

MONTHLY FINANCIAL REPORT

December 2012

PERFORMANCE AT A GLANCE

	CURRENT MONTH	YEAR TO DATE	REFERENCE
GENERAL FUND			
General Fund Exp vs. Rev	POSITIVE	POSITIVE	Page 2
Overall Sales Tax Revenue (prior month activity)	POSITIVE	POSITIVE	Page 3
Overall Use Tax Revenue	POSITIVE	POSITIVE	Page 3
Property Tax Revenue	POSITIVE	POSITIVE	Page 4
Other Revenues	POSITIVE	POSITIVE	Page 4
Fees and Charges	POSITIVE	POSITIVE	Page 5
YTD Revenues with Budget Line	POSITIVE	POSITIVE	Page 6
General Fund Monthly Collection Comparison	POSITIVE	POSITIVE	Page 6
YTD Expenditures with Budget Lines	POSITIVE	POSITIVE	Page 7
General Fund Expenditure vs. Budget	POSITIVE	POSITIVE	Page 7

The monthly Financial information for the Utility Funds is provided in a separate report prepared by the City of Fort Collins Utilities.

PERFORMANCE INDICATORS

POSITIVE = Positive variance or negative variance < 1% compared to seasonal trends.

WARNING = Negative variance of 1-4% compared to seasonal trends.

NEGATIVE = Negative variance of > 4% compared to seasonal trends.

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

ECONOMIC INDICATORS:

NATIONAL ECONOMY

National GDP: GDP is defined as the output of goods and services produced by labor and property located in the United States. The Bureau of Economic Analysis reported that the GDP for the fourth quarter of 2012 decreased at a rate of 0.1%. In the third quarter of 2012 GDP increased at a revised rate of 3.1%.

Interest Rates: The Federal Open Market Committee met on January 30th, 2013 and the outcome of the meeting was maintaining the Federal Funds interest rate to float between 0% and 0.25%.

Housing Starts: Housing Starts in December 2012 were at a seasonally adjusted rate of 954,000. This is 12.1% above the revised November 2012 figure of 851,000, and is 36.9% above the December 2011 rate of 697,000.

UNEMPLOYMENT RATES

National: The National unemployment rate for December 2012 increased to 7.9% from the November 2012 rate of 7.8%.

State-wide: The Colorado unemployment rate for December 2012 decreased to 7.6% from the November rate of 7.7%.

Larimer County: The Fort Collins-Loveland area unemployment rate for December 2012 remained at 5.9%.

BUILDING ACTIVITY

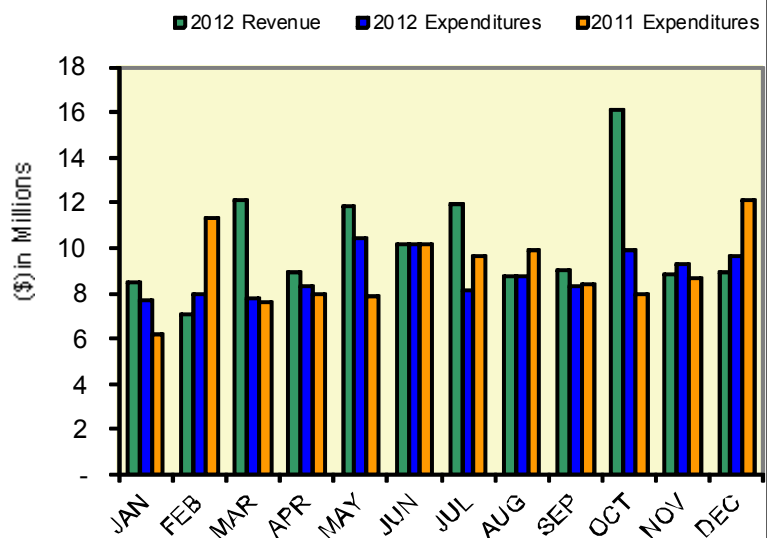
State-wide: Building permits for December 2012 numbered 1,798. This is a decrease from the November 2012 count of 2,059.

