



2013 COMPREHENSIVE ANNUAL FINANCIAL REPORT

FORT COLLINS, COLORADO YEAR ENDED DECEMBER 31, 2013



City of Fort Collins, Colorado

Comprehensive Annual Financial Report
For the fiscal year ended
December 31, 2013

Prepared by the Finance Department:

*John Voss, Controller
Mike DeKock, Accounting Manager
Mindy Pfeiffer, Accounting Supervisor
Lisa Alexander, Accountant
Wendy Shinazy, Accountant
Judi Vos, Cash Systems Coordinator
Louisa Liu, Administrative Aide
Katie Wiggett, Administrative Assistant*

About our cover and section tabs...

The cover picture and the picture on the “Other Schedules” tab are from the ProCycling Challenge event in Fort Collins in 2013. In May of 2013, the League of American Bicyclists named Fort Collins a Platinum Biking Friendly Community, making Fort Collins one of only four cities in the country to achieve this rank. The League offers national recognition for communities that actively support bicycling. A Bicycle Friendly Community welcomes cyclists by providing safe accommodation for cycling and encourages people to bike for transportation and recreation. For more information or to learn about FC Bikes visit fcgov.com/fcmoves.

The “Introductory Section” tab shows a picture of the City’s new MAX buses. MAX, Fort Collins’ first bus rapid transit system, began service on May 10, 2014. The Fort Collins MAX fleet consists of six, 60-foot articulated busses that run on compressed natural gas. The City built 12 stations along the Mason Corridor as well as a new transit center in the South, connecting major activity and employment centers throughout the community including Midtown, CSU and Downtown. MAX links with other Transfort bus routes, Park-n-Rides, the City’s trail system and other local and regional transit routes to provide seamless service for passengers.

The “Financial Section” tab features an image of Harmony and College, the busiest intersection in Fort Collins. In 2010, the City completed a \$5.5 million improvement project on the intersection with funding from Building on Basics 1/4-cent sales tax, State and Federal Grants and East Harmony Maintenance funds. The improvement relieved congestion, improved safety, improved bicycle and pedestrian facilities, replaced the asphalted pavement with concrete pavement and added extensive urban design and landscaping.

The picture featured on the “Notes to the Basic Financial Statements Sections” tab was taken on the Poudre trail behind the Museum of Discovery. The Poudre Trail meanders along the Poudre River for 10.10 miles. It currently runs between the Overland Trail at Lyons Park and the Environmental Learning Center on East Drake. Fort Collins maintains 35.62 miles of trails for walking, jogging, in-line skating or biking year round. Trails serve as commuter routes for many students and residents who enjoy getting away from urban Fort Collins to experience the trails’ beautiful scenery.

The “Supplementary Information” tab shows a picture of the Pedestrian Bride on North College Avenue. The City of Fort Collins, the North College Urban Renewal Authority and Colorado Department of Transportation have been working together to bring North College Avenue the amenities needed to support traveler safety, economic vitality and community livability. With three sections of a four part project complete, the vision for this important northern gateway to Fort Collins is almost a full reality. The design team works closely with the public, specifically with the North Fort Collins Business Association, to develop design plans which meet City and State goals, as well as work with existing businesses. With funding secured, the City aims to begin construction on the last piece of the overall project in 2014.

The “Statistical Section” tab features a picture from the recently updated 300-400 blocks of Linden Street. BHA Design transformed these blocks from a nondescript stretch of downtown to a whole new streetscape highlighted by unique features representing aspects of its historic setting. This effort, completed in 2011, extends downtown’s walk-friendly feel to connect to the Poudre River, and fosters ongoing reinvestment in this area. In 2013, Susan K. Daily designed 12 granite pavers to add a layer of interest to the new streetscape on the 300 block of Linden Street. The engraved pavers depict early Fort Collins, and work in conjunction with interpretive signs and themed benches and railings to lend an outdoor museum dimension to this area touted as the origin of Fort Collins.

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INTRODUCTORY SECTION

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fcgov.com

June 8, 2014

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, 2013.

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, including all disclosures, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed information is reported in a manner designed to present fairly the financial position and activities of the various funds of the City. 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 statements of the City for the fiscal year ended December 31, 2013 are free of material misstatement. The independent accountant, McGladrey LLP, concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2013, 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 auditor.

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 fourth largest city in Colorado with an estimated population of 151,330 in 2013. This is approximately 49% 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, General Improvement District No. 15 – Skyview 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

Financial Condition: Economy, Long-Term Financial Planning and Major Initiatives

Unemployment in Fort Collins has improved a great deal in the past year. At the end of 2013, the local unemployment rate stood at 4.7%, which compares favorably to the state rate of 6.2% and national rate of 6.7%.

The essential economic indicators for the City continued to improve in 2013. The population grew approximately 1.7%, and the number of residential building permits issued increased by 32%. The City relies heavily on sales and use tax revenues, which were up 4.2%, excluding rebates. Growth in inflation, as measured by the Denver-Boulder-Greeley Consumer Price Index, was up 2.8% in 2013.

Overall governmental fund revenue increased 26.6% in 2013. At year-end, the City held \$325 million in unrestricted net position, \$32.7 million more than it held in 2012. Please see page 18 for more information about the City's total net position.

Data-driven and Transparent. Over the last decade, the City has undergone transformational change, deliberately embracing transparency, accountability and continuous improvement. In 2013, the City launched the Community Dashboard, a new online tool that measures the community's progress in attaining the City's strategic outcomes. Key metrics such as voluntary code compliance, unemployment rate, community energy use, number of local traffic crashes and transit passengers per revenue hour are measured and monitored so the City can adapt certain programs to ensure targets are met and improve performance where necessary. The Community Dashboard can be viewed at fcgov.com/dashboard. In 2013, staff began implementing the use of ClearPoint, a cloud-based solution for collecting performance measurement data, creating charts to visually represent that data, and facilitating easy and flexible reporting of performance.

Another tool staff is using to become more data driven is the Monthly Operating Report (MOR), an internal report prepared monthly by managers and reviewed by City executives. Management uses this report to closely analyze their department's budget and revenue. The report also communicates departments' projects, goals and needs to other departments.

Mason Corridor. As of May 2014, the City of Fort Collins' \$87 million infrastructure project is completed. The Spring Creek Overpass and new South Transit Center were completed late spring, and Max began service May 10, 2014. While the Mason Corridor Plan helps make transportation more affordable and convenient, the plan represents more than a transportation initiative; the plan is designed to build on our existing investments to create a stronger community. According to the report by Economic & Planning Systems, the Mason Corridor will encourage private economic development along its length, and catalyst projects in the heart of Fort Collins. New zoning changes will promote high density, mixed-use development around the stations. The Mason

Corridor is extremely cost effective and is expected to produce financial, social and economic benefits for years to come.

Continuous Improvement. In 2013, Rocky Mountain Performance Excellence (RMPEX) awarded Fort Collins Timberline status, the second highest level in the state performance excellence program. It recognizes applicants who demonstrate systematic and mature approaches, effective deployment, process learning and process integration. The City received feedback from RMPEX in six categories: leadership, strategic planning, customer focus, knowledge management, workforce focus and operations focus. The City will incorporate the feedback into its planning process to continue to improve the organization and plan to apply for the top level, Peak status, in 2014.

The City also worked toward continuous improvement in 2014 by updating its Strategic Plan, a plan that reflects the input of engaged citizens, community and business partners, the Mayor and Council Members and City staff. The plan finalized in March of 2014 represents the first organization-wide, issues-driven and Council-reviewed strategic plan in the City's history. The Strategic Plan is a tool that clearly articulates City priorities to the community and will direct the development of the 2015-2016 budget.

Midtown Urban Renewal Authority Plan Area. The Foothills Mall redevelopment site sits in the middle of the City's Midtown Urban Renewal Plan area, a targeted area of community-wide importance. The Foothills Mall has been on the decline for years; since 2001, sales tax revenues at the mall have declined 62%. In March 2013, the City of Fort Collins' City Council approved a \$53 million public assistance package to help revitalize the mall and restore essential sales tax revenue. Alberta Development Partners, the developer, expects to have the mall open in time for the 2015 holiday season. Total project investment in the community is expected to be \$312 million.

The Mall project also includes an \$8 million investment in City infrastructure, including a new Youth Activity Center and an underpass that connects to the Mason Street Corridor. In conjunction with the new MAX Bus Rapid Transit system, the Foothills project is expected to be a catalyst for improvements to public infrastructure and business redevelopment in the Midtown area.

Two other significant projects in the Midtown Area include two new student housing structures: construction for the Summit on College Avenue was completed in 2013, and construction has begun on Prospect Station on Prospect Road. Both buildings give students easy access to MAX.

North College Avenue Urban Renewal Authority Plan Area. The North College area property and business owners have shown robust support for growth and change in the corridor. Projects in the plan area include improvements to streetscapes, the installation of continuous bike lanes and pedestrian sidewalks along College Avenue, and the upgrading of the storm drainage system. In 2013, the City approved an assistance package for Aspen Heights, a new student housing complex in the district that can accommodate up to 712 individuals. In 2014 and 2015, the City plans to continue improving the streetscape from Conifer to Willox, another \$10 million investment in North College.

Supporting Job Creation. In 2013, the City chose to help Woodward, a global company that has been in Fort Collins since 1955. The company had outgrown its Drake facility and planned to expand its overall facilities to accommodate continued growth. With a Business Assistance Agreement from the City of Fort Collins and the Downtown Development Authority (DDA), Woodward chose to develop a campus of office, manufacturing and testing facilities on the Link-N-Greens site, a City targeted redevelopment area. The Project will generate economic impacts during both construction and operations. The City's financial assistance should help retain approximately the 700 current primary jobs as well as encourage the expansion of a business to include 700-1,000 new primary jobs in Fort Collins (with 185-400 new jobs in Northern Colorado). The project also includes reconstruction of the Poudre Trail through a new natural area. Other current projects that will contribute to job creation in Fort Collins include the Mason Corridor and the mall redevelopment project.

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, 2012. This was the 26th 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 2013 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 LLP, 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



Michael N. Beckstead
Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

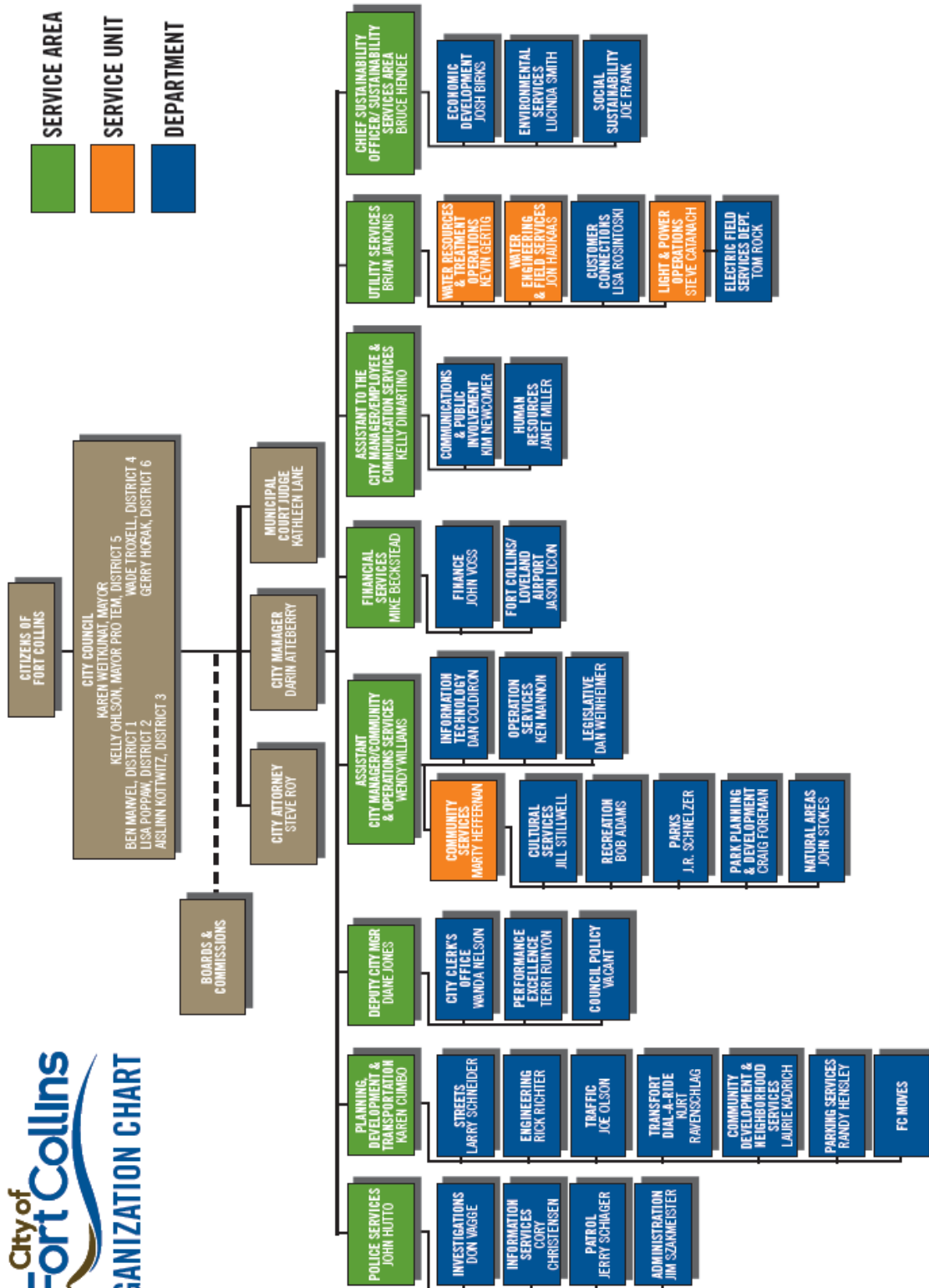
**City of Fort Collins
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2012

A handwritten signature in black ink, reading "Jeffrey R. Enos". The signature is fluid and cursive.

Executive Director/CEO



City of Fort Collins, Colorado
Elected and Appointed Officials
As of December 31, 2013

Elected Officials

Karen Weitkunat	Mayor
Bob Overbeck	District 1 Councilmember
Lisa Poppaw	District 2 Councilmember
Gino Campana	District 3 Councilmember
Wade Troxell	District 4 Councilmember
Ross Cunniff	District 5 Councilmember
Gerry Horak	Mayor Pro Tem, District 6 Councilmember

Appointed Officials

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

*City Manager appointed, City Council approved

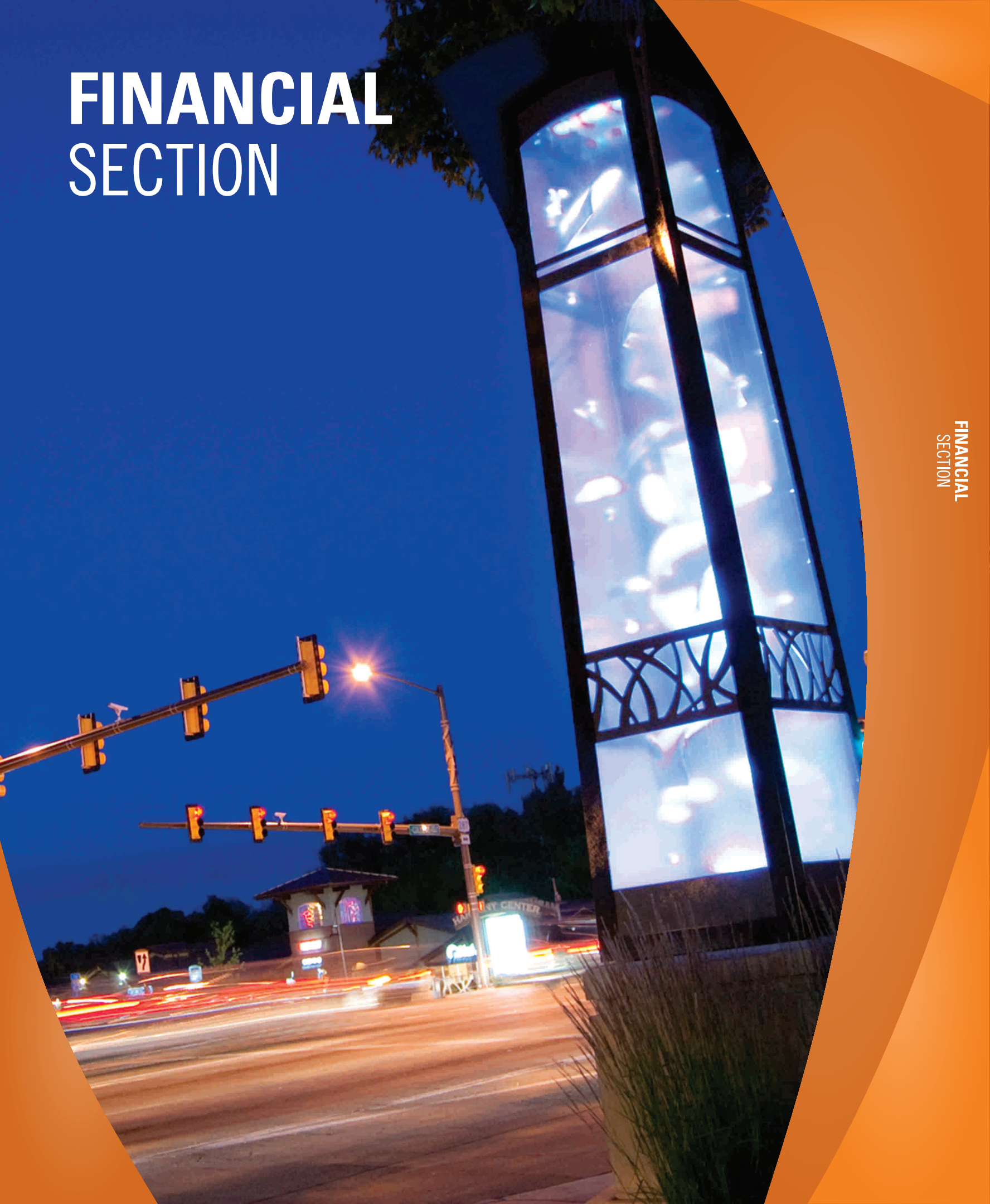
City Officials and Department Directors

Mike Beckstead	Chief Financial Officer
Karen Cumbo	Planning, Development and Transportation Director
Kelly DiMartino	Assistant to the City Manager
Bruce Hendee	Chief Sustainability Officer
John Hutto	Chief of Police
Brian Janonis	Utilities Executive Director
Diane Jones	Deputy City Manager
Wendy Williams	Assistant City Manager

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FINANCIAL SECTION

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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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Collins, Colorado (the City) as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Fort Collins, Colorado, as of December 31, 2013, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, the Keep Fort Collins Great Fund, the Transportation Services Fund, and Urban Renewal Authority Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 15 through 26, the modified approach for City Streets Infrastructure capital assets on pages 87 through 88, the Pension Plans Schedules of Funding Progress on page 89 and Other Postemployment Benefits Plan Schedule of Funding Progress on page 90 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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, and the other information, such as the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and other schedules, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory, statistical sections and other schedules, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2014 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Fort Collins, Colorado's internal control over financial reporting and compliance.



Denver, Colorado
May 30, 2014

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, 2013. 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 and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at December 31, 2013 by \$1.6 billion (net position). Of the net position balance, \$324 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 position increased by \$89 million (5.9%). The governmental net position increased by \$60.1 million (7.2%) and the business-type position increased by \$28.9 million (4.2%).

The General Fund, the City's primary operating fund, ended 2013 with a \$60.1 million fund balance, an increase of \$4.9 million (8.8%) on a current financial resource basis. Of this amount, \$52.2 million is spendable.

The City's total long-term debt decreased by \$1.39 million (1%) during the current year. Within that activity, the City's governmental debt increased by \$9.25 million and business-type debt decreased by \$10.64 million. The increase in governmental long-term debt was driven by the issuance of tax increment revenue bonds to be serviced by the City's blended component unit – the Urban Renewal Authority.

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 position presents information on all of the City's assets, deferred outflows of resources, liabilities, and deferred inflows of resources. The difference between assets, deferred inflows of resources, liabilities and deferred outflows of resources are reported as net position. Over time, increases and decreases in net position 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 position has changed during the fiscal year just ended. All changes in net position 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, cultural, parks, recreation, and natural areas, planning and development services, transportation, and interest on long term debt. 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 Fort Collins, Colorado 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, deferred inflows of resources, liabilities, deferred outflows of resources, 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, deferred inflows of resources, liabilities, deferred outflows of resources, 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, Keep Fort Collins Great, Urban Renewal Authority Fund, the Transportation Special Revenue Fund and the Capital Projects Fund. These five 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 32-39 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. 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. 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 49-86 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 87-90 of this report.

Combining Statements. The combining statements referred to earlier in connection with the non-major governmental funds, 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 Position

The following table reflects the condensed Statement of Net Position.

Statement of Net Position

as of December 31

(amounts expressed in thousands, totals may not add due to rounding)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2013	2012	2013	2012	2013	2012
Current and other assets	\$ 256,380	\$ 224,251	\$ 198,662	\$ 192,070	\$ 455,041	\$ 416,320
Capital assets	748,299	706,974	613,699	601,541	1,361,997	1,308,515
Total assets	1,004,678	931,224	812,360	793,610	1,817,039	1,724,835
Deferred Outflows of Resources	1,468	1,580	846	1,022	2,314	2,602
Other liabilities	21,458	18,853	16,401	16,256	37,859	35,109
Long-term liabilities	70,361	60,489	86,077	96,551	156,437	157,039
Total liabilities	91,819	79,342	102,477	112,807	194,297	192,149
Deferred Inflows of Resources	19,352	18,593	14	17	19,366	18,610
Net position:						
Net investment in capital assets	694,119	662,461	531,113	508,284	1,225,232	1,170,745
Restricted	55,648	52,465	1,032	995	56,680	53,460
Unrestricted	145,207	119,944	178,571	172,528	323,778	292,472
Total net position	\$ 894,974	\$ 834,870	\$ 710,716	\$ 681,808	\$ 1,605,690	\$ 1,516,677

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

By far, the largest portion of the City's net position, \$1.2 billion (76.2%) is invested in capital assets (e.g., land, buildings, machinery and equipment), less any debt used to acquire those assets that is still outstanding. Net Capital assets increased by \$53 million (4.5%) in 2013. 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 position, \$56.7 million (3.5%), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$323.7 million (20.3%), may be used to meet the City's ongoing obligations to its citizens and creditors.

The City's total net position increased by \$89 million in 2013. Unrestricted net position increased \$32.75 million and were used to support core operations, maintain infrastructure, and invest in critical capital assets. Additional details of capital asset activity can be seen on pages 24-25.

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

Statement of Activities & Changes in Net Position

as of December 31

(amounts expressed in thousands, totals may not add due to rounding)

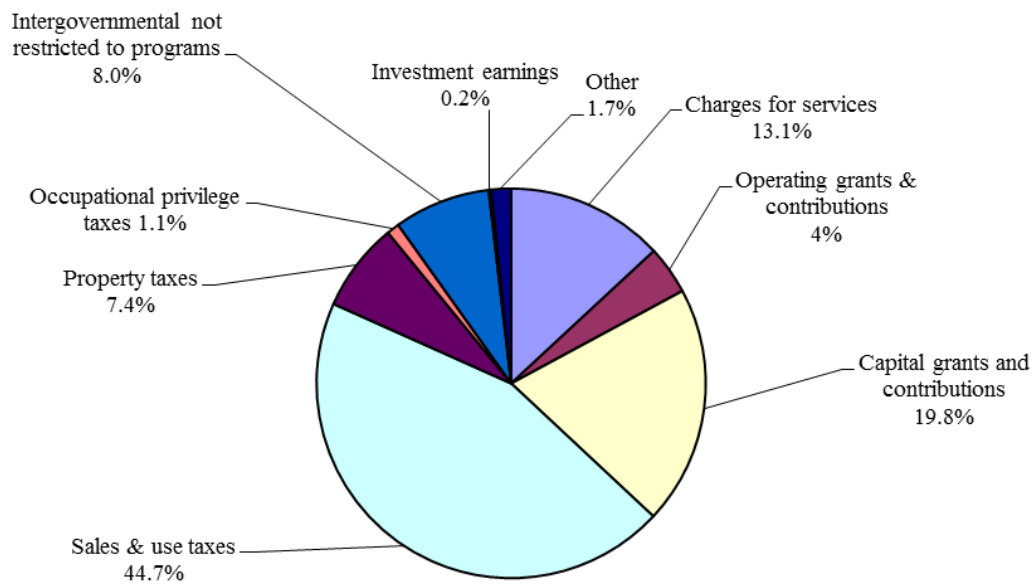
	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total Primary Government</u>	
	2013	2012	2013	2012	2013	2012
Revenues:						
Program revenues:						
Charges for services	\$ 32,767	\$ 29,412	\$ 179,834	\$ 176,389	\$ 212,601	\$ 205,801
Operating grants & contributions	10,075	9,284	30	6	10,104	9,290
Capital grants and contributions	49,585	31,678	24,099	15,979	73,684	47,657
General revenues:						
Sales & use taxes	111,846	109,732	-	-	111,846	109,732
Property taxes	18,485	18,188	-	-	18,485	18,188
Occupational privilege taxes	2,653	2,560	-	-	2,653	2,560
Lodging taxes	1,103	1,012	-	-	1,103	1,012
Intergovernmental not restricted to programs	20,032	10,681	-	-	20,032	10,681
Investment earnings	537	1,998	466	2,227	1,002	4,225
Miscellaneous	2,991	1,246	808	1,613	3,799	2,859
Total Revenues	250,072	215,790	205,237	196,215	455,309	412,005
Expenses:						
General government	40,118	34,645	-	-	40,118	34,645
Public safety	56,660	55,633	-	-	56,660	55,633
Cultural, parks, recreation and natural areas	40,910	32,448	-	-	40,910	32,448
Planning and development	13,547	9,502	-	-	13,547	9,502
Transportation	43,710	42,249	-	-	43,710	42,249
Interest on long-term debt	1,406	2,148	-	-	1,406	2,148
Light & power	-	-	116,639	101,513	116,639	101,513
Water	-	-	23,312	22,169	23,312	22,169
Wastewater	-	-	17,808	15,872	17,808	15,872
Storm drainage	-	-	9,428	8,119	9,428	8,119
Golf	-	-	2,758	2,661	2,758	2,661
Total expenses	196,352	176,625	169,946	150,333	366,298	326,958
Increase in net position before transfers	53,721	39,165	35,291	45,882	89,012	85,046
Transfers	6,383	15,837	(6,383)	(15,837)	-	-
Increase in net position	60,104	55,001	28,908	30,045	89,012	85,046
Net position - beginning	834,870	779,869	681,808	651,763	1,516,678	1,431,632
Net position - ending	\$ 894,974	\$ 834,870	\$ 710,716	\$ 681,808	\$ 1,605,690	\$ 1,516,678

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

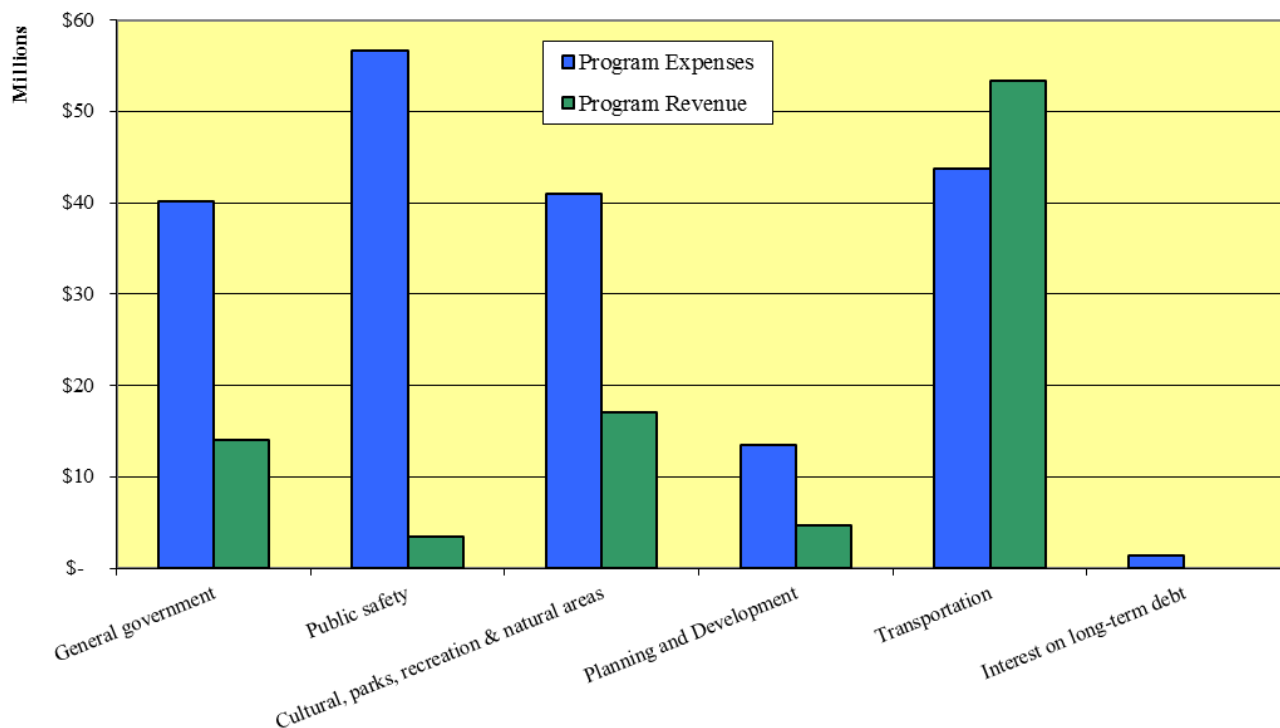
The above condensed summary of the City's governmental and business type activities for the period ended December 31, 2013 reflects net position increasing by \$89 million (5.9%). The prior period is also included for comparative purposes. In addition, revenue and expense graphs have been presented on pages 20-21 to enhance the reader's understanding of the current year activities.

Governmental Activities:

2013 Revenues by Source - Governmental Activities
\$250.1 million

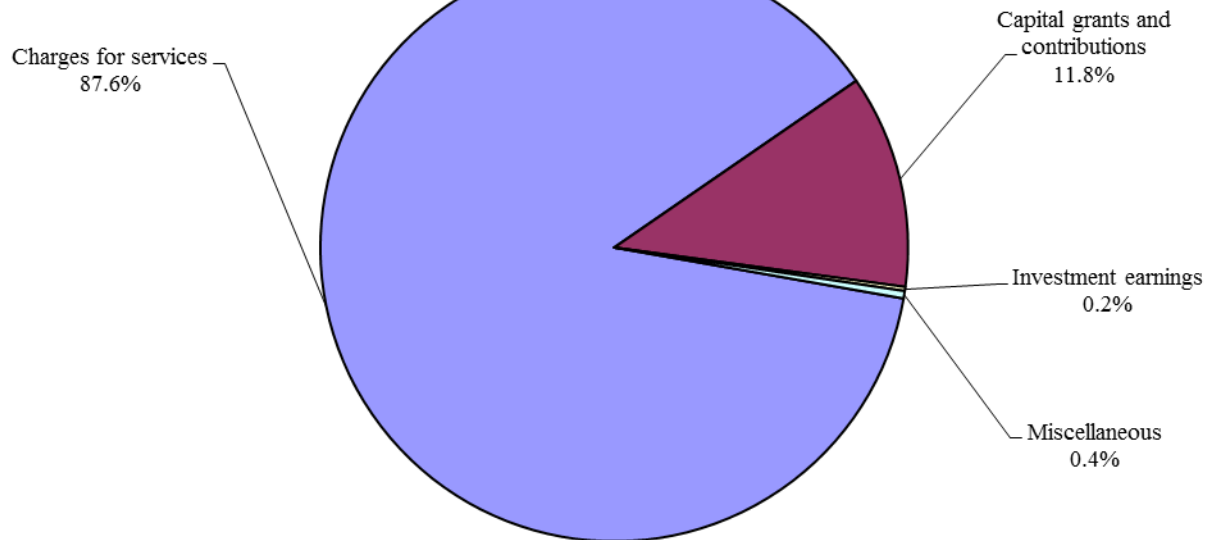


2013 Expenses Compared to Program Revenues - Governmental Activities

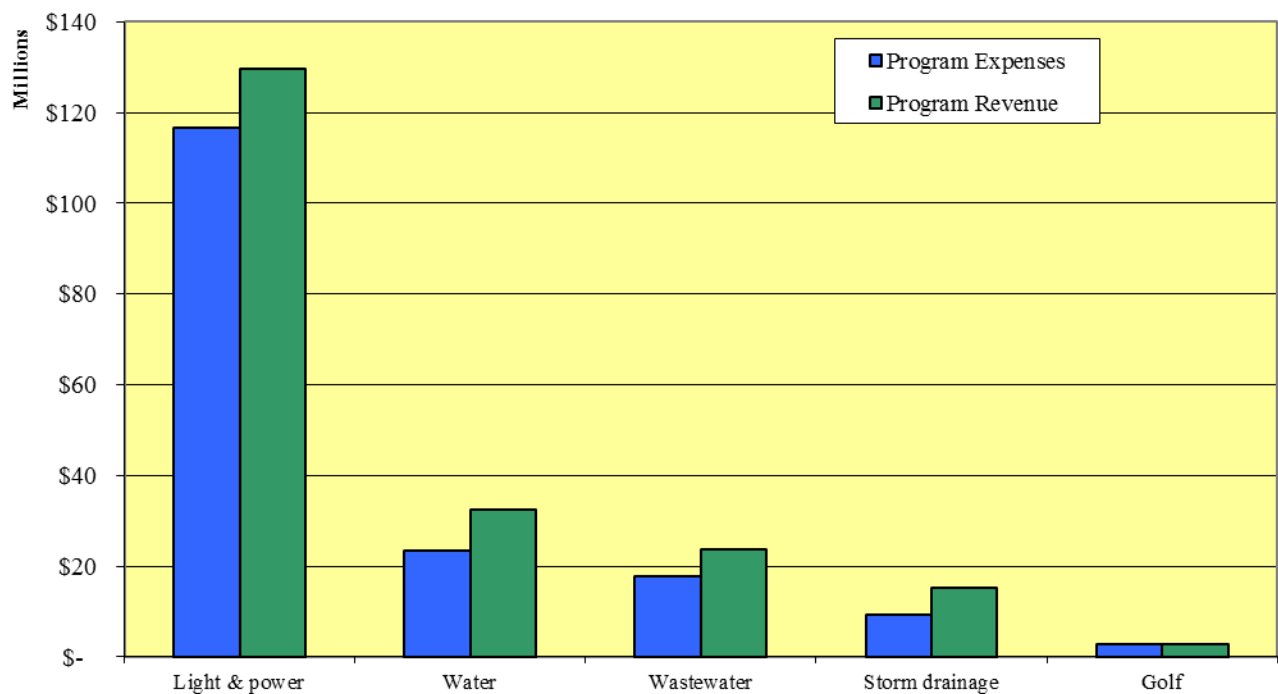


Business-type Activities:

2013 Revenues by Source - Business-type Activities
\$205.2 million



2013 Expenses Compared to Program Revenues - Business Activities



Governmental activities. Governmental activities increased the City's net position by \$60.1 million, accounting for 67.5% of the City's \$89 million overall increase in net position. Major variations are due to the following:

Charges for services for 2013 increased \$3.4 million in 2013. The increase was primarily driven by increases in economic developments with Capital Expansion, Street Oversizing and Neighborhood Parkland fees increasing \$654,000, \$681,000, and \$355,000 respectively.

Capital grants and contributions increased \$17.9 million in 2013 which was mostly due to increases in transportation-related grant programs.

Sales and use tax collections increased \$2.1 million from 2012 collections due to economic growth.

The governmental funds had a \$19.7 million increase in expenditures. Included in the increase was \$8.5 million increase in Cultural, Parks, Recreation and Natural Areas, \$5.5 million increase in General Government, and \$4 million in Planning and Development expenditures. The increase in expenditures were due to increases in personnel costs, economic rebates/development, land improvements and street maintenance.

Business-type activities. Business-type activities in the utility funds increased the City's net position by \$28.9 million, accounting for 32.5% of the City's \$89 million increase in net position. Major variations are due to the following:

Charges for services in the utilities business activities totaled \$179.8 million for an increase of \$3.4 million (2%) from 2012 to 2013. Light and Power operating revenues increased 5.6% due to a 4.33% increase in electric rates in 2013. In addition, a slight shift in usage among customer classes resulted in a higher proportion of kWh sales to the residential rate class which has a higher revenue per kWh than the commercial and industrial rate classes. Water operating revenues decreased 8.2% compared to 2012. Wastewater operating revenues decreased 2.2% from 2012. Storm drainage rates remained unchanged in 2013 and the fund's revenues increased 2.2% due to modest customer growth.

Other Utility revenues totaled \$25.4 million an increase of \$5.6 million compared to 2012. Total Light and Power capital grant and contribution revenues increased 54.4% in 2013 due to an increase in grant revenue of \$2.5 million for the Smart Grid Investment Grant. An upswing in development and construction activity resulted in a \$2.4 million increase in electric development fee revenues. Total Water grant and contribution revenues increased 80.5% in 2013 for contribution increase of \$2.1 million due to increased development and an NRCS grant received for the High Park Fire mitigation work.

