

QUARTERLY FINANCIAL REPORT

THIRD QUARTER 2014



PERFORMANCE AT-A-GLANCE

PERFORMANCE INDICATORS ACTUALS vs. BUDGET

POSITIVE = No concerns noted

WARNING = Staff monitoring current variance

NEGATIVE = Staff currently taking action on variance

	CURRENT QUARTER	YEAR TO DATE	PAGE
Governmental Activity Revenue	POSITIVE	POSITIVE	2
Governmental Activity Expenditures	POSITIVE	POSITIVE	3
Major Activity Expenditures	POSITIVE	POSITIVE	4
General Fund Revenue	POSITIVE	POSITIVE	5
Governmental Capital Projects	POSITIVE	POSITIVE	6
Enterprise Activity Revenue	POSITIVE	POSITIVE	7
Enterprise Activity Expenditures	POSITIVE	POSITIVE	8
Enterprise Capital Projects	POSITIVE	POSITIVE	9
Activity Measures	POSITIVE	POSITIVE	10

GOVERNMENTAL ACTIVITIES:

- Activities that do not lend themselves to be fully funded by User Fees are wholly or partially tax supported
- Transportation, Police, Fire, Parks, Natural Areas, etc.

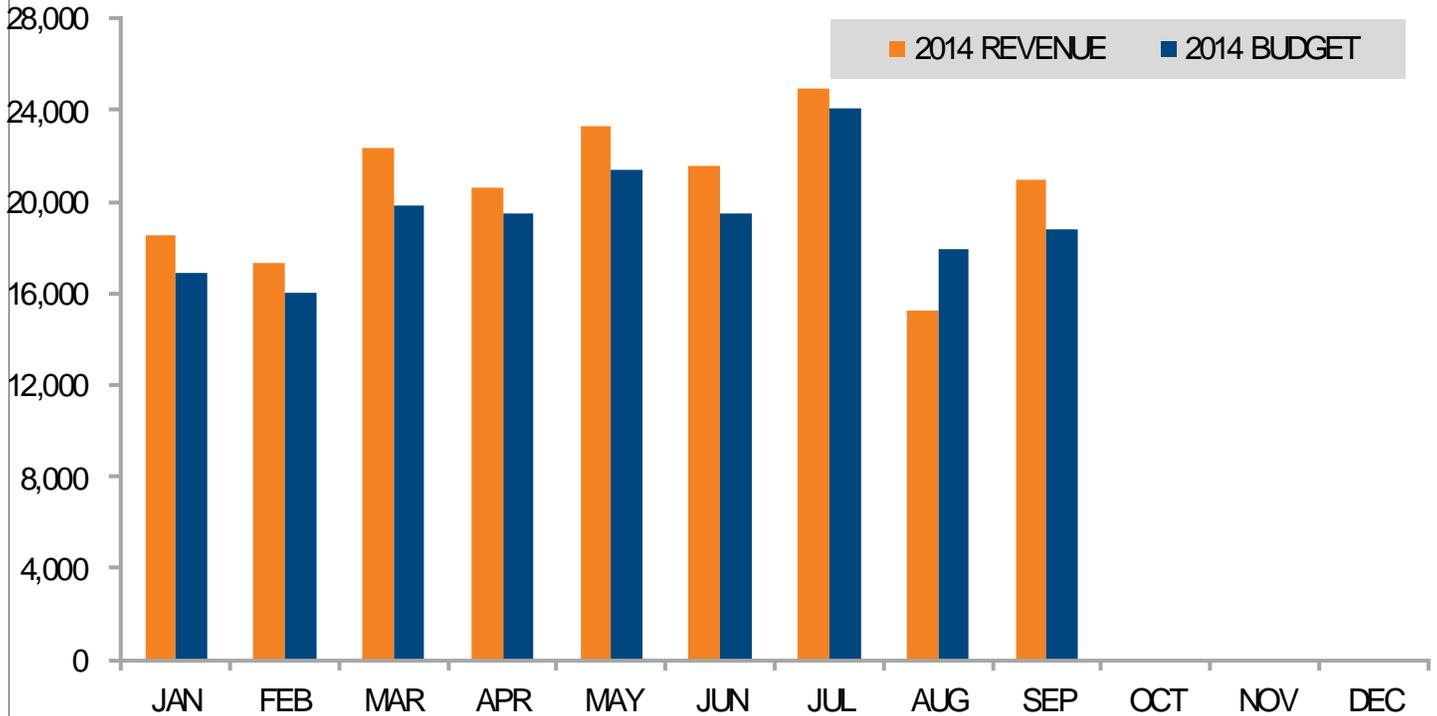
ENTERPRISE ACTIVITIES:

- 100% funded by User Fees
- Light & Power, Water, Wastewater, Storm Drainage, and Golf

**A glossary of abbreviations used in this report can be found on page 10.*

GOVERNMENT ACTIVITIES

MONTHLY REVENUE COLLECTIONS VS. BUDGET (ALL \$ IN THOUSANDS)



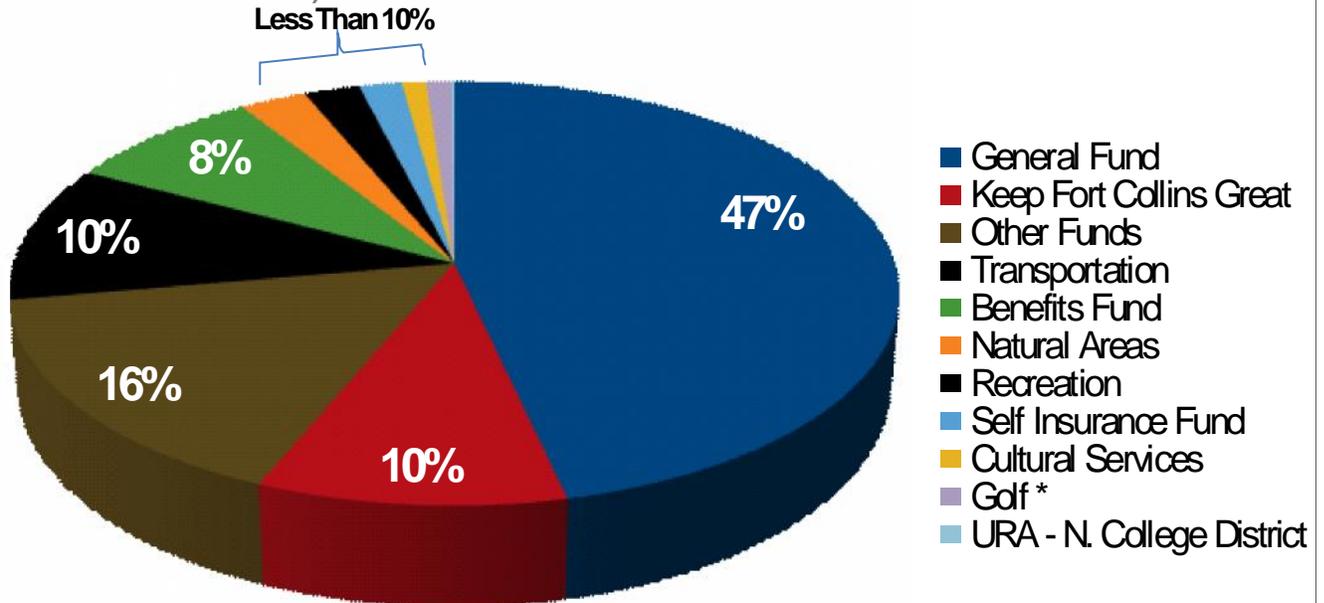
REVENUES	CURRENT MONTH	OVER/(UNDER) 2014 BUDGET	YTD ACTUAL	YTD OVER/(UNDER) 2014 BUDGET	YTD INC/(DEC) 2013
Sales & Use Tax	\$ 11,485	\$ 1,850	\$ 91,995	\$ 9,875	\$ 9,456
Use Tax Incentives	0	(367)	191	(3,108)	(511)
Property Taxes	97	(112)	19,005	526	751
Intergovt. Shared Revenues	1,461	636	8,103	1,241	697
Culture, Parks, Rec & Env Fees	1,061	156	11,133	1,268	674
Payment in Lieu of Taxes	772	(158)	6,812	(261)	(85)
General Government Fees	3,864	(77)	32,744	782	2,361
Transportation Fees	745	386	5,800	1,987	1,160
Interest Revenue	147	90	1,198	562	227
Unrealized Invst. Gains/Losses	(363)	(363)	137	137	1,025
Other Miscellaneous	1,693	104	12,785	3,006	(1,194)
TOTAL	\$ 20,963	\$ 2,146	\$ 189,903	\$ 16,015	\$ 14,561

COMMENTS:

- Economic and development activity is very strong in 2014 driving revenue above budget in sales tax by \$3.0M, use tax by \$6.8M and development revenues (street oversizing, capital expansion, building permits, etc) by \$5.5M.
- Staff anticipates growth to continue at a similar pace through the end of 2014 and into 2015.

