,440	32,685,433	115,086,199
Transfers out	(25,260,218)	(71,161,905)	(519,959)	(1,610,946)	(18,571,322)	(117,124,350)
Payments to refunded bond escrow agent	-	-	-	-	(2,150)	(2,150)
Total Other Financing Sources (Uses)	33,076,290	(71,161,905)	9,858,859	12,074,494	14,111,961	(2,040,301)
Net Changes in Fund Balances	(7,862,596)	(1,364,744)	(426,391)	876,442	(8,328,587)	(17,105,876)
Fund Balances-January 1	45,456,119	11,131,837	13,034,034	32,897,237	48,691,867	151,211,094
Fund Balances-December 31	\$ 37,593,523	\$ 9,767,093	\$ 12,607,643	\$ 33,773,679	\$ 40,363,280	\$ 134,105,218

The notes to the financial statements are an integral part of this statement.

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009**

Amounts reported for governmental activities in the statement of activities (pages 30-31) are different because:

Net change in fund balances - total governmental funds (page 34) **\$ (17,105,876)**

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays, \$23,474,432 including \$10,000 trade in, exceeded depreciation, \$9,127,087, in the current period. 14,347,345

The net effect of various miscellaneous transactions involving capital assets:

Donations	16,974,896	
Disposal, including \$10,000 trade in	(11,448,038)	
Transfer of assets	<u>(111,936)</u>	
		5,414,922

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. 1,248,036

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to the governmental funds. However, issuing debt increases long-term liabilities on the statement of net assets, so this transaction has no effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items as expenditures in the period when the debt is created. However, these amounts are deferred and amortized in the statement of activities.

Principal payments	4,930,314	
Change in net pension obligation	(856,894)	
Change in postemployment healthcare benefits	(314,498)	
Change in compensated absences	(108,170)	
Amortization of premium, discount, deferred amount of refunding	82,575	
Interest expense	<u>44,134</u>	
		3,777,461

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (73,098)

Expenses in Statement of Activities related to City's Equity in Joint Venture
Change in Non-Capital Equity position in Fort Collins/Loveland Airport 610,967

Transfer of internal service fund net assets from business type activities 840,749

Internal service funds are used by management to charge the costs of certain activities to individual funds. Except for the utility customer service and administrative fund, the net revenue of the internal service funds is reported with the governmental activities. (1,879,044)

Change in net assets of governmental activities (pages 30-31) **\$ 7,181,462**

The notes to the financial statements are an integral part of this statement.

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES				
Taxes	\$ 19,693,259	\$ 18,779,356	\$ 19,620,000	\$ 73,259
Licenses and permits	851,383	1,417,000	937,000	(85,617)
Intergovernmental	8,803,774	11,510,380	11,510,380	(2,706,606)
Fees and charges for services	7,074,880	7,764,282	7,096,349	(21,469)
Fines and forfeitures	2,779,255	2,805,085	2,856,705	(77,450)
Earnings on investments	962,041	1,423,000	1,200,000	(237,959)
Interest on security lending income	45,036	70,000	70,000	(24,964)
Miscellaneous revenue	590,477	862,230	866,871	(276,394)
Total Revenues	<u>40,800,105</u>	<u>44,631,333</u>	<u>44,157,305</u>	<u>(3,357,200)</u>
EXPENDITURES				
Current operating				
Executive, legislative, and judicial	10,922,298	12,475,128	12,092,468	1,170,170
Facility operations	7,484,975	9,982,443	8,318,789	833,814
Cultural, parks, recreation and environment	8,743,083	9,566,131	10,227,690	1,484,607
Planning and Development	5,133,395	7,519,244	6,929,626	1,796,231
Police protection	29,268,829	31,680,493	31,110,882	1,842,053
Other	1,057,732	1,455,738	8,801,488	7,743,756
Security lending interest expense	22,305	-	-	(22,305)
Security lending agent fees	11,927	-	-	(11,927)
Intergovernmental				
Fire protection	17,223,795	17,223,796	17,223,796	1
Capital Outlay	1,393,421	1,012,263	1,809,511	416,090
Debt Service				
Principal	406,818	312,139	410,139	3,321
Interest	70,413	47,031	68,031	(2,382)
Total Expenditures	<u>81,738,991</u>	<u>91,274,406</u>	<u>96,992,420</u>	<u>15,253,429</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(40,938,886)</u>	<u>(46,643,073)</u>	<u>(52,835,115)</u>	<u>11,896,229</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	58,336,508	63,919,188	57,889,732	446,776
Transfers out	<u>(25,260,218)</u>	<u>(22,806,836)</u>	<u>(25,599,513)</u>	<u>339,295</u>
Total Other Financing Sources (Uses)	<u>33,076,290</u>	<u>41,112,352</u>	<u>32,290,219</u>	<u>786,071</u>
Net Changes in Fund Balances	(7,862,596)	<u>\$ (5,530,721)</u>	<u>\$ (20,544,896)</u>	<u>\$ 12,682,300</u>
Fund Balances-January 1	<u>45,456,119</u>			
Fund Balances-December 31	<u>\$ 37,593,523</u>			

The notes to the financial statements are an integral part of this statement.

**SALES AND USE TAX FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Actual	Original Budget	Final Budget	Variance- Positive (Negative)
REVENUES				
Taxes	\$ 70,501,307	\$ 81,054,156	\$ 70,291,123	\$ 210,184
Earnings on investments	78,411	138,400	138,400	(59,989)
Interest on security lending income	6,912	-	-	6,912
Miscellaneous revenue	996,892	996,363	996,363	529
Total Revenues	<u>71,583,522</u>	<u>82,188,919</u>	<u>71,425,886</u>	<u>157,636</u>
EXPENDITURES				
Current operating				
Other	1,781,595	2,044,000	11,416,884	9,635,289
Security lending interest expense	3,088	-	-	(3,088)
Security lending agent fees	1,678	-	-	(1,678)
Total Expenditures	<u>1,786,361</u>	<u>2,044,000</u>	<u>11,416,884</u>	<u>9,630,523</u>
Excess of Revenues Over Expenditures	<u>69,797,161</u>	<u>80,144,919</u>	<u>60,009,002</u>	<u>9,788,159</u>
OTHER FINANCING USES				
Transfers out				
General Fund	(55,598,479)	(62,236,242)	(55,598,479)	-
Natural Areas Fund	(5,146,310)	(6,058,017)	(5,146,310)	-
Cultural Services & Facilities Fund	(200,000)	(200,000)	(200,000)	-
Transit Services Fund	(166,308)	(166,308)	(166,308)	-
Transportation Services Fund	(5,191,310)	(6,103,017)	(5,191,310)	-
Debt Service Fund	(996,363)	(996,363)	(996,363)	-
Capital Projects Fund	(3,863,135)	(4,683,709)	(4,987,517)	1,124,382
Total Other Financing Uses	<u>(71,161,905)</u>	<u>(80,443,656)</u>	<u>(72,286,287)</u>	<u>1,124,382</u>
Net Changes in Fund Balances	<u>(1,364,744)</u>	<u>\$ (298,737)</u>	<u>\$ (12,277,285)</u>	<u>\$ 10,912,541</u>
Fund Balances--January 1	<u>11,131,837</u>			
Fund Balances--December 31	<u>\$ 9,767,093</u>			

The notes to the financial statements are an integral part of this statement.

TRANSPORTATION SERVICES FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Prior Year Actual</u>	<u>Cummulative Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES						
Licenses and permits	\$ 161,294	\$ -	\$ 161,294	\$ 114,618	\$ 114,623	\$ 46,671
Intergovernmental	6,491,384	-	6,491,384	6,055,063	5,602,857	888,527
Fees and charges for services	7,075,617	-	7,075,617	7,805,985	6,763,343	312,274
Earnings on investments	390,898	-	390,898	365,000	365,000	25,898
Interest on security lending income	3,108	-	3,108	-	-	3,108
Miscellaneous revenue	44,884	-	44,884	61,673	42,706	2,178
Total Revenues	<u>14,167,185</u>	<u>-</u>	<u>14,167,185</u>	<u>14,402,339</u>	<u>12,888,529</u>	<u>1,278,656</u>
EXPENDITURES						
Programs (fund level of budgetary control)						
Transportation services administration	254,635	-	254,635	288,276	745,073	490,438
Harmony road	66,658	-	66,658	2,884	66,658	-
Pavement management	7,848,312	-	7,848,312	10,120,195	10,320,976	2,472,664
Streets	8,302,630	-	8,302,630	10,255,810	10,606,695	2,304,065
Engineering	1,741,291	-	1,741,291	2,370,421	2,440,704	699,413
Traffic	3,248,128	-	3,248,128	3,467,927	3,508,934	260,806
Parking	1,625,236	-	1,625,236	1,814,721	2,175,544	550,308
Planning	707,348	-	707,348	730,202	1,010,274	302,926
Total Programs	<u>23,794,238</u>	<u>-</u>	<u>23,794,238</u>	<u>29,050,436</u>	<u>30,874,858</u>	<u>7,080,620</u>
Projects (level of budgetary control)						
South College Bikelanes	7,929	688,512	696,441	-	750,000	53,559
East Mtn Trolley	-	116,962	116,962	-	134,550	17,588
FC Bikes	137,633	121,051	258,684	259,826	263,289	4,605
Jefferson St./ SH 14 Roundabout	-	-	-	1,000,000	-	-
Bike Library	52,414	65,260	117,674	147,000	149,406	31,732
Traveler Information Web Page	-	-	-	217,500	217,500	217,500
Harmony Rd Traffic Responsive	168,628	-	168,628	350,000	350,000	181,372
Comprehensive Signal Timing	289,042	-	289,042	300,000	300,000	10,958
Uninterrupted Power Supply	-	-	-	187,500	-	-
Bike Camp Program	92	5,108	5,200	-	5,200	-
Total Grants	<u>655,738</u>	<u>996,893</u>	<u>1,652,631</u>	<u>2,461,826</u>	<u>2,169,945</u>	<u>517,314</u>
Security lending interest expense	1,555	-	1,555	-	-	(1,555)
Security lending agent fees	904	-	904	-	-	(904)
Total Expenditures	<u>24,452,435</u>	<u>996,893</u>	<u>25,449,328</u>	<u>31,512,262</u>	<u>33,044,803</u>	<u>7,595,475</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,285,250)</u>	<u>(996,893)</u>	<u>(11,282,143)</u>	<u>(17,109,923)</u>	<u>(20,156,274)</u>	<u>8,874,131</u>
OTHER FINANCING SOURCES (USES)						
Transfers in:						
Sales and Use Tax Fund	5,146,310	-	5,146,310	6,058,017	5,146,310	-
General Fund	4,462,508	-	4,462,508	5,477,490	4,480,490	(17,982)
Sales & Use Tax- BOB	45,000	-	45,000	45,000	45,000	-
Capital Projects Fund	610,000	-	610,000	-	610,000	-
Storm Water	115,000	-	115,000	115,000	115,000	-
Transfers out:						
Debt Service Fund	(484,959)	-	(484,959)	(484,959)	(484,959)	-
Capital Projects Fund	(35,000)	-	(35,000)	-	(35,000)	-
Total Other Financing Sources (Uses)	<u>9,858,859</u>	<u>-</u>	<u>9,858,859</u>	<u>11,210,548</u>	<u>9,876,841</u>	<u>(17,982)</u>
Net Changes in Fund Balances	(426,391)	<u>\$ (996,893)</u>	(1,423,284)	<u>\$ (5,899,375)</u>	<u>\$ (10,279,433)</u>	<u>\$ 8,856,149</u>
Fund Balances--January 1	13,034,034		13,034,034			
Less Prior Years' Project Revenues			-			
Plus Prior Years' Project Expenditures			996,893			
Fund Balances--December 31	<u>\$ 12,607,643</u>		<u>\$ 12,607,643</u>			

The notes to the financial statements are an integral part of this statement.

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**PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
DECEMBER 31, 2009**

	Light and Power	Water	Wastewater	Storm Drainage
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 3,833,523	\$ 6,504,539	\$ 4,037,570	\$ 993,438
Investments	36,002,836	61,144,633	19,472,894	8,914,116
Cash held by fiscal agent	-	-	514,242	-
Securities lending collateral	14,567,379	24,625,353	15,539,809	3,556,042
Receivables				
Accounts	10,550,910	2,125,017	2,306,463	1,791,053
Note receivable	68,764	-	-	-
Interest	280,988	472,461	383,198	68,228
Prepaid item	-	-	-	-
Due from other governments	51,879	-	-	-
Inventories of materials and supplies	5,283,952	-	-	-
Total Current Assets	<u>70,640,231</u>	<u>94,872,003</u>	<u>42,254,176</u>	<u>15,322,877</u>
Non-Current Assets				
Advance to other funds	-	-	-	60,000
Advance to component unit	1,062,695	1,486,516	401,055	2,907,168
Restricted Assets - cash & cash equivalents	-	292,275	506,690	357,376
Restricted Assets - investments	-	-	19,570,392	-
Land, water rights, other	1,878,377	48,033,444	3,217,675	5,964,463
Buildings, improvements and equipment	208,117,025	226,700,101	153,640,677	99,653,830
Accumulated depreciation	(112,846,067)	(92,540,301)	(62,569,553)	(22,767,207)
Construction in progress	14,092,412	13,594,823	30,976,901	15,916,588
Note receivable	398,962	-	-	-
Unamortized bond issuance costs	-	155,714	406,569	189,353
Total Non-Current Assets	<u>112,703,404</u>	<u>197,722,572</u>	<u>146,150,406</u>	<u>102,281,571</u>
Total Assets	<u>183,343,635</u>	<u>292,594,575</u>	<u>188,404,582</u>	<u>117,604,448</u>
LIABILITIES				
Current Liabilities				
Accounts payable	7,784,649	687,555	2,750,073	1,081,125
Interest payable	-	96,660	154,105	134,876
Wages payable	149,984	96,856	80,611	35,302
Compensated absences	519,392	365,016	324,952	149,628
Bonds payable	-	2,678,359	3,384,224	2,657,708
Claims payable	-	-	-	-
Capital lease obligations	-	-	-	-
Deferred revenue	-	-	-	-
Obligations under securities lending	14,567,379	24,625,353	15,539,809	3,556,042
Total Current Liabilities	<u>23,021,404</u>	<u>28,549,799</u>	<u>22,233,774</u>	<u>7,614,681</u>
Non-Current Liabilities				
Postemployment healthcare benefits	154,759	120,368	85,977	51,586
Bonds payable	-	23,222,051	39,585,285	31,204,844
Claims payable	-	-	-	-
Capital lease obligations	-	-	-	-
Total Non-Current Liabilities	<u>154,759</u>	<u>23,342,419</u>	<u>39,671,262</u>	<u>31,256,430</u>
Total Liabilities	<u>23,176,163</u>	<u>51,892,218</u>	<u>61,905,036</u>	<u>38,871,111</u>
NET ASSETS				
Invested in capital assets, net of related debt	111,241,747	169,887,656	101,866,582	64,905,122
Restricted: debt service	-	292,275	506,690	357,376
Restricted: fiscal agent	-	-	514,242	-
Unrestricted	<u>48,925,725</u>	<u>70,522,426</u>	<u>23,612,032</u>	<u>13,470,839</u>
Total Net Assets	<u>\$ 160,167,472</u>	<u>\$ 240,702,357</u>	<u>\$ 126,499,546</u>	<u>\$ 78,733,337</u>

Adjustment to reflect the consolidation of internal service fund net assets related to enterprise funds:

Allocation of governmental activities related to internal service fund net assets:

Net assets of business-type activities (page 29).

The notes to the financial statements are an integral part of this statement.

Non Major		
Enterprise Fund Golf	Enterprise Funds	Internal Service Funds
\$ 64,708	\$ 15,433,778	\$ 4,762,119
589,914	126,124,393	21,973,018
-	514,242	-
238,341	58,526,924	8,894,872
748	16,774,191	447,093
-	68,764	-
4,586	1,209,461	170,208
-	-	178,598
-	51,879	36,115
-	5,283,952	526,300
898,297	223,987,584	36,988,323
-	60,000	-
15,842	5,873,276	554,218
-	1,156,341	-
-	19,570,392	-
2,865,976	61,959,935	103,297
8,257,812	696,369,445	16,044,119
(3,181,935)	(293,905,063)	(9,671,506)
-	74,580,724	5,865
-	398,962	-
41,310	792,946	-
7,999,005	566,856,958	7,035,993
8,897,302	790,844,542	44,024,316
29,878	12,333,280	296,920
40,599	426,240	765
13,261	376,014	218,493
59,340	1,418,328	814,101
240,903	8,961,194	-
-	-	2,906,366
154,108	154,108	215,845
-	-	17,081
238,341	58,526,924	8,894,872
776,430	82,196,088	13,364,443
17,195	429,885	-
3,250,889	97,263,069	-
-	-	5,227,720
227,083	227,083	215,041
3,495,167	97,920,037	5,442,761
4,271,597	180,116,125	18,807,204
4,068,870	451,969,977	6,050,890
-	1,156,341	-
-	514,242	-
556,835	157,087,857	19,166,222
\$ 4,625,705	610,728,417	\$ 25,217,112
	4,142,192	
	(1,781,735)	
	\$ 613,088,874	

**PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Light and Power	Water	Wastewater	Storm Drainage
OPERATING REVENUES				
Charges for services	\$ 83,295,973	\$ 21,752,118	\$ 17,701,671	\$ 13,623,915
Total Operating Revenues	83,295,973	21,752,118	17,701,671	13,623,915
OPERATING EXPENSES				
Personal services	6,714,332	5,725,550	4,960,786	2,111,901
Contractual services	1,542,438	4,923,703	1,767,075	1,358,694
Commodities	61,649,648	1,554,719	775,020	108,031
Customer service and administrative charges	6,425,942	3,839,790	1,486,733	2,181,018
Other	5,799,207	313,769	1,587,088	78,118
Depreciation	7,047,911	4,853,325	3,219,318	2,257,591
Total Operating Expenses	89,179,478	21,210,856	13,796,020	8,095,353
Operating Income (Loss)	(5,883,505)	541,262	3,905,651	5,528,562
NONOPERATING REVENUES (EXPENSES)				
Earnings on investments	914,164	1,553,797	1,586,573	396,313
Interest on security lending income	54,465	85,154	62,336	14,277
Security lending interest expense	(28,237)	(43,841)	(26,428)	(7,329)
Security lending agent fees	(14,900)	(21,638)	(11,626)	(3,825)
Intergovernmental	927,509	-	-	-
Other revenue	1,637,482	249,655	102,549	15,805
Gain (Loss) on sale of capital assets	8,066	10,219	5,572	(20,668)
Interest expense	-	(1,061,012)	(1,989,327)	(1,500,812)
Other nonoperating expenses	-	(188,828)	(139,854)	(43,524)
Total Nonoperating Revenues (Expenses)	3,498,549	583,506	(410,205)	(1,149,763)
Income (Loss) Before Contributions and Transfers	(2,384,956)	1,124,768	3,495,446	4,378,799
Capital contributions	1,652,724	2,115,681	3,416,317	168,243
Transfers in	-	-	-	-
Transfers out	(250,359)	(189,458)	(158,095)	(179,954)
Change in Net Assets	(982,591)	3,050,991	6,753,668	4,367,088
Net Assets--January 1	161,150,063	237,651,366	119,745,878	74,366,249
Net Assets--December 31	<u>\$ 160,167,472</u>	<u>\$ 240,702,357</u>	<u>\$ 126,499,546</u>	<u>\$ 78,733,337</u>

Adjustment to reflect the consolidation of internal service fund net assets related to enterprise funds:

Allocation of governmental activities related to internal service fund net assets:

Change in net assets of business-type activities (pages 30-31)

The notes to the financial statements are an integral part of this statement.

Non Major		
Enterprise		
Fund	Enterprise	Internal
Golf	Funds	Service Funds
<u>\$ 2,598,890</u>	<u>\$ 138,972,567</u>	<u>\$ 45,735,161</u>
<u>2,598,890</u>	<u>138,972,567</u>	<u>45,735,161</u>
1,113,086	20,625,655	14,557,720
513,948	10,105,858	29,239,506
266,628	64,354,046	4,911,032
168,380	14,101,863	1,506,814
18,843	7,797,025	149,287
<u>307,592</u>	<u>17,685,737</u>	<u>1,275,603</u>
<u>2,388,477</u>	<u>134,670,184</u>	<u>51,639,962</u>
<u>210,413</u>	<u>4,302,383</u>	<u>(5,904,801)</u>
7,942	4,458,789	498,180
362	216,594	26,654
(321)	(106,156)	(14,916)
(134)	(52,123)	(7,580)
-	927,509	36,115
19,679	2,025,170	1,150,228
6,810	9,999	103,282
(175,929)	(4,727,080)	(21,777)
<u>(1,152)</u>	<u>(373,358)</u>	<u>-</u>
<u>(142,743)</u>	<u>2,379,344</u>	<u>1,770,186</u>
67,670	6,681,727	(4,134,615)
-	7,352,965	111,936
-	-	3,501,713
<u>-</u>	<u>(777,866)</u>	<u>(685,695)</u>
67,670	13,256,826	(1,206,661)
<u>4,558,035</u>		<u>26,423,773</u>
<u>\$ 4,625,705</u>		<u>\$ 25,217,112</u>
	672,383	
	<u>(840,749)</u>	
	<u>\$ 13,088,460</u>	

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Light and Power</u>	<u>Water</u>	<u>Wastewater</u>	<u>Storm Drainage</u>
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers and users	\$ 83,105,631	\$ 21,758,423	\$ 17,360,828	\$ 13,579,858
Receipts from interfund services provided	-	-	-	-
Cash paid to employees for services	(6,866,347)	(5,936,428)	(5,141,672)	(2,113,252)
Cash paid to other suppliers of goods & services	(63,259,074)	(6,241,742)	(2,175,607)	(2,444,606)
Payments for interfund services used	(11,554,568)	(4,070,368)	(1,759,924)	(2,305,909)
Other receipts	2,568,266	249,655	102,549	15,805
Net cash provided (used) by operating activities	<u>3,993,908</u>	<u>5,759,540</u>	<u>8,386,174</u>	<u>6,731,896</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	-	-	-	-
Transfers to other funds	(250,359)	(189,458)	(158,095)	(179,954)
Payment from other funds	65,489	-	-	30,000
Net cash provided (used) by noncapital financing activities	<u>(184,870)</u>	<u>(189,458)</u>	<u>(158,095)</u>	<u>(149,954)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	-	-	31,509,993	-
Payment to escrow agent	-	(857,500)	-	-
Capital contributions	1,652,724	1,980,163	3,416,317	168,243
Purchases of capital assets	(16,103,113)	(4,274,564)	(13,803,407)	(7,103,089)
Principal paid on capital debt	-	(4,515,511)	(4,236,535)	(2,567,500)
Interest paid on capital debt	-	(964,272)	(2,042,964)	(1,542,997)
Proceeds from sales of capital assets	17,792	10,218	5,572	-
Net cash provided (used) by capital and related financing activities	<u>(14,432,597)</u>	<u>(8,621,466)</u>	<u>14,848,976</u>	<u>(11,045,343)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Advance to component unit	(1,062,695)	(1,486,516)	(401,055)	(2,907,168)
Proceeds from sales and maturities of investments	5,132,180	2,123,625	573,817	5,491,129
Purchase of investments	-	(5,710,731)	(23,963,009)	-
Earnings received on investments	1,270,873	1,888,094	1,407,867	489,311
Interest on security lending income	54,465	85,154	62,336	14,277
Security lending interest expense	(28,237)	(43,841)	(26,428)	(7,329)
Security lending agent fees	(14,900)	(21,638)	(11,626)	(3,825)
Net cash provided (used) by investing activities	<u>5,351,686</u>	<u>(3,165,853)</u>	<u>(22,358,098)</u>	<u>3,076,395</u>
Net increase (decrease) in cash and cash equivalents	<u>(5,271,873)</u>	<u>(6,217,237)</u>	<u>718,957</u>	<u>(1,387,006)</u>
Cash and cash equivalents, January 1 (cash & cash equivalents includes cash held by fiscal agent and restricted assets - cash & cash equivalents)	<u>9,105,396</u>	<u>13,014,051</u>	<u>4,339,545</u>	<u>2,737,820</u>
Cash and cash equivalents, December 31 (cash & cash equivalents includes cash held by fiscal agent and restricted assets - cash & cash equivalents)	<u>3,833,523</u>	<u>6,796,814</u>	<u>5,058,502</u>	<u>1,350,814</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	(5,883,505)	541,262	3,905,651	5,528,562
Other receipts	2,564,991	249,655	102,549	15,805
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	7,047,911	4,853,325	3,219,318	2,257,591
(Increase) decrease in accounts receivable	(135,188)	6,305	(340,843)	(44,057)
(Increase) decrease in intergovernmental receivables	(51,879)	-	-	-
(Increase) in inventories	(996,003)	-	-	-
Increase (decrease) in prepaid item	-	-	-	-
Increase (decrease) in accounts payable	1,599,596	319,871	1,680,385	(1,024,654)
Increase (decrease) in compensated absences payable	75,758	(40,296)	(36,528)	48,957
Increase (decrease) in post-emp healthcare obligation	52,372	40,734	29,096	28,833
Increase (decrease) in wages payable	(280,145)	(211,316)	(173,454)	(79,141)
Increase (decrease) in claims payable	-	-	-	-
Increase (decrease) in deferred revenue	-	-	-	-
Net cash provided (used) by operating activities	<u>\$ 3,993,908</u>	<u>\$ 5,759,540</u>	<u>\$ 8,386,174</u>	<u>\$ 6,731,896</u>
Noncash investing, capital, and financing activities:				
Transfer of assets from governmental activities	-	-	-	-
Capital contributions	-	135,518	-	-
Bond proceeds transferred to escrow agent	-	8,248,474	-	-

The notes to the financial statements are an integral part of this statement.

Golf	Total Enterprise Funds	Total Internal Service Funds
\$ 2,614,567	\$ 138,419,307	\$ -
-	-	46,411,208
(1,157,183)	(21,214,882)	(15,026,204)
(728,225)	(74,849,254)	(32,316,129)
(219,437)	(19,910,206)	(1,750,546)
19,679	2,955,954	1,150,228
529,401	25,400,919	(1,531,443)
-	-	3,501,713
-	(777,866)	(685,695)
-	95,489	-
-	(682,377)	2,816,018
-	31,509,993	-
-	(857,500)	-
-	7,217,447	-
(52,528)	(41,336,701)	(1,441,292)
(409,437)	(11,728,983)	(388,868)
(178,861)	(4,729,094)	(29,430)
8,955	42,537	74,993
(631,871)	(19,882,301)	(1,784,597)
(15,842)	(5,873,276)	(554,218)
23,180	13,343,931	3,447,667
-	(29,673,740)	(3,934,047)
11,801	5,067,946	634,806
362	216,594	26,654
(321)	(106,156)	(14,916)
(134)	(52,123)	(7,581)
19,046	(17,076,824)	(401,635)
(83,424)	(12,240,583)	(901,657)
148,132	29,344,944	5,663,776
64,708	17,104,361	4,762,119
210,413	4,302,383	(5,904,801)
19,679	2,952,679	1,186,343
307,592	17,685,737	1,275,603
15,677	(498,106)	676,047
-	(51,879)	(36,115)
-	(996,003)	(15,879)
3,509	3,509	(4,929)
16,628	2,591,826	(281,812)
(13,972)	33,919	14,377
5,819	156,854	-
(35,944)	(780,000)	(482,861)
-	-	2,048,845
-	-	(6,261)
\$ 529,401	\$ 25,400,919	\$ (1,531,443)
-	-	111,936
-	135,518	-
-	8,248,474	-

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET ASSETS
DECEMBER 31, 2009

	Trust Funds	Agency Funds
ASSETS		
Cash and cash equivalents	<u>\$ 1,301,247</u>	<u>\$ 2,386,359</u>
Receivables		
Interest	123,386	103,889
Notes and loans	<u>3,163,220</u>	<u>-</u>
Total Receivables	<u>3,286,606</u>	<u>103,889</u>
Investments, at fair value		
U S Government securities	12,136,515	13,186,765
Corporate bonds	-	564,225
Mutual funds	<u>128,403,505</u>	<u>-</u>
Total Investments, at fair value	<u>140,540,020</u>	<u>13,750,990</u>
Total Assets	<u>145,127,873</u>	<u>16,241,238</u>
LIABILITIES		
Amounts held for other governments	<u>2,231</u>	<u>16,241,238</u>
Total Liabilities	<u>2,231</u>	<u>\$ 16,241,238</u>
NET ASSETS		
Held in trust for pension benefits	<u>145,125,642</u>	
Total Plan Net Assets	<u>\$ 145,125,642</u>	

The notes to the financial statements are an integral part of this statement.

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Trust Funds</u>
ADDITIONS	
Contributions	
Employer contributions	\$ 5,710,906
Employee contributions	2,883,701
Pension conversion & roll-overs	602,183
Loan repayments	1,202,891
Other	322,974
Total Contributions	<u>10,722,655</u>
Investment income	
Interest	1,342,794
Interest related to employee loans	359,327
Net change in fair value of investments	23,297,610
Total Investment Income	<u>24,999,731</u>
Securities lending income	825
Less securities lending expenses	<u>(611)</u>
Net income from securities lending activities	<u>214</u>
Net Investment Income	<u>24,999,945</u>
Total Additions	<u>35,722,600</u>
DEDUCTIONS	
Benefit payments	8,150,597
Administration expense	<u>42,699</u>
Total Deductions	<u>8,193,296</u>
Net Increase in Plan Net Assets	27,529,304
Net Assets	
Beginning of year	<u>117,596,338</u>
End of year	<u><u>\$ 145,125,642</u></u>

The notes to the financial statements are an integral part of this statement.

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NOTE I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Fort Collins, Colorado (the City) was incorporated in 1873 and adopted its Home Rule charter in 1913. In 1954, the citizens adopted the Council-Manager form of government. The more significant accounting policies reflected in the financial statements are summarized as follows:

A. Reporting Entity

These financial statements include those of the City (primary government) and organizations for which the City is financially accountable (component units). The following component units are included in the reporting entity: City of Fort Collins Downtown Development Authority (DDA), City of Fort Collins General Improvement District No. 1 (GID No. 1), the Fort Collins Capital Leasing Corporation (Corporation), and the Urban Renewal Authority (URA). None of the component units issue their own financial statements.

The DDA was created in 1981 by City Council and the electorate. The purpose of the DDA is to promote the public health, safety, prosperity, security, and welfare of its inhabitants. The City appoints and removes all members of the DDA's governing board in addition to issuing debt, adopting budgets, and levying taxes on its behalf. The financial statements of the Downtown Development Authority are included in the reporting entity by discrete presentation.

GID No. 1 was created in 1976 for the construction and installation of parking facilities and street and sidewalk beautification improvements. GID No. 1 is, in substance, the same as the primary government since the City Council serves as the board of directors. As such, it levies all taxes, approves all budgets, and issues all debt on behalf of GID No. 1. Accordingly, its transactions and balances are blended with those of the City. GID No. 1 is presented as a special revenue fund.

The Corporation was created in June 1998 and operates under the provisions of the Nonprofit Corporation Law of the State of Colorado. The Corporation's primary purpose is to provide financing assistance by obtaining land, property and equipment on behalf of the City. The directors are appointed by the City Council and receive no compensation. Its transactions and balances are blended with those of the City. The Corporation is presented as a debt service fund.

The Urban Renewal Authority (URA) was established in 2006. The primary purpose of the URA is to remedy blight by stimulating and leveraging private capital investment, using tax increment financing in private development projects and public improvement projects. The URA is, in substance, the same as the primary government since the City Council serves as the board of directors. Its transactions and balances are blended with those of the City. The URA is presented in two fund types; one a special revenue fund and the other a debt service fund.

B. Joint Ventures

The City has joined with other governmental units to form the following joint ventures:

Block 31 Joint Venture was created by the City and Larimer County for the purpose of acquiring and managing parking space and government facilities on Block 31. The City issued sales and use tax bonds to finance the acquisition of the property and is responsible for the debt service on the bonds. Larimer County reimburses the City for its half of the debt service on a semi-annual basis. The City is responsible for providing half of the on-going upkeep and maintenance of the property. The City and the County each retain a 50% ownership interest in the property. Separate financial statements are not issued for this joint venture.

Fort Collins-Loveland Airport was created for the purpose of operating a municipal airport for the benefit of the citizens of Loveland and Fort Collins. The City provides a small amount of funding for on-going airport

construction projects. The City and Loveland each retain a 50% ownership interest in the airport. Separately issued financial statements are available upon request from the Airport Manager.

North Front Range Transportation and Air Quality Planning Council (NFRTAQPC) is an association of local governments that was formed in 1987 in response to local needs and federal transportation and air quality planning requirements. Local government membership consists of elected officials representing Fort Collins, Greeley, Loveland, Evans, Berthoud, Windsor, Timnath, Garden City, LaSalle, Johnstown, and Weld and Larimer Counties. Membership is also extended to the Colorado Transportation Commission and the Colorado Air Quality Control Commission. The NFRTAQPC Board appoints its own management and approves its own budget. The City has an agreement with the NFRTAQPC that allows for NFRTAQPC to participate in the City's benefit plans and other City services on a reimbursable basis. Separately issued financial statements are available upon request from the Planning Council.

Poudre Fire Authority (PFA) was created by an intergovernmental agreement between the City of Fort Collins and the Poudre Valley Fire Protection District. The PFA Board consists of five members--two appointed by City Council, two appointed by the District's Board of Directors and a fifth member appointed by the other four members. The PFA Board appoints its own management and approves its own budget. PFA's continuing existence depends, in part, on funding provided by the City. Separately issued financial statements for PFA are available from its administrative office.

Platte River Power Authority (PRPA) was created by an intergovernmental agreement between the Cities of Fort Collins, Estes Park, Loveland, and Longmont to supply their wholesale electric power and energy requirements. The governing Board of PRPA consists of two members from each municipality. Under Colorado law, PRPA's Board of Directors has the exclusive authority to establish electric rates. The City has contracted for its total electric energy supply from PRPA through December 31, 2040. Separately issued financial statements for PRPA are available from its corporate headquarters.

Aside from the Fort Collins-Loveland Airport, the City does not have an equity interest in any of the joint ventures in which it participates. None of the joint ventures are accumulating financial resources or are experiencing fiscal stress that are expected to create a significant financial benefit or burden on the City in the foreseeable future.

C. Jointly Governed Organization

The City and various governmental entities throughout Larimer County have jointly agreed to establish the Larimer Emergency Telephone Authority (LETA). LETA is a separate legal entity established to provide E-911 telephone service to the citizens of Larimer County. The City does not retain an on-going financial interest or responsibility in LETA.

D. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of inter-fund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely primarily on fees and charges for support. Also, the primary government is reported separately from the DDA, a legally separate component unit for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly associated with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

E. Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and the pension trust funds. The agency funds utilize the accrual basis of accounting but have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied and become an enforceable lien on the property. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. An allowance for doubtful accounts is maintained for the utility receivables.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. As under accrual accounting, expenditures are generally recorded when a liability is incurred. However, debt service expenditures, as well as those related to compensated absences and incurred claims and judgments, are recorded only when payment is due. With regard to self-insurance claims and judgments, an additional expenditure may be recorded based on actuarial information.

Property taxes, special assessments, sales taxes, franchise taxes, charges for services, amounts due from other governments and interest associated with the current fiscal period are all considered to be susceptible to accrual. Other revenue items such as licenses, fines and permits are considered to be measurable and available only when the cash is received by the government, as a result they are not susceptible to accrual.

F. Financial Statement Presentation

The accounts of the City are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses as appropriate. The various funds are summarized by type within the financial statements.

The City reports the following major governmental funds:

The General fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Sales & Use Tax special revenue fund is used to account for collections of the City's 3.0% sales and use tax which is used to provide reserves and fund payments for sales and use tax revenue debt.

The Transportation Services special revenue fund is used to account for taxes, federal and state grants and other revenues utilized to operate and maintain the City's transportation system.

The Capital Projects fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. It is shown as a major fund for public interest purposes.

The City reports the following major proprietary funds:

The Light and Power fund is used to account for the operations of the City's electric utility.

The Water fund is used to account for the operation of the City's water utility.

The Wastewater fund is used to account for the operation of the City's wastewater utility.

The Storm Drainage fund is used to account for the operations of the City's storm water utility.

Additionally, the City reports the following fund types:

Internal Service funds are used to account for the City's fleet maintenance services, phone equipment and services, self-insurance of employee health care and other employee benefits, and a risk management insurance program. There is also an internal service fund to account for the customer and administrative services provided exclusively to the City's utility enterprise funds.

Pension Trust funds are used to account for the City's defined benefit and defined contribution pension trusts to provide retirement benefits for its employees/retirees.

Agency funds are used to account for cash and investments held by the City on behalf of Poudre Fire Authority and Poudre River Public Library District.

Private sector standards of accounting pronouncements issued on or before November 30, 1989 generally are followed in both the government-wide and proprietary fund financial statements, unless those pronouncements conflict with or contradict GASB pronouncements. The City has elected not to follow subsequent private sector guidance.

As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this rule are the charges between the City's utility functions and various other functions.

Amounts reported as program revenues include 1) charges to customers for goods, services, or privileges provided, 2) operating grants and contributions, 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The water and storm drainage funds also recognize as operating revenue the portion of connection fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

G. Assets, Liabilities and Fund Equity

Cash and Investments

The City has stated certain investments at fair value in accordance with GASB No. 31. Fair value is determined utilizing the third party custodian's statements, Wall Street Journal, Bloomberg, and other recognized pricing services.

Whenever possible, cash is pooled from the various City funds to enhance investment capabilities and maximize investment income. Investments are made taking into consideration cash flow needs, market conditions, and contingency plans. The City's investment policies prescribe eligible investments, investment diversification, and maturity and liquidity guidance, which are utilized in managing the investment portfolio.

For purposes of the combined statement of cash flows, the City considers highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

The City invests in derivatives and similar securities. Derivatives are generally defined as contracts, whose value depends on, or derives from, the value of an underlying asset, reference rate, or index.

Cash held by Fiscal Agent

Certain proceeds of Capital Leasing Corporation's Certificates of Participation (COP) and Enterprise Fund revenue bonds are classified as cash held by fiscal agent on the balance sheet because they are held in third party escrow accounts and their use is limited by applicable COP and bond covenants.

Restricted Cash and Cash Equivalents

Certain proceeds of Enterprise Fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet since their use is limited by applicable bond covenants.

Receivables

Accounts receivable are expressed net of allowances for doubtful accounts. Allowances for doubtful accounts are based on historical collection trends for the related receivables. Light and Power Fund maintains an allowance of \$250,000, Water Fund maintains an allowance of \$25,000, Wastewater Fund has an allowance of \$20,000 and Storm Drainage Fund has an allowance of \$10,000. Light and Power Fund and Water Fund have another allowance for doubtful accounts for miscellaneous accounts receivable. The balances maintained are \$25,000 for the Light and Power Fund and \$9,000 for the Water Fund.

Long-term portions of receivables in the governmental fund financial statements are reported and then offset by nonspendable fund balance reserve accounts in order to indicate that they are not available, spendable resources except for long-term portions of special assessments receivable which are offset by deferred revenue.

Inventories

Inventories are stated at cost using the first-in, first-out method. The costs of inventory items are recognized as expenditures in governmental funds when purchased and as expenses in proprietary funds when used. Where appropriate, inventory has been adjusted downward to market value to reflect what is considered a permanent market decline.

Inventory of Real Property Held for Resale

Inventory of real property held for resale generally reflects the cost of raw land held by the City's Land Bank Program in the General Fund, for development of affordable housing. These assets are carried at the lower of cost or market. Appraisals were done in 2009 and all assets are valued at cost.

Capital Assets

Capital assets, which are acquired or constructed, are reported at historical cost or estimated historical cost in the applicable governmental or business-type activities' columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life of five years or greater. Donated capital assets are recorded at estimated fair market value at the date of donation. Included in capital assets of the business type activities is the interest capitalized during construction. Approximately \$216,000 was capitalized in fiscal year 2009.

Capital assets other than land, water rights, fiber optics, and some intangible property are depreciated. Depreciation is computed using the straight-line method with estimated useful lives as follows:

Buildings.....	10-50 years
Improvements other than buildings	5-50 years
Machinery and equipment	5-20 years

GASB Statement No. 34 provides for an alternative approach to depreciation for measuring the value of infrastructure assets and the related costs incurred to maintain their service life at a locally established minimum standard. In order to adopt this alternative method, the City has developed an asset management system, which will determine if the minimum standards are being maintained. This measurement would occur every three years at a minimum. The City has elected to use this alternative method for reporting its street infrastructure capital assets.

Compensated Absences

The City allows employees to accumulate unused vacation pay and to defer overtime pay by accumulating compensatory leave up to maximum limits. Unused sick pay is not recognized as a liability because it does not meet the criteria for accrual. The liability associated with these benefits is reported in the government-wide financial statements. Proprietary fund types accrue such benefits in the period in which they are earned.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the term of the related bond.

In the fund financial statements, governmental fund types recognize bond premiums and discounts as well as bond issuance costs during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Claims and Judgments Payable

Claims and judgments payable are recognized when it is probable that a liability has been incurred and the amount of the loss can be reasonably estimated. Such claims, including an estimate for claims incurred but not reported at year end, are reflected as claims payable in the financial statements.