Total business-type expenses totaled \$170 million in 2013, an increase of \$19.6 million compared to 2012. Light and Power expenses increased \$15.1 million (14.9%) due to an increase in purchase power expenses and Energy Service programs, as well as payments to sub-recipient for Smart Grid Investment Grant, Utilities' Customer Service and Administration Fund and General fund for increased operating revenues. Wastewater expenses increased \$1.9 million (12.2%) due to payments in lieu of taxes in previous years were expensed in 2013, as well as an increase to internal service charges. Storm Drainage expenses increased \$1.3M (16.1%) due to payments to Boxelder Basin Regional Stormwater Authority.

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 December 31, 2013, the total Governmental fund balances were \$169.9 million, an increase of \$27.2 million (19.1%) compared to the prior year. There was \$13.2 million non-spendable, restricted was \$55.9 million, committed was \$37.8 million, assigned was \$41.8 million, and unassigned was \$21.2 million. The explanations for these restrictions are contained in the Notes to the Basic Financial Statements, section III.F.

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 \$.6 million which resulted in a December 31, 2013 fund balance of \$21 million. Restricted fund balance was \$11.9 million for voter approved projects and assigned was \$9.1 million. The largest capital project expenditures were: \$1.1 million for the Senior Center Expansion and \$40 million for the Mason Street Transportation Corridor.

The General Fund is the chief operating fund of the City. At December 31, 2013, the total fund balance was \$60.1 million. The spendable fund balance was \$52.2 million. The General Fund increased \$4.9 million compared to an increase of \$15.1 million in 2012. The larger increase in 2012 was primarily due to a one-time transfer from the Sales and Use Tax Fund for \$5.9 million and increases in the City's investment in Community and Operations (\$3.5 million) and Sustainability Services (\$2.4 million).

The Keep Fort Collins Great Special Revenue Fund is a new major governmental fund of the City as of 2011. As of December 31, 2013, the total fund balance which is restricted due to voter constraints was \$12.8 million. This is an increase of \$2.5 million due primarily to an increase of sales tax revenue in excess of projections.

The Transportation Services Special Revenue Fund is another major governmental fund of the City. As of December 31, 2013, the fund balance was \$15 million and increased by \$1.4 million from 2012. The primary increase is due to larger revenue collected in sales tax and collections of charges for services. The fund balance consisted of \$1.3 million restricted for Civic Center Parking Structure and assigned was \$13.7 million.

The Urban Renewal Authority Fund primary purpose is to remedy blight by stimulating and leveraging private capital investment, using tax increment financing in private development projects and public improvement projects. The December 31, 2013 fund balance was an unassigned deficit \$7.8 million and \$5.3 million was nonspendable. 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 tax collections.

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

Change in Net Position - Proprietary Funds

(amounts expressed in thousands, totals may not add due to rounding)

Proprietary Funds	Unrestricted Net Position at 12/31/13	Change in Net Position for Year Ended 12/31/13
Light & Power	\$ 56,551	\$ 11,727
Water	70,881	8,325
Wastewater	34,617	5,855
Storm Drainage	20,376	5,423
Total of Major Enterprise Funds	182,426	31,330
Other Enterprise Fund - Golf	560	42
Total Enterprise Funds	182,985	31,373
Internal Service Funds	20,086	(2,931)
Total Proprietary Funds	\$ 203,072	\$ 28,442

General Fund Budgetary Highlights

The final budget appropriations were \$9.4 million higher than the original budget appropriations. They are summarized below:

The 2013 ordinances created new budget appropriations for the following items: \$3.8 million for purchase orders that were carried forward from 2012 and \$3.4 million for the Woodward Project.

The variance between actual expenditures and the final budget amounted to \$10.5 million (10.4%) in unspent appropriations. There were significant spending reductions across the City due to budget constraints and the difficult economy in prior years. This philosophy has been maintained for accountability to the citizens.

The decreased expenditures in the general government were primarily due to the following: \$2.3 million appropriated for contingencies associated with the Woodward Project that were unneeded, \$.8 million unspent for rebate programs, \$1.1 million unspent appropriations for salary positions due to the timing of hiring employees, \$1 million in expected payments to subrecipients that were not needed due to timing and \$2.3 million in unspent capital purchases contingency and pending lease purchase 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, 2013 amounted to \$1,362 million (net of accumulated depreciation). This was an increase of \$53.5 million (4.1%). 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, 2012. 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 2013, the City spent \$15.3 million on its street maintenance program as compared to \$15.6 million, the asset management system estimate needed to maintain streets at Level of Service B. For more detailed information, see the Required Supplementary Information on pages 87-88 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	
	2013	2012	2013	2012	2013	2012
Land, rights of way, water rights, other	\$ 205,036	\$ 203,022	\$ 69,411	\$ 67,989	\$ 274,446	\$ 271,012
Street system infrastructure	282,127	265,485	-	-	282,127	265,485
Construction in progress	78,867	54,466	97,851	88,308	176,718	142,774
Infrastructure	8,145	8,612	-	-	8,145	8,612
Buildings and improvements	90,320	92,882	138,851	139,765	229,171	232,647
Improvements other than buildings	54,240	59,610	294,481	291,663	348,721	351,273
Machinery and equipment	29,563	22,897	13,104	13,815	42,668	36,712
Total capital assets	<u>\$ 748,299</u>	<u>\$ 706,974</u>	<u>\$ 613,699</u>	<u>\$ 601,541</u>	<u>\$ 1,361,997</u>	<u>\$ 1,308,515</u>

Major capital improvements during this fiscal year included the following:

Governmental Activities

Completed in 2013:

- Additions to Street Infrastructure - \$5.1 million
- N. College/Wilcox Lane Improvements - \$2.3 million
- Linden Street Improvements - \$1.9 million
- BOB – N. College Avenue - \$7.2 million

Other capital assets in 2013:

- Bridge Replacement projects - accumulated costs to date - \$5.8 million
- Mason Street Transportation Corridor - accumulated costs to date - \$62.2 million

Proprietary Activities

Completed in 2013:

- Water reclamation replacement program - \$1 million
- Various water rights - \$1.8 million
- CR54G Waterline improvements - \$1.2 million
- SW Annex Venus/Milky Way SW - \$.9 million
- Mason Street Corridor/Duct Bk Relocation - \$.9 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 \$137.6 million (bonds, certificates of participation, capital leases, etc.). This was a decrease of \$1.4 million (1%). Of this amount, \$90.7 million represents bonds secured by specified revenue sources (i.e., revenue bonds). The remaining \$46.9 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	
	2013	2012	2013	2012	2013	2012
Revenue bonds	\$ 11,085	\$ -	\$ 79,597	\$ 90,007	\$ 90,682	\$ 90,007
Certificates of participation	37,905	41,845	950	1,095	38,855	42,940
Assignment of lease payments	455	501	1,448	1,594	1,903	2,095
Capital leases	5,872	3,719	271	208	6,143	3,927
Total outstanding debt	<u>\$ 55,317</u>	<u>\$ 46,065</u>	<u>\$ 82,266</u>	<u>\$ 92,904</u>	<u>\$ 137,583</u>	<u>\$ 138,969</u>

Additional information on the City's long-term obligations can be found in Note III.E on pages 65-76 of this report.

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 Accounting Manager's attention at the following address:

Accounting Manager
215 North Mason Street 2nd Floor
PO Box 580
Fort Collins, CO 80522-0580

BASIC FINANCIAL STATEMENTS

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STATEMENT OF NET POSITION
DECEMBER 31, 2013

	Primary Government -- City of Fort Collins			
	Governmental Activities	Business-type Activities	Total	Component Unit
ASSETS				
Cash and cash equivalents	\$ 23,051,652	\$ 18,987,806	\$ 42,039,458	\$ 509,447
Investments	161,503,603	154,087,171	315,590,774	3,330,470
Receivables:				
Property taxes	19,329,009	-	19,329,009	3,483,027
Sales and use taxes	11,905,708	-	11,905,708	-
Accounts	5,647,150	21,667,561	27,314,711	-
Notes	5,534,522	320,908	5,855,430	-
Interest	447,335	431,870	879,205	15,683
Prepaid	229,190	-	229,190	710
Internal Balances	4,046,395	(4,046,395)	-	-
Due from other governments	7,442,028	1,302,678	8,744,706	3,764
Inventories of materials and supplies	545,254	4,878,067	5,423,321	-
Inventory of real property held for resale	2,896,665	-	2,896,665	135,464
Restricted cash and cash equivalents	1,585,264	1,032,219	2,617,483	46,377
Restricted investments	-	-	-	2,491,126
Investment in joint venture	12,215,808	-	12,215,808	-
Capital assets (non-depreciable)	566,030,038	167,261,923	733,291,961	2,528,747
Capital assets (net of accumulated depreciation)	182,268,665	446,436,676	628,705,341	2,761,684
Total Assets	1,004,678,286	812,360,484	1,817,038,770	15,306,499
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	1,467,592	846,399	2,313,991	-
Total Deferred outflows of resources	1,467,592	846,399	2,313,991	-
LIABILITIES				
Accounts payable	17,427,196	15,194,439	32,621,635	6,254
Interest payable	124,889	299,248	424,137	49,925
Wages payable	2,276,134	900,954	3,177,088	11,404
Due to other governments	68,575	-	68,575	-
Unearned revenue	1,367,344	-	1,367,344	23,203
Deposits held	194,267	6,000	200,267	-
Non-Current liabilities				
Due within one year	13,960,950	11,626,079	25,587,029	1,380,414
Due in more than one year	56,399,874	74,450,582	130,850,456	15,190,000
Total Liabilities	91,819,229	102,477,302	194,296,531	16,661,200
DEFERRED INFLOWS OF RESOURCES				
Property taxes	19,329,009	-	19,329,009	3,483,027
Deferred gain on refunding	23,254	13,953	37,207	-
Total Deferred inflows of resources	19,352,263	13,953	19,366,216	3,483,027
NET POSITION				
Net investment in capital assets	694,118,770	531,112,533	1,225,231,303	5,290,431
Restricted for:				
Debt service	952,103	857,393	1,809,496	2,541,325
Capital projects	27,938,994	-	27,938,994	-
Gifts and grants	11,749,184	-	11,749,184	-
Agreements	9,676,929	174,826	9,851,755	-
Emergencies	5,331,680	-	5,331,680	-
Unrestricted (deficit)	145,206,726	178,570,876	323,777,602	(12,669,484)
Total Net Position (Deficit)	\$ 894,974,386	\$ 710,715,628	\$ 1,605,690,014	\$ (4,837,728)

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

**STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013**

		Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
	Expenses			
<u>FUNCTIONS/ PROGRAM ACTIVITIES:</u>				
Primary Government:				
Governmental Activities:				
General government	\$ 40,117,619	\$ 6,943,755	\$ 317,853	\$ 6,717,861
Public safety	56,660,401	1,688,496	1,127,516	564,128
Culture, parks, recreation and natural areas	40,910,349	8,486,492	1,840,498	6,772,329
Planning and development	13,547,271	3,539,596	1,140,087	-
Transportation	43,709,809	12,108,239	5,648,859	35,530,572
Interest on long-term debt	1,406,227	-	-	-
Total Governmental Activities	196,351,676	32,766,578	10,074,813	49,584,890
Business-type Activities:				
Light & Power	116,639,336	115,878,566	29,115	13,859,282
Water	23,312,264	26,209,517	-	6,225,188
Wastewater	17,808,100	20,429,803	-	3,172,339
Storm Drainage	9,427,997	14,395,531	440	842,455
Golf	2,758,202	2,920,827	-	-
Total Business-type Activities	169,945,899	179,834,244	29,555	24,099,264
Total Primary Government	366,297,575	212,600,822	10,104,368	73,684,154
Component Unit:				
Downtown Development Authority	\$ 9,957,628	\$ 34,877	\$ 47,412	\$ -

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

Net (Expense) Revenue and Changes in Net Position				
Primary Government - City of Fort Collins			Component Unit	
Governmental Activities	Business-type Activities	Total		
\$ (26,138,150)	\$	\$ (26,138,150)	\$	
(53,280,261)		(53,280,261)		
(23,811,030)		(23,811,030)		
(8,867,588)		(8,867,588)		
9,577,861		9,577,861		
(1,406,227)		(1,406,227)		
<u>(103,925,395)</u>		<u>(103,925,395)</u>		
	13,127,627	13,127,627		
	9,122,441	9,122,441		
	5,794,042	5,794,042		
	5,810,429	5,810,429		
	162,625	162,625		
<u>-</u>	<u>34,017,164</u>	<u>34,017,164</u>		
<u>(103,925,395)</u>	<u>34,017,164</u>	<u>(69,908,231)</u>		
			<u>(9,875,339)</u>	
General Revenues				
Sales & use taxes	111,845,544	-	-	
Property taxes	18,484,916	-	3,318,234	
Occupational privilege taxes	2,652,965	-	-	
Lodging taxes	1,102,694	-	-	
Intergovernmental not restricted to programs	20,032,185	-	-	
Investment earnings	536,696	465,646	14,521	
Miscellaneous	2,990,934	808,399	878	
Transfers	<u>6,383,485</u>	<u>(6,383,485)</u>	<u>-</u>	
Total general revenues and transfers	<u>164,029,419</u>	<u>(5,109,440)</u>	<u>3,333,633</u>	
Changes in Net Position	60,104,024	28,907,724	(6,541,706)	
Net Position--January 1	<u>834,870,362</u>	<u>681,807,904</u>	<u>1,703,978</u>	
Net Position (Deficit)--December 31	<u>\$ 894,974,386</u>	<u>\$ 710,715,628</u>	<u>\$ (4,837,728)</u>	

GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2013

	Primary Government						
	General	Keep Fort Collins Great	Trans- portation Services	Capital Projects	Urban Renewal Authority	Total Other Governmental	Total Governmental
ASSETS							
Cash and cash equivalents	\$ 3,954,638	\$ 1,201,929	\$ 1,418,005	\$ 2,747,175	\$ 277,654	\$ 7,314,356	\$ 16,913,757
Investments	45,073,124	9,811,016	11,735,464	22,578,951	2,274,427	51,969,756	143,442,738
Receivables							
Property taxes	17,812,490	-	-	-	1,220,057	296,462	19,329,009
Sales and use taxes	7,420,755	2,358,626	708,776	-	-	1,417,551	11,905,708
Accounts, net	741,577	3,090	1,712,530	2,016,949	-	280,421	4,754,567
Notes and loans	-	-	-	-	5,303,939	230,583	5,534,522
Interest	121,131	26,150	21,294	66,216	6,351	154,546	395,688
Prepaid item	200	-	150	-	-	9,046	9,396
Due from other funds	116,156	-	-	-	-	-	116,156
Advances to other funds	5,000,000	-	-	-	-	2,651,970	7,651,970
Due from other governments	96,580	-	137,947	5,408,048	-	1,789,516	7,432,091
Inventory of real property held for resale	2,896,665	-	-	-	-	-	2,896,665
Restricted - cash and cash equivalents	3,049	-	435,876	-	952,103	174,826	1,565,854
Total Assets	83,236,365	13,400,811	16,170,042	32,817,339	10,034,531	66,289,033	221,948,121
LIABILITIES							
Accounts payable, accruals, and other	3,805,147	454,875	921,570	9,368,447	188	1,553,427	16,103,654
Wages payable	1,298,717	145,710	257,589	2,606	4,859	360,407	2,069,888
Due to other governments	63,319	-	1,512	-	-	3,744	68,575
Due to other funds	-	-	-	-	-	116,156	116,156
Unearned revenue	72,249	-	-	-	-	1,295,095	1,367,344
Advance from other funds	-	-	-	-	10,303,939	-	10,303,939
Deposits held	-	-	-	-	-	194,267	194,267
Total Liabilities	5,239,432	600,585	1,180,671	9,371,053	10,308,986	3,523,096	30,223,823
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - property taxes	17,812,490	-	-	-	1,220,057	296,462	19,329,009
Unavailable revenue - grants	64,524	-	-	2,408,221	-	57,522	2,530,267
Total Deferred inflows of resources	17,877,014	-	-	2,408,221	1,220,057	353,984	21,859,276
FUND BALANCES (DEFICIT)							
Nonspendable	7,896,865	-	150	-	5,303,939	9,046	13,210,000
Restricted	12,161,108	12,800,226	1,251,138	11,911,811	952,103	16,803,087	55,879,473
Committed	646,470	-	-	-	-	37,141,796	37,788,266
Assigned	10,403,459	-	13,738,083	9,126,254	-	8,579,569	41,847,365
Unassigned	29,012,017	-	-	-	(7,750,554)	(121,545)	21,139,918
Total Fund Balances (Deficit)	60,119,919	12,800,226	14,989,371	21,038,065	(1,494,512)	62,411,953	169,865,022
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	\$ 83,236,365	\$ 13,400,811	\$ 16,170,042	\$ 32,817,339	\$ 10,034,531	\$ 66,289,033	\$ 221,948,121

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 POSITION
DECEMBER 31, 2013**

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

Total fund balances - governmental funds (page 32)		\$ 169,865,022
Capital assets of \$870,732,265 net of accumulated depreciation of \$127,499,458 used in governmental activities are not financial resources, therefore, are not reported in the funds.		743,232,807
City's joint venture equity interest in Fort Collins/Loveland Airport.		12,215,808
Other long-term assets are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		2,530,267
Internal service fund allocated to business type activities		6,698,364
Long-term liabilities are not due and payable in the current period and therefore are not reported in funds:		
Interest payable	(111,897)	
Bonds payable	(11,085,000)	
Certificates of Participation	(37,905,000)	
Assignment of lease	(455,287)	
Deferred charge on refunding, net of deferred gain	1,444,338	
Premium	(307,158)	
Capital lease	(2,398,225)	
Compensated absences	(4,906,234)	
Net pension obligation	(3,203,138)	
Postemployment healthcare obligation	(1,188,127)	
		(60,115,728)
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/deferred outflows of resources and liabilities/deferred inflows of resources of the internal service funds are included in the governmental activities in the statement of net position.		20,547,846
Net position of governmental activities (page 29)		\$ 894,974,386

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

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)
FOR THE YEAR ENDED DECEMBER 31, 2013

	Primary Government						
	General	Keep Fort Collins Great	Trans- portation Services	Capital Projects	Urban Renewal Authority	Total Other Governmental	Total Governmental
REVENUES							
Taxes	\$ 89,625,619	\$ 22,810,816	\$ 6,689,349	\$ -	\$ 1,284,690	\$ 13,675,644	\$ 134,086,118
Licenses and permits	2,776,268	-	263,780	-	-	-	3,040,048
Intergovernmental	10,903,908	-	7,081,454	39,734,050	-	10,976,793	68,696,205
Fees and charges for services	8,668,524	-	6,884,932	-	-	17,769,684	33,323,140
Fines and forfeitures	2,803,037	-	-	-	-	-	2,803,037
Earnings (loss) on investments	113,166	(1,342)	54,739	141,255	77,174	200,373	585,365
Miscellaneous revenue	1,490,609	-	288,123	1,390,479	233,832	2,871,544	6,274,587
Total Revenues	116,381,131	22,809,474	21,262,377	41,265,784	1,595,696	45,494,038	248,808,500
EXPENDITURES							
Current operating							
Police services	31,009,177	3,795,902	-	-	-	-	34,805,079
Financial services	3,583,699	32,552	-	-	-	-	3,616,251
Community and operation	19,494,541	2,820,651	-	3,206,715	-	18,450,914	43,972,821
Planning, development and transportation	4,918,379	8,784,478	22,887,695	547,435	-	8,692,289	45,830,276
Executive, legislative, and judicial	5,287,972	81,887	-	-	-	-	5,369,859
Employee and communications	2,708,537	57,822	-	-	-	-	2,766,359
Sustainability services	5,328,328	517,349	-	-	4,668,120	1,817,825	12,331,622
Other	1,649,314	-	-	45,013	-	58,288	1,752,615
Intergovernmental							
Fire protection	17,412,296	2,418,573	-	-	-	234,353	20,065,222
Capital outlay	830,728	1,586,904	1,909,966	44,430,513	-	6,299,209	55,057,320
Debt service							
Principal	27,725	196,814	221,290	-	-	3,756,280	4,202,109
Interest and debt service costs	1,903	19,164	17,432	-	596,493	882,468	1,517,460
Total Expenditures	92,252,599	20,312,096	25,036,383	48,229,676	5,264,613	40,191,626	231,286,993
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,128,532	2,497,378	(3,774,006)	(6,963,892)	(3,668,917)	5,302,412	17,521,507
OTHER FINANCING SOURCES (USES)							
Transfers in	2,085,971	-	4,226,822	7,706,487	-	19,425,388	33,444,668
Transfers out	(21,506,120)	-	(436,700)	(109,210)	-	(15,652,646)	(37,704,676)
Debt							
Debt issued	-	-	-	-	11,085,000	-	11,085,000
Premium on Debt	-	-	-	-	316,806	-	316,806
Capital leases	158,771	-	1,347,978	-	-	-	1,506,749
Sale of capital assets	-	-	15,928	-	-	1,002,444	1,018,372
Total Other Financing Sources (Uses)	(19,261,378)	-	5,154,028	7,597,277	11,401,806	4,775,186	9,666,919
Net Changes in Fund Balances (Deficit)	4,867,154	2,497,378	1,380,022	633,385	7,732,889	10,077,598	27,188,426
Fund Balances (Deficit)-January 1	55,252,765	10,302,848	13,609,349	20,404,680	(9,227,401)	52,334,355	142,676,596
Fund Balances (Deficit)-December 31	\$ 60,119,919	\$ 12,800,226	\$ 14,989,371	\$ 21,038,065	\$ (1,494,512)	\$ 62,411,953	\$ 169,865,022

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 (DEFICIT) OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013**

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)		\$ 27,188,426
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, \$57,665,024, exceeded depreciation, \$11,405,296, in the current period.		46,259,728
The net effect of various miscellaneous transactions involving capital assets:		
Contribution to undivided interest	(5,580,266)	
Disposal	(245,230)	
Transfer of assets between governmental and business type activities	<u>420,000</u>	
		(5,405,496)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		840,819
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 position, so this transaction has no effect on net position. Also, governmental funds report the effect of 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	4,202,109	
Debt payment made by DDA on behalf of the City	229,655	
Issuance of capital lease	(1,506,749)	
Debt issued	(11,085,000)	
Premium on debt issued	(316,806)	
Change in net pension obligation	(437,400)	
Change in postemployment healthcare benefits	58,125	
Change in compensated absences	(295,309)	
Amortization of premium, discount, deferred amount of refunding	(98,076)	
Interest expense	<u>(17,474)</u>	
		(9,266,925)
Expenses in Statement of Activities related to City's Equity in Joint Venture		
Change in Non-Capital Equity position in Fort Collins/Loveland Airport		953,452
Transfer of internal service fund net position to business type activities		1,663,343
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.		<u>(2,129,323)</u>
Change in net position of governmental activities (pages 30-31)		<u>\$ 60,104,024</u>

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

GENERAL FUND (CONSOLIDATED)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	Actual	Original Budget	Final Budget	Variance
REVENUES				
Taxes	\$ 89,625,619	\$ 88,409,365	\$ 88,409,365	\$ 1,216,254
Licenses and permits	2,776,268	1,709,850	1,968,766	807,502
Intergovernmental	10,897,396	9,882,167	10,492,064	405,332
Fees and charges for services	8,668,524	7,093,901	7,331,333	1,337,191
Fines and forfeitures	2,803,037	2,702,900	2,702,900	100,137
Earnings on investments	105,922	424,377	424,377	(318,455)
Miscellaneous revenue	1,476,271	798,355	895,831	580,440
Total Revenues	<u>116,353,037</u>	<u>111,020,915</u>	<u>112,224,636</u>	<u>4,128,401</u>
EXPENDITURES				
Current operating				
Police services	31,392,801	31,258,056	34,003,590	2,610,789
Financial services	3,646,819	3,757,611	3,818,486	171,667
Community and operation	18,523,850	18,622,347	20,073,795	1,549,945
Planning, development and transportation	4,963,295	4,988,866	5,527,648	564,353
Executive, legislative, and judicial	5,444,426	5,273,378	5,814,174	369,748
Employee and communications	2,708,537	3,108,619	3,324,807	616,270
Sustainability services	5,490,314	5,650,834	9,775,623	4,285,309
Other	1,192,045	1,385,472	1,467,751	275,706
Intergovernmental				
Fire protection	17,412,296	17,465,943	17,465,943	53,647
Debt Service				
Principal	27,725	56,000	56,000	28,275
Interest and debt service costs	1,903	-	-	(1,903)
Total Expenditures	<u>90,804,011</u>	<u>91,567,126</u>	<u>101,327,817</u>	<u>10,523,806</u>
Excess of Revenues				
Over Expenditures	<u>25,549,026</u>	<u>19,453,789</u>	<u>10,896,819</u>	<u>14,652,207</u>
OTHER FINANCING SOURCES (USES)				
Capital leases	158,771	-	-	158,771
Interfund advance	(5,000,000)	-	(5,000,000)	-
Transfers in	1,154,551	1,184,944	1,184,994	(30,443)
Transfers out	(21,430,804)	(21,290,724)	(21,440,724)	9,920
Total Other Financing Sources (Uses)	<u>(25,117,482)</u>	<u>(20,105,780)</u>	<u>(25,255,730)</u>	<u>138,248</u>
Net Change in Fund Balances Before				
Reconciling Items	431,544	<u>\$ (651,991)</u>	<u>\$ (14,358,911)</u>	<u>\$ 14,790,455</u>
RECONCILIATION TO GAAP BASIS				
Advance to other fund	5,000,000			
Activities Reported within sub-funds				
Total Revenue	28,094			
Total Expenditures	(1,448,588)			
Total Other Financing Sources	<u>856,104</u>			
Total Reconciling Items	<u>4,435,610</u>			
Net Change in Fund Balance	4,867,154			
Fund Balances--January 1	<u>55,252,765</u>			
Fund Balances--December 31	<u>\$ 60,119,919</u>			

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

KEEP FORT COLLINS GREAT FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
REVENUES				
Taxes	\$ 22,810,816	\$ 21,046,800	\$ 21,046,800	\$ 1,764,016
Earnings (loss) on investments	(1,342)	35,864	35,864	(37,206)
Total Revenues	<u>22,809,474</u>	<u>21,082,664</u>	<u>21,082,664</u>	<u>1,726,810</u>
EXPENDITURES				
Programs				
Street Maintenance	7,114,812	7,254,756	7,252,039	137,227
Other Street and Transportation	1,394,122	1,872,530	2,182,224	788,102
Police Services	3,944,344	4,093,009	4,343,598	399,254
Fire Protection	2,418,573	2,418,573	2,418,573	-
Parks and Recreation	2,140,124	2,316,807	2,430,620	290,496
Other	1,766,077	2,492,129	3,179,710	1,413,633
Total Programs	<u>18,778,052</u>	<u>20,447,804</u>	<u>21,806,764</u>	<u>3,028,712</u>
Projects (project level of budgetary control)				
Trail Acquisition and Development	474,000	-	474,000	-
Transit	498,908	-	656,706	157,798
Fort Collins Bikes Programs	108,758	-	303,638	194,880
City Bridge Program	1,401,952	-	4,434,931	3,032,979
Pedestrian Access	219,301	-	260,000	40,699
North College Improvements-Conifer/Wilcox	229,641	-	326,481	96,840
Total Projects	<u>2,932,560</u>	<u>-</u>	<u>6,455,756</u>	<u>3,523,196</u>
Total Expenses	<u>21,710,612</u>	<u>20,447,804</u>	<u>28,262,520</u>	<u>6,551,908</u>
Net Change in Fund Balances Before Reconciling Items	1,098,862			
RECONCILIATION TO GAAP BASIS				
Prior Years' Project Expenses	<u>1,398,516</u>			
Net Change in Fund Balances	2,497,378			
Fund Balances--January 1	<u>10,302,848</u>			
Fund Balances--December 31	<u>\$ 12,800,226</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, 2013

	<u>Actual</u>	<u>Prior Year Actual</u>	<u>Cumulative Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
REVENUES						
Taxes	\$ 6,689,349	\$ -	\$ 6,689,349	\$ 6,348,600	\$ 6,348,600	\$ 340,749
Licenses and permits	263,780	-	263,780	165,000	165,000	98,780
Intergovernmental	7,081,454	-	7,081,454	6,859,323	7,792,359	(710,905)
Fees and charges for services	6,884,932	-	6,884,932	6,361,880	6,361,880	523,052
Earnings on investments	54,739	-	54,739	120,091	120,091	(65,352)
Miscellaneous revenue	288,123	-	288,123	48,480	58,980	229,143
Total Revenues	<u>21,262,377</u>	<u>-</u>	<u>21,262,377</u>	<u>19,903,374</u>	<u>20,846,910</u>	<u>415,467</u>
EXPENDITURES						
Programs (fund level of budgetary control)						
PDT Administration	111,552	-	111,552	118,096	118,096	6,544
FC Moves	646,770	-	646,770	622,077	774,559	127,789
Engineering	2,507,903	-	2,507,903	2,751,694	2,806,149	298,246
Streets	15,648,047	-	15,648,047	14,145,972	16,158,984	510,937
Traffic	3,881,229	-	3,881,229	4,383,660	4,591,696	710,467
Parking	1,907,627	-	1,907,627	2,344,643	2,411,007	503,380
Total Programs	<u>24,703,128</u>	<u>-</u>	<u>24,703,128</u>	<u>24,366,142</u>	<u>26,860,491</u>	<u>2,157,363</u>
Projects (level of budgetary control)						
FC Bikes	27,920	205,054	232,974	-	232,974	-
Bike Library	-	82,790	82,790	-	82,790	-
Traffic Signal System Software	208,801	64,199	273,000	-	496,370	223,370
Safe Routes to School	96,534	71,672	168,206	-	210,176	41,970
Total Grants	<u>333,255</u>	<u>423,715</u>	<u>756,970</u>	<u>-</u>	<u>1,022,310</u>	<u>265,340</u>
Total Expenditures	<u>25,036,383</u>	<u>423,715</u>	<u>25,460,098</u>	<u>24,366,142</u>	<u>27,882,801</u>	<u>134,333</u>
Excess (Deficiency) of Revenues						
Over (Under) Expenditures	<u>(3,774,006)</u>	<u>(423,715)</u>	<u>(4,197,721)</u>	<u>(4,462,768)</u>	<u>(7,035,891)</u>	<u>2,838,170</u>
OTHER FINANCING SOURCES (USES)						
Transfers in:						
General Fund	3,931,822	-	3,931,822	3,936,424	4,015,198	(83,376)
Storm Water	215,000	-	215,000	215,000	215,000	-
Sales and Use Tax - Bldg on Basics	80,000	-	80,000	80,000	80,000	-
Transfers out:						
Debt Service Fund	(105,460)	-	(105,460)	(105,860)	(105,860)	400
Capital Projects Fund	(331,240)	-	(331,240)	-	(220,394)	(110,846)
Proceeds from Lease Purchase	1,347,978	-	1,347,978	-	1,347,978	-
Sale of capital assets	15,928	-	15,928	-	-	15,928
Total Other Financing Sources (Uses)	<u>5,154,028</u>	<u>-</u>	<u>5,154,028</u>	<u>4,125,564</u>	<u>5,331,922</u>	<u>(177,894)</u>
Net Change in Fund Balances	1,380,022	<u>\$ (423,715)</u>	956,307	<u>\$ (337,204)</u>	<u>\$ (1,703,969)</u>	<u>\$ 2,660,276</u>
Fund Balances--January 1	13,609,349		13,609,349			
Plus Prior Years' Project Expenditures			423,715			
Fund Balances--December 31	<u>\$ 14,989,371</u>		<u>\$ 14,989,371</u>			

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

URBAN RENEWAL AUTHORITY (CONSOLIDATED)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (DEFICIT)--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
REVENUES				
Taxes	\$ 1,284,690	\$ 1,176,789	\$ 1,176,789	\$ 107,901
Earnings on investments	77,174	93,766	93,766	(16,592)
Miscellaneous revenue	233,832	-	-	233,832
Total Revenues	<u>1,595,696</u>	<u>1,270,555</u>	<u>1,270,555</u>	<u>325,141</u>
EXPENDITURES				
Sustainability Services	4,668,120	234,627	5,276,057	607,937
Interest	596,493	950,966	950,966	354,473
Total Expenditures	<u>5,264,613</u>	<u>1,185,593</u>	<u>6,227,023</u>	<u>962,410</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,668,917)</u>	<u>84,962</u>	<u>(4,956,468)</u>	<u>1,287,551</u>
OTHER FINANCING SOURCES (USES)				
Payments on advances	(10,938,089)	(10,938,089)	(10,938,089)	-
Proceeds from advances	5,000,000	-	5,000,000	-
Transfers out	-	-	(70,000)	70,000
Debt				-
Debt issued	11,085,000	11,085,000	11,085,000	-
Premium on Debt	316,806	-	-	316,806
Total Other Financing Sources (Uses)	<u>5,463,717</u>	<u>146,911</u>	<u>5,076,911</u>	<u>386,806</u>
Net Change	1,794,800	<u>\$ 231,873</u>	<u>\$ 120,443</u>	<u>\$ 1,674,357</u>
RECONCILIATION TO GAAP BASIS				
Payments on advances	10,938,089			
Proceeds from advances	<u>(5,000,000)</u>			
Total Reconciling Items	<u>5,938,089</u>			
Net Change in Fund Balances	<u>7,732,889</u>			
Fund Balances (Deficit) --January 1	<u>(9,227,401)</u>			
Fund Balances (Deficit) --December 31	<u>\$ (1,494,512)</u>			

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

**PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2013**

	Light and Power	Water	Wastewater	Storm Drainage
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 5,352,879	\$ 7,209,516	\$ 3,586,625	\$ 2,275,455
Investments	43,542,038	59,178,627	29,450,434	18,653,200
Receivables				
Accounts, net	14,023,025	2,982,681	2,727,581	1,919,778
Note receivable	83,583	100,000	-	-
Interest	120,590	166,707	82,466	51,927
Prepaid item	-	-	-	-
Due from other governments	958,004	344,674	-	-
Inventories of materials and supplies	4,878,067	-	-	-
Total Current Assets	68,958,186	69,982,205	35,847,106	22,900,360
Non-Current Assets				
Advance to other funds	-	2,651,969	-	-
Restricted - cash and cash equivalents	-	268,218	242,301	521,700
Land, water rights, other	1,878,377	53,170,063	3,217,675	8,278,750
Buildings, improvements and equipment	239,410,974	252,682,949	202,468,258	103,973,828
Accumulated depreciation	(134,475,953)	(112,934,640)	(78,403,227)	(31,064,947)
Construction in progress	38,201,537	19,586,045	17,292,002	22,771,499
Note receivable	137,325	-	-	-
Total Non-Current Assets	145,152,260	215,424,604	144,817,009	104,480,830
Total Assets	214,110,446	285,406,809	180,664,115	127,381,190
DEFERRED OUTFLOWS OF RESOURCES				
Deferred charge on refunding	-	116,427	126,266	603,706
Total Deferred Outflows of Resources	-	116,427	126,266	603,706
LIABILITIES				
Current Liabilities				
Accounts payable	11,133,783	1,123,980	410,785	2,218,099
Interest payable	42,800	55,105	107,578	81,205
Wages payable	275,130	185,215	150,106	68,575
Compensated absences	671,178	388,690	323,571	156,077
Bonds payable	1,580,804	2,758,112	1,683,104	3,213,420
Claims payable	-	-	-	-
Capital lease obligations	-	-	-	-
Total Current Liabilities	13,703,695	4,511,102	2,675,144	5,737,376
Non-Current Liabilities				
Postemployment healthcare benefits	415,844	-	237,625	-
Bonds payable	10,569,863	12,354,431	28,719,961	19,870,089
Claims payable	-	-	-	-
Capital lease obligations	-	-	-	-
Deposits held	6,000	-	-	-
Total Non-Current Liabilities	10,991,707	12,354,431	28,957,586	19,870,089
Total Liabilities	24,695,402	16,865,533	31,632,730	25,607,465
DEFERRED INFLOWS OF RESOURCES				
Deferred gain on refunding	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
NET POSITION				
Net investment in capital assets	132,864,268	197,508,301	114,297,909	81,479,327
Restricted: debt service	-	268,218	242,301	346,874
Restricted: fiscal agent	-	-	-	174,826
Unrestricted	56,550,776	70,881,184	34,617,441	20,376,404
Total Net Position	\$ 189,415,044	\$ 268,657,703	\$ 149,157,651	\$ 102,377,431

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

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

Net position 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
\$ 87,252	\$ 18,511,727	\$ 6,613,974
653,421	151,477,720	20,670,316
13,857	21,666,922	893,222
-	183,583	-
1,961	423,651	59,866
-	-	219,794
-	1,302,678	9,937
-	4,878,067	545,254
756,491	198,444,348	29,012,363
-	2,651,969	-
-	1,032,219	19,410
2,865,975	69,410,840	30,126
8,484,949	807,020,958	18,818,753
(4,095,929)	(360,974,696)	(13,392,569)
-	97,851,083	-
-	137,325	-
7,254,995	617,129,698	5,475,720
8,011,486	815,574,046	34,488,083
-	846,399	-
-	846,399	-
89,099	14,975,746	1,542,235
12,560	299,248	12,992
26,093	705,119	402,081
69,052	1,608,568	940,838
307,911	9,543,351	-
-	-	2,270,733
78,049	78,049	915,975
582,764	27,210,081	6,084,854
-	653,469	-
2,089,801	73,604,145	-
-	-	2,623,594
192,968	192,968	2,557,626
-	6,000	-
2,282,769	74,456,582	5,181,220
2,865,533	101,666,663	11,266,074
13,953	13,953	-
13,953	13,953	-
4,572,313	530,722,118	3,116,174
-	857,393	-
-	174,826	19,410
559,687	182,985,492	20,086,425
\$ 5,132,000	714,739,829	\$ 23,222,009
	2,674,163	
	(6,698,364)	
	\$ 710,715,628	

**PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Light and Power	Water	Wastewater	Storm Drainage
OPERATING REVENUES				
Charges for services	\$ 114,757,689	\$ 25,953,822	\$ 20,337,824	\$ 14,384,673
Total Operating Revenues	114,757,689	25,953,822	20,337,824	14,384,673
OPERATING EXPENSES				
Personal services	7,676,785	6,249,772	4,930,675	1,908,185
Contractual services	10,554,688	6,251,282	3,873,376	2,095,968
Commodities	81,723,155	1,725,170	1,244,938	184,788
Customer service and administrative charges	4,683,584	3,208,560	1,723,931	1,989,809
Other	4,338,282	674,692	168,694	331,277
Depreciation	8,032,824	5,514,445	4,696,652	2,134,399
Total Operating Expenses	117,009,318	23,623,921	16,638,266	8,644,426
Operating Income (Loss)	(2,251,629)	2,329,901	3,699,558	5,740,247
NONOPERATING REVENUES (EXPENSES)				
Earnings on investments	74,170	164,353	171,776	48,495
Intergovernmental	933,688	751,083	-	440
Other revenue	1,417,461	325,173	98,411	18,471
Gain (loss) on sale of capital assets	(873,819)	58,330	31,065	27,782
Interest expense	(483,529)	(580,735)	(1,307,778)	(1,012,449)
Total Nonoperating Revenues (Expenses)	1,067,971	718,204	(1,006,526)	(917,261)
Income (Loss) Before Contributions and Transfers	(1,183,658)	3,048,105	2,693,032	4,822,986
Capital contributions	12,954,709	5,474,104	3,172,339	842,455
Transfers in	86,147	-	-	32,000
Transfers out	(129,845)	(197,428)	(10,136)	(274,329)
Change in Net Position	11,727,353	8,324,781	5,855,235	5,423,112
Net Position--January 1	177,687,691	260,332,922	143,302,416	96,954,319
Net Position--December 31	\$ 189,415,044	\$ 268,657,703	\$ 149,157,651	\$ 102,377,431

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

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

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

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

Non Major Enterprise		
Fund Golf	Enterprise Funds	Internal Service Funds
<u>\$ 2,895,447</u>	<u>\$ 178,329,455</u>	<u>\$ 44,859,377</u>
<u>2,895,447</u>	<u>178,329,455</u>	<u>44,859,377</u>
1,209,568	21,974,985	14,844,541
841,268	23,616,582	30,917,073
456,328	85,334,379	6,628,453
-	11,605,884	-
-	5,512,945	14,917
<u>277,766</u>	<u>20,656,086</u>	<u>1,525,310</u>
<u>2,784,930</u>	<u>168,700,861</u>	<u>53,930,294</u>
<u>110,517</u>	<u>9,628,594</u>	<u>(9,070,917)</u>
2,665	461,459	19,666
-	1,685,211	-
32,943	1,892,459	1,338,643
1,185	(755,457)	66,518
<u>(69,683)</u>	<u>(3,454,174)</u>	<u>(73,873)</u>
<u>(32,890)</u>	<u>(170,502)</u>	<u>1,350,954</u>
<u>77,627</u>	<u>9,458,092</u>	<u>(7,719,963)</u>
-	22,443,607	-
-	118,147	6,779,659
<u>(35,458)</u>	<u>(647,196)</u>	<u>(1,990,602)</u>
42,169	31,372,650	(2,930,906)
<u>5,089,831</u>		<u>26,152,915</u>
<u>\$ 5,132,000</u>		<u>\$ 23,222,009</u>
	(801,583)	
	<u>(1,663,343)</u>	
	<u>\$ 28,907,724</u>	

**PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Light and Power	Water	Wastewater	Storm Drainage
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from customers and users	\$ 113,965,287	\$ 25,601,404	\$ 20,546,286	\$ 14,428,575
Receipts from interfund services provided	-	-	-	-
Cash paid to employees for services	(7,373,217)	(6,212,191)	(4,845,388)	(1,868,643)
Cash paid to other suppliers of goods & services	(96,924,245)	(9,982,869)	(5,533,431)	(1,154,830)
Payments for interfund services used	(4,683,584)	(3,459,335)	(1,849,163)	(2,171,662)
Other receipts	1,417,461	311,743	73,343	18,471
Net cash provided (used) by operating activities	6,401,702	6,258,752	8,391,647	9,251,911
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	86,147	-	-	32,000
Transfers to other funds	(129,845)	(197,428)	(10,136)	(274,329)
Advances to other funds	-	(2,651,969)	-	326,472
Advances from other funds	-	2,883,983	-	-
Grant proceeds from federal government	-	751,083	-	-
Net cash provided (used) by noncapital financing activities	(43,698)	785,669	(10,136)	84,143
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	-	425,000	-	-
Capital contributions	12,954,709	3,632,606	3,172,339	842,455
Purchases of capital assets	(16,114,806)	(11,249,426)	(3,685,864)	(1,678,176)
Principal paid on capital debt	(1,490,000)	(2,468,859)	(3,265,168)	(3,085,000)
Interest paid on capital debt	(547,127)	(588,343)	(1,317,913)	(953,765)
Proceeds from sales of capital assets	183,518	58,330	33,008	456,728
Grant proceeds from federal government	(24,316)	-	-	440
Net cash (used) by capital and related financing activities	(5,038,022)	(10,190,692)	(5,063,598)	(4,417,318)
CASH FLOWS FROM INVESTING ACTIVITIES				
Advance to component unit	30,040	-	-	-
Proceeds from sales and maturities of investments	-	61,576,884	26,083,923	-
Purchase of investments	(1,268,509)	(59,373,501)	(29,537,003)	(4,249,909)
Earnings received on investments	65,610	660,244	398,895	33,659
Net cash provided (used) by investing activities	(1,172,859)	2,863,627	(3,054,185)	(4,216,250)
Net increase (decrease) in cash and cash equivalents	147,123	(282,644)	263,728	702,486
Cash and cash equivalents, January 1	5,205,756	7,760,378	3,565,198	2,094,669
Cash and cash equivalents, December 31	5,352,879	7,477,734	3,828,926	2,797,155
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:				
Operating income (loss)	(2,251,629)	2,329,901	3,699,558	5,740,247
Other receipts	1,417,461	311,743	73,343	18,471
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation expense	8,032,824	5,514,445	4,696,652	2,134,399
(Increase) decrease in accounts receivable	(798,402)	(352,418)	208,462	43,902
Decrease in intergovernmental receivables	-	(344,674)	-	-
(Increase) decrease in inventories	(600,127)	-	-	-
(Decrease) in prepaid item	-	-	-	-
Increase (decrease) in accounts payable	292,007	(1,237,826)	(371,655)	1,275,350
Increase (decrease) in compensated absences payable	56,270	7,208	(849)	22,324
Increase in post-emp healthcare obligation	193,519	-	49,778	-
Increase in wages payable	53,779	30,373	36,358	17,218
(Decrease) in claims payable	-	-	-	-
Increase (decrease) in intergovernmental payable	6,000	-	-	-
(Decrease) in unearned revenue	-	-	-	-
Net cash provided (used) by operating activities	\$ 6,401,702	\$ 6,258,752	\$ 8,391,647	\$ 9,251,911
Noncash investing, capital, and financing activities:				
Capital contributions	-	1,841,498	-	-
Reconciliation of cash and cash equivalents to statement of net position:				
Cash and cash equivalents	5,352,879	7,209,516	3,586,625	2,275,455
Restricted Assets - cash and cash equivalents	-	268,218	242,301	521,700
	\$ 5,352,879	\$ 7,477,734	\$ 3,828,926	\$ 2,797,155

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

Non Major		
Enterprise Fund Golf	Total Enterprise Funds	Total Internal Service Funds
\$ 2,899,986	\$ 177,441,538	\$ -
-	-	44,651,254
(1,198,964)	(21,498,403)	(14,726,343)
(1,213,733)	(114,809,108)	(37,749,968)
(130,241)	(12,293,985)	(2,991)
29,847	1,850,865	1,338,643
386,895	30,690,907	(6,489,405)
-	118,147	6,779,659
(35,458)	(647,196)	(1,990,602)
-	(2,325,497)	-
-	2,883,983	-
-	751,083	-
(35,458)	780,520	4,789,057
156,644	581,644	1,788,138
-	20,602,109	-
(133,062)	(32,861,334)	(1,716,701)
(384,196)	(10,693,223)	(696,205)
(70,484)	(3,477,632)	(66,069)
1,185	732,769	87,536
-	(23,876)	-
(429,913)	(25,139,543)	(603,301)
-	30,040	-
-	87,660,807	14,588,467
71,502	(94,357,420)	(11,942,331)
2,738	1,161,146	161,003
74,240	(5,505,427)	2,807,139
(4,236)	826,457	503,490
91,487	18,717,488	6,129,894
87,251	19,543,945	6,633,384
110,517	9,628,594	(9,070,917)
29,847	1,850,865	1,338,643
277,766	20,656,086	1,525,310
4,539	(893,917)	(216,370)
-	(344,674)	(1,691)
-	(600,127)	34,101
-	-	(6,434)
(46,378)	(88,502)	158,287
6,243	91,196	39,205
-	243,297	-
4,361	142,089	78,993
-	-	(366,787)
-	6,000	-
-	-	(1,745)
\$ 386,895	\$ 30,690,907	\$ (6,489,405)
-	1,841,498	-
87,252	18,511,727	6,613,974
-	1,032,219	19,410
\$ 87,252	\$ 19,543,946	\$ 6,633,384

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2013

	<u>General Employee Retirement Plan</u>	<u>Agency Funds</u>
ASSETS		
Cash and cash equivalents	\$ 858,710	\$ 1,883,753
Receivables, interest	76,957	43,434
Investments, at fair value		
Certificate of deposit	205,662	449,975
U S Government securities	8,281,171	12,608,973
Corporate bonds	3,145,319	2,365,160
Mutual funds	<u>32,147,333</u>	<u>-</u>
Total Investments, at fair value	<u>43,779,485</u>	<u>15,424,108</u>
Total Assets	<u>44,715,152</u>	<u>17,351,295</u>
LIABILITIES		
Amounts held for other governments	-	17,351,295
Accounts Payable	<u>315</u>	<u>-</u>
Total Liabilities	<u>315</u>	<u>\$ 17,351,295</u>
NET POSITION		
Held in trust for pension benefits	<u>\$ 44,714,837</u>	

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

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>General Employee Retirement Plan</u>
ADDITIONS	
Contributions	
Employer contributions	<u>\$ 2,089,644</u>
Total Contributions	<u>2,089,644</u>
Investment income	
Interest related to plan investments	218,140
Net change in fair value of investments	<u>6,983,332</u>
Total Investment Income	<u>7,201,472</u>
Total Additions	<u>9,291,116</u>
DEDUCTIONS	
Benefit payments	4,044,328
Administration expense	<u>21,016</u>
Total Deductions	<u>4,065,344</u>
Net Increase in Plan Net Position	5,225,772
Net Position	
Beginning of year	<u>39,489,065</u>
End of year	<u>\$ 44,714,837</u>

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

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NOTES TO THE BASIC FINANCIAL STATEMENTS

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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: The Fort Collins, Colorado Downtown Development Authority (DDA), City of Fort Collins General Improvement District No. 1 (GID No. 1), the Fort Collins Capital Leasing Corporation (Corporation), the Urban Renewal Authority (URA), and the City of Fort Collins General Improvement District No. 15-Skyview (GID No. 15-Skyview). 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 as a special revenue fund and includes URA-North College District and URA-Prospect South TIF District.

GID No. 15-Skyview was organized in 1997 by Larimer County and was inherited by the City as part of the Southwest Annexation. The mill levy funds are used to maintain the street system for the Skyview Subdivision. GID No. 15-Skyview 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. 15-Skyview. Accordingly, its transactions and balances are blended with those of the City. GID No. 15-Skyview is presented as a special revenue fund.

The City completed construction of the Fort Collins Museum of Discovery (the "Museum") in November 2012 with the partnership of Discovery Center, a Colorado non-profit corporation. In January 2013, in accordance with the partnership agreement, the City granted a shared ownership of the property to Discovery Center. The 2 entities now jointly operate a museum where visitors from the northern Colorado region and surrounding areas can experience interactive exhibits and educational programs of a broad spectrum of relevant topics. The financial statements of the Museum are presented as a sub-fund of the general fund.

B. Joint Ventures

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

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, Eaton, Milliken, Severance 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 position 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 balance or net position, 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 Keep Fort Collins Great fund is used to account for collections of the City's 0.85% sales and use tax which is allocated as follows: 33% for street maintenance and repair; 17% for other street and transportation needs; 17% for police services; 11% for fire protection and other emergency services; 11% for parks maintenance and recreation services; and 11% for community priorities other than those listed above, as determined by the City Council.

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.

The URA special revenue fund is used to account for the tax increment financing for the operations and debt services of the Urban Renewal Authority, a blended component unit.

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, communication, 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 fund is used to account for the City's General Employees' Retirement Plan, a defined benefit pension plan to provide retirement benefits for its employees/retirees, for employees hired before January 1, 1999.

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.

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. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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.

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

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.

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. There were no significant accounts written off in the current year.

Long-term portions of receivables in the governmental fund financial statements are reported and then offset by nonspendable, restricted and committed fund balance reserve accounts in order to indicate that they are not available or spendable resources.

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 are completed periodically. As of December 31, 2013, 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.

Capital assets other than land, water rights, 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.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has one item that qualifies for reporting in this category. It is the deferred charge on refunding reported in the government-wide and proprietary funds statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt

and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of items that qualify for reporting in this category. Unavailable revenue is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from two sources: property taxes and grants. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide Statement of Net Position, only property taxes are reported as a deferred inflow of resources. Property taxes are recognized as an inflow of resources in the year they are levied. The other item is the deferred gain on refunding reported in the government-wide and proprietary funds statement of net position. A deferred gain on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Compensated Absences

The City allows employees to accumulate unused vacation pay and to defer overtime pay by accumulating compensatory leave up to maximum limits. 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. A liability for the amount is reported in governmental funds only if they have matured, for example as a result of employee resignations and retirements. Unused sick pay is not recognized as a liability because it does not meet the criteria for accrual.

Long-Term Obligations

In the government-wide financial statements and proprietary 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 position. 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. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenses.

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 Balance/Net Position

In the fund financial statements, fund equity of the City's governmental funds are classified as nonspendable, restricted, committed, assigned, or unassigned.

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. It also includes the long-term amount of advances, loans and notes receivables as well as property held for resale unless the proceeds

from the collection of these items would be considered restricted, committed, or assigned in which case they are included in those categories.

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 of any remaining positive amounts not classified in the above categories for governmental funds, other than the general fund. 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 Controller/Assistant Financial Officer as outlined in the fund balance policy.

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 positions 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. When both restricted net position and unrestricted net position are available for use, it is the City's policy to use restricted-net position first and then unrestricted net position. Net position invested in capital assets, 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. The government-wide statement of net position reports \$55,648,890 of restricted net position, of which \$33,270,674 is restricted by enabling legislation.

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.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Discretely Presented Component Units

The significant accounting policies for the City's discretely presented component unit 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 Project Funds

Budgets for the Capital Project Funds are 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, the Urban Renewal Authority Fund, and federal and state grants for which the legal level of control is at the project, tax increment financing district, or grant level. The General Fund also includes 2 sub-funds which require individual budgets. 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, the grant portion of Transportation Services and the capital project portion of the Keep Fort Collins Great Fund. Budgets are non-lapsing for capital projects in all the enterprise funds and for one of the internal service funds - 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).....	February 28
Taxes due in full (unless installments elected by taxpayer)	April 30
Second installment due date (second half due).....	June 17

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.

B. Excess of Expenditures Over Appropriations

For the year ended December 31, 2013, expenditures exceeded appropriations in the Capital Expansion fund, and Benefits fund. These over-expenditures will be covered by fund balance.

C. Deficit Fund Balance and Net Position

The Urban Renewal Authority fund had a deficit fund balance of \$1,494,512 as of December 31, 2013. 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 tax collections. The Community Development Block Grant fund also had a deficit fund balance of \$121,545 as of December 31, 2013 due to the recognition of an allowance against certain notes receivable in this fund.

The Downtown Development Authority reported a deficit net position of \$4,837,728. The fund will continue to have a deficit net position for the next few years as Tax Increment Funding (TIF) monies are collected through increased property tax collections.

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 2013 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, 2013, was \$47,399,404. The bank balance was \$43,776,765.

Component Unit

The Downtown Development Authority's undivided share of the City's deposits as of December 31, 2013 was a carrying amount of \$555,824. The bank balance was \$617,893.

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.
- 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.

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

- Equity Investments.
- Domestic mutual funds.
- International mutual funds.
- Bond 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 National Mortgage Association (FNMA), Federal Home Loan Mortgage Corp (FHLMC), Federal Farm Credit Bank (FFCB) and Federal Home Loan Bank (FHLB) agency securities. These investments are 23.99%, 26.09%, 22.52% and 8.46% respectively, of the City's total investment. All of these investments were rated AAA by Moody's and AA+ by Standard and Poor's.

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, the City utilizes a third-party safekeeping arrangement with financial institutions.

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) at the time of purchase. As of December 31, 2013, the City's investment in corporate bonds was rated AA- or better by Standard & Poor's and A1 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, 2013, the local government investment pools (ColoTrust & CSAFE, which are 2a7-like investment pools) in which the City had invested, were rated AAA by Standard & Poor's.

As of December 31, 2013, the City had the following investments and maturities:

Primary Government (including Fiduciary Funds)

<u>Investment Type</u>	<u>Credit Risk Rating</u> <u>S&P/Moody's</u>	<u>Fair</u> <u>Value</u>	<u>Investment Maturities</u>		
			<u>Up to</u> <u>120 days</u>	<u>121 days</u> <u>to 5 years</u>	<u>More than</u> <u>5 years</u>
U.S. Agencies (GNMA)	AA+/AAA	\$ 23,446	\$ -	\$ 23,446	\$ -
Instrumentality					
Federal Farm Credit Bank (FFCB)	AA+/AAA	78,467,822	2,500,000	73,503,422	2,464,400
Federal Home Loan Bank (FHLB)	AA+/AAA	25,032,515	2,509,500	22,523,015	-
Federal Home Loan Mortgage Corporation (FHLMC)	AA+/AAA	90,923,122	10,003,700	80,919,422	-
Federal National Mortgage Association (FNMA)	AA+/AAA	83,622,241	-	83,622,241	-
Corporate bonds	AA+/Aa1	2,481,850	-	2,481,850	-
Corporate bonds	AA+/A1	8,109,249	5,000,950	3,108,299	-
Corporate bonds	AA+/Aa3	20,130,140	-	20,130,140	-
Corporate bonds	AA-/Aa3	11,962,803	-	11,962,803	-
Corporate bonds	AA/Aa1	2,505,925	-	2,505,925	-
Corporate bonds	AA/Aa2	7,439,197	-	7,439,198	-
Corporate bonds	A-/Baa1	2,081,820	-	2,081,820	-
Certificates of Deposit		9,866,904	-	9,866,904	-
Total Investments Controlled by the City		\$ 342,647,034	\$ 20,014,150	\$ 320,168,484	\$ 2,464,400
Percent of Total			6%	93%	1%
The City has \$32,147,333 invested in Mutuals Funds, but those investments are held by ICMA for employee's retirement accounts.					

Component Unit

<u>Investment Type</u>	<u>Credit Risk Rating</u> <u>S&P/Moody's</u>	<u>Fair</u> <u>Value</u>	<u>Investment Maturities</u>		
			<u>Up to</u> <u>120 days</u>	<u>121 days</u> <u>to 5 years</u>	<u>More than</u> <u>5 years</u>
Instrumentality					
Federal Home Loan Bank (FHLB)	AA+/AAA	4,438,500	-	4,438,500	-
Certificates of Deposit		1,383,096	1,250,000	133,096	-
Total Investments Controlled by the City		\$ 5,821,596	\$ 1,250,000	\$ 4,571,596	\$ -
Percent of Total			21%	79%	0%

Restrictions on Cash and Investments

Cash and investments of \$268,218, \$242,301 and \$346,874, respectively, in the Water, Wastewater and Storm Water funds are contractually restricted for debt service through bond ordinances. Investments of \$2,491,126 in the DDA are restricted for debt service. Restricted assets of \$3,049 in the General fund, \$435,876 in Transportation Services fund, \$952,103 in the Urban Renewal Authority Fund, and \$15,688 and \$3,722, respectively, in the Equipment and Data and Communications funds are restricted for unspent lease proceeds. Restricted assets for cash held in escrow in connection with property acquisitions of \$174,826 is reported in the Natural Areas and Storm Drainage Fund.

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. In 2013, the City did receive an interest payment of \$99,924. The outstanding balance as of December 31, 2013 is \$913,000. The allowance recorded against this receivable balance 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, 2013 is \$200,000. The allowance recorded against this receivable balance is \$200,000.

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 were provided by the HOME Program special revenue fund and 50% of the loan proceeds were provided by the General Fund. Due to Federal HOME requirements, the loan must be repaid to the HOME Program, thus the entire note balance is recorded in the HOME Program special revenue 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 2013, the City did receive a payment of \$19,417. The outstanding balance as of December 31, 2013 is \$230,583.

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, 2013 is \$171,395. The Light and Power Fund also has certain notes receivable with customers connected to a Home Efficiency Loan Program for \$49,513.

In May 2009, the Urban Renewal Authority (URA) loaned Rocky Mountain Innovation Initiative (RMII) \$1,100,000 for the construction of their new facility. In January 2010, the URA loaned RMII an additional \$4,203,939 for the remaining cost of construction. The 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 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. The outstanding balance as of December 31, 2013 is \$5,303,939.

In September 2011, the City (Water Fund) entered an agreement with the Museum Non-Profit Corporation (NPC) to assist in the continuation of constructing the Fort Collins Museum/Discovery Science Center facility. Under the agreement, the City loaned \$875,000. The NPC had made a commitment of \$4,561,916 to the building with \$875,000 of that amount in the form of pledges being paid between 2011 and 2014. The loan has a 3.25 year term and bears a fixed interest rate of 3.5%. The outstanding balance as of December 31, 2013 is \$100,000.

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 notes.

C. Capital Assets

A summary of changes in capital asset activity for the year ended December 31, 2013 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	\$ 203,022,377	\$ 1,593,278	\$ 420,000	\$ -	\$ 205,035,655
Street system infrastructure	265,485,207	16,641,833	-	-	282,127,040
Construction in progress	54,465,734	41,842,872	(14,889,298)	(2,551,965)	78,867,343
Total capital assets, not being depreciated	522,973,318	60,077,983	(14,469,298)	(2,551,965)	566,030,038
Capital assets, being depreciated:					
Buildings and improvements	128,319,033	25,124	-	-	128,344,157
Improvements other than buildings	111,980,835	1,583,611	-	(3,343,129)	110,221,317
Machinery and equipment	70,323,204	12,540,261	55,500	(1,298,265)	81,620,700
Total capital assets being depreciated	310,623,072	14,148,996	55,500	(4,641,394)	320,186,174
Less accumulated depreciation for:					
Buildings and improvements	(35,437,481)	(2,586,618)	-	-	(38,024,099)
Improvements other than buildings	(43,759,189)	(4,317,419)	-	240,559	(47,836,049)
Machinery and equipment	(47,425,829)	(5,682,318)	(55,500)	1,106,286	(52,057,361)
Total accumulated depreciation	(126,622,499)	(12,586,355)	(55,500)	1,346,845	(137,917,509)
Total capital assets being depreciated, net	184,000,573	1,562,641	-	(3,294,549)	182,268,665
Governmental activities capital assets, net	<u>\$ 706,973,891</u>	<u>\$ 61,640,624</u>	<u>\$ (14,469,298)</u>	<u>\$ (5,846,514)</u>	<u>\$ 748,298,703</u>
Business-type activities					
Capital assets, not being depreciated:					
Land, rights of way, water rights, other	\$ 67,989,343	\$ 1,841,497	\$ (420,000)	\$ -	\$ 69,410,840
Construction in progress	88,308,459	32,491,612	(21,666,458)	(1,282,530)	97,851,083
Total capital assets, not being depreciated	156,297,802	34,333,109	(22,086,458)	(1,282,530)	167,261,923
Capital assets, being depreciated:					
Buildings and improvements	228,057,781	3,829,039	-	-	231,886,820
Improvements other than buildings	507,972,743	17,746,451	-	(6,340,492)	519,378,702
Machinery and equipment	60,080,388	1,698,023	(55,500)	(2,602,543)	59,120,368
Total capital assets being depreciated	796,110,912	23,273,513	(55,500)	(8,943,035)	810,385,890
Less accumulated depreciation for:					
Buildings and improvements	(88,292,419)	(4,743,227)	-	-	(93,035,646)
Improvements other than buildings	(216,309,846)	(13,873,568)	-	5,285,817	(224,897,597)
Machinery and equipment	(46,265,795)	(2,383,542)	55,500	2,577,866	(46,015,971)
Total accumulated depreciation	(350,868,060)	(21,000,337)	55,500	7,863,683	(363,949,214)
Total capital assets being depreciated, net	445,242,852	2,273,176	-	(1,079,352)	446,436,676
Business-type activities capital assets, net	<u>\$ 601,540,654</u>	<u>\$ 36,606,285</u>	<u>\$ (22,086,458)</u>	<u>\$ (2,361,882)</u>	<u>\$ 613,698,599</u>

	Balance Beginning of Year	Additions	Deletions	Balance End of Year
	(amounts expressed in thousands)			
Component Unit:				
Capital Assets; not being depreciated:				
Land	\$ 2,529	\$ -	\$ -	\$ 2,529
Capital assets being depreciated:				
Buildings and improvements	4,495	-	-	4,495
Improvements other than buildings	17	-	-	17
Total capital assets being depreciated	4,512	-	-	4,512
Less accumulated depreciation for:				
Buildings and improvements	(1,641)	(92)	-	(1,733)
Improvements other than buildings	(17)	-	-	(17)
Total accumulated depreciation	(1,658)	(92)	-	(1,750)
Total capital assets being depreciated, net	2,854	(92)	-	2,762
Component unit capital assets, net	\$ 5,383	\$ (92)	\$ -	\$ 5,291

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

	Governmental Activities	Business-Type Activities
General government	\$ 715,835	\$ -
Public safety - police & judicial	1,478,201	-
Cultural, parks, recreation & environmental services	4,923,643	-
Planning and development	25,970	-
Transportation services	4,261,649	-
Capital assets held by the City's internal service funds used for governmental activities	1,181,057	-
Light & Power	-	8,032,824
Water	-	5,514,445
Wastewater	-	4,696,652
Storm Drainage	-	2,134,399
Non-major Enterprise funds - Golf	-	277,766
Capital assets held by the City's internal service fund used for business-type activities	-	344,251
Total depreciation expense	12,586,355	21,000,337
Less capital assets held by the City's internal service funds	1,181,059	344,251
Depreciation expense excluding internal service funds	\$ 11,405,296	\$ 20,656,086

D. Interfund Transfers and Advances:

		Transfers In:						
	<u>General</u>	<u>Trans- portation Services</u>	<u>Capital Projects</u>	<u>Nonmajor Governmental</u>	<u>Light and Power</u>	<u>Storm Drainage</u>	<u>Internal Service</u>	<u>Total</u>
Transfer out:								
Governmental Funds								
General	\$ 731,420	\$ 3,931,822	\$ 1,225,317	\$ 10,818,544	\$ 86,147	\$ 32,000	\$ 4,680,870	\$ 21,506,120
Transportation Services	-	-	331,240	105,460	-	-	-	436,700
Capital Projects	-	-	-	109,210	-	-	-	109,210
Nonmajor Governmental	1,312,211	80,000	6,149,930	7,995,436	-	-	115,069	15,652,646
Proprietary Funds								
Light & Power	-	-	-	129,845	-	-	-	129,845
Water	-	-	-	197,428	-	-	-	197,428
Wastewater	-	-	-	10,136	-	-	-	10,136
Storm Drainage	-	215,000	-	59,329	-	-	-	274,329
Golf	-	-	-	-	-	-	35,458	35,458
Internal Service	42,340	-	-	-	-	-	1,948,262	1,990,602
Total transfers in	\$ 2,085,971	\$ 4,226,822	\$ 7,706,487	\$ 19,425,388	\$ 86,147	\$ 32,000	\$ 6,779,659	\$ 40,342,474

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: 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. The amount outstanding as of December 31, 2013 is \$5,303,939.

In November 2013, the City loaned Urban Renewal Authority (URA) \$5,000,000 for The Summit on College Project, a mixed-use student housing project in the Prospect South Tax Increment Financing (TIF) District. The loan has a 24.16 year term and bears a fixed interest rate of 2.68%. The outstanding balance as of December 31, 2013 is \$5,000,000.

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, 2013, the City had \$38,360,287 and \$2,397,712 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 \$5,871,826 and \$271,017 of capital leases outstanding as of December 31, 2013, for governmental and business-type activities, respectively.

Cost of all capital assets holding at December 31, 2013 that have been acquired under capital leases:

	Governmental Activities	Business Type Activities
	<u>Balance, End of Year</u>	<u>Balance, End of Year</u>
Buildings and Improvements	\$ 351,930	\$ -
Improve o/t buildings	-	114,030
Machinery and equipment	<u>11,469,238</u>	<u>1,388,947</u>
Accumulated depreciation	<u>(7,303,742)</u>	<u>(1,060,935)</u>
Net Book Value	<u>\$ 4,517,426</u>	<u>\$ 442,042</u>

DDA Short-Term Obligation: In 2012, a revolving line of credit was established with a bank for a 6 year period in the amount of \$1,000,000 to finance DDA projects and programs in accordance with its approved Plan of Development, the Downtown Plan and the Downtown Strategic Plan. During the fiscal year 2013, total draw amounts were \$868,077. In July 2013, a total of \$868,077 was repaid and there is no amount outstanding as of December 31, 2013.

The DDA pays a portion of the City's 2007 Certificates of Participation (COPS). In 2013, that payment was \$229,655.

The Downtown Development Authority services the 2010A and 2010B Subordinate Tax Increment Revenue Bonds. The taxable 2010A tax increment revenue bonds will mature in 2018 and the tax-exempt 2010B increment revenue bonds will mature in 2020.

In 2013 the City issued a subordinate tax increment revenue bond with a Corporation for the principal sum of \$6,050,000 to be serviced by the Downtown Development Authority. The Bond is not a general obligation of the City and full faith and credit of the City is not pledged to pay the debt service requirements. Principal and interest payments are secured by a pledge of Tax Increment Revenue. In the event that the available Pledged Tax Increment Revenues are not sufficient to repay the principal of and the interest on the Bond in full during the Tax Increment Period the City has declared the intent to pay any unpaid amounts from legally available funds of the City, subject to appropriation by the Council. The proceeds were received by the Downtown Development Authority and contributed to the Capital Projects fund to be used to design, acquire, construct and install City infrastructure in connection with the agreement with the Corporation. The contribution was recorded as intergovernmental revenue in the Capital Projects fund and general government capital contributions in the government-wide statement of activities.

In 2013 the City issued tax increment revenue bonds for the principal sum of \$11,085,000 to be serviced by the Urban Renewal Authority – North College District (URA). The bond is a special and limited obligation of the City payable solely out of and secured by a pledge of tax increment revenue. The proceeds were received by the URA and were used to pay off advances made by the City for the North College Marketplace, JAX Inc. Building Expansion, Northeast College Corridor Outfall, and the Kaufman and Robinson projects.

PLEDGED REVENUES

Date <u>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>
1997	Water Revenue Bond	Water Revenues	2,697,205	Water Capital Projects	through 2017
1999	Water Revenue Bonds	Water Revenues	2,021,191	Water Capital Projects	through 2019
2003	Subordinate Water Revenue Bonds	Water Revenues	2,268,546	Water Capital Projects	through 2030
2008	Water Revenue Refunding Bonds	Water Revenues	10,415,113	Water Capital Projects	through 2018
2001	Storm Drainage Revenue Bonds	Storm Drainage Revenues	6,005,394	Storm Drainage Improvements	through 2021
2007	Storm Drainage Revenue Refunding Bonds	Storm Drainage Revenues	11,067,885	Storm Drainage Improvements	through 2019
2007	Storm Drainage Revenue Refunding Bonds	Storm Drainage Revenues	1,822,021	Storm Drainage Improvements	through 2017
2011	Storm Drainage Revenue Refunding Bonds	Storm Drainage Revenues	8,133,626	Storm Drainage Improvements	through 2022
1992	Sewer Revenue Bonds	Sewer Revenues	69,975	Sewer Capital Projects	through 2014
2009	Sewer Revenue Bonds	Sewer Revenues	37,533,850	Sewer Capital Projects	through 2028
2010	Sewer Revenue Bonds	Sewer Revenues	3,078,767	Sewer Capital Projects	through 2020
2010	Light and Power Bonds	Light and Power Revenues	13,918,132	Light and Power Capital Projects	through 2020

Date <u>Issued</u>	<u>Description</u>	<u>% Revenue Pledged</u>	<u>P & I for 2013</u>	<u>Recognized for 2013</u>
1997	Water Revenue Bond	1-15%	771,494	14,617,389
1999	Water Revenue Bonds	1-15%	368,224	14,617,389
2003	Subordinate Water Revenue Bonds	1-15%	188,224	14,617,389
2008	Water Revenue Bonds	1-15%	377,489	14,617,389
2001	Storm Drainage Revenue Bonds	1-25%	850,151	8,812,289
2007	Storm Drainage Revenue Refunding Bonds	1-25%	1,994,266	8,812,289
2007	Storm Drainage Revenue Refunding Bonds	1-25%	452,537	8,812,289
2011	Storm Drainage Revenue Refunding Bonds	1-25%	871,088	8,812,289
1992	Sewer Revenue Bonds	1-25%	1,843,493	11,869,801
2009	Sewer Revenue Bonds	1-25%	2,385,606	11,869,801
2010	Sewer Revenue Bonds	1-25%	426,943	11,869,801
2010	Light and Power Bonds	1-25%	2,037,126	20,287,403

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	
2014	540	408	9,121	3,389	960,173
2015	550	397	9,481	2,978	959,322
2016	560	386	9,872	2,578	958,313
2017	575	369	9,878	2,196	956,137
2018	595	352	8,956	1,796	957,565
2019-2023	3,320	1,414	20,593	4,786	4,759,792
2024-2028	4,035	696	11,658	1,710	4,743,981
2029-2030	910	39	38	2	948,715
	<u>\$ 11,085</u>	<u>\$ 4,060</u>	<u>\$ 79,597</u>	<u>\$ 19,435</u>	<u>\$ 15,243,995</u>

Certificates of Participation Payments

Year Ending December 31	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2014	4,090	769	155	34	5,048
2015	4,185	669	175	27	5,056
2016	4,265	567	195	20	5,047
2017	4,380	462	200	13	5,055
2018	4,460	355	225	4	5,044
2019-2023	10,765	971	-	-	11,736
2024-2028	5,760	156	-	-	5,916
	<u>\$ 37,905</u>	<u>\$ 3,949</u>	<u>\$ 950</u>	<u>\$ 98</u>	<u>\$ 42,902</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	
2014	48	7	153	23	231
2015	50	6	161	20	237
2016	53	6	168	18	245
2017	55	5	176	15	250
2018	58	4	184	12	258
2019-2022	191	6	606	19	823
	<u>\$ 455</u>	<u>\$ 34</u>	<u>\$ 1,448</u>	<u>\$ 107</u>	<u>\$ 2,044</u>

Capital Lease Payments

Year Ending December 31	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2014	1,542	121	78	6	1,747
2015	1,578	85	80	4	1,747
2016	1,413	49	56	2	1,522
2017	898	22	40	1	961
2018	441	5	17	-	463
	<u>\$ 5,872</u>	<u>\$ 282</u>	<u>\$ 271</u>	<u>\$ 13</u>	<u>\$ 6,438</u>

Component Unit

Year Ending December 31	DDA - Tax Increment Bonds		Total
	Principal	Interest	
2014	1,370	561	1,931
2015	1,418	495	1,913
2016	1,780	427	2,207
2017	1,846	351	2,197
2018	1,923	270	2,193
2019-2023	4,354	698	5,052
2024-2028	1,276	554	1,830
2029-2031	2,593	268	2,861
	<u>\$ 16,560</u>	<u>\$ 3,624</u>	<u>\$ 20,184</u>

General long - term obligations of the primary government at December 31, 2013 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 Urban Renewal Authority - North College District (secured by tax increment property taxes)				
2013	2013 URA Tax Increment Revenue Bonds (2.000 - 4.250%)	2029	\$ 11,085,000	\$ 11,085,000
COPs / ALPs serviced by General Fund and General Improvement District No. 1 Fund through the Fort Collins Capital Leasing Corporation Debt Service Fund				
2007	Lease Certificates of Participation (3.860%)	2018	\$ 12,880,000	\$ 6,300,000
2012	Lease Certificates of Participation (1.820%)	2026	34,395,000	31,605,000
2001	Assignment of Lease Payments - Police (4.70%)	2021	890,000	455,287
Unamortized premium on bonds				307,158
Other Obligations of Governmental Funds				
N/A	Capital lease obligations (secured by leased equipment)	2013	N/A	2,398,225
N/A	Compensated absences	N/A	N/A	4,906,234
N/A	Net pension obligation	N/A	N/A	3,203,138
N/A	Net Post Employment Health Care Obligation	N/A	N/A	1,188,127
Other Obligations of Internal Service Fund used by Governmental Activities				
N/A	Capital lease obligations (secured by leased equipment)	2013	N/A	3,473,601
N/A	Compensated absences	N/A	N/A	544,727
N/A	Claims Payable	N/A	N/A	4,894,327
Total				<u><u>\$ 70,360,824</u></u>

Component unit long - term debt at December 31, 2013, is comprised of the following obligations:

Bonds Serviced by Downtown Development Authority Debt Service Fund				
2010	Subordinate Tax Increment Revenue Bonds (4.010-6.080%) (secured by tax increment property taxes)	2020	12,500,000	10,510,000
2013	Subordinate Tax Increment Revenue Bonds (variable interest rate based on the 10 year U.S. Treasury Note with a floor of .25%) (secured by tax increment property taxes)	2031	6,050,000	6,050,000
Other Obligations – Component Unit				
N/A	Compensated absences	N/A	N/A	10,414
Total				<u><u>\$ 16,570,414</u></u>

(Continued)

Business-type long-term obligations at December 31, 2013 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				
Light and Power Fund (secured by light and power revenues)				
2010	Light and Power Bond (2.25-4.52%)	2020	\$ 16,085,000	\$ 11,725,000
Water Fund (secured by water revenues)				
1997	Water Revenue Bond (3.80-5.30%)	2017	10,125,300	2,338,933
1999	Water Revenue Bond (3.28-5.25%)	2019	4,998,395	1,688,794
2003	Subordinate Water Revenue Bonds (5.025%)	2030	2,476,446	1,667,197
2008	Water Revenue Bond (3.46%)	2018	9,645,000	9,415,000
2009	Water Revenue Bond (2.25-4.00%)	2013	7,815,000	-
Storm Drainage Fund (secured by storm drainage revenues)				
2001	Storm Drainage Revenue Bond (4.50-5.25%)	2021	9,845,000	4,447,500
2007	Storm Drainage Revenue Refunding Bonds (4.086%)	2019	15,945,000	9,705,000
2007	Storm Drainage Revenue Refunding Bonds (4.086%)	2017	3,360,000	1,650,000
2011	Storm Drainage Revenue Refunding Bonds (2.49%)	2022	8,515,000	7,200,000
Wastewater Fund (secured by sewer revenue)				
1992	Sewer Revenue Bond (5.0-6.0%)	2014	24,540,580	-
2009	Sewer Revenue Bonds (2.0-5.0%)	2028	30,655,000	27,020,000
2010	Sewer Revenue Bonds (2.99%)	2020	3,900,000	2,740,000
Unamortized premium on bonds				1,165,303
Unamortized discount on bonds				(12,943)
Golf Fund (secured by golf revenue)				
2007	Lease Certificates of Participation (3.860%)	2018	1,715,000	950,000
2001	Assignment of Lease Payments (4.70%)	2021	2,830,000	1,447,712
Other Obligations of Enterprise Funds				
N/A	Capital lease obligations (secured by leased equipment)	2018	N/A	271,017
N/A	Net Post Employment Health Care Obligation	N/A	N/A	653,469
N/A	Compensated absences	N/A	N/A	1,608,568
Other Obligations of the Internal Service Fund used by Business-type Activities				
N/A	Compensated absences	N/A	N/A	396,111
Total				<u><u>\$ 86,076,661</u></u>

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 October 18, 2012, the City issued \$34,395,000 of Series 2012 Certificates of Participation (COPs) with an average interest rate of 1.82 percent, to advance refund \$35,030,000 relating to outstanding Series 2004A Certificates of Participation, with an interest rate ranging from 4.00 percent to 5.375 percent. Additional City funds of \$4,049,311 were used to purchase the new 2012 COPs (after payment of \$113,218 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 2004A COPs. The 2004A COPs will be redeemed in full on June 1, 2014.

