

QUARTERLY FINANCIAL REPORT

FOURTH QUARTER 2016

Preliminary



City of
Fort Collins

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.

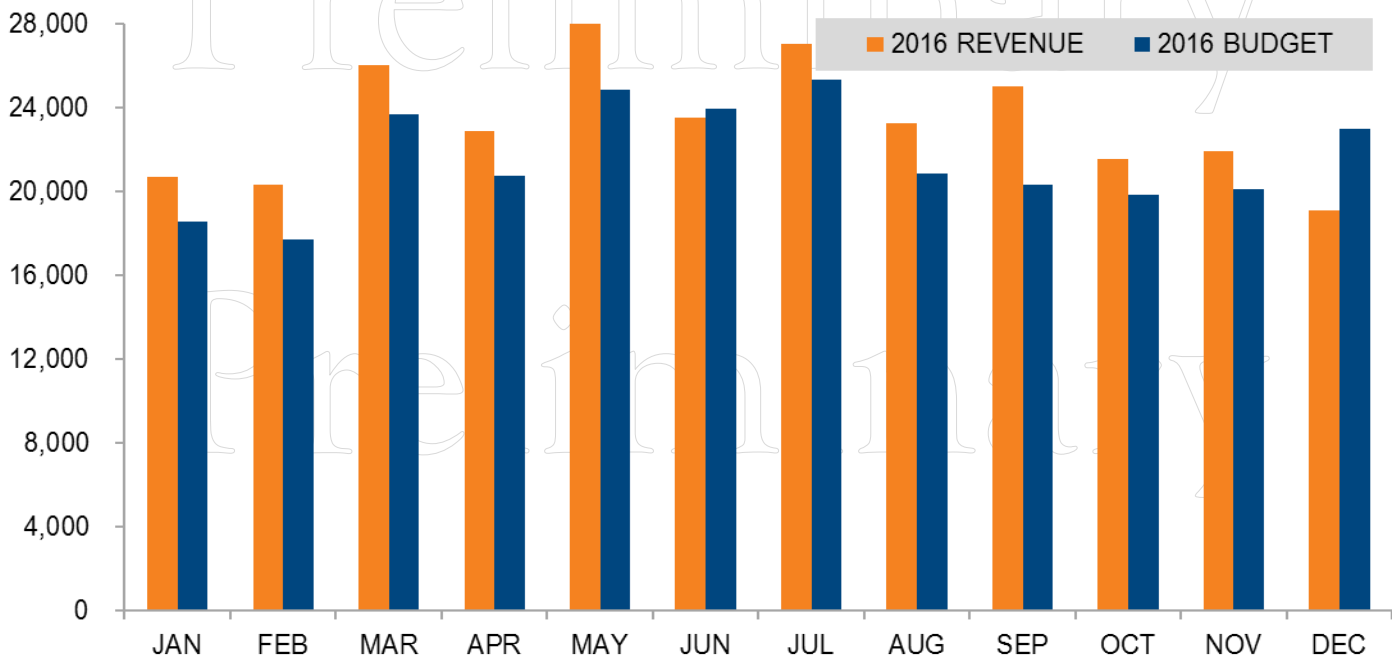
ENTERPRISE ACTIVITIES:

- 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 11.