Fund Equity/Net Assets

In the fund financial statements, fund equity of the City's governmental funds are classified as nonspendable, restricted, committed, assigned, or unassigned. A governmental fund may not have all five components of fund balance.

Nonspendable fund balances indicate amounts that cannot be spent either a) due to form; for example, inventories and prepaid amounts or b) due to legal or contractual requirements to be maintained intact.

Restricted fund balances indicate amounts constrained for a specific purpose by external parties, constitutional provision or enabling legislation.

Committed fund balances indicate amounts constrained for a specific purpose by a government using its highest level of decision-making authority. It would require an ordinance by the City Council to remove or change the constraints placed on the resources. This action must occur prior to year-end; however, the amount can be determined in the subsequent period.

Assigned fund balances indicate amounts for governmental funds, other than the general fund, any remaining positive amounts not classified in the above categories. For the general fund, amounts constrained for the intent to be used for a specific purpose has been delegated to the City Manager, Chief Financial Officer, and Finance Director.

Unassigned fund balances indicate amounts in the general fund that are not classified as non-spendable, restricted, committed, or assigned. The general fund is the only fund that would report a positive amount in unassigned fund balance. When both unassigned and committed or assigned resources are available for use, it is the City's policy to use committed or assigned resources first, then unassigned resources as needed.

In the government-wide and proprietary fund financial statements, net assets are restricted for amounts that are legally restricted by outside parties for specific purposes or through enabling legislation that is a legally enforceable restriction on the use of revenues. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvements of those assets. Net assets invested in capital assets, net of related debt, excludes unspent bond proceeds in the proprietary funds of \$19,570,392.

Inter-fund Transactions

Inter-fund transactions are treated and classified as revenues, expenditures, or expenses (the same as if these same transactions involved external organizations). These include payments in lieu of taxes and billings from one fund to another for purchased goods or services. In the government-wide statement of activities, transactions, which constitute reimbursements, are eliminated in the reimbursed fund and accounted for as expenditures or expenses in the fund to which the transaction is applicable.

Deferred and Unearned Revenues

Governmental funds report deferred revenue on their balance sheets. Deferred revenues arise in governmental funds when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues arise when resources are received by the City before it has a legal claim to them. In subsequent periods, when both revenue recognition criteria are met, or when the government has a legal claim to the resources, revenue is recognized.

In the government-wide financial statements, deferred revenue not meeting the "measurable" and "available" criteria has been recognized as revenue.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Specifically, the City has made certain estimates and assumptions relating to its collections of receivables, the valuation of property held for resale, and the ultimate outcome of claims and judgments. Accordingly, actual results could differ from those estimates.

Discretely Presented Component Units

The significant accounting policies for the City's discretely presented component units are substantially the same as the primary government. Additional disclosures follow.

The discretely presented component unit data presented in the government-wide statements includes total data for all fund types of the Downtown Development Authority (DDA), including its General Fund, Debt Service Fund and its non-current assets and liabilities.

The Board of Directors of the DDA approves their respective budget by resolution. The budget is then submitted to City Council for approval. Budgetary matters with respect to basis of accounting and legal level of budgetary control are generally the same for the DDA as those of the City.

NOTE II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Information

Budgetary Accounting and Control

Appropriated budgets are established for all funds of the City except agency funds, which do not measure results of operations.

General, Special Revenue, Debt Service and Trust Funds

Budgets for general, special revenue, debt service and trust funds are adopted on a basis which is consistent with generally accepted accounting principles (GAAP) except that appropriations for certain special revenue funds do not lapse on an annual basis as further explained below.

Capital Projects Fund

The Capital Projects Fund budget is not consistent with GAAP because appropriations do not lapse at year end.

Proprietary Funds

Proprietary funds are budgeted on a basis that includes capital items such as amounts for capital outlay and principal reduction of debt. Such budgets exclude depreciation. Proprietary Funds recognize gain on inter-fund sales of capital assets for budgetary purposes only. Capital project budgets for certain enterprise funds are non-lapsing.

Legal Level of Control

The legal level of budgetary control is at the individual fund level, except for capital projects and federal and state grants for which the legal level of control is at the project or grant level. For budgetary purposes, operating transfers are considered expenditures.

Lapsing Appropriations

All appropriations unexpended or unencumbered lapse at the end of the year to the applicable fund, except capital project and federal and state grant appropriations which lapse when the project or grant activity is completed. Appropriations which are encumbered at year end are carried over to the ensuing year at which time they are matched with their corresponding expenditures.

Budgets for the Capital Projects Fund, special revenue funds with expenditures of a capital or project nature and special revenue funds where the primary source of revenue is project-length federal or state grants are non-lapsing. Included are the Capital Projects Fund, Neighborhood Parkland Fund, Conservation Trust Fund, Community Development Block Grant Fund, Home Program Fund, Transit Services Fund, and grant portion of Transportation Services. Budgets are non-lapsing for capital projects in all the enterprise funds, and for two of the internal services funds - Equipment Fund and Utilities Customer Service and Administration Fund.

Property Taxes

Property taxes levied in a particular year are collected in the subsequent year. The property tax calendar is as follows:

Tax Year

Tax levy certified to County Commissioners	December 15
County Commissioners certify levy to County Assessor	December 22

Ensuing Collection Year

Taxes attach as an enforceable lien on property	January 1
First installment due date (one-half of taxes due).....	March 2
Taxes due in full (unless installments elected by taxpayer)	April 30
Second installment due date (second half due).....	June 15

Taxes are collected by the Larimer County Treasurer on behalf of the City and are remitted by the 10th day of the month following collection. A 2% collection fee is retained by the County as compensation for collecting the taxes.

Economic Dependency

Anheuser Busch contributed 5% of total property taxes collected in 2009. This company is also a major customer of the City's Light and Power, Water and Wastewater major enterprise funds.

B. Excess of Expenditures Over Appropriations

For the year ended December 31, 2009, expenditures exceeded appropriations in the Self-Insurance fund. These over-expenditures were funded by available fund balance.

C. Deficit Fund Equity

The URA Debt Service fund had a deficit fund balance of \$9,930,034 as of December 31, 2009. The fund will continue to have a deficit fund balance for the next few years as Tax Increment Funding (TIF) monies are collected through increased property taxes collected.

NOTE III. DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

Deposits

Colorado State Statutes govern the City's deposits of cash. The statutes specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance (FDIC) on deposits held.

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized in accordance with the PDPA. PDPA allows the institution to create a single collateral pool for all public funds to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least 102% of the aggregate uninsured deposits. All deposits in 2009 were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989.

Primary Government

The carrying amount of the City's deposit accounts as of December 31, 2009, was \$35,528,450. The bank balance was \$34,624,411.

Component Unit

The Downtown Development Authority's undivided share of the City's deposits as of December 31, 2009 was a carrying amount of \$1,076,791. The bank balance was \$1,241,082.

Custodial Credit Risk – Deposits

For deposits, custodial credit risk is the risk that, in the event of a bank failure, the City's deposits might not be returned. Due to the federal deposit insurance and the collateral no deposits for the City or the component unit were exposed to custodial credit risk.

Investments

Investment policies are governed by the City's own investment policies and procedures. Investments of the City and its discretely presented component unit may include:

- Legal investments for municipalities under state statutes.
- Interest-bearing accounts or certificates of deposit at banks or savings and loans in Colorado which are eligible public depositories (including CDARS).
- Obligations of the United States Government, its agencies or instrumentalities.
- Common or preferred stock or debt of U.S. corporations.
- Obligations issued by or on behalf of the City.
- State or local government obligations having an investment grade rating.
- Prime rated banker's acceptances.
- Prime rated commercial paper.
- Guaranteed investment contracts.
- Repurchase and reverse repurchase agreements of any marketable security described above which afford the City a perfected security interest in such security.
- Local government investment pools authorized under the laws of the State of Colorado.
- Shares in any money market fund or account, unit investment trust or open or close-end investment company, all of the net assets of which are invested in securities described above.
- Mutual funds that include eligible investments found above.
- For bond reserve funds, treasury securities with a put option used to control and minimize arbitrage rebates.

In addition to the above, investments of the General Employees' Retirement Plan may include:

- Equipment trust certificates.
- Real property and loans secured by first mortgages or deeds of trust.
- Participation guarantee agreements with domestically regulated life insurance companies.
- Tax certificates issued by any county treasurer of Colorado upon any real property located within the state.
- Equity Investments.
- Domestic mutual funds.
- International mutual.

Investments of the Money Purchase Plan 401(a) are determined contractually with the third party custodian. The plan currently contains a wide range of money market and mutual funds.

In accordance with GASB Statement No. 40, the City's and its discretely presented component unit's investments are subject to interest rate and credit risk as described below:

Interest Rate Risk

The City's investment policy limits its exposure to fair value losses arising from rising interest rates by:

- Whenever possible, holding investments to their stated maturity dates.

- Investing a portion of the operating funds in shorter-term securities, money market mutual funds, or local government investment pools.

Based on the current rate environment, the City assumes that all callable securities may be called on the first call date.

The City invests in various mortgage-backed securities and bonds in order to maximize yields. Mortgage-backed securities are based on cash flows from interest payments on underlying mortgages. Therefore, they are sensitive to prepayments by mortgagees, which may result from a decline in interest rates. If interest rates decline and homeowners refinance mortgages, thereby prepaying the mortgages underlying these securities, the cash flows from interest payments are reduced and the value of these securities declines. Likewise, if homeowners pay on mortgages longer than anticipated, the cash flows are greater and the return on the initial investment would be higher than anticipated.

Concentration of Credit Risk

The City places maximum limits on the amount the City may invest in any one issuer. Limits vary by investment type. More than 5% of the City's investments are in Federal Home Loan Bank (FHLB), Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA), and in Federal Farm Credit Bank (FFCB) agency securities. These investments are 28.16%, 24.25%, 26.98%, and 7.06%, respectively, of the City's total investment. All of these investments were rated AAA.

Custodial Credit Risk for Investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy restricts holding of securities by counterparties.

Credit Risk

The City's investment policy limits investments in corporate bonds to the top three ratings issued by nationally recognized statistical rating organizations (NRSROs). As of December 31, 2009, the City's investment in corporate bonds was rated AA- or better by Standard & Poor's and Aa3 or better by Moody's Investors Service. The City's investment policy also allows for the City to invest in local government investment pools. As of December 31, 2009, the local government investment pools (ColoTrust & CSAFE) in which the City had invested, were rated AAAM by Standard & Poor's.

As of December 31, 2009, the City had the following investments and maturities:

Primary Government (including Fiduciary Funds)

Investment Type	Credit Risk Rating	Fair Value	Investment Maturities		
			Up to 120 days	121 days to 5 years	More than 5 years
U.S. Agencies (GNMA)		\$ 94,886	\$ -	\$ -	\$ 94,886
Instrumentality					
Federal Farm Credit Bank (FFCB)	AAA	23,169,440	5,028,150	18,141,290	-
Federal Home Loan Bank (FHLB)	AAA	82,192,483	8,883,254	70,630,543	2,678,686
Federal Home Loan Mortgage Corporation (FHLMC)	AAA	79,568,560	-	78,093,280	1,475,280
Federal National Mortgage Association (FNMA)	AAA	88,522,373	-	88,522,373	-
Corporate bonds		15,826,145	4,504,365	11,321,780	-
Certificates of Deposit		9,904,750	9,904,750	-	-
Total Investments Controlled by the City		\$ 299,278,637	\$ 28,320,519	\$ 266,709,266	\$ 4,248,852
Percent of Total			9%	89%	1%
The City has \$128,403,505 invested in Mutuals Funds, but those investments are held by ICMA for employee's retirement accounts.					
Investments in the Downtown Development Authority bonds for \$378,938 are held by Poudre Fire Authority and the Poudre River Library District.					

Component Unit

Investment Type	Credit Risk Rating	Fair Value	Investment Maturities		
			Up to 120 days	121 days to 5 years	More than 5 years
Instrumentality					
Federal Home Loan Bank (FHLB)	AAA	10,194,966	1,121,446	8,767,671	305,849
Total Investments Controlled by the City		\$ 10,194,966	\$ 1,121,446	\$ 8,767,671	\$ 305,849
Percent of Total			11%	86%	3%

The market for securities lending developed to provide temporary access to a large portfolio of securities for broker/dealers who might have a need to borrow specific instruments. At the time of the transaction, the broker/dealer collateralizes their borrowing (in cash or with securities) to 102% of the security value plus accrued interest and in the event that the fair value of the collateral falls below 100%. If the broker/dealer fails to return the security, upon request, then the custodian, acting as agent, will utilize the collateral to replace the security borrowed. The transaction establishes a rebate interest rate (assuming cash collateral), which is due back to the broker/dealer upon return of the security. The cash is then invested short-term and the City and the custodian share the incremental return available above the rebate rate. The commingled short-term fixed income accounts can be invested in repurchase agreements, master notes, U.S. treasuries and agencies, U.S. certificates of deposit and time deposits, bankers' acceptances, commercial paper, and other short term money market instruments. The securities loaned are on a rolling daily basis and the cash collateral can be deposited and/or withdrawn from the commingled investment on a daily basis.

The City authorizes the lending of fixed income securities, except those held in reserve for the Self Insurance Fund. The City, as a program participant, assumes the risk that (a) the overnight investment will not equal or exceed the rebate rate, (b) a loss of the principal in the overnight investment and (c) the collateral will not be sufficient, if called upon to repurchase the lost security. The City would have credit risk if at any time the above-mentioned 102% daily adjusted collateral falls below 100%. As of December 31, 2009, no market risk had been incurred from the City's securities lending program as the market value of the securities that the City loaned to the financial institution was \$93,440,183 and the collateral received by the City is valued at \$95,336,250 for governmental activities.

As of December 31, 2009, no market risk resulted from the City's securities lending program for the General Employees Retirement Plan.

On September 4, 2009, a settlement was reached with Wells Fargo to resolve the default by Stanfield Victoria. Wells Fargo agreed to credit the City's securities lending collateral account \$5,039,848, which is 96% of the City's cost basis for the Stanfield Victoria security. The remaining 4%, or \$209,994, was paid to Wells Fargo by the City. As a condition of the transfers, the City assigned to Wells Fargo all right, title and interest to the security.

Wells Fargo also agreed to rebate to the City all earnings owed to Wells Fargo as part of the Securities Lending program after the enforcement event of January 8, 2008. The City had rebate earnings of \$242,332 during the time between the enforcement event in January 2008 and the settlement in September 2009. Because the rebate earnings were larger than the 4% cost basis on the Stanfield Victoria security, the City ultimately incurred no loss on this investment.

The City periodically reviews the custodian's practices to insure fair distribution of lending opportunities as well as risk evaluation of prospective broker/dealer borrowers. For the year 2009, the City received net income of \$294,374 from security lending activity for its operating and pension portfolios for governmental activities and \$213 for General Employees' Retirement Plan.

Restrictions on Cash and Investments

Cash and investments of \$29,864 in Transportation Services fund and \$292,275, \$506,690 and \$357,376, respectively, in the Water, Wastewater and Storm Drainage funds are contractually restricted for debt service through bond ordinances.

B. Notes Receivable

In March 1996, the City entered into an agreement with a developer for the construction of low income apartment units. Under the agreement, the City loaned \$913,000 to the developer from the HOME Program special revenue fund and received a deed of trust against the property. The loan is to be repaid from 50% of the net available cash flow generated by the project as calculated annually. The loan bears interest at 9% per annum. There is no set payment schedule or due date on the loan. Based upon a review of project income statements, the project did not have a net available cash flow. The outstanding balance as of December 31, 2009 is \$913,000.

In May 2000, the City entered into an agreement with a developer for the construction of low income senior apartment units. Under the agreement, the City loaned \$200,000 to the developer from the Community Development Block Grant special revenue fund and received a deed of trust against the property. The loan is to be repaid from the net available cash flow generated by the project as calculated annually. The loan bears interest at 7% per annum. There is no set payment schedule on the loan. The loan has a term of 20 years. The outstanding balance as of December 31, 2009 is \$200,000.

In the mid-1980's, the City loaned money to various individuals that qualified in a low income housing program. The City loaned various amounts from the Community Development Block Grant (CDBG) special revenue fund and filed deed of trusts' against the properties. There are two outstanding loans as of December 31, 2009 and are set to mature in 2012. The outstanding balance of these loans as of December 31, 2009 is \$11,202.

In December 2001, the City entered into an agreement with a developer for the construction of low income senior apartment units. Under the agreement, the City loaned \$250,000 to the developer. 50% of the loan proceeds are from the HOME Program special revenue fund and 50% of the loan proceeds are from the General Fund. The City received a deed of trust against the property. The loan is to be repaid from the net available cash flow generated by the project as calculated annually. The loan bears interest at 5.5% per annum. There is no set payment schedule on the loan. The loan has a term of 20 years. In 2009, the City did receive an interest payment of \$13,750. The outstanding balance as of December 31, 2009 is \$250,000.

In May 2006, the City (Light & Power Fund) entered an agreement with Platte River Power Authority for the purchase of two V42 Vestes. Under the agreement, the City loaned \$747,137. Platte River Power Authority will make annual payments of \$92,150 over a ten-year period. The loan bears a fixed interest rate at 5%. The outstanding balance as of December 31, 2009 is \$467,726.

In May 2009, the Urban Renewal Authority (URA) loaned Rocky Mountain Innovation Initiative (RMII) \$1,135,262 for the construction of their new facility. This loan has a 20 year term and bears a fixed interest rate of 2.5%. For years 0 through 4, there will be no payments but interest will accrue. For year 5, there will be a lump sum, annual payment consisting of the interest accrued during the no payment term and year 5. For years 6 and 7,

there will be an annual payment, of interest only. For years 8 through the maturity date, there will be annual payments of principal and interest.

Accrued interest on the above loans has not been recorded since it is uncertain as to the frequency of when the projects will be able to make payments against the note.

C. Capital Assets

A summary of changes in capital asset activity for the year ended December 31, 2009 follows:

	Balance, Beginning of Year	Additions	Transfers	Deletions	Balance, End of Year
Primary Government:					
Governmental activities					
Capital assets, not being depreciated:					
Land, rights of way, water rights, other	\$ 114,802,912	\$ 12,138,462	\$ 71,191,667	\$ (1,853,410)	\$ 196,279,631
Street system infrastructure	312,568,631	8,085,219	(69,139,782)	-	251,514,068
Construction in progress	12,800,475	17,637,733	(6,303,009)	(9,053,988)	15,081,211
Total capital assets, not being depreciated	440,172,018	37,861,414	(4,251,124)	(10,907,398)	462,874,910
Capital assets, being depreciated:					
Infrastructure	-	466,784	15,338,776	-	15,805,560
Buildings and improvements	142,128,031	818,561	(11,612,601)	(1,692,167)	129,641,824
Improvements other than buildings	59,804,751	565,907	255,711	(158,000)	60,468,369
Machinery and equipment	60,141,481	1,942,261	287,612	(1,125,955)	61,245,399
Total capital assets being depreciated	262,074,263	3,793,513	4,269,498	(2,976,122)	267,161,152
Less accumulated depreciation for:					
Infrastructure	-	(769,502)	(7,329,283)	-	(8,098,785)
Buildings and improvements	(26,861,248)	(2,744,697)	343,427	1,284,895	(27,977,623)
Improvements other than buildings	(30,774,057)	(2,118,677)	6,985,856	123,240	(25,783,638)
Machinery and equipment	(33,990,707)	(4,459,251)	(18,374)	1,024,968	(37,443,364)
Total accumulated depreciation	(91,626,012)	(10,092,127)	(18,374)	2,433,103	(99,303,410)
Total capital assets being depreciated, net	170,448,251	(6,298,614)	4,251,124	(543,019)	167,857,742
Governmental activities capital assets, net	\$ 610,620,269	\$ 31,562,800	\$ -	\$ (11,450,417)	\$ 630,732,652
Business-type activities					
Capital assets, not being depreciated:					
Land, rights of way, water rights, other	\$ 61,453,598	\$ 501,380	\$ 4,957	\$ -	\$ 61,959,935
Construction in progress	46,495,886	34,890,430	(6,805,592)	-	74,580,724
Total capital assets, not being depreciated	107,949,484	35,391,810	(6,800,635)	-	136,540,659
Capital assets, being depreciated:					
Buildings and improvements	221,257,861	-	166	-	221,258,027
Improvements other than buildings	413,886,454	4,225,510	6,181,029	(123,622)	424,169,371
Machinery and equipment	51,623,863	2,100,592	601,066	(354,484)	53,971,037
Total capital assets being depreciated	686,768,178	6,326,102	6,782,261	(478,106)	699,398,435
Less accumulated depreciation for:					
Buildings and improvements	(70,293,166)	(4,402,163)	-	-	(74,695,329)
Improvements other than buildings	(167,348,187)	(11,510,785)	-	113,896	(178,745,076)
Machinery and equipment	(40,330,542)	(2,083,352)	18,374	352,340	(42,043,180)
Total accumulated depreciation	(277,971,895)	(17,996,300)	18,374	466,236	(295,483,585)
Total capital assets being depreciated, net	408,796,283	(11,670,198)	6,800,635	(11,870)	403,914,850
Business-type activities capital assets, net	\$ 516,745,767	\$ 23,721,612	\$ -	\$ (11,870)	\$ 540,455,509

	Beginning of Year	Additions	Deletions	End of Year
	(amounts expressed in thousands)			
Component Unit:				
Capital Assets; not being depreciated:				
Land	\$ 2,402	\$ 327	\$ (200)	\$ 2,529
Capital assets being depreciated:				
Buildings and improvements	4,601	1,394	(100)	5,895
Improvements other than buildings	17	-	-	17
Total capital assets being depreciated	4,618	1,394	(100)	5,912
Less accumulated depreciation for:				
Buildings and improvements	(1,312)	(108)	13	(1,407)
Improvements other than buildings	(16)	(1)	-	(17)
Total accumulated depreciation	(1,328)	(109)	13	(1,424)
Total capital assets being depreciated, net	3,290	1,285	(87)	4,488
Component unit capital assets, net	\$ 5,692	\$ 1,612	\$ (287)	\$ 7,017

Depreciation expense was charged to functions / programs of the primary government as follows:

	Governmental Activities	Business-Type Activities
General government	\$ 883,560	\$ -
Public safety - police & judicial	1,410,318	-
Cultural, parks, recreation & environmental services	3,633,466	-
Planning and development	6,105	-
Transportation services	3,193,638	-
Capital assets held by the City's internal service funds used for governmental activities	965,040	-
Light & Power	-	7,047,911
Water	-	4,853,325
Wastewater	-	3,219,318
Storm Drainage	-	2,257,591
Non-major Enterprise funds - Golf	-	307,592
Capital assets held by the City's internal service fund used for business-type activities	-	310,563
Total depreciation expense	\$ 10,092,127	\$ 17,996,300
Less capital assets held by the City's internal service funds	965,040	310,563
Depreciation expense excluding internal service funds	\$ 9,127,087	\$ 17,685,737

D. Interfund Transfers and Advances:

		Transfers In:				
	<u>General</u>	<u>Trans- portation Services</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental</u>	<u>Internal Service</u>	<u>Total</u>
Transfer out:						
Governmental Funds						
General	\$ -	\$ 4,462,508	\$ 4,963,367	\$ 12,757,418	\$ 3,076,925	\$ 25,260,218
Sales and Use Tax	55,598,479	5,191,310	3,863,135	6,508,981	-	71,161,905
Transportation Services	-	-	35,000	484,959	-	519,959
Capital Projects	286,090	610,000	-	714,856	-	1,610,946
Nonmajor Governmental	1,528,166	-	4,823,938	12,219,218	-	18,571,322
Proprietary Funds						
Light & Power	250,359	-	-	-	-	250,359
Water	189,458	-	-	-	-	189,458
Wastewater	158,095	-	-	-	-	158,095
Storm Drainage	64,954	115,000	-	-	-	179,954
Internal Service	260,907	-	-	-	424,788	685,695
Total transfers in	<u>\$ 58,336,508</u>	<u>\$ 10,378,818</u>	<u>\$ 13,685,440</u>	<u>\$ 32,685,432</u>	<u>\$ 3,501,713</u>	<u>\$ 118,587,911</u>

Transfers are primarily used to 1) move revenues from the fund with collection authorization (e.g. Sales and Use Tax Fund) to the General Fund for overall operating expenditures and the Transportation Services, Capital Projects and Natural Areas Fund for dedicated voter approved programs and projects, and 2) move unrestricted General Fund revenues to finance various programs that the government must account for in other funds in accordance with budgetary authorizations, including amounts provided as subsidies or matching funds for various grant programs.

URA Advance: The advance agreement between the Fort Collins Urban Renewal Authority and the Storm Drainage fund for funding projects in the North College Urban Renewal Plan Area was entered into in 2006. The Storm Drainage fund loaned the URA \$150,000 with a 5.547% interest rate. All principal and accrued interest is due to the City in 10 years. URA may pay all or any portion of the loan at any time without penalty. The loan amount outstanding as of December 31, 2009 is \$60,000.

In May 2009, the City loaned the Urban Renewal Authority (URA) \$5,303,939 to help fund the development and construction of the Rocky Mountain Innovation Initiative (RMII) facility for the business incubation program. This loan has a 20 year term and bears a fixed interest rate of 2.5%. For years 0 through 4, there will be no payments but interest will accrue. For year 5, there will be a lump sum, annual payment consisting of the interest accrued during the no payment term and year 5. For years 6 and 7, there will be an annual payment, of interest only. For years 8 through the maturity date, there will be annual payments of principal and interest.

In May 2009, the City loaned the Urban Renewal Authority (URA) \$5,000,000 for the North College Marketplace project. The interest rate is 2.85% based on a 10 year T-Note and there is no set repayment plan. URA plans to repay the loan within 10-13 years.

Component Unit Advance: These advances are for tax increment bonds purchased by the City for the benefit of the Downtown Development Authority. The tax increment bonds are serviced by the component unit, Downtown Development Authority, and are secured by tax increment property taxes. The bonds were issued in 2004, 2007, and 2008, and will mature in 2011. The amount outstanding as of December 31, 2009 is \$11,658,062.

E. Long-term Obligations

The City utilizes various types of debt and other long-term obligations in conducting its business. The following describes the various bonds and other types of financing used by the City and its component unit.

Certificates of Participation and Assignment of Lease Payments: Through the Fort Collins Leasing Corporation, the City issues certificates of participation (COPs) and assignments of lease payments (ALPs) for the acquisition and construction of major capital facilities and improvements. The debt is secured by the constructed facilities and improvements. Debt service payments are made from the rents collected by the Leasing Corporation based upon lease agreements between the City and the Leasing Corporation. As of December 31, 2009, the City had \$52,852,546 and \$3,465,455 of COPs/ALPs outstanding for governmental and business-type activities, respectively.

Capital Leases: The City also enters into lease agreements as a lessee for financing the acquisition of land, various machinery and equipment for both governmental and business-type activities. The capital assets acquired from the lease agreements are included with capital assets and the amortization of leased equipment is included with depreciation in the financial statements. These lease agreements qualify as capital leases for accounting purposes and therefore, have been reflected at the present value of their future minimum lease payments as of the inception date. The City had \$1,735,595 and \$381,191 of capital leases outstanding as of December 31, 2009, for governmental and business-type activities, respectively.

Cost of all capital assets holding at year end that have been acquired under capital leases.

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
	<u>Balance, End of Year</u>	<u>Balance, End of Year</u>
Land, water rights, other	\$ -	\$ -
Buildings and Improvemts	351,930	-
Improve o/t buildings	-	114,030
Machinery and equipment	8,041,167	1,184,011
	<u>\$ 8,393,097</u>	<u>\$ 1,298,041</u>

DDA Tax Increment Revenue Bonds: The tax increment bonds are serviced by the component unit, Downtown Development Authority, and are secured by tax increment property taxes. The bonds were issued in 2004, 2007, and 2008, and will mature in 2011. The Downtown Development Authority had \$378,938 of tax increment revenue bonds outstanding as of December 31, 2009.

PLEDGED REVENUES

<u>Date Issued</u>	<u>Description</u>	<u>Revenue Pledged</u>	<u>Amount of Revenue Pledged</u>	<u>Purpose of Debt</u>	<u>Term of Commitment</u>
1998	Highway Users Tax Revenue Refunding Bonds	Highway Users Tax Revenues	\$ 1,073,485	Street Maintenance Building	through 2012
1997	Water Revenue Bond	Water Revenues	5,779,244	Water Capital Projects	through 2017
1999	Water Revenue Bonds	Water Revenues	3,487,813	Water Capital Projects	through 2019
2003	Subordinate Water Revenue Bonds	Water Revenues	3,021,440	Water Capital Projects	through 2030
2008	Water Revenue Refunding Bonds	Water Revenues	11,924,930	Water Capital Projects	through 2018
2009	Water Revenue Refunding Bonds	Water Revenues	7,585,839	Water Capital Projects	through 2013
2001	Storm Drainage Revenue Bonds	Storm Drainage Revenues	9,472,913	Storm Drainage Improvements	through 2021
2002	Storm Drainage Revenue Refunding Bonds	Storm Drainage Revenues	12,532,985	Storm Drainage Improvements	through 2022
2007	Storm Drainage Revenue Refunding Bonds	Storm Drainage Revenues	19,058,186	Storm Drainage Improvements	through 2019
2007	Storm Drainage Revenue Refunding Bonds	Storm Drainage Revenues	3,631,954	Storm Drainage Improvements	through 2017
1992	Sewer Revenue Bonds	Sewer Revenues	7,319,577	Sewer Capital Projects	through 2014
2000	Sewer Revenue Bonds	Sewer Revenues	5,168,048	Sewer Capital Projects	through 2020
2005	Sewer Revenue Refunding Bonds	Sewer Revenues	1,800,900	Sewer Capital Projects	through 2010
2009	Sewer Revenue Bonds	Sewer Revenues	45,851,075	Sewer Capital Projects	through 2028

<u>Date Issued</u>	<u>Description</u>	<u>% Revenue Pledged</u>	<u>P & I for 2009</u>	<u>Recognized for 2009</u>
1998	Highway Users Tax Revenue Refunding Bonds	<10%	\$ 356,115	\$ 3,741,028
2003	Sales and Use Tax Revenue Refunding Bonds	<2%	996,363	54,898,590
1997	Water Revenue Bond	1-15%	769,334	9,409,093
1998	Water Revenue Refunding and Improvement Bonds	1-15%	1,083,956	9,409,093
1999	Water Revenue Bonds	1-15%	368,633	9,409,093
2003	Subordinate Water Revenue Bonds	1-15%	188,224	9,409,093
2008	Water Revenue Bonds	1-15%	378,352	9,409,093
2009	Water Revenue Refunding Bonds	1-15%	1,017,085	9,409,093
1999	Storm Drainage Revenue Bonds	1-25%	1,602,468	8,380,791
2001	Storm Drainage Revenue Bonds	1-25%	892,623	8,380,791
2002	Storm Drainage Revenue Refunding Bonds	1-25%	947,550	8,380,791
2007	Storm Drainage Revenue Refunding Bonds	1-25%	1,018,653	8,380,791
2007	Storm Drainage Revenue Refunding Bonds	1-25%	452,290	8,380,791
1992	Sewer Revenue Bonds	1-25%	1,860,901	12,298,316
2000	Sewer Revenue Bonds	1-25%	464,839	12,298,316
2005	Sewer Revenue Refunding Bonds	1-25%	2,731,200	12,298,316
2009	Sewer Revenue Bonds	1-25%	996,941	12,298,316

The following tables display the debt service requirements to maturity for the obligations described:
(amounts expressed in thousands)

Revenue Bonds

Year Ending December 31	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2010	315	43	8,792	4,470	13,620
2011	330	30	8,484	4,112	12,956
2012	340	15	8,813	3,777	12,945
2013	-	-	8,814	3,516	12,330
2014	-	-	7,502	3,023	10,525
2015-2019	-	-	36,452	10,179	46,631
2020-2024	-	-	14,011	3,951	17,962
2025-2029	-	-	9,554	1,167	10,721
2030-2034	-	-	19	5	24
	<u>\$ 985</u>	<u>\$ 88</u>	<u>\$ 102,441</u>	<u>\$ 34,200</u>	<u>\$ 137,714</u>

Certificates of Participation Payments

Year Ending December 31	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2010	3,125	2,405	110	55	5,695
2011	3,230	2,271	130	50	5,681
2012	3,390	2,121	135	45	5,691
2013	3,555	1,972	145	39	5,711
2014	3,685	1,817	155	34	5,691
2015-2019	19,555	6,459	795	64	26,873
2020-2024	10,800	2,779	-	-	13,579
2025-2029	4,885	252	-	-	5,137
	<u>\$ 52,225</u>	<u>\$ 20,076</u>	<u>\$ 1,470</u>	<u>\$ 287</u>	<u>\$ 74,058</u>

The following tables display the debt service requirements to maturity for the obligations described:
(amounts expressed in thousands)

Assignment of Lease Payments

Year Ending December 31	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2010	40	29	128	94	291
2011	42	28	134	88	292
2012	44	26	140	81	291
2013	46	24	146	75	291
2014	48	21	153	68	290
2015-2019	277	71	882	225	1,455
2020-2024	130	9	413	29	581
	<u>\$ 627</u>	<u>\$ 208</u>	<u>\$ 1,996</u>	<u>\$ 660</u>	<u>\$ 3,491</u>

Capital Lease Payments

Year Ending December 31	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2010	721	73	154	13	961
2011	661	39	119	7	826
2012	283	9	76	3	371
2013	71	1	32	1	105
	<u>\$ 1,736</u>	<u>\$ 122</u>	<u>\$ 381</u>	<u>\$ 24</u>	<u>\$ 2,263</u>

Component Unit

Year Ending December 31	DDA - Tax Increment Bonds		Total
	Principal	Interest	
2010	188	10	198
2011	191	5	196
	<u>\$ 379</u>	<u>\$ 15</u>	<u>\$ 394</u>

General long - term obligations of the primary government at December 31, 2009 is comprised of the following:

<u>Date Issued</u>	<u>Description/Interest Rates</u>	<u>Maturity Dates</u>	<u>Original Balance</u>	<u>Outstanding Balance</u>
Bonds Service by Transportation Services Fund through the City Debt Service Fund (secured by highway users tax revenues and reserves)				
1998	Highway Users Tax Revenue Refunding Bonds (3.2-4.50%)	2012	\$ 3,399,729	\$ 985,000
Bonds Serviced by Sales and Use Tax Fund through the City Debt Service Fund (secured by sales and use tax revenues and reserves)				
2003	Sales and Use Tax Revenue Refunding Bonds (2.0-3.25%)	2009	5,730,000	-
COPs / ALPs serviced by General Fund and General Improvement District No. 1 Fund through the Fort Collins Capital Leasing Corporation Debt Service Fund				
2004	Lease Certificates of Participation (3.00 - 5.375%)	2026	48,650,000	41,560,000
2007	Lease Certificates of Participation (3.860%)	2018	14,595,000	10,665,000
2001	Assignment of Lease Payments - Police (4.70%)	2021	890,000	627,546
Unamortized premium on bonds				1,228,752
Amortized loss on bond refunding				43,942
Other Obligations of Governmental Funds				
N/A	Capital lease obligations (secured by leased equipment)	2013	N/A	1,304,710
N/A	Compensated absences	N/A	N/A	3,947,127
Other Obligations of Internal Service Fund used by Governmental Activities				
N/A	Capital lease obligations (secured by leased equipment)	2012	N/A	430,885
N/A	Compensated absences	N/A	N/A	481,798
N/A	Net pension obligation	N/A	N/A	1,753,873
N/A	Net Post Employment Health Care Obligation	N/A	N/A	962,946
N/A	Claims Payable	N/A	N/A	8,134,086
	Total			<u><u>\$ 72,125,665</u></u>

Component unit long - term debt at December 31, 2009, is comprised of the following obligations:

Bonds Serviced by Downtown Development Authority Debt Service Fund				
2004	Subordinate Tax Increment Revenue Bonds (3.35-4.40%) (secured by tax increment property taxes)	2011	\$ 196,285	\$ 82,952
2007	Subordinate Tax Increment Revenue Bonds (5.268-5.554%) (secured by tax increment property taxes)	2011	179,442	75,870
2008	Subordinate Tax Increment Revenue Bonds (5.268-5.554%) (secured by tax increment property taxes)	2011	330,174	220,116
Unamortized premium on bonds		N/A	N/A	-
Other Obligations – Component Unit				
N/A	Compensated absences	N/A	N/A	25,517
	Total			<u><u>\$ 404,455</u></u>

(Continued)

Business-type long-term obligations at December 31, 2009 consists of the following:

<u>Date Issued</u>	<u>Description/Interest Rates</u>	<u>Maturity Dates</u>	<u>Original Balance</u>	<u>Outstanding Balance</u>
Bonds, COPs, and ALPs, serviced by Enterprise Funds				
Water Fund				
(secured by water revenues)				
1997	Water Revenue Bond (3.80-5.30%)	2017	\$10,125,300	\$ 4,642,137
1998	Water Revenue Refunding and Improvement Bonds (3.00-4.75%)	2018	31,580,000	-
1999	Water Revenue Bond (3.28-5.25%)	2019	4,998,395	2,722,195
2002	General Obligation Water Refunding Bonds (2.25-2.75%)	2009	19,255,000	-
2003	Subordinate Water Revenue Bonds (5.025%)	2030	2,476,446	2,040,157
2008	Water Revenue Bond (3.46%)	2018	9,645,000	9,605,000
2009	Water Revenue Bond (2.25-4.00%)	2013	7,815,000	6,940,000
Storm Drainage Fund				
(secured by storm drainage revenues)				
1999	Storm Drainage Revenue Bonds (4.50-5.25%)	2019	19,980,000	-
2001	Storm Drainage Revenue Bond (4.50-5.25%)	2021	9,845,000	6,382,500
2002	Storm Drainage Revenue Bonds (4.38-5.00%)	2022	12,300,000	9,155,000
2007	Storm Drainage Revenue Refunding Bonds (4.086%)	2019	15,945,000	15,505,000
2007	Storm Drainage Revenue Refunding Bonds (4.086%)	2017	3,360,000	3,045,000
Wastewater Fund				
(secured by sewer revenue)				
1992	Sewer Revenue Bond (5.0-6.0%)	2014	24,540,580	6,188,326
2000	Sewer Revenue Bonds (4.5-5.5%)	2020	5,665,000	3,820,000
2005	Sewer Revenue Refunding Bonds (3.5 - 4.0%)	2010	11,415,000	1,740,000
2009	Sewer Revenue Bonds (2.0-5.0%)	2028	30,655,000	30,655,000
Unamortized premium on bonds				1,477,229
Unamortized loss on bond refundings				(1,078,506)
Unamortized discount on bonds				(80,230)
Golf Fund				
(secured by golf revenue)				
2007	Lease Certificates of Participation (3.860%)	2018	1,715,000	1,470,000
2001	Assignment of Lease Payments (4.70%)	2021	2,830,000	1,995,455
Other Obligations of Enterprise Funds				
N/A	Capital lease obligations (secured by leased equipment)	2012	N/A	381,191
N/A	Net Post Employment Health Care Obligation	N/A	N/A	429,885
N/A	Compensated absences	N/A	N/A	1,418,328
Other Obligations of the Internal Service Fund used by Business-type Activities				
N/A	Compensated absences	N/A	N/A	332,302
Total				<u><u>\$ 108,785,969</u></u>

The City is in compliance with all significant limitations and restrictions. The City is maintaining all reserves required by ordinances and agreements with other third parties. Within the governmental funds, these reserves are being maintained in debt service and special revenue funds as required by ordinances or agreements.

Certificates of participation issued by the Fort Collins Capital Leasing Corporation are payable from rents collected under a lease agreement between the City and the Leasing Corporation.

Refunding of Debt

On June 3, 2009, the City issued \$7,815,000 of Series 2009 Water Revenue Refunding bonds with an average interest rate of 2.50 percent, to refund \$8,990,000 relating to outstanding Series 1998 Water bonds, with an average interest rate of 4.49 percent. The net proceeds of \$8,169,945 along with \$857,500 of additional City funds were used to purchase the new 2009 bonds (after payment of \$78,529 in underwriting fees, insurance, and other issuance costs). Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 1998 Series bonds. The 1998 bonds were redeemed in full on July 6, 2009.

The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of \$243,270. This difference, reported in the accompanying financial statements as a deduction from bonds payable, is being amortized over the life of the bonds.

The City completed the refunding to reduce its total debt service payments of the next 5 years by \$1,380,698 and to obtain an economic gain (difference between the present values of the old debt and new debt service payments) of \$497,257.

Conduit Debt Obligations

From time to time, the City has issued Industrial Development Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by sources external to the City and are payable solely from payments received from outside parties. The City is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of December 31, 2009, there were 19 series of Industrial Development Revenue Bonds outstanding, with an estimated aggregate principal amount payable of \$63.7 million.

Operating Leases

The City leases various facilities under operating leases, which are cancelable within one year. Costs for these leases in 2009 were \$195,375.