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, 2013, there were 19 series of Industrial Development Revenue Bonds outstanding, with an estimated aggregate principal amount payable of \$55.8 million.

Changes in long-term liabilities

Long-term liability activity for the year ended December 31, 2013 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	\$ -	\$ 11,085,000	\$ -	\$ 11,085,000	\$ 540,000
Fort Collins Leasing Corporation					
Certificates of participation	41,845,000	-	(3,940,000)	37,905,000	4,090,000
Assignment of lease payments	501,222	-	(45,935)	455,287	48,089
Total bonds, COPS and ALPs	42,346,222	11,085,000	(3,985,935)	49,445,287	4,678,089
Add other financing sources (bond premium)	-	307,158	-	307,158	19,298
Total bonds, COPS and ALPs	42,346,222	11,392,158	(3,985,935)	49,752,445	4,697,387
Other Liabilities:					
Capital leases	3,718,971	3,294,889	(1,142,034)	5,871,826	1,541,869
Compensated absences	5,150,634	4,948,393	(4,648,066)	5,450,961	5,450,961
Claims payable	5,261,114	17,701,381	(18,068,168)	4,894,327	2,270,733
Net pension obligation	2,765,738	437,400	-	3,203,138	-
Net post employment health care obligation	1,246,252	-	(58,125)	1,188,127	-
Total other liabilities	18,142,709	26,382,063	(23,916,393)	20,608,379	9,263,563
Governmental activities long-term liabilities	<u>\$ 60,488,931</u>	<u>\$ 37,774,221</u>	<u>\$ (27,902,328)</u>	<u>\$ 70,360,824</u>	<u>\$ 13,960,950</u>
Business-Type Activities					
Bonds, COPS, and ALPs:					
Revenue bonds	\$ 90,006,816	\$ -	\$ (10,409,392)	\$ 79,597,424	\$ 9,121,535
Fort Collins Leasing Corporation					
Certificates of participation	1,095,000	-	(145,000)	950,000	155,000
Assignment of lease payments	1,593,777	-	(146,065)	1,447,712	152,911
	92,695,593	-	(10,700,457)	81,995,136	9,429,446
Add bond premium	1,374,697	-	(209,394)	1,165,303	117,696
Less bond discount and	(16,734)	-	3,791	(12,943)	(3,792)
Total bonds, COPS and ALPs	94,053,556	-	(10,906,060)	83,147,496	9,543,350
Other Liabilities:					
Capital leases	207,504	156,643	(93,130)	271,017	78,050
Compensated absences	1,879,297	2,132,800	(2,007,418)	2,004,679	2,004,679
Net post employment health care obligation	410,172	243,297	-	653,469	-
Total other liabilities	2,496,973	2,532,740	(2,100,548)	2,929,165	2,082,729
Business-type activities long-term liabilities	<u>\$ 96,550,529</u>	<u>\$ 2,532,740</u>	<u>\$ (13,006,608)</u>	<u>\$ 86,076,661</u>	<u>\$ 11,626,079</u>
<u>Component Unit:</u>					
Bonds:					
Tax revenue bonds	\$ 11,800,000	\$ 6,050,000	\$ (1,290,000)	\$ 16,560,000	\$ 1,370,000
Total bonds	11,800,000	6,050,000	(1,290,000)	16,560,000	1,370,000
Compensated absences	8,537	20,418	(18,541)	10,414	10,414
Component unit long-term liabilities	<u>\$ 11,808,537</u>	<u>\$ 6,070,418</u>	<u>\$ (1,308,541)</u>	<u>\$ 16,570,414</u>	<u>\$ 1,380,414</u>

Compensated Absences for Governmental Activities

The General Fund is primarily used to liquidate the liability for compensated absences. The entire portion is current, as employees typically use the full balance in the subsequent year and the City records usage on a first in, first out basis.

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.

Net Pension Obligation for Governmental Activities

The liability for net pension obligation is liquidated primarily by the General Fund.

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.

Net Post Employment Health Care Obligation for Governmental Activities

The General Fund is primarily used to liquidate the liability for net post employment health care obligation.

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

GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. The following represents these classifications and the purposes for which the amounts can be spent.

Fund Balances (Deficit):	Keep Fort		Transportation	Capital Projects	Urban Renewal Authority	Non-major Governmental	Total
	General	Collins Great					
Nonspendable:							
Advances	\$ 5,000,000	\$ -	\$ -	\$ -	\$ 5,303,939	\$ -	\$ 10,303,939
Inventories	2,896,665	-	-	-	-	-	2,896,665
Prepays	200	-	150	-	-	9,046	9,396
Total Nonspendable	7,896,865	-	150	-	5,303,939	9,046	13,210,000
Restricted:							
Voter approved capital	694,514	-	-	11,911,811	-	2,457,443	15,063,768
BOB Park Maintenance	75,000	-	-	-	-	-	75,000
Civic Center Parking	-	-	815,262	-	-	-	815,262
Conservation Trust	-	-	-	-	-	1,931,157	1,931,157
Convention & Visitors Bureau	103,386	-	-	-	-	-	103,386
DDA/Woodward Bonds	2,272,000	-	-	-	-	-	2,272,000
Debt Service	-	-	-	-	952,103	-	952,103
Economic Rebates	2,382,450	-	-	-	-	-	2,382,450
Emergency	5,331,680	-	-	-	-	-	5,331,680
Fiscal Agent	3,049	-	435,876	-	-	174,826	613,751
Fourth of July	6	-	-	-	-	-	6
HOME	-	-	-	-	-	354,513	354,513
Horticulture	245,535	-	-	-	-	-	245,535
Larimer County Drug Task Force	371,324	-	-	-	-	-	371,324
KFCG Street Maintenance	-	1,569,381	-	-	-	-	1,569,381
KFCG Other Transportation	-	4,791,744	-	-	-	-	4,791,744
KFCG Police Services	-	2,857,877	-	-	-	-	2,857,877
KFCG Fire & Emergency Services	-	494,848	-	-	-	-	494,848
KFCG Parks & Rec	-	959,733	-	-	-	-	959,733
KFCG Other	-	2,126,643	-	-	-	-	2,126,643
Natural Areas	-	-	-	-	-	9,935,072	9,935,072
Notes & loans receivable	-	-	-	-	-	230,583	230,583
Perpetual Care	-	-	-	-	-	1,689,182	1,689,182
Tree Donations	47,612	-	-	-	-	-	47,612
PEG Distribution	94,712	-	-	-	-	-	94,712
Police CAD Replacement	331,856	-	-	-	-	-	331,856
Recreation Donations	-	-	-	-	-	30,311	30,311
Udall Property	145,432	-	-	-	-	-	145,432
Woodward Rebates	62,552	-	-	-	-	-	62,552
Total Restricted	12,161,108	12,800,226	1,251,138	11,911,811	952,103	16,803,087	55,879,473
Committed:							
Art in public places	-	-	-	-	-	342,974	342,974
Advances	-	-	-	-	-	2,651,970	2,651,970
Capital expansion - General government	-	-	-	-	-	3,893,126	3,893,126
Capital expansion - Police	-	-	-	-	-	887,528	887,528
Capital expansion - Fire	-	-	-	-	-	367,707	367,707
Capital expansion - Community Parkland	-	-	-	-	-	9,031,901	9,031,901
Capital projects	-	-	-	-	-	1,989,019	1,989,019
Cultural development and planning	152,369	-	-	-	-	-	152,369
Cultural, Park, Rec & Environment	-	-	-	-	-	5,404,059	5,404,059
Encumbrances	-	-	-	-	-	337,293	337,293
Operations	-	-	-	-	-	42,424	42,424
Planning & Development	-	-	-	-	-	840,992	840,992
Maintenance, Mitigation & Improvement	8,977	-	-	-	-	-	8,977
Traffic calming	485,124	-	-	-	-	-	485,124
Street Oversizing	-	-	-	-	-	11,183,068	11,183,068
Transportation	-	-	-	-	-	169,735	169,735
Total Committed	646,470	-	-	-	-	37,141,796	37,788,266
Assigned:							
Affordable housing	257,690	-	-	-	-	-	257,690
Camera radar	876,506	-	-	-	-	-	876,506
Capital projects	-	-	-	9,126,254	-	500,000	9,626,254
DT Parking Plan	-	-	557,597	-	-	-	557,597
Encumbrances	4,459,009	-	650,120	-	-	3,414,561	8,523,690
Harmony Road	-	-	6,112,027	-	-	-	6,112,027
Manufacturer Use Tax Rebate	345,000	-	-	-	-	-	345,000
Operations	-	-	473,544	-	-	421,532	895,076
Police department	94,407	-	-	-	-	-	94,407
Recreation	-	-	-	-	-	266,330	266,330
Road Improvements	4,300,000	-	-	-	-	-	4,300,000
Cultural, Park, Rec & Environment	-	-	-	-	-	3,977,146	3,977,146
Transportation	-	-	5,944,795	-	-	-	5,944,795
Waste Innovation Program	70,847	-	-	-	-	-	70,847
Total Assigned	10,403,459	-	13,738,083	9,126,254	-	8,579,569	41,847,365
Unassigned:	29,012,017	-	-	-	(7,750,554)	(121,545)	21,139,918
Total Fund Balances (Deficit)	\$ 60,119,919	\$ 12,800,226	\$ 14,989,371	\$ 21,038,065	\$ (1,494,512)	\$ 62,411,953	\$ 169,865,022

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 2013, the City purchased liability insurance through a risk retention group. 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 \$500,000 for all worker classifications. An excess policy providing limits mandated by the State of Colorado provides coverage above the self-insured retention.

In 2013, 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 \$1,000 deductible and the employment related practice claims have a 50% of loss, with a maximum \$100,000 per occurrence deductible. The property insurance policy has a deductible of \$500. Coverage limits are as follows:

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

Employee Health and Illness

The City and the component unit self-fund their employees for comprehensive major medical benefits under two health plan options. 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 \$225,000 per occurrence is retained as excess risk coverage. During the past three years, there have been 10 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, establish reserves for catastrophic losses, and pay policy premiums.

Claims liabilities for the Self-Insurance and Benefits Funds as of December, 31, 2013, amount to \$3,497,933 and \$1,396,394 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 \$6,964,022 for the Self Insurance Fund is undiscounted 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 2011, 2012 and 2013 are as follows:

	Self-Insurance	Benefits
Claims payable - December 31, 2011	\$ 4,317,105	\$ 1,237,586
Claims & changes in estimates	748,733	15,357,945
Claim payments	(1,064,999)	(15,335,256)
Claims payable - December 31, 2012	4,000,839	1,260,275
Claims & changes in estimates	807,917	16,893,464
Claim payments	(1,310,823)	(16,757,345)
Claims payable - December 31, 2013	<u>\$ 3,497,933</u>	<u>\$ 1,396,394</u>

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 79. 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, 2014, employee membership data related to the Plan was as follows: Retirees and beneficiaries currently receiving benefits--190; vested terminated employees--121; active plan participants--128

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.

The Plan does not issue a stand-alone financial report.

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
2011	1,706,844	1,477,112	110,783	8.30	177,635	1,639,992	1,345,466	1,771,638	294,526
2012	2,334,577	1,771,638	120,471	8.08	219,019	2,236,029	1,241,929	2,765,738	994,100
2013	2,681,999	2,765,738	188,070	7.57	365,306	2,504,763	2,067,363	3,203,138	437,400

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Plan Year	Annual Pension Cost	Employer Contribution	% of Annual Pension Cost
2011	1,639,992	1,345,466	82%
2012	2,236,029	1,241,929	56%
2013	2,504,763	2,067,363	83%

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)
1/1/2012	39,973,803	53,813,281	13,839,478	74.3%	9,582,235	144.4%
1/1/2013	38,940,438	54,682,992	15,742,554	71.2%	8,834,557	178.2%
1/1/2014	41,530,376	56,182,808	14,652,432	73.9%	8,202,862	178.6%

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.

Actuarial plan assumptions:	
Valuation date:	January 01, 2014
Actuarial cost method:	Entry Age Normal
Amortization method:	10 years, as a level dollar amount.
Remaining amortization period:	10 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 6.5% interest (effective January 1, 2014). 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 expected actuarial value plus the amortization of prior gain or losses 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:	6.5% (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 2013, the City contributed 10.50% of covered pay to the Plan as well as the supplemental contributions; this amounted to \$2,067,363. 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 position available for benefits as of December 31, 2013, is \$44,714,837 all of which is reserved for benefits of employees and beneficiaries.

Concentration of Credit Risk

Investments in mutual funds exceeding 5% of the net position of the plan are as follows: Fidelity Low Priced Stock – 5.39%, Fidelity Value Fund – 7.50%, Vanguard 500 Index Inv – 5.21%, Vanguard Growth Index Inv – 5.62%, TRP International STK – 5.45%, TRP New Asia – 5.39%.

Money Purchase Plan 401(a)

The City offers its employees a defined contribution money purchase plan. The City does not have administrative involvement and does not perform the investment function of this 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 \$4,946,373 and \$3,080,455, respectively during 2013.

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 City does not have administrative involvement and does not perform the investment function of this plan.

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. Employee contributions to the CBU RHS plan were \$163,636 during 2013.

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.

The annual contribution rate for members hired on or after January 1, 1997 and for members covered by Social Security is 2.6% as of January 1, 2011. The rate was last increased from 2.5% to 2.6% as of January 1, 2007. Based on the January 1, 2012 valuation, the Board has elected to leave the contribution rate unchanged at 2.6%. During 2013, 2012 and 2011, the City's contributions were \$313,474, \$285,521, and \$247,364 respectively, equal to the statutory required contribution each year.

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 2013, the City contributed \$82,765. Retiree and active members receiving benefits contribute monthly premiums as outlined:

	Core		Advantage			
	Non-Medicare	Core Medicare	Non-Medicare	Advantage Medicare	Dental	Vision
Employee:	\$ 826	\$ 331	\$ 931	\$ 372	\$ 33	\$ 7
Employee +1:	\$ 1,653	\$ 661	\$ 1,859	\$ 744	\$ 60	\$ 13

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	\$ 233,927
Interest on net OPEB obligation	62,206
Adjustment to annual required contribution	(28,196)
Annual OPEB cost (expense)	267,937
Contributions and payments made	82,765
Increase in net OPEB obligation	185,172
Net OPEB obligation - January 1, 2013	1,656,424
Net OPEB obligation - December 31, 2013	<u>\$ 1,841,596</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan and the net OPEB obligations for 2013 and the two preceding years follows.

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
December 31, 2011	\$ 152,717	34.6%	\$ 1,601,830
December 31, 2012	\$ 146,193	62.7%	\$ 1,656,424
December 31, 2013	\$ 267,937	30.9%	\$ 1,841,596

Funded status and funding progress

Post Employment Benefit Obligations under GASB Statement No. 45 calculated as of December 31, 2011 the most recent actuarial valuation date is as follows:

	Total	Members
Actuarial Accrued Liability		
Current retirees, beneficiaries and dependents	\$ 2,788,530	31
Current active members	-	
Total Actuarial Accrued Liability (AAL)	2,788,530	
OPEB Plan Assets	-	
Unfunded Actuarial Accrued Liability (UAAL)	<u>\$ 2,788,530</u>	

Because there were no active members in 2013, the covered payroll was \$0.

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 multi-year 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.

Actuarial Plan Assumptions

Valuation date:	December 31, 2011
Actuarial cost method:	Projected Unit Credit Method
Amortization method:	15 years, as a level dollar amount
Remaining amortization period:	15 years
Asset valuation method:	An expected actuarial value is determined equal to a 3.5% discount rate per year. The medical trend rate beginning in 2012 is 7.2% per year pre and post-Medicare eligible increasing to 7.6% for 2013 before grading to 4.4% over 86 years from 2013. Trends for dental and vision benefits begin at 5.0% for 2011, grading to 4.4% over 87 years. The inflation rate assumption is 2.5% and the amortization periods used are open.
Discount rate:	3.5%, net of administrative expenses
Projected pay increases:	0%. The plan was closed to new retirees effective December 31, 2009.

D. Commitments/Contingencies

Construction Commitments

The City had commitments of \$2,315,884 for capital projects in governmental fund types and \$125,009 in proprietary fund types at December 31, 2013. 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, 2013 (excluding those relating to capital projects) amounted to \$23,940,625.

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, because the amount is not considered by management to be probable and measurable.

Solid Waste Financial Assurance

The City's Water Utility owns and operates a Water Treatment Facility, which through the treatment process produces solids, and therefore must provide financial assurance of estimates for post closure costs in accordance with regulations pertaining to solid waste sites and facilities (6 CCR 1007-2, Part 1) as set by the State of Colorado Department of Public Health and Environment. The facility is not expected to be closed in the future, however in the event of closure the City estimates and provides assurance of total Closure Costs and Post-Closure Care Requirements of \$1,212,480 and \$20,000, respectively. This estimate is not reported as a liability by the City because the water treatment facility does not meet the definition of a landfill contained in GASB Statement No. 18, as defined by the U.S. Environmental Protection Agency.

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 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, 2013, the amount required as an emergency reserve in compliance with the amendment is \$5,331,680 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 2013:

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 2012 and \$88,750 in 2013.

Financial Information

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

As of December 31, 2013

Total current assets	\$ 2,034,499
Total capital assets (net of accumulated depreciation)	22,784,642
Total Assets	24,819,141
Total current liabilities	(387,525)
Total Net Position	24,431,616
Net assets invested in capital assets	22,784,642
Restricted capital	22,492
Unrestricted net position	1,624,482
Total Net Position	\$ 24,431,616

For year ending December 31, 2013

Total operating revenue	\$ 685,397
Total operating expenses	(2,073,375)
Interest Income	(8,804)
Nonoperating revenue	362,399
Capital contributions	2,941,287
Change in Net Position	\$ 1,906,904

The City's annual contribution is reflected as an expenditure of the General Fund. The City's share of Fort Collins-Loveland Airport's Net Position and Change in Net Position are reflected in the City's Statement of Net Position 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.

Town of Timnath

The City and the Town of Timnath entered into an intergovernmental agreement for the Boxelder Overflow Project on February 19, 2009. The City agreed to reimburse Timnath for up to 50% of the costs actually incurred by Timnath in the design, engineering, right-of-way acquisition and construction of the Boxelder Overflow Project but not to exceed \$2,000,000. The City deposits \$200,000 a year into an escrow account that is managed by an escrow agent.

Poudre Fire Authority

As mentioned in the summary of significant accounting policies, the City provides funding for PFA. During 2013, such funding amounted to \$20,118,869. 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 2013, these purchases amounted to \$80,319,174 of which \$6,484,033 is included in accounts payable at December 31, 2013.

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 2013, billings for benefits and services amounted to \$207,990.

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 2013, billings for benefits and services amounted to \$776,466.

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 2013, 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 71 in 2012, 72 in 2011, and 71 in 2010. The average detail condition is as follows:

Level of service.....	PCI Range.....	Percent of Roads
LOS A (best).....	100 to 86.....	20.3%
LOS B (good)	85 to 71.....	37.7%
LOS C (fair).....	70 to 56.....	25.9%
LOS D (poor).....	55 to 41.....	15.0%
LOS F (worst).....	40 to 0.....	1.1%

The City's next full 3 year assessment cycle will be completed in 2015.

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
2013	\$15,565,821	\$15,250,042
2012	\$14,326,456	\$14,320,409
2011	\$14,117,351	\$13,742,753
2010	\$13,378,521	\$7,323,073
2009	\$10,123,079	\$7,848,312
2008	\$9,736,502	\$10,733,015

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)
1/1/2012	39,973,803	53,813,281	13,839,478	74.3%	9,582,235	144.4%
1/1/2013	38,940,438	54,682,992	15,742,554	71.2%	8,834,557	178.2%
1/1/2014	41,530,376	56,182,808	14,652,432	73.9%	8,202,862	178.6%

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Plan Year	Annual Required Contribution ARC	Employer Contribution	% of ARC Contributed
2008	1,325,710	1,807,834	136%
2009	1,901,281	1,005,901	53%
2010	1,892,946	2,100,467	111%
2011	1,706,844	1,345,466	79%
2012	2,334,577	1,241,929	53%
2013	2,681,999	2,067,363	77%

The information presented in the required supplementary schedule was determined as part of the actuarial valuation as of January 1, 2014. Additional information follows:

Actuarial cost method:	Entry Age Normal
Amortization method:	10 years, as a level dollar amount.
Remaining amortization period:	10 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 6.5% interest (effective January 1, 2014). 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 expected actuarial value plus the amortization of prior gain or losses 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:	6.5% (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]
2011	12/31/11	\$ -	\$ 2,752,549	\$ 2,752,549	- %	\$ -	n/a
2012	12/31/11	\$ -	\$ 2,721,966	\$ 2,721,966	- %	\$ -	n/a
2013	12/31/11	\$ -	\$ 2,788,530	\$ 2,788,530	- %	\$ -	n/a

The information presented in the required supplementary schedule was determined as part of the actuarial valuation date as of December 31, 2011. Additional information follows:

Actuarial cost method: Projected Unit Credit Method
Amortization method: 15 years, as a level dollar amount
Remaining amortization period: 15 years
Asset valuation method: An expected actuarial value is determined equal to a 3.5% discount rate per year. The medical trend rate beginning in 2012 is 7.2% per year pre and post-Medicare eligible increasing to 7.6% for 2013 before grading to 4.4% over 86 years from 2013. Trends for dental and vision benefits begin at 5.0% for 2011, grading to 4.4% over 87 years. The inflation rate assumption is 2.5%.
Discount rate: 3.5%, net of administrative expenses.
Projected pay increases: 0%. The plan was closed to new retirees effective December 31, 2009.

Note: The change in the actuarial accrued liability (AAL) is due to a reallocation of the AAL between the City and the Poudre Fire Authority

There is no covered payroll reported because the plan was closed to new retirees effective December 31, 2009.



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**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.

Sales and Use Tax -- to account for collections of the City's .25% sales and use tax designated for Natural Areas and Building on Basics.

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.

General Improvement District No. 15 - Skyview -- to account for property taxes and investment earnings used to fund the maintenance of the Skyview Subdivision street system of the General Improvement District No. 15, a blended component unit.

Timberline/Prospect SID #94 -- to account for assessments used to pay for public improvements

Debt Service Fund

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.

Capital Project Funds

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.

General Fund Sub-funds

Museum -- to account for revenues received from Fort Collins Museum of Discovery and General Fund subsidies used to promote cultural activities.

Emergency Recovery -- to account for FEMA monies to offset costs associated with the 2013 floods.

URA Sub-funds

URA - N. College District-- to account for the tax increment financing for the operations and debit services of the Urban Renewal Authority - N. College District.

URA - Prospect South TIF Dist-- to account for the tax increment financing for the operations and debit services of the Urban Renewal Authority - Prospect South TIF District.

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2013**

	Special Revenue Funds				
	Capital Expansion	Sales and Use Tax	Natural Areas	Cultural Services & Facilities	Recreation
ASSETS					
Cash and cash equivalents	\$ 1,751,282	\$ 117,836	\$ 1,057,819	\$ 1,226,094	\$ 305,804
Investments	14,374,800	982,579	8,651,074	2,027,372	2,556,886
Receivables					
Property taxes	-	-	-	-	-
Sales and use taxes	-	1,417,551	-	-	-
Accounts	2,293	-	-	9,897	128,949
Notes and loans	-	-	-	-	-
Interest	40,906	8,872	27,398	5,790	6,911
Prepaid item	-	-	-	9,046	-
Advances to other funds	2,651,970	-	-	-	-
Due from other governments	-	-	313,957	57,522	-
Restricted - cash and cash equivalents	-	-	174,826	-	-
Total Assets	18,821,251	2,526,838	10,225,074	3,335,721	2,998,550
LIABILITIES					
Accounts payable, accruals, and other	-	1,612	30,604	90,584	172,229
Wages payable	-	-	70,064	32,203	87,065
Due to other governments	-	-	-	-	163
Due to other funds	-	-	-	-	-
Unearned revenue	-	-	-	572,852	245,188
Deposits held	-	67,783	14,508	111,976	-
Total Liabilities	-	69,395	115,176	807,615	504,645
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue - property taxes	-	-	-	-	-
Unavailable revenue - grants	-	-	-	57,522	-
Total Deferred inflows of resources	-	-	-	57,522	-
FUND BALANCES (DEFICIT)					
Nonspendable	-	-	-	9,046	-
Restricted	-	2,457,443	10,109,898	-	30,311
Committed	18,821,251	-	-	342,974	-
Assigned	-	-	-	2,118,564	2,463,594
Unassigned	-	-	-	-	-
Total Fund Balances (Deficit)	18,821,251	2,457,443	10,109,898	2,470,584	2,493,905
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	\$ 18,821,251	\$ 2,526,838	\$ 10,225,074	\$ 3,335,721	\$ 2,998,550

Special Revenue Funds (continued)

Cemeteries	Perpetual Care	CDBG	Home Program	Transit Services	Street Oversizing
\$ 47,974	\$ 181,302	\$ -	\$ 97,546	\$ 279,685	\$ 1,287,312
402,336	1,493,660	-	723,389	2,301,121	10,551,017
-	-	-	-	-	-
-	-	-	-	-	-
43,782	9,976	2,500	15,208	59,309	6,835
-	-	-	230,583	-	-
1,121	4,244	-	-	7,285	29,606
-	-	-	-	-	-
-	-	-	-	-	-
-	-	22,316	68,344	1,324,764	-
-	-	-	-	-	-
495,213	1,689,182	24,816	1,135,070	3,972,164	11,874,770
9,121	-	24,360	72,919	310,099	686,818
11,061	-	5,845	-	136,104	4,884
-	-	-	-	3,581	-
-	-	116,156	-	-	-
-	-	-	477,055	-	-
-	-	-	-	-	-
20,182	-	146,361	549,974	449,784	691,702
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,689,182	-	585,096	-	-
-	-	-	-	-	11,183,068
475,031	-	-	-	3,522,380	-
-	-	(121,545)	-	-	-
475,031	1,689,182	(121,545)	585,096	3,522,380	11,183,068
\$ 495,213	\$ 1,689,182	\$ 24,816	\$ 1,135,070	\$ 3,972,164	\$ 11,874,770

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (continued)
DECEMBER 31, 2013**

	Special Revenue Funds (continued)			
	General Improvement District No. 1	General Imp. District No. 15 Skyview	Timberline/ Prospect SID #94	Total Special Revenues
ASSETS				
Cash and cash equivalents	\$ 114,923	\$ 12,473	\$ 5,945	\$ 6,485,995
Investments	942,783	102,182	48,617	45,157,816
Receivables				
Property taxes	271,800	24,662	-	296,462
Sales and use taxes	-	-	-	1,417,551
Accounts	-	-	-	278,749
Notes and loans	-	-	-	230,583
Interest	2,708	280	93	135,214
Prepaid item	-	-	-	9,046
Advances to other funds	-	-	-	2,651,970
Due from other governments	2,468	145	-	1,789,516
Restricted - cash and cash equivalents	-	-	-	174,826
Total Assets	1,334,682	139,742	54,655	58,627,728
LIABILITIES				
Accounts payable, accruals, and other	3,291	-	-	1,401,637
Wages payable	367	-	-	347,593
Due to other governments	-	-	-	3,744
Due to other funds	-	-	-	116,156
Unearned revenue	-	-	-	1,295,095
Deposits held	-	-	-	194,267
Total Liabilities	3,658	-	-	3,358,492
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	271,800	24,662	-	296,462
Unavailable revenue - grants	-	-	-	57,522
Total Deferred inflows of resources	271,800	24,662	-	353,984
FUND BALANCES (DEFICIT)				
Nonspendable	-	-	-	9,046
Restricted	-	-	-	14,871,930
Committed	1,059,224	115,080	54,655	31,576,252
Assigned	-	-	-	8,579,569
Unassigned	-	-	-	(121,545)
Total Fund Balances (Deficit)	1,059,224	115,080	54,655	54,915,252
Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)	\$ 1,334,682	\$ 139,742	\$ 54,655	\$ 58,627,728

Debt Service Fund		Capital Project Funds			
Fort Collins Leasing Corporation		Neighborhood Parkland	Conservation Trust	Total Capital Project	Total Non-major Governmental
\$	-	\$ 603,819	\$ 224,542	\$ 828,361	\$ 7,314,356
	-	4,968,448	1,843,492	6,811,940	51,969,756
	-	-	-	-	296,462
	-	-	-	-	1,417,551
	-	1,672	-	1,672	280,421
	-	-	-	-	230,583
	-	14,009	5,323	19,332	154,546
	-	-	-	-	9,046
	-	-	-	-	2,651,970
	-	-	-	-	1,789,516
	-	-	-	-	174,826
	-	5,587,948	2,073,357	7,661,305	66,289,033
	-	15,345	136,445	151,790	1,553,427
	-	7,059	5,755	12,814	360,407
	-	-	-	-	3,744
	-	-	-	-	116,156
	-	-	-	-	1,295,095
	-	-	-	-	194,267
	-	22,404	142,200	164,604	3,523,096
	-	-	-	-	296,462
	-	-	-	-	57,522
	-	-	-	-	353,984
	-	-	-	-	9,046
	-	-	1,931,157	1,931,157	16,803,087
	-	5,565,544	-	5,565,544	37,141,796
	-	-	-	-	8,579,569
	-	-	-	-	(121,545)
	-	5,565,544	1,931,157	7,496,701	62,411,953
\$	-	\$ 5,587,948	\$ 2,073,357	\$ 7,661,305	\$ 66,289,033

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013

	Special Revenue Funds			
	Capital Expansion	Sales and Use Tax	Natural Areas	Cultural Services & Facilities
REVENUES				
Taxes	\$ -	\$ 13,378,848	\$ -	\$ -
Intergovernmental	-	-	3,765,230	60,095
Fees and charges for services	3,178,383	-	25,958	2,292,353
Earnings (loss) on investments	122,404	1,465	23,522	(2,222)
Miscellaneous revenue	-	373	1,160,653	54,315
Total Revenues	3,300,787	13,380,686	4,975,363	2,404,541
EXPENDITURES				
Current operating				
Community and operation	833	744,000	7,344,468	3,243,752
Planning, development and transportation	-	-	-	-
Sustainability services	-	-	-	-
Other	-	-	-	-
Intergovernmental				
Fire protection	234,353	-	-	-
Capital outlay	-	-	1,323,889	18,611
Debt service				
Principal	-	-	-	-
Interest and debt service costs	-	-	-	-
Total Expenditures	235,186	744,000	8,668,357	3,262,363
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	3,065,601	12,636,686	(3,692,994)	(857,822)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	6,474,388	1,383,683
Transfers out	(962,186)	(12,204,776)	(1,678,214)	-
Sale of capital assets	-	-	1,002,444	-
Total Other Financing Sources (Uses)	(962,186)	(12,204,776)	5,798,618	1,383,683
Net Changes in Fund Balances	2,103,415	431,910	2,105,624	525,861
Fund Balances (Deficit)-January 1	16,717,836	2,025,533	8,004,274	1,944,723
Fund Balances (Deficit)-December 31	\$ 18,821,251	\$ 2,457,443	\$ 10,109,898	\$ 2,470,584

Special Revenue Funds (continued)

Recreation	Cemeteries	Perpetual Care	CDBG	Home Program	Transit Services	Street Oversizing
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
71,949	-	-	657,008	367,540	4,436,921	-
4,916,615	359,233	48,950	-	-	782,418	4,154,740
2,742	80	2,171	-	12,682	8,044	20,531
127,315	12,462	-	162,724	541,452	11,883	689,665
5,118,621	371,775	51,121	819,732	921,674	5,239,266	4,864,936
5,744,783	582,427	145	-	-	-	-
-	-	-	-	-	7,092,907	1,326,636
-	-	-	880,574	937,251	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
105,006	-	-	-	-	3,481,801	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
5,849,789	582,427	145	880,574	937,251	10,574,708	1,326,636
(731,168)	(210,652)	50,976	(60,842)	(15,577)	(5,335,442)	3,538,300
891,363	152,037	-	-	-	5,573,818	361,617
-	-	(2,171)	-	-	-	(285)
-	-	-	-	-	-	-
891,363	152,037	(2,171)	-	-	5,573,818	361,332
160,195	(58,615)	48,805	(60,842)	(15,577)	238,376	3,899,632
2,333,710	533,646	1,640,377	(60,703)	600,673	3,284,004	7,283,436
\$ 2,493,905	\$ 475,031	\$ 1,689,182	\$ (121,545)	\$ 585,096	\$ 3,522,380	\$ 11,183,068