GOVERNMENT ACTIVITIES

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

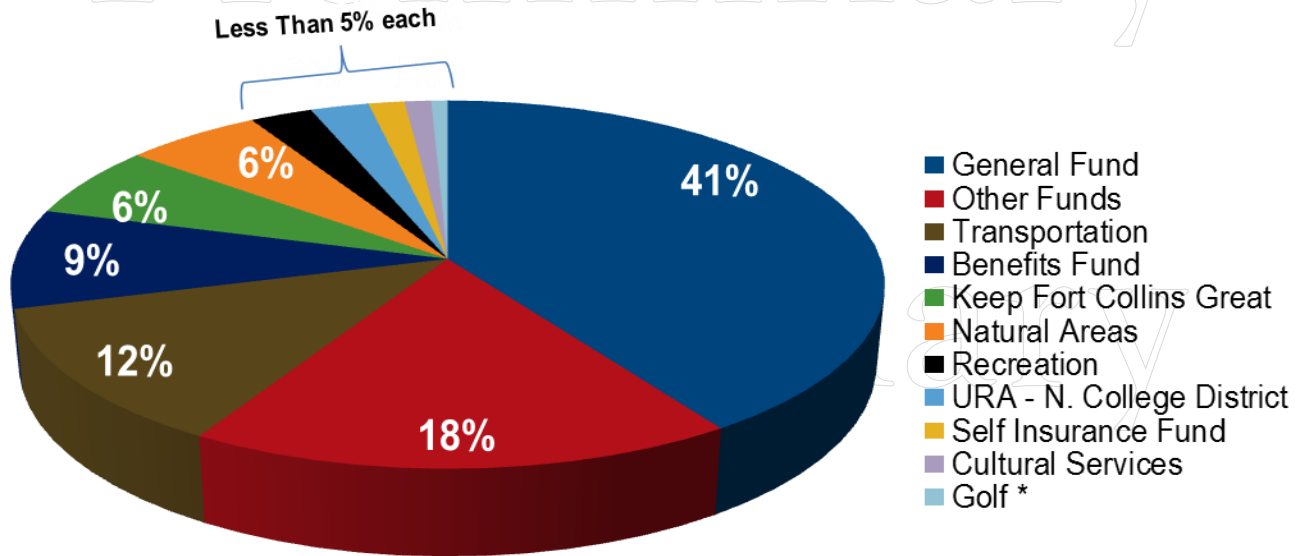


REVENUES	CURRENT MONTH	OVER/(UNDER) 2016 BUDGET	YTD ACTUAL	YTD OVER/(UNDER) 2016 BUDGET	YTD INC/(DEC) 2015
Sales & Use Tax	\$ 10,568	\$ 33	\$ 135,975	\$ 8,991	\$ 1,373
Use Tax Incentives	5	5	157	157	(140)
Property Taxes	83	23	22,822	1,905	2,834
Intergovt. Shared Revenues	1,678	(51)	13,698	2,622	635
Culture, Parks, Rec & Env Fees	827	(248)	15,117	785	(3,389)
Payment in Lieu of Taxes	743	(89)	9,969	(255)	588
General Government Fees	4,488	(1,120)	53,816	2,859	6,178
Transportation Fees	896	(33)	8,073	1,625	1,731
Interest Revenue	727	353	3,076	1,227	(303)
Unrealized Invst. Gains/Losses	(2,753)	(2,753)	(2,027)	(2,027)	(1,729)
Other Miscellaneous	1,860	(778)	19,242	(635)	316
TOTAL	\$ 19,122	\$ (4,659)	\$ 279,917	\$ 17,253	\$ 8,094

- Sales tax under budget by (\$165K) while Use Tax exceeded budget by \$9.2M
- Property Tax over budget \$1.9M due to increased assessed values and new properties
- Intergovt Shared Revenues up due to higher Motor Vehicle, Marijuana and Natural Areas tax sharing from State/ County
- PILOT is based off of estimated Utilities Revenues, if Utility Revenue actual is below budget, PILOT will also be below budget (see page 8 for details)
- General Government Fees are over due to Employee contributions to healthcare which was budgeted under the "Other Miscellaneous" line item
- Unrealized Invst Gains/Losses under due to required mark to market (non-budgeted item)

MAJOR FUNDS ACTIVITIES

DECEMBER 2016 EXPENSES BY MAJOR FUND (BEFORE TRANSFERS) (ALL \$ IN THOUSANDS)