Changes in long-term liabilities

Long-term liability activity for the year ended December 31, 2009 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Primary Government:</u>					
Governmental Activities					
Bonds, COPS, and ALPs:					
Tax revenue bonds	\$ 2,250,000	\$ -	\$ (1,265,000)	\$ 985,000	\$ 315,000
Fort Collins Leasing Corporation					
Certificates of participation	55,340,000	-	(3,115,000)	52,225,000	3,125,000
Assignment of lease payments	665,825	-	(38,279)	627,546	40,194
Total bonds, COPS and ALPS	58,255,825	-	(4,418,279)	53,837,546	3,480,194
Add other financing sources (bond premium)	1,335,570	-	(106,818)	1,228,752	89,904
Less other financing uses (bond discount and deferred loss on refundings)	19,699	-	24,243	43,942	5,172
Total bonds, COPS and ALPS	59,611,094	-	(4,500,854)	55,110,240	3,575,270
Other Liabilities:					
Capital leases	2,636,497	-	(900,902)	1,735,595	720,807
Compensated absences	4,232,597	4,453,704	(4,257,376)	4,428,925	4,428,925
Claims payable	6,085,242	17,239,776	(15,190,932)	8,134,086	2,906,366
Net pension obligation	896,979	856,894	-	1,753,873	-
Net post employment health care obligation	648,448	314,498	-	962,946	-
Total other liabilities	14,499,763	22,864,872	(20,349,210)	17,015,425	8,056,098
Governmental activities long-term liabilities	\$ 74,110,857	\$ 22,864,872	\$ (24,850,064)	\$ 72,125,665	\$ 11,631,368
<u>Business-Type Activities</u>					
Bonds, COPS, and ALPs:					
G.O. & revenue bonds	\$ 84,152,568	\$ 38,470,000	\$ (20,182,253)	\$ 102,440,315	\$ 8,791,537
Fort Collins Leasing Corporation					
Certificates of participation	1,595,000	-	(125,000)	1,470,000	110,000
Assignment of lease payments	2,117,175	-	(121,720)	1,995,455	127,806
Total bonds, COPS and ALPS	87,864,743	38,470,000	(20,428,973)	105,905,770	9,029,343
Add bond premium	319,455	1,288,467	(130,693)	1,477,229	183,816
Less bond discount and deferred loss on refundings	(1,374,673)	(243,270)	459,207	(1,158,736)	(251,965)
Total bonds, COPS and ALPS	86,809,525	39,515,197	(20,100,459)	106,224,263	8,961,194
Other Liabilities:					
Capital leases	543,908	-	(162,717)	381,191	154,108
Compensated absences	1,790,492	2,088,842	(2,128,704)	1,750,630	1,750,630
Net post employment health care obligation	273,031	156,854	-	429,885	-
Total other liabilities	2,607,431	2,245,696	(2,291,421)	2,561,706	1,904,738
Business-type activities long-term liabilities	\$ 89,416,956	\$ 41,760,893	\$ (22,391,880)	\$ 108,785,969	\$ 10,865,932
<u>Component Unit:</u>					
Bonds:					
Tax revenue bonds	\$ 6,249,938	\$ -	\$ (5,871,000)	\$ 378,938	\$ 188,131
Total bonds	6,249,938	-	(5,871,000)	378,938	188,131
Compensated absences	40,943	1,716	(17,142)	25,517	25,517
Component unit long-term liabilities	\$ 6,290,881	\$ 1,716	\$ (5,888,142)	\$ 404,455	\$ 213,648

Compensated Absences for Governmental Activities

The General Fund is primarily used to liquidate the liability for compensated absences.

Internal service funds, except for the Utility Customer Service and Administration Fund, predominantly serve the governmental funds. Accordingly, long-term liabilities for these funds are included as part of the above totals for governmental activities. Long-term liabilities of the Utility Customer Service and Administration internal service fund are included as part of the totals for the business-type activities on the proceeding page.

F. Fund Balances

In fiscal year 2009, the City adopted GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund Type Definitions.” The statement establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. The details for the City’s fund balance are the following.

Fund Balances:	General	Sales & Use Tax	Transportation	Capital Projects	Non-major Governmental	Total
Nonspendable:						
Advances	\$ 13,583,968	\$ -	\$ -	\$ -	\$ -	\$ 13,583,968
Inventories	2,900,993	-	-	-	-	2,900,993
Prepays	6,007	-	150	-	1,148	7,305
Long-term notes & loans receivables	125,000	-	-	-	-	125,000
Total Nonspendable	16,615,968	-	150	-	1,148	16,617,266
Restricted:						
Advances	-	-	-	-	49,307	49,307
Building on basics	-	-	-	-	221,200	221,200
CDBG	-	-	-	-	64,130	64,130
Civic Center Parking	-	-	870,884	-	-	870,884
Conservation Trust	-	-	-	-	1,925,891	1,925,891
Emergency	3,419,183	-	-	-	-	3,419,183
Highway Users Tax	-	-	29,864	-	-	29,864
HOME	-	-	-	-	1,266,778	1,266,778
Horticulture	48,773	-	-	-	-	48,773
Larimer County Drug Task Force	478,899	-	-	-	-	478,899
Lee Martinez Park	-	-	-	-	5,827	5,827
Martinez Farm Adopt Animal	-	-	-	-	91,765	91,765
Museum Donations	-	-	-	-	138,919	138,919
Tree Donations	41,193	-	-	-	-	41,193
PEG Distribution	129,079	-	-	-	-	129,079
Recreation Donations	-	-	-	-	9,356	9,356
Udall Property	145,102	-	-	-	-	145,102
4th of July Donations	24,324	-	-	-	-	24,324
Total Restricted	4,286,553	-	900,748	-	3,773,172	8,960,473
Committed:						
Art in public places	-	-	-	-	380,098	380,098
Capital expansion - General government	-	-	-	-	5,019,360	5,019,360
Capital expansion - Police	-	-	-	-	2,006,901	2,006,901
Capital expansion - Fire	-	-	-	-	491,539	491,539
Capital expansion - Community Parkland	-	-	-	-	6,015,379	6,015,379
Capital expansion - Library	-	-	-	-	97,573	97,573
Traffic calming	699,677	-	-	-	-	699,677
Advances	-	-	-	-	340,968	340,968
Total Committed	699,677	-	-	-	14,351,818	15,051,495
Assigned:						
Affordable housing	135,518	-	-	-	-	135,518
Camera radar	809,375	-	-	-	-	809,375
Capital projects	-	1,124,382	-	26,400,919	3,856,201	31,381,502
Cultural development and planning	2,415	-	-	-	-	2,415
DPS Communication System	2,118,086	-	-	-	-	2,118,086
DT Parking Plan	40,000	-	-	-	-	40,000
Encumbrances	1,870,322	-	1,298,477	6,755,310	2,139,728	12,063,837
Harmony Road	-	-	9,642,285	-	-	9,642,285
Manufacturer Use Tax Rebate	-	300,000	-	-	-	300,000
Operations	-	20,880	512,037	-	707,543	1,240,460
Police department	38,984	-	-	-	-	38,984
Recreation	-	-	-	-	217,295	217,295
Sales & use tax	-	7,194,099	-	-	-	7,194,099
Advances	-	74,747	253,946	617,450	612,222	1,558,365
Notes & loans receivables	-	-	-	-	1,135,262	1,135,262
General Government	-	1,052,985	-	-	1,121,222	2,174,207
Cultural, Park, Rec & Enviroment	-	-	-	-	15,809,839	15,809,839
Planning & Development	-	-	-	-	4,620,334	4,620,334
Transportation	-	-	-	-	1,947,530	1,947,530
Total Assigned	5,014,700	9,767,093	11,706,745	33,773,679	32,167,176	92,429,393
Unassigned:	10,976,625	-	-	-	(9,930,034)	1,046,591
Total fund balances	\$ 37,593,523	\$ 9,767,093	\$ 12,607,643	\$ 33,773,679	\$ 40,363,280	\$ 134,105,218

NOTE IV. OTHER INFORMATION

A. Risk Management

Property, Liability, and Workers Compensation

The City self-insures a portion of its comprehensive automobile liability, general liability, police liability, and public official liability exposures as well as damage or destruction of property. The City utilizes the Self-Insurance Fund (an internal service fund) to finance and account for risks of property and liability loss.

The City purchases property insurance that has a \$50,000 deductible for most causes of loss including earthquake and flood. Special flood hazard areas of 100 year flooding, as defined by FEMA have a deductible of 5% of the total insurable value at each location, subject to a minimum of \$500,000 at any one occurrence. Crime and boiler & machinery coverage has a \$10,000 deductible. Vehicles have a \$100,000 deductible.

In 2009, the City purchased liability insurance through a risk retention group called States. This policy has a \$500,000 deductible for all types of liability claims. Coverage limits are as follows:

General, Auto, Law Enforcement & Wrongful Acts Liability – \$3 million/occurrence, \$6 million aggregate.
Public Official Liability - \$3 million/each wrongful act, \$6 million aggregate.

Workers' Compensation losses are self-insured up to \$400,000 per occurrence. Employees in the Electrical Utility function are self-insured up to \$750,000 per occurrence. An excess policy providing limits mandated by the State of Colorado provides coverage above the self-insured retention.

In 2009, the Downtown Development Authority, a component unit, purchased general, public official liability, property, workers compensation, and umbrella insurance policies from private insurance companies. The general liability policy has no deductible, the public official liability policy has a \$2,500 deductible and the employment related practice claims have a \$1,000 deductible. The property insurance policy has a deductible of \$500. Coverage limits are as follows:

General Liability – \$1,000,000/occurrence, \$2,000,000 million aggregate
Public Official Liability - \$500,000/occurrence, \$500,000 aggregate.
Umbrella Liability - \$1,000,000/occurrence, \$1,000,000 aggregate.
Workers Compensation Liability - \$500,000 per accident/illness.

During 2009, policies were taken out for Beet Street, a 501c(3), with a private insurance company. The same coverage limits listed above for the Downtown Development Authority apply to Beet Street.

Employee Health and Illness

The City and the component unit self-fund their employees for comprehensive major medical benefits under two health plan options, up to an aggregate lifetime benefit maximum of \$2 million per participant. The two options include one low Preferred Provider Options (PPO) and one high Preferred Provider Options (PPO). The Benefits Fund (an internal service fund) is utilized to finance and account for medical risks of loss. Stop-loss coverage of \$175,000 per occurrence is retained as excess risk coverage. During the past three years, there have been 18 claims that have exceeded the stop-loss limit.

Funding and Claims Liabilities

All funds or employees of the City, as applicable, participate in the above risk management programs. Charges to City funds for these services are based on estimates of the amounts needed to pay claims and establish reserves for catastrophic losses.

Claims liabilities for the Self-Insurance and Benefits Funds as of December, 31, 2009, amount to \$6,416,612 and \$1,717,474 respectively. These claims were determined on an actuarial basis, and reflect the Governmental Accounting Standards Board (GASB) Statement No. 10 requirement that a liability for claims be reported, if information prior to the issuance of the City's financial statements indicates that it is probable that a liability has been incurred at December 31, and the amount of the loss can be reasonably estimated. The liability of \$6,416,612 for the Self Insurance Fund is discounted at 2% and reflects an 80% confidence level factor. The discount refers to the full or undiscounted amount reduced for future investment earnings that can be generated on funds held between the date of valuation and the date of the final payment of claims. Changes in claims liabilities amounts for 2007, 2008 and 2009 are as follows:

	Self-Insurance	Benefits
Claims payable - December 31, 2007	\$ 5,044,058	\$ 1,412,282
Claims & changes in estimates	647,655	12,651,624
Claim payments	(1,217,865)	(12,452,512)
Claims payable - December 31, 2008	4,473,848	1,611,394
Claims & changes in estimates	3,396,517	13,843,259
Claim payments	(1,453,753)	(13,737,179)
Claims payable - December 31, 2009	<u>\$ 6,416,612</u>	<u>\$ 1,717,474</u>

Insurance Recoveries

The City of Fort Collins recovered \$22,244 from 3rd party sources for damages caused to city owned property.

B. Employee Retirement Systems and Pension Plans

General Employees' Retirement Plan

Plan Description

All permanent, classified, non-uniformed employees hired before January 1, 1999 are eligible to be members of the General Employees' Retirement Plan (the Plan), a single-employer defined benefit plan. Employees hired after January 1, 1999 are only eligible to participate in the Money Purchase Plan explained on page 80. The benefits and refunds of the General Employees' Retirement Plan are recognized when due and payable in accordance with the terms of the plan.

The Plan is accounted for in the General Employees' Retirement Plan Pension Fund (a pension trust fund). Separate financial statements are not issued for the Plan. As of January 1, 2010, employee membership data related to the Plan was as follows: Retirees and beneficiaries currently receiving benefits--171; vested terminated employees--114; active plan participants--212

Benefits vest 40% after 2 years of credited service and 20% for each year thereafter until 100% is attained after 5 years. Employees who retire at or after age 65 with 5 years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to 1-1/2% of final average monthly compensation multiplied by years of credited service. Final average monthly compensation is the highest average of the considered compensation during 60 consecutive full calendar months out of the last 120 calendar months of credited service. A member is eligible for an early retirement benefit after age 55 and completion of 2 years of credited service. The monthly benefit, payable for life, is equal to the vested portion of the normal retirement benefit based on credited service and compensation at early retirement, reduced by 1/180th for each of the first 60 months and 1/360th for each additional month by which payments commence prior to normal retirement date. The Plan also provides for death and disability benefits. The entire cost of the Plan is paid by the City as established or amended by City Council.

A death benefit of approximately 50% of the member's vested accrued benefit at the date of death is payable to the employee's spouse for life beginning on the first day of the month following the later of the date of death or the date the member would have been age 55. The spouse may elect to receive the actuarial equivalent lump-sum payment.

If the member was not married, the beneficiary or estate would receive the actuarial single-sum payment of the benefit.

A change in the plan assumptions was approved by the General Employees Retirement Plan Board. The actuarial cost method changed from the Aggregate cost method to the Entry Age Normal method.

Annual Pension Cost

The costs of the Plan are derived by making certain specific assumptions as to the rates of interest and mortality, which are assumed to hold for many years into the future. Since actual experience may differ somewhat from the assumptions, the costs determined by the valuation must be regarded as estimates of the true costs of the Plan.

Three year historical information of the General Employees' Retirement Plan is presented to help users assess the plan's status on a going concern basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other public employee retirement systems.

CALCULATION OF NET PENSION OBLIGATION AND PENSION COST (As required by GASB No. 27)

Plan Year	Annual Required Contribution (ARC)	Net Pension Obligation (NPO) as of January 1	Interest on NPO to End of Year	Amortization Factor	ARC Adjustment	Annual Pension Cost (APC)	Actual Employer Contribution	Net Pension Obligation at End of Year	Increase (Decrease) Net Pension Obligation
2007	1,725,108	643,536	48,265	6	106,440	1,666,933	866,694	1,443,775	800,239
2008	1,325,710	1,443,775	108,283	8	172,955	1,261,038	1,807,834	896,979	(546,796)
2009	1,901,281	896,979	67,273	8	105,759	1,862,795	1,005,901	1,753,873	856,894

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Plan Year	Annual Pension Cost	Employer Contribution	% of Annual Pension Cost
2007	1,666,933	866,694	52%
2008	1,261,038	1,807,834	143%
2009	1,862,795	1,005,901	54%

SCHEDULE OF FUNDING PROGRESS *

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Liability (UAL) (b) - (a)	Funded Ratio (a) / (b)	Covered Payroll (c)	UAL as a Percentage of Covered Payroll [(b) - (a)] / (c)
1/1/2008	42,339,892	47,789,676	5,449,784	88.6%	13,851,399	39.3%
1/1/2009	39,568,446	49,707,694	10,139,248	79.6%	13,958,960	72.6%
1/1/2010	39,577,509	50,300,314	10,722,805	78.7%	12,897,653	83.1%

* Note: Prior to January 1, 2008, the Plan utilized the aggregate cost method. A schedule of funding progress is not required for the aggregate cost method.

The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

**General Employees Retirement Plan
Statement of Net Assets**

ASSETS

Current Assets

Cash and cash equivalents	\$ 1,301,247
Receivables	
Interest	123,386
Total Receivables	<u>123,386</u>

Investments, at fair value

U S Government securities	12,136,515
Mutual funds	23,743,345
Total Investments, at fair value	<u>35,879,860</u>

Securtiy lending collateral

-

Total Assets

37,304,493

LIABILITIES

Current Liabilities

Accrued expenses	2,231
Total Liabilities	<u>2,231</u>

NET ASSETS

Held in trust for pension benefits	<u>37,302,262</u>
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Total Net Assets	<u><u>\$ 37,302,262</u></u>
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**General Employees Retirement Plan
Statement of Changes in Net Assets**

ADDITIONS

Contributions

Employer contributions	\$ 1,005,901
Total Contributions	<u>1,005,901</u>

Investment income

Interest related to plan investments	408,009
Net change in fair value of investments	6,141,637
Total Investment Income	<u>6,549,646</u>

Securities lending income

825

Less securities lending expenses

(611)

Net income from securities lending activities

214

Net Investment Income

6,549,860

Total Additions

\$ 7,555,761

DEDUCTIONS

Benefit payments

3,204,570

Administration

22,634

Total Deductions

3,227,204

Net Increase

4,328,557

Net Assets Held In Trust for Retirement Benefits

Beginning of year	<u>32,973,705</u>
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End of Year

\$ 37,302,262

Actuarial plan assumptions:	
Valuation date:	January 01, 2010
Actuarial cost method:	Entry Age Normal
Amortization method:	13 years, as an open level dollar amount.
Remaining amortization period:	13 years
Asset valuation method:	An expected actuarial value is determined equal to the prior year's actuarial value of assets plus cash flow (excluding realized and unrealized gains or losses) for the year ended on the valuation date and assuming a 7.5% interest return. The unrecognized gain or loss is then added to the expected value. Any difference between this amount and the market value of the assets is set up as a gain or loss base and amortized over 5 years. The result is constrained to a value of 80% to 120% of the market value of assets at the valuation date in order to determine the final actuarial value of assets.
Investment rate of return:	7.5% (including inflation at 2.5%)
Projected pay increases:	Ranges from 4.5% at age 30 to 3.6% at age 65+ (including inflation at 2.5%)

Contributions and Reserves

The Plan's funding policy provides for actuarially determined periodic rates determined by the entry age normal cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the valuation is allocated on a level basis over the earnings of the individual between entry age and assumed exit age. Contributions are based on the actuarially determined rates. For 2009, the City contributed 4.50% of covered pay to the Plan as well as the supplemental contributions; this amounted to \$1,005,901. The authority for establishing or amending the obligation to make contributions rests with City Council.

Costs of administering the Plan are all financed from contributions and earnings of the Plan. The entire balance of the Plan's net assets available for benefits as of December 31, 2009, is \$37,302,262 all of which is reserved for benefits of employees and beneficiaries.

Concentration of Credit Risk

Investments in mutual funds exceeding 5% of the net assets of the plan are as follows: American Amcap Fund – 6.33%, Meridian Value Fund – 5.81%, Mutual Shares Fund – 6.28%, Artio Global Intl - 5.06%, and TRP New Asia – 5.80%.

Money Purchase Plan 401(a)

The City offers its employees a defined contribution money purchase plan. Classified employees were offered the plan for the first time in 1995. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Employees are eligible to participate six months from the date of employment. The plan requires both employer and employees to contribute amounts ranging from 3% to 10% (depending on job classification) of base salary each pay period. Contributions made by the City are not taxable to the employee until they are withdrawn. Employee contributions are made with pre-tax dollars, and the earnings on City and employee contributions are not taxed until withdrawn. Except for certain categories of police personnel, employees are fully vested upon initial participation in the plan. Sworn police officers and emergency service dispatchers, who receive higher contribution rates, are fully vested upon completion of three years of service. Plan provisions and contribution requirements are established and may be amended by City Council. City and employee contributions to the plan were \$4,705,005 and \$2,883,701, respectively during 2009.

Retirement Health Savings Plan (RHS)

In 2006 and 2007, the City offered to classified and unclassified management employees the employer-sponsored health benefits savings vehicle that allowed the employee to accumulate assets to pay for medical expenses in retirement on a tax-free basis. As of 12/31/07, that plan has been frozen. There can no longer be any money

withheld for this plan. Police Services, through the Collective Bargaining Agreement (CBU), continue to offer a mandatory RHS plan to collective bargaining unit members only. Both the frozen City plan and the current CBU plan are administered by ICMA-RC.

The RHS plan offers triple tax advantage to employees. Employee contributions are made through pre-tax payroll deductions, are invested in ICMA-RC funds and grow tax-free, and monies can be withdrawn tax-free for qualifying expenses. No federal, state or FICA tax will be withheld. Employees cannot change their elections after their initial enrollment. The CBU RHS plan requires a mandatory 1% contribution to be made by all qualifying participants. Once the participant becomes eligible to get reimbursed from their own RHS account, they can turn in receipts to a 3rd party administrator and be reimbursed with tax-free monies. If the employee passes away, the employee's spouse and dependents are automatically eligible to use the account and are reimbursed on a tax-free basis.

Statement of Net Assets

	<u>Money Purchase Plan</u>	<u>Retirement Health Savings Plan</u>
ASSETS		
Current Assets		
Cash and cash equivalents	\$ -	\$ -
Receivables		
Notes and loans	3,163,220	-
Investments, at fair value		
U S Government securities	-	-
Mutual funds	104,200,060	460,100
Total Investments, at fair value	<u>104,200,060</u>	<u>460,100</u>
Security lending collateral	-	-
Total Assets	<u>107,363,280</u>	<u>460,100</u>
LIABILITIES		
Current Liabilities		
Accrued expenses	-	-
Obligations under security lending	-	-
Total Liabilities	<u>-</u>	<u>-</u>
NET ASSETS		
Held in trust for pension benefits	<u>107,363,280</u>	<u>460,100</u>
Total Net Assets	<u><u>\$ 107,363,280</u></u>	<u><u>\$ 460,100</u></u>

Statement of Changes in Net Assets

	<u>Money Purchase Plan</u>	<u>Retirement Health Savings Plan</u>
ADDITIONS		
Contributions		
Employer contributions	\$ 4,705,005	\$ -
Employee contributions	2,883,701	-
Pension conversion & roll-overs	602,183	-
Loan repayments	1,202,891	-
Other	322,395	579
Total Contributions	<u>9,716,175</u>	<u>579</u>
Investment income		
Interest related to plan investments	932,992	1,793
Interest related to employee loans	359,327	-
Net change in fair value of investments	17,097,455	58,518
Total Investment Income	<u>18,389,774</u>	<u>60,311</u>
Net Investment Income	<u>18,389,774</u>	<u>60,311</u>
Total Additions	<u>\$ 28,105,949</u>	<u>\$ 60,890</u>
DEDUCTIONS		
Benefit payments	4,891,696	54,331
Administration	18,318	1,747
Total Deductions	<u>4,910,014</u>	<u>56,078</u>
Net Increase	23,195,935	4,812
Net Assets Held In Trust for Retirement Benefits		
Beginning of year	<u>84,167,345</u>	<u>455,288</u>
End of Year	<u><u>\$ 107,363,280</u></u>	<u><u>\$ 460,100</u></u>

Statewide Death and Disability Plan

Plan Description

The City contributes to the Fire & Police Pension Association (the Plan), a multi-employer cost sharing defined benefit plan covering full-time employees of substantially all fire and police departments in Colorado. Contributions to the Plan are used solely for the payment of death and disability benefits. The Plan was established in 1980 pursuant to Colorado Revised Statutes. All uniformed employees are eligible to be members of the Fire & Police Pension Association.

Funding Policy and City Contributions

Prior to 1997, the State of Colorado, whose contributions were established by Colorado statute, primarily funded the Plan. The State made a one-time contribution in 1997 of \$39,000,000 to fund the past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further State contributions are anticipated.

Members hired on or after January 1, 1997, contribute 2.30% of payroll to this fund. During 2009, 2008, and 2007, the City's employer and employee contributions were \$205,114, \$177,990, and \$155,810, respectively. This contribution rate increased to 2.6% effective January 1, 2009. It should be noted that this percentage can vary depending on actuarial experience.

Benefits

Benefits are established by Colorado statute.

If a member dies prior to retirement, the surviving spouse is entitled to a benefit equal to 40% of the member's monthly base salary with an additional 10% of base salary if a surviving spouse has two or more dependent children, or if there are three or more dependent children without a surviving spouse. Benefit entitlement continues until death of the spouse and death, marriage, or other termination of dependency of children.

A member who becomes disabled prior to retirement shall be eligible for disability benefits. The benefit is 70% of base salary for cases of total disability. Effective October 1, 2002, the benefit is 50% of base salary for a permanent occupational disability and 40% of base pay for a temporary occupation disability.

Benefits paid to members are evaluated and may be re-determined on October 1 of each year. Any increase in the level of benefits cannot increase by more than 3% for any one year. Totally disabled members and their beneficiaries receive an automatic cost of living adjustment each year of 3%.

Separately issued financial statements and the related actuarial valuation may be obtained from the Fire & Police Pension Association.

C. Other Postemployment Benefits

Plan Description

The City sponsors a single-employer health care plan that provides medical, vision, dental and prescription drug benefits to all retired employees and their eligible dependents. Employees retiring on or after January 1, 2010 are no longer eligible to participate in the Retiree Health Plan. In addition, those employees retiring on or after September 1, 2009 but before January 1, 2010 and elect retiree health coverage may participate in the Retiree Health Plan until age 65. To be eligible an employee must have had at least 10 or more years of service. The City administrative policy authorized this benefit until January 1, 2010. The plan does not issue a stand-alone financial report.

Funding Policy and City Contributions

Employees pay the full premium. The current funding policy of the City is to pay health claims as they occur through internal allocated funds.

The required contribution is based on projected pay-as-you-go financing. For fiscal year 2009, the City contributed \$45,979. Retiree and active members receiving benefits contribute monthly premiums as outlined:

	Core		Advantage		Dental	Dental	
	Non-Medicare	Core Medicare	Non-Medicare	Advantage Medicare	Basic	Compre.	Vision
Employee:	\$ 791	\$ 317	\$ 890	\$ 356	\$ 21	\$ 33	\$ 9
Employee +1:	1,583	633	1,781	712	37	59	16
Employee +Family:	\$ 1,899	\$ 950	\$ 2,137	\$ 1,068	\$ 62	\$ 98	\$ 26

Annual OPEB Cost and Net OPEB Obligation

The City's annual other post-employment benefit (OPEB) cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount actuarially determined in accordance to the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover the normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the components of the City's annual OPEB cost for the year, the amount actuarially contributed to the plan and changes in the City's annual OPEB obligation:

Annual required contribution	\$ 531,712
Interest on net OPEB obligation	36,859
Adjustment to annual required contribution	51,240
Annual OPEB cost (expense)	517,331
Contributions and payments made	45,979
Increase in net OPEB obligation	471,352
Net OPEB obligation - January 1, 2009	921,479
Net OPEB obligation - December 31, 2009	\$ 1,392,831

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligations for 2009 and the two preceding years follows. Fiscal year 2008 was the transition year of GASB Statement No. 45.

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2007	N/A	N/A	N/A
December 31, 2008	\$ 994,326	7.3%	\$ 921,479
December 31, 2009	\$ 517,331	8.9%	\$ 1,392,831

Funded status and funding progress

Post Employment Benefit Obligations under GASB Statement No. 45 calculated as of December 31, 2009, the most recent valuation date is as follows:

	Total	Members
Actuarial Accrued Liability		
Current retirees, beneficiaries and dependents	\$ 2,087,673	33
Current active members	-	
Total Actuarial Accrued Liability (AAL)	2,087,673	
OPEB Plan Assets	-	
Unfunded Actuarial Accrued Liability (UAAL)	\$ 2,087,673	

The covered payroll (annual payroll of active employees covered by the plan) was \$70,409,610 and the ratio of the UAAL to the covered payroll was 3.0 percent.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the health care cost trend. Amounts determined regarding the funded status of the plan and annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial methods and assumptions

Projections and benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and included in the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the December 31, 2009 actuarial valuation date, projected unit credit method was used. The actuarial assumptions included a 4 percent discount rate (net of administrative expenses) and an annual health care cost trend rate of 8.5 percent per year, grading down to 4.5 percent over 57 years. Trends for dental and vision benefits begin at 5 percent, grading to 4.5 percent over 57 years. All three rates include a 3 percent salary growth assumption. The City's unfunded actuarial accrued liability is being amortized as an open 30-year level dollar amount. The remaining amortization period at December 31, 2009, was 30 years.

D. Commitments/Contingencies

Construction Commitments

The City had commitments of \$161,913 for capital projects in governmental fund types and \$815,098 in proprietary fund types at December 31, 2009. Future expenditures related to these commitments are expected to be financed through available resources and future revenues.

Encumbrance Commitments for Proprietary Fund Types

The financial statements do not include encumbrances for proprietary fund types. However, encumbrances for these funds are recorded by the City for management and budgetary control purposes. Outstanding encumbrance

commitments for the enterprise funds at December 31, 2009 (excluding those relating to capital projects) amounted to \$25,476,366.

Street Oversizing Liability

The City has contractual liabilities for street oversizing costs with various developers. The developers are required to install certain oversized streets as a condition of subdivision approval. Once the streets are installed and inspected by the City, a liability is recorded for the difference between a normal sized street and the oversized street installed.

Because the City has no control over when subdivisions will be developed and the related oversized street completed, the liability for uncompleted oversizing costs has not been reflected in the financial statements.

E. Legal Matters

Pending Litigation and Grants

Various claims and lawsuits are pending against the City. After consideration of applicable insurance policy coverage, and the relative merits of each claim or lawsuit, it is the opinion of the City Attorney and City management that the potential ultimate liability resulting from these actions, if any, will not have a material adverse financial effect on the City.

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grants. Such audits could lead to reimbursement to the grantor agencies. City management believes disallowances, if any, resulting from any such audits would be immaterial. There currently are no material disallowed or questioned costs.

Tax, Spending, and Debt Limitations

Article X, Section 20, of the State Constitution has several limitations, including those for revenue, expenditures, property taxes, and issuance of debt. These provisions of the Constitution are complex and subject to judicial interpretation. In the opinion of management, the City is in compliance with such provisions. In 1997, the City's electorate approved the ongoing retention of excess revenue by the City, requiring the excess revenue be spent for specified purposes. This alleviated the need by the City to seek annual approval to retain excess revenue and excess property tax. The City did not exceed the revenue limitation in 2009, and exceeded the property tax limit by \$2,466,965.

The excess revenue will be used for the purposes of public health and safety (including, but not limited to environmental monitoring and mitigation), growth management, transportation services, and maintaining and repairing City facilities.

The amendment requires local governments to establish emergency reserves equal to at least 3% of fiscal year spending as defined in the amendment. These emergency reserves cannot be used to compensate for economic conditions, revenue short falls, or salary and benefit increases. As of December 31, 2009, the amount required as an emergency reserve in compliance with the amendment is \$3,419,183 and is shown as a restriction of fund balance in the General Fund.

F. Related Party Transactions

Due to the nature of the relationships, the City has related party transactions with various entities. The following transactions have occurred during 2009:

Fort Collins-Loveland Airport

Intergovernmental Agreement

The Airport is jointly operated under an Intergovernmental Agreement between the City of Fort Collins, Colorado and the City of Loveland, Colorado. Pursuant to the agreement, any needed contributions for annual operating budgets or capital improvements are shared equally by both cities. Also, either City may invest additional funds in the Airport as it sees fit.

Since July 3, 1979, ownership of assets vests equally with each City. Assets acquired prior to July 3, 1979 vested one-third with the City of Loveland and two-thirds with the City of Fort Collins.

The agreement provides that if either City does not pay its one-half of agreed expenses in a given year, it will convey to the other City ten percent of its total Airport ownership. Each City contributed \$85,000 in 2009 and \$85,000 in 2008.

Financial Information

The Fort Collins-Loveland Municipal Airport is accounted for as a proprietary joint venture. A summary of financial information is as follows:

As of December 31, 2009

Total current assets	\$ 1,130,425
Total capital assets (net of accumulated depreciation)	<u>15,085,567</u>
Total Assets	16,215,992
Total current liabilities	<u>(206,231)</u>
Total Net Assets	<u>16,009,761</u>
Net assets invested in capital assets	15,085,567
Restricted capital	158,402
Unrestricted net assets	<u>765,792</u>
Total Net Assets	<u>\$ 16,009,761</u>

For year ending December 31, 2009

Total operating revenue	\$ 586,191
Total operating expenses	(1,648,811)
Interest Income	32,508
Nonoperating revenue	340,360
Capital contributions	<u>1,911,680</u>
Change in Net Assets	<u>\$ 1,221,928</u>

City Share of Net Assets

The City's annual contribution is reflected as another expenditure of the General Fund. The City's share of Fort Collins-Loveland Airport's Net Assets and Change in Net Assets are reflected in the City's Statement of Net Assets and Statement of Activities, respectively.

Stand-Alone Financial Statements

The stand-alone financial statements for the Fort Collins-Loveland Airport can be obtained from the City of Loveland Finance Department at 500 East Third Street, Loveland, Colorado, 80537.

Poudre Fire Authority

As mentioned in the summary of significant accounting policies, the City provides funding for PFA. During 2009, such funding amounted to \$17,223,795. In addition, the City provided accounting and administrative services to PFA at no charge.

Platte River Power Authority

The Light and Power Fund purchases all of its electrical power from PRPA. During 2009, these purchases amounted to \$60,582,158 of which \$5,382,851 is included in accounts payable at December 31, 2009.

Fort Collins Housing Authority

The City allows the Fort Collins Housing Authority (FCHA) to participate in its employee benefit plans and bills the Fort Collins Housing Authority for this coverage. In addition, FCHA also uses the City's fleet services for vehicle maintenance. During 2009, billings for benefits and services amounted to \$118,967.

North Front Range Transportation and Air Quality Planning Council

The City allows the North Front Range Transportation and Air Quality Planning Council (NFRTAQPC) to participate in its employee benefit plans and bills NFRTAQPC for this coverage. In addition, NFRTAQPC also used the City's fleet services for vehicle maintenance. During 2009, billings for benefits and services amounted to \$591,936.

G. Subsequent Events

On April 6, 2010, the City issued \$3,900,000 Sewer Revenue Refunding Bonds. The bonds refunded the 2000 Series. The bonds have an interest rate of 2.990% and payments of principal and interest ranging from \$266,120 to \$448,007 through 2020.

In May 2009, the City was authorized to issue up to \$17,000,000 of Electric Utility Enterprise Revenue Bonds. The proceeds of the bonds will be used to provide the Utilities' matching portion for the Smart Grid Investment Grant project. The issuance of the bond will occur prior to December 31, 2010.

REQUIRED SUPPLEMENTARY INFORMATION

MODIFIED APPROACH FOR CITY STREETS INFRASTRUCTURE CAPITAL ASSETS

In accordance with GASB Statement No. 34, the City is required to account for and report infrastructure capital assets. The City has several major infrastructure systems including the street system and various systems that distribute utility services. Each major infrastructure system can be divided into subsystems. For example, the street system can be divided into concrete and asphalt pavements, concrete curb and gutters, sidewalks, medians, streetlights, traffic control devices (signs, signals and pavement markings), landscaping and land. Subsystem detail is not presented in these basic financial statements; however, the City maintains detailed information on these subsystems.

The City has elected to use the "Modified Approach" as defined by GASB Statement No. 34 for infrastructure reporting for its Streets Pavement System. Under GASB Statement No. 34, eligible infrastructure capital assets are not required to be depreciated under the following requirements:

The City manages the eligible infrastructure capital assets using an asset management system with characteristics of (1) an up-to-date inventory; (2) perform condition assessments and summarize the results using a measurement scale; and (3) estimate annual amount to maintain and preserve at the established condition assessment level.

The City documents that the eligible infrastructure capital assets are being preserved approximately at or above the established and disclosed condition assessment level. The City's Pavement Management Program conducts condition assessment surveys on a three year cycle assuring that all data is updated within three year period. City owned streets are classified based on land use, access and traffic utilization into the following three classifications: arterial, collector and local. Each street was assigned a physical condition based on potential defects. A Pavement Condition Index (PCI), a nationally recognized index, was assigned to each street and expressed in a continuous scale from 0 to 100, where 0 is assigned to the least acceptable physical condition and 100 is assigned to the physical characteristics of a new street.

The City of Fort Collins is changing its focus from specifying a targeted average condition value to setting a specified Level of Service (LOS). Setting a LOS will allow for a range of funding needs to be determined to assess what funding level best suits the needs of the City in terms of desired LOS and available funding.

LOS is a customer-driven measurement of condition. The City of Fort Collins' goal is to maintain a LOS of "B". LOS B is a high level of service in which pavements are in good condition, few deficiencies are present, the roads are providing good ride quality, low vehicle operating costs, minor signs of deterioration, and with few safety-related issues. Preventive and corrective maintenance activities can be used to keep the average network condition maintained. As of December 2009, the City's street system is at a PCI of 71, just within the LOS of "B". The City's street system was at a PCI of 77 in 2008, 79 in 2007, and 77 in 2006. The average detail condition is as follows:

Level of service.....	PCI Range.....	Percent of Roads
LOS A (best).....	100 to 86.....	17%
LOS B (good)	85 to 71	43%
LOS C (fair).....	70 to 56.....	24%
LOS D (poor).....	55 to 41	13%
LOS F (worst).....	40 to 0.....	3%

The City's next full 3 year assessment cycle will be completed in 2012.

REQUIRED SUPPLEMENTARY INFORMATION (continued)

MODIFIED APPROACH FOR CITY STREETS INFRASTRUCTURE CAPITAL ASSETS (continued)

The City's streets are constantly deteriorating resulting from the following five factors; (1) traffic loads; (2) the sun's ultra-violet rays drying out and breaking down the top layer of pavement; (3) utility company/private development interests trenching operations; (4) winter freeze/thaw condition and water damage from both natural and other urban runoff; and (5) growth of the existing street system. The City is continuously taking actions to arrest the deterioration through short-term maintenance activities such as crack sealing, pothole patching, street sweeping, and sidewalk repair.

The City's short-term maintenance expenditures delay deterioration; however, the overall network condition is not improved through these maintenance expenditures. The City has estimated the amount of annual expenditures required to maintain the City's streets at a Level of Service B. A schedule of estimated annual amount calculated to maintain and preserve its streets at the current level compared to actual expenditures for the street maintenance for the last five years is presented below:

Year	Maintenance Estimate	Actual Expenditure
2009	\$ 10,123,079	\$ 7,848,312
2008	\$ 9,736,502	\$ 10,733,015
2007	\$ 8,777,961	\$ 7,141,788
2006	\$ 8,435,993	\$ 7,517,472
2005	\$ 8,044,290	\$ 8,143,799

REQUIRED SUPPLEMENTARY INFORMATION (continued)

Pension

SCHEDULE OF FUNDING PROGRESS *

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (b)	Unfunded Actuarial Liability (UAL) (b) - (a)	Funded Ratio (a) / (b)	Covered Payroll (c)	UAL as a Percentage of Covered Payroll [(b) - (a)] / (c)
1/1/2008	42,339,892	47,789,676	5,449,784	88.6%	13,851,399	39.3%
1/1/2009	39,568,446	49,707,694	10,139,248	79.6%	13,958,960	72.6%
1/1/2010	39,577,509	50,300,314	10,722,805	78.7%	12,897,653	83.1%

* Note: Prior to January 1, 2008, the Plan utilized the aggregate cost method. A schedule of funding progress is not required for the aggregate cost method.

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Plan Year	Annual Required Contribution ARC	Employer Contribution	% of ARC Contributed
2004	1,107,920	1,080,346	98%
2005	1,397,352	739,281	53%
2006	1,761,893	909,179	52%
2007	1,725,108	866,694	50%
2008	1,325,710	1,807,834	136%
2009	1,901,281	1,005,901	53%

The information presented in the required supplementary schedule was determined as part of the actuarial valuation as of January 1, 2010. Additional information follows:

Actuarial cost method:	Entry Age Normal
Amortization method:	13 years, as an open level dollar amount.
Remaining amortization period:	13 years
Asset valuation method:	An expected actuarial value is determined equal to the prior year's actuarial value of assets plus cash flow (excluding realized and unrealized gains or losses) for the year ended on the valuation date and assuming a 7.5% interest return. The unrecognized gain or loss is then added to the expected value. Any difference between this amount and the market value of the assets is set up as a gain or loss base and amortized over 5 years. The result is constrained to a value of 80% to 120% of the market value of assets at the valuation date in order to determine the final actuarial value of assets.
Investment rate of return:	7.5% (including inflation at 2.5%)
Projected pay increases:	Ranges from 4.5% at age 30 to 3.6% at age 65+ (including inflation at 2.5%)

REQUIRED SUPPLEMENTARY INFORMATION (continued)

Other Postemployment Benefits Plan

SCHEDULE OF FUNDING PROGRESS

Fiscal Year Ended	Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded (Over funded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
2008	12/31/08	\$ -	\$ 10,932,956	\$ 10,932,956	- %	\$ 67,913,847	16.1%
2009	12/31/09	\$ -	\$ 2,087,673	\$ 2,087,673	- %	\$ 70,409,610	3.0%

Note: Fiscal year 2008 is the transition year for GASB Statement No. 45

The information presented in the required supplementary schedule was determined as part of the actuarial valuation date as of December 31, 2009.
Additional information follows:

Actuarial cost method:	Projected Unit Credit Method
Amortization method:	30 years, as an open level dollar amount
Remaining amortization period:	30 years
Asset valuation method:	An expected actuarial value is determined equal to a 4% discount rate per year, and a health care cost trend rate of 8.5% per year, grading down to 4.5% over 57 years. Trends for dental and vision benefits being at 5%, grading to 4.5% over 57 years. All rates include a 3% salary growth assumption.
Discount rate:	4%
Projected pay increases:	3%



**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

Special Revenue Funds

Capital Expansion -- to account for capital expansion fees collected by the City and various projects funded by those fees.