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013

	Special Revenue Funds (continued)			
	General Improvement District No. 1	General Imp. District No. 15 Skyview	Timberline/ Prospect SID #94	Total Special Revenues
REVENUES				
Taxes	\$ 272,106	\$ 24,690	\$ -	\$ 13,675,644
Intergovernmental	31,083	1,827	-	9,391,653
Fees and charges for services	-	-	-	15,758,650
Earnings (loss) on investments	359	141	(132)	191,787
Miscellaneous revenue	100	-	56,836	2,817,778
Total Revenues	303,648	26,658	56,704	41,835,512
EXPENDITURES				
Current operating				
Community and operation	-	-	-	17,660,408
Planning, development and transportation	272,252	494	-	8,692,289
Sustainability services	-	-	-	1,817,825
Other	-	-	54,788	54,788
Intergovernmental				
Fire protection	-	-	-	234,353
Capital outlay	-	-	-	4,929,307
Debt service				
Principal	-	-	-	-
Interest and debt service costs	-	-	-	-
Total Expenditures	272,252	494	54,788	33,388,970
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	31,396	26,164	1,916	8,446,542
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	14,836,906
Transfers out	(40,000)	-	-	(14,887,632)
Sale of capital assets	-	-	-	1,002,444
Total Other Financing Sources (Uses)	(40,000)	-	-	951,718
Net Changes in Fund Balances	(8,604)	26,164	1,916	9,398,260
Fund Balances (Deficit)-January 1	1,067,828	88,916	52,739	45,516,992
Fund Balances (Deficit)-December 31	\$ 1,059,224	\$ 115,080	\$ 54,655	\$ 54,915,252

Debt Service Fund	Capital Project Funds			
Fort Collins Leasing Corporation	Neighborhood Parkland	Conservation Trust	Total Capital Project	Total Non-major Governmental
\$ -	\$ -	\$ -	\$ -	\$ 13,675,644
-	-	1,585,140	1,585,140	10,976,793
-	2,011,034	-	2,011,034	17,769,684
-	8,376	210	8,586	200,373
53,766	-	-	-	2,871,544
53,766	2,019,410	1,585,350	3,604,760	45,494,038
-	459,642	330,864	790,506	18,450,914
-	-	-	-	8,692,289
-	-	-	-	1,817,825
3,500	-	-	-	58,288
-	-	-	-	234,353
-	1,112,612	257,290	1,369,902	6,299,209
3,756,280	-	-	-	3,756,280
882,468	-	-	-	882,468
4,642,248	1,572,254	588,154	2,160,408	40,191,626
(4,588,482)	447,156	997,196	1,444,352	5,302,412
4,588,482	-	-	-	19,425,388
-	(9,582)	(755,432)	(765,014)	(15,652,646)
-	-	-	-	1,002,444
4,588,482	(9,582)	(755,432)	(765,014)	4,775,186
-	437,574	241,764	679,338	10,077,598
-	5,127,970	1,689,393	6,817,363	52,334,355
\$ -	\$ 5,565,544	\$ 1,931,157	\$ 7,496,701	\$ 62,411,953

CAPITAL EXPANSION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Fees and charges for services	\$ 3,178,383	\$ 1,501,000	\$ 1,677,383
Earnings on investments	122,404	87,783	34,621
Total Revenues	<u>3,300,787</u>	<u>1,588,783</u>	<u>1,712,004</u>
EXPENDITURES			
Community Parkland Capital	833	-	(833)
Fire Capital Expansion	234,353	234,353	-
Total Expenditures	<u>235,186</u>	<u>234,353</u>	<u>(833)</u>
Excess of Revenues Over Expenditures	<u>3,065,601</u>	<u>1,354,430</u>	<u>1,711,171</u>
OTHER FINANCING (USES)			
Transfers out:			
General Fund	(80,557)	(96,000)	15,443
Conservation Trust Fund	(70,000)	(70,000)	-
Debt Service - COPS	(348,677)	(350,000)	1,323
Capital Projects Fund	<u>(462,952)</u>	<u>(2,466,885)</u>	<u>2,003,933</u>
Total Other Financing (Uses)	<u>(962,186)</u>	<u>(2,982,885)</u>	<u>2,020,699</u>
Net Change in Fund Balances	2,103,415	<u>\$ (1,628,455)</u>	<u>\$ 3,731,870</u>
Fund Balances--January 1	<u>16,717,836</u>		
Fund Balances--December 31	<u>\$ 18,821,251</u>		

SALES AND USE TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Taxes	\$ 13,378,848	\$ 12,697,100	\$ 681,748
Earnings on investments	1,465	66,422	(64,957)
Miscellaneous revenue	373	-	373
Total Revenues	<u>13,380,686</u>	<u>12,763,522</u>	<u>617,164</u>
EXPENDITURES			
Current operating			
Community and Operations	744,000	744,000	-
Total Expenditures	<u>744,000</u>	<u>744,000</u>	<u>-</u>
Excess of Revenues			
Over Expenditures	<u>12,636,686</u>	<u>12,019,522</u>	<u>617,164</u>
OTHER FINANCING (USES)			
Transfers out:			
General Fund	(256,500)	(256,500)	-
Natural Areas Fund	(6,474,388)	(6,474,388)	-
Cultural Services & Facilities Fund	(24,000)	(24,000)	-
Cemeteries Fund	(7,500)	(7,500)	-
Museum Fund	(200,000)	(200,000)	-
Transportation Services Fund	(80,000)	(80,000)	-
Capital Projects Fund	(5,162,388)	(5,162,388)	-
Total Other Financing (Uses)	<u>(12,204,776)</u>	<u>(12,204,776)</u>	<u>-</u>
Net Change in Fund Balances	431,910	<u>\$ (185,254)</u>	<u>\$ 617,164</u>
Fund Balances--January 1	<u>2,025,533</u>		
Fund Balances--December 31	<u>\$ 2,457,443</u>		

NATURAL AREAS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 3,765,230	\$ 3,340,607	\$ 424,623
Fees and charges for services	25,958	28,000	(2,042)
Earnings on investments	23,522	41,370	(17,848)
Miscellaneous revenue	1,160,653	1,131,625	29,028
Total Revenues	<u>4,975,363</u>	<u>4,541,602</u>	<u>433,761</u>
EXPENDITURES			
Land Conservation	3,128,218	7,061,465	3,933,247
Enforcement	658,362	678,957	20,595
Education	584,754	600,480	15,726
Program Management	613,650	735,100	121,450
Resource Management	2,020,429	2,796,867	776,438
Public Improvements	1,019,882	2,573,590	1,553,708
Facility Operations	166,818	308,425	141,607
Land Management	476,244	644,973	168,729
Total Expenditures	<u>8,668,357</u>	<u>15,399,857</u>	<u>6,731,500</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,692,994)</u>	<u>(10,858,255)</u>	<u>7,165,261</u>
OTHER FINANCING SOURCES (USES)			
Transfers in:			
Sales and Use Tax Fund	6,474,388	6,474,388	-
Transfers out:			
Debt Service - COPS	(1,122,619)	(1,126,674)	4,055
Cultural Services & Facilities Fund	(5,080)	(5,080)	-
Capital Projects Fund	(454,306)	(2,360,000)	1,905,694
Data and Communications Fund	(96,209)	(96,209)	-
Sale of capital assets	1,002,444	1,000,000	2,444
Total Other Financing Sources (Uses)	<u>5,798,618</u>	<u>3,886,425</u>	<u>1,912,193</u>
Net Change in Fund Balances	2,105,624	<u>\$ (6,971,830)</u>	<u>\$ 9,077,454</u>
Fund Balances--January 1	<u>8,004,274</u>		
Fund Balances--December 31	<u>\$ 10,109,898</u>		

CULTURAL SERVICES AND FACILITIES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 60,095	\$ 347,493	\$ (287,398)
Fees and charges for services	2,292,353	2,882,609	(590,256)
Earnings (loss) on investments	(2,222)	1,555	(3,777)
Miscellaneous revenue	54,315	90,108	(35,793)
Total Revenues	<u>2,404,541</u>	<u>3,321,765</u>	<u>(917,224)</u>
EXPENDITURES			
Administration	803,566	862,067	58,501
Lincoln Center	976,530	1,296,909	320,379
Museum	125,585	631,324	505,739
Art in Public Places	78,794	266,046	187,252
Performing and visual arts	1,277,888	1,698,000	420,112
Total Expenditures	<u>3,262,363</u>	<u>4,754,346</u>	<u>1,491,983</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>(857,822)</u>	<u>(1,432,581)</u>	<u>574,759</u>
OTHER FINANCING SOURCES			
Transfers in:			
General Fund	837,655	837,655	-
Neighborhood Parkland	2,000	440	1,560
Conservation Trust Fund	9,000	1,980	7,020
Natural Areas Fund	5,080	1,118	3,962
Capital Projects Fund	109,210	24,026	85,184
Light & Power Fund	129,845	124,601	5,244
Water Fund	197,428	190,184	7,244
Wastewater Fund	10,136	7,384	2,752
Stormwater Fund	59,329	54,085	5,244
Transfer S&U Tax - BOB	24,000	24,000	-
Total Other Financing Sources	<u>1,383,683</u>	<u>1,265,473</u>	<u>118,210</u>
Net Change in Fund Balances	525,861	<u>\$ (167,108)</u>	<u>\$ 692,969</u>
Fund Balances--January 1	<u>1,944,723</u>		
Fund Balances--December 31	<u>\$ 2,470,584</u>		

RECREATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Intergovernmental	\$ 71,949	\$ 89,052	\$ (17,103)
Fees and charges for services	4,916,615	4,902,304	14,311
Earnings on investments	2,742	25,713	(22,971)
Miscellaneous revenue	127,315	102,350	24,965
Total Revenues	<u>5,118,621</u>	<u>5,119,419</u>	<u>(798)</u>
EXPENDITURES			
Recreation administration	3,517,091	4,334,331	817,240
Ice/aquatics programming	790,738	868,505	77,767
Adult programming	567,571	680,810	113,239
Youth programming	322,403	335,415	13,012
Sports programming	483,840	519,388	35,548
Special reserves	100,485	146,598	46,113
Grants/miscellaneous	67,661	96,552	28,891
Total Expenditures	<u>5,849,789</u>	<u>6,981,599</u>	<u>1,131,810</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(731,168)</u>	<u>(1,862,180)</u>	<u>1,131,012</u>
OTHER FINANCING SOURCES			
Transfers in:			
General Fund	891,363	891,363	-
Total Other Financing Sources	<u>891,363</u>	<u>891,363</u>	<u>-</u>
Net Change in Fund Balances	160,195	<u>\$ (970,817)</u>	<u>\$ 1,131,012</u>
Fund Balances--January 1	<u>2,333,710</u>		
Fund Balances--December 31	<u>\$ 2,493,905</u>		

CEMETERIES FUND**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--****ACTUAL AND BUDGET****FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Fees and charges for services	\$ 359,233	\$ 337,000	\$ 22,233
Earnings on investments	80	5,043	(4,963)
Miscellaneous revenue	<u>12,462</u>	<u>11,900</u>	<u>562</u>
Total Revenues	<u>371,775</u>	<u>353,943</u>	<u>17,832</u>
EXPENDITURES			
Cemetery services	<u>582,427</u>	<u>631,584</u>	<u>49,157</u>
	<u>582,427</u>	<u>631,584</u>	<u>49,157</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(210,652)</u>	<u>(277,641)</u>	<u>66,989</u>
OTHER FINANCING SOURCES			
Transfers in:			
General Fund	142,366	142,366	-
Perpetual Care Fund	2,171	20,000	(17,829)
Sales & Use Tax - Building on Basics	<u>7,500</u>	<u>7,500</u>	<u>-</u>
Total Other Financing Sources	<u>152,037</u>	<u>169,866</u>	<u>(17,829)</u>
Net Change in Fund Balances	(58,615)	<u>\$ (107,775)</u>	<u>\$ 49,160</u>
Fund Balances--January 1	<u>533,646</u>		
Fund Balances--December 31	<u>\$ 475,031</u>		

PERPETUAL CARE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Fees and charges for services	\$ 48,950	\$ 45,000	\$ 3,950
Earnings on investments	2,171	20,000	(17,829)
Total Revenues	<u>51,121</u>	<u>65,000</u>	<u>(13,879)</u>
EXPENDITURES			
Other	<u>145</u>	<u>145</u>	<u>-</u>
Total Expenditures	<u>145</u>	<u>145</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>50,976</u>	<u>64,855</u>	<u>(13,879)</u>
OTHER FINANCING (USES)			
Transfers out:			
Cemeteries Fund	<u>(2,171)</u>	<u>(20,000)</u>	<u>17,829</u>
Total Other Financing (Uses)	<u>(2,171)</u>	<u>(20,000)</u>	<u>17,829</u>
Net Change in Fund Balances	48,805	<u>\$ 44,855</u>	<u>\$ 3,950</u>
Fund Balances--January 1	<u>1,640,377</u>		
Fund Balances--December 31	<u>\$ 1,689,182</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, 2013

	<u>Actual</u>	<u>Prior Year Actual</u>	<u>Cumulative Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES					
Intergovernmental	\$ 657,008	\$ 4,493,193	\$ 5,150,201	\$ 6,316,670	\$ (1,166,469)
Earnings on investments	-	682	682	82,596	(81,914)
Miscellaneous revenue	162,724	321,835	484,559	957,773	(473,214)
Total Revenues	<u>819,732</u>	<u>4,815,710</u>	<u>5,635,442</u>	<u>7,357,039</u>	<u>(1,721,597)</u>
EXPENDITURES					
2010-11 Grant	53,243	840,776	894,019	1,041,666	147,647
2011-12 Grant	247,932	937,582	1,185,514	1,185,505	(9)
2012-13 Grant	544,421	441,300	985,721	1,073,914	88,193
2013-14 Grant	34,978	-	34,978	1,145,162	1,110,184
Total Expenditures	<u>880,574</u>	<u>2,219,658</u>	<u>3,100,232</u>	<u>4,446,247</u>	<u>1,346,015</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(60,842)</u>	<u>2,596,052</u>	<u>2,535,210</u>	<u>2,910,792</u>	<u>(375,582)</u>
Net Change in Fund Balances	(60,842)	<u>\$ 2,596,052</u>	2,535,210	<u>\$ 2,910,792</u>	<u>\$ (375,582)</u>
Fund Balances (Deficit)--January 1	(60,703)		(60,703)		
Less Prior Years' Project Revenues			(4,815,710)		
Plus Prior Years' Project Expenditures			2,219,658		
Fund Balances (Deficit)--December 31	<u>\$ (121,545)</u>		<u>\$ (121,545)</u>		

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, 2013

	<u>Actual</u>	<u>Prior Year Actual</u>	<u>Cumulative Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES					
Intergovernmental	\$ 367,540	\$ 2,060,607	\$ 2,428,147	\$ 4,009,957	\$ (1,581,810)
Earnings on investments	12,682	41,250	53,932	-	53,932
Miscellaneous revenue	416,452	366,947	783,399	541,255	242,144
Total Revenues	<u>796,674</u>	<u>2,468,804</u>	<u>3,265,478</u>	<u>4,551,212</u>	<u>(1,285,734)</u>
EXPENDITURES					
2009-10 Grant	2,819	165,081	167,900	167,900	-
2010-11 Grant	89,868	352,860	442,728	445,831	3,103
2011-12 Grant	681,789	143,243	825,032	894,079	69,047
2012-13 Grant	146,306	592,903	739,209	834,531	95,322
2013-14 Grant	16,469	-	16,469	765,981	749,512
Total Expenditures	<u>937,251</u>	<u>1,254,087</u>	<u>2,191,338</u>	<u>3,108,322</u>	<u>167,472</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(140,577)</u>	<u>1,214,717</u>	<u>1,074,140</u>	<u>1,442,890</u>	<u>(368,750)</u>
Net Change in Fund Balances	(140,577)	<u>\$ 1,214,717</u>	1,074,140	<u>\$ 1,442,890</u>	<u>\$ (368,750)</u>
Fund Balances--January 1	600,673		600,673		
Less Prior Years' Project Revenues			(2,468,804)		
Adjustment to Loans Receivable	125,000		125,000		
Plus Prior Years' Project Expenditures			1,254,087		
Fund Balances--December 31	<u>\$ 585,096</u>		<u>\$ 585,096</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, 2013

	<u>Actual</u>	<u>Prior Year Actual</u>	<u>Cumulative Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES					
Intergovernmental	\$ 4,436,921	\$ 17,544,606	\$ 21,981,527	\$ 30,348,297	\$ (8,366,770)
Fees and charges for services	782,418	3,570,248	4,352,666	4,387,690	(35,024)
Earnings on investments	8,044	185,925	193,969	181,912	12,057
Miscellaneous revenue	11,883	458,652	470,535	252,779	217,756
Total Revenues	<u>5,239,266</u>	<u>21,759,431</u>	<u>26,998,697</u>	<u>35,170,678</u>	<u>(8,171,981)</u>
EXPENDITURES					
FTA Grants					
2008 Operating	-	8,431,566	8,431,566	9,084,080	652,514
2009 Operating	-	8,708,203	8,708,203	10,630,156	1,921,953
2010 Operating	87,472	8,158,046	8,245,518	9,129,638	884,120
2011 Operating	32,929	8,388,931	8,421,860	8,889,965	468,105
2012 Operating	342,569	7,727,829	8,070,398	9,460,907	1,390,509
2013 Operating	8,584,599	76,600	8,661,199	9,589,323	928,124
2008 Capital	404,937	1,658,689	2,063,626	1,771,997	(291,629)
2009 Capital	-	618,975	618,975	969,958	350,983
2010 Capital	35,762	2,378,478	2,414,240	3,582,449	1,168,209
2011 Capital	-	5,895	5,895	684,762	678,867
2012 Capital	1,076,902	3,247	1,080,149	4,493,381	3,413,232
2013 Capital	9,538	-	9,538	568,077	558,539
Total Expenditures	<u>10,574,708</u>	<u>46,156,459</u>	<u>56,731,167</u>	<u>68,854,693</u>	<u>12,123,526</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>(5,335,442)</u>	<u>(24,397,028)</u>	<u>(29,732,470)</u>	<u>(33,684,015)</u>	<u>3,951,545</u>
OTHER FINANCING SOURCES (USES)					
Transfers in:					
General Fund	5,573,818	25,769,606	31,343,424	31,343,424	-
Transfers out:					
Capital Projects Fund	-	(152,524)	(152,524)	(152,524)	-
	<u>5,573,818</u>	<u>25,617,082</u>	<u>31,190,900</u>	<u>31,190,900</u>	<u>-</u>
Net Change in Fund Balances	238,376	<u>\$ 1,220,054</u>	1,458,430	<u>\$ (2,493,115)</u>	<u>\$ 3,951,545</u>
Fund Balances--January 1	3,284,004		3,284,004		
Less Prior Years' Project Revenues			(47,529,037)		
Plus Prior Years' Project Expenditures			46,308,983		
Fund Balances--December 31	<u>\$ 3,522,380</u>		<u>\$ 3,522,380</u>		

STREET OVERSIZING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Fees and charges for services	\$ 4,154,740	\$ 2,084,500	\$ 2,070,240
Earnings on investments	20,531	55,267	(34,736)
Miscellaneous revenue	689,665	100,000	589,665
Total Revenues	<u>4,864,936</u>	<u>2,239,767</u>	<u>2,625,169</u>
EXPENDITURES			
Oversizing costs	<u>1,326,636</u>	<u>2,601,384</u>	<u>1,274,748</u>
Total Expenditures	<u>1,326,636</u>	<u>2,601,384</u>	<u>1,274,748</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>3,538,300</u>	<u>(361,617)</u>	<u>3,899,917</u>
OTHER FINANCING SOURCES (USES)			
Transfers in:			
General Fund	361,617	361,617	-
Transfers out:			
Capital Projects Fund	<u>(285)</u>	<u>(1,017,872)</u>	<u>1,017,587</u>
Total Other Financing Sources (Uses)	<u>361,332</u>	<u>(656,255)</u>	<u>1,017,587</u>
Net Change in Fund Balances	3,899,632	<u>\$ (1,017,872)</u>	<u>\$ 4,917,504</u>
Fund Balances--January 1	<u>7,283,436</u>		
Fund Balances--December 31	<u>\$ 11,183,068</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, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Taxes	\$ 272,106	\$ 273,523	\$ (1,417)
Intergovernmental	31,083	28,000	3,083
Earnings on investments	359	10,769	(10,410)
Miscellaneous revenue	100	-	100
Total Revenues	<u>303,648</u>	<u>312,292</u>	<u>(8,644)</u>
EXPENDITURES			
Other	<u>272,252</u>	<u>721,022</u>	<u>448,770</u>
Total Expenditures	<u>272,252</u>	<u>721,022</u>	<u>448,770</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>31,396</u>	<u>(408,730)</u>	<u>440,126</u>
OTHER FINANCING (USES)			
Transfers out:			
General Fund	<u>(40,000)</u>	<u>(115,000)</u>	<u>75,000</u>
Total Other Financing (Uses)	<u>(40,000)</u>	<u>(115,000)</u>	<u>75,000</u>
Net Change in Fund Balances	(8,604)	<u>\$ (523,730)</u>	<u>\$ 515,126</u>
Fund Balances--January 1	<u>1,067,828</u>		
Fund Balances--December 31	<u>\$ 1,059,224</u>		

GENERAL IMPROVEMENT DISTRICT NO. 15 - SKYVIEW FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Taxes	\$ 24,690	\$ 24,615	\$ 75
Intergovernmental	1,827	-	1,827
Earnings on investments	141	491	(350)
Total Revenues	<u>26,658</u>	<u>25,106</u>	<u>1,552</u>
EXPENDITURES			
Other	<u>494</u>	<u>600</u>	<u>106</u>
Total Expenditures	<u>494</u>	<u>600</u>	<u>106</u>
Excess of Revenues Over Expenditures	<u>26,164</u>	<u>24,506</u>	<u>1,658</u>
Net Change in Fund Balances	26,164	<u>\$ 24,506</u>	<u>\$ 1,658</u>
Fund Balances--January 1	<u>88,916</u>		
Fund Balances--December 31	<u>\$ 115,080</u>		

TIMBERLINE/PROSPECT SID #94**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--****ACTUAL AND BUDGET****FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Earnings (loss) on investments	\$ (132)	\$ 339	\$ (471)
Miscellaneous revenue	<u>56,836</u>	<u>65,534</u>	<u>(8,698)</u>
Total Revenues	<u>56,704</u>	<u>65,873</u>	<u>(9,169)</u>
EXPENDITURES			
Other	<u>54,788</u>	<u>65,534</u>	<u>10,746</u>
Total Expenditures	<u>54,788</u>	<u>65,534</u>	<u>10,746</u>
Net Change in Fund Balances	1,916	<u>\$ 339</u>	<u>\$ 1,577</u>
Fund Balances--January 1	<u>52,739</u>		
Fund Balances--December 31	<u>\$ 54,655</u>		

FORT COLLINS LEASING CORPORATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Miscellaneous revenue	\$ 53,766	\$ 53,767	\$ (1)
Total Revenues	<u>53,766</u>	<u>53,767</u>	<u>(1)</u>
EXPENDITURES			
Principal	3,756,280	3,371,281	(384,999)
Interest	882,468	1,279,563	397,095
Other	<u>3,500</u>	<u>2,500</u>	<u>(1,000)</u>
Total Expenditures	<u>4,642,248</u>	<u>4,653,344</u>	<u>11,096</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(4,588,482)</u>	<u>(4,599,577)</u>	<u>11,095</u>
OTHER FINANCING SOURCES (USES)			
Transfers in:			
General Fund	3,011,726	3,017,043	(5,317)
Capital Expansion Fund	348,677	350,000	(1,323)
Natural Areas Fund	1,122,619	1,126,674	(4,055)
Transportation Fund	<u>105,460</u>	<u>105,860</u>	<u>(400)</u>
Total Other Financing Sources (Uses)	<u>4,588,482</u>	<u>4,599,577</u>	<u>(11,095)</u>
Net Change in Fund Balances	-	<u>\$ -</u>	<u>\$ -</u>
Fund Balances--January 1	<u>-</u>		
Fund Balances--December 31	<u>\$ -</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, 2013

	Actual	Prior Year Actual	Cumulative Actual	Budget	Variance
REVENUES					
Intergovernmental	\$ -	\$ 494,319	\$ 494,319	\$ 428,896	\$ 65,423
Fees and charges for services	2,011,034	15,834,106	17,845,140	13,189,876	4,655,264
Earnings on investments	8,376	2,379,466	2,387,842	2,151,439	236,403
Miscellaneous revenue	-	291,062	291,062	271,389	19,673
Total Revenues	<u>2,019,410</u>	<u>18,998,953</u>	<u>21,018,363</u>	<u>16,041,600</u>	<u>4,976,763</u>
EXPENDITURES					
Waters Way Park	93,791	1,746,600	1,840,391	1,875,364	34,973
New Site Acquisition	26,704	1,960,995	1,987,699	2,110,945	123,246
New Park Site Development	37,069	1,500,340	1,537,409	2,419,788	882,379
Lee Martinez Park Addition	73,946	195,151	269,097	489,462	220,365
Huidekoper Park	-	154,971	154,971	422,000	267,029
Lilac Park	-	140,383	140,383	177,000	36,617
Registry Park	30,050	1,616,477	1,646,527	1,696,700	50,173
Romero	1,845	-	1,845	150,000	148,155
Richards Lake	-	363,740	363,740	1,630,506	1,266,766
Staley Neighborhood Park	485,278	1,483,824	1,969,102	2,151,000	181,898
Avery Park Improvements	-	39	39	200,000	199,961
Maple Hill Park	71,126	461,199	532,325	676,410	144,085
Rosborough Park Improvements	-	3,932	3,932	175,000	171,068
Trailhead Park	8,801	244,022	252,823	827,000	574,177
Golden Meadows Park	-	150,588	150,588	450,000	299,412
Soft Gold Neighborhood Park	-	21,623	21,623	175,000	153,377
Side Hill Neighborhood Park	-	-	-	198,000	198,000
Bacon School Neighborhood Park	340,775	-	340,775	350,000	9,225
Parkland Administration	402,869	-	402,869	408,578	5,709
Total Expenditures	<u>1,572,254</u>	<u>10,043,884</u>	<u>11,616,138</u>	<u>16,582,753</u>	<u>4,966,615</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	<u>447,156</u>	<u>8,955,069</u>	<u>9,402,225</u>	<u>(541,153)</u>	<u>9,943,378</u>
OTHER FINANCING SOURCES (USES)					
Transfers in:					
General Fund	-	82,162	82,162	82,162	-
Capital Projects Fund	-	5,545	5,545	5,545	-
Transfers out:					
Cultural Services & Facilities Fund	(2,000)	(63,800)	(65,800)	(65,800)	-
Capital Projects Fund	-	(488,220)	(488,220)	(488,220)	-
Data & Communications Fund	(7,582)	-	(7,582)	(7,582)	-
Total Other Financing Sources (Uses)	<u>(9,582)</u>	<u>(464,313)</u>	<u>(473,895)</u>	<u>(473,895)</u>	<u>-</u>
Net Change in Fund Balances	437,574	<u>\$ 8,490,756</u>	8,928,330	<u>\$ (1,015,048)</u>	<u>\$ 9,943,378</u>
Fund Balances--January 1	5,127,970		5,127,970		
Less Prior Years' Project Revenues			(19,086,660)		
Plus Prior Years' Project Expenditures			10,595,904		
Fund Balances--December 31	<u>\$ 5,565,544</u>		<u>\$ 5,565,544</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, 2013

	<u>Actual</u>	<u>Prior Year Actual</u>	<u>Cumulative Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES					
Intergovernmental	\$ 1,585,140	\$ 23,172,421	\$ 24,757,561	\$ 23,575,527	\$ 1,182,034
Earnings on investments	210	531,293	531,503	771,902	(240,399)
Miscellaneous revenue	-	227,956	227,956	303,035	(75,079)
Total Revenues	<u>1,585,350</u>	<u>23,931,670</u>	<u>25,517,020</u>	<u>24,650,464</u>	<u>866,556</u>
EXPENDITURES					
Trail acquisition/development	70,619	8,444,950	8,515,569	9,229,920	714,351
Open space acquisition	-	1,105,949	1,105,949	1,162,403	56,454
Fossil Creek Trail	201,533	4,057,372	4,258,905	4,823,021	564,116
Tri-City trails	-	677,174	677,174	1,072,541	395,367
Pickle Plant	-	15,386	15,386	15,386	-
Hughes Stadium Disc Golf Course	45,415	83,113	128,528	133,700	5,172
Administration	270,587	-	270,587	270,158	(429)
Total Expenditures	<u>588,154</u>	<u>14,383,944</u>	<u>14,972,098</u>	<u>16,707,129</u>	<u>1,735,031</u>
Excess of Revenues					
Over Expenditures	<u>997,196</u>	<u>9,547,726</u>	<u>10,544,922</u>	<u>7,943,335</u>	<u>2,601,587</u>
OTHER FINANCING SOURCES (USES)					
Transfers in:					
Capital Projects Fund	-	235,000	235,000	235,000	-
Transfers out:					
General Fund	(735,154)	(884,400)	(1,619,554)	(1,619,554)	-
Cultural Services & Facilities Fund	(9,000)	(108,850)	(117,850)	(117,850)	-
Capital Projects Fund	-	(1,007,337)	(1,007,337)	(1,017,618)	10,281
Data and Communications Fund	(11,278)	-	(11,278)	(11,278)	-
Total Other Financing Sources (Uses)	<u>(755,432)</u>	<u>(1,765,587)</u>	<u>(2,521,019)</u>	<u>(2,531,300)</u>	<u>10,281</u>
Net Change in Fund Balances	241,764	<u>\$ 7,782,139</u>	8,023,903	<u>\$ 5,412,035</u>	<u>\$ 2,611,868</u>
Fund Balances--January 1	1,689,393		1,689,393		
Less Prior Years' Project Revenues			(24,166,670)		
Plus Prior Years' Project Expenditures			16,384,531		
Fund Balances--December 31	<u>\$ 1,931,157</u>		<u>\$ 1,931,157</u>		

MUSEUM FUND (A SUB-FUND OF THE GENERAL FUND)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 138,933	\$ (138,933)
Earnings on investments	7,244	-	-	7,244
Miscellaneous revenue	14,338	250,000	250,000	(235,662)
Total Revenues	<u>21,582</u>	<u>250,000</u>	<u>388,933</u>	<u>(367,351)</u>
EXPENDITURES				
Current operating				
Community and operation	991,319	1,181,420	1,320,353	329,034
Total Expenditures	<u>991,319</u>	<u>1,181,420</u>	<u>1,320,353</u>	<u>329,034</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(969,737)</u>	<u>(931,420)</u>	<u>(931,420)</u>	<u>(38,317)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	931,420	931,420	931,420	-
Transfers out	(75,316)	-	(100,000)	24,684
Total Other Financing Sources (Uses)	<u>856,104</u>	<u>931,420</u>	<u>831,420</u>	<u>24,684</u>
Net Change in Fund Balances	(113,633)	<u>\$ -</u>	<u>\$ (100,000)</u>	<u>\$ (13,633)</u>
Fund Balances--January 1	<u>-</u>			
Fund Balances (Deficit)--December 31	<u>\$ (113,633)</u>			

EMERGENCY RECOVERY FUND (A SUB-FUND OF THE GENERAL FUND)
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
REVENUES				
Intergovernmental	\$ 6,512	\$ -	\$ 1,118,000	\$ (1,111,488)
Total Revenues	<u>6,512</u>	<u>-</u>	<u>1,118,000</u>	<u>(1,111,488)</u>
EXPENDITURES				
Other	<u>457,269</u>	<u>-</u>	<u>1,118,000</u>	<u>660,731</u>
Total Expenditures	<u>457,269</u>	<u>-</u>	<u>1,118,000</u>	<u>660,731</u>
Net Change in Fund Balances	(450,757)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (450,757)</u>
Fund Balances--January 1	<u>-</u>			
Fund Balances (Deficit)--December 31	<u>\$ (450,757)</u>			

URBAN RENEWAL AUTHORITY - NORTH COLLEGE DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
REVENUES				
Taxes	\$ 1,284,690	\$ 1,176,789	\$ 1,176,789	\$ 107,901
Earnings on investments	77,285	93,766	93,766	(16,481)
Miscellaneous revenue	233,832	-	-	233,832
Total Revenues	<u>1,595,807</u>	<u>1,270,555</u>	<u>1,270,555</u>	<u>325,252</u>
EXPENDITURES				
Sustainability Services	394,401	234,627	276,057	(118,344)
Interest	596,493	950,966	950,966	354,473
Total Expenditures	<u>990,894</u>	<u>1,185,593</u>	<u>1,227,023</u>	<u>236,129</u>
Excess of Revenues Over Expenditures	<u>604,913</u>	<u>84,962</u>	<u>43,532</u>	<u>561,381</u>
OTHER FINANCING SOURCES (USES)				
Transfers out:	-	-	(70,000)	70,000
Payment on advances	(10,938,089)	(10,938,089)	(10,938,089)	-
Debt				
Debt issued	11,085,000	11,085,000	11,085,000	-
Premium on Debt	316,806	-	-	316,806
Total Other Financing Sources (Uses)	<u>463,717</u>	<u>146,911</u>	<u>76,911</u>	<u>386,806</u>
Net Change	1,068,630	<u>\$ 231,873</u>	<u>\$ 120,443</u>	<u>\$ 948,187</u>
RECONCILIATION TO GAAP BASIS				
Payments on Advances	<u>10,938,089</u>			
Net Change in Fund Balances	12,006,719			
Fund Balances (Deficit)--January 1	<u>(9,227,401)</u>			
Fund Balances--December 31	<u>\$ 2,779,318</u>			

URBAN RENEWAL AUTHORITY - PROSPECT SOUTH TIF DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance</u>
REVENUES				
Earnings (loss) on investments	\$ (111)	\$ -	\$ -	\$ (111)
Total Revenues	<u>(111)</u>	<u>-</u>	<u>-</u>	<u>(111)</u>
EXPENDITURES				
Sustainability Services	<u>4,273,719</u>	<u>-</u>	<u>5,000,000</u>	<u>726,281</u>
Excess of Revenues Over Expenditures	<u>(4,273,830)</u>	<u>-</u>	<u>(5,000,000)</u>	<u>726,170</u>
OTHER FINANCING SOURCES				
Proceeds from advances	<u>5,000,000</u>	<u>-</u>	<u>5,000,000</u>	<u>-</u>
Net Change	726,170	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 726,170</u>
RECONCILIATION TO GAAP BASIS				
Proceeds from Advances	<u>(5,000,000)</u>			
Net Change in Fund Balances	(4,273,830)			
Fund Balances--January 1	<u>-</u>			
Fund Balances (Deficit)--December 31	<u>\$ (4,273,830)</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
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	Current Year Actual	Prior Year Actual	Cumulative Actual	Budget	Variance
REVENUES					
Intergovernmental	\$ 39,734,050	\$ 37,034,187	\$ 76,768,237	\$ 111,222,620	\$ (34,454,383)
Earnings on investments	141,255	8,373,512	8,514,767	7,670,995	843,772
Miscellaneous revenue	1,390,479	8,276,744	9,667,223	9,629,315	37,908
Total Revenues	41,265,784	53,684,443	94,950,227	128,522,930	(33,572,703)
EXPENDITURES					
Woodward Public Improvements	398,455	-	398,455	6,547,080	6,148,625
FC Museum / DSC Fac Design	111,915	16,159,871	16,271,786	16,296,470	24,684
BOB-Lincoln Center Renovation	-	8,085,350	8,085,350	8,085,351	1
Env Site Mitigation - 112 E. Willow	-	183,019	183,019	200,000	16,981
Block 32 Redevelopment	155,898	45,644	201,542	330,000	128,458
New Branch Library-Beyer Site	269,839	5,274,161	5,544,000	5,544,000	-
Integrated Recycling Facility	28,697	-	28,697	443,520	414,823
Natural Areas Office Building	410,893	24,813	435,706	1,841,400	1,405,694
Downtown Poudre River Improvements	147,245	-	147,245	173,250	26,005
Coventry Dev Wildlife Habitat	-	-	-	9,000	9,000
Regional Trails	170,281	1,818,437	1,988,718	1,988,718	-
Southeast Community Park	161,166	3,618,141	3,779,307	4,244,026	464,719
East Community Park	175,700	-	175,700	1,700,000	1,524,300
Spring Canyon-Veterans Plaza	3,866	321,672	325,538	349,607	24,069
Water Craft Course	-	36,342	36,342	150,000	113,658
BOB-Park Upgrades/Enhancements	5,656	299,241	304,897	304,897	-
Gardens Capital Project	-	-	-	397,500	397,500
BOB-Senior Center Expansion	1,069,079	7,406	1,076,485	3,440,050	2,363,565
Mulberry/Lemay Ped Bridge-Poudre Trail	-	-	-	368,000	368,000
Trail Acq/Dev- Special Funds	-	-	-	1,741,405	1,741,405
Fossil Creek Trail	-	-	-	200,000	200,000
Pickle Plant	-	-	-	75,364	75,364
Hughes Stadium Disc Golf Course	70,000	-	70,000	71,300	1,300
Street Oversizing Projects	57,755	10,982,849	11,040,604	12,981,899	1,941,295
BOB Int Imp & Traffic Signals	773,678	5,375,852	6,149,530	14,322,907	8,173,377
I-25 & SH 392 Interchange	138,806	4,190,433	4,329,239	4,739,593	410,354
I-25 Interchange Design Project	-	-	-	100,000	100,000
City Bridge Program	1,107,770	2,375,132	3,482,902	5,519,372	2,036,470
Rairoad Crossing Replacement	92,839	231,591	324,430	619,903	295,473
Harmony/UPRR Safety & Maintenance	463,036	11,925	474,961	575,000	100,039
Mason Street Transportation Corridor	40,047,107	36,944,373	76,991,480	96,708,594	19,717,114
BOB Ped Plan & ADA Improvements	1,097,899	2,016,780	3,114,679	3,595,606	480,927
Bicycle Plan Implementation	74,041	48,833	122,874	530,000	407,126
N. College Improvements-Vine/Conifer	549,859	8,793,466	9,343,325	11,215,464	1,872,139
N. College Improvements-Conifer/Wilcox	589,728	103,338	693,066	3,366,000	2,672,934
Lemay/Vine Grade Sep Crossing	13,455	-	13,455	50,000	36,545
Administrative Charges	45,013	-	45,013	45,013	-
Total Expenditures	48,229,676	106,948,669	155,178,345	208,870,289	53,691,944
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(6,963,892)	(53,264,226)	(60,228,118)	(80,347,359)	20,119,241