MAJOR FUNDS ACTIVITIES

SEPTEMBER 2014 EXPENSES BY MAJOR FUND (BEFORE TRANSFERS) (ALL \$ IN THOUSANDS)



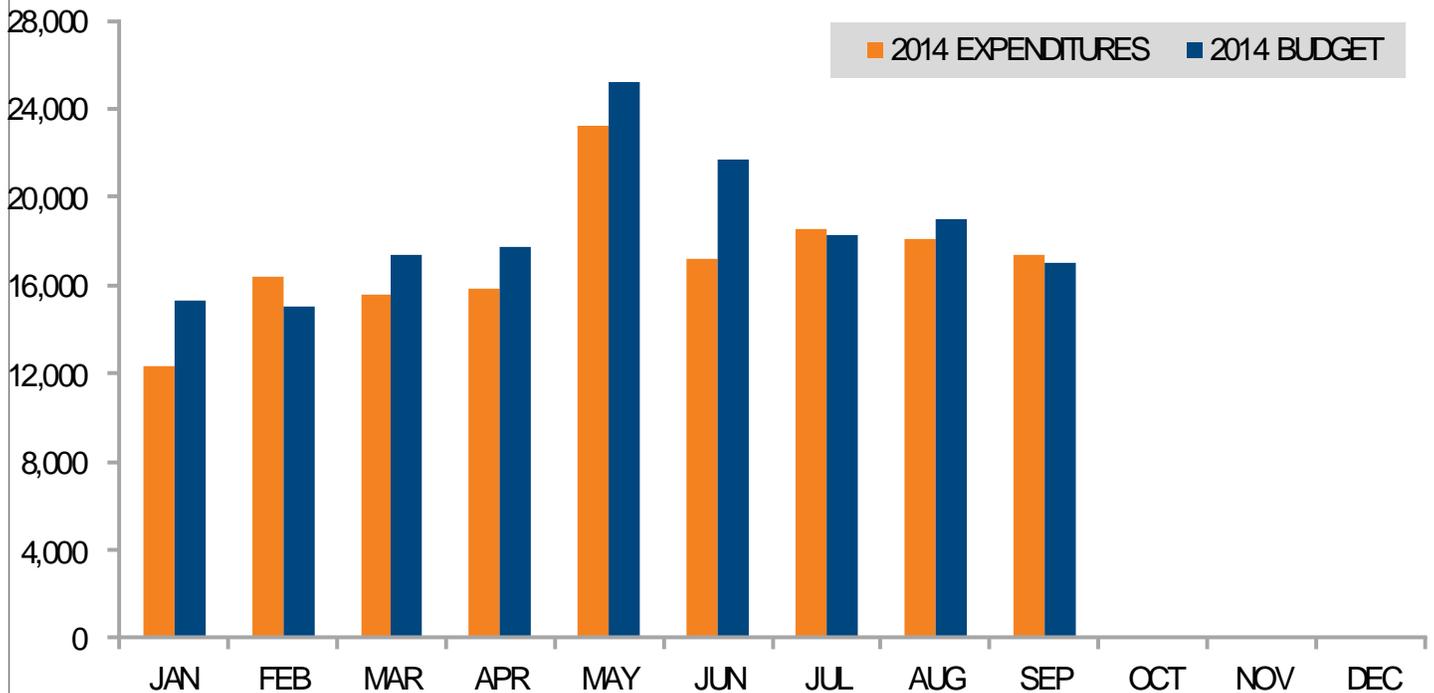
EXPENSES BY MAJOR FUND	CURRENT MONTH	(OVER)/UNDER 2014 BUDGET	YTD ACTUAL	YTD (OVER)/UNDER 2014 BUDGET	YTD (Inc)/Dec 2013
General Fund	\$ 9,495	\$ (623)	\$ 87,994	\$ 5,616	\$ (7,019)
Keep Fort Collins Great	2,014	(546)	15,194	1,154	(1,805)
Natural Areas	572	(18)	6,936	1,947	1,049
Cultural Services	205	59	2,241	405	(62)
Recreation	474	21	4,687	(341)	(500)
Transportation	2,132	601	17,303	1,895	(686)
Golf *	220	(10)	2,791	(8)	(371)
Self Insurance Fund	364	9	2,709	48	(389)
Benefits Fund	1,688	(75)	17,038	(530)	(1,567)
URA - N. College District	19	42	700	(136)	11,024
Other Funds	3,264	(64)	31,717	2,814	516
Fund Total Lapsing	\$ 20,446	\$ (604)	\$ 189,310	\$ 12,863	\$ 191
Less Other Financing Uses					(10,938)
Transfers	(3,046)	229	(34,651)	(842)	5,532
Total	17,401	(375)	154,659	12,022	(5,215)

COMMENTS:

- All funds are under budget with three exceptions. Golf & Recreation is due to timing and will be under budget by year end. URA is over budget because of a timing difference between expenditures and a developer's reimbursement to the City of these expenditures. The Benefits fund is over budget because of higher than anticipated medical claims in 2014.
- The General Fund is under budget \$5.6M primarily because of a reduction in the City cost associated with the North College Ave street improvement. State funding was identified to support the project which reduced the City's cost.