Local: City Building and Zoning reported 428 Building Permits issued in December 2012 with a value of \$16,568,708. December 2011 had 629 building permits with a value of \$13,871,595.

OVERALL FUND PERFORMANCE:

GENERAL FUND REVENUE VS EXPENDITURES 2012

	2012 Revenue	2012 Expenditures	Monthly Variance
JAN	\$ 8,484,601	\$ 7,700,004	\$ 784,597
FEB	7,076,619	8,009,974	(933,355)
MAR	12,098,714	7,784,208	4,314,506
APR	8,913,682	8,309,513	604,169
MAY	11,878,611	10,405,193	1,473,418
JUN	10,224,322	10,218,868	5,454
JUL	11,939,121	8,107,921	3,831,200
AUG	8,810,630	8,753,156	57,474
SEP	9,073,022	8,347,630	725,392
OCT	16,079,164	9,925,588	6,153,576
NOV	8,831,666	9,340,042	(508,376)
DEC	8,962,174	9,664,324	(702,150)
Totals	\$ 122,372,326	\$ 106,566,421	\$ 15,805,905



POSITIVE

December 2012 generated a second negative cash flow month with revenues lower than expenditures by \$702,150. Even though December produced a negative cash flow, 2012 General Fund performance was positive with revenues exceeding expenditures by \$15,805,905.

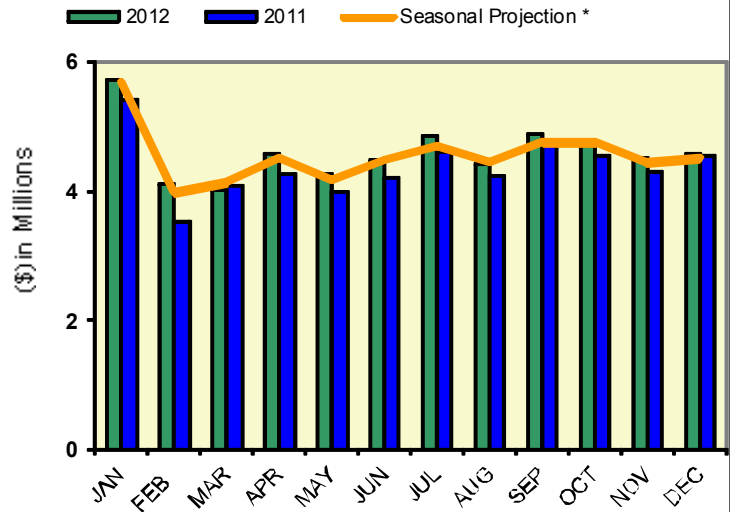
REVENUE ANALYSIS:

GENERAL FUND SALES TAX 2011-2012 COMPARISON

	2012	2011	Seasonal Projection *
JAN	\$ 5,716,879	\$ 5,421,512	\$ 5,682,849
FEB	4,126,638	3,518,181	3,977,654
MAR	4,011,513	4,093,808	4,142,780
APR	4,571,604	4,275,177	4,499,577
MAY	4,282,654	3,983,462	4,155,130
JUN	4,484,098	4,204,117	4,460,134
JUL	4,850,893	4,604,545	4,702,636
AUG	4,432,602	4,246,151	4,440,048
SEP	4,881,061	4,723,839	4,750,167
OCT	4,777,498	4,542,258	4,754,948
NOV	4,520,791	4,314,496	4,440,330
DEC	4,569,325	4,535,163	4,502,546
TOTALS	\$ 55,225,556	\$ 52,462,709	\$ 54,508,800

Sales Tax collections are for Sales in prior month.

