

June 2020 Financial Report
(unaudited)

This monthly financial report highlights the City’s revenue and expenditures by fund, which compares year-to-date actual figures to the budgeted amount and prior year. For context, through June, 50% of the year has elapsed. Financial reports are issued 2 months later to allow for the receipt of major revenues. For example, sales tax collected in June isn’t due to the City until July and other June revenue is not received until August.

COVID-19 pandemic - The revenue improvement that started in May continued in June, with pandemic restrictions easing (shift from Stay-at-Home to Safer-at-Home). June 2020 sales tax revenue was 35% greater than June 2019. January through June sales tax revenue was 23% ahead of 2019. That’s an improvement over the first five months, which was 20% ahead of 2019. Additionally, sales tax revenue is benefited by the City now collecting its own sales taxes and sales from internet-based businesses.

As shown in the chart and table to the right, the City’s top sales tax-generating local retailers (grocery, restaurant, and beverage) experienced a 10% increase in June over June 2019. For these same stores, January through June 2020 revenue is 7% ahead of 2019.

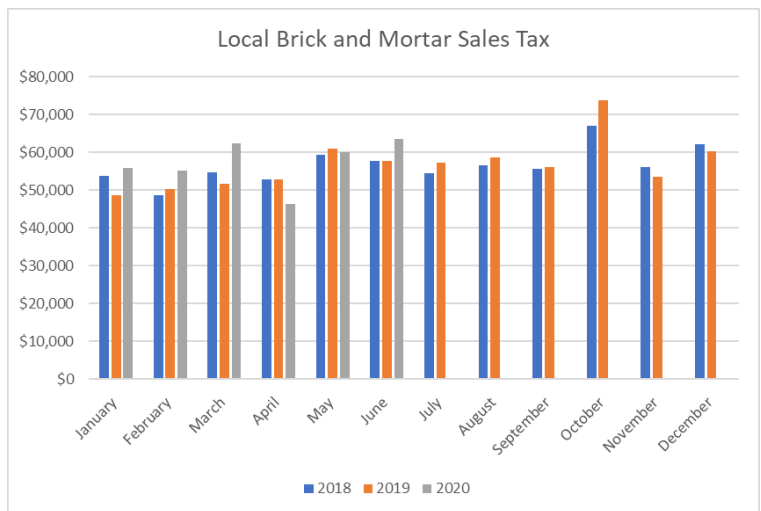
	2018		2019		2020	
Jan-Mar	\$ 157,188	-4%	\$ 150,416	15%	\$ 173,052	
April	\$ 52,797	0%	\$ 52,779	-12%	\$ 46,393	
May	\$ 59,362	3%	\$ 61,027	-1%	\$ 60,121	
June	\$ 57,753	0%	\$ 57,616	10%	\$ 63,507	
Jan-June	\$ 327,100	-2%	\$ 321,838	7%	\$ 343,073	

Other revenues impacted by the pandemic are related to vehicle sales and fuel. Through June, auto use tax is 24% less than 2019. Highway user tax is down 13% and motor vehicle registration fees are down 6%.

Construction-related revenues remain on the plus side with building permit fees and use tax up a combined 45% through June.

Despite the COVID19 impact to City revenues, the City remains on strong financial footing due to our retail business base, shifting to self-collection, new revenue from internet sales, and concluding 2019 in good financial shape. We

saw great improvement in May and June revenues and are still hopeful that the coming months will show the same improvement with businesses allowed to remain open and people adapting to this current “normal.” The cost of the pandemic to the City has been relatively low compared to other jurisdictions and will seek funding to reimburse those costs.



Charts and line item details follow and accompany this narrative analysis

GENERAL FUND

Revenues

- Overall, through the first six months, revenues are meeting expectations with 60% of the budget received. This includes a large \$2 million one-time payment received in May in the “Other” category. Excluding the one-time payment, 52% of the budget is received, which is positive given that 50% of the year is elapsed and we have been faced with the COVID-19 pandemic impact on several of the City’s revenues.