Neighborhood Parkland -- to account for parkland fees used to fund the acquisition, development and administration of neighborhood park and capital improvements.

Conservation Trust Fund -- to account for revenues received from the Colorado State Lottery through the State Conservation Trust Fund which are restricted to financing capital projects which relate to the acquisition and development of open space and trails.

Natural Areas -- to account for dedicated financial resources to be used for the acquisition of natural areas and trails. In addition, some of the fund is used for long-term management of existing natural areas and trails.

Cultural Services and Facilities -- to account for revenues received from the Lincoln Center facility, the Fort Collins Museum, performing and visual arts and General Fund subsidies used to promote cultural activities.

Recreation -- to account for recreation fees and General Fund subsidies used to provide recreational programs for citizens.

Cemeteries -- to account for revenues collected from the sale of burial plots.

Perpetual Care -- to account for monies set aside for the maintenance costs of burial plots.

Community Development Block Grant (CDBG) -- to account for revenues received from the federal government which are restricted to financing the City's Community Development Block Grant Program.

Home Program -- to account for revenues received from the federal government restricted to financing the City's Home Program.

Transit Services -- to account for federal grants and other revenues utilized to operate and maintain the City's bus system.

Street Oversizing -- to account for street oversizing fees used to pay the City's portion of street oversizing costs.

General Improvement District No. 1 -- to account for property taxes and investment earnings used to fund debt service and other activities of the General Improvement District No. 1, a blended component unit.

URA operations -- to account for the General Fund of the Urban Renewal Authority, a blended component unit.

Debt Service Funds

Timberline/Prospect SID -- to account for assessments used to pay for public improvements

Debt Service -- to account for property taxes and transfers from other funds used to pay general obligation bonds, sales and use tax revenue bonds, and highway users tax revenue bonds.

Special Assessments -- to account for amounts received from special assessments used to pay special assessment bond and general obligation bonds payable from special assessments.

Fort Collins Leasing Corporation -- to account for rental amounts received from lease payments between the City and the Corporation on municipal buildings and other structures. Monies used to pay certificates of participation issued by the Corporation.

URA Debt Service -- to account for the receipt of public improvement fees and the payments for the associate debt service

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2009**

	Special Revenue Funds				
	Capital Expansion	Neighborhood Parkland	Conservation Trust	Natural Areas	Cultural Services & Facilities
ASSETS					
Cash and cash equivalents	\$ 403,518	\$ 741,123	\$ 185,043	\$ 322,517	\$ 211,191
Investments	13,122,079	7,018,428	1,752,370	3,034,827	2,040,462
Securities lending collateral	5,300,696	2,831,487	705,488	1,277,506	810,358
Receivables					
Property taxes	-	-	-	-	-
Accounts	3,531	2,011	-	222,495	13,605
Notes and loans	-	-	-	-	-
Interest	101,624	54,161	13,539	24,434	15,621
Prepaid item	-	-	-	-	1,148
Advances to component unit	340,968	170,267	43,802	130,518	48,147
Due from other governments	-	-	-	4,358	31,755
Total Assets	19,272,416	10,817,477	2,700,242	5,016,655	3,172,287
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable, accruals, and other	-	2,140	21,801	50,849	20,306
Wages payable	-	5,324	3,260	37,337	28,885
Due to other governments	-	-	-	-	-
Due to other funds	-	-	-	-	-
Deferred revenue	-	-	-	-	558,284
Advance from other funds	-	-	-	-	-
Obligations under securities lending	5,300,696	2,831,487	705,488	1,277,506	810,358
Total Liabilities	5,300,696	2,838,951	730,549	1,365,692	1,417,833
Fund Balances (Deficits)					
Nonspendable	-	-	-	-	1,148
Restricted	-	-	1,969,693	-	360,119
Committed	13,971,720	-	-	-	380,098
Assigned	-	7,978,526	-	3,650,963	1,013,089
Unassigned	-	-	-	-	-
Total Fund Balances (Deficits)	13,971,720	7,978,526	1,969,693	3,650,963	1,754,454
Total Liabilities and Fund Balances	\$19,272,416	\$ 10,817,477	\$ 2,700,242	\$ 5,016,655	\$ 3,172,287

Special Revenue Funds (continued)

Recreation	Cemeteries	Perpetual Care	CDBG	Home Program
\$ 270,343	\$ 40,043	\$ 136,722	\$ -	\$ 10,538
2,569,839	386,301	1,313,144	-	99,251
1,039,165	152,538	524,349	-	-
-	-	-	-	-
222,566	38,762	11,249	-	-
-	-	-	211,202	1,038,000
19,952	2,983	9,568	-	83
-	-	-	-	-
64,199	9,029	29,897	-	5,505
-	-	-	492,960	218,333
<u>4,186,064</u>	<u>629,656</u>	<u>2,024,929</u>	<u>704,162</u>	<u>1,371,710</u>
195,205	2,317	-	122,958	98,429
69,296	6,155	-	2,315	998
1,253	-	-	-	-
-	-	-	372,694	-
27,340	-	-	142,065	-
-	-	-	-	-
1,039,165	152,538	524,349	-	-
<u>1,332,259</u>	<u>161,010</u>	<u>524,349</u>	<u>640,032</u>	<u>99,427</u>
-	-	-	-	-
106,947	-	-	64,130	1,272,283
-	-	-	-	-
2,746,858	468,646	1,500,580	-	-
-	-	-	-	-
<u>2,853,805</u>	<u>468,646</u>	<u>1,500,580</u>	<u>64,130</u>	<u>1,272,283</u>
<u>\$ 4,186,064</u>	<u>\$ 629,656</u>	<u>\$2,024,929</u>	<u>\$ 704,162</u>	<u>\$ 1,371,710</u>

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
DECEMBER 31, 2009**

	Special Revenue Funds (continued)				
	Transit Services	Street Oversizing	General Improvement District No. 1	URA Operations	Total Special Revenues
ASSETS					
Cash and cash equivalents	\$ 137,291	\$ 247,133	\$ 107,134	\$ 683,613	\$ 3,496,209
Investments	1,299,401	2,340,559	1,014,535	6,473,207	42,464,403
Securities lending collateral	533,883	953,363	409,946	-	14,538,779
Receivables					
Property taxes	-	-	236,241	-	236,241
Accounts	17,809	2,654	2,646	-	537,328
Notes and loans	-	-	-	1,135,262	2,384,464
Interest	10,295	18,328	7,806	49,203	327,597
Prepaid item	-	-	-	-	1,148
Advances to component unit	48,924	85,571	21,943	3,108	1,001,878
Due from other governments	1,276,878	-	-	-	2,024,284
Total Assets	3,324,481	3,647,608	1,800,251	8,344,393	67,012,331
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable, accruals, and other	55,009	79,623	335	-	648,972
Wages payable	72,735	4,212	-	2,645	233,162
Due to other governments	-	-	-	-	1,253
Due to other funds	-	-	-	-	372,694
Deferred revenue	-	-	236,241	-	963,930
Advance from other funds	-	-	-	-	-
Obligations under securities lending	533,883	953,363	409,946	-	14,538,779
Total Liabilities	661,627	1,037,198	646,522	2,645	16,758,790
Fund Balances (Deficits)					
Nonspendable	-	-	-	-	1,148
Restricted	-	-	-	-	3,773,172
Committed	-	-	-	-	14,351,818
Assigned	2,662,854	2,610,410	1,153,729	8,341,748	32,127,403
Unassigned	-	-	-	-	-
Total Fund Balances (Deficits)	2,662,854	2,610,410	1,153,729	8,341,748	50,253,541
Total Liabilities and Fund Balances	\$ 3,324,481	\$ 3,647,608	\$ 1,800,251	\$ 8,344,393	\$67,012,331

Debt Service Funds							Total Non-major Governmental
Timberline/ Prospect SID #94	Debt Service	Special Assessments	Fort Collins Leasing Corporation	URA Debt Service	Total Debt Service		
\$ 3,720	\$ -	\$ -	\$ -	\$ 55,715	\$ 59,435	\$ 3,555,644	
35,200	-	-	-	373,323	408,523	42,872,926	
-	-	-	-	-	-	14,538,779	
-	-	-	-	502,679	502,679	738,920	
-	-	-	-	-	-	537,328	
-	-	-	-	-	-	2,384,464	
234	-	-	-	2,972	3,206	330,803	
-	-	-	-	-	-	1,148	
619	-	-	-	1,895	2,514	1,004,392	
-	-	-	-	-	-	2,024,284	
39,773	-	-	-	936,584	976,357	67,988,688	
-	-	-	-	-	-	648,972	
-	-	-	-	-	-	233,162	
-	-	-	-	-	-	1,253	
-	-	-	-	-	-	372,694	
-	-	-	-	502,679	502,679	1,466,609	
-	-	-	-	10,363,939	10,363,939	10,363,939	
-	-	-	-	-	-	14,538,779	
-	-	-	-	10,866,618	10,866,618	27,625,408	
-	-	-	-	-	-	1,148	
-	-	-	-	-	-	467,066	
-	-	-	-	-	-	14,351,818	
39,773	-	-	-	-	39,773	35,473,282	
-	-	-	-	(9,930,034)	(9,930,034)	(9,930,034)	
39,773	-	-	-	(9,930,034)	(9,890,261)	40,363,280	
\$ 39,773	\$ -	\$ -	\$ -	\$ 936,584	\$ 976,357	\$ 67,988,688	

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Special Revenue Funds				
	Capital Expansion	Neighborhood Parkland	Conservation Trust	Natural Areas	Cultural Services & Facilities
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	110,000	1,257,863	2,850,350	85,953
Fees and charges for services	467,263	221,736	-	27,120	1,559,751
Earnings on investments	302,642	175,635	44,098	46,764	42,845
Interest on security lending income	17,287	9,634	2,409	3,980	2,200
Miscellaneous revenue	-	10,233	-	95,369	55,429
Total Revenues	787,192	527,238	1,304,370	3,023,583	1,746,178
EXPENDITURES					
Current operating					
Cultural, parks, recreation and environment	990,703	389,652	226,519	4,666,639	3,442,327
Planning and Development	-	-	-	-	-
Transportation	-	-	-	-	-
Other	-	-	-	-	-
Security lending interest expense	9,444	4,964	1,220	2,524	1,290
Security lending agent fees	4,769	2,464	613	1,461	611
Capital outlay	942,816	263,043	364,298	3,019,016	64,998
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Total Expenditures	1,947,732	660,123	592,650	7,689,640	3,509,226
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,160,540)	(132,885)	711,720	(4,666,057)	(1,763,048)
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	5,146,310	1,836,128
Transfers out	(995,384)	(9,000)	(821,973)	(3,348,243)	-
Payments to refunded bond escrow agent	-	-	-	-	-
Total Other Financing Sources (Uses)	(995,384)	(9,000)	(821,973)	1,798,067	1,836,128
Net Changes in Fund Balances	(2,155,924)	(141,885)	(110,253)	(2,867,990)	73,080
Fund Balances-January 1	16,127,644	8,120,411	2,079,946	6,518,953	1,681,374
Fund Balances (Deficits)-December 31	\$ 13,971,720	\$ 7,978,526	\$ 1,969,693	\$ 3,650,963	\$ 1,754,454

Special Revenue Funds (continued)

Recreation	Cemeteries	Perpetual Care	CDBG	Home Program	Transit Services
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
27,292	-	-	1,883,509	701,167	4,416,565
4,846,644	322,469	41,520	-	-	639,359
58,299	9,786	34,403	719	13,750	31,105
3,082	2,251	-	-	-	2,185
8,006	12,553	-	76,592	70,368	14,011
<u>4,943,323</u>	<u>347,059</u>	<u>75,923</u>	<u>1,960,820</u>	<u>785,285</u>	<u>5,103,225</u>
7,143,314	578,022	452	-	-	-
-	-	-	1,891,439	806,746	-
-	-	-	-	-	8,468,369
-	-	-	-	-	-
1,689	1,154	-	-	-	1,185
825	567	-	-	-	659
280,367	10,321	-	-	-	1,587,845
-	9,081	-	-	-	-
-	223	-	-	-	-
<u>7,426,195</u>	<u>599,368</u>	<u>452</u>	<u>1,891,439</u>	<u>806,746</u>	<u>10,058,058</u>
<u>(2,482,872)</u>	<u>(252,309)</u>	<u>75,471</u>	<u>69,381</u>	<u>(21,461)</u>	<u>(4,954,833)</u>
2,598,690	262,757	-	-	-	5,428,421
-	-	(37,669)	-	-	(4,813)
-	-	-	-	-	-
<u>2,598,690</u>	<u>262,757</u>	<u>(37,669)</u>	<u>-</u>	<u>-</u>	<u>5,423,608</u>
115,818	10,448	37,802	69,381	(21,461)	468,775
<u>2,737,987</u>	<u>458,198</u>	<u>1,462,778</u>	<u>(5,251)</u>	<u>1,293,744</u>	<u>2,194,079</u>
<u>\$ 2,853,805</u>	<u>\$ 468,646</u>	<u>\$ 1,500,580</u>	<u>\$ 64,130</u>	<u>\$ 1,272,283</u>	<u>\$ 2,662,854</u>

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Special Revenue Funds (continued)			
	Street Oversizing	General Improvement District No. 1	URA Operations	Total Special Revenues
REVENUES				
Taxes	\$ -	\$ 230,801	\$ -	\$ 230,801
Intergovernmental	-	27,950	-	11,360,649
Fees and charges for services	641,491	-	-	8,767,353
Earnings on investments	46,808	26,092	96,677	929,623
Securities lending income	3,622	1,350	-	48,000
Miscellaneous revenue	132,815	63	-	475,439
Total Revenues	824,736	286,256	96,677	21,811,865
EXPENDITURES				
Current operating				
Cultural, parks, recreation and environment	-	-	-	17,437,628
Planning and Development	-	-	1,845,824	4,544,009
Transportation	415,812	-	-	8,884,181
Other	-	44,806	-	44,806
Security lending interest expense	2,061	689	-	26,220
Security lending agent fees	1,173	331	-	13,473
Capital outlay	301,940	-	-	6,834,644
Debt service				
Principal	-	-	-	9,081
Interest	-	-	-	223
Total Expenditures	720,986	45,826	1,845,824	37,794,265
Excess (Deficiency) of Revenues Over (Under) Expenditures	103,750	240,430	(1,749,147)	(15,982,400)
OTHER FINANCING SOURCES (USES)				
Transfers in	389,050	-	10,303,939	25,965,295
Transfers out	(1,825,559)	(137,913)	(233,480)	(7,414,034)
Payments to refunded bond escrow agent	-	-	-	-
Total Other Financing Sources (Uses)	(1,436,509)	(137,913)	10,070,459	18,551,261
Net Changes in Fund Balances	(1,332,759)	102,517	8,321,312	2,568,861
Fund Balances-January 1	3,943,169	1,051,212	20,436	47,684,680
Fund Balances (Deficits)-December 31	\$ 2,610,410	\$ 1,153,729	\$ 8,341,748	\$ 50,253,541

Debt Service Funds							Total Non-major Governmental
Timberline/ Prospect SID #94	Debt Service	Special Assessments	Fort Collins Leasing Corporation	URA Debt Service	Total Debt Service		
\$ -	\$ -	\$ -	\$ -	\$ 263,227	\$ 263,227	\$ 494,028	
-	-	-	-	-	-	11,360,649	
-	-	-	-	-	-	8,767,353	
741	-	(7)	1,671	(8,877)	(6,472)	923,151	
-	-	-	-	-	-	48,000	
125,979	-	-	69,573	-	195,552	670,991	
126,720	-	(7)	71,244	254,350	452,307	22,264,172	
-	-	-	-	-	-	17,437,628	
-	-	-	-	-	-	4,544,009	
-	-	-	-	-	-	8,884,181	
116,231	-	-	3,525	-	119,756	164,562	
-	-	-	-	-	-	26,220	
-	-	-	-	-	-	13,473	
-	-	-	-	-	-	6,834,644	
-	1,265,000	-	2,953,580	-	4,218,580	4,227,661	
-	87,478	-	2,479,649	4,992	2,572,119	2,572,342	
116,231	1,352,478	-	5,436,754	4,992	6,910,455	44,704,720	
10,489	(1,352,478)	(7)	(5,365,510)	249,358	(6,458,148)	(22,440,548)	
-	1,352,478	-	5,367,660	-	6,720,138	32,685,433	
-	-	(853,349)	-	(10,303,939)	(11,157,288)	(18,571,322)	
-	-	-	(2,150)	-	(2,150)	(2,150)	
-	1,352,478	(853,349)	5,365,510	(10,303,939)	(4,439,300)	14,111,961	
10,489	-	(853,356)	-	(10,054,581)	(10,897,448)	(8,328,587)	
29,284	-	853,356	-	124,547	1,007,187	48,691,867	
\$ 39,773	\$ -	\$ -	\$ -	\$ (9,930,034)	\$ (9,890,261)	\$ 40,363,280	

CAPITAL EXPANSION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Fees and charges for services	\$ 467,263	\$ 1,970,577	\$ (1,503,314)
Earnings on investments	302,642	636,000	(333,358)
Interest on security lending income	17,287	-	17,287
Total Revenues	<u>787,192</u>	<u>2,606,577</u>	<u>(1,819,385)</u>
EXPENDITURES			
Community Parkland Capital	8,603	-	(8,603)
Library Capital Expansion	1,690,562	2,395,162	704,600
Fire Capital Expansion	234,354	234,354	-
Security lending interest expense	9,444	-	(9,444)
Security lending agent fees	4,769	-	(4,769)
Total Expenditures	<u>1,947,732</u>	<u>2,629,516</u>	<u>681,784</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,160,540)</u>	<u>(22,939)</u>	<u>(1,137,601)</u>
OTHER FINANCING USES			
Transfers out			
General Fund	(14,670)	(127,800)	113,130
Capital Projects Fund	(647,373)	(1,005,840)	358,467
Debt Service - COPS	<u>(333,341)</u>	<u>(333,341)</u>	<u>-</u>
Total Other Financing Uses	<u>(995,384)</u>	<u>(1,466,981)</u>	<u>471,597</u>
Net Changes in Fund Balance	(2,155,924)	<u>\$ (1,489,920)</u>	<u>\$ (666,004)</u>
Fund Balances--January 1	<u>16,127,644</u>		
Fund Balances--December 31	<u>\$ 13,971,720</u>		

NEIGHBORHOOD PARKLAND FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Prior Year Actual</u>	<u>Cumulative Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES					
Intergovernmental	\$ 110,000	\$ 508,223	\$ 618,223	\$ 548,896	\$ 69,327
Fees and charges for services	221,736	14,052,902	14,274,638	12,364,244	1,910,394
Earnings on investments	175,635	1,892,954	2,068,589	1,679,281	389,308
Interest on security lending income	9,634	408,675	418,309	-	418,309
Miscellaneous revenue	10,233	157,870	168,103	162,072	6,031
Total Revenues	<u>527,238</u>	<u>17,020,624</u>	<u>17,547,862</u>	<u>14,754,493</u>	<u>2,793,369</u>
EXPENDITURES					
New Site Acquisition	-	1,957,069	1,957,069	2,688,423	731,354
New Park Site Development	71,548	1,259,386	1,330,934	2,319,678	988,744
Cottonwood Glen Park	45,315	973,961	1,019,276	1,019,276	-
Lee Martinez Park Addition	-	151,553	151,553	439,462	287,909
Huidekoper Park	-	152,641	152,641	422,000	269,359
Lilac Park	-	140,383	140,383	177,000	36,617
Registry Park	15,574	35,938	51,512	936,700	885,188
Waters Way Park	85,727	16,264	101,991	1,308,567	1,206,576
Dry Creek	-	-	-	150,000	150,000
Richards Lake	-	138,027	138,027	835,506	697,479
Staley Neighborhood Park	1,297	230,756	232,053	550,000	317,947
Avery Park Improvements	-	39	39	200,000	199,961
Maple Hill Park	-	461,198	461,198	675,000	213,802
Rosborough Park Improvements	-	3,932	3,932	175,000	171,068
Trailhead Park	-	209,568	209,568	330,000	120,432
Golden Meadows Park	-	150,588	150,588	350,000	199,412
Old Ft Coll Heritage Park	42,005	575,637	617,642	617,642	-
Parkland Administration	390,741	-	390,741	438,052	47,311
Park Equipment Replacement	488	-	488	15,000	14,512
Security lending interest expense	4,964	377,167	382,131	-	(382,131)
Security lending agent fees	2,464	7,091	9,555	-	(9,555)
Total Expenditures	<u>660,123</u>	<u>6,841,198</u>	<u>7,501,321</u>	<u>13,647,306</u>	<u>6,145,985</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(132,885)</u>	<u>10,179,426</u>	<u>10,046,541</u>	<u>1,107,187</u>	<u>8,939,354</u>
OTHER FINANCING SOURCES (USES)					
Transfers in					
General Fund	-	82,162	82,162	82,162	-
Capital Projects Fund	-	5,545	5,545	5,545	-
Sales & Use Tax Fund	-	110,000	110,000	110,000	-
Transfers out					
Cultural Services and Facilities Fund	(9,000)	(49,250)	(58,250)	(58,250)	-
Capital Projects Fund	-	(488,220)	(488,220)	(488,220)	-
Total Other Financing Sources (Uses)	<u>(9,000)</u>	<u>(339,763)</u>	<u>(348,763)</u>	<u>(348,763)</u>	<u>-</u>
Net Changes in Fund Balances	(141,885)	<u>\$9,839,663</u>	9,697,778	<u>\$ 758,424</u>	<u>\$ 8,939,354</u>
Fund Balances--January 1	8,120,411		8,120,411		
Less Prior Years' Project Revenues			(17,218,331)		
Plus Prior Years' Project Expenditures			7,378,668		
Fund Balances--December 31	<u>\$ 7,978,526</u>		<u>\$ 7,978,526</u>		

CONSERVATION TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Prior Year Actual</u>	<u>Cumulative Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES					
Intergovernmental	\$ 1,257,863	\$18,452,982	\$19,710,845	\$18,553,601	\$1,157,244
Earnings on investments	44,098	408,560	452,658	658,727	(206,069)
Interest on security lending income	2,409	114,573	116,982	-	116,982
Miscellaneous revenue	-	313,899	313,899	262,225	51,674
	<u>1,304,370</u>	<u>19,290,014</u>	<u>20,594,384</u>	<u>19,474,553</u>	<u>1,119,831</u>
EXPENDITURES					
Open space acquisition	-	1,103,992	1,103,992	1,132,403	28,411
Trail acquisition/development	273,689	6,717,851	6,991,540	7,985,820	994,280
Open space and trail maintenance	-	853,768	853,768	854,475	707
Fossil Creek Trail	72,321	3,506,839	3,579,160	3,650,350	71,190
Tri-City trails	-	665,174	665,174	753,200	88,026
Pickle Plant	-	15,386	15,386	-	(15,386)
Administration	244,807	-	244,807	251,739	6,932
Security lending interest expense	1,220	106,280	107,500	-	(107,500)
Security lending agent fees	613	1,805	2,418	-	(2,418)
	<u>592,650</u>	<u>12,971,095</u>	<u>13,563,745</u>	<u>14,627,987</u>	<u>1,064,242</u>
Excess of Revenues Over Expenditures	<u>711,720</u>	<u>6,318,919</u>	<u>7,030,639</u>	<u>4,846,566</u>	<u>2,184,073</u>
OTHER FINANCING SOURCES (USES)					
Transfers in					
Capital Projects Fund	-	235,000	235,000	235,000	-
Transfers out					
General Fund	(660,146)	(1,379,813)	(2,039,959)	(2,107,256)	67,297
Cultural Services Fund	(6,000)	(88,050)	(94,050)	(94,050)	-
Capital Projects Fund	<u>(155,827)</u>	<u>(643,807)</u>	<u>(799,634)</u>	<u>(807,618)</u>	<u>7,984</u>
	<u>(821,973)</u>	<u>(1,876,670)</u>	<u>(2,698,643)</u>	<u>(2,773,924)</u>	<u>75,281</u>
Total Other Financing Sources (Uses)	<u>(821,973)</u>	<u>(1,876,670)</u>	<u>(2,698,643)</u>	<u>(2,773,924)</u>	<u>75,281</u>
Net Changes in Fund Balances	(110,253)	<u>\$ 4,442,249</u>	4,331,996	<u>\$ 2,072,642</u>	<u>\$2,259,354</u>
Fund Balances--January 1	2,079,946		2,079,946		
Less Prior Years' Project Revenues			(19,525,014)		
Plus Prior Years' Project Expenditures			<u>15,082,765</u>		
Fund Balances--December 31	<u>\$ 1,969,693</u>		<u>\$ 1,969,693</u>		

NATURAL AREAS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 2,850,350	\$ 3,627,060	\$ (776,710)
Fees and charges for services	27,120	25,000	2,120
Earnings on investments	46,764	321,000	(274,236)
Interest on security lending income	3,980	-	3,980
Miscellaneous revenue	<u>95,369</u>	<u>100,000</u>	<u>(4,631)</u>
Total Revenues	<u>3,023,583</u>	<u>4,073,060</u>	<u>(1,049,477)</u>
EXPENDITURES			
Land Conservation	2,996,166	5,239,178	2,243,012
Enforcement	614,721	635,177	20,456
Education	398,331	419,369	21,038
Program Management	625,001	750,790	125,789
Resource Management	1,190,626	1,448,665	258,039
Public Improvements	1,359,345	2,716,096	1,356,751
Facility Operations	200,918	818,693	617,775
Land Management	300,547	384,255	83,708
Security lending interest expense	2,524	-	(2,524)
Security lending agent fees	<u>1,461</u>	<u>-</u>	<u>(1,461)</u>
Total Expenditures	<u>7,689,640</u>	<u>12,412,223</u>	<u>4,722,583</u>
Excess (Deficiency) of Revenues (Over) Under Expenditures	<u>(4,666,057)</u>	<u>(8,339,163)</u>	<u>3,673,106</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			
Sales and Use Tax	5,146,310	5,146,310	-
Transfers out			
Debt Services - COPS	(1,388,356)	(1,388,356)	-
Capital Projects	(3,000)	(3,000)	-
Cultural Services	<u>(1,956,887)</u>	<u>(2,101,607)</u>	<u>144,720</u>
Total Other Financing Sources (Uses)	<u>1,798,067</u>	<u>1,653,347</u>	<u>144,720</u>
Net Changes in Fund Balances	<u>(2,867,990)</u>	<u>\$ (6,685,816)</u>	<u>\$ 3,817,826</u>
Fund Balances--January 1	<u>6,518,953</u>		
Fund Balances--December 31	<u>\$ 3,650,963</u>		

CULTURAL SERVICES AND FACILITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 85,953	\$ 402,946	\$ (316,993)
Fees and charges for services	1,559,751	2,103,399	(543,648)
Earnings on investments	42,845	75,000	(32,155)
Interest on security lending income	2,200	-	2,200
Miscellaneous revenue	55,429	259,849	(204,420)
	<u>1,746,178</u>	<u>2,841,194</u>	<u>(1,095,016)</u>
EXPENDITURES			
Administration	790,161	845,084	54,923
Lincoln Center	623,512	890,521	267,009
Security lending interest expense	1,290	-	(1,290)
Security lending agent fees	611	-	(611)
Museum	965,427	1,513,786	548,359
Art in Public Places	80,724	409,020	328,296
Performing and visual arts	1,047,501	2,117,681	1,070,180
	<u>3,509,226</u>	<u>5,776,092</u>	<u>2,266,866</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,763,048)</u>	<u>(2,934,898)</u>	<u>1,171,850</u>
OTHER FINANCING SOURCES			
Transfers in			
General Fund	1,568,954	1,568,954	-
Capital Projects Fund	49,174	49,174	-
Sales & Use Tax Fund	200,000	200,000	-
Neighborhood Parkland Fund	9,000	9,000	-
Conservation Trust Fund	6,000	6,000	-
Natural Areas Fund	3,000	3,000	-
	<u>1,836,128</u>	<u>1,836,128</u>	<u>-</u>
Net Changes in Fund Balances	73,080	<u>\$ (1,098,770)</u>	<u>\$ 1,171,850</u>
Fund Balances--January 1	<u>1,681,374</u>		
Fund Balances--December 31	<u>\$ 1,754,454</u>		

RECREATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Intergovernmental	\$ 27,292	\$ 340,465	\$ (313,173)
Fees and charges for services	4,846,644	4,539,360	307,284
Earnings on investments	58,299	134,590	(76,291)
Interest on security lending income	3,082	-	3,082
Miscellaneous revenue	8,006	7,500	506
	<u>4,943,323</u>	<u>5,021,915</u>	<u>(78,592)</u>
EXPENDITURES			
Recreation administration	3,229,319	4,089,385	860,066
Ice/aquatics programming	1,602,802	1,735,527	132,725
Adult programming	1,212,559	1,279,257	66,698
Youth programming	461,652	515,173	53,521
Sports programming	463,800	473,622	9,822
Special reserves	121,598	200,488	78,890
Security lending interest expense	1,689	-	(1,689)
Security lending agent fees	825	-	(825)
Grants/miscellaneous	331,951	340,465	8,514
	<u>7,426,195</u>	<u>8,633,917</u>	<u>1,207,722</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,482,872)</u>	<u>(3,612,002)</u>	<u>1,129,130</u>
OTHER FINANCING SOURCES			
Transfers in General Fund	<u>2,598,690</u>	<u>2,598,690</u>	<u>-</u>
Total Other Financing Sources	<u>2,598,690</u>	<u>2,598,690</u>	<u>-</u>
Net Changes in Fund Balances	115,818	<u>\$ (1,013,312)</u>	<u>\$ 1,129,130</u>
Fund Balances--January 1	<u>2,737,987</u>		
Fund Balances--December 31	<u>\$ 2,853,805</u>		

CEMETERIES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Fees and charges for services	\$ 322,469	\$ 311,500	\$ 10,969
Earnings on investments	9,786	12,000	(2,214)
Interest on security lending income	2,251	-	2,251
Miscellaneous revenue	<u>12,553</u>	<u>11,900</u>	<u>653</u>
Total Revenues	<u>347,059</u>	<u>335,400</u>	<u>11,659</u>
EXPENDITURES			
Cemetery services	587,326	651,519	64,193
Capital outlay	10,321	-	(10,321)
Security lending interest expense	1,154	-	(1,154)
Security lending agent fees	<u>567</u>	<u>-</u>	<u>(567)</u>
Total Expenditures	<u>599,368</u>	<u>651,519</u>	<u>52,151</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(252,309)</u>	<u>(316,119)</u>	<u>63,810</u>
OTHER FINANCING SOURCES			
Transfers In:			
General Fund	225,088	225,088	-
Perpetual Care Fund	<u>37,669</u>	<u>70,000</u>	<u>(32,331)</u>
Total Other Financing Sources	<u>262,757</u>	<u>295,088</u>	<u>(32,331)</u>
Net Changes in Fund Balances	10,448	<u>\$ (21,031)</u>	<u>\$ 31,479</u>
Fund Balances--January 1	<u>458,198</u>		
Fund Balances--December 31	<u>\$ 468,646</u>		

PERPETUAL CARE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Fees and charges for services	\$ 41,520	\$ 47,200	\$ (5,680)
Earnings on investments	<u>34,403</u>	<u>55,000</u>	<u>(20,597)</u>
Total Revenues	<u>75,923</u>	<u>102,200</u>	<u>(26,277)</u>
EXPENDITURES			
Other	<u>452</u>	<u>452</u>	<u>-</u>
Total Expenditures	<u>452</u>	<u>452</u>	<u>-</u>
Excess of Revenues Over Expenditures	<u>75,471</u>	<u>101,748</u>	<u>(26,277)</u>
OTHER FINANCING USES			
Transfers out:			
Cemeteries Fund	<u>(37,669)</u>	<u>(70,000)</u>	<u>32,331</u>
Total Other Financing Uses	<u>(37,669)</u>	<u>(70,000)</u>	<u>32,331</u>
Net Changes in Fund Balances	37,802	<u>\$ 31,748</u>	<u>\$ 6,054</u>
Fund Balances--January 1	<u>1,462,778</u>		
Fund Balances--December 31	<u>\$ 1,500,580</u>		

COMMUNITY DEVELOPMENT BLOCK GRANT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	Current Year Actual	Prior Year Actual	Cummulative Actual	Budget	Variance- Positive (Negative)
REVENUES					
Intergovernmental	\$ 1,883,509	\$ 1,402,405	\$ 3,285,914	\$ 4,090,375	\$ (804,461)
Earnings on investments	719	-	719	82,596	(81,877)
Miscellaneous revenue	76,592	-	76,592	638,156	(561,564)
Total Revenues	1,960,820	1,402,405	3,363,225	4,811,127	(1,447,902)
EXPENDITURES					
2005-06 Grant	-	203,056	203,056	203,056	-
2006-07 Grant	2,247	77,833	80,080	80,080	-
2007-08 Grant	195,016	609,105	804,121	854,353	50,232
2008-09 Grant	1,243,882	49,184	1,293,066	1,447,368	154,302
2009-10 Grant	450,294	-	450,294	1,360,183	909,889
Total Expenditures	1,891,439	939,178	2,830,617	3,945,040	1,114,423
Net Changes in Fund Balances	69,381	\$ 463,227	532,608	\$ 866,087	\$ (333,479)
Fund Balances -- January 1	(5,251)		(5,251)		
Less Prior Years' Project Revenues			(1,402,405)		
Plus Prior Years' Project Expenditures			939,178		
Fund Balances--December 31	\$ 64,130		\$ 64,130		

HOME PROGRAM FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	Current Year Actual	Prior Year Actual	Cummulative Actual	Budget	Variance- Positive (Negative)
REVENUES					
Intergovernmental	\$ 701,167	\$ 896,999	\$ 1,598,166	\$ 3,408,633	\$ (1,810,467)
Earnings on investments	13,750	51,681	65,431	-	65,431
Miscellaneous revenue	70,368	224,475	294,843	50,000	244,843
Total Revenues	785,285	1,173,155	1,958,440	3,458,633	(1,500,193)
EXPENDITURES					
2005-06 Grant	18,870	630,306	649,176	675,169	25,993
2006-07 Grant	-	315,909	315,909	712,640	396,731
2007-08 Grant	215,264	207,521	422,785	506,144	83,359
2008-09 Grant	457,995	48,003	505,998	893,908	387,910
2009-10 Grant	114,617	-	114,617	819,787	705,170
Total Expenditures	806,746	1,201,739	2,008,485	3,607,648	1,599,163
Net Changes in Fund Balances	(21,461)	<u>\$ (28,584)</u>	(50,045)	<u>\$ (149,015)</u>	<u>\$ 98,970</u>
Fund Balances--January 1	1,293,744		1,293,744		
Less Prior Years' Grant Revenues			(1,173,155)		
Plus Prior Years' Grant Expenditures			1,201,739		
Fund Balances--December 31	<u>\$ 1,272,283</u>		<u>\$ 1,272,283</u>		

TRANSIT SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	Current Year Actual	Prior Year Actual	Cumulative Actual	Budget	Variance- Positive (Negative)
REVENUES					
Intergovernmental	\$ 4,416,565	\$ 5,267,793	\$ 9,684,358	\$ 14,086,928	\$ (4,402,570)
Fees and charges for services	639,359	1,268,534	1,907,893	1,992,619	(84,726)
Earnings on investments	33,290	142,624	175,914	114,769	61,145
Miscellaneous revenue	14,011	161,405	175,416	74,722	100,694
Total Revenues	5,103,225	6,840,356	11,943,581	16,269,038	(4,325,457)
EXPENDITURES					
FTA Grants					
2007 Operating	5,260	7,411,477	7,416,737	8,060,286	643,549
2008 Operating	488,179	7,179,232	7,667,411	8,267,869	600,458
2009 Operating	7,922,742	3,445	7,926,187	9,701,927	1,775,740
2008 CMAQ Projects	-	83,434	83,434	85,000	1,566
2009 CMAQ Projects	52,279	79,399	131,678	147,515	15,837
2006 Capital	182,204	462,999	645,203	1,125,000	479,797
2007 Capital	23,495	518,231	541,726	1,125,000	583,274
2008 Capital	315,854	198,297	514,151	781,997	267,846
2009 Capital	1,066,201	-	1,066,201	3,594,790	2,528,589
Security lending	1,844	-	1,844	-	(1,844)
Total Expenditures	10,058,058	15,936,514	25,994,572	32,889,384	6,894,812
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,954,833)</u>	<u>(9,096,158)</u>	<u>(14,050,991)</u>	<u>(16,620,346)</u>	<u>2,569,355</u>
OTHER FINANCING SOURCES (USES)					
Transfers in					
General Fund	5,262,113	9,571,890	14,834,003	14,974,689	(140,686)
S&U Tax - BOB	166,308	160,684	326,992	326,992	-
Transfers out					
Capital Projects Fund	<u>(4,813)</u>	<u>(1,652,274)</u>	<u>(1,657,087)</u>	<u>(2,479,506)</u>	<u>822,419</u>
Total Other Financing Sources (Uses)	5,423,608	8,080,300	13,503,908	12,822,175	681,733
Net Changes in Fund Balances	468,775	<u>\$(1,015,858)</u>	(547,083)	<u>\$(3,798,171)</u>	<u>\$ 3,251,088</u>
Fund Balances--January 1	2,194,079		2,194,079		
Less Prior Years' Grant Revenues			(16,572,930)		
Plus Prior Years' Grant Expenditures			17,588,788		
Fund Balances--December 31	<u>\$ 2,662,854</u>		<u>\$ 2,662,854</u>		

STREET OVERSIZING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Fees and charges for services	\$ 641,491	\$ 3,086,155	\$ (2,444,664)
Earnings on investments	46,808	246,000	(199,192)
Interest on security lending income	3,622	-	3,622
Miscellaneous revenue	<u>132,815</u>	<u>100,000</u>	<u>32,815</u>
Total Revenues	<u>824,736</u>	<u>3,432,155</u>	<u>(2,607,419)</u>
EXPENDITURES			
Oversizing costs	717,752	5,051,987	4,334,235
Security lending interest expense	2,061	-	(2,061)
Security lending agent fees	<u>1,173</u>	<u>-</u>	<u>(1,173)</u>
Total Expenditures	<u>720,986</u>	<u>5,051,987</u>	<u>4,331,001</u>
Excess (deficiency) of revenues over (under) expenditures	<u>103,750</u>	<u>(1,619,832)</u>	<u>1,723,582</u>
OTHER FINANCING SOURCES (USES)			
Transfers in			
General Fund	389,050	389,050	-
Transfers out			
Capital Projects Fund	<u>(1,825,559)</u>	<u>(2,957,900)</u>	<u>1,132,341</u>
Total Other Financing Sources (Uses)	<u>(1,436,509)</u>	<u>(2,568,850)</u>	<u>1,132,341</u>
Net Change in Fund Balances	<u>(1,332,759)</u>	<u>\$ (4,188,682)</u>	<u>\$ 2,855,923</u>
Fund Balances--January 1	<u>3,943,169</u>		
Fund Balances--December 31	<u>\$ 2,610,410</u>		

GENERAL IMPROVEMENT DISTRICT NO. 1 FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Taxes	\$ 230,801	\$ 209,000	\$ 21,801
Intergovernmental	27,950	12,000	15,950
Earnings on investments	26,092	9,000	17,092
Interest on security lending income	1,350	-	1,350
Miscellaneous revenue	63	-	63
Total Revenues	<u>286,256</u>	<u>230,000</u>	<u>56,256</u>
EXPENDITURES			
Other	44,806	92,087	47,281
Security lending interest expense	689	-	(689)
Security lending agent fees	331	-	(331)
Total Expenditures	<u>45,826</u>	<u>92,087</u>	<u>46,261</u>
Excess of Revenues Over Expenditures	<u>240,430</u>	<u>137,913</u>	<u>102,517</u>
OTHER FINANCING USES			
Transfers out			
Debt Service Fund - COPS	<u>(137,913)</u>	<u>(137,913)</u>	<u>-</u>
Total Other Financing Uses	<u>(137,913)</u>	<u>(137,913)</u>	<u>-</u>
Net Changes in Fund Balances	102,517	<u>\$ -</u>	<u>\$ 102,517</u>
Fund Balances--January 1	<u>1,051,212</u>		
Fund Balances--December 31	<u>\$ 1,153,729</u>		

URBAN RENEWAL AUTHORITY OPERATIONS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Adjustment To Budgetary Basis</u>	<u>Actual On Budgetary Basis</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES					
Earnings on investments	\$ 96,677	\$ -	\$ 96,677	\$ -	\$ 96,677
Total Revenues	<u>96,677</u>	<u>-</u>	<u>96,677</u>	<u>-</u>	<u>96,677</u>
EXPENDITURES					
Programs (fund level of budgetary control)					
Planning and Development	<u>1,845,824</u>	<u>1,100,000</u>	<u>2,945,824</u>	<u>7,652,287</u>	<u>4,706,463</u>
Total Expenditures	<u>1,845,824</u>	<u>1,100,000</u>	<u>2,945,824</u>	<u>7,652,287</u>	<u>4,706,463</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,749,147)</u>	<u>(1,100,000)</u>	<u>(2,849,147)</u>	<u>(7,652,287)</u>	<u>4,803,140</u>
OTHER FINANCING SOURCES (USES)					
Transfers in					
Debt Services - URA	10,303,939	-	10,303,939	10,303,939	-
Transfers out					
Capital Projects Fund	<u>(233,480)</u>	<u>-</u>	<u>(233,480)</u>	<u>(2,812,620)</u>	<u>2,579,140</u>
Total Other Financing Sources (Uses)	<u>10,070,459</u>	<u>-</u>	<u>10,070,459</u>	<u>7,491,319</u>	<u>2,579,140</u>
Net Changes in Fund Balances	8,321,312	<u>\$(1,100,000)</u>	7,221,312	<u>\$ (160,968)</u>	<u>\$ 7,382,280</u>
Fund Balance--January 1	20,436		20,436		
Notes Receivable proceeds			<u>1,100,000</u>		
Fund Balance--December 31	<u>\$ 8,341,748</u>		<u>\$ 8,341,748</u>		