* Seasonally adjusted projection based on last three years' activity

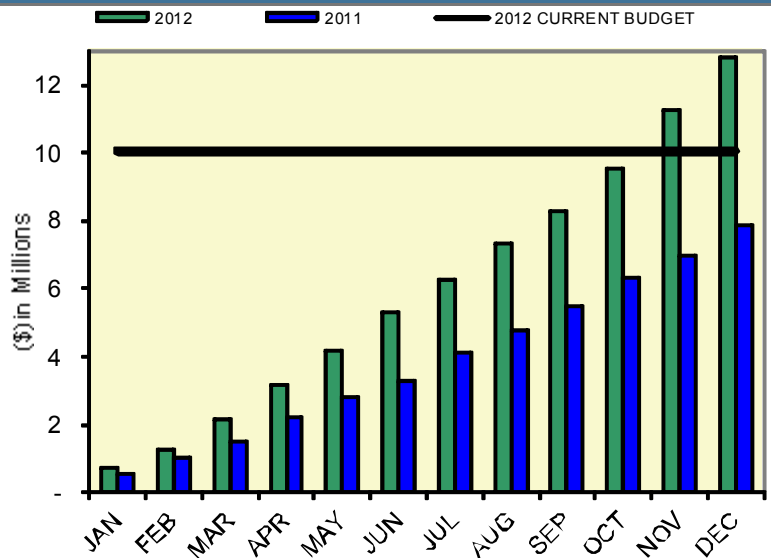


POSITIVE Sales Tax represents just over 50% of the General Fund Budget and serves as the primary funding source for the general government. The General Fund allocation of sales tax remitted to the City in December and collected by merchants in November experienced a slight increase compared to sales tax remitted in December 2011. Monthly collections by merchants were higher than the seasonal projection by 1.0%.

GENERAL FUND USE TAX 2011-2012 COMPARISON

	2012	2011	YTD Variance
JAN	\$ 755,296	\$ 576,303	
FEB	505,069	429,203	
MAR	924,745	529,390	
APR	974,447	713,714	
MAY	1,052,169	558,498	
JUN	1,076,791	465,702	
JUL	956,803	865,050	
AUG	1,092,886	664,662	
SEP	969,331	679,300	
OCT	1,255,345	853,764	
NOV	1,681,663	629,502	
DEC	1,550,271	893,441	
TOTALS	\$ 12,794,816	\$ 7,858,529	62.81%

* Use Tax Collections are for Sales in prior month.

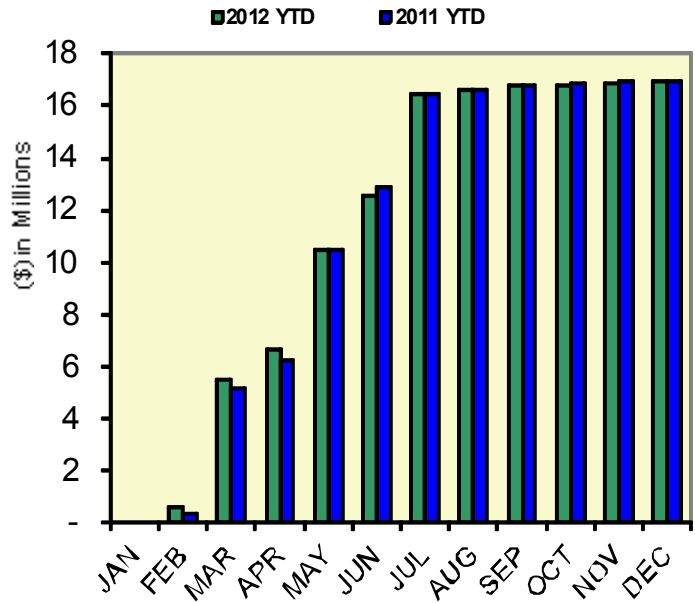


POSITIVE Use Tax represents approximately 10% of the General Fund Budget. Use tax is volatile because it is heavily dependent on building activity and vehicle sales. Overall Use Tax collections in December 2012 were up 73.5% compared to December 2011. The increase was due to increased collections in Return Tax, Building Permits, and Car Tax (up 152.2%, 57.9% and 10.5% respectively).