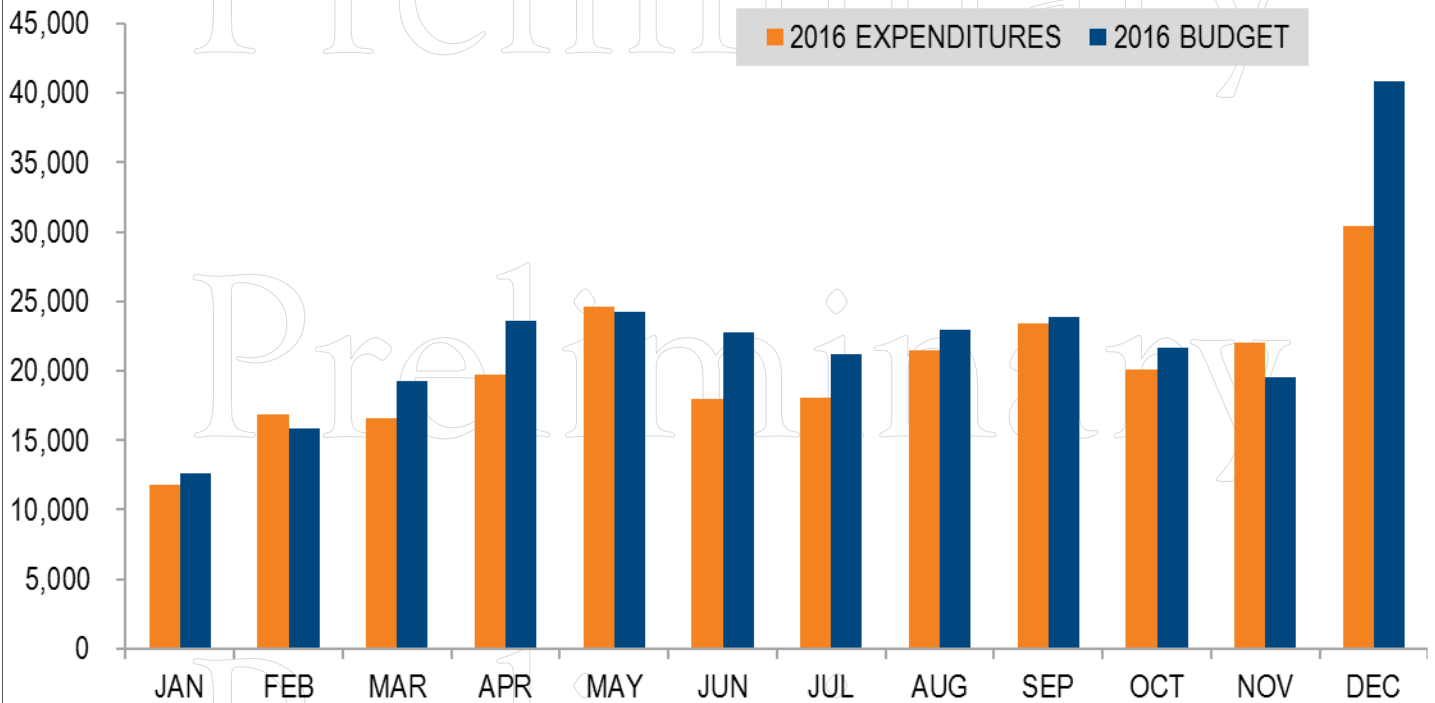


EXPENSES BY MAJOR FUND	CURRENT MONTH	(OVER)/UNDER 2016 BUDGET	YTD ACTUAL	YTD (OVER)/UNDER 2016 BUDGET	YTD (Inc)/Dec 2015
General Fund	\$ 14,682	\$ 558	\$ 135,692	\$ 8,042	\$ 3,539
Keep Fort Collins Great	2,281	726	22,544	3,306	(2,128)
Natural Areas	2,098	10,080	11,017	12,430	929
Cultural Services	407	(3)	3,457	610	(370)
Recreation	958	(186)	7,033	504	(48)
Transportation	4,443	(1,544)	25,491	2,380	1,657
Golf *	251	6	3,480	139	315
Self Insurance Fund	522	(191)	4,163	0	(45)
Benefits Fund	3,139	710	27,923	150	(1,858)
URA - N. College District	895	159	1,245	120	(14)
Other Funds	6,454	(339)	49,249	16,333	3,013
Fund Total Lapsing	\$ 36,130	\$ 9,977	\$ 291,293	\$ 44,014	\$ 4,989
Transfers and Depreciation	(5,720)	1,974	(48,473)	(10,267)	(9,704)
Total	30,410	11,951	242,820	33,747	(4,715)

- Natural Areas Fund under budget \$12.3M due to land purchases which are appropriated annually and budgeted in December each year; if no major purchases occur, Natural Areas ends under budget.
- Self Insurance and Benefits funds over budget due to higher claims activities in final quarter than budgeted
- Other Funds under budget due to timing of capital projects \$10M, project cancellations \$2M, and Mall Metro district reimbursements \$1.2M