TIMBERLINE/PROSPECT SID #94
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Earnings on investments	\$ 741	\$ -	\$ 741
Miscellaneous revenue	<u>125,979</u>	<u>116,237</u>	<u>9,742</u>
Total Revenues	<u>126,720</u>	<u>116,237</u>	<u>10,483</u>
EXPENDITURES			
Other	<u>116,231</u>	<u>116,237</u>	<u>6</u>
Total Expenditures	<u>116,231</u>	<u>116,237</u>	<u>6</u>
Excess of Revenues Over Expenditures	<u>10,489</u>	<u>-</u>	<u>10,489</u>
Net Changes in Fund Balances	10,489	<u>\$ -</u>	<u>\$ 10,489</u>
Fund Balances--January 1	<u>29,284</u>		
Fund Balances--December 31	<u>\$ 39,773</u>		

DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
EXPENDITURES			
Principal	\$ 1,265,000	\$ 1,265,000	\$ -
Interest	<u>87,478</u>	<u>87,478</u>	<u>-</u>
Total Expenditures	<u>1,352,478</u>	<u>1,352,478</u>	<u>-</u>
OTHER FINANCING SOURCES			
Transfers in			
Sales and Use Tax Fund	996,363	996,363	-
Transportation Services Fund	<u>356,115</u>	<u>356,115</u>	<u>-</u>
Total Other Financing Sources	<u>1,352,478</u>	<u>1,352,478</u>	<u>-</u>
Net Changes in Fund Balances	-	<u>\$ -</u>	<u>\$ -</u>
Fund Balances--January 1	<u>-</u>		
Fund Balances--December 31	<u>\$ -</u>		

SPECIAL ASSESSMENTS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

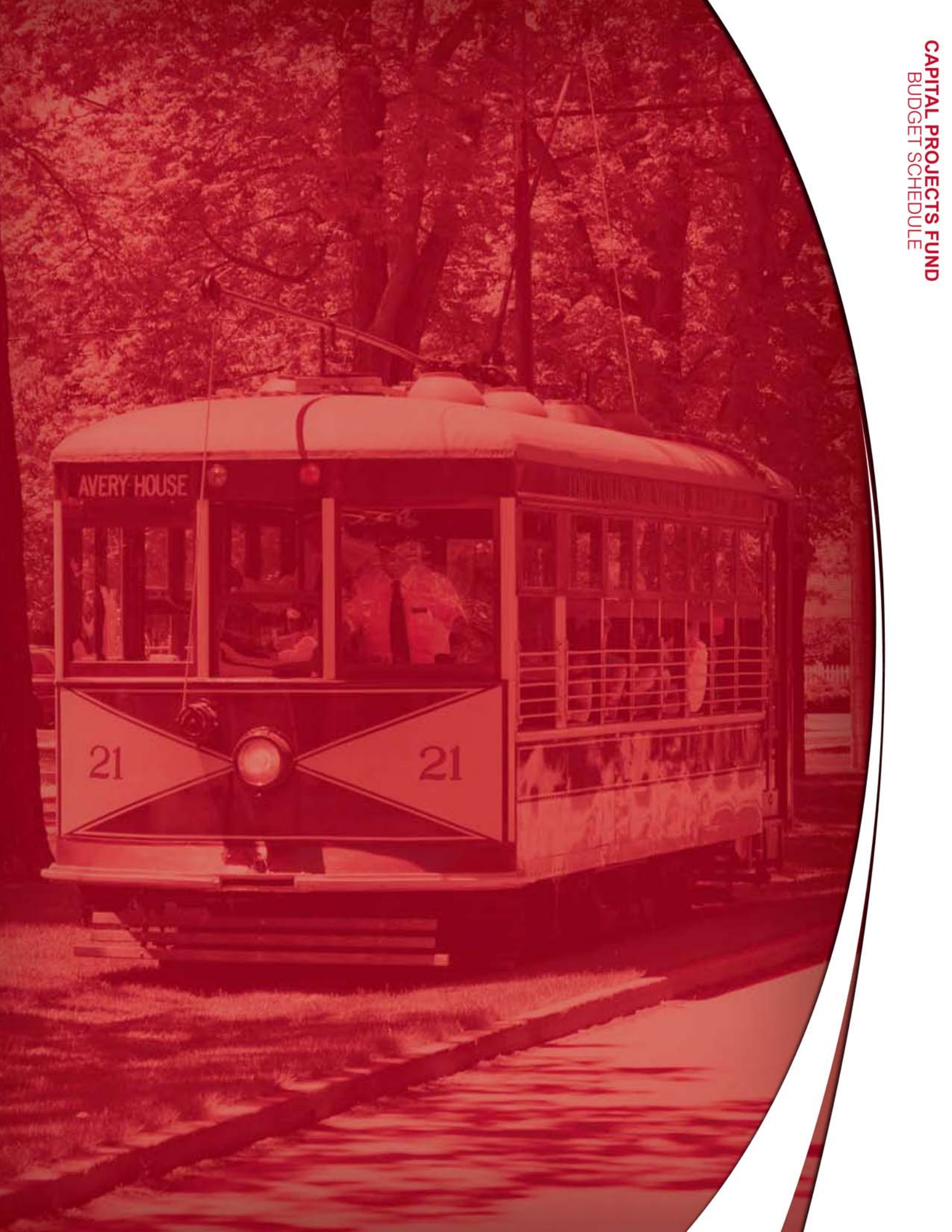
	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Earnings on investments	\$ (7)	\$ -	\$ (7)
Total Revenues	<u>(7)</u>	<u>-</u>	<u>(7)</u>
OTHER FINANCING SOURCES (USES)			
Transfers Out	<u>(853,349)</u>	<u>(830,000)</u>	<u>(23,349)</u>
Total Other Financing Sources (Uses)	<u>(853,349)</u>	<u>(830,000)</u>	<u>(23,349)</u>
Net Changes in Fund Balances	(853,356)	<u>\$ (830,000)</u>	<u>\$ (23,356)</u>
Fund Balances--January 1	<u>853,356</u>		
Fund Balances--December 31	<u>\$ -</u>		

FORT COLLINS LEASING CORPORATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Earnings on investments	\$ 1,671	\$ 1,671	\$ -
Miscellaneous revenue	69,573	73,783	(4,210)
Total Revenues	<u>71,244</u>	<u>75,454</u>	<u>(4,210)</u>
EXPENDITURES			
Principal	2,953,580	2,953,580	-
Interest	2,479,649	2,483,859	4,210
Other	3,525	280,525	277,000
Total Expenditures	<u>5,436,754</u>	<u>5,717,964</u>	<u>281,210</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,365,510)</u>	<u>(5,642,510)</u>	<u>277,000</u>
OTHER FINANCING SOURCES (USES)			
Payments to Escrow Agent	(2,150)	(2,150)	-
Transfers in:			
General Fund	2,713,524	2,713,524	-
Capital Projects Fund	665,682	665,682	-
Capital Expansion Fund	333,341	333,341	-
Natural Areas Fund	1,388,356	1,388,356	-
General Improvement District #1 Fund	137,913	137,913	-
Transportation Fund	128,844	128,844	-
Total Other Financing Sources (Uses)	<u>5,365,510</u>	<u>5,365,510</u>	<u>-</u>
Net Changes in Fund Balances	-	<u>\$ (277,000)</u>	<u>\$ 277,000</u>
Fund Balances--January 1	<u>-</u>		
Fund Balances--December 31	<u>\$ -</u>		

DEBT SERVICE - URA FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Adjustment To Budgetary Basis</u>	<u>Actual On Budgetary Basis</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES					
Taxes	\$ 263,227	\$ -	\$ 263,227	\$ 280,000	\$ (16,773)
Earnings on investments	(8,877)	-	(8,877)	-	(8,877)
Total Revenues	<u>254,350</u>	<u>-</u>	<u>254,350</u>	<u>280,000</u>	<u>(25,650)</u>
EXPENDITURES					
Principal	-	30,000	30,000	36,000	6,000
Interest	<u>4,992</u>	<u>-</u>	<u>4,992</u>	<u>2,000</u>	<u>(2,992)</u>
Total Expenditures	<u>4,992</u>	<u>30,000</u>	<u>34,992</u>	<u>38,000</u>	<u>3,008</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>249,358</u>	<u>(30,000)</u>	<u>219,358</u>	<u>242,000</u>	<u>(22,642)</u>
OTHER FINANCING SOURCES (USES)					
Transfers out	<u>(10,303,939)</u>	<u>-</u>	<u>(10,303,939)</u>	<u>(10,303,939)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(10,303,939)</u>	<u>-</u>	<u>(10,303,939)</u>	<u>(10,303,939)</u>	<u>-</u>
Net Changes in Fund Balances	(10,054,581)	<u>\$ (30,000)</u>	(10,084,581)	<u>\$(10,061,939)</u>	<u>\$ (22,642)</u>
Fund Balances--January 1	124,547		124,547		
Principal Reduction--Long-Term Debt			<u>30,000</u>		
Fund Balances (Deficits)--December 31	<u>\$ (9,930,034)</u>		<u>\$ (9,930,034)</u>		



**CAPITAL PROJECTS FUND
INDIVIDUAL FUND BUDGET SCHEDULE**

Capital Projects Fund -- to account for financial resources to be used for the acquisition or construction of major capital facilities. Revenues and other financing sources are primarily derived from issuance of debt or transfers from other funds.

CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	Current Year Actual	Prior Year Actual	Cumulative Actual	Budget	Variance- Positive (Negative)
REVENUES					
Intergovernmental	\$ 3,146,248	\$ 1,559,918	\$ 4,706,166	\$ 72,444,536	\$ (67,738,370)
Fees and charges for services	-	717,747	717,747	658,023	59,724
Earnings on investments	727,742	13,005,909	13,733,651	5,380,185	8,353,466
Miscellaneous revenue	168,667	2,236,678	2,405,345	6,878,778	(4,473,433)
Total Revenues	4,042,657	17,520,252	21,562,909	85,361,522	(63,798,613)
EXPENDITURES					
Major Repairs and Maintenance	-	93,578	93,578	403,390	309,812
Major Building Maintenance	280,114	4,209,765	4,489,879	4,565,750	75,871
Operation Services Facility	-	44,276	44,276	339,174	294,898
DOLA - NEC Project	-	-	-	110,928	110,928
DOE - RDSI Project (ARRA)	-	-	-	241,797	241,797
FC Museum / DSC Fac Design	527,089	139,379	666,468	10,110,878	9,444,410
BOB-Lincoln Center Renovation	270,488	-	270,488	2,195,262	1,924,774
Streets Facility Expansion	35,475	3,001,643	3,037,118	3,180,748	143,630
New Main Library/Land Acquisition	-	3,169,634	3,169,634	3,236,597	66,963
Performing Arts Center/Land Acq.	-	1,660,868	1,660,868	1,900,090	239,222
Police Facility	354,596	31,101,502	31,456,098	35,414,182	3,958,084
N. Side Aztlan Ctr Replacement	10,761	9,909,188	9,919,949	9,954,674	34,725
Env Site Mitigation - 112 E. Willow	-	182,990	182,990	200,000	17,010
City Hall Admin Bldg Construction	41,521	-	41,521	195,000	153,479
CSU Transit Center	(5,186)	5,589,449	5,584,263	5,584,263	-
New Branch Library-Beyer Site	880,671	4,276,241	5,156,912	5,544,000	387,088
Garden's on Spring Creek	2,295	2,787,489	2,789,784	2,789,829	45
Soapstone Public Improvement	899,977	3,929,025	4,829,002	4,861,000	31,998
Robert Benson Dam	551,910	100,869	652,779	765,500	112,721
Coventry Dev Wildlife Habitat	-	-	-	9,000	9,000
Fossil Creek Community Park	193,413	9,457,527	9,650,940	9,658,925	7,985
Soft Gold Park	-	954,784	954,784	1,007,400	52,616
Regional Trails	-	1,550,900	1,550,900	1,988,718	437,818
Southeast Community Park	-	3,391,559	3,391,559	3,750,026	358,467
Spring Canyon Park	114,180	12,220,823	12,335,003	12,335,003	-
Water Craft Course	1,311	35,031	36,342	150,000	113,658
BOB-Park Upgrades/Enhancements	2,503	-	2,503	304,897	302,394
The Garden of Eatin'	83,717	2,917	86,634	200,000	113,366
Pedestrian Accessibility	22,300	365,072	387,372	387,553	181
Prospect, Poudre River/Summitview	321,995	5,845,149	6,167,144	6,568,801	401,657
Taft Hill, Drake Road to Derby	-	5,059,147	5,059,147	5,254,804	195,657
Street Oversizing Projects	4,928,625	14,444,681	19,373,306	24,771,247	5,397,941
BOB Int Imp & Traffic Signals	472,120	207,750	679,870	6,897,396	6,217,526
I-25 & SH 392 Interchg & Imprv	1,643,078	37,190	1,680,268	1,929,593	249,325
Minor Street Capital Projects	63,891	259,487	323,378	332,719	9,341
City Bridge Program	560,731	242,229	802,960	2,808,500	2,005,540
Rairoad Crossing Replacement	4,875	27,690	32,565	200,000	167,435
Mason Street Transportation Corridor	2,094,518	8,617,233	10,711,751	75,520,276	64,808,525
Pedestrian Plan (BCC)	10,627	522,506	533,133	564,447	31,314
State Highway 14 Truck Route Relocation	-	1,185,335	1,185,335	1,185,335	-
BOB Ped Plan & ADA Improvements	111,893	100,456	212,349	1,417,068	1,204,719
Bicycle Plan Implementation	68,410	55,794	124,204	150,000	25,796
BOB-N. College Ave Improvements	632,155	-	632,155	3,216,799	2,584,644
Administrative Charges	60,656	-	60,656	60,656	-
Total Expenditures	15,240,709	134,779,156	150,019,865	252,262,225	102,242,360
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,198,052)	(117,258,904)	(128,456,956)	(166,900,703)	38,443,747

(Continued on Next Page)

CAPITAL PROJECTS FUND (Continued)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	Current Year Actual	Prior Year Actual	Cumulative Actual	Budget	Variance-- Positive (Negative)
OTHER FINANCING SOURCES (USES)					
Proceeds from issuance of long term debt	\$ -	\$ 34,257,164	\$ 34,257,164	\$ 34,257,164	\$ -
Transfers in					
General Fund	4,963,366	6,042,889	11,006,255	11,286,749	(280,494)
Capital Expansion Fund	647,372	19,935,039	20,582,411	20,940,878	(358,467)
Sales and Use Tax Fund	3,863,135	69,060,108	72,923,243	73,002,309	(79,066)
Neighborhood Parkland Fund	-	414,400	414,400	414,400	-
Conservation Trust Fund	155,827	-	155,827	163,811	(7,984)
Natural Areas Fund	1,956,887	4,049,893	6,006,780	6,151,500	(144,720)
Recreation Fund	-	60,000	60,000	60,000	-
Transit Services Fund	4,814	5,579,449	5,584,263	5,584,263	-
Street Oversizing Fund	1,825,559	9,839,640	11,665,199	12,797,540	(1,132,341)
Transportation Services Fund	35,000	4,085,588	4,120,588	4,120,588	-
Equipment Fund	-	18,389	18,389	315,688	(297,299)
Communications Fund	-	62,000	62,000	62,000	-
Utilities Customer Service Admin Fund	-	10,000	10,000	10,000	-
URA Operations & Maintenance Fund	233,480	-	233,480	2,812,620	(2,579,140)
Transfers out					
General Fund	(286,090)	-	(286,090)	(286,090)	-
Conservation Trust Fund	-	(200,000)	(200,000)	(200,000)	-
Transportation Fund	(610,000)	-	(610,000)	(610,000)	-
Debt Service Fund-Ft Collins Leasing	(665,682)	(2,154,291)	(2,819,973)	(2,819,973)	-
Cultural Services and Facilities Fund	(49,174)	(1,113,570)	(1,162,744)	(1,162,744)	-
Total Other Financing Sources (Uses)	12,074,494	149,946,698	162,021,192	166,900,703	(4,879,511)
Net Changes in Fund Balance	876,442	\$ 32,687,794	33,564,236	\$ -	\$ 33,564,236
Fund Balances--January 1	32,897,237		32,897,237		
Less Prior Years' Project Revenues			(170,934,811)		
Plus Prior Years' Project Expenditures			138,247,017		
Fund Balances--December 31	\$ 33,773,679		\$ 33,773,679		

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**ENTERPRISE FUNDS
INDIVIDUAL FUND BUDGET SCHEDULES**

Light and Power -- to account for operation of the City's electric utility.

Water -- to account for the operation of the City's water utility.

Wastewater -- to account for the operation of the City's wastewater utility.

Storm Drainage -- to account for the City's storm drainage utility.

Golf -- to account for operations of all City golf courses.

LIGHT AND POWER FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	Actual	Adjustment To Budgetary Basis	Actual On Budgetary Basis	Budget	Variance- Positive (Negative)
REVENUES					
Charges for services	\$ 83,295,973	\$ -	\$ 83,295,973	\$ 84,878,345	\$ (1,582,372)
Other revenue	2,564,991	-	2,564,991	1,466,984	1,098,007
Earnings on investments	914,164	-	914,164	1,500,000	(585,836)
Interest on security lending income	54,465	-	54,465	-	54,465
Gain on sale of capital assets	8,066	-	8,066	-	8,066
Contributed capital	1,652,724	-	1,652,724	-	1,652,724
Total Revenues	88,490,383	-	88,490,383	87,845,329	645,054
EXPENSES					
Programs (fund level of budgetary control)					
Customer and administrative services	6,425,942	-	6,425,942	6,426,675	733
System additions	-	8,125,678	8,125,678	12,937,505	4,811,827
Light and Power operations	7,096,992	-	7,096,992	5,849,198	(1,247,794)
Payments and transfers	5,864,890	-	5,864,890	5,570,572	(294,318)
Purchase of power	60,582,158	-	60,582,158	69,026,692	8,444,534
Energy services	2,196,777	-	2,196,777	2,371,488	174,711
Depreciation	7,047,911	(7,047,911)	-	-	-
Security lending interest expense	28,237	-	28,237	-	(28,237)
Security lending agent fees	14,900	-	14,900	-	(14,900)
Total Programs	89,257,807	1,077,767	90,335,574	102,182,130	11,846,556
Projects (project level of budgetary control)					
Substation Improvements	-	8,629,678	8,629,678	10,099,154	1,469,476
Smart Grid	-	-	-	148,584	148,584
SW Enclave System Purchases	-	461,603	461,603	1,321,572	859,969
Underground Conversion Program	-	540,666	540,666	2,725,109	2,184,443
Grants	215,167	955,804	1,170,971	8,042,181	6,871,210
Service Center Additions	-	30,998	30,998	4,856,017	4,825,019
Total Projects	215,167	10,618,749	10,833,916	27,192,617	16,358,701
Total Expenses	89,472,974	11,696,516	101,169,490	129,374,747	28,205,257
Changes in Net Assets	(982,591)	<u>\$(11,696,516)</u>	(12,679,107)	<u>\$(41,529,418)</u>	<u>\$ 28,850,311</u>
Net Assets--January 1	161,150,063		161,150,063		
Capital outlay--programs			8,125,678		
Current Year's Project Expenses			6,685,177		
Prior Year's Project Expenses			3,933,572		
Depreciation			(7,047,911)		
Net Assets--December 31	<u>\$ 160,167,472</u>		<u>\$ 160,167,472</u>		

WATER FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	Actual	Adjustment to Budgetary Basis	Actual On Budgetary Basis	Budget	Variance- Positive (Negative)
REVENUES					
Charges for services	\$ 21,752,118	\$ -	\$ 21,752,118	\$ 21,534,003	\$ 218,115
Other nonoperating income	249,655	-	249,655	126,912	122,743
Earnings on investments	1,553,797	-	1,553,797	1,800,000	(246,203)
Interest on security lending income	85,154	-	85,154	-	85,154
Gain on sale of capital assets	10,219	-	10,219	-	10,219
Contributed capital	2,115,681	-	2,115,681	1,496,239	619,442
Proceeds from issuance of long term debt	-	-	-	2,476,446	(2,476,446)
Total Revenues	<u>25,766,624</u>	<u>-</u>	<u>25,766,624</u>	<u>27,433,600</u>	<u>(1,666,976)</u>
EXPENSES					
Programs (fund level of budgetary control)					
Customer and administrative services	4,383,445	12,382	4,395,827	4,570,919	175,092
Transmission and distribution	2,167,975	182,980	2,350,955	2,705,217	354,262
Payments and transfers	3,728,984	4,600,358	8,329,342	9,967,632	1,638,290
Water production	4,787,684	505,770	5,293,454	7,336,021	2,042,567
Water engineering	98,535	-	98,535	89,746	(8,789)
Water quality	941,200	-	941,200	1,027,080	85,880
Water resources	1,500,178	-	1,500,178	2,055,429	555,251
Depreciation	4,853,325	(4,853,325)	-	-	-
Bond amortization	188,828	(188,828)	-	-	-
Security lending interest expense	43,841	-	43,841	-	(43,841)
Security lending agent fees	21,638	-	21,638	-	(21,638)
Total Programs	<u>22,715,633</u>	<u>259,337</u>	<u>22,974,970</u>	<u>27,752,044</u>	<u>4,777,074</u>
Projects (project level of budgetary control)					
Distribution System Replacement	-	1,719,885	1,719,885	2,120,195	400,310
Michigan Ditch improvements	-	132,408	132,408	800,000	667,592
Service Center Improvements	-	890,649	890,649	1,340,888	450,239
Meter Conversion Program	-	1,382,433	1,382,433	3,430,848	2,048,415
Water Supply Development	-	1,304,702	1,304,702	2,082,203	777,501
Southwest System Improvements	-	3,177,507	3,177,507	3,690,531	513,024
Master Plan Facilities	-	6,893,873	6,893,873	7,275,359	381,486
Water Quality Lab	-	171,187	171,187	190,000	18,813
Cathodic Protection	-	398,022	398,022	450,000	51,978
Halligan Reservoir Enlargement	-	8,237,916	8,237,916	36,427,446	28,189,530
Gravel Pit Storage Ponds	-	209,198	209,198	11,577,000	11,367,802
Treatment Facility Improvement	-	949,796	949,796	1,569,263	619,467
Poudre Pipeline	-	968,362	968,362	1,000,000	31,638
Water Production Replcmnt Program	-	578,499	578,499	3,072,524	2,494,025
Source of Supply Gen Replcmnt	-	211,458	211,458	211,476	-
Total Projects	<u>-</u>	<u>27,225,895</u>	<u>27,225,895</u>	<u>75,237,733</u>	<u>48,011,820</u>
Total Expenses	<u>22,715,633</u>	<u>27,485,232</u>	<u>50,200,865</u>	<u>102,989,777</u>	<u>52,788,894</u>
Changes in Net Assets	3,050,991	<u>\$ (27,485,232)</u>	(24,434,241)	<u>\$ (75,556,177)</u>	<u>\$ 51,121,918</u>
Net Assets--January 1	237,651,366		237,651,366		
Capital Outlay--Programs			701,132		
Current Year's Project Expenses			3,573,430		
Prior Years' Project Expenses			23,652,465		
Principal Reduction--Long-Term Debt			4,600,358		
Depreciation			(4,853,325)		
Bond Amortization			(188,828)		
Net Assets--December 31	<u>\$ 240,702,357</u>		<u>\$ 240,702,357</u>		

WASTEWATER FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Adjustment To Budgetary Basis</u>	<u>Actual On Budgetary Basis</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES					
Charges for services	\$ 17,701,671	\$ -	\$ 17,701,671	\$ 17,872,516	\$ (170,845)
Other Non-Operating Income	102,549	-	102,549	228,200	(125,651)
Earnings on investments	1,586,573	-	1,586,573	750,000	836,573
Interest on security lending income	62,336	-	62,336	-	62,336
Proceeds from issuance of bonds	-	31,374,993	31,374,993	30,000,000	1,374,993
Gain on sale of capital asset	5,573	-	5,573	-	5,573
Capital Contributions	3,416,317	-	3,416,317	3,108,100	308,217
	<u>22,875,019</u>	<u>31,374,993</u>	<u>54,250,012</u>	<u>51,958,816</u>	<u>2,291,196</u>
Total Revenues					
EXPENSES					
Programs (fund level of budgetary control)					
Customer and administrative services	1,486,733	-	1,486,733	1,486,733	-
Trunk and collection	1,384,887	203,600	1,588,487	1,888,732	300,245
Payments and transfers	4,122,208	4,262,000	8,384,207	11,534,445	3,150,238
Water reclamation	4,506,041	46,605	4,552,646	5,739,226	1,186,580
Security lending interest expense	26,428	-	26,428	-	(26,428)
Security lending agent fees	11,626	-	11,626	-	(11,626)
Water engineering	82,680	-	82,680	90,920	8,240
Pollution control	1,141,576	-	1,141,577	1,253,425	111,848
Depreciation	3,219,318	(3,219,318)	-	-	-
Bond amortization	139,854	(139,854)	-	-	-
	<u>16,121,351</u>	<u>1,153,033</u>	<u>17,274,384</u>	<u>21,993,481</u>	<u>4,719,097</u>
Total Programs					
Projects (project level of budgetary control)					
Collection System Replacement	-	6,072,846	6,072,846	9,951,070	3,878,224
Harmony Lift Station	-	62,644	62,644	49,529	(13,115)
Service Center Improvements	-	2,026,058	2,026,058	2,322,374	296,316
Treatment Plant Expansion	-	35,502,954	35,502,954	36,051,643	548,689
Sludge Disposal Improvements	-	5,441,474	5,441,474	6,169,446	727,972
Collection System Study	-	429,444	429,444	650,000	220,556
Mulberry Water Reclamation Improvement	-	20,048,318	20,048,318	41,913,849	21,865,531
Flow Monitoring Stations	-	603,760	603,760	740,000	136,240
	<u>-</u>	<u>70,187,498</u>	<u>70,187,498</u>	<u>97,847,911</u>	<u>27,660,413</u>
Total Projects					
Total Expenses	<u>16,121,351</u>	<u>71,340,531</u>	<u>87,461,882</u>	<u>119,841,392</u>	<u>32,379,510</u>
Changes in Net Assets	6,753,668	<u><u>\$ (39,965,538)</u></u>	(33,211,870)	<u><u>\$ (67,882,576)</u></u>	<u><u>\$ 34,670,706</u></u>
Net Assets--January 1	119,745,878		119,745,878		
Capital Outlay--Programs			275,670		
Current Year's Project Expenses			13,527,737		
Prior Years' Project Expenses			56,659,761		
Principal Reduction - Long Term Debt			4,236,535		
Proceeds from issuance of bonds			(31,374,993)		
Depreciation			(3,219,318)		
Bond amortization			(139,854)		
Net Assets-December 31	<u><u>\$126,499,546</u></u>		<u><u>\$126,499,546</u></u>		

STORM DRAINAGE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Adjustment To Budgetary Basis</u>	<u>Actual On Budgetary Basis</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES					
Charges for services	\$ 13,623,915	\$ -	\$ 13,623,915	\$ 15,088,359	\$ (1,464,444)
Other nonoperating income	15,805	-	15,805	17,475	(1,670)
Earnings on investments	396,313	-	396,313	565,737	(169,424)
Interest on security lending income	14,277	-	14,277	12,242	2,035
Loss on sale of capital assets	(20,668)	-	(20,668)	-	(20,668)
Contributed capital	168,243	-	168,243	141,092	27,151
Total Revenues	14,197,885	-	14,197,885	15,824,905	(1,627,020)
EXPENSES					
Programs (fund level of budgetary control)					
Customer and administrative services	2,181,018	-	2,181,018	2,180,979	(39)
Drainage and detention	1,221,870	93,659	1,315,529	1,780,818	465,289
Storm drainage engineering	1,247,677	-	1,247,677	1,391,450	143,773
Payments and transfers	2,867,963	2,567,500	5,435,463	5,680,290	244,827
Depreciation	2,257,591	(2,257,591)	-	-	-
Bond amortization	43,524	(43,524)	-	-	-
Security lending interest expense	7,329	-	7,329	5,135	(2,194)
Security lending agent fees	3,825	-	3,825	4,968	1,143
Total Programs	9,830,797	360,044	10,190,841	11,043,640	852,799
Projects (project level of budgetary control)					
Drainage System Replacement	-	792,875	792,875	1,014,939	222,064
Old Town Basin	-	184,076	184,076	211,890	27,814
McClelland Mail Creek Basin	-	178	178	(1,572)	(1,750)
Spring Creek Basin	-	4,272,676	4,272,676	5,029,950	757,274
Dry Creek Basin	-	9,113,400	9,113,400	11,950,000	2,836,600
West Vine Channel	-	141,027	141,027	500,000	358,973
Foothills Basin	-	3,950	3,950	8,728	4,778
Canal Importation	-	20,059,539	20,059,539	21,418,623	1,359,084
Cooper Slough	-	693,796	693,796	1,900,000	1,206,204
Fossil Creek	-	2,177,925	2,177,925	2,500,000	322,075
Cache La Poudre Drainageway	-	878,815	878,815	1,282,137	403,322
Utility Service Center	-	96,754	96,754	313,606	216,852
Master Planning	-	4,248,228	4,248,228	4,361,990	113,762
Flood Mapping	-	429,835	429,835	581,913	152,078
Developer Repays	-	1,370,415	1,370,415	1,816,729	446,314
Total Projects	-	44,463,489	44,463,489	52,888,933	8,425,444
Total Expenses	9,830,797	44,823,533	54,654,330	63,932,573	9,278,243
Changes in Net Assets	4,367,088	<u>\$ (44,823,533)</u>	(40,456,445)	<u>\$ (48,107,668)</u>	<u>\$ 7,651,223</u>
Net Assets--January 1	74,366,249		74,366,249		
Capital Outlay--Programs			93,659		
Current Year's Project Expenses			7,009,431		
Plus Prior Years' Project Expenses			37,454,058		
Principal Reduction--Long-Term Debt			2,567,500		
Depreciation			(2,257,591)		
Bond Amortization			(43,524)		
Net Assets--December 31	<u>\$ 78,733,337</u>		<u>\$ 78,733,337</u>		

GOLF FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Adjustment to Budgetary Basis</u>	<u>Actual on Budgetary Basis</u>	<u>Budget</u>	<u>Variance -- Positive (Negative)</u>
REVENUES					
Charges for services	\$ 2,598,890	\$ -	\$ 2,598,890	\$ 2,697,000	\$ (98,110)
Other nonoperating income	19,679	-	19,679	6,000	13,679
Earnings on investments	7,942	-	7,942	17,000	(9,058)
Interest on security lending income	362	-	362	-	362
Gain on sale of capital assets	6,810	-	6,810	-	6,810
Total Revenues	<u>2,633,683</u>	<u>-</u>	<u>2,633,683</u>	<u>2,720,000</u>	<u>(86,317)</u>
EXPENSES					
Programs (project level of budgetary control)					
Golf courses	2,256,814	461,965	2,718,779	2,843,199	124,420
Security lending interest expense	321	-	321	-	(321)
Security lending agent fees	134	-	134	-	(134)
Bond amortization	1,152	(1,152)	-	-	-
Depreciation	307,592	(307,592)	-	-	-
Total Programs	<u>2,566,013</u>	<u>153,221</u>	<u>2,719,234</u>	<u>2,843,199</u>	<u>123,965</u>
Total Expenses	<u>2,566,013</u>	<u>153,221</u>	<u>2,719,234</u>	<u>2,843,199</u>	<u>123,965</u>
Changes in Net Assets	67,670	<u>\$ (153,221)</u>	(85,551)	<u>\$ (123,199)</u>	<u>\$ 37,648</u>
Net Assets--January 1	4,558,035		4,558,035		
Capital outlay			52,527		
Principal reduction--capital lease			162,718		
Principal reduction--bonds			246,720		
Bond amortization			(1,152)		
Depreciation			(307,592)		
Net Assets--December 31	<u>\$ 4,625,705</u>		<u>\$ 4,625,705</u>		



**INTERNAL SERVICE FUNDS
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

Equipment -- to account for the fleet services provided to other funds of the City.

Self-Insurance -- to account for self-insurance of property and liability claims.

Data and Communications -- to account for the acquisition, operation, and maintenance of the City's telephone system, office automation system, and network backbone, as well as computer application services.

Benefits -- to account for the self-insurance of employee health care benefits and other benefits provided to City employees.

Utility Customer Service and Administration -- to account for customer and administrative services provided to the City's utility funds.

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET ASSETS
DECEMBER 31, 2009

	Equipment	Self Insurance	Data and Communications
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 100,722	\$ 2,945,752	\$ 292,469
Investments	856,655	5,486,350	2,769,329
Securities lending collateral	362,278	2,278,536	1,096,367
Receivables			
Accounts	77,517	35,144	18,224
Interest	6,855	43,468	20,937
Prepaid item	-	178,598	-
Due from other governments	36,115	-	-
Inventories of materials and supplies	526,300	-	-
Total Current Assets	<u>1,966,442</u>	<u>10,967,848</u>	<u>4,197,326</u>
Non-Current Assets			
Advance to component unit	63,476	172,037	79,766
Land, water rights, other	30,126	-	73,171
Buildings, improvements and equipment	9,367,150	-	3,647,979
Accumulated depreciation	(5,291,763)	-	(2,801,221)
Construction in progress	5,865	-	-
Total Non-Current Assets	<u>4,174,854</u>	<u>172,037</u>	<u>999,695</u>
Total Assets	<u>6,141,296</u>	<u>11,139,885</u>	<u>5,197,021</u>
LIABILITIES			
Current Liabilities			
Accounts payable	96,486	45,834	61,870
Interest payable	765	-	-
Wages payable	37,298	7,623	57,435
Compensated absences	133,419	23,111	298,012
Claims payable	-	1,188,892	-
Capital lease obligations	215,845	-	-
Unearned revenue	-	17,081	-
Obligations under securities lending	362,278	2,278,536	1,096,367
Total Current Liabilities	<u>846,091</u>	<u>3,561,077</u>	<u>1,513,684</u>
Non-Current Liabilities			
Claims payable	-	5,227,720	-
Capital lease obligations	215,041	-	-
Total Non-Current Liabilities	<u>215,041</u>	<u>5,227,720</u>	<u>-</u>
Total Liabilities	<u>1,061,132</u>	<u>8,788,797</u>	<u>1,513,684</u>
NET ASSETS			
Invested in Capital Assets, net of related debt	3,680,493	-	919,929
Unrestricted	1,399,671	2,351,088	2,763,408
Total Net Assets	<u>\$ 5,080,164</u>	<u>\$ 2,351,088</u>	<u>\$ 3,683,337</u>

Benefits	Utility Customer Service and Admin.	Total
\$ 1,063,981	\$ 359,195	\$ 4,762,119
10,075,597	2,785,087	21,973,018
4,032,723	1,124,968	8,894,872
316,148	60	447,093
77,385	21,563	170,208
-	-	178,598
-	-	36,115
-	-	526,300
15,565,834	4,290,873	36,988,323
181,129	57,810	554,218
-	-	103,297
-	3,028,990	16,044,119
-	(1,578,522)	(9,671,506)
-	-	5,865
181,129	1,508,278	7,035,993
15,746,963	5,799,151	44,024,316
689	92,041	296,920
-	-	765
8,489	107,648	218,493
27,257	332,302	814,101
1,717,474	-	2,906,366
-	-	215,845
-	-	17,081
4,032,723	1,124,968	8,894,872
5,786,632	1,656,959	13,364,443
-	-	5,227,720
-	-	215,041
-	-	5,442,761
5,786,632	1,656,959	18,807,204
-	1,450,468	6,050,890
9,960,331	2,691,724	19,166,222
\$ 9,960,331	\$ 4,142,192	\$ 25,217,112

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Equipment	Self Insurance	Data and Communications
OPERATING REVENUES			
Charges for services	\$ 6,508,810	\$ 2,544,663	\$ 3,139,220
Total Operating Revenues	<u>6,508,810</u>	<u>2,544,663</u>	<u>3,139,220</u>
OPERATING EXPENSES			
Personal services	2,462,016	511,381	3,762,779
Contractual services	1,202,498	4,544,246	2,082,464
Commodities	3,150,270	112,290	1,186,613
Customer service and administrative charges	-	-	-
Other	47,878	-	16,582
Depreciation	689,993	-	275,047
Total Operating Expenses	<u>7,552,655</u>	<u>5,167,917</u>	<u>7,323,485</u>
Operating Income (Loss)	<u>(1,043,845)</u>	<u>(2,623,254)</u>	<u>(4,184,265)</u>
NONOPERATING REVENUES (EXPENSES)			
Earnings on investments	1,838	158,218	67,903
Interest on security lending income	2,064	7,475	4,007
Security lending interest expense	(1,084)	(4,178)	(2,101)
Security lending agent fees	(718)	(2,187)	(1,067)
Intergovernmental	36,115	-	-
Other revenue	62,233	9,583	537
Gain (Loss) on sale of capital assets	80,821	-	-
Interest expense	(21,777)	-	-
Total Nonoperating Revenues (Expenses)	<u>159,492</u>	<u>168,911</u>	<u>69,279</u>
Income (Loss) Before Contributions and Transfers	<u>(884,353)</u>	<u>(2,454,343)</u>	<u>(4,114,986)</u>
Capital contributions	-	-	111,936
Transfers in	-	29,750	3,471,963
Transfers out	-	-	-
Changes in Net Assets	<u>(884,353)</u>	<u>(2,424,593)</u>	<u>(531,087)</u>
Net Assets--January 1	<u>5,964,517</u>	<u>4,775,681</u>	<u>4,214,424</u>
Net Assets--December 31	<u>\$ 5,080,164</u>	<u>\$ 2,351,088</u>	<u>\$ 3,683,337</u>

Benefits	Utility Customer Service and Admin.	Total
\$ 20,647,640	\$ 12,894,828	\$ 45,735,161
20,647,640	12,894,828	45,735,161
578,213	7,243,331	14,557,720
18,348,159	3,062,139	29,239,506
26,314	435,545	4,911,032
-	1,506,814	1,506,814
-	84,827	149,287
-	310,563	1,275,603
18,952,686	12,643,219	51,639,962
1,694,954	251,609	(5,904,801)
220,815	49,406	498,180
10,957	2,151	26,654
(6,328)	(1,225)	(14,916)
(2,969)	(639)	(7,580)
-	-	36,115
43,560	1,034,315	1,150,228
-	22,461	103,282
-	-	(21,777)
266,035	1,106,469	1,770,186
1,960,989	1,358,078	(4,134,615)
-	-	111,936
-	-	3,501,713
-	(685,695)	(685,695)
1,960,989	672,383	(1,206,661)
7,999,342	3,469,809	26,423,773
\$ 9,960,331	\$ 4,142,192	\$ 25,217,112

Benefits	Utility Customer Service and Admin.	Total
\$ 21,326,985	\$ 12,894,828	\$ 46,411,208
(595,421)	(7,574,800)	(15,026,204)
(18,299,078)	(3,488,584)	(32,316,129)
(144)	(1,580,975)	(1,750,546)
43,560	1,034,315	1,150,228
<u>2,475,902</u>	<u>1,284,784</u>	<u>(1,531,443)</u>

-	-	3,501,713
-	(685,695)	(685,695)

-	(685,695)	2,816,018
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-	(245,693)	(1,441,292)
-	-	(388,868)
-	-	(29,430)
-	1,793	74,993
-	(243,900)	(1,784,597)

(181,129)	(57,810)	(554,218)
258,760	82,587	3,447,667
(3,307,025)	(627,022)	(3,934,047)
267,679	52,661	634,806
10,957	2,151	26,654
(6,328)	(1,225)	(14,916)
(2,969)	(639)	(7,581)

(2,960,055)	(549,297)	(401,635)
(484,153)	(194,108)	(901,657)
1,548,134	553,303	5,663,776
<u>\$ 1,063,981</u>	<u>\$ 359,195</u>	<u>\$ 4,762,119</u>

\$ 1,694,954	\$ 251,609	\$ (5,904,801)
43,560	1,034,315	1,186,343

-	310,563	1,275,603
679,345	-	676,047
-	-	(36,115)
-	-	(15,879)
-	-	(4,929)
(30,829)	19,766	(281,812)
1,507	(73,781)	14,377
(18,715)	(257,688)	(482,861)
106,080	-	2,048,845
-	-	(6,261)
<u>\$ 2,475,902</u>	<u>\$ 1,284,784</u>	<u>\$ (1,531,443)</u>

-	-	111,936
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**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2009**