REVENUE ANALYSIS (continued):

PROPERTY TAXES 2011-2012 COMPARISON

	2012	2011	Monthly Variance
JAN	\$ -	\$ -	\$ -
FEB	543,154	317,234	225,920
MAR	4,932,726	4,799,861	132,865
APR	1,175,644	1,113,712	61,932
MAY	3,787,492	4,261,049	(473,557)
JUN	2,141,459	2,366,904	(225,445)
JUL	3,834,248	3,576,101	258,147
AUG	170,823	148,835	21,988
SEP	161,731	216,877	(55,146)
OCT	55,431	64,541	(9,110)
NOV	37,760	75,236	(37,476)
DEC	124,073	13,136	110,937
TOTALS	\$ 16,964,541	\$ 16,953,486	\$ 11,055

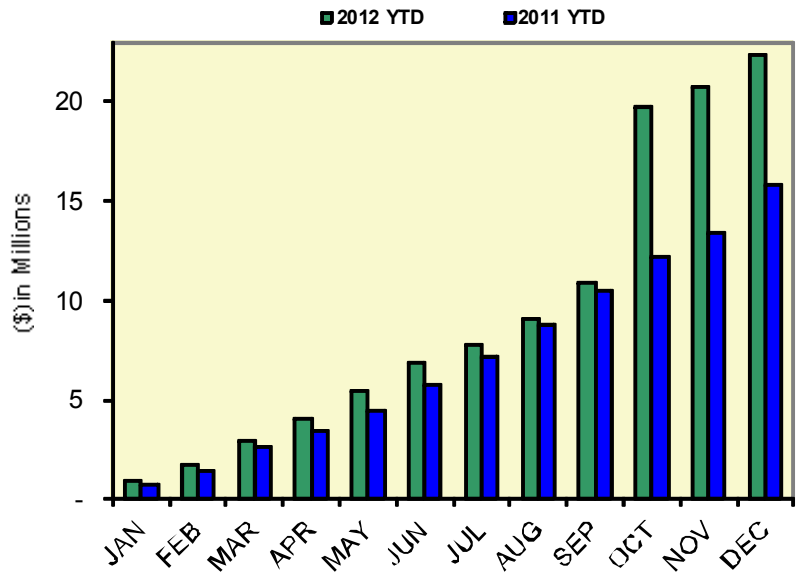


POSITIVE

Property taxes represent 17% of the overall General Fund Budget. They are remitted in two installments due on February 29 and June 15 or they are paid in full by April 30. Whether paid by installment or in full by the April deadline, over 95% of the levy has typically been remitted to the City by the end of July each year. Property tax collections for December 2012 were higher than 2011, but the gain was not significant compared to total year collections. Overall property tax collections for 2012 were flat compared to 2011.

OTHER REVENUE 2011-2012 COMPARISON

	2012	2011	YTD Variance
JAN	\$ 971,873	\$ 749,711	
FEB	821,372	703,213	
MAR	1,160,684	1,246,671	
APR	1,113,608	746,933	
MAY	1,381,831	996,840	
JUN	1,391,221	1,359,168	
JUL	909,492	1,348,848	
AUG	1,355,406	1,603,437	
SEP	1,762,430	1,773,101	
OCT	8,846,325	1,691,553	
NOV	1,082,063	1,193,984	
DEC	1,541,783	2,377,356	
TOTALS	\$ 22,338,088	\$ 15,790,815	41.5%