(Continued on Next Page)

CAPITAL PROJECTS FUND (Continued)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	Current Year Actual	Prior Year Actual	Cumulative Actual	Budget	Variance
OTHER FINANCING SOURCES (USES)					
Transfers in					
General Fund	1,135,086	8,430,502	9,565,588	9,585,549	(19,961)
Capital Expansion Fund	547,866	8,597,754	9,145,620	11,134,639	(1,989,019)
Sales and Use Tax Fund	5,162,388	44,262,551	49,424,939	47,504,506	1,920,433
Natural Areas Fund	454,306	888,326	1,342,632	3,248,326	(1,905,694)
Cultural Services & Facilities Fund	-	371,200	371,200	371,200	-
Recreation Fund	-	-	-	500,000	(500,000)
Museum Fund	75,316	-	75,316	100,000	(24,684)
Transit Services Fund	-	116,525	116,525	116,525	-
Street Oversizing Fund	285	5,040,336	5,040,621	6,058,208	(1,017,587)
Transportation Services Fund	331,240	436,606	767,846	657,000	110,846
URA Operations & Maintenance Fund	-	1,548,079	1,548,079	1,618,079	(70,000)
Transfers out					
Cultural Services and Facilities Fund	(109,210)	(437,463)	(546,673)	(546,673)	-
Total Other Financing Sources (Uses)	<u>7,597,277</u>	<u>69,254,416</u>	<u>76,851,693</u>	<u>80,347,359</u>	<u>(3,495,666)</u>
Net Changes in Fund Balance	633,385	<u>\$ 15,990,190</u>	16,623,575	<u>\$ -</u>	<u>\$ 16,623,575</u>
Fund Balances--January 1	20,404,680		20,404,680		
Less Prior Years' Project Revenues			(123,376,322)		
Plus Prior Years' Project Expenditures			<u>107,386,132</u>		
Fund Balances--December 31	<u>\$ 21,038,065</u>		<u>\$ 21,038,065</u>		

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 POSITION
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Charges for services	\$ 114,757,689	\$ 109,235,769	\$ 5,521,920
Intergovernmental	933,688	267,040	666,648
Other nonoperating income	1,417,461	1,348,600	68,861
Earnings on investments	74,170	519,500	(445,330)
Transfers	(43,698)	(43,697)	(1)
Loss on sale of capital assets	(873,819)	-	(873,819)
Contributed capital	12,954,709	1,801,000	11,153,709
Total Revenues	<u>129,220,200</u>	<u>113,128,212</u>	<u>16,091,988</u>
EXPENSES			
Programs (fund level of budgetary control)			
Customer and administrative services	4,683,584	5,288,916	605,332
System additions	8,292,788	9,010,794	718,006
Light and Power operations	8,138,067	8,117,879	(20,188)
Payments and transfers	10,647,749	10,024,650	(623,099)
Purchase of power	80,700,035	83,011,368	2,311,333
Energy services	4,533,038	6,078,128	1,545,090
Total Programs	<u>116,995,261</u>	<u>121,531,735</u>	<u>4,536,474</u>
Projects (project level of budgetary control)			
Substation Improvements	6,413,587	8,588,148	2,174,561
Art in Public Places	29,122	543,756	514,634
Smart Grid	27,321,297	34,890,127	7,568,830
SW Enclave System Purchases	1,572,756	2,575,444	1,002,688
Underground Conversion Program	103,888	1,758,568	1,654,680
Grants	6,901,486	7,369,504	468,018
Service Center Additions	260,728	4,619,563	4,358,835
MHz Radio System	-	648,325	648,325
Mason Corridor	1,020,000	1,020,000	-
CMMS Maintenance	76,012	381,129	305,117
Electric Vehicle Charge Stations	31,902	125,040	93,138
Total Projects	<u>43,730,778</u>	<u>62,519,604</u>	<u>18,788,826</u>
Total Expenses	<u>160,726,039</u>	<u>184,051,339</u>	<u>23,325,300</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	(31,505,839)	<u>\$ (70,923,127)</u>	<u>\$ 39,417,288</u>
RECONCILIATION TO GAAP BASIS			
Capital Outlay--Programs	8,270,256		
Current Year's Project Expenses	7,855,677		
Prior Years' Project Expenses	33,589,279		
Principal Reduction--Long-Term Debt	1,490,000		
Depreciation	(8,032,824)		
Bond Amortization	60,804		
Total Reconciling Items	<u>43,233,192</u>		
Change in net position	11,727,353		
Net Position--January 1	<u>177,687,691</u>		
Net Position--December 31	<u>\$ 189,415,044</u>		

WATER FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Charges for services	\$ 25,953,822	\$ 26,553,614	\$ (599,792)
Other nonoperating income	1,062,826	200,636	862,190
Earnings on investments	164,353	818,643	(654,290)
Gain on sale of capital assets	58,330	-	58,330
Contributed capital	5,474,104	2,379,860	3,094,244
Proceeds from issuance of long term debt	-	545,762	(545,762)
Total Revenues	<u>32,713,435</u>	<u>30,498,515</u>	<u>2,214,920</u>
EXPENSES			
Programs (fund level of budgetary control)			
Customer and administrative services	3,824,248	4,398,716	574,468
Payments and transfers	7,271,984	8,408,917	1,136,933
Transmission and distribution	2,790,596	2,992,177	201,581
Water engineering	102,269	102,222	(47)
Water production	6,116,880	10,033,198	3,916,318
Water quality	933,354	1,072,820	139,466
Water resources	<u>1,750,797</u>	<u>2,383,648</u>	<u>632,851</u>
Total Programs	<u>22,790,128</u>	<u>29,391,698</u>	<u>6,601,570</u>
Projects (project level of budgetary control)			
Advanced Metering Infrastructure	4,673,192	4,659,229	(13,963)
Asset Management	236,059	411,129	175,070
Capital Project Oversight	63,526	60,000	(3,526)
Cathodic Protection	721,943	852,576	130,633
Distribution System Replacement	3,004,821	4,717,456	1,712,635
Engineering Distribution Sys Replcmnt	6,139,674	7,007,638	867,964
Gravel Pit Storage Ponds	1,250,538	11,577,000	10,326,462
Halligan Reservoir Enlargement	11,577,741	37,187,446	25,609,705
High Park Fire	1,845,265	2,237,953	392,688
Master Plan Facilities	7,076,439	7,212,072	135,633
Meter Conversion Program	742,820	1,640,771	897,951
Michigan Ditch improvements	786,730	800,000	13,270
Poudre Pipeline	1,028,312	1,512,610	484,298
Service Center Improvements	988,369	1,343,297	354,928
Source of Supply Gen Replcmnt	76,929	463,443	386,514
Southwest System Improvements	1,072,068	1,486,528	414,460
Treatment Facility Improvement	825,847	997,013	171,166
Water Production Replcmnt Program	2,589,349	5,753,762	3,164,413
Water Supply Development	<u>1,450,466</u>	<u>2,482,203</u>	<u>1,031,737</u>
Total Projects	<u>46,150,088</u>	<u>92,402,126</u>	<u>46,252,038</u>
Total Expenses	<u>68,940,216</u>	<u>121,793,824</u>	<u>52,853,608</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	(36,226,781)	<u>\$ (91,295,309)</u>	<u>\$ 55,068,528</u>
RECONCILIATION TO GAAP BASIS			
Capital Outlay--Programs	688,293		
Current Year's Project Expenses	10,561,134		
Prior Years' Project Expenses	36,334,291		
Principal Reduction--Long-Term Debt	2,468,859		
Depreciation	(5,514,445)		
Bond Amortization	<u>13,430</u>		
Total Reconciling Items	<u>44,551,562</u>		
Change in net position	8,324,781		
Net Position--January 1	<u>260,332,922</u>		
Net Position--December 31	<u>\$ 268,657,703</u>		

WASTEWATER FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Charges for services	\$ 20,337,824	\$ 19,450,506	\$ 887,318
Other nonoperating income	98,411	87,564	10,847
Earnings on investments	171,776	342,357	(170,581)
Gain on sale of capital assets	31,065	-	31,065
Contributed capital	3,172,339	555,161	2,617,178
Total Revenues	<u>23,811,415</u>	<u>20,435,588</u>	<u>3,375,827</u>
EXPENSES			
Programs (fund level of budgetary control)			
Customer and administrative services	1,723,931	1,946,739	222,808
Payments and transfers	6,838,364	7,325,490	487,126
Pollution control	1,126,210	1,291,965	165,755
Trunk and collection	1,554,419	2,164,371	609,952
Water engineering	98,573	105,918	7,345
Water reclamation	5,455,008	5,966,732	511,724
Total Programs	<u>16,796,505</u>	<u>18,801,215</u>	<u>2,004,710</u>
Projects (project level of budgetary control)			
Art in public places	-	483,780	483,780
Asset Management	233,714	411,130	177,416
Capital Project Oversight	31,729	40,000	8,271
Carbin Addition Alternative	57,034	60,500	3,466
Collection System Replacement	5,025,288	11,851,191	6,825,903
Collection System Study	957,674	970,000	12,326
800 MHz Radios	-	240,920	240,920
Flow Monitoring Stations	1,006,089	1,015,000	8,911
Mulberry Water Reclamation Improvement	36,282,479	36,784,863	502,384
Service Center Improvements	2,079,853	2,579,139	499,286
Sludge Disposal Improvements	5,756,774	6,593,943	837,169
Treatment Plant Expansion	26,724,028	27,253,296	529,268
Water Reclamation Replacement Program	6,346,976	9,416,756	3,069,780
Total Projects	<u>84,501,638</u>	<u>97,700,518</u>	<u>13,198,880</u>
Total Expenses	<u>101,298,143</u>	<u>116,501,733</u>	<u>15,203,590</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	(77,486,728)	<u>\$ (96,066,145)</u>	<u>\$ 18,579,417</u>
RECONCILIATION TO GAAP BASIS			
Capital Outlay--Programs	246,741		
Current Year's Project Expenses	3,439,123		
Prior Years' Project Expenses	81,062,515		
Principal Reduction--Long-Term Debt	3,265,168		
Depreciation	(4,696,652)		
Bond Amortization	25,068		
Total Reconciling Items	<u>83,341,963</u>		
Change in net position	5,855,235		
Net Position--January 1	<u>143,302,416</u>		
Net Position--December 31	<u>\$ 149,157,651</u>		

STORM DRAINAGE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Charges for services	\$ 14,384,673	\$ 13,853,000	\$ 531,673
Other nonoperating income	18,911	20,000	(1,089)
Earnings on investments	48,495	149,000	(100,505)
Transfers	32,000	32,000	-
Gain (loss) on sale of capital assets	27,782	(19,000)	46,782
Contributed capital	842,455	379,000	463,455
Total Revenues	<u>15,354,316</u>	<u>14,414,000</u>	<u>940,316</u>
EXPENSES			
Programs (fund level of budgetary control)			
Drainage and detention	1,528,760	2,029,728	500,968
Storm drainage engineering	1,269,836	1,442,312	172,476
Payments and transfers	6,817,118	7,250,953	433,835
Total Programs	<u>9,615,714</u>	<u>10,722,993</u>	<u>1,107,279</u>
Projects (project level of budgetary control)			
Drainage System Replacement	1,011,867	1,376,704	364,837
Old Town Basin	1,149,341	3,687,362	2,538,021
McClelland Mail Creek Basin	4,140	4,140	-
Spring Creek Basin	43,370	736,432	693,062
Dry Creek Basin	508,770	1,680,475	1,171,705
West Vine Channel	552,492	1,852,206	1,299,714
Foothills Basin	3,950	8,728	4,778
Canal Importation	20,436,727	21,282,504	845,777
Cooper Slough	1,418,101	1,856,254	438,153
Fossil Creek	87,409	317,075	229,666
Cache La Poudre Drainageway	280,585	1,184,000	903,415
Utility Service Center	116,882	409,466	292,584
Master Planning	5,430,181	5,752,943	322,762
Developer Repays	1,880,243	2,491,333	611,090
Post Fire-Flood Warning Grant	18,184	23,841	5,657
Total Projects	<u>32,942,242</u>	<u>42,663,463</u>	<u>9,721,221</u>
Total Expenses	<u>42,557,956</u>	<u>53,386,456</u>	<u>10,828,500</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	(27,203,640)	<u>\$ (38,972,456)</u>	<u>\$ 11,768,816</u>
RECONCILIATION TO GAAP BASIS			
Capital Outlay--Programs	146,519		
Current Year's Project Expenses	1,531,657		
Prior Years' Project Expenses	30,066,867		
Principal Reduction--Long-Term Debt	3,085,000		
Depreciation	(2,134,399)		
Bond Amortization	(68,892)		
Total Reconciling Items	<u>32,626,752</u>		
Change in net position	5,423,112		
Net Position--January 1	<u>96,954,319</u>		
Net Position--December 31	<u>\$ 102,377,431</u>		

GOLF FUND**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION****ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)****FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Charges for services	\$ 2,895,447	\$ 2,835,000	\$ 60,447
Other nonoperating income	29,847	34,500	(4,653)
Earnings on investments	2,665	3,330	(665)
Gain on sale of capital assets	1,185	-	1,185
Proceeds from issuance of long term debt	156,644	156,644	-
Total Revenues	<u>3,085,788</u>	<u>3,029,474</u>	<u>56,314</u>
EXPENSES			
Programs (fund level of budgetary control)			
Golf courses	3,094,105	3,170,277	76,172
Transfers	35,458	35,458	-
Total Programs	<u>3,129,563</u>	<u>3,205,735</u>	<u>76,172</u>
Total Expenses	<u>3,129,563</u>	<u>3,205,735</u>	<u>76,172</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	(43,775)	<u>\$ (176,261)</u>	<u>\$ 132,486</u>
RECONCILIATION TO GAAP BASIS			
Capital Outlay--Programs	133,062		
Principal Reduction--Long-Term Debt	291,065		
Principal Reduction--Capital Lease Obligations	93,131		
Proceeds From Lease Purchases	(156,644)		
Depreciation	(277,766)		
Bond Amortization	3,096		
Total Reconciling Items	<u>85,944</u>		
Change in net position	42,169		
Net Position--January 1	<u>5,089,831</u>		
Net Position--December 31	<u>\$ 5,132,000</u>		

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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 POSITION
DECEMBER 31, 2013

	Equipment	Self Insurance	Data and Communications
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 240,347	\$ 3,719,476	\$ 368,324
Investments	1,974,702	3,146,585	3,022,368
Receivables			
Accounts	51,435	34,909	4,057
Interest	4,203	9,153	8,499
Prepaid item	-	219,794	-
Due from other governments	9,937	-	-
Inventories of materials and supplies	545,254	-	-
Total Current Assets	2,825,878	7,129,917	3,403,248
Non-Current Assets			
Restricted - cash and cash equivalents	15,688	-	3,722
Land, water rights, other	30,126	-	-
Buildings, improvements and equipment	11,370,253	-	4,083,568
Accumulated depreciation	(7,145,475)	-	(3,272,576)
Total Non-Current Assets	4,270,592	-	814,714
Total Assets	7,096,470	7,129,917	4,217,962
LIABILITIES			
Current Liabilities			
Accounts payable	311,904	18,222	425,215
Interest payable	10,113	-	2,879
Wages payable	65,838	9,573	113,041
Compensated absences	119,740	31,319	353,324
Claims payable	-	874,339	-
Capital lease obligations	620,900	-	295,075
Total Current Liabilities	1,128,495	933,453	1,189,534
Non-Current Liabilities			
Claims payable	-	2,623,594	-
Capital lease obligations	1,719,237	-	838,389
Total Non-Current Liabilities	1,719,237	2,623,594	838,389
Total Liabilities	2,847,732	3,557,047	2,027,923
NET POSITION			
Net investment in capital assets	1,914,767	-	810,993
Restricted: fiscal agent	15,688	-	3,722
Unrestricted	2,318,283	3,572,870	1,375,324
Total Net Position	\$ 4,248,738	\$ 3,572,870	\$ 2,190,039

		Utility Customer	
Benefits	Service and Admin.		Total
\$ 1,809,748	\$ 476,079	\$	6,613,974
9,917,210	2,609,451		20,670,316
802,182	639		893,222
29,792	8,219		59,866
-	-		219,794
-	-		9,937
-	-		545,254
12,558,932	3,094,388		29,012,363
-	-		19,410
-	-		30,126
-	3,364,932		18,818,753
-	(2,974,518)		(13,392,569)
-	390,414		5,475,720
12,558,932	3,484,802		34,488,083
568,201	218,693		1,542,235
-	-		12,992
17,794	195,835		402,081
40,344	396,111		940,838
1,396,394	-		2,270,733
-	-		915,975
2,022,733	810,639		6,084,854
-	-		2,623,594
-	-		2,557,626
-	-		5,181,220
2,022,733	810,639		11,266,074
-	390,414		3,116,174
-	-		19,410
10,536,199	2,283,749		20,086,425
\$ 10,536,199	\$ 2,674,163	\$	23,222,009

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Equipment	Self Insurance	Data and Communications
OPERATING REVENUES			
Charges for services	\$ 8,724,193	\$ 2,645,765	\$ 1,922,225
Total Operating Revenues	8,724,193	2,645,765	1,922,225
OPERATING EXPENSES			
Personal services	2,554,306	356,764	3,953,173
Contractual services	1,660,462	1,846,121	2,379,772
Commodities	4,242,331	163,399	1,561,741
Other	6,151	-	-
Depreciation	862,270	-	318,789
Total Operating Expenses	9,325,520	2,366,284	8,213,475
Operating Income (Loss)	(601,327)	279,481	(6,291,250)
NONOPERATING REVENUES (EXPENSES)			
Earnings on investments	1,999	1,876	3,805
Other revenue	98,315	13,783	-
Gain on sale of capital assets	60,349	-	-
Interest expense	(51,736)	-	(22,137)
Total Nonoperating Revenues (Expenses)	108,927	15,659	(18,332)
Income (Loss) Before Transfers	(492,400)	295,140	(6,309,582)
Transfers in	424,426	-	6,179,280
Transfers out	-	(175,953)	-
Change in Net Position	(67,974)	119,187	(130,302)
Net Position--January 1	4,316,712	3,453,683	2,320,341
Net Position--December 31	\$ 4,248,738	\$ 3,572,870	\$ 2,190,039

Benefits	Utility Customer Service and Admin.	Total
\$ 19,961,310	\$ 11,605,884	\$ 44,859,377
19,961,310	11,605,884	44,859,377
687,984	7,292,314	14,844,541
21,352,719	3,677,999	30,917,073
18,640	642,342	6,628,453
-	8,766	14,917
-	344,251	1,525,310
22,059,343	11,965,672	53,930,294
(2,098,033)	(359,788)	(9,070,917)
7,799	4,187	19,666
40,000	1,186,545	1,338,643
-	6,169	66,518
-	-	(73,873)
47,799	1,196,901	1,350,954
(2,050,234)	837,113	(7,719,963)
-	175,953	6,779,659
-	(1,814,649)	(1,990,602)
(2,050,234)	(801,583)	(2,930,906)
12,586,433	3,475,746	26,152,915
\$ 10,536,199	\$ 2,674,163	\$ 23,222,009

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2013**

	Equipment	Self Insurance	Data and Communications
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from interfund services provided	\$ 8,793,980	\$ 2,645,071	\$ 1,929,145
Cash paid to employees for services	(2,560,038)	(353,998)	(3,911,839)
Cash paid to other suppliers of goods & services	(5,809,268)	(2,520,774)	(3,939,132)
Payments for interfund services used	-	(431)	(2,281)
Other receipts	98,315	13,783	-
Net cash provided (used) by operating activities	522,989	(216,349)	(5,924,107)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from other funds	424,426	-	6,179,280
Transfers to other funds	-	(175,953)	-
Net cash provided (used) by noncapital financing activities	424,426	(175,953)	6,179,280
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds from capital debt	1,404,485	-	383,653
Purchases of capital assets	(1,575,379)	-	(97,278)
Principal paid on capital debt	(474,820)	-	(221,385)
Interest paid on capital debt	(44,993)	-	(21,076)
Proceeds from sales of capital assets	81,367	-	-
Net cash provided (used) by capital and related financing activities	(609,340)	-	43,914
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales and maturities of investments	1,596,453	1,154,297	(264,242)
Purchase of investments	(1,979,392)	-	-
Earnings received on investments	12,869	34,121	2,789
Net cash provided (used) by investing activities	(370,070)	1,188,418	(261,453)
Net increase (decrease) in cash and cash equivalents	(31,995)	796,116	37,634
Cash and cash equivalents, January 1	288,030	2,923,360	334,412
Cash and cash equivalents, December 31	\$ 256,035	\$ 3,719,476	\$ 372,046
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (601,327)	\$ 279,481	\$ (6,291,250)
Other receipts	98,315	13,783	-
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:			
Depreciation expense	862,270	-	318,789
(Increase) decrease in accounts receivable	69,787	(694)	(1,326)
(Increase) decrease in intergovernmental receivables	(9,937)	-	8,246
(Increase) in inventories	34,101	-	-
(Decrease) in prepaid item	-	(6,434)	-
Increase (decrease) in accounts payable	75,512	(600)	100
Increase (decrease) in compensated absences payable	(13,166)	2,018	13,018
Increase in wages payable	7,434	748	28,316
Increase (decrease) in claims payable	-	(502,906)	-
(Decrease) in unearned revenue	-	(1,745)	-
Net cash provided (used) by operating activities	\$ 522,989	\$ (216,349)	\$ (5,924,107)
Reconciliation of cash and cash equivalents to statement of net position:			
Cash and cash equivalents	240,347	3,719,476	368,324
Restricted Assets - cash and cash equivalents	15,688	-	3,722
	\$ 256,035	\$ 3,719,476	\$ 372,046

Utility Customer		
Benefits	Service and Admin.	Total
\$ 19,676,563	\$ 11,606,495	\$ 44,651,254
(680,089)	(7,220,379)	(14,726,343)
(21,230,273)	(4,250,521)	(37,749,968)
(279)	-	(2,991)
40,000	1,186,545	1,338,643
(2,194,078)	1,322,140	(6,489,405)
-	175,953	6,779,659
-	(1,814,649)	(1,990,602)
-	(1,638,696)	4,789,057
-	-	1,788,138
-	(44,044)	(1,716,701)
-	-	(696,205)
-	-	(66,069)
-	6,169	87,536
-	(37,875)	(603,301)
11,748,773	353,186	14,588,467
(9,962,939)	-	(11,942,331)
106,959	4,265	161,003
1,892,793	357,451	2,807,139
(301,285)	3,020	503,490
2,111,033	473,059	6,129,894
\$ 1,809,748	\$ 476,079	\$ 6,633,384
\$ (2,098,033)	\$ (359,788)	\$ (9,070,917)
40,000	1,186,545	1,338,643
-	344,251	1,525,310
(284,748)	611	(216,370)
-	-	(1,691)
-	-	34,101
-	-	(6,434)
4,689	78,586	158,287
3,149	34,186	39,205
4,746	37,749	78,993
136,119	-	(366,787)
-	-	(1,745)
\$ (2,194,078)	\$ 1,322,140	\$ (6,489,405)
1,809,748	476,079	6,613,974
-	-	19,410
\$ 1,809,748	\$ 476,079	\$ 6,633,384

EQUIPMENT FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Charges for services	\$ 8,724,193	\$ 10,138,821	\$ (1,414,628)
Other nonoperating income	98,315	91,800	6,515
Earnings on investments	1,999	11,872	(9,873)
Transfers	424,426	424,426	-
Gain on sale of capital assets	60,349	70,000	(9,651)
Proceeds from issuance of long term debt	1,404,485	1,404,485	-
Total Revenues	<u>10,713,767</u>	<u>12,141,404</u>	<u>(1,427,637)</u>
EXPENSES			
Programs (fund level of budgetary control)			
Fleet services	<u>10,565,185</u>	<u>12,770,152</u>	<u>2,204,967</u>
Total Programs	<u>10,565,185</u>	<u>12,770,152</u>	<u>2,204,967</u>
Total Expenses	<u>10,565,185</u>	<u>12,770,152</u>	<u>2,204,967</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	148,582	<u>\$ (628,748)</u>	<u>\$ 777,330</u>
RECONCILIATION TO GAAP BASIS			
Capital Outlay--Programs	1,575,379		
Principal Reduction--Capital Lease Obligations	474,820		
Proceeds From Lease Purchases	(1,404,485)		
Depreciation	<u>(862,270)</u>		
Total Reconciling Items	<u>(216,556)</u>		
Change in net position	(67,974)		
Net Position--January 1	<u>4,316,712</u>		
Net Position--December 31	<u>\$ 4,248,738</u>		

SELF INSURANCE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Charges for services	\$ 2,645,765	\$ 2,647,538	\$ (1,773)
Other nonoperating income	13,783	-	13,783
Earnings on investments	1,876	42,631	(40,755)
Total Revenues	<u>2,661,424</u>	<u>2,690,169</u>	<u>(28,745)</u>
EXPENSES			
Programs (fund level of budgetary control)			
Risk Management	540,331	684,457	144,126
Property & Liability Insurance	1,308,867	1,298,048	(10,819)
Workers Compensation	516,983	1,139,400	622,417
Risk Management Environmental	176,056	176,822	766
Total Expenses	<u>2,542,237</u>	<u>3,298,727</u>	<u>756,490</u>
Change in net position	119,187	<u>\$ (608,558)</u>	<u>\$ 727,745</u>
Net Position--January 1	<u>3,453,683</u>		
Net Position--December 31	<u>\$ 3,572,870</u>		

DATA AND COMMUNICATIONS FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Charges for services	\$ 1,922,225	\$ 1,589,470	\$ 332,755
Earnings on investments	3,805	32,601	(28,796)
Transfers	6,179,280	6,179,280	-
Proceeds from issuance of long term debt	383,654	383,654	-
Total Revenues	<u>8,488,964</u>	<u>8,185,005</u>	<u>303,959</u>
EXPENSES			
Programs (fund level of budgetary control)			
Management of Information Services	<u>8,235,486</u>	<u>9,263,313</u>	<u>1,027,827</u>
Total Programs	<u>8,235,486</u>	<u>9,263,313</u>	<u>1,027,827</u>
Total Expenses	<u>8,235,486</u>	<u>9,263,313</u>	<u>1,027,827</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	253,478	<u>\$ (1,078,308)</u>	<u>\$ 1,331,786</u>
RECONCILIATION TO GAAP BASIS			
Capital Outlay--Programs	97,278		
Principal Reduction--Capital Lease Obligations	221,385		
Proceeds From Lease Purchases	(383,654)		
Depreciation	<u>(318,789)</u>		
Total Reconciling Items	<u>(383,780)</u>		
Change in net position	(130,302)		
Net Position--January 1	<u>2,320,341</u>		
Net Position--December 31	<u>\$ 2,190,039</u>		

BENEFITS FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Charges for services	\$ 19,961,310	\$ 19,011,600	\$ 949,710
Other nonoperating income	40,000	44,000	(4,000)
Earnings on investments	7,799	123,070	(115,271)
Total Revenues	<u>20,009,109</u>	<u>19,178,670</u>	<u>830,439</u>
EXPENSES			
Programs (fund level of budgetary control)			
Benefits	<u>22,059,343</u>	<u>21,166,812</u>	<u>(892,531)</u>
Total Expenses	<u>22,059,343</u>	<u>21,166,812</u>	<u>(892,531)</u>
Change in net position	(2,050,234)	<u>\$ (1,988,142)</u>	<u>\$ (62,092)</u>
Net Position--January 1	<u>12,586,433</u>		
Net Position--December 31	<u>\$ 10,536,199</u>		

UTILITY CUSTOMER SERVICE AND ADMINISTRATIVE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Charges for services	\$ 11,605,884	\$ 13,105,888	\$ (1,500,004)
Other nonoperating income	1,186,545	982,800	203,745
Earnings on investments	4,187	45,285	(41,098)
Transfers	175,953	175,953	-
Loss on sale of capital assets	6,169	-	6,169
Total Revenues	<u>12,978,738</u>	<u>14,309,926</u>	<u>(1,331,188)</u>
EXPENSES			
Programs (fund level of budgetary control)			
Customer and administrative services	11,665,466	13,776,993	2,111,527
Transfers	<u>1,814,649</u>	<u>1,814,649</u>	<u>-</u>
Total Expenses	<u>13,480,115</u>	<u>15,591,642</u>	<u>2,111,527</u>
Excess (deficiency) of revenues over (under) expenses before reconciling items	(501,377)	<u>\$ (1,281,716)</u>	<u>\$ 780,339</u>
RECONCILIATION TO GAAP BASIS			
Capital Outlay--Programs	44,045		
Depreciation	<u>(344,251)</u>		
Total Reconciling Items	<u>(300,206)</u>		
Change in net position	(801,583)		
Net Position--January 1	<u>3,475,746</u>		
Net Position--December 31	<u>\$ 2,674,163</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.

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.

GENERAL EMPLOYEES' RETIREMENT PLAN TRUST FUND
SCHEDULE OF CHANGES IN NET POSITION HELD IN TRUST FOR
PENSION BENEFITS - ACTUAL AND BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
ADDITIONS			
Contributions	\$ 2,089,644	\$ 2,010,000	\$ 79,644
Earnings on investments	218,140	102,000	116,140
Change in the fair value of investments	<u>6,983,332</u>	<u>-</u>	<u>6,983,332</u>
Total Additions	<u>9,291,116</u>	<u>2,112,000</u>	<u>7,179,116</u>
DEDUCTIONS			
Benefit payments	4,044,328	4,200,000	155,672
Administration	<u>21,016</u>	<u>32,683</u>	<u>11,667</u>
Total Deductions	<u>4,065,344</u>	<u>4,232,683</u>	<u>167,339</u>
Net Increase in Plan Net Position	5,225,772	<u>\$ (2,120,683)</u>	<u>\$ 7,346,455</u>
Net Position Held in Trust for Pension Benefits--January 1	<u>39,489,065</u>		
Net Position Held in Trust for Pension Benefits--December 31	<u>\$ 44,714,837</u>		

AGENCY FUNDS
COMBINING STATEMENT OF ASSETS AND LIABILITIES
DECEMBER 31, 2013

	Poudre Fire Authority	Poudre River Public Library District	Total Agency Funds
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 1,269,560	\$ 614,193	\$ 1,883,753
Receivables			
Interest	28,491	14,943	43,434
Investments, at fair value			
Certificates of deposit	302,892	147,083	449,975
U S Government securities	8,482,357	4,126,616	12,608,973
Corporate bonds	<u>1,591,543</u>	<u>773,617</u>	<u>2,365,160</u>
Total Investments, at fair value	<u>10,376,792</u>	<u>5,047,316</u>	<u>15,424,108</u>
Total Assets	<u>11,674,843</u>	<u>5,676,452</u>	<u>17,351,295</u>
LIABILITIES			
Current Liabilities			
Amounts held for other governments	<u>11,674,843</u>	<u>5,676,452</u>	<u>17,351,295</u>
Total Liabilities	<u>\$ 11,674,843</u>	<u>\$ 5,676,452</u>	<u>\$ 17,351,295</u>

AGENCY FUNDS
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

POUDRE FIRE AUTHORITY	Balance-- Dec. 31, 2012	Additions	Deletions	Balance-- Dec. 31, 2013
ASSETS				
Cash and cash equivalents	\$ 1,137,858	\$ 131,702	\$ -	\$ 1,269,560
Receivables - interest	23,840	4,651	-	28,491
Investments, at fair value				
Certificates of deposit	594,439	-	291,547	302,892
U S Government securities	7,672,354	878,469	68,466	8,482,357
Corporate bonds	1,084,892	517,836	11,185	1,591,543
Total Investments, at fair value	9,351,685	1,396,305	371,198	10,376,792
Total Assets	10,513,383	1,532,658	371,198	11,674,843
LIABILITIES				
Amounts held for other governments	\$ 10,513,383	\$ 1,532,658	\$ 371,198	\$ 11,674,843
POUDRE RIVER PUBLIC LIBRARY DISTRICT	Balance-- Dec. 31, 2012	Additions	Deletions	Balance-- Dec. 31, 2013
ASSETS				
Cash and cash equivalents	\$ 551,827	\$ 62,366	\$ -	\$ 614,193
Receivables - interest	12,690	2,253	-	14,943
Investments, at fair value				
Certificates of deposit	289,161	-	142,078	147,083
U S Government securities	3,747,480	420,083	40,947	4,126,616
Corporate bonds	529,975	250,539	6,897	773,617
Total Investments, at fair value	4,566,616	670,622	189,922	5,047,316
Total Assets	5,131,133	735,241	189,922	5,676,452
LIABILITIES				
Amounts held for other governments	\$ 5,131,133	\$ 735,241	\$ 189,922	\$ 5,676,452
TOTAL - ALL FUNDS	Balance-- Dec. 31, 2012	Additions	Deletions	Balance-- Dec. 31, 2013
ASSETS				
Cash and cash equivalents	\$ 1,689,685	\$ 194,068	\$ -	\$ 1,883,753
Receivables - interest	36,530	6,904	-	43,434
Investments, at fair value				
Certificates of deposit	883,600	-	433,625	449,975
U S Government securities	11,419,834	1,298,552	109,413	12,608,973
Corporate bonds	1,614,867	768,375	18,082	2,365,160
Total Investments, at fair value	13,918,301	2,066,927	561,120	15,424,108
Total Assets	15,644,516	2,267,899	561,120	17,351,295
LIABILITIES				
Amounts held for other governments	\$ 15,644,516	\$ 2,267,899	\$ 561,120	\$ 17,351,295

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

DOWNTOWN DEVELOPMENT AUTHORITY (DDA)

Reconciliations:

Reconciliation of the Balance Sheet to the Statement of Net Position

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 POSITION
DECEMBER 31, 2013**

	Total	Adjustments	Statement of Net Position
ASSETS			
Cash and cash equivalents	\$ 509,447	\$ -	\$ 509,447
Investments	3,330,470	-	3,330,470
Receivables			
Property taxes	3,483,027	-	3,483,027
Interest	15,683	-	15,683
Prepaid	710	-	710
Due from other governments	3,764	-	3,764
Inventory of real property held for resale	135,464	-	135,464
Restricted cash and cash equivalents	46,377	-	46,377
Restricted investments	2,491,126	-	2,491,126
Capital assets (non-depreciable)	-	2,528,747	1 2,528,747
Capital assets (net of accumulated depreciation)	-	2,761,684	1 2,761,684
Total Assets	<u>10,016,068</u>	<u>5,290,431</u>	<u>15,306,499</u>
LIABILITIES			
Accounts payable	6,254	-	6,254
Interest payable	-	49,925	2 49,925
Wages payable	11,404	-	11,404
Unearned revenue	23,203	-	23,203
Non-Current liabilities			
Due within one year	-	1,380,414	2 1,380,414
Due after one year	-	15,190,000	2 15,190,000
Total Liabilities	<u>40,861</u>	<u>16,620,339</u>	<u>16,661,200</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	<u>3,483,027</u>	<u>-</u>	<u>3,483,027</u>
Total Deferred inflows of resources	<u>3,483,027</u>	<u>-</u>	<u>3,483,027</u>
FUND BALANCES/NET POSITION			
Fund balances			
Nonspendable	136,174		
Restricted	2,541,325		
Assigned	<u>3,814,681</u>		
Total Fund Balances	<u>6,492,180</u>	<u>(11,329,908)</u>	<u>(4,837,728)</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 10,016,068</u>		
Net Position:			
Net investment in capital assets			5,290,431
Restricted for debt service			2,541,325
Unrestricted (deficit)		3	(12,669,484)
Total Net Position (Deficit) of Component Unit (page 29)			<u>\$ (4,837,728)</u>

- 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 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.
- 3 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 position for the component unit reflects a deficit balance for unrestricted net position.