	Equipment	Self Insurance	Data and Communications
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 6,477,383	\$ 2,583,998	\$ 3,128,014
Cash paid to employees for services	(2,524,085)	(523,808)	(3,808,090)
Cash paid to other suppliers of goods & services	(4,340,873)	(2,702,418)	(3,485,176)
Payments for interfund services used	(166,694)	(436)	(2,297)
Other receipts	62,233	9,583	537
Net cash provided (used) by operating activities	(492,036)	(633,081)	(4,167,012)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	-	29,750	3,471,963
Transfers to other funds	-	-	-
Net cash provided (used) by noncapital financing activities	-	29,750	3,471,963
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(1,172,718)	-	(22,881)
Principal paid on capital debt	(388,868)	-	-
Interest paid on capital debt	(29,430)	-	-
Proceeds from sales of capital assets	73,200	-	-
Net cash (used) by capital and related financing activities	(1,517,816)	-	(22,881)
CASH FLOWS FROM INVESTING ACTIVITIES			
Advance to component unit	(63,476)	(172,037)	(79,766)
Proceeds from sales and maturities of investments	1,623,297	1,167,002	316,021
Purchase of investments	-	-	-
Earnings received on investments	4,657	218,274	91,535
Interest on security lending income	2,064	7,475	4,007
Security lending interest expense	(1,084)	(4,178)	(2,101)
Security lending agent fees	(718)	(2,187)	(1,068)
Net cash provided (used) by investing activities	1,564,740	1,214,349	328,628
Net increase (decrease) in cash and cash equivalents	(445,112)	611,018	(389,302)
Cash and cash equivalents, January 1	545,834	2,334,734	681,771
Cash and cash equivalents, December 31	\$ 100,722	\$ 2,945,752	\$ 292,469
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (1,043,845)	\$ (2,623,254)	\$ (4,184,265)
Other receipts	98,348	9,583	537
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	689,993	-	275,047
(Increase) decrease in accounts receivable	(31,427)	39,335	(11,206)
(Increase) decrease in intergovernmental receivables	(36,115)	-	-
(Increase) decrease in inventories	(15,879)	-	-
Increase (decrease) in prepaid item	-	(4,929)	-
Increase (decrease) in accounts payable	(91,042)	22,107	(201,814)
Increase (decrease) in compensated absences payable	11,069	4,808	70,774
Increase (decrease) in wages payable	(73,138)	(17,235)	(116,085)
Increase (decrease) in claims payable	-	1,942,765	-
Increase (decrease) in deferred revenue	-	(6,261)	-
Net cash provided (used) by operating activities	\$ (492,036)	\$ (633,081)	\$ (4,167,012)
Noncash investing, capital, and financing activities:			
Transfer of assets from governmental activities	-	-	111,936

EQUIPMENT FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	Actual	Adjustment To Budgetary Basis	Actual On Budgetary Basis	Budget	Variance- Positive (Negative)
REVENUES					
Charges for services	\$ 6,508,810	\$ -	\$ 6,508,810	\$ 9,653,816	\$ (3,145,006)
Other nonoperating income	62,233	30,000	92,233	210,300	(118,067)
Earnings on investments	1,838	-	1,838	90,000	(88,162)
Interest on security lending income	2,064	-	2,064	-	2,064
Intergovernmental	36,115	-	36,115	-	36,115
Transfers	-	35,000	35,000	35,000	-
Gain on sale of capital assets	80,821	-	80,821	8,500	72,321
Total Revenues	<u>6,691,881</u>	<u>65,000</u>	<u>6,756,881</u>	<u>9,997,616</u>	<u>(3,240,735)</u>
EXPENSES					
Programs (fund level of budgetary control)					
Fleet services	6,884,439	1,614,835	8,499,274	12,004,903	3,505,629
Transfers	-	-	-	297,299	297,299
Depreciation	689,993	(689,993)	-	-	-
Security lending interest expense	1,084	-	1,084	-	(1,084)
Security lending agent fees	718	-	718	-	(718)
Total Expenses	<u>7,576,234</u>	<u>924,842</u>	<u>8,501,076</u>	<u>12,302,202</u>	<u>3,801,126</u>
Changes in Net Assets	(884,353)	<u>\$ (859,842)</u>	(1,744,195)	<u>\$ (2,304,586)</u>	<u>\$ 560,391</u>
Net Assets--January 1	5,964,517		5,964,517		
Capital outlay--program			1,225,967		
Principal reduction--capital lease			388,868		
Depreciation			(689,993)		
Less Prior Year Project Revenue			(30,000)		
Less Prior Year Project Transfer In			(35,000)		
Net Assets--December 31	<u>\$ 5,080,164</u>		<u>\$ 5,080,164</u>		

SELF-INSURANCE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Charges for services	\$ 2,544,663	\$ 2,387,507	\$ 157,156
Other nonoperating income	9,583	-	9,583
Earnings on investments	158,218	350,000	(191,782)
Interest on security lending income	7,475	-	7,475
Transfers In	<u>29,750</u>	<u>29,750</u>	<u>-</u>
Total Revenues	<u>2,749,689</u>	<u>2,767,257</u>	<u>(17,568)</u>
EXPENSES			
Risk management	5,167,917	3,705,014	(1,462,903)
Security lending interest expense	4,178	-	(4,178)
Security lending agent fees	<u>2,187</u>	<u>-</u>	<u>(2,187)</u>
Total Expenses	<u>5,174,282</u>	<u>3,705,014</u>	<u>(1,469,268)</u>
Changes in Net Assets	(2,424,593)	<u>\$ (937,757)</u>	<u>\$ (1,486,836)</u>
Net Assets--January 1	<u>4,775,681</u>		
Net Assets--December 31	<u>\$ 2,351,088</u>		

DATA AND COMMUNICATIONS FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

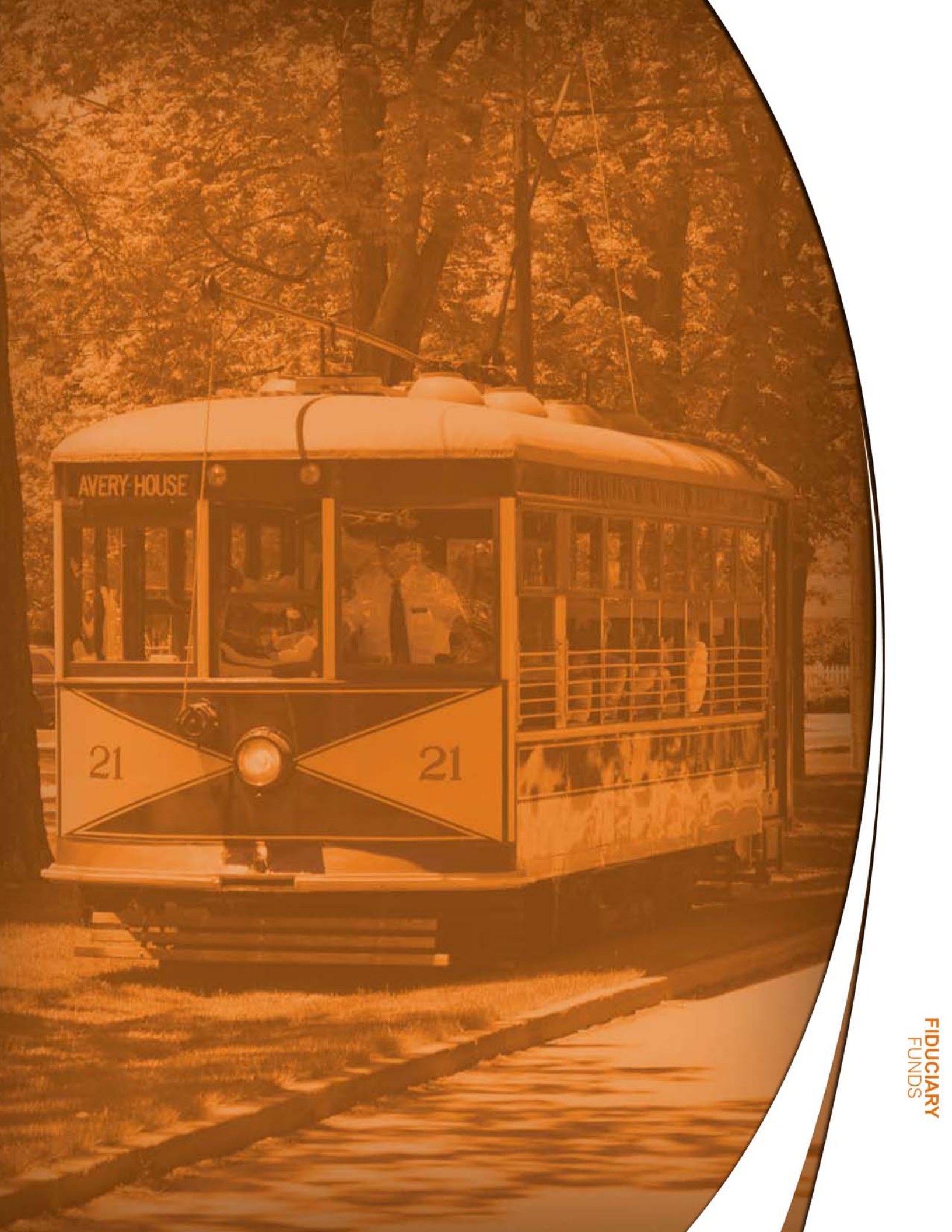
	<u>Actual</u>	<u>Adjustment To Budgetary Basis</u>	<u>Actual On Budgetary Basis</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES					
Charges for services	\$ 3,139,220	\$ -	\$ 3,139,220	\$ 3,298,704	\$ (159,484)
Other nonoperating income	112,473	-	112,473	-	112,473
Earnings on investments	71,910	-	71,910	62,000	9,910
Transfers	<u>3,471,963</u>	<u>-</u>	<u>3,471,963</u>	<u>3,471,963</u>	<u>-</u>
Total Revenues	<u>6,795,566</u>	<u>-</u>	<u>6,795,566</u>	<u>6,832,667</u>	<u>(37,101)</u>
EXPENSES					
Programs (fund level of budgetary control)					
CITEL	7,048,437	22,881	7,071,318	8,336,258	1,264,940
Security lending interest expense	2,101	-	2,101	-	(2,101)
Security lending agent fees	1,068	-	1,068	-	(1,068)
Depreciation	<u>275,047</u>	<u>(275,047)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	<u>7,326,653</u>	<u>(252,166)</u>	<u>7,074,487</u>	<u>8,336,258</u>	<u>1,261,771</u>
Changes in Net Assets	(531,087)	<u>\$ 252,166</u>	(278,921)	<u>\$ (1,503,591)</u>	<u>\$ 1,224,670</u>
Net Assets--January 1	4,214,424		4,214,424		
Capital outlay--program			22,881		
Depreciation	<u></u>		<u>(275,047)</u>		
Net Assets--December 31	<u>\$ 3,683,337</u>		<u>\$ 3,683,337</u>		

BENEFITS FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Charges for services	\$ 20,647,640	\$ 23,024,736	\$ (2,377,096)
Other nonoperating income	43,560	42,500	1,060
Earnings on investments	220,815	268,000	(47,185)
Interest on security lending income	<u>10,957</u>	<u>-</u>	<u>10,957</u>
Total Revenues	<u>20,922,972</u>	<u>23,335,236</u>	<u>(2,412,264)</u>
EXPENSES			
Benefits	18,952,686	23,275,341	4,322,655
Security lending interest expense	6,328	-	(6,328)
Security lending agent fees	<u>2,969</u>	<u>-</u>	<u>(2,969)</u>
Total Expenses	<u>18,961,983</u>	<u>23,275,341</u>	<u>4,313,358</u>
Changes in Net Assets	1,960,989	<u>\$ 59,895</u>	<u>\$ 1,901,094</u>
Net Assets--January 1	<u>7,999,342</u>		
Net Assets--December 31	<u>\$ 9,960,331</u>		

UTILITY CUSTOMER SERVICE AND ADMINISTRATIVE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Actual</u>	<u>Adjustment To Budgetary Basis</u>	<u>Actual On Budgetary Basis</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES					
Charges for services	\$ 12,894,828	\$ -	\$ 12,894,828	\$ 13,137,336	\$ (242,508)
Other nonoperating income	1,056,776	-	1,056,776	893,900	162,876
Earnings on investments	51,557	-	51,557	40,000	11,557
Total Revenues	<u>14,003,161</u>	<u>-</u>	<u>14,003,161</u>	<u>14,071,236</u>	<u>(68,075)</u>
EXPENSES					
Programs (fund level of budgetary control)					
Customer and administrative services	12,334,520	245,693	12,580,213	15,128,957	2,548,744
Transfers	685,695	-	685,695	685,695	-
Depreciation	310,563	(310,563)	-	-	-
Total Expenses	<u>13,330,778</u>	<u>(64,870)</u>	<u>13,265,908</u>	<u>15,814,652</u>	<u>2,548,744</u>
Changes in Net Assets	672,383	<u>\$ 64,870</u>	737,253	<u>\$ (1,743,416)</u>	<u>\$ 2,480,669</u>
Net Assets--January 1	3,469,809		3,469,809		
Capital outlay--program			245,693		
Depreciation			(310,563)		
Net Assets--December 31	<u>\$ 4,142,192</u>		<u>\$ 4,142,192</u>		



FIDUCIARY FUNDS
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES

Trust Funds:

General Employees' Retirement Plan -- to account for the general employees' retirement plan.
Closed to new hires as of 1/1/1999.

Money Purchase Plan -- to account for City employees' defined contribution retirement plan.

Retirement Health Savings Plan -- to account for City employees' retirement health savings plan.

Agency Funds:

Poudre Fire Authority -- to account for cash and investments held by the City on behalf of Poudre Fire Authority

Poudre River Public Library District -- to account for cash and investments held by the City on behalf
of Poudre River Public Library District.

TRUST FUNDS
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
DECEMBER 31, 2009

	General Employees Retirement Plan	Money Purchase Plan	Retirement Health Savings Plan	Total Trust Funds
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 1,301,247	\$ -	\$ -	\$ 1,301,247
Receivables				
Interest	123,386	-	-	123,386
Notes and loans	-	3,163,220	-	3,163,220
Total Receivables	123,386	3,163,220	-	3,286,606
Investments, at fair value				
U S Government securities	12,136,515	-	-	12,136,515
Mutual funds	23,743,345	104,200,060	460,100	128,403,505
Total Investments, at fair value	35,879,860	104,200,060	460,100	140,540,020
Total Assets	37,304,493	107,363,280	460,100	145,127,873
LIABILITIES				
Current Liabilities				
Accrued expenses	2,231	-	-	2,231
Total Liabilities	2,231	-	-	2,231
NET ASSETS				
Held in trust for pension benefits	37,302,262	107,363,280	460,100	145,125,642
Total Net Assets	\$ 37,302,262	\$ 107,363,280	\$ 460,100	\$ 145,125,642

TRUST FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2009

	General Employees Retirement Plan	Money Purchase Plan	Retirement Health Savings Plan	Total
ADDITIONS				
Contributions				
Employer contributions	\$ 1,005,901	\$ 4,705,005	\$ -	\$ 5,710,906
Employee contributions	-	2,883,701	-	2,883,701
Pension conversion & roll-overs	-	602,183	-	602,183
Loan repayments	-	1,202,891	-	1,202,891
Other	-	322,395	579	322,974
Total Contributions	1,005,901	9,716,175	579	10,722,655
Investment income				
Interest related to plan investments	408,009	932,992	1,793	1,342,794
Interest related to employee loans	-	359,327	-	359,327
Net change in fair value of investments	6,141,637	17,097,455	58,518	23,297,610
Total Investment Income	6,549,646	18,389,774	60,311	24,999,731
Securities lending income	825	-	-	825
Securities lending expenses	(611)	-	-	(611)
Net income from securities lending activities	214	-	-	214
Net Investment Income	6,549,860	18,389,774	60,311	24,999,945
Total Additions	7,555,761	28,105,949	60,890	35,722,600
DEDUCTIONS				
Benefit payments	3,204,570	4,891,696	54,331	8,150,597
Administration	22,634	18,318	1,747	42,699
Total Deductions	3,227,204	4,910,014	56,078	8,193,296
Net Increase	4,328,557	23,195,935	4,812	27,529,304
Net Assets Held In Trust for Retirement Benefits				
Beginning of year	32,973,705	84,167,345	455,288	117,596,338
End of Year	<u>\$37,302,262</u>	<u>\$107,363,280</u>	<u>\$ 460,100</u>	<u>\$145,125,642</u>

**GENERAL EMPLOYEES' RETIREMENT PLAN TRUST FUND
SCHEDULE OF CHANGES IN NET ASSETS HELD IN TRUST FOR
PENSION BENEFITS - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009**

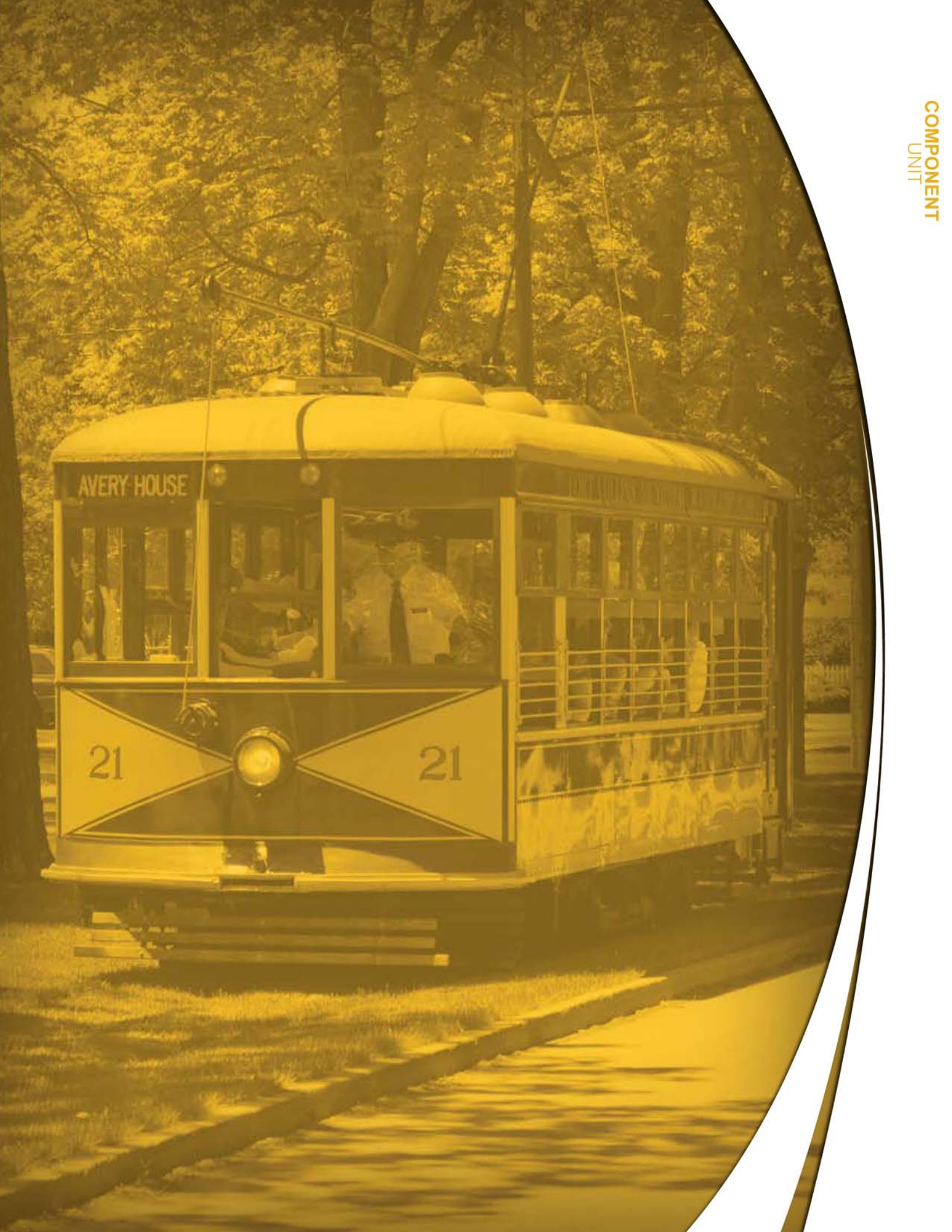
	<u>Actual</u>	<u>Budget</u>	<u>Variance With Actual Positive (Negative)</u>
OPERATING REVENUES			
Contributions	\$ 1,005,901	\$ 1,400,000	\$ (394,099)
Earnings on investments	408,009	602,000	(193,991)
Net income from securities lending activities	214	-	214
Net decrease in the fair value of investments	<u>6,141,637</u>	<u>-</u>	<u>6,141,637</u>
Total Operating Revenues	<u>7,555,761</u>	<u>2,002,000</u>	<u>5,553,761</u>
OPERATING EXPENSES			
Benefit payments	3,204,570	3,932,973	728,403
Administration	<u>22,634</u>	<u>35,590</u>	<u>12,956</u>
Total Operating Expenses	<u>3,227,204</u>	<u>3,968,563</u>	<u>741,359</u>
Changes in Net Assets	4,328,557	<u>\$ (1,966,563)</u>	<u>\$ 6,295,120</u>
Net Assets Held in Trust for Retirement Benefits--January 1	<u>32,973,705</u>		
Net Assets Held in Trust for Retirement Benefits--December 31	<u>\$ 37,302,262</u>		

AGENCY FUNDS
COMBINING STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2009

	Poudre Fire Authority	Poudre River Public Library District	Total Agency Funds
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 828,302	\$1,558,057	\$ 2,386,359
Receivables			
Interest	61,430	42,459	103,889
Investments, at fair value			
U S Government securities	7,806,871	5,379,894	13,186,765
Corporate bonds	331,942	232,283	564,225
Total Investments, at fair value	8,138,813	5,612,177	13,750,990
Total Assets	9,028,545	7,212,693	16,241,238
LIABILITIES			
Current Liabilities			
Amounts held for other governments	9,028,545	7,212,693	16,241,238
Total Liabilities	\$ 9,028,545	\$7,212,693	\$16,241,238

AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 2009

POUDRE FIRE AUTHORITY				
	Balance-- Dec. 31, 2008	Additions	Deletions	Balance-- Dec. 31, 2009
ASSETS				
Cash and cash equivalents	\$ 2,315,229	\$ 34,447,119	\$ 35,934,046	\$ 828,302
Receivables - interest	98,701	6,500	43,771	61,430
Investments, at fair value				
U S Government securities	9,506,418	-	1,699,547	7,806,871
Corporate bonds	1,094,381	-	762,439	331,942
Total Investments, at fair value	<u>10,600,799</u>	<u>-</u>	<u>2,461,986</u>	<u>8,138,813</u>
Total Assets	<u>13,014,729</u>	<u>34,453,619</u>	<u>38,439,803</u>	<u>9,028,545</u>
LIABILITIES				
Amounts held for other governments	<u>\$ 13,014,729</u>	<u>\$ 34,453,619</u>	<u>\$ 38,439,803</u>	<u>\$ 9,028,545</u>
POUDRE RIVER PUBLIC LIBRARY DISTRICT				
	Balance-- Dec. 31, 2008	Additions	Deletions	Balance-- Dec. 31, 2009
ASSETS				
Cash and cash equivalents	\$ 947,796	\$ 17,645,494	\$ 17,035,233	\$ 1,558,057
Receivables - interest	40,199	10,287	8,027	42,459
Investments, at fair value				
U S Government securities	3,780,827	1,679,121	80,054	5,379,894
Corporate bonds	435,473	58,576	261,766	232,283
Total Investments, at fair value	<u>4,216,300</u>	<u>1,737,697</u>	<u>341,820</u>	<u>5,612,177</u>
Total Assets	<u>5,204,295</u>	<u>19,393,478</u>	<u>17,385,080</u>	<u>7,212,693</u>
LIABILITIES				
Amounts held for other governments	<u>\$ 5,204,295</u>	<u>\$ 19,393,478</u>	<u>\$ 17,385,080</u>	<u>\$ 7,212,693</u>
TOTAL - ALL FUNDS				
	Balance-- Dec. 31, 2008	Additions	Deletions	Balance-- Dec. 31, 2009
ASSETS				
Cash and cash equivalents	\$ 3,263,025	\$ 52,092,613	\$ 52,969,279	\$ 2,386,359
Receivables - interest	138,900	16,787	51,798	103,889
Investments, at fair value				
U S Government securities	13,287,245	1,679,121	1,779,601	13,186,765
Corporate bonds	1,529,854	58,576	1,024,205	564,225
Total Investments, at fair value	<u>14,817,099</u>	<u>1,737,697</u>	<u>2,803,806</u>	<u>13,750,990</u>
Total Assets	<u>18,219,024</u>	<u>53,847,097</u>	<u>55,824,883</u>	<u>16,241,238</u>
LIABILITIES				
Amounts held for other governments	<u>\$ 18,219,024</u>	<u>\$ 53,847,097</u>	<u>\$ 55,824,883</u>	<u>\$ 16,241,238</u>



**COMPONENT UNIT FUNDS
RECONCILIATIONS
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES**

DOWNTOWN DEVELOPMENT AUTHORITY

Reconciliations:

Reconciliation of the Balance Sheet to the Statement of Net Assets

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities

Funds:

General -- to account for all general operations of the DDA except those required to be accounted for in another fund.

Debt Service -- to account for tax increment revenues received from property taxes and used to service the DDA's tax increment bonds.

**COMPONENT UNIT
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS
DECEMBER 31, 2009**

	Total	Adjustments	Statement of Net Assets
ASSETS			
Cash and cash equivalents	\$ 1,076,790	\$ -	\$ 1,076,790
Investments	10,194,966	-	10,194,966
Receivables			
Property taxes	6,274,809	-	6,274,809
Interest	77,075	-	77,075
Prepaid	15,844	-	15,844
Inventory of real property held for resale	135,464	-	135,464
Capital assets (non-depreciable)	-	2,528,747	1 2,528,747
Capital assets (net of accumulated depreciation)	-	4,488,444	1 4,488,444
Unamortized bond issuance costs	-	9,110	2 9,110
Total Assets	17,779,483	7,026,301	24,805,784
LIABILITIES			
Accounts payable	88,155	-	88,155
Wages payable	8,997	-	8,997
Interest payable	-	26,582	3 26,582
Unearned revenue	6,383,809	-	6,383,809
Advance from primary government	11,658,062	-	11,658,062
Non-Current liabilities			
Due within one year	-	213,648	3 213,648
Due after one year	-	190,807	3 190,807
Total Liabilities	18,139,023	431,037	18,570,060
FUND BALANCES/NET ASSETS			
Fund balances			
Nonspendable	151,308	-	151,308
Assigned	7,832,665	(7,832,665)	-
Unassigned	(8,343,513)	-	(8,343,513)
Total Fund Balances	(359,540)	(7,832,665)	(8,192,205)
Total Liabilities and Fund Balances	\$ 17,779,483		
Net Assets:			
Invested in capital assets, net of related debt		7,017,191	7,017,191
Reserved for debt service		-	-
Reserved for capital projects		-	-
Unrestricted (deficit)		(781,467)	4 (781,467)
Total Net Assets of Component Unit (page 33)	\$ 6,235,724	\$ 6,235,724	

- 1 Capital assets net of accumulated depreciation used in governmental activities are not current financial resources. Therefore they are not reported in the funds.
- 2 Bond issuance costs are not financial resources and therefore not reported in the funds.
- 3 Long-term liabilities, including bonds payable, related interest, and compensated absences, are not due and payable in the current period and therefore not reported in the funds.
- 4 The component unit receives tax increment to service the bonds issued for improvements made within the downtown area. A majority of these improvements relate to building facades intended to preserve the historical architecture in the Old Town area of the City's downtown. Although the component unit may benefit over time from any increase in the assessed value of these properties related to these improvements, no assets are recorded in relation to these activities. As a result, the statement of net assets for the component unit reflects a deficit balance for unrestricted net assets.

**COMPONENT UNIT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Expenditures/Expenses (including transfers):			
Expenditures/expenses	\$ 6,119,628	\$ (1,811,010) ¹	\$ 4,308,618
Program Revenues			
Charges for services	70,686	-	70,686
Operating grants and contributions	41,671	-	41,671
Net Program Revenues	<u>112,357</u>	<u>-</u>	<u>-</u>
Net Program Expense	<u>6,007,271</u>	<u>(1,811,010)</u>	<u>4,196,261</u>
General Revenues			
Property taxes	5,751,420	-	5,751,420
Investment earnings	430,803	-	430,803
Miscellaneous	45,680	(286,650) ²	(240,970)
Total General Revenues	<u>6,227,903</u>	<u>(286,650)</u>	<u>5,941,253</u>
Change in Net Assets (pages 34-35)	220,632	1,524,360	1,744,992
Fund Balance/Net Assets			
Beginning of the year	<u>(580,172)</u>	<u>5,070,904</u>	<u>4,490,732</u>
End of the year	<u>\$ (359,540)</u>	<u>\$ 6,595,264</u>	<u>\$ 6,235,724</u>

- ¹ Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds
- | | |
|---|-----------------------|
| Net decrease in interest related to last debt service payment | (3,239) |
| Net increase in compensated absences | (15,426) |
| Debt Payment | (184,826) |
| Net decrease in current year amortization of bond cost | 4,560 |
| Current year depreciation | 108,803 |
| Current year capital asset additions | (1,720,882) |
| | <u>\$ (1,811,010)</u> |

- ² Proceeds from issuance of long term debt are not reported as revenues
- | | |
|------------------------|---------------------|
| Loss on capital assets | (286,650) |
| | <u>\$ (286,650)</u> |

DOWNTOWN DEVELOPMENT AUTHORITY
COMBINING BALANCE SHEET
DECEMBER 31, 2009

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
ASSETS			
Cash and cash equivalents	\$ 777,244	\$ 299,546	\$ 1,076,790
Investments	7,358,656	2,836,310	10,194,966
Receivables			
Property taxes	604,760	5,670,049	6,274,809
Accounts	4,535	-	4,535
Interest	55,673	21,402	77,075
Inventory of real property held for resale	135,464	-	135,464
Prepaid item	15,844	-	15,844
Total Assets	<u>8,952,176</u>	<u>8,827,307</u>	<u>17,779,483</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable, accruals, and other	88,155	-	88,155
Wages payable	8,997	-	8,997
Unearned revenue	713,760	5,670,049	6,383,809
Advance from primary government	-	11,658,062	11,658,062
Total Liabilities	<u>810,912</u>	<u>17,328,111</u>	<u>18,139,023</u>
Fund Balances			
Nonspendable	151,308	-	151,308
Assigned	7,832,665	-	7,832,665
Unassigned	157,291	(8,500,804)	(8,343,513)
Total Fund Balances	<u>8,141,264</u>	<u>(8,500,804)</u>	<u>(359,540)</u>
Total Liabilities and Fund Balances	<u>\$ 8,952,176</u>	<u>\$ 8,827,307</u>	<u>\$ 17,779,483</u>

DOWNTOWN DEVELOPMENT AUTHORITY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
REVENUES			
Taxes	\$ 570,292	\$ 5,181,128	\$ 5,751,420
Licenses and permits	1,800	-	1,800
Intergovernmental	41,671	-	41,671
Fees and charges for services	68,886	-	68,886
Earnings on investments	316,083	114,720	430,803
Miscellaneous revenue	45,680	-	45,680
Total Revenues	<u>1,044,412</u>	<u>5,295,848</u>	<u>6,340,260</u>
EXPENDITURES			
Current operating			
Administrative	5,190,848	200,180	5,391,028
Debt service			
Principal	-	184,826	184,826
Interest	-	543,774	543,774
Total Expenditures	<u>5,190,848</u>	<u>928,780</u>	<u>6,119,628</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>(4,146,436)</u>	<u>4,367,068</u>	<u>220,632</u>
Net Change in Fund Balances	(4,146,436)	4,367,068	220,632
Fund Balances (Deficits)-January 1, as restated	<u>12,287,700</u>	<u>1 (12,867,872)</u>	<u>(580,172)</u>
Fund Balances (Deficits)-December 31	<u>\$ 8,141,264</u>	<u>\$ (8,500,804)</u>	<u>\$ (359,540)</u>

1 Prior period adjustment relates to the reclassification of the previously reported bonds payable to an advance from primary government.

**DOWNTOWN DEVELOPMENT AUTHORITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Actual</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES			
Taxes	\$ 570,292	\$ 567,814	\$ 2,478
Earnings on investments	316,083	492,044	(175,961)
Licenses and permits	1,800	1,800	-
Intergovernmental	41,671	42,226	(555)
Fees and charges for services	68,886	216,124	(147,238)
Miscellaneous revenue	45,680	177,500	(131,820)
	<u>1,044,412</u>	<u>1,497,508</u>	<u>(453,096)</u>
EXPENDITURES			
Administration	5,190,848	15,668,270	10,477,422
Capital outlay	-	12,000	12,000
	<u>5,190,848</u>	<u>15,680,270</u>	<u>10,489,422</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,146,436)</u>	<u>(14,182,762)</u>	<u>10,036,326</u>
Net Changes in Fund Balances	(4,146,436)	<u>\$ (14,182,762)</u>	<u>\$ 10,036,326</u>
Fund Balances--January 1	<u>12,287,700</u>		
Fund Balances--December 31	<u>\$ 8,141,264</u>		

**DOWNTOWN DEVELOPMENT AUTHORITY
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2009**

	<u>Actual</u>	<u>Adjustment To Budgetary Basis</u>	<u>Actual On Budgetary Basis</u>	<u>Budget</u>	<u>Variance- Positive (Negative)</u>
REVENUES					
Taxes	\$ 5,181,128	\$ -	\$ 5,181,128	\$ 5,236,382	\$ (55,254)
Earnings on investments	114,720	-	114,720	60,000	54,720
Total Revenues	<u>5,295,848</u>	<u>-</u>	<u>5,295,848</u>	<u>5,296,382</u>	<u>(534)</u>
EXPENDITURES					
Internal Admin Services	200,180	-	200,180	-	(200,180)
Principal	184,826	5,686,174	5,871,000	6,070,700	199,700
Interest	<u>543,774</u>	<u>-</u>	<u>543,774</u>	<u>543,773</u>	<u>(1)</u>
Total Expenditures	<u>928,780</u>	<u>5,686,174</u>	<u>6,614,954</u>	<u>6,614,473</u>	<u>(481)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,367,068	<u>\$ (5,686,174)</u>	(1,319,106)	<u>\$ (1,318,091)</u>	<u>\$ (1,015)</u>
Fund Balances (Deficits)--January 1	(12,867,872)		(12,867,872)		
Principal Reduction--Long-Term Debt			<u>5,686,174</u>		
Fund Balances (Deficits)--December 31	<u>\$ (8,500,804)</u>		<u>\$ (8,500,804)</u>		

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STATISTICAL SECTION

Statistical Section

This part of the City of Fort Collins comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the governments overall financial health.

Financial Trends - These schedules contain trend information to help the reader understand how the City of Fort Collins' financial performance and well-being have changed over time.

Net Assets by Component	Exh. A-1	159
Changes in Net Assets	Exh. A-2	160
Fund Balances, Governmental Funds	Exh. A-3	161
Changes in Fund Balances, Governmental Funds	Exh. A-4	162

Revenue Capacity - These schedules contain information to help the reader assess the City of Fort Collins' most significant local revenue sources - Sales and Use taxes.

Taxable Sales by Category	Exh. A-5	163
Direct and Overlapping Sales Tax Rates	Exh. A-6	164
Sales Tax Revenue Taxpayers by Industry	Exh. A-7	165

Debt Capacity - These schedules present information to help the reader assess the affordability of the City of Fort Collins' current levels of outstanding debt and its ability to issue additional debt in the future.

Ratios of Outstanding Debt by Type	Exh. A-8	166
Ratios of General Bonded Debt Outstanding	Exh. A-9	167
Direct & Overlapping Governmental Act. Debt	Exh. A-10	168
Legal Debt Margin Information	Exh. A-11	169
Pledged Revenue Coverage	Exh. A-12	170

Demographic and Economic Information - These schedules offer demographics and economic indicators to help the reader understand the environment within which the City of Fort Collins financial activities take place.

Demographic and Economic Statistics	Exh. A-13	171
Principal Employers	Exh. A-14	172
Full-time Equivalent City Emp. By Function/Program	Exh. A-15	173

Operating Information - These schedules contain service and infrastructure data to help the reader understand how the information in City of Fort Collins financial report relates to the services government provides and the activities it performs.

Operating Indicators by Function/Program	Exh. A-16	174
Capital Asset Statistics by Function/Program	Exh. A-17	175

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year and/or city departments. The city implemented Statement 34 in 2001; schedules presenting government-wide information include information begin in that year.