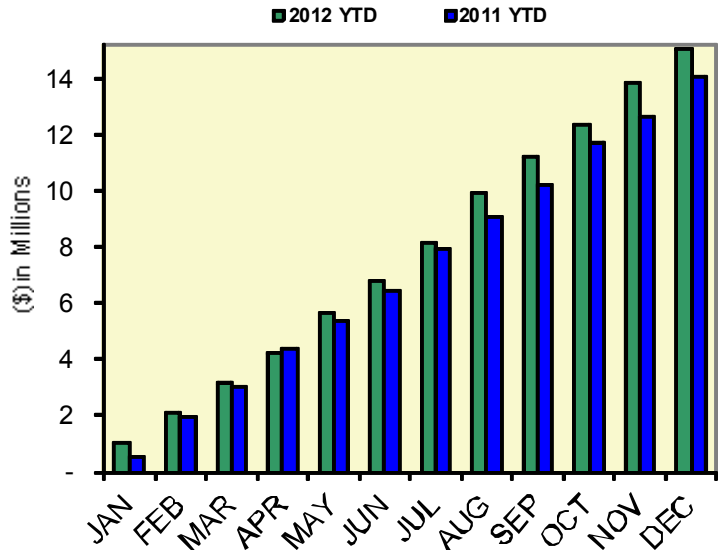
POSITIVE

Other revenue consists of licenses (e.g., contractor license, liquor license), permits (e.g., building permits, street cut permits), fines (e.g., court fines, camera radar fines), earnings on investments and miscellaneous. The volume of activity (i.e., building permits and fines) will fluctuate month to month. Other revenue collections were lower than December 2011 by 35.1%. Due to the one time \$7 million transfer from the Sales and Use Tax Fund in October 2012 Other Revenue for 2012 ended substantially higher than total collections in 2011.

REVENUE ANALYSIS (continued):