GOVERNMENT ACTIVITIES

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

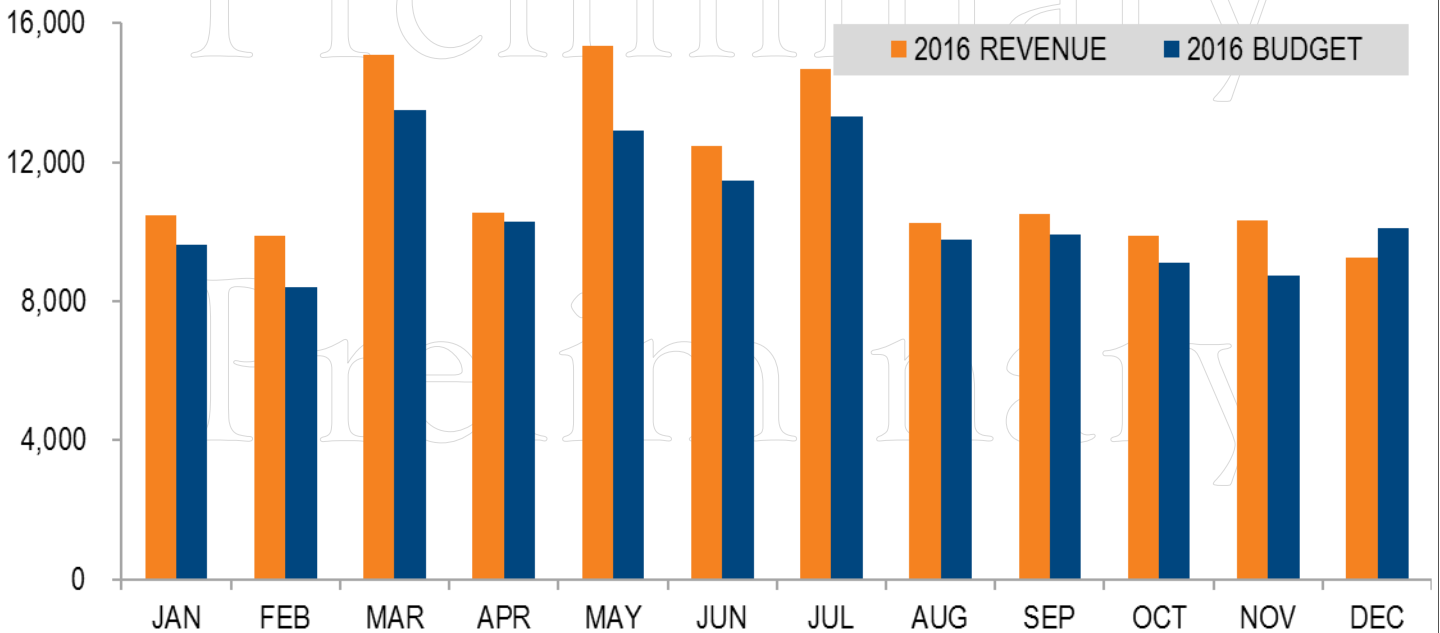


Expenses	CURRENT MONTH	(OVER)/UNDER 2016 BUDGET	YTD ACTUAL	YTD (OVER)/UNDER 2016 BUDGET	YTD (INC)/DEC 2015
Police Services	\$ 5,099	\$ (861)	\$ 38,632	\$ 2,129	\$ (1,501)
Financial Services	925	(190)	7,747	138	92
Community & Operation Services	8,094	11,058	61,196	19,736	1,211
Planning, Dev & Trans Services	6,256	(1,453)	45,566	4,547	742
Executive Services	429	(104)	4,037	(110)	18
Judicial Services	83	(5)	707	(2)	(18)
Legal Services	260	(18)	2,099	145	(62)
Information & Employee Svcs	4,438	1,022	42,419	2,437	(3,212)
Sustainability Services	2,658	2,424	10,504	4,321	(288)
Other	116	32	6,040	230	1,556
Poudre Fire Authority	2,104	(0)	24,058	(0)	(1,778)
TOTAL	\$ 30,462	\$ 11,905	\$ 243,003	\$ 33,570	\$ (3,241)

- Executive Services and Judicial Services over budget due to higher personnel costs than originally budgeted
- Community & Ops Services is under primarily due to \$12.3M Natural Areas fund (see prior page), project timing impacts, lower fuel and fleet maintenance costs
- Sustainability Services under budget driven primarily by \$1.2M Mall Metro District Reimbursements

GENERAL FUND REVENUE ACTIVITY

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



REVENUES	CURRENT	OVER/(UNDER)	YTD	YTD	YTD INC/(DEC)
	MONTH	2016 BUDGET		ACTUAL	
				2016 BUDGET	2015
Sales & Use Tax	\$ 6,556	\$ 147	\$ 84,016	\$ 6,759	\$ 308
Use Tax Incentives	3	3	117	117	(70)
Property Taxes	77	40	20,594	1,884	2,413
Intergovt Shared Revenues	166	136	1,159	809	(105)
Culture, Parks, Rec & Env Fees	40	3	616	57	143
Payment in Lieu of Taxes	743	(89)	9,969	(255)	588
General Government Fees	802	(286)	7,294	329	306
Interest Revenue	338	183	1,143	419	34
Unrealized Invst. Gains/Losses	(905)	(905)	(644)	(644)	(532)
Other Miscellaneous	1,437	(338)	14,472	1,010	(1,570)
TOTAL	\$ 9,257	\$ (1,104)	\$ 138,736	\$ 10,487	\$ 1,516