GOVERNMENT ACTIVITIES

MONTHLY EXPENDITURES VS. BUDGET (ALL \$ IN THOUSANDS)



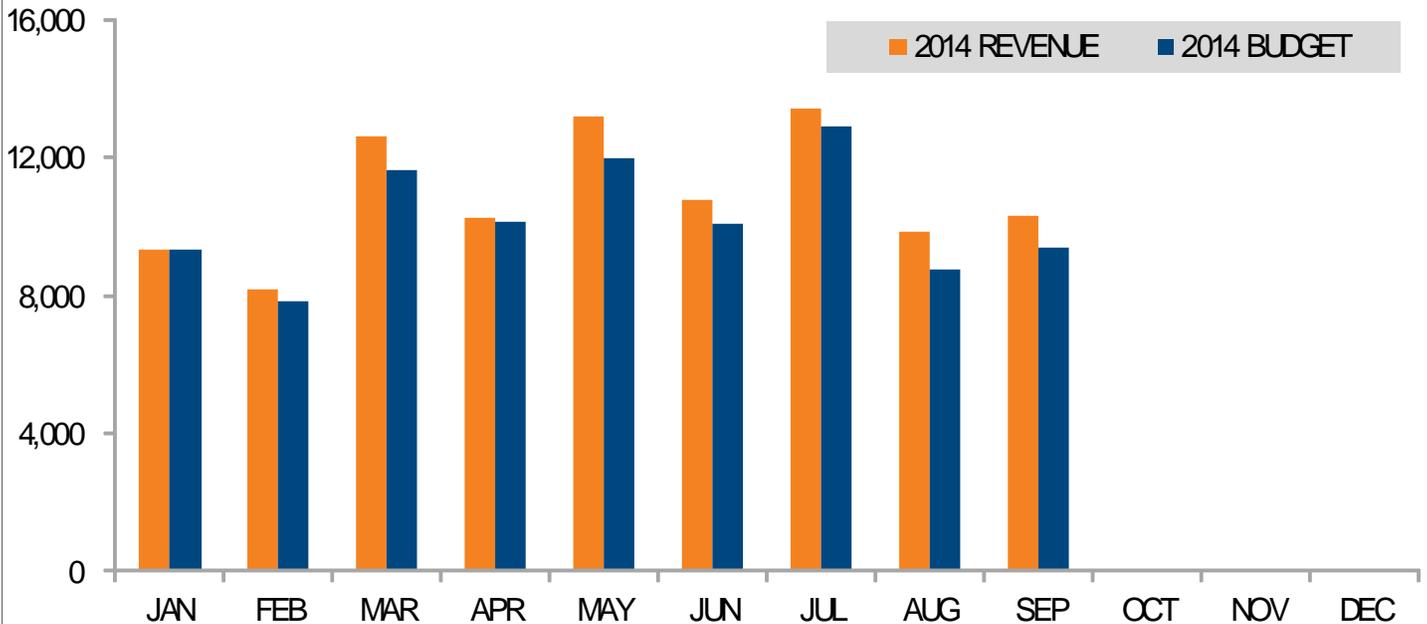
Expenses	CURRENT MONTH	(OVER)/UNDER 2014 BUDGET	YTD ACTUAL	YTD (OVER)/UNDER 2014 BUDGET	YTD (INC)/DEV 2013
Police Services	\$ 2,842	\$ (166)	\$ 26,162	\$ 531	\$ (1,698)
Financial Services	688	5	5,177	112	(529)
Community & Operation Services	5,000	295	44,041	7,742	1,167
Planning, Dev & Trans Services	4,162	13	29,598	3,389	(1,734)
ELJS	359	13	4,221	116	(156)
Employee & Comm Services	1,912	(83)	19,218	(242)	(1,837)
Sustainability Services	657	(252)	4,859	68	248
Other	287	(131)	5,980	283	(119)
Poudre Fire Authority	1,493	(69)	15,403	22	(556)
TOTAL	\$ 17,401	\$ (375)	\$ 154,659	\$ 12,022	\$ (5,215)

COMMENTS:

- All Service Areas are under budget with the exception of Employee & Community Services (ECS). The over budget in ECS is driving by higher than expected medical costs within the City's self-insurance fund. Additional budget appropriation was approved by Council on October 21st to cover the added medical claims.
- Community & Operations Services is under budget \$7.7M due to multiple factors – primarily a delay in various program/project expenditures and a significant reduction in fuel prices.
- Planning, Development and Transportation is under budget \$3.4M due to fewer Street Oversizing projects and delays in spending on various neighborhood plans and programs.