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Net Assets by Component
 Last Nine Fiscal Years
(accrual basis of accounting)

	Fiscal Year								
	2001	2002	2003	2004	2005	2006	2007	2008	2009
Governmental activities									
Invested in capital assets, net of related debt	\$ 118,461,814	\$ 194,619,518	\$ 419,142,373	\$ 392,474,961	\$ 428,474,008	\$ 481,712,612	\$ 526,367,326	\$ 551,852,607	\$ 573,886,817
Restricted	6,867,877	11,545,719	7,674,807	10,004,651	9,825,562	8,956,593	7,489,564	5,229,047	8,960,473
Unrestricted	159,734,795	130,335,953	126,504,748	173,579,943	194,505,349	174,207,921	165,315,600	164,992,656	146,408,482
Total governmental activities net assets	285,064,486	336,501,190	553,321,928	576,059,555	632,804,919	664,877,126	699,172,490	722,074,310	729,255,772
Business-type activities									
Invested in capital assets, net of related debt	261,470,300	291,048,424	327,793,571	340,553,716	358,079,436	376,929,367	398,949,427	429,392,335	453,420,445
Restricted	13,512,367	19,012,337	7,116,699	4,546,368	1,117,982	1,090,814	1,130,328	1,642,304	1,670,583
Unrestricted	110,192,514	109,482,223	109,284,221	123,724,366	141,009,608	161,846,962	175,272,980	168,965,775	157,997,846
Total business-type activities net assets	385,175,181	419,542,984	444,194,491	468,824,450	500,207,026	539,867,143	575,352,735	600,000,414	613,088,874
Primary government									
Invested in capital assets, net of related debt	379,932,114	485,667,942	746,935,944	733,028,677	786,553,444	858,641,979	925,316,753	981,244,942	1,027,307,262
Restricted	20,380,244	30,558,056	14,791,506	14,551,019	10,943,544	10,047,407	8,619,892	6,871,351	10,631,056
Unrestricted	269,927,309	239,818,176	235,788,969	297,304,309	335,514,957	336,054,883	340,588,580	333,958,431	304,406,328
Total Primary government net assets	\$ 670,239,667	\$ 756,044,174	\$ 997,516,419	\$ 1,044,884,005	\$ 1,133,011,945	\$ 1,204,744,269	\$ 1,274,525,225	\$ 1,322,074,724	\$ 1,342,344,646

Changes in Net Assets
Last Nine Fiscal Years
(accrual basis of accounting)

Exhibit A-2

Expenses	2001	2002	2003	2004	2005	2006	2007	2008	2009
Governmental activities									
General government	\$ 14,197,822	\$ 20,885,118	\$ 22,942,909	\$ 13,358,344	\$ 19,382,367	\$ 27,084,873	\$ 26,552,506	\$ 33,534,743	\$ 32,867,878
Public safety	31,768,224	34,467,269	34,661,849	35,766,265	38,702,786	43,298,761	44,412,337	46,520,791	50,055,591
Culture, parks, recreation & environment	33,560,789	25,219,524	22,699,165	31,412,377	34,028,772	32,003,627	34,789,561	35,489,870	38,514,849
Planning and development	1,110,178	11,112,799	9,746,908	11,729,941	5,751,845	5,524,775	7,592,991	6,585,282	9,706,377
Transportation	46,422,427	42,134,542	35,261,512	43,124,513	41,073,637	44,644,423	42,838,644	44,658,726	36,470,606
Library	3,638,486	3,937,569	3,759,222	3,644,539	3,790,496	3,728,929	3,899,771	-	-
Interest on long-term debt	2,297,705	1,967,610	1,236,604	2,091,589	3,172,312	3,100,357	3,112,906	3,062,621	2,631,790
Total governmental activities expenses	132,995,631	139,724,431	130,308,169	141,127,569	145,902,215	159,385,746	163,198,716	169,852,033	170,247,091
Business-type activities									
Light & Power	62,480,541	65,180,204	67,103,368	69,013,750	73,898,381	73,792,864	80,479,078	81,620,225	83,888,068
Water	17,809,885	17,972,057	18,990,881	19,644,348	19,786,700	19,789,796	23,272,388	21,205,006	20,666,996
Wastewater	13,644,763	13,664,776	13,079,274	14,105,019	13,865,899	13,187,287	14,239,803	13,369,884	14,668,227
Storm drainage	5,215,756	6,498,658	6,826,042	8,237,107	8,186,997	7,492,902	9,132,090	9,020,680	9,426,174
Golf	2,166,112	2,302,690	2,348,717	2,297,149	2,528,846	2,469,437	2,696,698	2,506,834	2,387,248
Fort Collins Housing Authority	6,436,698	-	-	-	-	-	-	-	-
Total business-type activities expenses	107,753,755	105,618,385	108,348,282	113,297,373	118,266,823	116,732,286	129,820,057	127,722,629	131,036,713
Total primary government expenses	240,749,386	245,342,816	238,656,451	254,424,941	264,169,038	276,118,031	293,018,773	297,574,662	301,283,804
Program revenues									
Governmental activities									
General government	3,476,188	3,927,357	3,309,335	4,298,730	4,297,168	4,705,594	4,889,707	12,962,142	8,863,075
Public safety	1,632,831	1,562,334	2,997,990	2,768,110	2,371,137	2,436,387	3,719,375	1,822,973	1,929,663
Culture, parks, recreation & environment	6,114,782	5,965,241	6,601,403	6,222,763	6,951,928	7,257,141	11,867,562	8,064,996	7,387,578
Planning and development	2,811,602	4,582,049	3,109,977	3,588,457	3,062,568	2,828,152	2,617,068	1,648,793	994,413
Transportation	9,970,837	8,252,211	8,548,508	9,216,297	8,805,105	9,295,808	9,293,000	12,003,298	8,577,376
Operating grants & contributions	9,701,817	11,715,273	10,194,032	10,453,738	23,639,767	10,683,640	10,988,074	6,412,344	7,387,266
Capital grants & contributions	23,640,849	45,930,841	25,086,437	28,275,058	46,701,699	31,529,551	30,931,625	7,775,223	25,716,582
Total governmental activities program revenues	57,348,906	81,935,306	59,847,682	64,823,153	95,829,372	68,736,272	74,306,411	50,689,769	60,855,953
Business-type activities									
Light & Power	67,103,925	69,580,799	71,019,850	74,571,140	80,049,080	81,481,709	83,325,503	83,521,007	84,253,267
Water	21,556,073	22,565,427	23,614,722	22,798,497	24,544,153	26,365,645	25,243,152	24,499,157	21,978,074
Wastewater	13,314,475	13,394,679	12,993,746	13,414,864	13,908,038	14,235,334	15,114,423	16,271,590	17,803,072
Storm drainage	6,697,137	10,782,162	11,962,505	13,234,248	13,504,920	13,073,526	13,196,697	13,575,759	13,630,980
Golf	2,278,472	2,355,856	2,206,936	2,215,351	2,415,275	2,540,073	2,578,555	2,644,106	2,607,550
Fort Collins Housing Authority	1,021,128	-	-	-	-	-	-	-	-
Operating grants & contributions	5,791,430	57,404	182,457	52,358	56,570	12,916	19,761	23,521	111,785
Capital grants & contributions	18,249,677	12,152,180	12,696,133	12,983,817	16,591,023	16,150,933	16,651,016	12,233,350	8,168,689
Total business-type activities program revenues	136,012,317	130,888,507	134,676,349	139,270,275	151,069,059	153,860,136	156,129,107	152,768,490	148,553,417
Total primary government program revenues	193,361,223	212,823,813	194,524,031	204,093,428	246,898,431	222,596,408	230,435,518	203,458,259	209,409,370
Net (expenses) revenue									
Governmental activities	(75,646,725)	(57,789,125)	(70,460,487)	(76,304,416)	(50,072,843)	(90,649,474)	(88,892,305)	(119,162,264)	(109,391,138)
Business-type activities	28,258,562	25,270,122	26,328,067	25,972,902	32,802,236	37,127,850	26,309,050	25,045,861	17,516,704
Total primary government net expenses	(47,388,163)	(32,519,003)	(44,132,420)	(50,331,513)	(17,270,607)	(53,521,624)	(62,583,255)	(94,116,403)	(91,874,434)
General revenues and other changes in net assets									
Governmental activities									
Taxes:									
Sales & use taxes	70,590,670	69,518,992	68,375,870	72,057,494	72,735,337	75,630,868	78,444,572	75,865,014	70,501,307
Property taxes	13,052,072	13,503,342	13,902,709	14,443,612	14,954,882	15,898,094	16,297,997	16,682,832	17,038,447
Occupational privilege taxes	2,103,813	2,093,644	2,340,669	2,252,672	2,227,562	2,423,657	2,358,803	2,493,933	2,413,205
Lodging tax	565,323	574,134	581,636	601,144	668,499	841,586	837,773	833,468	735,634
Intergovernmental not restricted to programs	520,833	526,581	504,296	527,020	493,989	486,121	540,947	10,420,033	9,276,551
Gain on investment in joint venture	-	-	-	-	-	-	-	504,578	610,967
Investment earnings	9,266,053	5,683,844	2,819,956	2,955,230	8,940,850	17,231,464	14,546,406	9,043,421	3,655,468
Miscellaneous	908,502	3,334,954	511,846	278,050	392,002	3,539,882	3,261,060	14,400,496	1,394,268
Transfers	6,688,092	5,776,705	4,881,246	5,926,822	6,405,086	6,670,009	6,900,111	11,820,309	10,946,753
Total governmental activities	103,695,358	101,012,196	93,918,228	99,042,043	106,818,207	122,721,681	123,187,669	142,064,084	116,572,600
Business-type activities									
Intergovernmental not restricted to programs	-	-	-	-	-	-	10,010	-	-
Investment earnings	6,780,920	4,718,642	3,041,127	2,434,292	3,718,902	7,072,274	15,279,459	9,582,770	4,726,939
Sale of land & equipment	869,060	768,109	(39,033)	1,534,885	244,283	-	-	-	-
Insurance recovery	117,119	163,387	72,768	-	-	-	-	-	-
Other miscellaneous	186,046	44,089	129,825	1,102,334	1,022,241	2,130,002	787,184	1,839,357	1,791,570
Transfers	(5,872,559)	(5,776,705)	(4,881,246)	(5,926,822)	(6,405,086)	(6,670,009)	(6,900,111)	(11,820,309)	(10,946,753)
Total business-type activities	2,080,586	(82,478)	(1,676,559)	(855,311)	(1,419,660)	2,532,267	9,176,542	(398,182)	(4,428,244)
Total primary government	105,775,944	100,929,718	92,241,669	98,186,732	105,398,547	125,253,948	132,364,211	141,665,902	112,144,356
Change in net assets									
Governmental activities	28,048,633	43,223,071	23,457,741	22,737,628	56,745,364	32,072,207	34,295,364	22,901,820	7,181,462
Business-type activities	30,339,148	25,187,644	24,651,508	25,117,591	31,382,576	39,660,117	35,485,592	24,647,679	13,088,460
Total primary government	\$ 58,387,781	\$ 68,410,715	\$ 48,109,249	\$ 47,855,219	\$ 88,127,940	\$ 71,732,324	\$ 69,780,956	\$ 47,549,499	\$ 20,269,922

Fund Balances, Governmental Funds
 Last Ten Fiscal Years
(modified accrual basis of accounting)

General Fund	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Non Spendable	\$ -	\$ 125,000	\$ 125,000	\$ 1,780,979	\$ 1,780,979	\$ 1,780,979	\$ 3,026,474	\$ 3,026,474	\$ 3,026,474	\$ 16,615,968
Restricted	1,225,778	945,563	1,142,229	5,875,567	6,085,474	6,433,226	5,386,345	5,277,513	4,955,592	4,286,553
Committed	523,831	502,194	508,527	520,856	419,626	460,252	812,623	1,025,218	569,312	699,677
Assigned	17,884,527	22,355,613	24,474,644	22,431,947	21,146,216	24,418,268	21,805,950	16,443,990	13,007,652	5,014,700
Unassigned	10,530,446	10,885,453	5,384,634	6,187,359	4,722,696	4,304,075	11,973,191	22,484,922	23,897,090	10,976,625
Total general fund	30,164,582	34,813,823	31,635,034	36,796,708	34,154,992	37,396,800	43,004,584	48,258,117	45,456,119	37,593,523
All Other Governmental Funds										
Non Spendable	825,500	362,500	32,000	-	-	-	-	-	-	1,298
Restricted	1,726,485	3,478,014	3,425,340	410,402	411,243	427,871	1,182,545	1,198,700	1,244,666	4,673,920
Committed	13,303,339	17,625,626	14,599,613	18,230,703	21,822,622	25,494,545	15,293,215	13,440,007	14,651,558	14,351,818
Assigned	91,497,891	88,671,292	82,238,054	71,553,506	119,427,572	131,284,736	114,448,443	95,643,945	89,858,752	87,414,693
Unassigned	-	-	-	-	-	-	-	-	-	(9,930,034)
Total other governmental funds	\$ 107,353,215	\$ 110,137,432	\$ 100,295,007	\$ 90,194,610	\$ 141,661,438	\$ 157,207,152	\$ 130,924,203	\$ 110,282,653	\$ 105,754,975	\$ 96,511,695

Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Revenues										
Taxes	\$ 80,502,964	\$ 84,401,996	\$ 84,888,283	\$ 84,770,702	\$ 88,866,414	\$ 90,071,479	\$ 93,994,042	\$ 97,278,103	\$ 95,875,247	\$ 90,688,594
Licenses & permits	1,912,175	1,966,012	1,808,667	1,855,332	1,947,923	1,887,158	1,656,006	1,656,505	1,492,551	1,012,677
Intergovernmental	18,052,827	21,359,238	23,372,793	17,544,899	21,302,365	15,984,806	22,240,546	18,056,526	26,997,759	29,802,055
Fees and charges for services	28,972,969	31,459,431	28,912,284	30,394,985	33,975,149	31,381,641	31,681,498	39,946,708	30,013,352	22,917,850
Fines & forfeitures	1,196,768	1,224,963	1,844,921	1,844,921	2,287,262	1,928,786	2,266,293	2,824,814	2,749,297	2,779,255
Earnings on investments	8,359,859	8,372,837	4,798,315	2,291,160	2,421,546	5,381,259	8,514,736	8,798,119	5,860,755	3,082,243
Securities lending income	-	-	313,622	183,250	274,776	3,076,855	7,807,487	3,914,689	1,808,828	103,056
Miscellaneous revenue	11,790,435	12,858,265	18,600,135	12,862,838	14,175,373	30,199,006	15,200,919	12,645,509	4,407,674	2,471,911
Total Revenues	150,787,997	161,642,742	164,000,601	151,748,087	165,250,808	179,910,990	183,361,527	185,120,973	169,205,463	152,857,641
Expenditures										
Executive, legislative and judicial	5,026,476	5,375,613	9,689,141	5,402,331	5,335,248	8,770,182	8,116,764	9,609,283	10,822,645	10,922,298
Facility operations	8,591,638	9,534,343	6,860,834	7,477,404	8,090,302	3,872,877	5,449,028	5,738,299	8,153,023	7,484,975
Culture, parks, recreation & environment	16,062,572	17,041,257	16,806,369	18,663,900	18,385,004	17,886,794	23,590,848	24,175,291	25,754,909	26,180,711
Library	3,506,937	3,638,486	3,937,569	3,759,222	3,644,539	3,790,496	3,728,929	3,899,771	-	-
Communications & technology	-	-	-	3,642,143	3,572,708	3,751,322	4,022,650	3,765,399	75,000	-
Planning and development	4,534,122	5,068,231	7,586,270	4,961,304	27,198,181	11,383,196	7,089,060	8,192,604	6,674,288	9,677,404
Police protection	19,808,576	20,374,513	23,049,481	24,081,499	27,239,644	24,748,433	26,565,914	28,463,454	28,316,013	29,268,829
Transportation	25,193,213	29,130,620	26,212,368	24,601,620	33,388,348	32,029,219	32,048,536	31,695,280	38,163,461	32,751,159
Emergency recovery	-	-	-	601,940	-	-	-	-	-	-
Other	3,821,557	2,883,175	7,005,539	5,832,599	4,675,639	2,010,158	1,909,229	2,417,492	3,279,521	3,003,889
Securities lending	-	-	277,793	147,123	254,967	3,055,554	7,694,589	3,854,053	1,562,715	53,168
Interest	-	-	14,331	14,451	19,809	21,302	45,159	37,268	57,029	27,982
Agent fees	-	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Fire protection	-	-	-	-	-	-	-	-	-	-
Flood recovery	10,440,552	11,696,381	12,619,828	12,682,604	12,625,297	14,515,155	15,160,769	15,505,340	16,383,100	17,223,795
Capital outlay	370,480	-	-	-	-	-	-	-	-	-
Debt service	31,369,703	46,375,158	57,542,325	41,144,709	18,922,346	27,362,892	61,964,472	54,064,892	27,378,934	23,944,276
Principal	-	-	-	-	-	-	-	-	-	-
Interest	4,640,000	4,350,000	4,362,753	2,854,188	3,090,384	3,776,820	4,243,495	2,987,796	4,625,581	4,730,582
Interest	2,343,332	1,893,719	1,780,982	1,515,432	1,273,528	4,262,363	3,267,299	3,128,024	2,954,806	2,654,148
Total expenditures	135,709,158	157,361,496	177,745,583	157,382,469	167,715,944	161,236,763	204,896,741	197,534,246	174,201,025	167,923,216
Excess (deficiency) of revenues over (under) expenditures	15,078,839	4,281,246	(13,744,982)	(5,634,382)	(2,465,136)	18,674,227	(21,535,214)	(12,413,273)	(4,995,562)	(15,065,575)
Other Financing Sources (Uses)										
Proceeds from issuance of long term debt	1,309,171	1,966,262	380,739	173,185	51,402,049	162,295	608,269	762,845	1,197,653	-
Transfers in	87,666,619	102,175,276	105,115,523	107,193,381	103,815,358	104,097,611	114,139,713	112,845,575	114,236,976	115,086,199
Transfers in from component unit	1,690,949	815,533	-	-	-	-	-	-	-	-
Transfers out	(87,487,133)	(101,819,432)	(104,770,509)	(107,077,655)	(103,927,159)	(104,146,611)	(113,887,933)	(116,583,164)	(117,768,744)	(117,124,350)
Payments to escrow agent	-	-	-	-	-	-	-	-	-	(2,150)
Total other financing sources (uses)	3,179,606	3,137,639	725,753	288,911	51,290,248	113,295	860,049	(2,974,744)	(2,334,115)	(2,040,301)
Net change in fund balances	\$ 18,258,445	\$ 7,418,885	\$ (13,019,229)	\$ (5,345,471)	\$ 48,825,112	\$ 18,787,522	\$ (20,675,165)	\$ (15,388,017)	\$ (7,329,676)	\$ (17,105,876)
Debt service as a percentage of noncapital expenditures	6.69%	4.34%	4.87%	3.64%	3.17%	6.67%	5.13%	4.35%	5.42%	5.11%

Taxable Sales by Category
Last Ten Fiscal Years
in thousands of dollars

Exhibit A-5

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<u>Sales Tax Category</u>										
Miscellaneous Retail	\$ 227,760	\$ 229,868	\$ 223,347	\$ 217,429	\$ 218,425	\$ 221,132	\$ 225,023	\$ 243,737	\$ 243,736	\$ 238,808
General Merchandise Stores	258,345	271,604	323,486	332,573	335,480	339,708	334,855	336,227	318,277	306,843
Apparel & Accessory Stores	98,045	83,690	84,281	84,749	94,914	96,150	87,785	84,994	79,598	74,801
Food Stores	216,476	300,241	264,516	273,672	281,450	298,150	319,965	348,228	360,818	359,181
Eating & Dining Places	199,016	214,198	221,738	227,153	238,346	248,914	255,924	272,889	284,409	285,195
Hotel & Other Lodging Places	24,838	23,473	23,599	23,201	25,009	27,199	31,716	34,258	33,909	29,457
Furniture & Home Furnishings	89,372	114,955	120,329	123,297	132,208	144,843	155,212	172,831	169,513	146,528
Building & Construction	127,690	125,830	119,727	113,000	121,801	128,455	129,668	132,825	139,052	130,422
Auto Dealers & Service Stations	135,046	151,298	160,089	155,064	149,347	143,264	141,449	155,473	144,027	130,136
Garages & Misc Repairs	42,814	17,042	17,230	17,664	18,215	17,526	18,546	21,741	20,285	20,487
Transportation & Public Utilities	166,947	192,492	185,596	191,610	203,274	196,728	201,430	212,697	217,250	210,579
Manuf & Wholesale Trade	88,046	80,470	67,721	70,493	74,503	82,145	174,376	98,230	87,812	69,661
Business Services	62,029	116,166	103,258	90,809	84,968	82,965	83,220	84,189	82,397	71,536
Personal Services	26,270	18,796	20,615	17,674	15,714	15,397	15,307	15,619	16,700	14,934
Services Industries	31,238	36,629	28,027	28,453	28,359	28,966	29,216	31,968	34,454	36,374
Amuse & Recreation Services	3,749	2,270	2,240	2,367	2,670	2,556	2,373	2,615	3,023	2,961
Total	\$ 1,797,681	\$ 1,979,022	\$ 1,965,799	\$ 1,969,208	\$ 2,024,683	\$ 2,074,098	\$ 2,206,065	\$ 2,248,521	\$ 2,235,260	\$ 2,127,903
City direct sales tax rate*	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%

* Food sales city direct sales tax rate is 2.25%

Direct and Overlapping Sales Tax Rates
Last Ten Fiscal Years

Exhibit A-6

<u>Fiscal Year</u>	<u>City Direct Rate*</u>	<u>Larimer County</u>	<u>State of Colorado</u>
2000	3.00%	0.80%	3.00%
2001	3.00%	0.80%	2.90%
2002	3.00%	0.80%	2.90%
2003	3.00%	0.80%	2.90%
2004	3.00%	0.80%	2.90%
2005	3.00%	0.80%	2.90%
2006	3.00%	0.80%	2.90%
2007	3.00%	0.80%	2.90%
2008	3.00%	0.80%	2.90%
2009	3.00%	0.80%	2.90%

* Food for home consumption sales direct rate is 2.25%

Sales Tax Revenue Taxpayers by Industry
Current Year and 2001

Exhibit A-7

	Fiscal Year 2009				Fiscal Year 2001			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Food Stores	161	1.63%	\$ 8,194,773	14.01%	76	1.43%	\$ 7,484,159	13.16%
Eating & Dining Places	419	4.24%	7,796,557	13.08%	217	4.08%	6,311,514	11.10%
General Merchandise Stores	25	0.25%	7,795,308	13.74%	10	0.19%	7,805,470	13.73%
Miscellaneous Retail	1,669	16.88%	6,564,463	11.29%	726	13.66%	6,771,484	11.91%
Transportation & Public Utilities	311	3.15%	5,929,621	10.06%	160	3.01%	5,735,966	10.09%
Furniture & Home Furnishings	443	4.48%	4,184,553	8.06%	191	3.59%	3,394,319	5.97%
Building & Construction	2,135	21.60%	4,167,361	6.39%	948	17.84%	3,765,688	6.62%
Auto Dealers & Service Stations	157	1.59%	3,568,933	6.65%	96	1.81%	4,475,588	7.87%
Apparel & Accessory Stores	220	2.23%	2,040,965	3.68%	110	2.07%	2,464,059	4.33%
Manufacturing & Wholesale Trade	708	7.16%	2,021,928	4.02%	580	10.91%	2,374,589	4.18%
Business Services	2,044	20.68%	1,992,883	4.03%	1,246	23.44%	3,387,916	5.96%
Services Industries	528	5.34%	1,043,601	1.60%	324	6.10%	1,083,407	1.91%
Hotel & Other Lodging Places	7	0.07%	823,736	1.57%	10	0.19%	697,182	1.23%
Garages & Misc Repairs	225	2.28%	568,052	0.94%	134	2.52%	491,756	0.86%
Personal Services	720	7.28%	419,291	0.76%	421	7.92%	545,920	0.96%
Amusement & Recreation Services	113	1.14%	82,996	0.14%	66	1.24%	68,407	0.12%
Total	9,885	100.00%	\$ 57,195,022	100.00%	5,315	100.00%	\$ 56,857,422	100.00%

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the city's revenue.
Data not available before 2001.

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Exhibit A-8

Fiscal Year	Governmental Activities					Business-Type Activities							Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Revenue Bonds	Certificates of		Assignment of Lease Payments	Capital Leases	General Obligation Bonds	Revenue Bonds	Certificates of		Assignment of Lease Payments	Capital Leases			
			Participation	Participation					Participation	Participation					
2000	920,000	15,289,464	17,565,000	-	-	4,243,085	25,340,000	118,630,852	2,180,000	-	2,830,000	1,373,564	184,621,965	5.1%	1,556
2001	-	12,804,464	16,865,000	890,000	890,000	4,226,557	22,280,000	122,326,648	2,115,000	2,830,000	2,741,753	721,364	185,059,033	4.8%	1,510
2002	-	10,204,464	16,135,000	862,247	862,247	5,019,065	19,255,000	128,110,894	2,045,000	2,741,753	2,648,941	555,941	184,929,364	4.7%	1,486
2003	-	7,989,464	15,370,000	833,059	833,059	4,920,921	16,410,000	118,474,753	1,970,000	2,648,941	2,552,325	465,866	169,083,004	4.3%	1,348
2004	-	6,879,464	63,220,000	802,675	802,675	4,603,376	13,455,000	115,036,666	1,890,000	2,552,325	280,199	280,199	208,719,705	5.0%	1,645
2005	-	5,744,464	61,870,000	770,855	770,855	3,474,537	10,455,000	107,494,970	1,805,000	2,451,145	251,431	194,317,402	194,317,402	4.4%	1,522
2006	-	4,579,464	60,190,000	737,360	737,360	2,814,989	7,395,000	99,030,703	1,715,000	2,344,640	-	178,807,156	178,807,156	3.9%	1,381
2007	-	3,341,863	58,345,000	702,430	702,430	2,602,170	5,000,000	90,602,490	1,715,000	2,233,570	489,272	165,031,795	165,031,795	3.3%	1,230
2008	-	2,250,000	55,340,000	665,825	665,825	2,636,497	2,535,000	81,617,568	1,595,000	2,117,175	543,909	149,300,974	149,300,974	2.9%	1,094
2009	-	985,000	52,225,000	627,546	627,546	1,735,595	-	102,440,317	1,470,000	1,995,455	381,191	161,860,104	161,860,104	n/a	1,172

Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Exhibit A-9

<u>Fiscal</u> <u>Year</u>	<u>General</u> <u>Obligation</u> <u>Bonds</u>	Percentage of Actual Taxable Value of <u>Property</u>	<u>Per</u> <u>Capita</u>
2000	26,260,000	0.35%	221
2001	22,280,000	0.25%	182
2002	19,255,000	0.21%	155
2003	16,410,000	0.15%	131
2004	13,455,000	0.12%	106
2005	10,455,000	0.09%	82
2006	7,395,000	0.06%	57
2007	5,000,000	0.04%	37
2008	2,535,000	0.02%	19
2009	-	0.00%	0

Direct and Overlapping Governmental Activities Debt
As of December 31, 2009

Exhibit A-10

	Outstanding General Obligation Debt ¹	Percentage Applicable to the City ²	Share of Debt Applicable to the City
City of Fort Collins	\$ -	-	\$ -
Overlapping Debt			
Poudre R-1 School District ³	192,966,761	73.41%	141,647,422
Poudre Health Services District ³	-	71.91%	-
Fort Collins Regional Library ³	-	74.87%	-
	192,966,761		141,647,422
Totals	<u>\$ 192,966,761</u>		<u>\$ 141,647,422</u>

**ASSESSED VALUATION, DEBT, AND DEBT RATIO
DECEMBER 31, 2009**

Estimated actual valuation	\$ 14,345,784,572
Assessed valuation	\$ 1,822,241,879
Net general obligation direct debt	\$ -
Estimated overlapping debt	\$ 141,647,422
Net direct and estimated overlapping debt	\$ 141,647,422
Ratio of net direct debt to estimated actual valuation.	0.0000
Ratio of net direct debt to assessed valuation	0.0000
Net direct debt per capita ⁴	\$ -
Ratio of net direct and estimated overlapping debt to estimated actual valuation.	0.0099
Ratio of net direct and estimated overlapping debt to assessed valuation	0.0777
Net direct and estimated overlapping debt per capita ⁴	\$ 1,026
Estimated actual valuation per capita ⁴	\$ 103,880
Assessed valuation per capita ⁴	\$ 13,195

¹ Includes only general obligation debt supported by general property taxes less available debt service monies. Does not include general obligation water bonds which have historically been supported by water revenue and not property taxes or general obligation bonds supported by special assessments.

² Determined by calculating ratio of assessed valuation of taxable property within the City to assessed valuation of the overlapping unit. Source for assessed valuations: Larimer County Assessor's Office.

³ Source: Governmental entity.

⁴ Based on 2009 Population estimate per City of Fort Collins Planning Office--138,100

Pledged Revenue Coverage
Last Ten Fiscal Years

Exhibit A-12

SEWER REVENUE BONDS							
			Net Revenue	Debt Service Requirements			Coverage
	Gross		Available for				
	Revenues	Expenses	Debt Service	Principal	Interest	Total	
2000	18,009,290	8,285,684	9,723,606	2,791,950	2,161,579	4,953,529	1.96
2001	19,267,404	8,733,170	10,534,234	3,040,433	2,057,455	5,097,888	2.07
2002	17,497,700	9,021,741	8,475,959	3,160,550	2,373,596	5,534,146	1.53
2003	16,498,459	8,767,456	7,731,003	3,172,004	2,220,133	5,392,137	1.43
2004	16,978,586	9,461,490	7,517,096	1,505,051	1,950,594	3,455,645	2.18
2005	17,139,528	9,487,565	7,651,963	2,969,994	1,873,686	4,843,680	1.58
2006	21,391,437	9,383,282	12,008,155	3,747,678	1,587,594	5,335,272	2.25
2007	22,047,827	9,931,390	12,116,437	3,921,558	1,183,713	5,105,271	2.37
2008	21,844,186	10,433,735	11,410,451	4,081,122	1,005,461	5,086,583	2.24
2009	22,875,018	10,576,702	12,298,316	4,236,535	1,817,345	6,053,880	2.03

STORM DRAINAGE REVENUE BONDS							
			Net Revenue	Debt Service Requirements			Coverage
	Gross		Available for				
	Revenues	Expenses	Debt Service	Principal	Interest	Total	
2000	7,756,140	2,198,073	5,558,067	1,175,000	1,636,668	2,811,668	1.98
2001	8,289,000	2,256,919	6,032,081	1,410,000	1,644,566	3,054,566	1.97
2002	11,583,376	2,620,981	8,962,395	1,655,000	2,336,571	3,991,571	2.25
2003	12,910,089	2,574,203	10,335,886	2,162,500	2,284,237	4,446,737	2.32
2004	13,762,079	3,781,929	9,980,150	2,247,500	2,194,153	4,441,653	2.25
2005	14,848,147	3,741,376	11,106,771	2,325,000	2,114,130	4,439,130	2.50
2006	15,396,336	3,778,808	11,617,528	2,405,000	2,029,698	4,434,698	2.62
2007	16,698,247	4,614,609	12,083,638	2,150,000	1,642,746	3,792,746	3.19
2008	15,138,510	4,864,819	10,273,691	2,610,000	2,483,166	5,093,166	2.02
2009	14,218,553	5,837,762	8,380,791	2,567,500	2,346,082	4,913,582	1.71

WATER REVENUE BONDS							
			Net Revenue				
	Gross		Available for	Debt Service Requirements			
	Revenues	Expenses	Debt Service	Principal	Interest	Total	Coverage
2000	29,043,170	10,554,011	18,489,159	1,652,806	1,831,861	3,484,667	5.31
2001	32,227,924	11,099,066	21,128,858	1,698,771	1,792,715	3,491,486	6.05
2002	29,504,446	11,886,658	17,617,788	1,760,204	1,736,749	3,496,953	5.04
2003	31,104,859	12,932,160	18,172,699	2,026,637	1,677,963	3,704,600	4.91
2004	32,139,886	12,962,054	19,177,832	2,161,982	1,732,555	3,894,537	4.92
2005	36,534,831	13,288,211	23,246,620	2,236,701	1,656,398	3,893,099	5.97
2006	35,522,009	13,927,204	21,594,805	2,311,590	1,578,021	3,889,611	5.55
2007	39,010,420	14,631,766	24,378,654	2,401,656	1,497,294	3,898,950	6.25
2008	33,921,515	15,823,253	18,098,262	2,481,909	1,408,566	3,890,475	4.65
2009	25,766,624	16,357,531	9,409,093	2,632,607	1,172,977	3,805,584	2.47

HIGHWAY USERS TAX REVENUE BONDS ¹							
			Net Revenue				
	Gross		Available for	Debt Service Requirements			
	Revenues	Expenses	Debt Service	Principal	Interest	Total	Coverage
2000	3,182,852	-	2,148,377	220,000	134,248	354,248	6.06
2001	3,264,212	-	2,366,554	230,000	126,548	356,548	6.64
2002	3,282,312	-	2,366,397	235,000	118,268	353,268	6.70
2003	3,184,979	-	2,309,109	245,000	109,573	354,573	6.51
2004	3,461,882	-	3,461,882	255,000	100,263	355,263	9.74
2005	3,219,501	-	3,219,501	260,000	90,318	350,318	9.19
2006	3,640,804	-	3,640,804	275,000	79,918	354,918	10.26
2007	3,478,444	-	3,478,444	147,866	205,777	353,643	9.84
2008	3,655,796	-	3,655,796	156,863	200,762	357,625	10.22
2009	3,741,028	-	3,741,028	300,000	56,115	356,115	10.51

¹ Gross revenues are reported as part of intergovernmental revenues in the Transportation Fund.

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income (thousands of dollars)</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>	<u>Denver/Boulder Greeley CPI-U</u>	<u>Residential Building Permits</u>
2009	138,100	n/a	n/a	6.6%	208.55	227
2008	136,427	10,975,231	37,481	5.0%	209.90	385
2007	134,169	10,541,856	36,766	3.4%	202.03	506
2006	129,511	9,968,698	35,397	3.9%	197.70	585
2005	127,686	9,330,387	34,323	4.4%	190.90	979
2004	126,903	8,816,010	32,796	4.6%	187.00	1,295
2003	125,461	8,264,210	31,036	5.3%	186.80	1,398
2002	124,428	8,267,020	31,344	4.7%	184.80	1,540
2001	122,521	8,164,809	31,451	3.0%	181.30	1,899
2000	118,652	7,657,065	30,272	2.5%	173.20	1,582

Note: Information for personal income, per capita, and unemployment rate is based on the Fort Collins/Loveland regional area.

Source: Personal income, and per capita personal income provided by the Bureau of Economic Analysis.

Unemployment rate provided by the Colorado Department of Labor and Employment.

Population prior to 2009 provided by the Colorado State Demography Office.

2009 population is estimated by the City of Fort Collins Planning Department.

CPI is provided by the US Bureau of Labor Statistics- Denver, Boulder, Greeley area is the nearest region.

Principal Employers
2009 and Nine Years Ago

Exhibit A-14

<u>Employer</u>	Fiscal Year 2009			Fiscal Year 2000		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Colorado State University	6,755	1	7.8%	6,025	1	8.2%
Poudre R-1 School District	3,929	2	4.5%	3,403	2	4.6%
Poudre Valley Health System	2,832	3	3.3%	1,715	5	2.3%
Larimer County	1,975	4	2.3%	1,463	6	2.0%
City of Fort Collins	1,795	5	2.1%	1,884	4	2.6%
Hewlett Packard	1,524	6	1.8%	2,318	3	3.2%
Center Partners	1,081	7	1.2%	-	-	0.0%
Woodward Governor	994	8	1.1%	-	-	0.0%
Avago Technologies	656	9	0.8%	-	-	0.0%
Anheuser- Busch	609	10	0.7%	647	10	0.9%
Agilent Technologies	-	-	0.0%	1,258	7	1.7%
Department of Agriculture	-	-	0.0%	798	8	1.1%
Advanced Energy	-	-	0.0%	715	9	1.0%
Total	22,150		25.4%	20,226		23.2%

Source: City of Fort Collins Planning Department

Full-time Equivalent City Employees by Function/ Program
Last Ten Fiscal Years

Exhibit A-15

Function/ Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General government										
Finance	36.7	34.3	36.4	34.5	34.3	31.2	31.7	35.0	35.8	36.5
Human Resources	17.4	16.8	18.1	17.9	16.9	16.2	16.8	16.7	19.9	19.9
Operation Services	61.2	65.4	67.3	64.6	63.7	60.2	58.8	61.3	64.6	66.0
Comm & Public Involvement	7.0	7.7	9.1	9.2	10.1	9.8	8.1	8.5	9.0	9.2
MIS	41.9	45.3	47.2	47.6	48.9	48.6	45.6	47.4	51.9	53.0
City Attorney's Office	9.9	9.2	9.7	10.2	10.1	9.7	10.4	10.8	11.0	11.0
City Clerk's Office	5.9	6.2	6.4	5.9	5.6	5.6	5.8	5.8	5.8	5.8
City Council	7.0	7.2	6.9	7.0	7.0	7.3	7.0	7.2	6.8	6.5
City Manager's Office	11.2	11.8	12.9	11.6	11.3	10.9	10.5	13.6	13.6	14.7
Municipal Court	7.5	7.4	7.2	6.8	6.9	6.9	7.1	6.3	7.2	7.1
Public safety										
Police	212.4	222.7	232.0	240.5	241.6	242.3	239.6	238.8	244.0	246.4
Culture, parks, recreation & environment										
CPRE - Administration	5.9	5.8	5.5	4.8	4.5	4.7	4.8	4.0	3.8	4.1
Lincoln Center	28.0	27.7	27.2	27.8	24.7	23.8	23.5	23.8	25.7	26.3
Museum	4.4	5.2	5.7	5.8	7.5	8.4	8.6	10.5	12.5	14.0
Parks	81.5	89.8	87.1	87.4	95.5	94.9	94.9	93.0	107.3	112.0
Recreation	139.3	133.0	129.1	136.5	132.8	131.2	127.5	126.9	130.8	133.7
Natural Resources	28.3	30.8	32.6	35.7	38.7	42.0	42.8	44.0	47.0	51.9
Planning and development										
Advance Planning	12.5	12.5	12.6	13.0	13.2	11.8	11.6	11.0	11.2	10.8
Comm Dev & Neighborhood Svcs	44.6	41.1	43.9	42.7	42.6	41.4	40.1	38.2	38.5	35.8
PDT Administration	4.1	4.0	4.0	4.0	3.5	3.0	3.0	3.0	3.6	3.0
Transportation										
Comm Dev & Neighborhood Svcs	6.2	6.3	6.0	6.4	5.8	4.6	4.2	3.6	4.2	4.6
Engineering	23.4	23.5	23.0	23.1	22.3	19.7	18.6	18.5	20.1	19.6
Pavement Management Program	2.4	3.5	3.9	4.5	4.6	5.2	4.9	5.0	5.0	4.9
Street Oversizing	7.7	7.9	9.7	9.8	9.1	9.2	8.4	5.6	5.6	6.0
Streets	47.1	46.9	47.6	46.7	48.4	45.5	45.0	46.3	46.6	44.2
Traffic Operations	21.3	23.1	27.0	24.8	24.1	25.1	24.0	27.1	28.8	28.0
Transit	84.6	88.2	91.3	90.4	87.6	81.1	72.1	74.2	75.1	73.7
Transportation Administration	2.0	2.8	3.0	3.0	3.0	3.0	2.5	0.7	0.0	0.0
Parking	17.1	19.2	20.6	21.8	22.2	19.8	18.6	18.6	17.6	17.4
Transportation Planning	5.8	5.4	4.8	4.2	3.1	2.4	2.5	3.5	6.4	6.5
Light & Power										
Light & Power Administration	40.1	41.7	43.8	43.3	42.9	42.3	40.6	40.7	40.8	41.1
Light & Power Operations	47.6	46.7	48.0	48.5	48.5	47.0	50.1	52.5	56.7	60.8
L&P System Additions	48.9	48.2	45.6	45.0	45.3	40.1	34.0	31.1	29.4	30.2
L&P Energy Services	3.9	3.6	3.5	4.0	4.0	4.0	4.7	5.4	6.7	9.7
Water										
Water Administration	32.9	34.0	35.6	34.3	33.0	32.2	30.7	29.6	29.6	29.7
Water Trans & Distribution	16.3	15.9	16.8	17.2	17.1	20.0	19.8	20.0	22.2	24.6
Water Meter Operations	8.7	8.9	9.3	9.9	9.5	9.5	9.7	8.8	9.0	9.0
Water Production	31.4	29.6	27.7	27.3	27.3	26.3	25.0	26.4	29.2	29.4
Water Quality	7.9	7.9	8.0	9.2	9.0	9.0	7.7	7.8	8.0	8.0
Water Resources	4.4	3.4	3.3	3.4	3.5	3.5	3.5	3.5	3.5	3.5
Wastewater										
WW Administration	13.9	14.4	15.0	14.9	15.4	15.6	15.1	15.1	15.2	14.5
WW Trunk and Collection	16.7	17.3	16.9	16.6	15.7	15.8	14.7	14.9	14.3	14.6
WW Water Quality	9.1	8.9	8.3	7.9	8.3	8.5	8.4	8.5	8.4	8.9
WW Water Reclamation	43.6	42.7	40.4	37.6	38.4	36.7	35.7	35.2	34.9	34.6
Storm drainage										
Stormwater Administration	11.8	12.3	12.9	12.7	12.6	12.4	11.9	12.0	12.0	12.1
Stormwater Operations	31.3	29.4	30.2	29.9	28.9	26.7	26.7	28.1	30.2	30.5
Golf										
Golf Administration	1.7	3.0	3.0	2.6	1.9	1.7	1.7	1.7	1.7	0.9
Golf Operations	18.8	21.3	21.3	20.4	20.4	20.4	19.8	18.8	19.1	19.0
Total City of Fort Collins	1,373.2	1,399.9	1,427.4	1,432.6	1,431.2	1,397.5	1,358.7	1,369.0	1,430.5	1,453.8

Note: Full time equivalents are based on filled positions using hours worked, excluding overtime, but including vacation, sick and holiday time. The data includes *all employees*, including exempt, not-exempt, with benefits, and without benefits. Vacancies are not included.