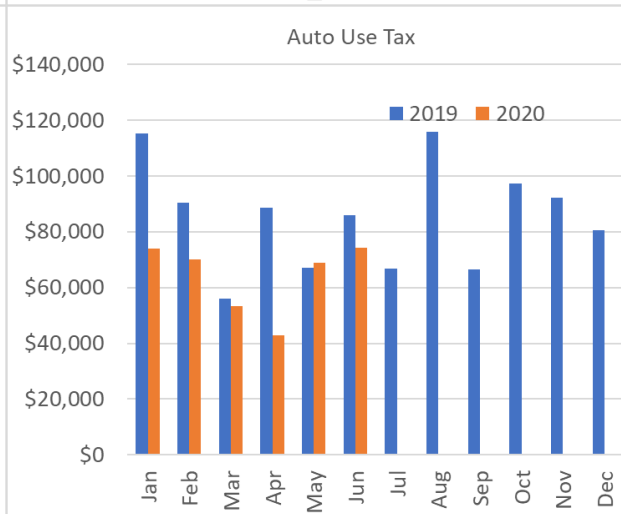
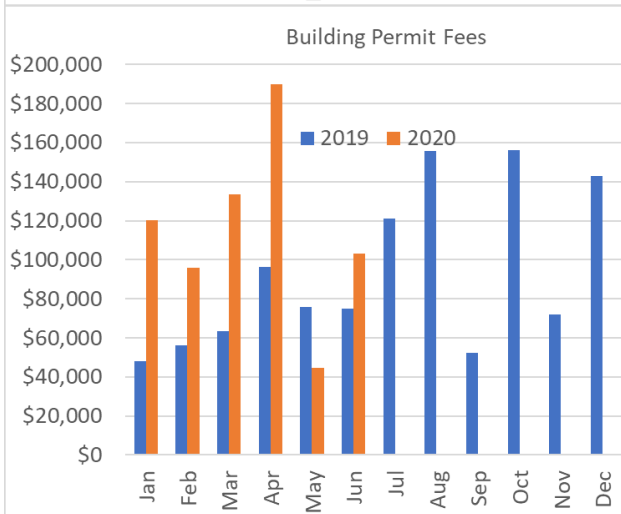
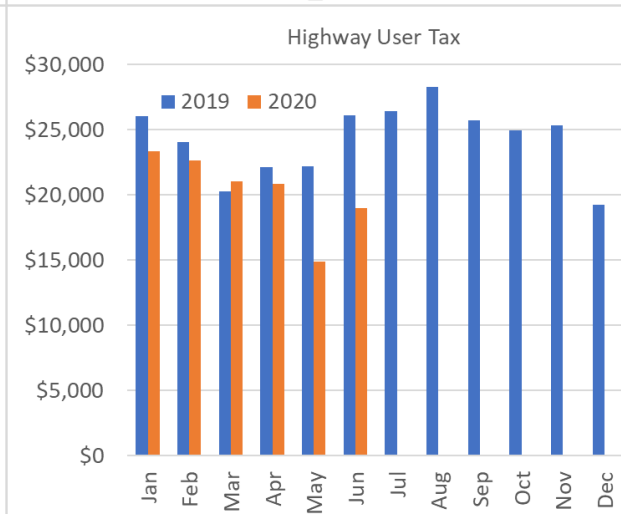
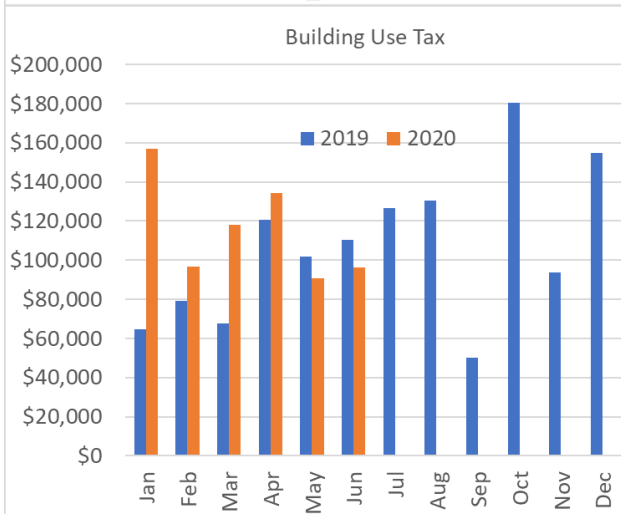
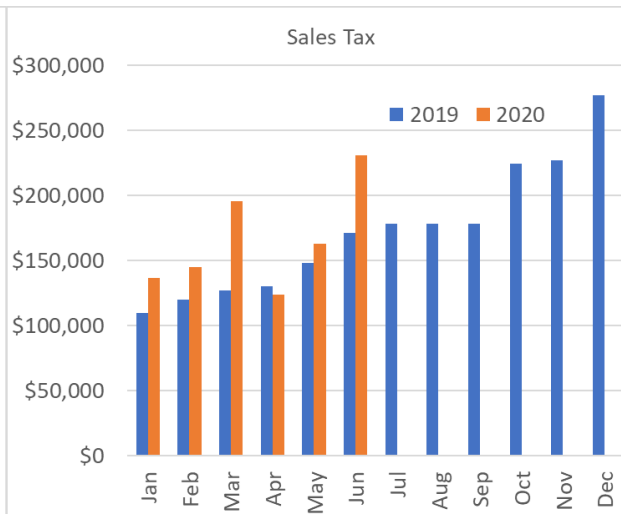
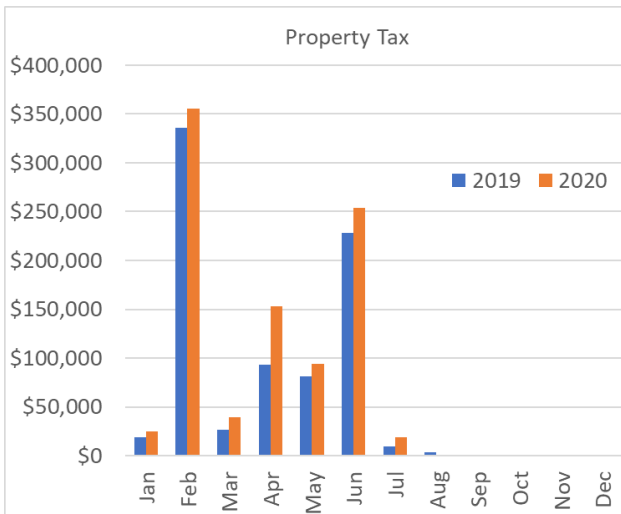
General Fund	Budget	YTD Actual (unaudited)	Balance Remaining	% of budget received
Revenue				
Taxes	\$ 6,316,200	\$ 3,258,243	\$ 3,057,957	52%
Licenses/Permits	67,400	103,839	(36,439)	154%
Intergovernmental	1,327,100	784,156	542,944	59%
Charges for Services	1,685,800	771,294	914,506	46%
Fines and Forfeitures	260,700	59,873	200,827	23%
Other	2,055,000	2,019,184	35,816	98%
Total Revenue	\$ 11,712,200	\$ 6,996,589	\$ 4,715,611	60%