GENERAL FUND REVENUE ACTIVITY

MONTHLY REVENUE COLLECTIONS VS. BUDGET (ALL \$ IN THOUSANDS)



REVENUES	CURRENT MONTH	OVER/(UNDER) 2014 BUDGET	YTD ACTUAL	YTD OVER/(UNDER) 2014 BUDGET	YTD INC/(DEC) 2013
Sales & Use Tax	\$ 7,116	\$ 1,143	\$ 56,963	\$ 6,069	\$ 6,146
Use Tax Incentives	0	(367)	134	(3,165)	(393)
Property Taxes	87	(103)	17,573	563	869
Intergovt. Shared Revenues	515	480	737	515	258
Culture, Parks, Rec & Env Fees	29	(1)	392	27	22
Payment in Lieu of Taxes	772	(158)	6,812	(261)	(85)
General Government Fees	488	63	4,703	456	239
Interest Revenue	48	34	415	249	117
Unrealized Invst. Gains/Losses	(98)	(98)	105	105	403
Other Miscellaneous	1,361	(92)	10,062	1,155	810
TOTAL	\$ 10,317	\$ 901	\$ 97,896	\$ 5,715	\$ 8,387

COMMENTS:

- Sales and Use Tax exceed budget as described on Page 2.
- Use Tax incentives are under budget due to the fact the incentives were earned in 2013, which was earlier than planned.

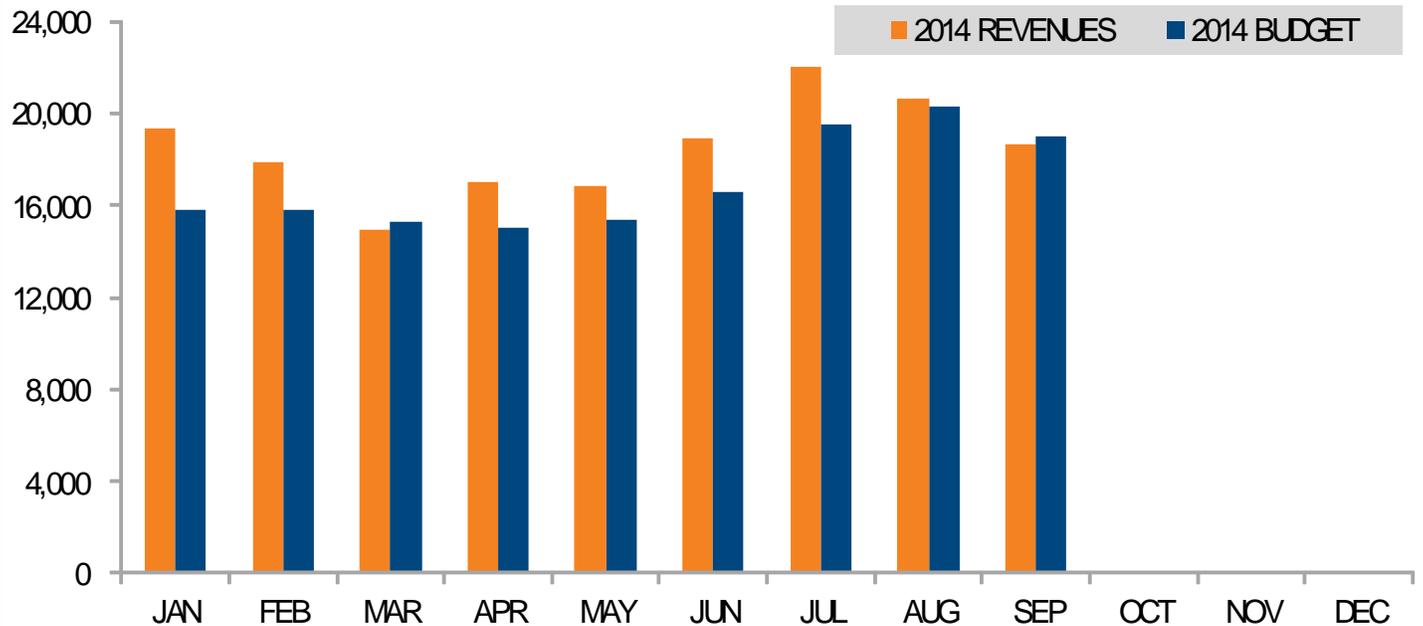
CAPITAL PROJECTS

GOVERNMENT CAPITAL PROJECTS OVER \$1M (ALL \$ IN THOUSANDS)