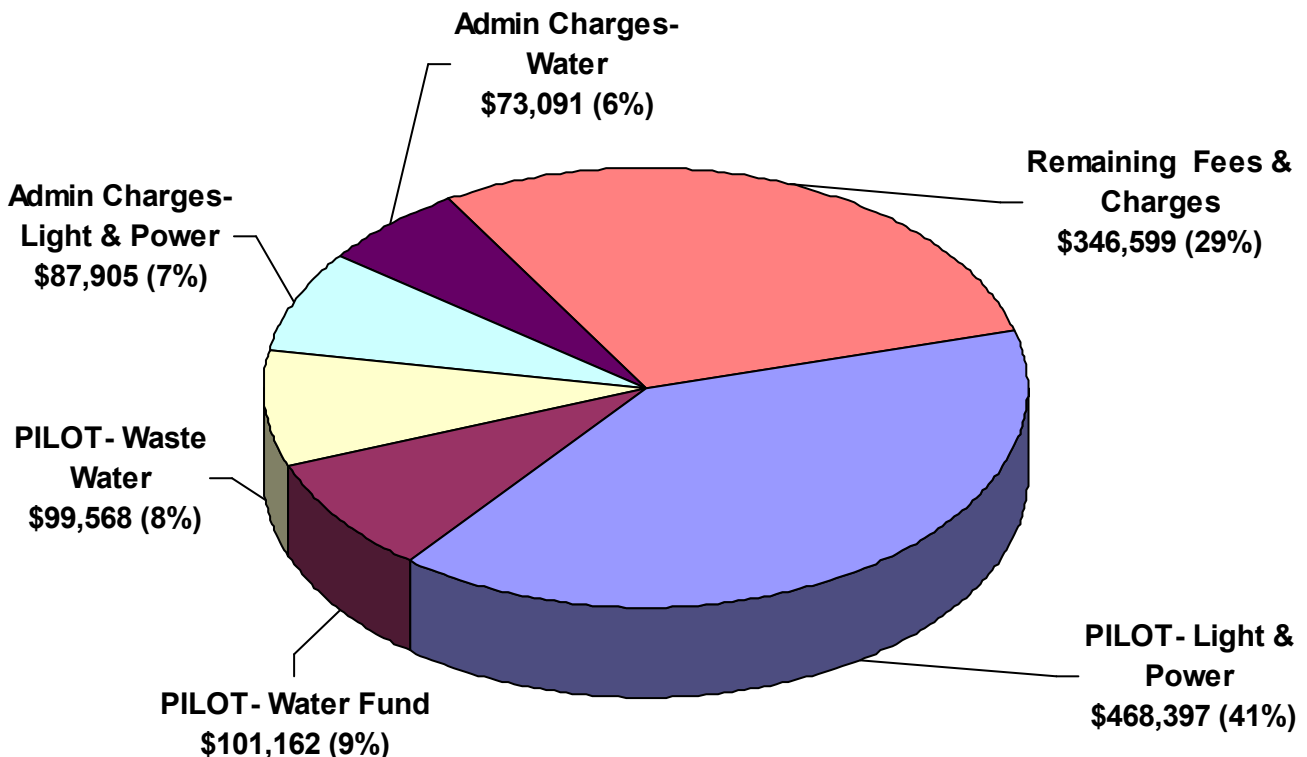
FEEES AND CHARGES 2011-2012 COMPARISON

	2012	2011	YTD Variance
JAN	\$ 1,040,553	\$ 551,908	
FEB	1,080,386	1,380,799	
MAR	1,069,046	1,068,732	
APR	1,078,081	1,395,093	
MAY	1,374,465	950,056	
JUN	1,130,753	1,092,756	
JUL	1,387,685	1,495,221	
AUG	1,758,913	1,146,146	
SEP	1,298,469	1,166,687	
OCT	1,141,929	1,434,993	
NOV	1,509,390	994,511	
DEC	1,176,723	1,390,213	
TOTALS	\$ 15,046,393	\$ 14,067,115	7.0%



POSITIVE Fees and charges for services include the following: payments in lieu of taxes ("Pilot") paid by the Utilities to the General Fund, administrative charges, plan checking fees, PUD Subdivision & zoning fees, real estate service fees, custodial service fees, project management service fees, and cable franchise fees. December 2012 Fees and Charges were lower than November 2011 by 15.4%. The difference is due to the timing of the Cable Franchise Fee which will be received in February 2013 and transferred back to December 2012.

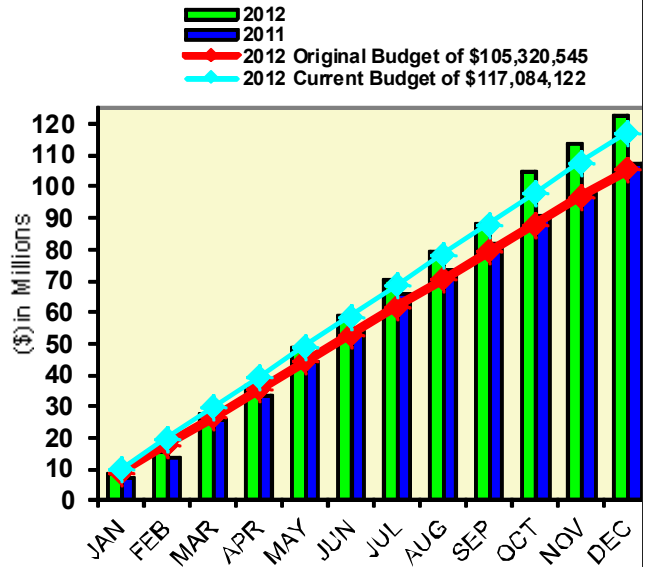
DECEMBER 2012 FEES & CHARGES



REVENUE ANALYSIS (continued):