Function/Program	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
General Government										
Job applications processed	n/a	n/a	n/a	n/a	n/a	n/a	12,823	8,907	9,209	5,148
Warrants issued	n/a	n/a	n/a	n/a	n/a	n/a	972	918	1,010	798
Camera Radar completed cases	n/a	n/a	n/a	n/a	n/a	n/a	9,761	19,026	21,239	20,414
Public Safety										
Adult arrests	6,622	4,979	5,793	6,588	6,313	4,202	4,663	5,188	4,373	4,154
Juvenile arrests	1,515	1,437	1,508	1,293	1,306	914	963	958	809	811
Traffic violations	10,489	10,247	12,250	12,644	12,744	13,334	13,838	15,341	18,890	15,737
Number of fires per 1000 population	3.94	3.55	3.89	3.31	2.85	3.89	2.75	2.16	2.64	2.22
Total inspections per 1000 population	17.69	17.59	18.12	25.53	17.57	1.80	1.99	3.76	9.83	16.83
Average calls per week	191.00	206.20	100.00	100.00	99.99	99.99	99.99	246	258	266
Average response time	4:56	4:29	4:27	4:39	4:29	4:17	4:15	4:20	4:14	4:10
Culture, parks, recreation & environment										
Epic Pool & Ice attendance	347,979	343,967	451,620	368,353	494,577	405,660	424,313	323,183	373,809	353,161
City Park Pool attendance	43,636	39,495	5,100	69,954	64,413	63,376	70,851	71,608	91,444	77,276
Mulberry Pool attendance	73,739	75,471	86,029	93,280	89,358	73,909	87,351	92,322	98,640	117,033
Senior Center Pool attendance	37,658	35,986	25,124	44,498	23,754	35,931	25,338	37,888	32,980	55,765
Youth Activity Center attendance	101,415	86,387	26,575	24,511	45,921	23,686	3,578	7,729	712	1,090
North Aztlan Center attendance	125,574	156,779	132,910	125,135	156,697	167,136	187,728	135,203	105,362	145,898
Farm attendance	103,226	96,209	90,749	99,367	91,204	91,139	60,215	62,161	79,730	61,166
Museum attendance	n/a	25,934	19,860	21,337	34,057	40,107	40,607	32,000	18,142	33,904
Scheduled Park events	n/a	n/a	n/a	n/a	n/a	n/a	7,212	8,515	9,214	10,619
Planning and development										
Construction permits- single family units	933	1,050	1,159	860	893	674	394	385	254	153
Construction permits- Multi family units	76	56	53	92	63	44	24	24	37	4
Transportation										
Transfort										
Passengers	1,545,672	1,616,328	1,477,735	1,504,683	1,418,102	1,481,472	1,479,241	1,641,509	1,884,194	1,994,229
Revenue Miles	801,125	793,358	705,886	729,639	703,081	686,030	640,677	774,545	798,849	791,627
Revenue Hours	60,000	59,747	56,616	57,165	58,516	57,782	54,665	66,647	68,356	69,984
Dial a Ride										
Passengers	73,853	74,884	77,300	73,607	82,276	87,725	85,735	51,779	44,135	41,719
Revenue Miles	363,623	385,467	432,087	419,127	439,771	450,047	560,053	348,952	282,257	269,831
Revenue Hours	32,149	34,843	35,921	31,628	34,883	38,399	47,188	31,678	25,092	23,456
Light & Power										
Customers	n/a	n/a	n/a	n/a	n/a	n/a	62,548	62,991	63,913	64,750
Electric Use- megawatt hours	n/a	n/a	n/a	n/a	n/a	n/a	1,404,784	1,442,861	1,429,797	1,404,529
Peak demand- megawatts	n/a	n/a	n/a	n/a	n/a	n/a	279	296	285	264
Interruption Index- minutes/year	n/a	n/a	n/a	n/a	n/a	n/a	25.63	18.00	10.00	10.99
Water										
Customers	n/a	n/a	n/a	n/a	n/a	n/a	33,312	32,780	33,082	32,910
Treated water delivered- acre feet	n/a	n/a	n/a	n/a	n/a	n/a	29,133	27,192	25,633	22,683
Peak day water use- million gallons/day	n/a	n/a	n/a	n/a	n/a	n/a	49.0	47.5	44.3	37.1
Water main breaks	n/a	n/a	n/a	n/a	n/a	n/a	100	67	59	79
Wastewater										
Customers	n/a	n/a	n/a	n/a	n/a	n/a	33,120	32,992	32,847	33,134
Average flow wastewater treated- million gallons/day	n/a	n/a	n/a	n/a	n/a	n/a	15.1	15.1	15.7	14.8
Recycled processed wastewater biosolids- dry tons	n/a	n/a	n/a	n/a	n/a	n/a	1,764	1,709	1,738	1,793
Industrial discharge permits	n/a	n/a	n/a	n/a	n/a	n/a	13	13	15	14
Storm Drainage										
Customers	n/a	n/a	n/a	n/a	n/a	n/a	39,938	40,272	40,554	40,911
Golf										
Rounds played	147,742	150,829	139,583	124,327	118,781	123,313	124,609	117,133	115,031	121,579

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Exhibit A-17

<u>Function/Program</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Government										
Administrative buildings	2	3	3	3	3	3	3	3	3	3
Municipal court	1	1	1	1	1	1	1	1	1	1
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Police cars	n/a	n/a	n/a	n/a	n/a	n/a	198	220	224	232
Fire stations	12	12	12	13	13	13	13	13	13	13
Culture, parks, recreation & environmental										
Swimming pools	4	4	4	4	4	4	4	4	4	4
Number of parks	38	39	40	41	42	43	43	45	45	45
Acreage of parks	586	592	616	722	728	735	735	821	821	821
Miles of hard surface trails	18.20	18.87	19.37	19.87	22.52	23.62	24.87	28.67	28.67	28.67
Planning and development										
Land Bank program- acres*	n/a	n/a	n/a	n/a	n/a	n/a	51	51	51	51
Land Bank program- yield of future affordable housing units*	n/a	n/a	n/a	n/a	n/a	n/a	513	513	513	446
Transportation										
Transit buses	n/a	n/a	n/a	n/a	n/a	n/a	23	27	27	29
Lane miles	n/a	n/a	n/a	n/a	n/a	n/a	1,756	1,793	1,796	2,141
Light & Power										
Underground distribution lines- miles	n/a	n/a	n/a	n/a	n/a	n/a	766.0	788.0	801.4	820.0
Overhead distribution lines- miles	n/a	n/a	n/a	n/a	n/a	n/a	11.0	9.0	6.7	7.0
Distribution substations	n/a	n/a	n/a	n/a	n/a	n/a	5	5	5	5
Distribution transformers	n/a	n/a	n/a	n/a	n/a	n/a	7,525	7,982	8,060	8,082
Water										
Water mains and distribution lines- miles of pipe	n/a	n/a	n/a	n/a	n/a	n/a	532	539	540	541
Hydrants	n/a	n/a	n/a	n/a	n/a	n/a	3,411	3,464	3,487	3,494
Plant capacity- millions gallons/day	n/a	n/a	n/a	n/a	n/a	n/a	87	87	87	87
Raw water storage- acre feet	n/a	n/a	n/a	n/a	n/a	n/a	6,500	7,161	7,161	7,161
Treated water storage- million gallons	n/a	n/a	n/a	n/a	n/a	n/a	36.3	36.0	35.5	35.5
Water rights owned- avg yield in acre feet/year	n/a	n/a	n/a	n/a	n/a	n/a	73,000	73,700	74,120	74,140
Wastewater										
Trunk and collection- miles of pipe	n/a	n/a	n/a	n/a	n/a	n/a	434	435	437	436
Plants- treatment capacity	n/a	n/a	n/a	n/a	n/a	n/a	29	29	29	29
Biosolids facility- acres	n/a	n/a	n/a	n/a	n/a	n/a	26,200	26,000	26,350	26,582
Storm Drainage										
City owned detention basins	n/a	n/a	n/a	n/a	n/a	n/a	90	90	90	90
City owned detention basins- acres	n/a	n/a	n/a	n/a	n/a	n/a	320	320	320	320
Regional drainage channels	n/a	n/a	n/a	n/a	n/a	n/a	63	67	69	69
Storm sewer manholes	n/a	n/a	n/a	n/a	n/a	n/a	2,676	2,765	2,968	3,265
Storm sewer pipeline- miles	n/a	n/a	n/a	n/a	n/a	n/a	175.0	190.2	197.2	219.6
Golf										
Golf courses	3	3	3	3	3	3	3	3	3	3
City Park Nine- acres	56	56	56	56	56	56	56	56	56	56
Collindale- acres	167	167	167	167	167	167	167	167	167	167
SouthRidge-acres	128	128	128	128	128	128	128	128	128	128

* The Land Bank program acquires unimproved sites that are appropriate for affordable housing and holds them long- term (5 years minimum), which will ultimately be sold at discount to non-profit developers to build affordable housing projects.

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OTHER SCHEDULES

**WASTEWATER UTILITY ENTERPRISE
SEWER REVENUE BONDS
SEC RULE 15c2-12 INFORMATION—CUSTOMER BASE, RATE STRUCTURE, AND ENFORCEMENT
(UNAUDITED)**

Customer Base

The sewer (wastewater) system serves a customer base which has grown as follows in the years 2000 to 2009:

<u>Years (at December 31)</u>	<u>Wastewater Customers</u>
2000	32,235
2001	32,564
2002	32,905
2003	32,865
2004	32,637
2005	32,757
2006	33,038
2007	32,992
2008	32,847
2009	33,134

Approximately 94% of the wastewater customers are residential, with the remaining 6% being industrial and commercial customers. Currently, only two customers represent more than 3% of wastewater system revenues. In 2009, amounts paid by an industrial customer comprised 10% of wastewater revenues (\$1,770,821) with a total flow representing 3.8% of total system usage; and amounts paid by the university comprised 5.5% of wastewater system revenues (\$957,990), with a total usage representing 2.79% of total system usage.

Rate Structure

User Charges. The following tables show the City's monthly wastewater user charges in effect on January 1, 2010. Historically, user charges increased 4.5% for residential rates and 7.5% for commercial rates in 1990, 8.6% for residential rates and 11.6% for commercial rates in 1991, 6.0% per year for all customer classes in 1992, 1993, 1994, and 1995, 3.0% in 1996, 0% in 1997, 2.0% in 1998, 1999, 2000, 2001, 2002 and 2003, 5% in 2004, 2005, 2006 and 2007, 12% in 2008, and 11% in 2009. An increase of 10% has been projected for 2010. The minimum winter quarter average consumption (WQA) is 3,000 gallons for single family customers (4,000 gallons for duplexes).

Monthly User Charges ¹

<u>Residential Metered ²</u>	<u>Wastewater Rates</u>
Single family	\$12.80 plus \$2.488 per 1,000 gallons of WQC
Duplex	\$16.58 plus \$2.488 per 1,000 gallons of WQC
Multi-family	\$1.95 per living unit plus \$2.488 per 1,000 gallons of WQC
<u>Commercial Metered ³</u>	
¾" metered	\$ 7.18 plus \$2.488 per 1,000 gallons
1"	\$16.58 plus \$2.488 per 1,000 gallons
1 ½"	\$33.37 plus \$2.488 per 1,000 gallons
2"	\$57.09 plus \$2.488 per 1,000 gallons
3"	\$91.22 plus \$2.488 per 1,000 gallons
4"	\$144.06 plus \$2.488 per 1,000 gallons
6"	\$631.51 plus \$2.488 per 1,000 gallons
8"	\$729.17 plus \$2.488 per 1,000 gallons

Footnotes:

¹ Excludes payments in lieu of taxes which are included as an additional 6% charge in the wastewater bill and remitted to the general fund.

² Average monthly amount of water billed during January, February, and March.

³ The usage charge of \$2.488 multiplied by each increment of 1,000 gallons either (a) actually consumed or (b) based on WQC, if customer is eligible.

WASTEWATER UTILITY ENTERPRISE

SEWER REVENUE BONDS

SEC RULE 15c2-12 INFORMATION-CUSTOMER BASE, RATE STRUCTURE, AND ENFORCEMENT (UNAUDITED) (Continued)

Plant Investment Fees. The plant investment fee is collected to pay for new development-related capital expansion costs of the City's wastewater treatment plants, collection system and sludge disposal facilities. This fee is paid at the time a building permit is issued. Set forth in the following table is the current plant investment fee schedule which becomes effective on January 1, 2010. Revenue generated by the plant investment fee generally is restricted for the purpose of capital improvements and expansion of the wastewater treatment plant.

Plant Investment Fees

Residential:

Single family residence	\$3,550
Duplex and Multi-family residence (per living unit)	\$2,490

Non-Residential: (based on water connection size)

¾"	\$7,100
1"	\$17,880
1 ½"	\$31,490
2"	\$55,290
3"	\$150,130
4"	Calculated on an individual basis, but not less than the 3" charge

Other Fees and Charges. The City also charges additional fees and charges related to the provision of sewer service, including wastewater strength surcharges, industrial wastewater discharge permit application and administration fees, wastewater monitoring and sampling charges, laboratory analysis and support service charges, a private sewage disposal system permit and inspection fee, and a building sewer permit and inspection fee.

Enforcement

The City's collections of wastewater charges historically have been in excess of 99%. Unpaid charges constitute a perpetual lien on the property to which service was delivered. Customers with delinquent active accounts are sent courtesy notices after 38 days. Wastewater service is not discontinued due to delinquency because of public health regulations. However, the City may discontinue water and electric service on delinquent accounts. Sometimes liens are filed while the delinquent customer is still an active account. Customers who have moved from the address where service was supplied and left the account owing to the City are typically assigned to a collection agency.

WASTEWATER UTILITY ENTERPRISE
SEWER REVENUE BONDS
SEC RULE 15c2-12 INFORMATION—COLLECTIONS AND OPERATING HISTORY (UNAUDITED)

Collections

The following table sets forth the historical Wastewater System user rates, plant investment fees, other fees and charges, and

	2005	2006	2007	2008	2009
User rates	\$ 13,169,469	\$ 14,202,846	\$ 14,640,171	\$ 16,170,810	\$ 17,701,671
Plant investment fees	2,208,885	3,707,540	4,319,720	4,064,444	3,416,317
Other fees & charges	872,669	2,055,187	513,865	121,352	108,121
Investment earnings	888,505	1,249,792	2,574,071	1,155,023	1,610,855
Total Sewer System Revenue	<u>\$ 17,139,528</u>	<u>\$ 21,215,365</u>	<u>\$ 22,047,827</u>	<u>\$ 21,511,629</u>	<u>\$ 22,836,964</u>

Operating History of the Wastewater Fund

The financial section of this Comprehensive Annual Financial Report contains financial statements of the City and the Wastewater Fund as of and for the year ended December 31, 2009. The following sets forth the operating history of the Wastewater Fund for the years ended December 31, 2005 through 2009:

	2005	2006	2007	2008	2009
Operating Revenues					
Charges for services	<u>\$ 13,169,469</u>	<u>\$ 14,202,846</u>	<u>\$ 14,640,171</u>	<u>\$ 16,170,810</u>	<u>\$ 17,701,671</u>
Operating Expenses					
Administrative charge	1,493,622	1,278,792	1,308,645	1,429,551	1,486,733
Personal services	4,354,206	4,358,196	4,734,126	4,980,499	4,960,786
Contractual services	1,406,350	1,512,154	1,568,996	1,727,161	1,767,075
Commodities	765,488	833,385	813,869	921,094	775,020
Other	1,467,899	1,400,755	1,505,754	1,375,430	1,587,088
Depreciation	3,088,557	3,064,185	2,817,929	3,188,873	3,219,318
Total Operating Expenses	<u>12,576,122</u>	<u>12,447,467</u>	<u>12,749,319</u>	<u>13,622,608</u>	<u>13,796,020</u>
Operating Income	<u>593,347</u>	<u>1,755,379</u>	<u>1,890,852</u>	<u>2,548,202</u>	<u>3,905,651</u>
Nonoperating Revenues (Expenses)					
Other revenue	707,544	-	432,558	106,201	102,549
Earnings on investments	888,505	1,249,792	2,574,071	1,155,023	1,610,855
Net increase (decrease) in the fair value of investments	(83,638)	176,072	-	-	-
Gain on sale of capital assets	7,043	2,019,312	39,216	15,151	5,572
Interest expense	(1,783,853)	(1,488,769)	(2,118,030)	(1,104,836)	(1,989,327)
Other expenses	(72,429)	(44,858)	(44,858)	(154,442)	(139,854)
Total Nonoperating Revenues (Expenses)	<u>(336,828)</u>	<u>1,911,549</u>	<u>882,957</u>	<u>17,097</u>	<u>(410,205)</u>
Income Before Contributions and Transfers	<u>256,519</u>	<u>3,666,928</u>	<u>2,773,809</u>	<u>2,565,299</u>	<u>3,495,446</u>
Capital contributed	2,366,967	3,743,415	4,361,811	4,064,444	3,416,317
Operating transfers in	-	-	-	-	-
Operating transfers out	-	-	-	(153,490)	(158,095)
Income After Contributions and Transfers	<u>2,366,967</u>	<u>3,743,415</u>	<u>4,361,811</u>	<u>3,910,954</u>	<u>3,258,222</u>
Change in Net Assets	2,623,486	7,410,343	7,135,620	6,476,253	6,753,668
Fund Equity--Jan. 1	96,100,176	98,723,662	106,134,005	113,269,625	119,745,878
Fund Equity--Dec. 31	<u>\$ 98,723,662</u>	<u>\$ 106,134,005</u>	<u>\$ 113,269,625</u>	<u>\$ 119,745,878</u>	<u>\$ 126,499,546</u>

**WASTEWATER UTILITY ENTERPRISE
SEWER REVENUE BONDS
SEC RULE 15c2-12 INFORMATION—HISTORIC DEBT SERVICE COVERAGE (UNAUDITED)**

The historic debt service coverage on obligations payable from net pledged revenues of the Wastewater Fund for the past ten years is as follows:

**SEWER REVENUE BONDS--COVERAGE OF DEBT SERVICE REQUIREMENTS BY
NET PLEDGED REVENUES OF THE SEWER SYSTEM--2000 TO 2009 ¹**

	Gross Revenues ²	Expenses ³	Net Pledged Revenues	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2000	18,009,290	8,285,684	9,723,606	2,791,950	2,161,579	4,953,529	1.96
2001	19,267,404	8,733,170	10,534,234	3,040,433	2,057,455	5,097,888	2.07
2002	17,497,700	9,021,741	8,475,959	3,160,550	2,373,596	5,534,146	1.53
2003	16,498,459	8,767,456	7,731,003	3,172,004	2,220,133	5,392,137	1.43
2004	16,978,586	9,461,490	7,517,096	1,505,051	1,950,594	3,455,645	2.18
2005	17,139,528	9,487,565	7,651,963	2,969,994	1,873,686	4,843,680	1.58
2006	21,391,437	9,383,282	12,008,155	3,747,678	1,587,594	5,335,272	2.25
2007	22,047,827	9,931,390	12,116,437	3,921,558	1,183,713	5,105,271	2.37
2008	21,844,186	10,433,735	11,410,451	4,081,122	1,005,461	5,086,583	2.24
2009	22,875,018	10,576,702	12,298,316	4,236,535	1,817,345	6,053,880	2.03

¹ Includes debt service on all bonds secured by sewer system revenues.

² Includes all income of the Wastewater Fund pledged for the payment of bonds.

³ Operating expenses less depreciation.

**WASTEWATER UTILITY ENTERPRISE
SEWER REVENUE BONDS
SEC RULE 15C2-12 INFORMATION – BALANCES ON DEPOSIT (UNAUDITED)**

The sewer revenue bonds are secured by an irrevocable pledge of a first lien upon net pledged revenues of the Wastewater Fund. The sewer revenue bond ordinances provide that all gross revenues pledged to the sewer revenue bonds will be set aside and credited to the Wastewater Fund and that such revenues will be deposited and applied in the following order of priority:

Operation and Maintenance Fund. As a first charge on the Wastewater Fund, the bond ordinances require the City to credit from time to time to the operation and maintenance fund revenue sufficient to pay the necessary and reasonable current expenses of operating, maintaining, and repairing the sewer system. **The balance on deposit in this fund as of December 31, 2009 is \$1,039,654.**

Principal and Interest Fund. The bond ordinances require the City, after making the payments required above, to apply monthly to the principal and interest fund moneys sufficient in the aggregate to pay the principal of and interest on the sewer revenue bonds. **The balance on deposit in this fund as of December 31, 2009 is \$0.**

Debt Service Reserve Fund. The bond ordinances require the City to retain certain amounts in the debt service reserve fund for the Series 1995, Series 2000, and Series 2009 Sewer Revenue Bonds. However, concurrently with the issuance of the 2000 Sewer Revenue Bonds, a debt service reserve insurance policy was issued that unconditionally guarantees the payment of principal and interest on these bonds (up to and including the amount provided for in the reserve policy) in the event of nonpayment by the City. **Accordingly, the amount on deposit in the Debt Service Reserve Fund as of December 31, 2009 was \$506,690.**

Wastewater Utility Capital Reserve. The City has covenanted, so long as any debt service requirements of the City's Sewer Revenue Bond, Series 1992, remain unpaid, to maintain in the Wastewater Utility Capital Reserve and amount equal to 17% of the necessary and reasonable operation and maintenance expenses budgeted for the then-current fiscal year. These amounts are to be maintained as a continuing reserve for payment of costs of necessary capital improvements to the sewer system. **The balance on deposit in this reserve was \$22,104,306 as of December 31, 2009. This amount satisfies the 17% requirement indicated above for fiscal year 2009.**

In addition to the above, the bond ordinance established the following funds:

Excess Investment Earnings Fund. This fund was established for the purpose of accumulating and paying rebatable arbitrage earnings to the federal government under Sections 103 and 148(f)(2) of the Internal Revenue Code. **As of December 31, 2009 the balance on deposit in this fund was \$0.**

Sewer Fund. The Sewer Fund, referred to in the bond ordinance, was established by Ordinance No. 67, 1974. Complete financial statements, which reflect all deposits and balances of this fund (herein referred to as the "Wastewater Fund") are included in the financial section of this report.

STORM DRAINAGE UTILITY ENTERPRISE
STORM DRAINAGE REVENUE BONDS
SEC RULE 15c2-12 INFORMATION—FEE REVENUES AND OPERATING HISTORY (UNAUDITED)

Collections

The following table sets forth the historical Storm Drainage Fund fee revenues for the years 2005 through 2009.

	2005	2006	2007	2008	2009
Storm drainage utility fee (operation & maintenance component)	\$ 12,809,579	\$ 13,073,526	\$ 13,173,911	\$ 13,568,245	\$ 13,623,915
Storm drainage utility fee (capital component)	-	-	-	-	-
Storm drainage basin fees	665,252	464,531	670,674	455,330	168,243
Total Storm Drainage Fund Fee Revenues	<u>\$ 13,474,831</u>	<u>\$ 13,538,057</u>	<u>\$ 13,844,585</u>	<u>\$ 14,023,575</u>	<u>\$ 13,792,158</u>

Operating History of the Storm Drainage Fund

The financial section of this Comprehensive Annual Financial Report contains financial statements of the City and the Storm Drainage Fund as of and for the year ended December 31, 2009. The following sets forth the operating history of the Storm Drainage Fund for the years ended December 31, 2005 through 2009:

	2005	2006	2007	2008	2009
Operating Revenues					
Charges for services	\$ 12,809,579	\$ 13,073,526	\$ 13,173,911	\$ 13,568,245	\$ 13,623,915
Operating Expenses					
Administrative charge	1,187,595	1,246,408	1,311,235	2,139,649	2,181,018
Personal services	1,709,932	1,750,595	1,830,103	1,900,729	2,111,901
Contractual services	451,921	328,098	997,658	700,272	1,358,694
Commodities	80,250	93,920	111,465	124,169	108,031
Other	311,678	359,787	364,148	-	78,118
Depreciation	2,131,167	1,613,837	2,260,571	2,315,268	2,257,591
Total Operating Expenses	<u>5,872,543</u>	<u>5,392,645</u>	<u>6,875,180</u>	<u>7,180,087</u>	<u>8,095,353</u>
Operating Income	<u>6,937,036</u>	<u>7,680,881</u>	<u>6,298,731</u>	<u>6,388,158</u>	<u>5,528,562</u>
Nonoperating Revenues (Expenses)					
Other revenue	30,370	-	50,021	51,222	15,805
Earnings on investments	720,667	823,768	1,568,039	822,115	399,436
Net increase (decrease) in the fair value of investments	(106,970)	54,995	-	-	-
Intergovernmental	622,279	-	1,235,602	498	-
Gain/loss on sale of capital assets	-	-	(96,405)	(3,159)	(20,668)
Interest expense	(2,130,030)	(2,044,372)	(2,083,302)	(1,696,561)	(1,500,812)
Other expenses	<u>(52,101)</u>	<u>(52,373)</u>	<u>(32,066)</u>	<u>(155,411)</u>	<u>(43,524)</u>
Total Nonoperating Revenues (Expenses)	<u>(915,785)</u>	<u>(1,217,982)</u>	<u>641,889</u>	<u>(981,296)</u>	<u>(1,149,763)</u>
Income Before Contributions and Transfers	<u>6,021,251</u>	<u>6,462,899</u>	<u>6,940,620</u>	<u>5,406,862</u>	<u>4,378,799</u>
Capital contributions	665,252	1,444,047	670,674	455,330	168,243
Operating transfers In	-	-	-	-	-
Operating transfers out	<u>-</u>	<u>(112,000)</u>	<u>(115,940)</u>	<u>(178,062)</u>	<u>(179,954)</u>
Income After Contributions and Transfers	<u>665,252</u>	<u>1,332,047</u>	<u>554,734</u>	<u>277,268</u>	<u>(11,711)</u>
Change in Net Assets	6,686,503	7,794,946	7,495,354	5,684,130	4,367,088
Net Assets--Jan. 1	46,705,316	53,391,819	61,186,765	68,682,119	74,366,249
Net Assets--December 31	<u>\$ 53,391,819</u>	<u>\$ 61,186,765</u>	<u>\$ 68,682,119</u>	<u>\$ 74,366,249</u>	<u>\$ 78,733,337</u>

**STORM DRAINAGE UTILITY ENTERPRISE
STORM DRAINAGE REVENUE BONDS
SEC RULE 15C2-12 INFORMATION (UNAUDITED)**

Storm Drainage Utility Fee Structure

Storm drainage utility fees are imposed on every developed lot and parcel of land within the City and are payable monthly. The storm drainage utility fee is designed to pay for the operation and maintenance of the City's storm drainage system. The fee also pays for the design, right-of-way acquisition, and construction or reconstruction of storm drainage facilities through out the City. The monthly storm drainage utility fee in effect at the end of 2009 for a residential lot of approximately 8,600 square feet is \$14.26 and \$28.52 for a commercial lot of approximately 8,600 square feet. This storm drainage utility fee does not increase in 2010.

Storm drainage utility fees are billed through the City's consolidated monthly billing system, permitting the City to include storm drainage utility fees on a customer's regular utility bill. If a customer fails to pay any utility fees, the City has the authority to terminate utility service to the delinquent customer and to place a lien on the property for which the fees are delinquent.

Approximately 83% of storm drainage utility billing accounts and 45% of storm drainage revenues are attributable to single family residential customers. 17% of accounts and 55% of storm drainage revenues are attributable to multi-family residential, commercial and industrial customers. Two customers of the storm drainage utility contribute 2% or more of the storm drainage utility's total monthly revenue - the school district with 4.5% of total revenue and the City municipal government at 2.4%. Historically, the City collects over 99% of its billed monthly utility charges for storm drainage.

Historic Net Pledged Revenues

Based on the 2009 revenues and expenditures of the Storm Drainage Fund and using the combined actual debt service requirements of the City's outstanding storm drainage utility revenue bonds and the debt service requirements of the bonds, the net pledged revenues available for debt service in 2009 would have covered the combined average annual debt service requirements of the bonds approximately 2.43 times and would have covered the combined maximum debt service of the bonds approximately 1.76 times.

Changes in Storm Drainage Fees

Since 1987, the City has increased the overall storm drainage fees fifteen times. The average increase in the total fees is as follows:

<u>Year</u>	<u>Increase</u>	<u>Year</u>	<u>Increase</u>	<u>Year</u>	<u>Increase</u>
1992	12%	1998	26%	2004	10%
1993	7	1999	0	2005	0
1994	9	2000	10	2006	0
1995	31	2001	9	2007	0
1996	0	2002	45	2008	0
1997	0	2003	10	2009	0

Storm drainage fees have not been increased since 2004. No increase is planned for 2010.

Prior to November of 1998, storm drainage utility fees varied by basin depending on drainage problems and improvements needed in each basin. Beginning in November of 1998, the fees were assessed uniformly on a city-wide basis and improvements are to be prioritized and constructed based on the needs of the City as a whole.

**WATER UTILITY ENTERPRISE
WATER REVENUE BONDS
SEC RULE 15c2-12 INFORMATION – CUSTOMER BASE, RATE STRUCTURE, AND ENFORCEMENT (UNAUDITED)**

Customer Base

The water system serves a customer base that has grown as follows in the years 2000-2009:

<u>Years</u> <u>(at December 31)</u>	<u>Total Water</u> <u>Accounts</u>
2000	31,758
2001	32,101
2002	32,273
2003	32,726
2004	32,889
2005	33,057
2006	32,944
2007	32,780
2008	33,082
2009	32,910

The City classifies its water customers according to several classifications. A breakdown of the accounts based on such classifications being served as of December 31, 2009 is set forth below:

<u>Classification</u>	<u>Number of Accounts</u>	<u>Accounts</u>
Residential	30,752	93.4%
Commercial & Industrial	2,158	6.6%
Total	32,910	100.00%

The following table sets forth the ten largest customers of the water system, which in the aggregate accounted for approximately 30.0% of total water usage during 2009:

<u>Customer</u>	<u>Water Usage</u> <u>Millions of</u> <u>Gallons</u>	<u>Percent of</u> <u>Total Water</u> <u>Use</u>
Industrial	1,045.81	15.3%
University	363.84	5.3%
Industrial	164.63	2.4%
Water District	142.06	2.1%
City Government	87.11	1.3%
School District	74.78	1.1%
Industrial	73.25	1.1%
Hospital	35.43	0.5%
Mobile Home Park	32.03	0.5%
Industrial	26.14	0.4%

Water Rate Structure

The City's water rate structure is administered in substantial compliance with the "cost of service" method endorsed by the American Water Works Association. Under the cost of service method, an effort is made to establish equitable charges which reflect the true costs of serving various classes of customers.

The 2003 water rates were structured to provide stronger price incentives for conservation. A 5-tier rate structure was adopted for single family residential and duplex customers and seasonal rates were adopted for commercial and multi-family residential customers. The 2003 water rates were established to recover a 6% increase in revenue after an assumed 15% system wide reduction in water use. In 2004, City Council directed staff to develop a 4-tier rate that would reduce the severity of the cost impacts for larger, single-family, and duplex residential users due to the 2003 5-tier rates. The 4-tier rate structure was adopted by City Council and went into effect May 1, 2004 and remained in effect through April 30, 2006. On March 21, 2006 City Council passed a 3-tier water rate for single family and duplex customers that will be in effect for billings after May 1, 2006 and remain in effect January 1, 2008. A 3% rate increase was implemented for 2009. While a 3% overall revenue increase was implemented for 2010 the resulting cost of service adjustments were +3.8% for residential, 0% for duplex and multi-family and +1.7% for commercial rate classes.

WATER UTILITY ENTERPRISE**WATER REVENUE BONDS****SEC RULE 15c2-12 INFORMATION – CUSTOMER BASE, RATE STRUCTURE, AND ENFORCEMENT (UNAUDITED)
(Continued)**

The following water rates remain in effect at January 1, 2010. In addition to these rates, a 6% payment in lieu of taxes (“PILOT”) is added to all charges and paid to the City’s general fund.

Monthly User Charges Effective January 1, 2010

(1) Residential customers with one dwelling unit.

- a. *Base Charges.* Residential customers with one dwelling unit shall pay a base monthly charge of \$12.46.
- b. *Quantity Charges.* Residential customers with one dwelling units shall pay a monthly quantity charge as follows:
 For the first 7,000 gallons used per month at \$1.928 per 1,000 gallons
 For the next 6,000 gallons used per month at \$2.216 per 1,000 gallon
 For all additional gallons used per month at \$2.549 per 1,000 gallons.

(2) Residential customers with two dwelling units.

- a. *Base Charges.* Residential customers with two dwelling units shall pay a base monthly charge of \$14.63.
- b. *Quantity Charges.* Residential customers with two dwelling units shall pay a monthly quantity charge as follows:
 For the next 9,000 gallons used per month at \$1.857 per 1,000 gallons
 For the next 4,000 gallons used per month at \$2.135 per 1,000 gallons
 For all additional gallons used per month at \$2.456 per 1,000 gallons.

Metered Rates – Nonresidential

(1) *Base Charges.* Nonresidential customers shall pay a base monthly charge based on meter size:

<u>Meter Size (inches)</u>	<u>Monthly Base Charge</u>
$\frac{3}{4}$	\$ 11.15
1	31.10
1 $\frac{1}{2}$	84.56
2	127.44
3	194.38
4	305.15
6	591.96
8	1,045.75

(2) *Quantity Charges.* Nonresidential customers shall pay a monthly quantity charge of \$1.55 per 1,000 gallons used in the winter season months of November through April. They shall pay a monthly quantity charge of \$1.938 per 1,000 gallons used in the summer season months of May through October.

(3) *Charges for Excess Use.* Monthly water use in excess of the amounts specified in the following table shall be billed at \$2.228 per 1,000 gallons used in the winter season months of November through April. Monthly water use in excess of the amounts specified below shall be billed at \$2.786 per 1,000 gallons used in the summer season months of May through October.

<u>Meter Size inches)</u>	<u>Specified Amount (gallons per month)</u>
$\frac{3}{4}$	100,000
1	300,000
1 $\frac{1}{2}$	625,000
2	1,200,000
3	1,400,000
4	2,500,000

(continued)

WATER UTILITY ENTERPRISE**WATER REVENUE BONDS****SEC RULE 15c2-12 INFORMATION – CUSTOMER BASE, RATE STRUCTURE, AND ENFORCEMENT (UNAUDITED)**
(Continued)

Plant Investment Fees. The plant investment fee is a one-time charge assessed for the purpose of recovering the pro-rata portion of the capital cost of the water system attributable to the customer. The PILOT referred to previously is not assessed on plant investment fees. Proceeds of the plant investment fee are accounted for as contributed capital of the water system, rather than as operating revenue. The City Council adopted the following plant investment fee schedule, which took effect January 1, 2010.

<u>Dwelling Category</u>	<u>Residential Plant Investment Fee</u>
Single Family	\$730 plus \$0.36 per square foot of lot area
Duplex, Multi-Family, Mobile Home	\$490 per living unit plus \$0.27 per square foot of lot area

<u>Water Meter Size (inches)</u>	<u>Nonresidential Plant Investment Fee</u>
¾	\$7,530
1	\$21,730
1½	\$45,300
2	\$69,070
3	\$157,920
4" and above	Based on peak day demand

Enforcement

The City's collections of water charges historically have been in excess of 99%. Unpaid water charges constitute a perpetual lien on the property to which service was delivered. Customers with delinquent active accounts are sent delinquency notices after 38 days. The City may discontinue water and electric service on delinquent accounts. Sometimes liens are filed while the delinquent customer is still an active account. Customers who have moved from the address where service was supplied and left the account owing to the City are typically assigned to a collection agency.

Contributed Capital

Several significant categories of receipts of the Water Fund which are pledged to the payment of the Bonds are accounted for as contributed capital rather than as revenue. The following table presents receipts of major categories of contributed capital by the Water Fund for the past ten years:

<u>Year</u>	<u>Contributions In Aid of Construction</u>	<u>Cash Contributed In Lieu of Water Rights</u>	<u>Anheuser- Busch Water Rights Payments</u>	<u>Plant Investment Fees</u>	<u>Anheuser-Busch Master Agreement Payments</u>	<u>Anheuser-Busch Capacity Payments</u>	<u>Total Contributed Capital</u>
2000	749,706	1,937,344	222,553	2,684,818	467,579	144,482	6,206,482
2001	161,750	3,794,884	238,577	3,573,347	491,082	154,885	8,414,525
2002	100,014	2,248,992	255,754	2,754,287	524,211	166,037	6,049,295
2003	61,629	2,939,693	177,991	3,123,052	655,526	274,169	7,232,060
2004	47,288	4,832,672	293,909	3,098,205	677,102	190,806	9,139,982
2005	52,894	6,972,126	315,070	2,846,525	689,946	204,545	11,081,106
2006	51,107	2,821,127	337,756	2,426,836	703,623	219,272	6,559,722
2007	61,279	3,707,518	362,074	2,673,742	680,118	235,406	7,720,137
2008	50,135	3,232,624	-	1,355,507	698,468	30,296	5,367,029
2009	13,088	824,217	-	520,956	724,943	32,477	2,115,681

**WATER UTILITY ENTERPRISE
WATER REVENUE BONDS
SEC RULE 15c2-12 INFORMATION – COLLECTIONS AND OPERATING HISTORY (UNAUDITED)**

Collections

The following table sets forth the historical Water System user rates, plant investment fees, other fees and charges, and investment earnings:

	2005	2006	2007	2008	2009
User charges for services	\$ 22,945,856	\$ 26,378,921	\$ 24,820,432	\$ 24,283,914	\$ 21,752,118
Plant investment fees	2,813,765	2,393,080	2,631,513	5,367,029	2,115,681
Other fees & charges	9,067,665	4,175,007	5,518,237	329,483	259,874
Investment earnings	1,707,545	2,288,629	3,714,183	2,915,357	1,573,472
Total Water System Revenue	<u>\$ 36,534,831</u>	<u>\$ 35,235,637</u>	<u>\$ 36,684,365</u>	<u>\$ 32,895,783</u>	<u>\$ 25,701,145</u>

Operating History of the Water Fund

The financial section of this Comprehensive Annual Financial Report contains financial statements of the City and the Water Fund as of and for the year ended December 31, 2009. The following sets forth the operating history of the Water Fund for the years ended December 31, 2005 through 2009:

	2005	2006	2007	2008	2009
Operating Revenues					
Charges for services	\$ 22,945,856	\$ 26,378,921	\$ 24,820,432	\$ 24,283,914	\$ 21,752,118
Operating Expenses					
Administrative charge	2,528,019	2,835,917	2,901,642	3,859,087	3,839,790
Personal services	4,848,778	4,883,709	5,211,431	5,562,836	5,725,550
Contractual services	2,388,507	2,721,466	2,745,034	2,877,169	4,923,703
Commodities	1,224,960	1,327,094	1,431,683	1,378,148	1,554,719
Other	2,297,947	2,159,018	2,341,976	2,146,013	313,769
Depreciation	5,423,858	5,230,243	5,600,347	4,823,679	4,853,325
Total Operating Expense	<u>18,712,069</u>	<u>19,157,447</u>	<u>20,232,113</u>	<u>20,646,932</u>	<u>21,210,856</u>
Operating Income	<u>4,233,787</u>	<u>7,221,474</u>	<u>4,588,319</u>	<u>3,636,982</u>	<u>541,262</u>
Nonoperating Revenues (Expenses)					
Other revenue	795,590	-	429,613	312,898	249,655
Earnings on investments	1,707,545	2,288,629	3,714,183	2,915,357	1,573,472
Net increase (decrease) in the fair value of investments	(497,829)	285,873	-	-	-
Gain(loss)on fixed asset sales	4,734	8,864	(26,158)	16,585	10,219
Interest expense	(2,006,014)	(1,853,961)	(1,712,813)	(1,434,719)	(1,061,012)
Other expenses	(46,750)	(46,751)	(46,751)	(121,096)	(188,828)
Total Nonoperating Revenues (Expenses)	<u>(42,724)</u>	<u>682,654</u>	<u>2,358,074</u>	<u>1,689,025</u>	<u>583,506</u>
Income Before Contributions and Transfers	<u>4,191,063</u>	<u>7,904,128</u>	<u>6,946,393</u>	<u>5,326,007</u>	<u>1,124,768</u>
Capital contributions	11,081,106	6,559,722	7,720,137	5,367,029	2,115,681
Operating transfers out	-	-	-	(183,940)	(189,458)
Income After Contributions and Transfers	<u>11,081,106</u>	<u>6,559,722</u>	<u>7,720,137</u>	<u>5,183,089</u>	<u>1,926,223</u>
Change in Net Assets	15,272,169	14,463,850	14,666,530	10,509,096	3,050,991
Net Assets--Jan. 1	182,739,721	198,011,890	212,475,740	227,142,270	237,651,366
Net Assets--Dec. 31	<u>\$ 198,011,890</u>	<u>\$ 212,475,740</u>	<u>\$ 227,142,270</u>	<u>\$ 237,651,366</u>	<u>\$ 240,702,357</u>

**WATER UTILITY ENTERPRISE
WATER REVENUE BONDS
SEC RULE 15c2-12 INFORMATION – DEBT STRUCTURE OF THE WATER FUND (UNAUDITED)**

As of December 31, 2009, the Net Revenue of the Water Fund serviced the following obligations:

<u>Name of Issue</u>	<u>Originally Authorized</u>	<u>Outstanding Principal</u>
General Obligation Water Bonds, Series 2002A	\$ 19,255,000	\$ -
Water Revenue Bond, Series 1997	10,125,300	4,642,137
Water Revenue Refunding and Improvement Bonds, Series 1998	31,580,000	-
Water Revenue Bond, Series 1999	4,998,395	2,722,195
Water Subordinate, 2004	2,476,446	2,040,157
Water Revenue Refunding Series 2008	9,645,000	9,605,000
Water Revenue Refunding Series 2009	<u>7,815,000</u>	<u>6,940,000</u>
Total	<u>\$ 85,895,141</u>	<u>\$ 25,949,489</u>

LOCAL HIGHWAY FINANCE REPORT		City or County: City of Fort Collins	
		YEAR ENDING : December 2009	
This Information From The Records Of (example - City of _ or County of _ City of Fort Collins		Prepared By: Phone:	Karen Tracy (970)416-2426
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE			
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes
1. Total receipts available			
2. Minus amount used for collection expenses			
3. Minus amount used for nonhighway purposes			
4. Minus amount used for mass transit			
5. Remainder used for highway purposes			
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	2,638,062
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	14,374,415
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	3,037,744
2. General fund appropriations	4,851,558	b. Snow and ice removal	1,757,387
3. Other local imposts (from page 2)	8,660,769	c. Other	4,678,027
4. Miscellaneous local receipts (from page 2)	9,120,714	d. Total (a. through c.)	9,473,158
5. Transfers from toll facilities	0	4. General administration & miscellaneous	254,635
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	0
a. Bonds - Original Issues	0	6. Total (1 through 5)	26,740,269
b. Bonds - Refunding Issues	0	B. Debt service on local obligations:	
c. Notes	0	1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	56,115
7. Total (1 through 6)	22,633,041	b. Redemption	0
B. Private Contributions	0	c. Total (a. + b.)	56,115
C. Receipts from State government (from page 2)	4,163,343	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	0
E. Total receipts (A.7 + B + C + D)	26,796,384	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	56,115
		C. Payments to State for highways	0
		D. Payments to toll facilities	0
		E. Total disbursements (A.6 + B.3 + C + D)	26,796,384
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)			
	Opening Debt	Amount Issued	Redemptions
A. Bonds (Total)	1,285,000	0	300,000
1. Bonds (Refunding Portion)			
B. Notes (Total)			0
V. LOCAL ROAD AND STREET FUND BALANCE			
A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance
	26,796,384	26,796,384	
E. Reconciliation			
0			
Notes and Comments:			

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado YEAR ENDING (mm/yy): December 2009	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	18	a. Interest on investments	427,976
b. Other local imposts:		b. Traffic Fines & Penalties	0
1. Sales Taxes	5,961,487	c. Parking Garage Fees	1,542,715
2. Infrastructure & Impact Fees	641,491	d. Parking Meter Fees	0
3. Liens	0	e. Sale of Surplus Property	0
4. Licenses	161,294	f. Charges for Services	6,335,139
5. Specific Ownership &/or Other	1,896,479	g. Other Misc. Receipts	44,884
6. Total (1. through 5.)	8,660,751	h. Other	770,000
c. Total (a. + b.)	8,660,769	i. Total (a. through h.)	9,120,714
(Carry forward to page 1)		(Carry forward to page 1)	
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	3,741,028	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	0
a. State bond proceeds		b. FEMA	0
b. Project Match		c. HUD	0
c. Motor Vehicle Registrations	422,315	d. Federal Transit Admin	0
d. Other (Specify) - DOLA Grant	0	e. U.S. Corps of Engineers	0
e. Other (Specify)	0	f. Other Federal	0
f. Total (a. through e.)	422,315	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	4,163,343	3. Total (1. + 2.g)	
		(Carry forward to page 1)	
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs	0	13,921	13,921
b. Engineering Costs	0	0	0
c. Construction:			
(1). New Facilities	0	0	0
(2). Capacity Improvements	0	2,624,141	2,624,141
(3). System Preservation	0	0	0
(4). System Enhancement & Operation	0	0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	2,624,141	2,624,141
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	2,638,062	2,638,062
		(Carry forward to page 1)	
Notes and Comments:			