- Taxes - 52% of the budget has been received and 12% ahead of 2019.
 - Property tax - 97% received and 18% ahead of 2019. The majority of property tax is received through first half of the year. New construction contributed to the increase over 2019.
 - Sales tax - 51% received and 23% ahead of 2019. Increase due to the City’s shift to self-collection and sales tax now collected from on online sales stemming from the United States Supreme Court’s Wayfair decision. June 2020 was 35% greater than June 2019, a significant improvement from April (the most COVID19-impacted month), which was down 4.6%. May 2020 was 10% ahead of May 2019.
 - Building use tax - 40% received and 27% ahead of 2019. The increase over 2019 is due to an increase in new residential construction within the City. However, May and June 2020 are down, 11% and 12%, respectively from 2019.
 - Auto use tax - 35% received and 24% lower than 2019. Auto use tax continues to be impacted by the pandemic through June. June was 14% lower than 2019. May was the best month at 3% more than 2019. April had the largest deficit at 52% and January, February and March were 36%, 23% and 5% lower, respectively.
- Licenses and Permits - 154% of budget received.
 - Business licenses - 329% received. The 2020 budget is \$5,000 and \$16,435 has been received year-to-date. Following the adoption of the 2020 budget, the City changed the business license fee from a \$10 annual fee to a \$25 biennial fee. The increase can also be attributed to more business licensing due to the Supreme Court Wayfair decision.
 - Right-of-Way/Grading, Erosion and Sediment Control permits - 243% received.
- Intergovernmental - 59% of budget received and 9% ahead of 2019.
 - Highway Users Trust Fund - 44% of budget received and 13% lower than 2019. This decrease is likely due to impacts from the COVID-19 pandemic to fuel sales and new vehicle registrations.
 - Road and Bridge Property Tax County shareback - 97% received and 17% ahead of 2019. The majority of property tax is received through the first half of year.

- Sales/auto use tax County shareback - 28% received and 18% lower than 2019.
- Building use tax County shareback - 46% received and 55% ahead of 2019.
- Charges for Services - 46% of budget received.
 - Building permit fees - 46% received and 65% ahead of 2019.
- Fines and Forfeitures - 23% of budget received. This is lower than expectations and is likely due to the COVID-19 pandemic, less travelers and fewer tickets issued.
- Other - 98% of budget received. The largest share (99%) of this revenue is \$2,000,000, which was received in May and is a pass-through from a developer to Mile High Flood District for Newlin Gulch tributary improvements.

Expenditures

- Overall, 54% of the GF operating budget is expended. Most departments are within budget expectations.
- Public Works is 74% expended; however, this is within expectations. Of the total expenditures, nearly \$2 million was related to the payment to Mile High Flood District for Newlin Gulch tributary improvements.
- COVID-19 has had little impact to the city's budget. The City has spent approximately \$20,000 on COVID-19 related expenditures. The largest expenditure related to COVID-19 has been the purchase of face masks for distribution to our community. We anticipate that most of the COVID-19 expenditures will be reimbursed by federal funds authorized by the CARES Act. Community Events expenditures are only 6% expended due to the cancellation of events in the Spring because of COVID-19.
- Other funds are within budget expectations.



GENERAL FUND	Budget	YTD Actual (unaudited)	Balance Remaining	% of budget received
REVENUE				
<i>Taxes</i>				
Property Tax	\$ 947,600	\$ 921,769	\$ 25,831	97%
Specific Ownership Tax	79,400	36,875	42,525	46%
Sales Tax	1,939,600	994,901	944,699	51%
Building Use Tax	1,733,700	693,501	1,040,199	40%
Auto Use Tax	1,093,300	383,569	709,731	35%
Franchise - Electric	210,100	94,743	115,357	45%
Franchise - Gas	132,200	53,566	78,634	41%
Franchise - Cable	175,700	78,749	96,951	45%
Franchise - Telecom	4,600	570	4,030	12%
TOTAL TAXES	6,316,200	3,258,243	3,057,957	52%
<i>Licenses and Permits</i>				
Business Licenses	5,000	16,435	(11,435)	329%
Liquor/Tobacco Licenses	2,400	1,690	710	70%
Contractor Licenses	30,000	11,238	18,762	37%
Sign Permits	-	1,686	(1,686)	n/a
ROW/GEESC Permits	30,000	72,790	(42,790)	243%
TOTAL LICENSES AND PERMITS	67,400	103,839	(36,439)	154%
<i>Intergovernmental</i>				
Highway Users Trust Fund - State	279,500	121,772	157,728	44%
Motor Vehicle Registration Fee	38,800	16,825	21,975	43%
Road & Bridge Property Tax - County	466,800	452,574	14,226	97%
Sales/Auto Use Tax - County	309,200	87,590	221,610	28%
Building Use Tax - County	221,800	101,481	120,319	46%
Other	11,000	3,914	7,086	36%
TOTAL INTERGOVERNMENTAL	1,327,100	784,156	542,944	59%
<i>Charges for Services</i>				
Planning and Zoning Fees	175,000	75,246	99,754	43%
Finance Fees	-	2,827	(2,827)	n/a
Building Permit Fees	1,493,200	687,221	805,979	46%
Park Land Mitigation Fee	17,600	6,000	11,600	34%
TOTAL CHARGES FOR SERVICES	1,685,800	771,294	914,506	46%
TOTAL FINES AND FORFEITURES	260,700	59,873	200,827	23%
<i>Other</i>				
Interest Earnings	55,000	31,088	23,912	57%
Stormwater Management Pass-through	2,000,000	1,970,272	29,728	99%
Other	-	17,824	(17,824)	n/a
TOTAL OTHER	2,055,000	2,019,184	35,816	98%
TOTAL REVENUE	\$ 11,712,200	\$ 6,996,589	\$ 4,715,611	60%

GENERAL FUND	Budget	YTD Actual (unaudited)	Balance Remaining	% of budget expended
EXPENDITURES				
City Council	\$ 80,300	\$ 37,293	\$ 43,007	46%
City Manager	179,800	93,524	86,276	52%
Inter-/Non-Departmental	401,900	186,902	214,998	47%
Legal Services	120,000	80,032	39,968	67%
Finance	268,400	141,773	126,627	53%
City Clerk	143,300	66,020	77,280	46%
Municipal Court	41,300	14,617	26,683	35%
Public Safety	1,053,000	517,643	535,357	49%
Public Works	3,738,700	2,753,867	984,833	74%
Community Development	1,712,200	663,416	1,048,784	39%
Economic Development	95,900	45,041	50,859	47%
Community Events	201,800	13,018	188,782	6%
Transfers Out	6,522,500	3,261,250	3,261,250	50%
TOTAL EXPENDITURES	\$ 14,559,100	\$ 7,874,396	\$ 6,684,704	54%

PARKS AND RECREATION FUND

- Parks and Recreation Fund revenues are lower than expectations as park usage has been impacted by COVID-19.

PARKS AND RECREATION FUND	Budget	YTD Actual (unaudited)	Balance Remaining	% of budget received/ expended
REVENUE				
Park Use Fees	\$ 20,500	\$ 7,950	\$ 12,550	39%
Insurance Recovery	-	13,540	(13,540)	n/a
Transfers In	196,600	-	196,600	0%
TOTAL REVENUE	\$ 217,100	\$ 21,490	\$ 195,610	10%
TOTAL EXPENDITURES	\$ 326,600	\$ 96,087	\$ 230,513	29%

CONSERVATION TRUST FUND

- Revenue is received quarterly. The \$100,000 expenditure is the City's contribution to the Rueter-Hess Recreation Authority for recreation improvements.

CONSERVATION TRUST FUND	Budget	YTD Actual (unaudited)	Balance Remaining	% of budget received/ expended
TOTAL REVENUE	\$ 69,400	\$ 27,604	\$ 41,796	40%
TOTAL EXPENDITURES	\$ 115,000	\$ 100,000	\$ 15,000	87%

CAPITAL IMPROVEMENTS FUND

- Most capital improvements are funded by the General Fund and typically begin with warmer weather.
- The \$94,000 revenue budget is IREA’s contribution (50%) to new light poles (Machinery and Equipment \$188,000).

CAPITAL IMPROVEMENTS FUND	Budget	YTD Actual (unaudited)	Balance Remaining	% of budget received/ expended
Revenue	\$ 94,000	\$ -	\$ 94,000	-
Transfers In	6,560,100	3,261,250	3,298,850	50%
TOTAL REVENUE	\$ 6,654,100	\$ 3,261,250	\$ (3,261,250)	49%
EXPENDITURES				
Major Roads/Streets Construction	\$ 5,825,000	\$ 488,952	\$ 5,336,048	8%
Lagae Road Improvements	596,600	-	596,600	0%
Pedestrian Safety Improvements	75,000	3,614	71,386	5%
Traffic Signal Upgrades	125,000	82,677	42,323	66%
Gateway/Wayfinding	364,000	5,737	358,263	2%
City Hall	438,100	34,223	403,877	8%
Machinery and Equipment	188,000	23,257	164,743	12%
TOTAL EXPENDITURES	\$ 7,611,700	\$ 638,460	\$ 6,973,240	8%