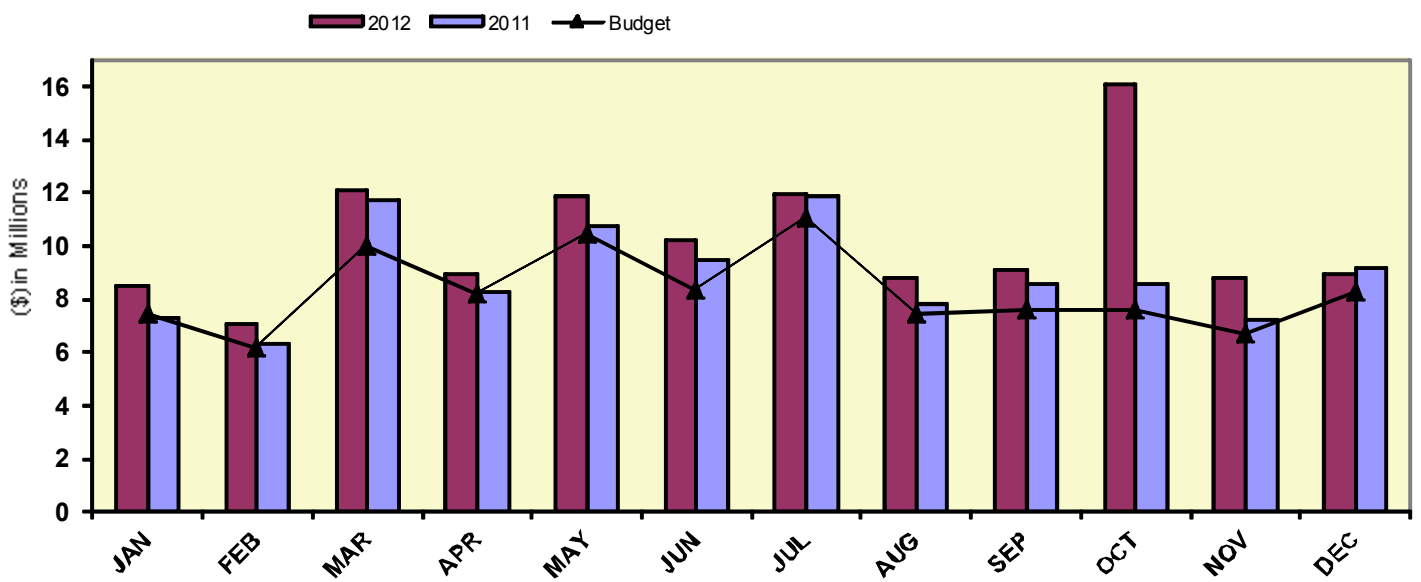
YTD REVENUES WITH ORIGINAL (CURRENT) BUDGET 2011-2012 COMPARISON

	2012	2011	Monthly Variance
JAN	\$ 8,484,601	\$ 7,299,434	\$ 1,185,167
FEB	7,076,619	6,348,630	727,989
MAR	12,098,714	11,738,462	360,252
APR	8,913,682	8,244,628	669,054
MAY	11,878,611	10,749,906	1,128,705
JUN	10,224,322	9,488,647	735,675
JUL	11,939,121	11,889,765	49,356
AUG	8,810,630	7,809,231	1,001,399
SEP	9,073,022	8,559,804	513,218
OCT	16,079,164	8,587,109	7,492,055
NOV	8,831,666	7,207,729	1,623,937
DEC	8,962,174	9,209,309	(247,135)
TOTALS	\$ 122,372,326	\$ 107,132,654	\$ 15,239,672



POSITIVE Revenues for December 2012 were lower than December 2011 by \$247,135. Overall General Fund revenue collections in 2012 were higher than 2011 by \$15,239,672.

GENERAL FUND REVENUE MONTHLY COLLECTION COMPARISON

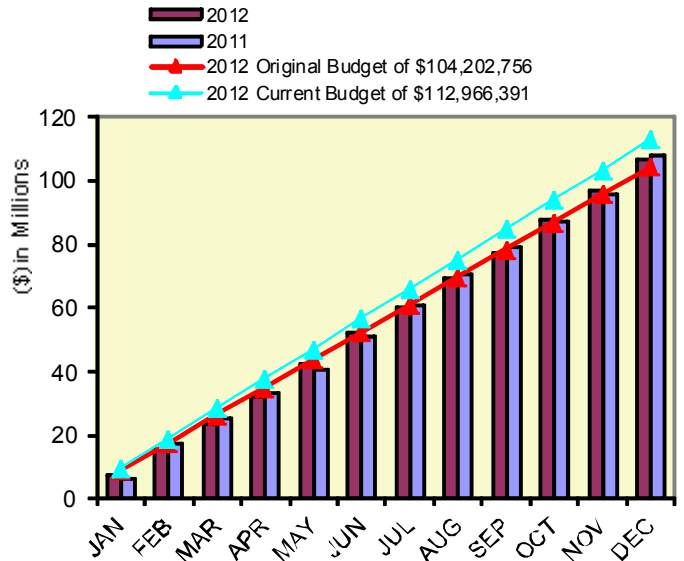


POSITIVE December 2012 General Fund revenue collections were lower than December 2011 by 2.7%. Compared to the three year average projection revenues were up 8.3%. Overall General Fund revenue collections in 2012 were higher than 2011 by 14.2%.

EXPENDITURE ANALYSIS:

2011-2012 YTD EXPENDITURES WITH BUDGET COMPARISON

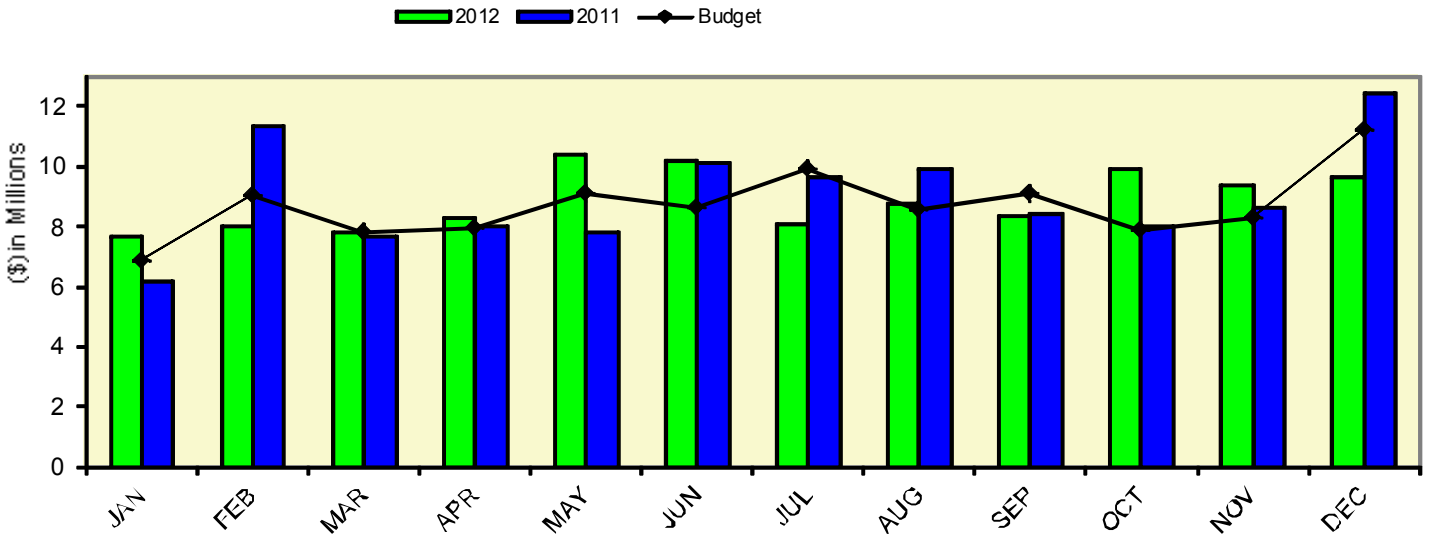
	2012	2011	Variance
JAN	\$ 7,700,004	\$ 6,159,093	\$ 1,540,911
FEB	8,009,974	11,308,468	(3,298,494)
MAR	7,784,208	7,656,324	127,884
APR	8,309,531	8,000,303	309,228
MAY	10,405,193	7,840,726	2,564,467
JUN	10,218,868	10,151,004	67,864
JUL	8,107,921	9,638,522	(1,530,601)
AUG	8,753,156	9,901,753	(1,148,597)
SEP	8,347,630	8,391,963	(44,333)
OCT	9,925,588	8,001,005	1,924,583
NOV	9,340,042	8,635,076	704,966
DEC	9,664,324	12,398,209	(2,733,885)
TOTALS	\$ 106,566,439	\$ 108,082,446	\$ (1,516,007)



POSITIVE

Expenditures in December 2012 were lower than December 2011 by \$2,733,885. A majority of the difference is due to three pay periods in December 2011.

2011-2012 MONTHLY EXPENDITURES WITH HISTORICAL TREND LINE



POSITIVE

Expenditures for December 2012 were lower than December 2011 by 22.1%, and were lower than the historical monthly trend by 13.5%. A majority of the difference is due to three pay periods in December 2011.