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, 2013**

	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
Expenditures/Expenses (including transfers):			
Expenditures/expenses	<u>\$ 11,155,686</u>	<u>\$ (1,198,058) ¹</u>	<u>\$ 9,957,628</u>
	11,155,686	(1,198,058)	9,957,628
Program Revenues			
Charges for services	34,877	-	34,877
Operating grants and contributions	<u>47,412</u>	<u>-</u>	<u>47,412</u>
Net Program Revenues	<u>82,289</u>	<u>-</u>	<u>82,289</u>
Net Program Expense	<u>11,073,397</u>	<u>(1,198,058)</u>	<u>9,875,339</u>
General Revenues			
Property taxes	3,318,234	-	3,318,234
Investment earnings	14,521	-	14,521
Miscellaneous	<u>6,050,878</u>	<u>(6,050,000) ²</u>	<u>878</u>
Total General Revenues	<u>9,383,633</u>	<u>(6,050,000)</u>	<u>3,333,633</u>
Change in Net Position (pages 30-31)	(1,689,764)	(4,851,942)	(6,541,706)
Fund Balance (Deficit)/Net Position			
Beginning of the year	<u>8,181,944</u>	<u>(6,477,966)</u>	<u>1,703,978</u>
End of the year	<u>\$ 6,492,180</u>	<u>\$ (11,329,908)</u>	<u>\$ (4,837,728)</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 accrued interest related to last debt service payment	(2,125)
Net increase in compensated absences	1,877
Debt payment	(1,290,000)
Current year depreciation	92,190
	<u>\$ (1,198,058)</u>

- 2** Proceeds from issuance of long term debt are not reported as revenues

	<u>\$ (6,050,000)</u>
--	-----------------------

**DOWNTOWN DEVELOPMENT AUTHORITY
BALANCE SHEET
DECEMBER 31, 2013**

	General	Debt Service	Total
ASSETS			
Cash and cash equivalents	\$ 509,447	\$ -	\$ 509,447
Investments	3,330,470	-	3,330,470
Receivables			
Property taxes	639,894	2,843,133	3,483,027
Interest	11,861	3,822	15,683
Prepaid item	710	-	710
Due from other governments	3,764	-	3,764
Inventory of real property held for resale	135,464	-	135,464
Restricted - cash and cash equivalents	-	46,377	46,377
Restricted - investments	-	2,491,126	2,491,126
Total Assets	<u>4,631,610</u>	<u>5,384,458</u>	<u>10,016,068</u>
LIABILITIES			
Accounts payable, accruals, and other	6,254	-	6,254
Wages payable	11,404	-	11,404
Unearned revenue	23,203	-	23,203
Total Liabilities	<u>40,861</u>	<u>-</u>	<u>40,861</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue - property taxes	<u>639,894</u>	<u>2,843,133</u>	<u>3,483,027</u>
Total Deferred Inflows of Resources	<u>639,894</u>	<u>2,843,133</u>	<u>3,483,027</u>
Total Liabilities and Deferred inflows of resources	<u>680,755</u>	<u>2,843,133</u>	<u>3,523,888</u>
FUND BALANCES			
Nonspendable	136,174	-	136,174
Restricted	-	2,541,325	2,541,325
Assigned	3,814,681	-	3,814,681
Total Fund Balances	<u>3,950,855</u>	<u>2,541,325</u>	<u>6,492,180</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 4,631,610</u>	<u>\$ 5,384,458</u>	<u>\$ 10,016,068</u>

DOWNTOWN DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>General</u>	<u>Debt Service</u>	<u>Total</u>
REVENUES			
Taxes	\$ 636,475	\$ 2,681,759	\$ 3,318,234
Licenses and permits	1,800	-	1,800
Intergovernmental	47,412	-	47,412
Fees and charges for services	33,077	-	33,077
Earnings on investments	2,251	12,270	14,521
Miscellaneous revenue	878	-	878
Total Revenues	<u>721,893</u>	<u>2,694,029</u>	<u>3,415,922</u>
EXPENDITURES			
Current operating			
Administrative	8,957,401	784	8,958,185
Debt service			
Principal	-	1,519,655	1,519,655
Interest	-	677,846	677,846
Total Expenditures	<u>8,957,401</u>	<u>2,198,285</u>	<u>11,155,686</u>
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	<u>(8,235,508)</u>	<u>495,744</u>	<u>(7,739,764)</u>
OTHER FINANCING SOURCES			
Proceeds from issuance of debt	<u>6,050,000</u>	<u>-</u>	<u>6,050,000</u>
Total Other Financing Sources	<u>6,050,000</u>	<u>-</u>	<u>6,050,000</u>
Net Change in Fund Balances	(2,185,508)	495,744	(1,689,764)
Fund Balances-January 1	<u>6,136,363</u>	<u>2,045,581</u>	<u>8,181,944</u>
Fund Balances-December 31	<u>\$ 3,950,855</u>	<u>\$ 2,541,325</u>	<u>\$ 6,492,180</u>

DOWNTOWN DEVELOPMENT AUTHORITY
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Taxes	\$ 636,475	\$ 616,837	\$ 19,638
Licenses and permits	1,800	1,800	-
Intergovernmental	47,412	36,260	11,152
Fees and charges for services	33,077	33,077	-
Earnings on investments	2,251	2,283	(32)
Miscellaneous revenue	878	-	878
Total Revenues	<u>721,893</u>	<u>690,257</u>	<u>31,636</u>
EXPENDITURES			
Administration	<u>8,957,401</u>	<u>13,600,618</u>	<u>4,643,217</u>
Total Expenditures	<u>8,957,401</u>	<u>13,600,618</u>	<u>4,643,217</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(8,235,508)</u>	<u>(12,910,361)</u>	<u>4,674,853</u>
OTHER FINANCING SOURCES			
Proceeds from issuance of debt	<u>6,918,077</u>	<u>7,050,000</u>	<u>(131,923)</u>
Total Other Financing Sources	<u>6,918,077</u>	<u>7,050,000</u>	<u>(131,923)</u>
Net Change in Fund Balance	(1,317,431)	<u>\$ (5,860,361)</u>	<u>\$ 4,542,930</u>
RECONCILIATION TO GAAP BASIS			
Proceeds from short-term debt	<u>(868,077)</u>		
Net Change in Fund Balance	(2,185,508)		
Fund Balances--January 1	<u>6,136,363</u>		
Fund Balances--December 31	<u>\$ 3,950,855</u>		

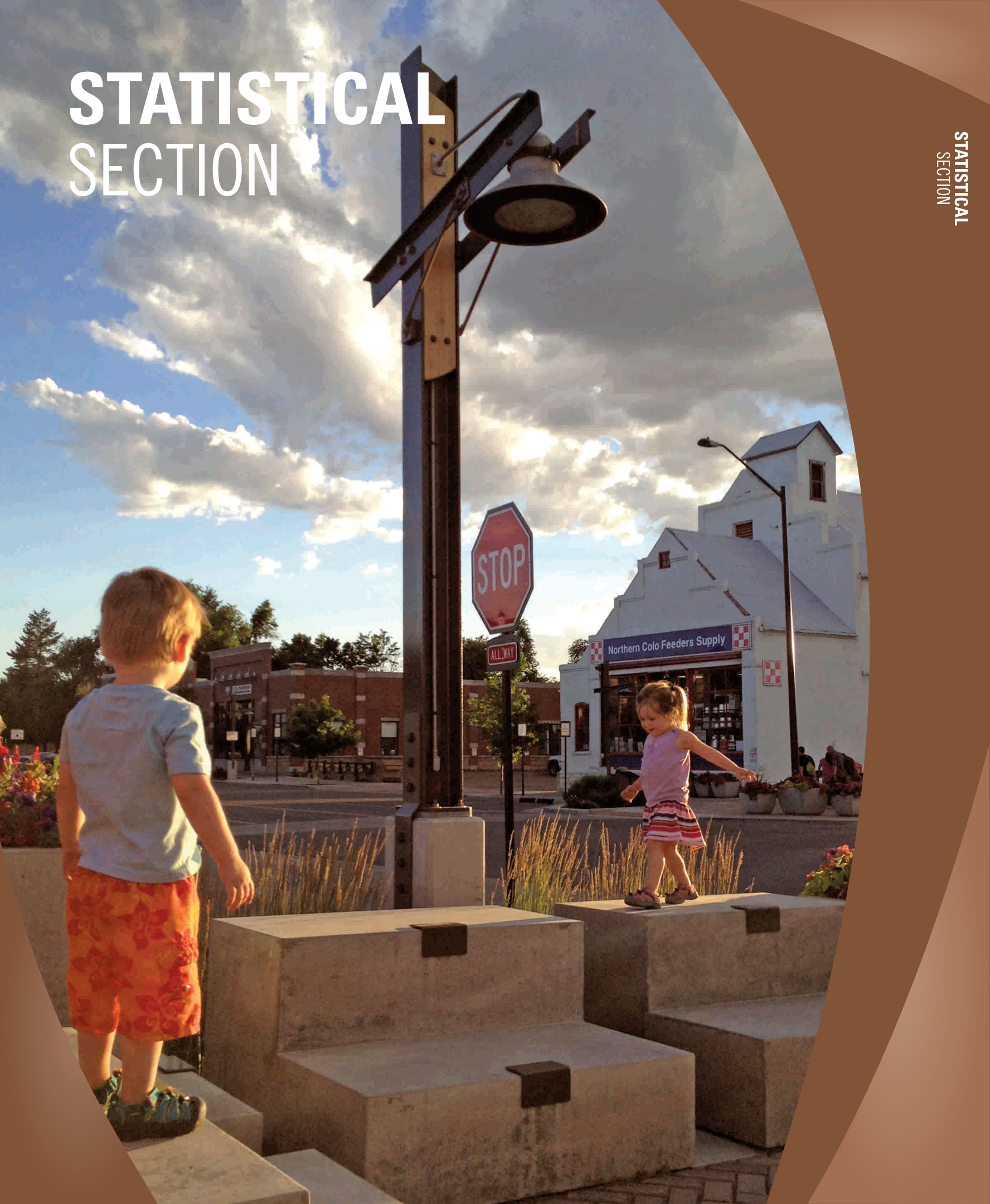
DOWNTOWN DEVELOPMENT AUTHORITY
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES--
ACTUAL AND BUDGET (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
REVENUES			
Taxes	\$ 2,681,759	\$ 2,492,292	\$ 189,467
Earnings on investments	12,270	30,603	(18,333)
Total Revenues	<u>2,694,029</u>	<u>2,522,895</u>	<u>171,134</u>
EXPENDITURES			
Internal Administration Services	784	784	-
Principal	2,387,732	2,519,655	131,923
Interest	677,846	677,846	-
Total Expenditures	<u>3,066,362</u>	<u>3,198,285</u>	<u>131,923</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(372,333)</u>	<u>(675,390)</u>	<u>303,057</u>
RECONCILIATION TO GAAP BASIS			
Payment of principal on short-term debt	<u>868,077</u>		
Net Change in Fund Balance	495,744		
Fund Balances--January 1	<u>2,045,581</u>		
Fund Balances--December 31	<u>\$ 2,541,325</u>		

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STATISTICAL SECTION

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 Position by Component.....	Exh. A-1	158
Changes in Net Position.....	Exh. A-2	159
Fund Balances, Governmental Funds	Exh. A-3	160
Changes in Fund Balances, Governmental Funds	Exh. A-4	161

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	162
Direct and Overlapping Sales Tax Rates	Exh. A-6	163
Sales Tax Revenue Taxpayers by Industry.....	Exh. A-7	164

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	165
Ratios of General Bonded Debt Outstanding	Exh. A-9	166
Direct & Overlapping Governmental Act. Debt.....	Exh. A-10	167
Legal Debt Margin Information.....	Exh. A-11	168
Pledged Revenue Coverage	Exh. A-12	169

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.

Net Position by Component (in thousands)
 Last Ten Fiscal Years
 (accrual basis of accounting)

	Fiscal Year									
	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Governmental activities										
Net investment in capital assets	\$ 392,475	\$ 428,474	\$ 481,713	\$ 526,367	\$ 551,853	\$ 573,887	\$ 597,270	\$ 628,758	\$ 662,461	\$ 694,119
Restricted	10,005	9,826	8,957	(12,037)	5,229	8,960	37,138	43,327	52,466	55,649
Unrestricted	146,213	188,871	193,016	184,842	161,680	146,408	113,086	107,784	119,944	145,207
Total governmental activities net position	548,693	627,170	683,685	699,172	718,762	729,256	747,494	779,869	834,870	894,974
Business-type activities										
Net investment in capital assets	340,554	358,079	376,929	398,949	429,392	453,420	466,364	490,511	508,284	531,113
Restricted	4,546	1,118	1,091	1,130	1,642	1,671	1,030	1,025	995	1,032
Unrestricted	123,724	141,010	161,847	175,273	168,966	157,998	163,527	160,226	172,528	178,571
Total business-type activities net position	468,824	500,207	539,867	575,353	600,000	613,089	630,922	651,763	681,808	710,716
Primary government										
Net investment in capital assets	733,029	786,553	858,642	925,317	981,245	1,027,307	1,063,634	1,119,270	1,170,745	1,225,232
Restricted	14,551	10,944	10,047	(10,907)	6,871	10,631	38,168	44,352	53,461	56,680
Unrestricted	269,938	329,880	354,863	360,115	330,646	304,406	276,613	268,010	292,472	323,778
Total primary government net position	\$ 1,017,517	\$ 1,127,377	\$ 1,223,552	\$ 1,274,525	\$ 1,318,762	\$ 1,342,345	\$ 1,378,416	\$ 1,431,631	\$ 1,516,678	\$ 1,605,690

Totals may not add due to rounding

Changes in Net Position (in thousands)
Last Ten Fiscal Years
(accrual basis of accounting)

Exhibit A-2

Expenses	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Governmental activities										
General government	\$ 13,358	\$ 19,382	\$ 27,085	\$ 26,553	\$ 33,535	\$ 32,868	\$ 29,752	\$ 33,674	\$ 34,645	\$ 40,118
Public safety	35,766	38,703	43,299	44,412	46,521	50,056	48,854	51,313	55,633	56,660
Culture, parks, recreation & natural areas	31,412	34,029	32,004	34,790	35,490	38,515	27,342	29,755	32,448	40,910
Planning and development	11,730	5,752	5,525	7,593	6,585	9,706	14,331	11,053	9,502	13,547
Transportation	43,125	41,074	44,644	42,839	44,659	36,471	34,698	38,540	42,249	43,710
Library	3,645	3,790	3,729	3,900	-	-	-	-	-	-
Interest on long-term debt	2,092	3,172	3,100	3,113	3,063	2,632	2,682	2,523	2,148	1,406
Total governmental activities expenses	141,128	145,902	159,386	163,199	169,852	170,247	157,659	166,857	176,625	196,352
Business-type activities										
Light & Power	69,014	73,898	73,793	80,479	81,620	83,888	91,693	97,057	101,513	116,639
Water	19,644	19,787	19,790	23,272	21,205	20,667	19,671	19,941	22,169	23,312
Wastewater	14,105	13,866	13,187	14,240	13,370	14,668	14,129	14,163	15,872	17,808
Storm drainage	8,237	8,187	7,493	9,132	9,021	9,426	8,307	8,407	8,119	9,428
Golf	2,297	2,529	2,469	2,697	2,507	2,387	2,454	2,547	2,661	2,758
Total business-type activities expenses	113,297	118,267	116,732	129,820	127,723	131,037	136,253	142,115	150,333	169,946
Total primary government expenses	254,425	264,169	276,118	293,019	297,575	301,284	293,911	308,973	326,958	366,298
Program revenues										
Governmental activities										
General government	4,299	4,297	4,706	4,890	12,962	8,863	6,782	7,479	6,458	6,944
Public safety	2,768	2,371	2,436	3,719	1,823	1,930	1,862	1,724	1,548	1,688
Culture, parks, recreation & natural areas	6,223	6,952	7,257	11,868	8,065	7,388	7,004	7,491	7,680	8,486
Planning and development	3,588	3,063	2,828	2,617	1,649	994	1,295	1,622	2,579	3,540
Transportation	9,216	8,805	9,296	9,293	12,003	8,577	8,101	6,926	11,147	12,108
Operating grants & contributions	10,454	23,640	10,684	10,988	6,917	7,998	8,240	13,712	9,284	10,075
Capital grants & contributions	28,275	46,702	31,530	30,932	7,775	25,717	16,014	14,784	31,678	49,585
Total governmental activities program revenues	64,823	95,829	68,736	74,306	51,194	61,467	49,298	53,737	70,374	92,426
Business-type activities										
Light & Power	74,571	80,049	81,482	83,326	83,521	84,253	94,235	100,814	109,776	115,879
Water	22,798	24,544	26,366	25,243	24,499	21,978	24,463	24,308	28,553	26,210
Wastewater	13,415	13,908	14,235	15,114	16,272	17,803	19,275	19,149	20,882	20,430
Storm drainage	13,234	13,505	13,074	13,197	13,576	13,631	13,869	13,946	14,082	14,396
Golf	2,215	2,415	2,540	2,579	2,644	2,608	2,676	2,672	3,096	2,921
Operating grants & contributions	52	57	13	20	24	112	220	131	6	30
Capital grants & contributions	12,984	16,591	16,151	16,651	12,233	8,169	9,019	11,661	15,979	24,099
Total business-type activities program revenues	139,270	151,069	153,860	156,129	152,768	148,553	163,757	172,680	192,374	203,963
Total primary government program revenues	204,093	246,898	222,596	230,436	203,963	210,020	213,055	226,417	262,748	296,389
Net (expenses) revenue										
Governmental activities	(76,304)	(50,073)	(90,649)	(88,892)	(118,658)	(108,780)	(108,360)	(113,120)	(106,251)	(103,925)
Business-type activities	25,973	32,802	37,128	26,309	25,046	17,517	27,504	30,565	42,042	34,017
Total primary government net expenses	(50,332)	(17,271)	(53,522)	(62,583)	(93,612)	(91,263)	(80,857)	(82,556)	(64,210)	(69,908)
General revenues and other changes in net position										
Governmental activities										
Taxes:										
Sales & use taxes	72,057	72,735	75,631	78,445	75,865	70,501	74,719	97,589	109,732	111,846
Property taxes	14,444	14,955	15,898	16,298	16,683	17,038	17,833	17,742	18,188	18,485
Occupational privilege taxes	2,253	2,228	2,424	2,359	2,494	2,413	2,327	2,433	2,560	2,653
Lodging tax	601	668	842	838	833	736	808	909	1,012	1,103
Intergovernmental not restricted to programs	527	494	486	541	10,420	9,277	9,919	10,274	10,681	20,032
Investment earnings	2,955	8,941	17,231	14,546	9,043	3,655	2,367	2,601	1,998	537
Miscellaneous	278	392	3,540	3,261	14,400	1,394	787	1,019	1,246	2,991
Transfers	5,927	6,405	6,670	6,900	11,820	10,947	13,636	13,486	15,837	6,383
Total governmental activities	99,042	106,818	122,722	123,188	141,560	115,962	122,395	146,054	161,253	164,029
Business-type activities										
Intergovernmental not restricted to programs	-	-	-	10	-	-	-	-	-	-
Investment earnings	2,434	3,719	7,072	15,279	9,583	4,727	2,585	2,919	2,227	466
Sale of land & equipment	1,535	244	-	-	-	-	-	-	-	-
Other miscellaneous	1,102	1,022	2,130	787	1,839	1,792	1,379	1,498	1,613	808
Transfers	(5,927)	(6,405)	(6,670)	(6,900)	(11,820)	(10,947)	(13,636)	(13,486)	(15,837)	(6,383)
Total business-type activities	(855)	(1,420)	2,532	9,167	(398)	(4,428)	(9,671)	(9,069)	(11,996)	(5,109)
Total primary government	98,187	105,399	125,254	132,354	141,161	111,533	112,724	136,985	149,257	158,920
Change in net position										
Governmental activities	22,738	56,745	32,072	34,295	22,902	7,181	14,034	32,934	55,001	60,104
Business-type activities	25,118	31,383	39,660	35,476	24,648	13,088	17,833	21,496	30,045	28,908
Total primary government	\$ 47,855	\$ 88,128	\$ 71,732	\$ 69,771	\$ 47,549	\$ 20,270	\$ 31,867	\$ 54,429	\$ 85,047	\$ 89,012

Totals may not add due to rounding

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General Fund							Restated			
Non Spendable	\$ 1,781	\$ 1,781	\$ 3,026	\$ 3,026	\$ 3,026	\$ 16,616	\$ 9,546	\$ 8,519	\$ 8,519	\$ 7,897
Restricted	6,085	6,433	5,386	5,278	4,956	4,287	6,400	7,389	9,751	12,161
Committed	420	460	813	1,025	569	700	720	604	589	646
Assigned	21,146	24,418	21,806	16,444	13,008	5,015	4,929	7,348	12,439	10,403
Unassigned	4,723	4,304	11,973	22,485	23,897	10,977	19,330	16,307	23,956	29,012
Total general fund	34,155	37,397	43,005	48,258	45,456	37,594	40,924	40,167	55,253	60,120
All Other Governmental Funds										
Non Spendable	-	-	-	-	-	-	1	6	7	5,313
Restricted	411	428	1,183	1,199	1,245	4,674	31,816	35,938	42,715	43,718
Committed	21,823	25,495	15,293	13,440	14,652	14,352	27,556	21,540	30,543	37,142
Assigned	119,428	131,285	114,448	95,644	89,859	87,415	30,269	30,978	23,447	31,444
Unassigned	-	-	-	-	-	(9,930)	(4,703)	(6,842)	(14,592)	(7,872)
Total other governmental funds	\$ 141,661	\$ 157,207	\$ 130,924	\$ 110,283	\$ 105,755	\$ 96,512	\$ 84,944	\$ 81,622	\$ 87,424	\$ 109,745

Totals may not add due to rounding

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

	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Revenues										
Taxes	\$ 88,866	\$ 90,071	\$ 93,994	\$ 97,278	\$ 95,875	\$ 90,689	\$ 95,687	\$ 118,673	\$ 131,491	\$ 134,086
Licenses & permits	1,948	1,887	1,656	1,657	1,493	1,013	1,236	1,554	2,184	3,040
Intergovernmental	21,302	15,985	22,241	18,057	26,998	29,802	37,520	34,738	53,192	68,696
Fees and charges for services	33,975	31,382	31,681	39,947	30,013	22,918	22,709	22,765	30,742	33,323
Fines & forfeitures	2,287	1,929	2,266	2,825	2,749	2,779	2,737	2,730	2,783	2,803
Earnings on investments	2,422	5,381	8,515	8,798	5,861	3,082	2,064	2,255	1,754	585
Securities lending income	275	3,077	7,807	3,915	1,809	103	6	-	-	-
Miscellaneous revenue	14,175	30,199	15,201	12,646	4,408	2,472	2,684	8,835	4,224	6,275
Total Revenues	165,251	179,911	183,362	185,121	169,205	152,858	164,643	191,549	226,370	248,809
Expenditures										
Police services	27,240	24,748	26,566	28,463	28,424	29,269	30,490	31,231	34,512	34,805
Financial services	2,849	2,641	2,553	2,877	3,013	3,044	2,909	2,874	3,187	3,616
Community and operation	48,233	28,611	32,441	33,674	32,924	32,894	29,375	32,298	36,043	43,973
Planning, development and transportation	37,501	36,313	36,419	36,103	42,977	37,091	34,475	41,862	45,397	45,830
Executive, legislative, and judicial	4,771	4,907	4,323	4,613	4,945	4,306	4,675	4,390	4,639	5,370
Employee and communications	1,832	1,849	1,618	1,536	2,036	2,774	1,949	2,590	2,449	2,766
Sustainability services	3,670	4,306	3,788	5,215	4,579	8,735	12,246	9,643	7,096	12,332
Other	1,790	1,128	1,084	1,478	1,995	1,177	1,717	1,318	1,682	1,753
Library	3,645	3,740	3,729	3,997	346	-	-	-	-	-
Securities lending										
Interest	255	3,056	7,695	3,854	1,563	53	4	-	-	-
Agent fees	20	21	45	37	57	28	1	-	-	-
Intergovernmental										
Fire protection	12,625	14,515	15,161	15,505	16,383	17,224	17,458	18,994	19,283	20,065
Capital outlay	18,922	27,363	61,964	54,065	27,379	23,944	31,851	40,914	38,356	55,057
Debt service										
Principal	3,090	3,777	4,243	2,988	4,626	4,731	3,805	4,174	6,968	4,202
Interest and debt service costs	1,274	4,262	3,267	3,128	2,955	2,654	2,693	2,524	2,499	1,517
Total expenditures	167,716	161,237	204,897	197,534	174,201	167,923	173,650	192,811	202,111	231,287
Excess (deficiency) of revenues over (under) expenditures	(2,465)	18,674	(21,535)	(12,413)	(4,996)	(15,066)	(9,007)	(1,262)	24,259	17,522
Other Financing Sources (Uses)										
Proceeds from issuance of long term debt	51,402	162	608	763	1,198	-	-	976	35,092	12,909
Transfers in	103,815	104,098	114,140	112,846	114,237	115,086	35,457	39,128	41,781	33,445
Transfers out	(103,927)	(104,147)	(113,888)	(116,583)	(117,769)	(117,124)	(39,156)	(42,958)	(46,030)	(37,705)
Sale of capital assets	-	-	-	-	-	-	265	37	181	1,018
Payments to escrow agent	-	-	-	-	-	(2)	-	-	(34,395)	-
Total other financing sources (uses)	51,290	113	860	(2,975)	(2,334)	(2,040)	(3,435)	(2,817)	(3,371)	9,667
Net change in fund balances	\$ 48,825	\$ 18,788	\$ (20,675)	\$ (15,388)	\$ (7,330)	\$ (17,106)	\$ (12,441)	\$ (4,079)	\$ 20,888	\$ 27,188
Debt service as a percentage of noncapital expenditures	3.17%	6.67%	5.13%	4.35%	5.42%	5.11%	4.54%	4.38%	5.78%	3.29%

Totals may not add due to rounding

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

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
<u>Sales Tax Category</u>										
Grocery, Convenience, Liquor	\$ 283.3	\$ 299.6	\$ 320.1	\$ 347.4	\$ 359.8	\$ 359.7	\$ 363.8	\$ 394.1	\$ 429.0	\$ 458.9
Restaurants, Caterers and Bars	238.3	248.7	257.0	274.8	285.9	285.4	295.6	315.4	337.9	353.1
General Merchandise	335.5	339.7	334.9	336.2	318.3	306.7	299.4	303.0	303.5	313.1
Vehicle Sales, Parts and Repairs	165.3	157.7	157.8	175.8	162.9	149.3	160.0	164.5	180.6	193.6
Building Materials, Garden Equipment & Supplies	121.6	128.3	129.2	132.4	138.4	130.2	142.9	154.8	165.9	186.1
Sporting, Hobby, Book, Music	114.3	116.1	116.9	121.7	126.0	126.1	129.2	134.5	134.9	137.3
Broadcasting and Telecommunications	119.8	103.2	99.5	116.5	113.7	113.0	119.0	116.7	117.2	108.0
Electronics and Appliances	84.1	94.3	104.8	116.8	117.7	107.8	111.9	118.2	122.1	126.0
Miscellaneous Retailers	98.0	99.1	102.5	113.6	110.0	103.9	110.4	116.4	121.7	131.0
Utilities	83.3	93.3	99.6	96.0	103.3	97.5	100.8	107.0	111.2	117.5
Clothing and Accessories	94.7	95.7	87.8	84.9	79.4	74.8	76.9	83.0	88.7	82.9
Pharmacy, Salon and Laundry	38.6	39.8	40.0	44.0	45.4	45.0	54.5	61.1	54.6	56.8
Other	45.8	45.5	47.6	47.4	47.2	43.0	44.3	45.9	51.0	53.7
Rental and Leasing Services	52.4	52.0	49.1	52.1	52.1	46.4	43.1	42.7	46.3	44.5
Furniture and Home Furnishings	48.4	50.9	51.7	56.7	52.3	38.9	41.0	43.7	50.0	56.5
Wholesale Trade	42.7	41.6	138.8	57.9	49.2	41.9	35.6	37.5	42.4	43.6
Lodging	25.0	27.2	31.7	34.3	33.9	29.1	32.2	35.2	40.2	42.1
Manufacturing	30.5	39.0	33.2	37.9	37.3	26.7	30.5	37.1	44.5	44.2
Total	\$1,967.1	\$2,021.5	\$2,071.8	\$2,202.1	\$2,246.4	\$2,232.8	\$2,125.3	\$2,191.2	\$2,441.7	\$2,548.9
City direct sales tax rate*	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.85%	3.85%	3.85%

* Food sales city direct sales tax rate is 2.25%

Totals may not add due to rounding

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>
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%
2010	3.00%	0.80%	2.90%
2011	3.85%	0.80%	2.90%
2012 ~	3.85%	0.80% / 0.60%	2.90%
2013	3.85%	0.60%	2.90%

* Food for home consumption sales direct rate is 2.25%

~Larimer County tax rate decreased from 0.8% to 0.6% effective July 1, 2012

Sales Tax Revenue Taxpayers by Industry
 Current Year and 2004
tax liability in thousands

Exhibit A-7

	Fiscal Year 2013			Fiscal Year 2004		
	Number of Filers	Percentage of Total	Tax Liability	Number of Filers	Percentage of Total	Tax Liability
Grocery, Convenience, Liquor	230	1.99%	\$ 13,049	161	2.12%	\$ 7,220
Restaurants, Caterers and Bars	524	4.53%	13,581	421	5.56%	6,941
General Merchandise	25	0.22%	10,820	17	0.22%	9,423
Vehicle Sales, Parts and Repairs	422	3.65%	7,470	337	4.45%	4,892
Building Materials, Garden Equipment	2,615	22.61%	7,160	1,111	14.66%	3,608
Sporting, Hobby, Book, Music	449	3.88%	5,285	304	4.01%	3,382
Broadcasting & Telecommunications	279	2.41%	4,158	243	3.21%	3,565
Electronics and Appliances	371	3.21%	4,850	186	2.45%	2,502
Miscellaneous Retailers	1,445	12.50%	4,993	945	12.47%	2,880
Utilities	12	0.10%	4,526	9	0.12%	2,489
Clothing and Accessories	291	2.52%	3,228	215	2.84%	2,790
Pharmacy, Salon and Laundry	765	6.62%	2,115	427	5.64%	1,122
Other	2,860	24.73%	2,097	2,005	26.46%	1,351
Rental and Leasing Services	388	3.36%	1,712	372	4.91%	1,586
Furniture and Home Furnishings	182	1.57%	2,164	176	2.32%	1,427
Wholesale Trade	314	2.72%	1,639	279	3.68%	1,249
Lodging	35	0.30%	1,621	21	0.28%	740
Manufacturing	357	3.09%	1,665	348	4.59%	885
Total	11,564	100.00%	\$ 92,134	7,577	100.00%	\$ 58,054

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.

Totals may not add due to rounding

Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
in thousands

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 Participation		Assignment of Lease Payments	Capital Leases	General Obligation Bonds	Revenue Bonds	Certificates of Participation					Assignment of Lease Payments	Capital Leases
			Participation	of					Participation	of					
2004	-	6,879	63,220	803	4,603	13,455	115,037	1,890	2,552	280	208,720	5.0%	1.64		
2005	-	5,744	61,870	771	3,475	10,455	107,495	1,805	2,451	251	194,317	4.4%	1.52		
2006	-	4,579	60,190	737	2,815	7,395	99,031	1,715	2,345	-	178,807	3.9%	1.38		
2007	-	3,342	58,345	702	2,602	5,000	90,602	1,715	2,234	489	165,032	3.3%	1.23		
2008	-	2,250	55,340	666	2,636	2,535	81,618	1,595	2,117	544	149,301	2.8%	1.09		
2009	-	985	52,225	628	1,736	-	102,440	1,470	1,995	381	161,860	3.1%	1.17		
2010	-	670	49,100	587	1,015	-	109,884	1,360	1,868	227	164,711	3.0%	1.14		
2011	-	340	45,870	545	2,755	-	100,380	1,230	1,734	245	153,098	2.7%	1.06		
2012	-	-	41,845	501	3,719	-	90,007	1,095	1,594	208	138,968	2.3%	0.93		
2013	-	11,085	37,905	455	5,872	-	79,597	950	1,448	271	137,583	n/a	0.91		

Totals may not add due to rounding

Note: Personal Income provided by the Bureau of Economic Analysis. Information is updated regularly and 2013 data was not available at the time this schedule was prepared.

Ratios of General Bonded Debt Outstanding
 Last Ten Fiscal Years
in thousands

Exhibit A-9

Fiscal <u>Year</u>	General Obligation <u>Bonds</u>	Percentage of Actual Taxable Value of <u>Property</u>	Per <u>Capita</u>
2004	13,455	0.15%	106
2005	10,455	0.11%	82
2006	7,395	0.07%	57
2007	5,000	0.04%	37
2008	2,535	0.02%	19
2009	-	0.00%	-
2010	-	0.00%	-
2011	-	0.00%	-
2012	-	0.00%	-
2013	-	0.00%	-

Direct and Overlapping Governmental Activities Debt

Exhibit A-10

As of December 31, 2013

in thousands

	Debt Outstanding ²	Percentage Applicable to the City ³	Share of Debt Applicable to the City
<u>Direct Debt</u>			
City of Fort Collins ¹	\$ 55,317	100.00%	\$ 55,317
<u>Overlapping Debt</u>			
Harmony Tech Park No. 1 ⁴	-	0.00%	-
Harmony Tech Park No. 2 ⁴	-	0.06%	-
Harmony Tech Park No. 3 ⁴	-	0.00%	-
Poudre R-1 School District ⁴	294,842	98.60%	290,712
Poudre Health Services District ⁴	-	96.81%	-
Poudre River Public Library ⁴	-	99.83%	-
Total Overlapping Debt	294,842		290,712
Total Direct and Overlapping Debt	<u>\$ 350,159</u>		<u>\$ 346,029</u>

**ASSESSED VALUATION, DEBT, AND DEBT RATIO
DECEMBER 31, 2013**

Estimated actual valuation	\$ 17,342,255
Assessed valuation	\$ 2,461,821
Net direct debt	\$ 55,317
Estimated overlapping debt	\$ 290,712
Net direct and estimated overlapping debt	\$ 346,029
Ratio of net direct debt to estimated actual valuation	0.0032
Ratio of net direct debt to assessed valuation	0.0225
Net direct debt per capita ⁵	\$ 0
Ratio of net direct and estimated overlapping debt to estimated actual valuation	0.0200
Ratio of net direct and estimated overlapping debt to assessed valuation	0.1406
Net direct and estimated overlapping debt per capita ⁵	\$ 2
Estimated actual valuation per capita ⁵	\$ 115
Assessed valuation per capita ⁵	\$ 16

¹ Includes all governmental activities outstanding debt supported by general property taxes less available debt service monies.

² Includes outstanding debt supported by general property taxes less available debt service monies.

³ 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.

⁴ Source: Governmental entity.

⁵ Based on 2013 Population estimate per City of Fort Collins Planning Office--151,330

Legal Debt Margin Information
Last Ten Fiscal Years
in thousands

Exhibit A - 11

Assessed Valuation ¹	\$ 2,461,821
Debt limit - 10% of assessed value	246,182
Amount of debt applicable to limit:	
Total bonded debt (including special assessments)	96,157
Less:	
Assets in debt service funds available for payment of general obligation debt	-
Other deductions allowed by law:	
Downtown Development Authority tax increment bonds	(16,560)
Light and Power revenue bonds	(11,725)
Water revenue bonds	(15,110)
Sewer revenue bonds	(29,760)
Storm drainage revenue bonds	(23,003)
Net amount of debt applicable to debt limit	-
Legal debt margin	<u>\$ 246,182</u>

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Debt Limit	\$ 139,080	\$ 149,791	\$ 152,958	\$ 171,317	\$ 175,881	\$ 182,224	\$ 181,595	\$ 179,223	\$ 179,603	\$ 246,182
Total net debt applicable to limit	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$ 139,080</u>	<u>\$ 149,791</u>	<u>\$ 152,958</u>	<u>\$ 171,317</u>	<u>\$ 175,881</u>	<u>\$ 182,224</u>	<u>\$ 181,595</u>	<u>\$ 179,223</u>	<u>\$ 179,603</u>	<u>\$ 246,182</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

¹Source: Larimer County Assessor's Office.