- Sales tax over budget by \$858K while Use Tax exceeded budget by \$5.9M
- Property Tax over budget \$1.9M due to increased assessed values and new properties
- Intergovt Shared Revenues up due to higher Motor Vehicle, Marijuana and Natural Areas tax sharing from State/ County
- PILOT is based off of estimated Utilities Revenues, if Utility Revenue actual is below budget, PILOT will also be below budget (see page 8 for details)
- Unrealized Invst Gains/Losses under due to required mark to market (non-budgeted item)

CAPITAL PROJECTS

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

PROJECT	YTD	LTD	LTD	PO's	
	ACTUAL	ACTUAL	BUDGET	COMMITTED	AVAILABLE
113 - Hughes Stadium Disc Golf Cours	-	45	49	-	3
114 - Trail Acq/Dev-Special Funds	-	762	1,751	-	989
186 - New Park Site Acquisition	445	2,576	3,051	92	382
187 - New Park Site Development	65	2,123	3,484	8	1,354
190 - Trail Acquisition/Development	901	10,305	12,055	564	1,186
191 - Fossil Creek Trail	7	5,174	5,381	-	207
EPIC Pool Improvements	1,282	1,603	1,839	140	96
BOB-Sr Center Expansion	10	6,797	6,803	1	5
Registry Park	-	1,701	1,725	-	24
Radiant Neighborhood Park	-	2,054	2,234	-	180
Maple Hill Park	40	580	2,681	157	1,944
Trailhead Park	132	390	1,138	-	748
Southeast Community Park	5,523	9,926	16,222	5,677	619
East Community Park	15	1,601	1,700	5	94
Fossil Crk Trl-College/Shields	354	354	1,000	624	23
NA Office Building	16	1,705	1,860	7	148
Downtown Poudre River Impr	65	1,043	1,250	0	207
BOB-Park Improvements	6	40	1,658	-	1,618
Projects < \$1M	897	4,806	10,489	171	5,512
Community & Operation Services	9,757	53,585	76,368	7,446	15,338
HIDTA Grant	101	1,313	1,325	15	(4)
Projects < \$1M	117	1,952	1,964	2	11
Police Services	218	3,265	3,289	17	7

Preliminary

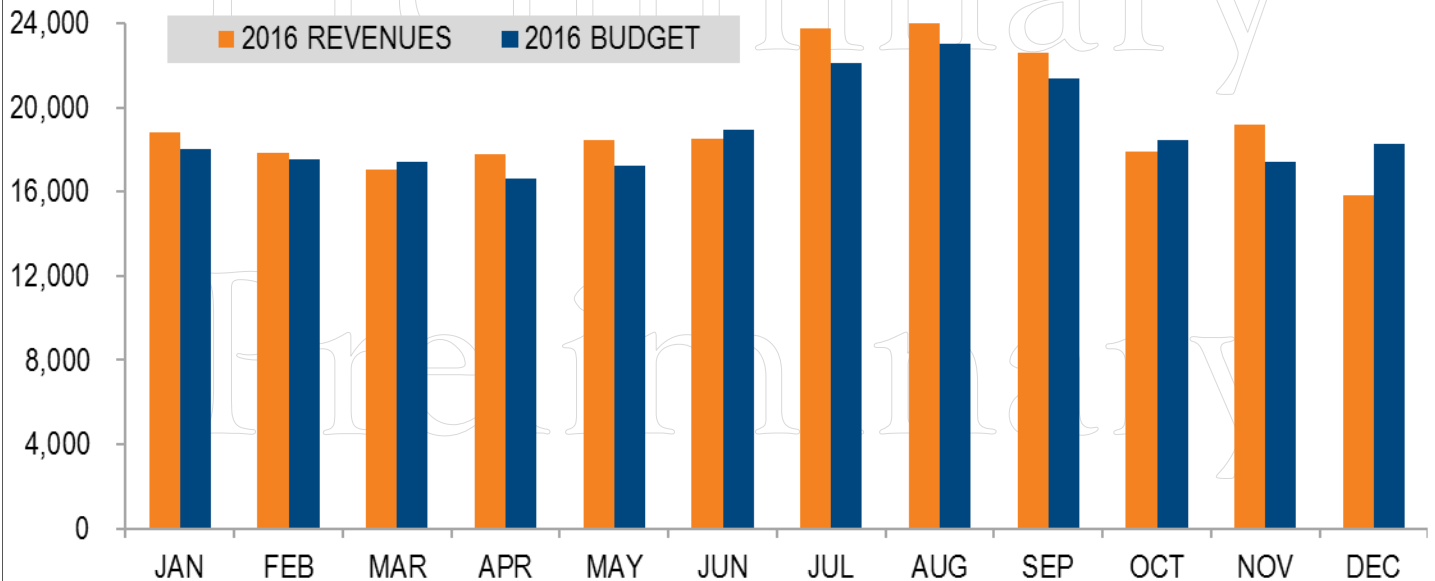
CAPITAL PROJECTS CNT'D

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

PROJECT	YTD	LTD	LTD	PO's	
	ACTUAL	ACTUAL	BUDGET	COMMITTED	AVAILABLE
106 - I-25/SH392 Interchange	124	4,551	4,740	8	180
107 - N College Imprv-Conifer/Wilcox	729	11,401	12,710	417	892
110 - FC Bikes Program	129	482	519	0	36
160 - Mason St Transp Corridor	353	92,499	96,877	1,110	3,268
166 - BOB Ped Plan/ADA Improv	128	1,796	1,828	-	32
169 - Street Oversizing Projects	5,730	6,594	14,743	3,317	4,833
170 - BOB-Int Imp & Traffic Sign	1,157	10,967	13,375	481	1,927
172 - City Bridge Program	589	2,761	3,991	405	825
302 - Bicycle Plan Implementatio	69	246	355	30	79
305 - N College Improv-Vine/Conifer	1	9,475	9,693	-	217
312 - City Bridge Prog-KFCG	2,885	6,747	7,179	290	142
TransitCapital	1,570	29,966	33,530	80	3,484
TransitOperating	13,343	137,693	145,339	131	7,515
Sharp Point Connection	21	21	1,100	14	1,065
Prospect/College Intrschn Impv	783	784	2,700	74	1,842
CAPITAL MAINTENACE - KFCG-OT	1,827	3,526	3,632	89	17
Bike/Ped Grade Separated Cross	15	15	1,500	-	1,485
Lemay/Vine Intersectns-KFCG-OT	687	729	1,000	167	105
Lincoln Avenue Bridge	327	327	2,730	-	2,403
Pedestrian Sidewalk - ADA	959	959	1,000	-	41
Bike/Ped Grade Sep Crossing	15	15	1,500	-	1,485
240 - CCIP Ped/ADA	959	959	1,000	16	26
Projects < \$1M	2,435	5,345	9,151	453	3,353
Planning, Dev & Trans Services	34,834	327,858	370,192	7,081	35,252
111 - WW Public Improvements	(126)	5,898	6,801	477	426
CDBG Projects	1,056	5,530	7,286	181	1,575
HOME Projects	2,055	4,400	5,963	594	969
Integrated Recycling Facility	1,220	1,372	1,685	131	182
Projects < \$1M	551	616	1,616	391	610
Sustainability Services	4,756	17,816	23,351	1,775	3,761
	50,399	403,358	473,200	16,319	53,523
Other Projects less than \$1.0 M	97	4,390	11,080	10	6,681
TOTAL	\$ 50,496	\$ 407,748	\$ 484,281	\$ 16,329	\$ 60,204

ENTERPRISE ACTIVITIES

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



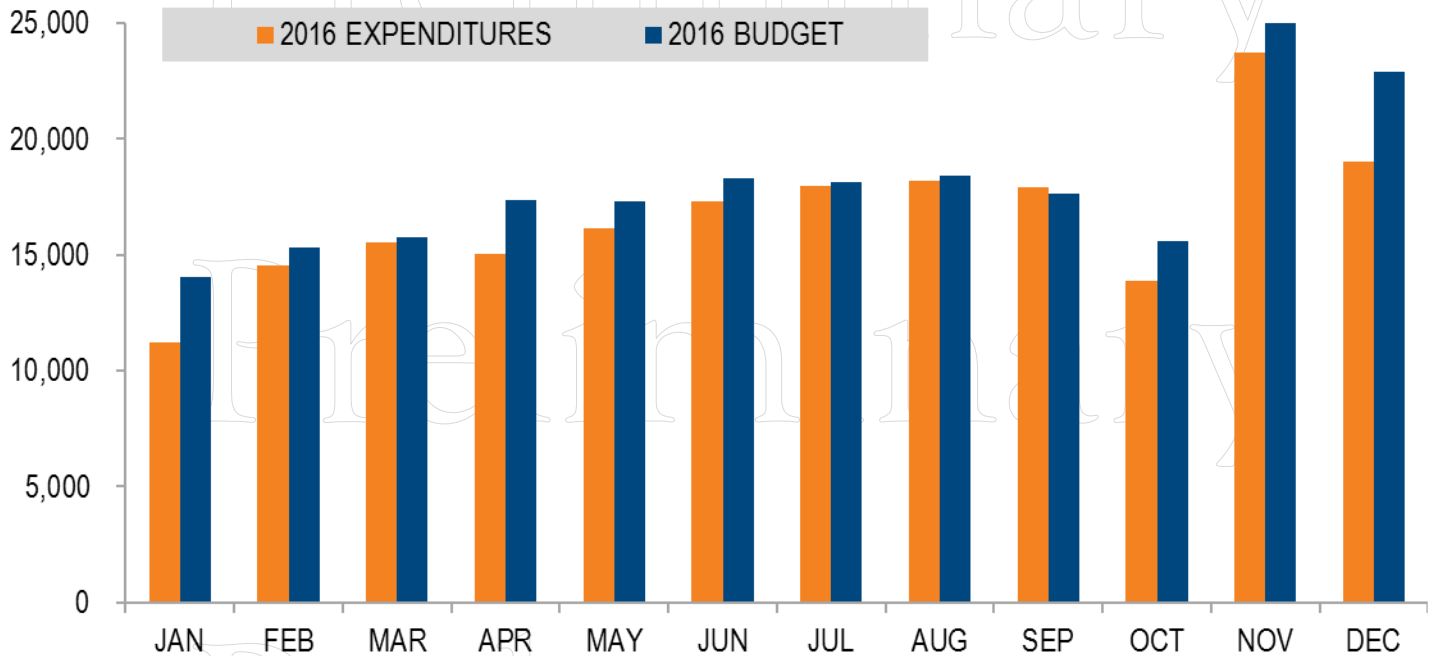
REVENUES	CURRENT	OVER/(UNDER)	YTD ACTUAL	YTD	YTD (INC)/DEC
	MONTH	2016 BUDGET		OVER/(UNDER)	
Electric Charges for Svcs	\$9,873	\$(917)	\$125,073	\$(3,153)	\$7,622,799
Water Charges for Svcs	1,752	(250)	29,664	(16)	1,959
Wastewater Charges for Svcs	2,081	93	23,297	(763)	1,232
Stormwater Charges for Svcs	1,334	94	15,620	995	585
Cust Srv & Admin Fund Chgs	1,052	0	15,661	0	2,974
Interest Revenue	286	142	2,362	177	18
Unrealized Invst. Gains/Losses	(2,174)	(2,174)	(1,476)	(1,476)	(1,232)
Devlpmnt Fees/PIFS/Contrib	1,134	461	18,488	9,498	3,905
Other Miscellaneous	492	95	4,329	1,299	354
TOTAL	\$15,830	\$(2,457)	\$233,018	\$6,560	\$17,418

- Electric charges are below budget due to less than projected growth in residential sales
- Wastewater charges are under budget due to lower residential water and hence wastewater use.
- Stormwater charges are over budget due to annexations and new development.
- Unrealized Invst Gains/Losses under due to required mark to market (non-budgeted item)
- Development fees are over budget due to greater development than anticipated.

*Customer Service & Admin Fund Charges are paid by the Utilities Enterprise Funds, CS&A revenue is an expense to the Enterprise funds and does not represent revenue from customers.

ENTERPRISE ACTIVITIES

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



Expenditures *	CURRENT	(OVER)/UNDER	YTD ACTUAL	YTD	YTD (INC)/DEC
	MONTH	2016 BUDGET		(OVER)/UNDER	
Light & Power Fund	\$5,550	\$174	\$44,960	\$5,423	\$3,474
Purchase Power	7,615	(184)	90,615	1,898	(4,989)
Stormwater Fund	666	233	10,748	512	1,845
Customer Service & Admin	1,546	637	13,621	2,459	(214)
Wastewater Fund	1,562	684	16,965	1,999	4,369
Water Fund	2,094	1,161	23,722	2,435	7,032
TOTAL	\$19,033	\$2,705	\$200,631	\$14,725	\$11,516

* Excludes KFCG dollars for ClimateWise program; excludes Capital Spending (see page 9)

- Light & Power expenses are below budget due to timing of System Additions:, \$3.4M, and Energy Services for consulting payments, \$1.1M
- Purchased Power expenses are below budget due to lower than anticipated energy demand.
- Customer Service & Administration is under budget due to lower consulting expenses and personnel turnover with new employees being hired at lower salaries.
- Wastewater is under budget due to lower legal and consulting expenses as well as lower supply costs (budgeted conservatively)
- Water is under budget due to less treatment expenses (budgeted conservatively) and timing of the minor capital

CAPITAL PROJECTS

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

PROJECT	YTD ACTUAL	LTD ACTUAL	BUDGET	PO's	
				COMMITTED	AVAILABLE
115 - New Capacity-Duct Banks	\$ 20	\$ 20	\$ 1,425	\$ 409	\$ 996
117 - Substation Cap Proj	54	1,434	2,339	1	903
130 - SW Enclave Sys Purchases	1	2	1,303	0	1,300
133 - Underground Conversion	339	1,150	1,707	0	557
298 - Electric Vehicle Charging Stn	16	96	99	0	3
304 - Service Center-L&P Parent	9,807	12,196	13,640	3,343	(1,899)
307 - Smart Grid Invest Grant	54	33,622	34,890	528	740
Others	273	1,753	3,044	60	1,231
Light & Power	10,564	50,275	58,447	4,341	3,832
101 - Water Meter Replace & Rehab	586	7,018	8,700	10	1,672
105 - High Park Fire	50	50	393	0	343
196 - Distribution Sys Replcmnts	1,589	4,219	6,052	110	1,723
198 - Wtr Svc Ctr Improvements	3,698	4,801	6,410	31	1,578
206 - Water Supply Development	82	436	1,519	228	855
210 - Treatment Facility Improv	32	88	713	21	604
211 - Water Prod Replcmnt Prgm	7,514	13,193	17,564	2,147	2,224
303 - Gravel Pit Storage Ponds	-1	11,444	11,569	1	124
309 - 2010 Master Plan Update				232	-232
313 - Wtr Cathodic Protection	13	172	313	0	141
Others	8,315	25,420	51,441	3,055	22,966
Water	21,878	66,840	104,674	5,835	31,998
102 - DWRf CIP Summary	110	6,973	10,980	1,064	2,943
104 - MWRf CIP Summary	0	59	61	0	1
212 - WW Collection Sys Replcmnt	2,098	2,719	5,137	878	1,540
214 - WW Svc Ctr Improvements	2,204	2,765	3,669	31	872
216 - Sludge Disposal Improv	112	357	760	9	394
220 - MWRf Improvements	0	136	472	0	335
221 - Wtr Reclam Replcmnt Prgm	623	5,011	5,721	82	628
Others	1,079	4,251	10,248	4,368	1,629
Wastewater	6,224	22,272	37,046	6,433	8,341
100 - Util Ser Cntr Add/Remodel	1,913	2,475	3,462	35	952
100 - Util Ser Cntr Add/Remodel	10,089	17,257	23,808	2,395	4,156
103 - SW Basin Improvements	2	5	68	0	63
225 - McGlelland/Mail Crk Basin	26	705	708	0	3
226 - Spring Crk Basin Improv	237	1,864	2,195	90	241
236 - SW Master Planning	155	665	701	2	34
237 - Flood Mapping/Stream Gagin	15	55	744	0	689
Others	47	788	1,119	15	316
Stormwater	12,483	23,814	32,805	2,537	6,455
TOTAL	\$ 51,150	\$ 163,200	\$ 232,973	\$ 19,147	\$ 50,626

ACTIVITY MEASURES

DATA REFLECTS A ONE-QUARTER LAG

MEASURE	3RD QTR 2016	3RD QTR 2015	3RDQTR 2014	YTD 2016	YTD 2015	YTD 2014
New Residential Permit Unit Volume	478	192	391	1300	868	1217
New Commercial Permit Dollar Volume per Capita	\$158	\$163	\$111	\$468	\$516	\$598
Lodging Occupancy Rates	80.2%	77.7%	83.4%	67.3%	69.6%	72.0%
New Sales Tax Licenses	306	427	330	950	1001	1058
Terminated Sales Tax Licenses	95	120	125	611	1366	519
Sales Tax Collections	\$28M	\$27M	\$26M	\$82M	\$78M	\$74M
Use Tax Collections	\$7M	\$7M	\$7M	\$20M	\$21M	\$18M

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
MWRF	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