PROJECT	YTD	LTD	LTD	PO's	
	ACTUAL	ACTUAL	BUDGET	COMMITTED	AVAILABLE
Waters Way Park	\$ 13	\$ 1,853	\$ 1,875	\$ 16	\$ 6
Registry Park	41	1,688	1,712	27	(3)
Staley Neighborhood Park	2	1,971	2,151	12	169
Maple Hill Park	0	533	2,671	-	2,138
Tri-City Trails	63	740	1,028	-	288
NA Office Building	1,205	1,641	1,841	19	182
Southeast Community Park	34	3,813	4,343	265	265
East Community Park	-	176	1,700	-	1,524
BOB-Sr Center Expansion	5,220	6,297	6,675	112	266
114 - Trail Acq/Dev-Special Funds	8	8	1,741	31	1,702
186 - New Park Site Acquisition	7	1,995	2,461	-	466
187 - New Park Site Development	33	1,570	2,575	23	982
188 - Open Space Acquisition	-	1,106	1,162	1	55
190 - Trail Acquisition/Development	109	7,674	7,762	187	(99)
191 - Fossil Creek Trail	171	3,875	4,214	202	137
311 - FC Museum/DSC	25	2,586	2,586	-	0
Community & Operation Services	6,931	37,525	46,497	895	8,077
Transit Operating	8,531	57,810	65,280	557	6,913
Transit Capital	2,288	8,539	13,100	524	4,038
106 - I-25/SH392 Interchange	12	4,342	4,740	46	352
107 - N College Imprv-Conifer/Milloy	1,968	2,661	14,625	7,453	4,510
160 - Mason St Transp Corridor	7,341	84,333	96,709	10,625	1,751
166 - BOB Ped Plan/ADA Improv	267	3,373	3,840	56	411
169 - Street Oversizing Projects	40	8,064	12,317	441	3,812
170 - BOB-Int Imp & Traffic Sign	923	7,073	14,323	570	6,680
172 - City Bridge Program	677	4,160	5,767	123	1,483
305 - N College Improv-Vine/Conifer	45	9,388	9,615	3	225
312 - City Bridge Prog-KFCG	2,305	3,707	6,135	675	1,753
Planning, Dev & Trans Services	24,397	193,448	246,450	21,073	31,928
CDBG FY 10-11	34	928	1,042	-	114
CDBG FY 11-12	(0)	1,186	1,186	-	-
CDBG FY 12-13	(1)	985	1,013	28	0
CDBG FY 13-14	637	672	1,692	73	948
CDBG FY 14-15	-	-	1,235	-	1,235
HOME FY 13-14	5	22	1,339	601	716
111 - VWP Public Improvements	2,599	2,997	6,547	1,314	2,236
Sustainability Services	3,273	6,789	14,054	2,016	5,250
	34,602	237,762	307,002	23,984	45,256
Projects less than \$1.0 M	1,953	13,144	31,267	1,449	16,674
TOTAL	\$ 36,555	\$ 250,906	\$ 338,268	\$ 25,433	\$ 61,929

ENTERPRISE ACTIVITIES

MONTHLY REVENUE COLLECTIONS VS. BUDGET (ALL \$ IN THOUSANDS)



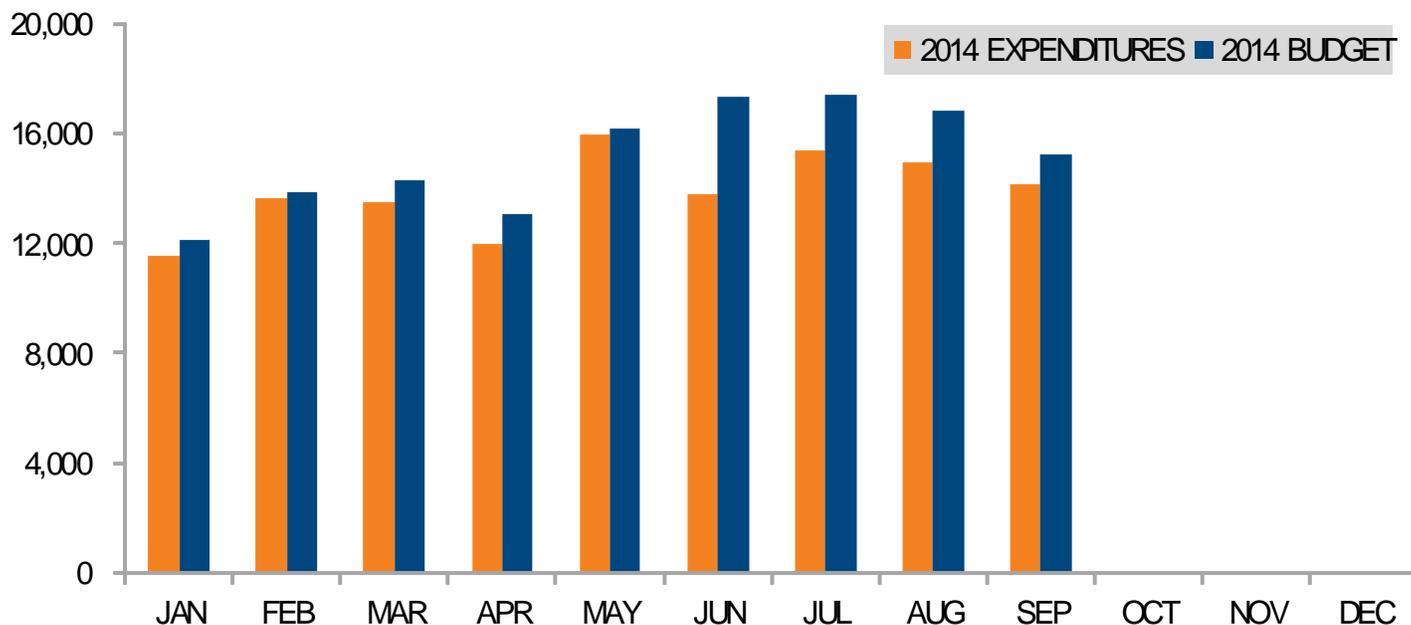
REVENUES	CURRENT MONTH	OVER/(UNDER) 2014 BUDGET	YTD ACTUAL	YTD OVER/(UNDER) 2014 BUDGET	YTD (INC)/DEV 2013
Electric Charges for Svcs	\$10,357	\$(850)	\$86,326	\$(2,159)	\$(750)
Water Charges for Svcs	2,920	(516)	20,667	(288)	580
Wastewater Charges for Svcs	1,932	217	15,947	1,340	689
Stormwater Charges for Svcs	1,281	116	10,999	521	233
Cust Srv & Admin Fund Chgs	1,128	457	10,149	(414)	695
Interest Revenue	169	52	1,391	267	226
Unrealized Invst. Gains/Losses	(421)	(424)	8	(7)	1,124
Devlpmt Fees/PIFS/Contrib	1,482	1,015	18,156	13,635	9,014
Financing Sources	0	0	23	23	(56)
Other Miscellaneous	(162)	(360)	2,843	879	(58)
TOTAL	\$18,686	\$(292)	\$166,509	\$13,797	\$11,697

COMMENTS:

- Development activity across the City is the primary driver in revenue above budget within all four Utilities. Plant Investment Fees paid by developers to support the Utilities infrastructure associated with development growth is above budget by \$13.6M.

ENTERPRISE ACTIVITIES

MONTHLY EXPENDITURES VS. BUDGET (ALL \$ IN THOUSANDS)



Expenditures *	CURRENT	(OVER)/UNDER	YTD ACTUAL	YTD	YTD
	MONTH	2014 BUDGET		(OVER)/UNDER	(INC)/DEV
				2014 BUDGET	2013
Purchase Power	\$6,276	\$899	\$61,678	\$4,937	\$752
Other Light & Power Fund	3,351	(387)	25,541	430	(1,386)
Water Fund	2,120	245	15,070	2,824	(808)
Wastewater Fund	948	113	9,141	1,210	265
Stormwater Fund	509	(29)	4,958	418	(254)
Customer Service & Admin	946	242	8,495	1,591	(331)
TOTAL	\$14,150	\$1,083	\$124,884	\$11,410	\$(1,761)

* Excludes KFCG dollars

COMMENTS:

- Purchased Power is under budget by \$4.9M due to lower than projected kWh demand from utilities customers.
- Water Fund is under budget due to lower than anticipated water treatment costs. Costs were expected to increase post the High Park Fire, however the flood in September 2013 cleaned the river and reduced the costs to treat Poudre River water and reduced continued fire remediation expenditures.

CAPITAL PROJECTS

ENTERPRISE CAPITAL PROJECTS OVER \$1M (ALL \$ IN THOUSANDS)

PROJECT	YTD	LTD	BUDGET	POs	AVAILABLE
	ACTUAL	ACTUAL		COMMITTED	
108 - ARRA DOE Grant-RDSI		\$ 6,901	\$ 7,370	\$ 175	\$ 293
117 - Substation Cap Proj	46	6,460	8,763	7	2,296
130 - SWEndave Sys Purchases	0	0	1,303	0	1,303
133 - Underground Conversion	277	381	1,759	0	1,377
304 - Service Center-L&P Parent	618	879	4,620	1,413	2,327
307 - Smart Grid Invest Grant	2,994	30,315	34,890	3,471	1,105
Projects less than \$1.0	909	1,046	1,702	116	540
Light & Power	4,845	45,983	60,406	5,182	9,241
Halligan Res Enlargement Proj	342	12,665	37,377	1,350	23,362
Water Prod Replace Summary	0	0	3,421	0	3,421
101 - Water Meter Replace & Rehab	427	5,843	7,100	230	1,027
105 - High Park Fire	0	1,845	2,238	0	393
196 - Distribution Sys Replcmnts	2,668	4,159	6,864	666	2,039
198 - Wtr Svc Ctr Improvements	0	1,000	1,343	0	343
206 - Water Supply Development	0	1,005	2,137	6	1,125
207 - Southwest Sys Improvmts	0	1,072	1,487	6	409
211 - Water Prod Replcmnt Prgm	1,364	4,041	6,246	766	1,439
303 - Gravel Pit Storage Ponds	5,390	6,640	11,577	4,451	486
308 - Wtr Eng Distrib Sys Rplcm	635	3,283	4,653	238	1,131
313 - Wtr Cathodic Protection	162	699	973	89	185
Projects less than \$1.0	629	3,132	4,520	129	1,259
Water	11,616	45,384	89,937	7,933	36,620
North Shields Sewer Interceptor	64	64	2,000	67	1,869
WRF Replacement Projects	0	0	2,967	0	2,967
BRT-Mason Str Sewer Main Rep	6	283	1,150	25	842
102 - DWRF CIP Summary	457	457	1,811	14	1,341
212 - WWCollection Sys Replcmnt	1,324	2,984	6,853	851	3,018
214 - WWSvc Ctr Improvements	0	2,080	2,579	0	499
215 - DWRF Improvements	25	26,749	27,053	6	299
216 - Sludge Disposal Improv	8	5,765	6,444	64	615
220 - MMRF Improvements	28	36,310	36,785	10	465
221 - Wtr Redam Replcmnt Prgm	809	6,850	7,901	872	179
Projects less than \$1.0	368	1,361	2,552	31	1,160
Wastewater	3,088	82,903	98,095	1,939	13,253
103 - SWBasin Improvements	1,863	2,344	5,013	1,276	1,392
222 - SWDrainage Sys Replcmnt	102	779	1,296	58	459
227 - Dry Crk Basin Improv	54	563	1,680	160	958
229 - WWine Basin Improv #2	186	739	1,852	110	1,004
232 - Canal Importation Bas Impr	109	20,495	21,231	6	730
233 - Cooper Slough Bas Improv	56	1,474	5,871	175	4,222
235 - Poudre Drainageway PI	127	340	1,117	233	544
236 - SWMaster Planning	227	5,149	5,327	42	136
238 - SWDeveloper Repays	94	1,680	2,180	15	485
Projects less than \$1.0	362	1,993	3,417	161	1,263
Stormwater	3,180	35,555	48,985	2,236	11,194
TOTAL	22,729	209,825	297,422	17,290	70,307

ACTIVITY MEASURES

DATA REFLECTS A ONE-QUARTER LAG

MEASURE	2ND QTR 2014	2ND QTR 2013	2ND QTR 2012	YTD 2014	YTD 2013	YTD 2012
New Residential Permit Unit Volume	643	254	155	826	618	255
New Commercial Permit Dollar Volume per Capita	\$123.30	\$22.00	\$13.00	\$487.80	\$31.00	\$135.00
Lodging Occupancy Rates	74.60%	78.40%	69.70%	66.30%	65.12%	61.65%
New Sales Tax Licenses	349	265	276	872	564	585
Terminated Sales Tax Licenses	281	140	110	434	604	398
Sales Tax Collections	\$24M	\$22M	\$21M	\$48M	\$45M	\$45M
Use Tax Collections	\$6M	\$5M	\$5M	\$11M	\$9M	\$9M

Glossary of Abbreviations:

ARRA	American Recovery and Reinvestment Act
BOB	Building on Basics \$0.25 sales tax
BRT	Bus Rapid Transit
CDBG	Community Development Block Grant
CIP	Capital Improvement Plan
DOE	Department of Energy
DWRF	Drake Water Reclamation Facility
ELJS	Executive, Legislative and Judicial Services
LTD	Life to Date
MMRF	Mulberry Water Reclamation Facility
PIFS	Plant Investment Fee
PO's	Purchase Orders
QTR	Quarter
RDSI	Renewable and Distributed Systems Integration
SW	Storm Water
WRF	Water Reclamation Facility
WW	Waste Water
YTD	Year to Date