Pledged Revenue Coverage

Exhibit A-12

Last Ten Fiscal Years

*in thousands***LIGHT AND POWER REVENUE BONDS**

	Net Revenue						
	Gross		Available for	Debt Service Requirements			Coverage
	Revenues	Expenses	Debt Service	Principal	Interest	Total	
2004	79,214	65,891	13,323	-	-	-	n/a
2005	84,804	71,280	13,524	-	-	-	n/a
2006	88,113	71,873	16,240	-	-	-	n/a
2007	90,901	76,362	14,539	-	-	-	n/a
2008	89,499	79,266	10,232	-	-	-	n/a
2009	88,490	82,132	6,359	-	-	-	n/a
2010	99,951	91,483	8,468	-	235	235	n/a
2011	109,106	96,124	12,982	1,415	622	2,037	6.37
2012	119,771	100,664	19,107	1,455	580	2,035	9.39
2013	129,264	108,976	20,287	1,490	547	2,037	9.96

SEWER REVENUE BONDS

	Net Revenue						
	Gross	Expenses	Available for	Debt Service Requirements			Coverage
	Revenues		Debt Service	Principal	Interest	Total	
2004	16,979	9,461	7,731	1,505	1,951	3,456	2.24
2005	17,140	9,488	7,652	2,970	1,874	4,844	1.58
2006	21,391	9,383	12,008	3,748	1,588	5,335	2.25
2007	22,048	9,931	12,116	3,922	1,184	5,105	2.37
2008	21,844	10,434	11,410	4,081	1,005	5,087	2.24
2009	22,875	10,577	12,298	4,237	1,817	6,054	2.03
2010	22,170	12,117	10,053	3,378	1,704	5,081	1.98
2011	20,375	11,134	9,240	2,982	1,496	4,477	2.06
2012	23,520	11,658	11,862	3,099	1,459	4,557	2.60
2013	23,811	11,942	11,870	3,265	1,343	4,608	2.58

STORM DRAINAGE REVENUE BONDS

	Net Revenue						
	Gross		Available for	Debt Service Requirements			Coverage
	Revenues	Expenses	Debt Service	Principal	Interest	Total	
2004	13,762	3,782	10,336	2,248	2,194	4,442	
2005	14,848	3,741	11,107	2,325	2,114	4,439	2.50
2006	15,396	3,779	11,618	2,405	2,030	4,435	2.62
2007	16,698	4,615	12,084	2,150	1,643	3,793	3.19
2008	15,139	4,865	10,274	2,610	2,483	5,093	2.02
2009	14,219	5,838	8,381	2,568	2,346	4,914	1.71
2010	14,613	5,052	9,560	2,683	1,606	4,289	2.23
2011	14,669	5,299	9,371	2,238	1,143	3,380	2.77
2012	15,729	5,064	10,664	2,965	1,102	4,067	2.62
2013	15,322	6,510	8,812	3,085	954	4,039	2.18

Pledged Revenue Coverage
 Last Ten Fiscal Years
in thousands

Exhibit A-12
 (continued)

WATER REVENUE BONDS							
	Gross Revenues	Expenses	Net Revenue Available for		Debt Service Requirements		Coverage
			Debt Service	Principal	Interest	Total	
2004	32,140	12,962	19,178	2,162	1,733	3,895	4.92
2005	36,535	13,288	23,247	2,237	1,656	3,893	5.97
2006	35,522	13,927	21,595	2,312	1,578	3,890	5.55
2007	39,010	14,632	24,379	2,402	1,497	3,899	6.25
2008	33,922	15,823	18,098	2,482	1,409	3,890	4.65
2009	25,767	16,358	9,409	2,633	1,173	3,806	2.47
2010	27,289	16,582	10,707	2,661	1,034	3,696	2.90
2011	29,217	16,310	12,907	2,755	943	3,698	3.49
2012	33,061	19,235	13,825	2,854	841	3,695	3.74
2013	32,727	18,109	14,617	2,569	676	3,245	4.50

Totals may not add due to rounding

<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>
2004	126,903	8,816,010	32,796	4.6%	187.00	1,295
2005	127,686	9,330,387	34,323	4.4%	190.90	979
2006	129,511	9,968,698	35,397	3.9%	197.70	585
2007	134,169	10,541,856	36,766	3.4%	202.03	506
2008	136,427	11,378,132	38,848	5.0%	209.90	385
2009	138,100	11,149,957	37,368	6.6%	208.55	227
2010	143,986	11,600,000	38,585	7.4%	212.44	266
2011	144,875	12,149,896	39,767	6.8%	220.29	431
2012	148,700	12,826,581	41,311	6.4%	224.57	508
2013	151,330	n/a	n/a	5.4%	230.79	670

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. Information is updated regularly and is subject to change. Data for 2013 was not available at the time this schedule was prepared. Unemployment rate provided by the Colorado Department of Labor and Employment. Population prior to 2009 provided by the Colorado State Demography Office. 2010 population is from the US Census. 2009, 2011-2013 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
2013 and Ten Years Ago

Exhibit A-14

<u>Employer</u>	Fiscal Year 2013			Fiscal Year 2004		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Colorado State University	7,317	1	8.1%	5,700	1	7.3%
Poudre R-1 School District	4,025	2	4.5%	3,014	3	3.9%
Poudre Valley Health Care Inc.	3,078	3	3.4%	2,300	5	2.9%
City of Fort Collins	1,889	4	2.1%	1,400	6	1.8%
Larimer County	1,566	5	1.7%	1,400	6	1.8%
Hewlett Packard Company	1,312	6	1.5%	-	-	0.0%
Center Partners	1,299	7	1.4%	860	8	1.1%
Woodward Inc	1,291	8	1.4%	-	-	0.0%
Employment Solutions Personnel Serv.	1,242	9	1.4%	4,060	2	5.2%
Avago	852	10	0.9%	-	-	0.0%
Anheiser Busch/Inbev	-	-	0.0%	750	10	1.0%
Agilent Technologies	-	-	0.0%	2,600	4	3.3%
Advanced Energy Industries Inc	-	-	0.0%	779	9	1.0%
Total	23,871		26.6%	22,863		29.3%

Source 2013: QCEW, Third Quarter, 2013

Source 2004: City of Fort Collins Planning Department

Full-time Equivalent City Employees by Function/ Program

Exhibit A-15

Last Ten Fiscal Years

<u>Function/ Program</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
General government										
Economic Development	0.8	0.2	0.7	1.5	2.9	3.8	3.5	4.4	4.2	6.2
Finance Administration	5.8	3.8	2.6	2.9	3.0	3.0	2.6	2.6	3.1	4.3
Accounting, Sales Tax, Treasury	15.7	15.8	19.3	22.1	20.8	20.6	20.2	20.7	19.9	18.3
Budget	2.0	1.9	1.5	2.0	3.7	4.0	4.0	3.5	3.8	3.7
Purchasing & Risk Management	10.7	9.8	8.8	8.7	9.3	9.8	9.4	9.0	9.3	9.6
Information Technology	46.9	46.6	43.6	45.4	50.0	51.0	51.8	50.4	55.3	60.5
Community & Public Involvement	10.1	9.8	8.1	9.2	10.0	10.2	10.1	10.2	11.0	11.0
Human Resources	16.9	16.2	16.8	16.7	19.0	19.9	19.7	19.9	20.4	21.9
Operation Services	63.6	60.2	59.0	60.7	64.9	66.8	64.2	64.3	70.2	72.3
City Clerk's Office	5.6	5.6	5.8	5.8	5.8	5.8	5.8	5.7	5.8	6.5
City Attorney's Office	9.1	8.7	8.9	9.0	9.0	9.0	10.6	11.3	11.1	13.1
City Council	7.0	7.3	7.0	7.2	6.8	6.5	7.0	6.8	7.0	6.7
City Manager's Office	9.9	9.9	8.8	10.5	9.6	10.9	9.6	10.7	12.3	13.0
Municipal Court	7.9	7.9	8.2	7.8	8.5	7.7	7.2	8.3	8.2	7.5
Public safety										
Investigations	62.6	63.9	63.1	63.7	66.0	66.3	65.4	64.8	63.5	55.3
Police Information Services	62.0	59.9	56.5	55.1	53.8	53.6	54.9	56.8	59.8	60.1
Patrol	95.7	98.1	99.8	100.3	105.3	107.3	111.2	120.0	132.6	150.3
Office of the Chief	19.8	18.9	18.1	18.0	18.4	18.6	18.2	17.6	17.5	17.2
Culture, parks, recreation & natural areas										
Environmental Services	5.6	4.8	3.5	3.7	5.7	6.3	5.8	7.4	9.8	11.4
Recreation	132.5	133.0	129.3	128.3	130.7	132.3	127.5	126.1	127.0	125.3
Community Services Admin	3.5	3.0	2.8	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Park Planning & Development	6.4	6.3	5.4	5.2	5.8	6.0	5.4	5.1	5.4	4.9
Cultural Services	32.1	31.8	31.5	33.8	37.3	39.8	33.8	35.6	40.6	44.9
Parks	91.4	89.0	89.9	89.2	101.7	105.3	101.5	110.0	115.4	121.2
Natural Areas	33.1	37.2	38.7	39.4	40.8	43.9	43.2	43.9	45.7	46.6
Planning and development										
Social Sustainability	4.9	4.8	5.2	5.0	5.0	5.0	5.0	4.9	4.7	4.9
PDT Administration	4.8	4.6	4.8	4.8	5.4	5.3	5.4	5.6	4.8	3.0
Comm Dev & Neighborhood Svcs	51.6	49.2	47.5	45.4	44.9	39.5	36.1	37.5	46.7	49.8
Urban Renewal Authority	0.0	0.0	0.4	0.5	1.0	1.0	1.1	1.0	1.0	2.0
Transportation										
PDT Administration	3.0	3.0	2.5	0.7	0.0	0.0	0.0	0.0	0.0	0.0
Transfort / Dial-a-Ride	87.6	81.1	72.1	74.2	75.6	75.0	72.9	74.2	74.3	76.9
FC Moves	2.1	1.4	1.5	2.5	4.7	4.4	4.4	4.3	4.7	5.0
Streets	52.9	50.5	49.7	48.9	48.7	45.3	47.6	53.4	53.4	52.0
Traffic	24.1	25.1	24.0	26.8	28.2	28.0	26.9	27.9	28.9	27.7
Engineering	36.2	32.6	30.5	28.7	30.8	31.2	29.6	30.7	33.3	35.0
Parking	23.1	20.9	19.3	19.0	17.7	17.8	18.8	19.2	20.6	19.5
Light & Power										
Light & Power Administration	40.9	40.2	38.7	39.3	39.2	38.9	38.8	39.1	40.6	39.9
Light & Power Operations	51.3	50.5	53.0	54.2	58.8	63.0	60.7	60.0	61.7	78.3
L&P System Additions	43.4	37.6	32.1	30.6	29.1	30.6	31.4	30.7	28.4	9.7
L&P Energy Services	6.8	7.0	7.7	8.4	9.8	14.0	17.2	17.8	17.5	17.4
Water										
Water Administration	32.2	31.5	30.1	29.6	30.3	30.1	29.6	30.2	31.7	31.5
Water Trans & Distribution	18.3	21.2	20.6	21.6	23.6	26.0	24.7	24.9	23.3	25.5
Water Meter Operations	10.5	10.5	10.7	9.7	9.6	10.0	9.8	11.1	10.9	10.6
Water Production	27.4	26.3	25.0	26.4	29.2	29.4	29.2	29.7	29.4	30.3
Water Quality	9.0	9.0	7.7	7.8	8.0	8.0	8.0	7.8	8.0	7.9
Water Resources	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.0	3.4
Wastewater										
WW Administration	14.8	15.0	14.5	14.7	14.7	13.9	13.5	13.6	14.1	13.9
WW Trunk and Collection	15.5	15.6	15.0	14.9	14.3	15.2	16.1	16.6	17.1	17.2
WW Water Quality	8.3	8.5	7.8	7.5	8.0	8.9	8.7	8.0	8.3	8.3
WW Water Reclamation	39.4	37.7	36.6	36.1	35.9	35.6	35.0	33.2	32.2	32.5
Storm drainage										
Stormwater Administration	12.0	11.8	11.4	11.6	11.5	11.4	11.4	11.5	12.0	11.7
Stormwater Operations	27.7	25.5	26.3	27.3	29.5	30.4	29.3	29.0	28.1	31.4
Golf										
Golf Administration	1.9	1.7	1.7	1.7	1.7	0.9	0.8	0.8	0.7	0.7
Golf Operations	20.4	20.4	19.8	18.9	20.0	20.5	21.2	20.8	19.6	20.2
Total City of Fort Collins	1,430.2	1,396.3	1,357.3	1,368.3	1,429.8	1,453.3	1,430.8	1,464.0	1,519.6	1,560.0

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

Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Job applications processed	n/a	n/a	12,823	8,907	9,209	5,148	7,112	11,415	10,192	10,760
Warrants issued	n/a	n/a	972	918	1,010	798	1,231	1,370	1,379	1,146
Camera Radar completed cases	n/a	n/a	9,761	19,026	21,239	20,414	18,137	17,634	13,954	16,750
Public Safety										
Adult arrests	6,313	4,202	4,663	5,188	4,373	4,154	4,739	4,792	5,112	4,605
Juvenile arrests	1,306	914	963	958	809	811	849	675	610	553
Traffic violations	12,744	13,334	13,838	15,341	18,890	15,737	20,792	18,484	21,678	19,399
Number of fires per 1000 population		2.85	2.75	2.16	2.64	2.22	2.19	2.12	2.12	2.05
Total inspections per 1000 population	17.57	1.80	1.99	3.76	9.83	16.83	16.75	11.91	24.20	21.70
Average calls per week	229	230	237	246	239	266	276	299	306	317
Average response time	4:29	4:17	4:15	4:20	4:14	4:10	4:39	4:59	5:34	6:55
Culture, parks, recreation & natural areas										
Epic Pool & Ice attendance	494,577	405,660	424,313	323,183	373,809	353,161	480,586	385,426	364,459	465,615
City Park Pool attendance	64,413	63,376	70,851	71,608	91,444	77,276	74,821	75,755	66,651	60,138
Mulberry Pool attendance	89,358	73,909	87,351	92,322	98,640	117,033	167,810	202,148	134,358	148,641
Senior Center Pool attendance	23,754	35,931	25,338	37,888	32,980	55,765	21,179	25,775	29,236	32,599
Youth Activity Center attendance	45,921	23,686	3,578	7,729	712	1,090	24,207	31,171	46,202	41,666
North Azlan Center attendance	156,697	167,136	187,728	135,203	105,362	145,898	177,779	194,315	183,292	164,849
Farm attendance	91,204	91,139	60,215	62,161	79,730	61,166	61,737	61,336	62,736	57,502
Museum attendance	34,057	40,107	40,607	32,000	18,142	33,904	26,852	22,752	23,315	114,292
Scheduled Park events	5,962	5,538	5,057	5,672	6,185	5,650	5,630	5,953	6,486	6,122
Planning and development										
Construction permits- single family units	893	674	394	385	254	153	177	258	469	630
Construction permits- Multi family units	63	44	24	24	37	4	10	31	39	40
Transportation										
Transit										
Passengers	1,418,102	1,481,472	1,479,241	1,641,509	1,884,194	1,994,229	2,034,195	2,156,775	2,271,732	2,296,511
Revenue Miles	703,081	686,030	640,677	774,545	798,849	791,627	913,682	995,858	1,028,405	1,033,967
Revenue Hours	58,516	57,782	54,665	66,647	68,356	69,984	75,564	77,356	78,551	78,741
Dial a Ride										
Passengers	82,276	87,725	85,735	51,779	44,135	41,719	40,385	37,851	37,747	34,121
Revenue Miles	439,771	450,047	560,053	348,952	282,257	269,831	252,107	166,893	156,941	205,512
Revenue Hours	34,883	38,399	47,188	31,678	25,092	23,456	21,690	20,407	19,429	17,770
Light & Power										
Customers	n/a	n/a	62,548	62,991	63,913	64,750	65,504	66,220	67,209	68,585
Electric Use- megawatt hours	n/a	n/a	1,404,784	1,442,861	1,429,797	1,404,529	1,442,741	1,493,417	1,508,735	1,500,215
Peak demand- megawatts	n/a	n/a	279	296	285	264	282	292	302	295
Interruption Index- minutes/year	n/a	n/a	25,63	18,00	10,00	10,99	17,27	21,73	16,84	9,58
Water										
Customers	n/a	n/a	33,312	32,780	33,082	32,910	32,983	33,074	33,147	33,348
Treated water delivered- acre feet	n/a	n/a	29,133	27,192	25,633	22,683	24,030	23,387	26,875	23,972
Peak day water use- million gallons/day	n/a	n/a	49.0	47.5	44.3	37.1	40.8	39.7	46.8	43.0
Water main breaks	n/a	n/a	100	67	59	79	139	97	108	92
Wastewater										
Customers	n/a	n/a	33,120	32,992	32,847	33,134	33,226	33,305	33,398	33,555
Average flow wastewater treated- million gallons/day	n/a	n/a	14.5	15.1	15.7	14.8	13.9	13.7	12.9	13.9
Recycled processed wastewater biosolids- dry tons	n/a	n/a	1,764	1,709	1,738	1,793	1,747	1,817	1,901	1,890
Industrial discharge permits	n/a	n/a	13	13	15	14	14	14	15	16
Storm Drainage										
Customers	n/a	n/a	39,938	40,272	40,554	40,911	40,813	41,395	42,020	42,589
Golf										
Rounds played	118,781	123,313	124,609	117,133	115,031	121,579	93,898	120,236	86,842	118,172

Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
General Government										
Administrative buildings	3	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	198	220	224	232	225	281	284	270
Fire stations	13	13	13	13	13	13	13	13	13	13
Culture, parks, recreation & natural areas										
Swimming pools	4	4	4	4	4	4	4	4	4	4
Number of parks	44	45	45	46	46	46	46	46	48	49
Acreage of parks	759	761	761	861	861	861	861	861	871	878
Miles of hard surface trails	22.52	23.62	24.87	28.67	28.67	28.67	30.39	31.74	32.44	35.62
Planning and development										
Land Bank program- acres *	n/a	n/a	51	51	51	51	51	51	51	49
Land Bank program- yield of future affordable housing units*	n/a	n/a	513	513	513	446	510	510	510	490
Transportation										
Transit buses	n/a	n/a	23	27	27	29	44	34	40	34
Lane miles	n/a	n/a	1,756	1,793	1,796	1,796	1,796	1,796	1,861	1,901
Light & Power										
Underground distribution lines- miles	n/a	n/a	766.0	788.0	801.4	820.0	837.5	851.8	864.0	874.8
Overhead distribution lines- miles	n/a	n/a	11.0	9.0	6.7	7.0	8.4	10.6	10.7	10.7
Distribution substations	n/a	n/a	5	5	5	5	5	6	7	7
Distribution transformers	n/a	n/a	7,525	7,982	8,060	8,082	8,226	8,357	8,453	8,655
Water										
Water mains and distribution lines- miles of pipe	n/a	n/a	532	539	540	541	527	528	529	539
Hydrants	n/a	n/a	3,411	3,464	3,487	3,494	3,510	3,524	3,539	3,617
Plant capacity- millions gallons/day	n/a	n/a	87	87	87	87	87	87	87	87
Raw water storage- acre feet	n/a	n/a	6,500	7,161	7,161	7,161	7,161	7,161	7,161	7,161
Treated water storage- million gallons	n/a	n/a	36.3	36.0	35.5	35.5	35.5	35.5	35.5	35.5
Water rights owned- avg yield in acre feet/year	n/a	n/a	73,000	73,700	74,120	74,140	74,160	74,420	74,670	74,945
Wastewater										
Trunk and collection- miles of pipe	n/a	n/a	434	435	437	436	437	436	437	437
Plants - treatment capacity	n/a	n/a	29	29	29	29	29	29	29	29
Biosolids facility- acres	n/a	n/a	26,200	26,000	26,350	26,582	26,680	26,680	26,680	26,680
Storm Drainage										
City owned detention basins	n/a	n/a	90	90	90	90	90	90	90	90
City owned detention basins- acres	n/a	n/a	320	320	320	320	320	320	320	320
Regional drainage channels	n/a	n/a	63	67	69	69	69	69	58	58
Storm sewer manholes	n/a	n/a	2,676	2,765	2,968	3,265	2,568	3,524	3,640	3,909
Storm sewer pipeline- miles	n/a	n/a	175.0	190.2	197.2	219.6	220.0	224.2	232.0	237.0
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	160	160	160	160	160	160	160	160	160	160
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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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 2004 to 2013:

Years (at December 31)	Wastewater Customers
2004	32,637
2005	32,757
2006	33,038
2007	32,992
2008	32,847
2009	33,134
2010	33,226
2011	33,305
2012	33,398
2013	33,555

Approximately 94% of the wastewater customers are residential, with the remaining 6% being industrial and commercial customers. Currently two customers represent more than 3% of wastewater system revenues. In 2013, amounts paid by the university comprised 4.5% of wastewater system revenues (\$915,326), with a total usage representing 7.1% of total system usage. Additionally, amounts paid by a large commercial customer comprised 3.5% of wastewater system revenues (\$716,697), with a total usage representing 5.7% of total system usage.

Rate Structure

User Charges. The following tables show the City's monthly wastewater user charges in effect on January 1, 2013. 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, 11% in 2009, 10% in 2010, 9% in 2011, and 8% in 2012. There was no rate increase implemented in 2013 or 2014. The minimum winter quarter average consumption (WQA) is 3,000 gallons for single family customers (4000 gallons for duplexes).

Monthly User Charges ¹

Residential Metered²	Wastewater Rates
Single family	\$15.07 plus \$2.929 per 1,000 gallons of WQC
Duplex	\$19.52 plus \$2.929 per 1,000 gallons of WQC
Multi-family	\$2.30 per living unit plus \$2.929 per 1,000 gallons of WQC
Commercial Metered³	
3/4" metered	\$8.46 plus \$2.929 per 1,000 gallons
1"	\$19.52 plus \$2.929 per 1,000 gallons
1 1/2"	\$39.28 plus \$2.929 per 1,000 gallons
2"	\$67.21 plus \$2.929 per 1,000 gallons
3"	\$107.38 plus \$2.929 per 1,000 gallons
4"	\$169.59 plus \$2.929 per 1,000 gallons
6"	\$743.42 plus \$2.929 per 1,000 gallons
8"	\$858.38 plus \$2.929 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 \$2.929 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)

Large commercial customers who have facility or manufacturing processes that result in a significant difference between the volume of water delivered and the volume of wastewater discharged had the ability to start metering their flows beginning in 2012. Metering of large commercial customers commenced in 2013. It is difficult to predict, but projections for this potential loss are \$127,000 per year until 2015 when it is expected that all metering will have been implemented.

Plant Investment Fees. Plant Investment Fees (PIFs) are used to finance growth related capital facility costs for wastewater “backbone” and treatment facilities. They establish equity between existing customers and new customers and shelter existing customers from the cost of growth but must be established and applied in a legal manner (Colorado Senate Bill 15, 2001). This fee is paid at the time a building permit is issued. Proceeds of the plant investment fee are accounted for as contributed capital of the wastewater system, rather than as operating revenue. The City Council adopted the following plant investment fee schedule, which took effect January 1, 2012, and there was no increase in 2013.

Plant Investment Fees

Residential:

Single family residence	\$	3,440
Duplex and Multi-family residence (per living unit)	\$	2,410

Non-Residential: (based on water connection size)

3/4"	\$	6,880
1"	\$	17,300
1 1/2"	\$	30,480
2"	\$	53,520
3"	\$	145,310
4"	**	

**Calculated on an individual basis, but not less than the 3" charges

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 (in thousands)**

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

	2009	2010	2011	2012	2013
User rates	\$ 17,702	\$ 19,137	\$ 19,020	\$ 20,809	\$ 20,338
Plant investment fees	3,416	2,442	639	2,120	3,172
Other fees & charges	108	176	158	123	129
Investment earnings	1,611	413	557	468	172
Total Wastewater Revenue	<u>\$ 22,837</u>	<u>\$ 22,167</u>	<u>\$ 20,375</u>	<u>\$ 23,520</u>	<u>\$ 23,811</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, 2013. The following sets forth the operating history of the Wastewater Fund for the years ended December 31, 2009 through 2013:

	2009	2010	2011	Restated 2012	2013
Operating Revenues					
Charges for services	\$ 17,702	\$ 19,137	\$ 19,020	\$ 20,809	\$ 20,338
Operating Expenses					
Administrative charge	1,487	2,200	1,781	1,642	1,724
Personal services	4,961	5,176	4,819	4,801	4,931
Contractual services	1,767	3,349	3,384	3,893	3,873
Commodities	775	859	1,092	1,110	1,245
Other	1,587	533	59	211	169
Depreciation	3,219	3,301	3,946	4,628	4,697
Total Operating Expenses	<u>13,796</u>	<u>15,418</u>	<u>15,081</u>	<u>16,285</u>	<u>16,638</u>
Operating Income	<u>3,906</u>	<u>3,719</u>	<u>3,939</u>	<u>4,524</u>	<u>3,700</u>
Nonoperating Revenues (Expenses)					
Other revenue	103	143	143	104	98
Earnings on investments	1,611	413	557	468	172
Gain on sale of capital assets	6	33	16	19	31
Interest expense	(1,989)	(313)	(412)	(1,328)	(1,308)
Other expenses	<u>(140)</u>	<u>(147)</u>	<u>(195)</u>	<u>-</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>(410)</u>	<u>129</u>	<u>109</u>	<u>(737)</u>	<u>(1,007)</u>
Income Before Contributions and					
Transfers	3,495	3,848	4,048	3,786	2,693
Capital contributed	3,416	2,442	639	2,120	3,172
Operating transfers in	-	76	77	-	-
Operating transfers out	<u>(158)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(10)</u>
Income After Contributions and					
Transfers	3,258	2,517	716	2,120	3,162
Change in Net Position	6,754	6,365	4,764	5,906	5,855
Net Position--Jan. 1	119,746	126,500	132,865	137,397	143,302
Net Position--Dec. 31	<u>\$ 126,500</u>	<u>\$ 132,865</u>	<u>\$ 137,629</u>	<u>\$ 143,302</u>	<u>\$ 149,157</u>

Totals may not add due to rounding

**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 (*in thousands*) :

**SEWER REVENUE BONDS --COVERAGE OF DEBT SERVICE REQUIREMENTS BY
NET PLEDGED REVENUES OF THE SEWER SYSTEM--2004 TO 2013 ¹**

	Gross Revenues ²	Expenses ³	Net Pledged Revenues	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2004	16,979	9,461	7,517	1,505	1,951	3,456	2.18
2005	17,140	9,488	7,652	2,970	1,874	4,844	1.58
2006	21,391	9,383	12,008	3,748	1,588	5,335	2.25
2007	22,048	9,931	12,116	3,922	1,184	5,105	2.37
2008	21,844	10,434	11,410	4,081	1,005	5,087	2.24
2009	22,875	10,577	12,298	4,237	1,817	6,054	2.03
2010	22,170	12,117	10,053	3,378	1,704	5,081	1.98
2011	20,375	11,134	9,240	2,982	1,496	4,477	2.06
2012	23,520	11,658	11,862	3,099	1,459	4,557	2.60
2013	23,811	11,942	11,870	3,265	1,343	4,608	2.58

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.

Totals may not add due to rounding

**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, 2013 is \$1,023,319.**

Debt Service Reserve Fund. The bond ordinances require the City to retain certain amounts in the debt service reserve fund for the Series 1992, Series 2009, and Series 2010 Sewer Revenue Bonds. However, a debt service reserve insurance policy 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, 2013 was \$242,301.**

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 an 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 \$29,486,102 as of December 31, 2013. This amount satisfies the 17% requirement indicated above for fiscal year 2013.**

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

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 (in thousands)

The following table sets forth the historical Storm Drainage Fund fee revenues for the years 2009 through 2013.

	2009	2010	2011	2012	2013
Storm drainage utility fee (operation & maintenance component)	\$ 13,624	\$ 13,858	\$ 13,923	\$ 14,051	\$ 14,385
Storm drainage basin fees	168	358	434	948	842
Total Storm Drainage Fund Fee Revenues	<u>\$ 13,792</u>	<u>\$ 14,217</u>	<u>\$ 14,357</u>	<u>\$ 14,999</u>	<u>\$ 15,227</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, 2013. The following sets forth the operating history of the Storm Drainage for the years ended December 31, 2009 through 2013.

	2009	2010	2011	Restated 2012	2013
Operating Revenues					
Charges for services	\$ 13,624	\$ 13,858	\$ 13,923	\$ 14,051	\$ 14,385
Operating Expenses					
Administrative charge	2,181	2,145	1,983	1,844	1,990
Personal services	2,112	2,019	2,010	2,054	1,908
Contractual services	1,359	773	1,021	939	2,096
Commodities	108	115	197	186	185
Other	78	1	87	42	331
Depreciation	2,258	2,216	2,184	2,201	2,134
Total Operating Expenses	8,095	7,268	7,483	7,265	8,644
Operating Income	5,529	6,590	6,440	6,786	5,740
Nonoperating Revenues (Expenses)					
Other revenue	16	17	59	30	18
Earnings on investments	399	297	252	184	48
Intergovernmental	-	53	2	490	0
Gain/loss on sale of capital assets	(21)	28	(12)	26	28
Interest expense	(1,501)	(1,447)	(1,288)	(1,085)	(1,012)
Other expenses	(44)	(44)	(54)	(69)	-
Total Nonoperating Revenues (Expenses)	(1,150)	(1,095)	(1,042)	(425)	(917)
Income Before Contributions and Transfers	4,379	5,495	5,398	6,361	4,823
Capital contributions	168	358	434	948	842
Operating transfers In	-	31	32	-	32
Operating transfers out	(180)	(275)	(220)	(220)	(274)
Income After Contributions and Transfers	(12)	114	246	728	600
Change in Net Position	4,367	5,609	5,644	7,090	5,423
Net Position--Jan. 1	74,366	78,733	84,343	89,865	96,954
Net Position--December 31	<u>\$ 74,366</u>	<u>\$ 84,343</u>	<u>\$ 89,987</u>	<u>\$ 96,954</u>	<u>\$ 102,377</u>

Totals may not add due to rounding

**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 throughout the City. The monthly storm drainage utility fee in effect at the end of 2013 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 2014.

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 4.2% of total revenue and the City municipal government at 2.6%. Due to the perpetual lien ordinance, historically, the City collects over 99% of its billed monthly utility charges for storm drainage.

Historic Net Pledged Revenues

Based on the 2013 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 2013 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 2.43 times.

*2013-2017

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>
1999	0%	2004	10%	2009	0%
2000	10%	2005	0%	2010	0%
2001	9%	2006	0%	2011	0%
2002	45%	2007	0%	2012	0%
2003	10%	2008	0%	2013	0%

Storm drainage fees have not been increased since 2004. No increase is planned for 2014.

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 2004-2013:

Years (at December 31)	Water Customers
2004	32,889
2005	33,057
2006	32,944
2007	32,780
2008	33,082
2009	32,910
2010	32,983
2011	33,074
2012	33,147
2013	33,348

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, 2013 is set forth below:

Classification	Number of Accounts	Accounts
Residential	31,131	93.4%
Commercial & Industrial	2,217	6.6%
Total	33,348	100.0%

The following table sets forth the ten largest customers of the water system, which in the aggregate accounted for approximately 16.7% of total water usage during 2013:

Customer	Water Usage Millions of Gallons	Percent of Total Water Use
Industrial	864.60	12.6%
University	318.50	4.6%
Industrial	209.20	3.0%
Water District	154.60	2.3%
Industrial	104.70	1.5%
City Government	101.80	1.5%
School District	90.25	1.3%
Commercial	38.88	0.6%
Hospital	32.91	0.5%
Commercial	31.83	0.5%

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. A 3% rate increase was implemented for 2011. A 6% across the board rate increase was implemented in 2012 and a 4% across the board rate increase was implemented in 2013 for all 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, 2013. 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, 2013

(1) Residential customers with one dwelling unit.

a. *Base Charges.* Residential customers with one dwelling unit shall pay a base monthly charge of \$14.14.

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 \$2.189 per 1,000 gallons

For the next 6,000 gallons used per month at \$2.516 per 1,000 gallons

For all additional gallons used per month at \$2.894 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 \$16.61.

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 \$2.109 per 1,000 gallons

For the next 4,000 gallons used per month at \$2.424 per 1,000 gallons

For all additional gallons used per month at \$2.789 per 1,000 gallons.

Metered Rates – Nonresidential

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

Meter Size (inches)	Monthly Base Charge
3/4	\$ 12.66
1	\$ 35.31
1 1/2	\$ 96.02
2	\$ 144.71
3	\$ 220.71
4	\$ 346.49
6	\$ 672.15
8	\$ 1,187.42

(2) *Quantity Charges.* Nonresidential customers shall pay a monthly quantity charge of \$1.761 per 1,000 gallons used in the winter season months of November through April. They shall pay a monthly quantity charge of \$2.201 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 \$2.530 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 \$3.164 per 1,000 gallons used in the summer season months of May through October.

Meter Size (inches)	Specified Amount (gallons per month)
3/4	100,000
1	300,000
1 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. Plant Investment Fees (PIFs) are used to finance growth related capital facility costs for water “backbone” and treatment facilities. They establish equity between existing customers and new customers and shelter existing customers from the cost of growth but must be established and applied in a legal manner (Colorado Senate Bill 15, 2001). This fee is paid at the time a building permit is issued. 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, 2013.

Residential**Dwelling Category****Plant Investment Fee**

Single Family

\$730 plus \$0.39 per square foot of lot area

Duplex, Multi-Family, Mobile Home

\$510 per living unit plus \$0.27 per square foot of lot area

Nonresidential

<u>Water Meter Size (inches)</u>	<u>Plant Investment Fee</u>
3/4"	\$ 7,880.00
1"	\$ 22,750.00
1 1/2"	\$ 47,410.00
2"	\$ 72,290.00
3"	\$ 165,290.00
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, in thousands, 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>
2004	47	4,833	294	3,098	677	191	9,140
2005	53	6,972	315	2,847	690	205	11,081
2006	51	2,821	338	2,427	704	219	6,560
2007	61	3,708	362	2,674	680	235	7,720
2008	50	3,233	-	1,356	698	30	5,367
2009	13	824	-	521	725	32	2,116
2010	11	1,006	-	668	-	35	1,721
2011	16	2,591	-	969	-	37	3,612
2012	441	1,675	-	1,293	-	39	3,449
2013	629	3,049	-	1,791	-	5	5,474

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

Collections (in thousands)

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

	2009	2010	2011	2012	2013
User charges for services	\$ 21,752	\$ 24,228	\$ 24,101	\$ 28,326	\$ 25,954
Plant investment fees	2,116	1,721	3,612	3,449	5,474
Other fees & charges	260	309	326	334	384
Investment earnings	1,573	1,027	1,178	953	164
Total Water System Revenue	<u>\$ 25,701</u>	<u>\$ 27,285</u>	<u>\$ 29,217</u>	<u>\$ 33,061</u>	<u>\$ 31,976</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, 2013. The following sets forth the operating history of the Water Fund for the years ended December 31, 2009 through 2013.

	2009	2010	2011	Restated 2012	2013
Operating Revenues					
Charges for services	<u>\$ 21,752</u>	<u>\$ 24,228</u>	<u>\$ 24,101</u>	<u>\$ 28,326</u>	<u>\$ 25,954</u>
Operating Expenses					
Administrative charge	3,840	3,897	3,395	3,244	3,209
Personal services	5,726	6,008	5,721	5,975	6,250
Contractual services	4,924	4,960	5,451	5,810	6,251
Commodities	1,555	1,609	1,546	3,188	1,725
Other	314	108	198	1,018	675
Depreciation	<u>4,853</u>	<u>4,903</u>	<u>5,090</u>	<u>5,375</u>	<u>5,514</u>
Total Operating Expense	<u>21,211</u>	<u>21,485</u>	<u>21,400</u>	<u>24,610</u>	<u>23,624</u>
Operating Income	<u>541</u>	<u>2,743</u>	<u>2,700</u>	<u>3,715</u>	<u>2,330</u>
Nonoperating Revenues (Expenses)					
Other revenue	250	285	289	291	1,076
Earnings on investments	1,573	1,027	1,178	953	164
Gain on sale of capital assets	10	24	36	42	58
Interest expense	(1,061)	(925)	(828)	(740)	(581)
Other expenses	<u>(189)</u>	<u>(9)</u>	<u>(9)</u>	<u>-</u>	<u>-</u>
Total Nonoperating Revenues (Expenses)	<u>584</u>	<u>402</u>	<u>667</u>	<u>547</u>	<u>718</u>
Income Before Contributions and Transfers	1,125	3,145	3,367	4,262	3,048
Capital contributions	2,116	1,721	3,612	3,449	5,474
Operating transfers in (out)	<u>(189)</u>	<u>91</u>	<u>87</u>	<u>-</u>	<u>(197)</u>
Income After Contributions and Transfers	<u>1,926</u>	<u>1,811</u>	<u>3,699</u>	<u>3,449</u>	<u>5,277</u>
Change in Net Position	3,051	4,956	7,066	7,711	8,325
Net Position--Jan. 1	<u>237,651</u>	<u>240,702</u>	<u>245,659</u>	<u>252,622</u>	<u>260,333</u>
Net Position--Dec. 31	<u>\$ 240,702</u>	<u>\$ 245,659</u>	<u>\$ 252,725</u>	<u>\$ 260,333</u>	<u>\$ 268,658</u>

Totals may not add due to rounding

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

As of December 31, 2013, the Net Revenue of the Water Fund serviced the following obligations:
(*in thousands*)

<u>Name of Issue</u>	<u>Originally Authorized</u>	<u>Outstanding Principal</u>
Water Revenue Bond, Series 1997	10,125	2,339
Water Revenue Bond, Series 1999	4,998	1,689
Water Subordinate, 2004	2,476	1,667
Water Revenue Refunding Series 2008	9,645	9,415
Water Revenue Refunding Series 2009	<u>7,815</u>	<u>-</u>
Total	<u><u>\$ 35,060</u></u>	<u><u>\$ 15,110</u></u>

Totals may not add due to rounding

The public report burden for this information collection is estimated to average 380 hours annually.

LOCAL HIGHWAY FINANCE REPORT

City or County:

City of Fort Collins

YEAR ENDING:

December 2013

This Information From The Records Of (example - City of _ or County of _):

City of Fort Collins

Prepared By:

Wendy Shinazy

Phone:

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	D. Receipts from Federal Highway Administration
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

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	331,525
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	24,458,900
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	4,265,920
2. General fund appropriations	4,293,439	b. Snow and ice removal	1,783,153
3. Other local imposts (from page 2)	16,978,227	c. Other	3,834,538
4. Miscellaneous local receipts (from page 2)	9,855,142	d. Total (a. through c.)	9,883,611
5. Transfers from toll facilities		4. General administration & miscellaneous	1,146,038
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	35,820,074
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	17,432
7. Total (1 through 6)	31,126,808	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	17,432
C. Receipts from State government		2. Notes:	
(from page 2)	4,710,698	a. Interest	
D. Receipts from Federal Government		b. Redemption	
(from page 2)	0	c. Total (a. + b.)	0
E. Total receipts (A.7 + B + C + D)	35,837,506	3. Total (1.c + 2.c)	17,432
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	35,837,506

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	0			0
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	E. Reconciliation
		35,837,506	35,837,506		0

Notes and Comments:

