

July 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 July, 58% 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). Except for April (down 4.6%), monthly sales tax revenue continues to exceed the prior year’s months. Through July sales tax revenue was 20% ahead of 2019. However, contributing to the 20% improvement, sales tax revenue is also benefitting from the City now collecting its own sales taxes and from internet-based business sales.

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 11% increase in July over July 2019. For these same stores, January through July 2020 revenue is 7% ahead of 2019.

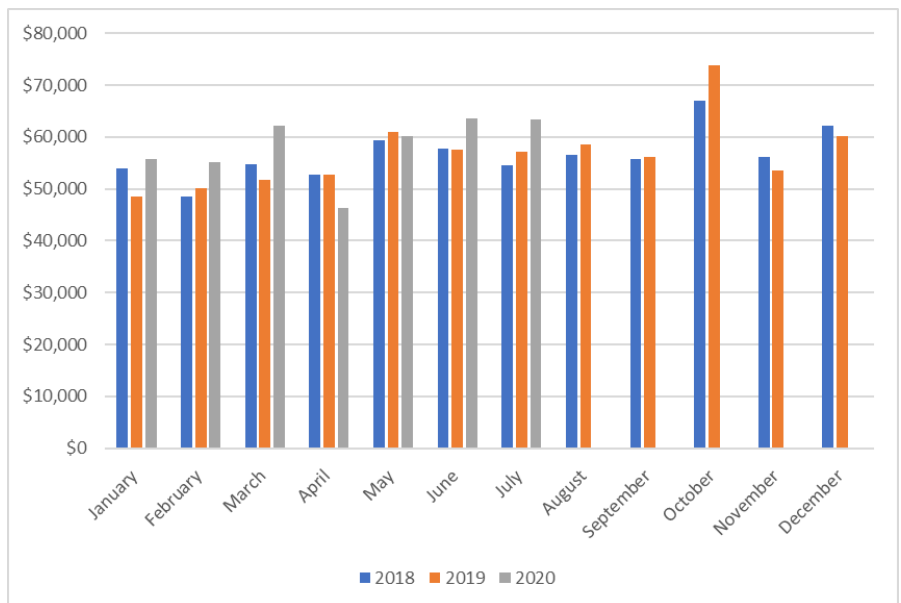
Other revenues impacted by the pandemic are related to vehicle sales and fuel. Through July, auto use tax is 21% less than 2019. Highway user tax is down 14% and motor vehicle registration fees are down 5%.

Construction-related revenues remain on the plus side with building permit fees and use tax up a combined 41% through July.

Despite the COVID-19 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’ve continued to see improvement in May, June and now July, and we are hopeful that this trend will continue. On the expenditure side, the cost of the pandemic to the City has been relatively low compared to other jurisdictions and will seek funding to reimburse those costs.

Local Brick and Mortar Sales Tax - 3 year historical collection					
	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
July	\$ 54,486	5%	\$ 57,123	11%	\$ 63,280
Jan-July	\$ 381,586	-1%	\$ 378,962	7%	\$ 406,353



Charts and line item details follow and accompany this narrative analysis

GENERAL FUND

Revenues

- Overall, through the first seven months, revenues are meeting expectations with 67% 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, 60% of the budget is received, which is positive given that 58% of the year is elapsed and the COVID-19 pandemic impact.

General Fund	Budget	YTD Actual (unaudited)	Balance Remaining	% of budget received
Revenue				
Taxes	\$ 6,316,200	\$ 3,904,641	\$ 2,411,559	62%
Licenses/Permits	67,400	112,803	(45,403)	167%
Intergovernmental	1,327,100	842,075	485,025	63%
Charges for Services	1,685,800	903,176	782,624	54%
Fines and Forfeitures	260,700	64,067	196,633	25%
Other	2,055,000	2,024,082	30,918	98%
Total Revenue	\$ 11,712,200	\$ 7,850,844	\$ 3,861,356	67%

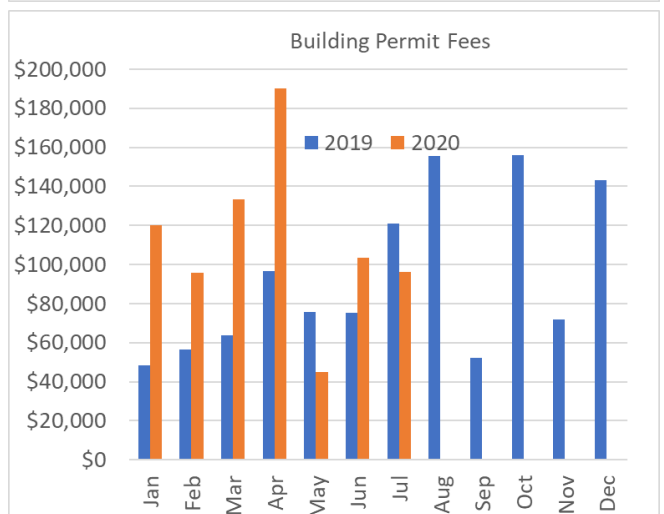
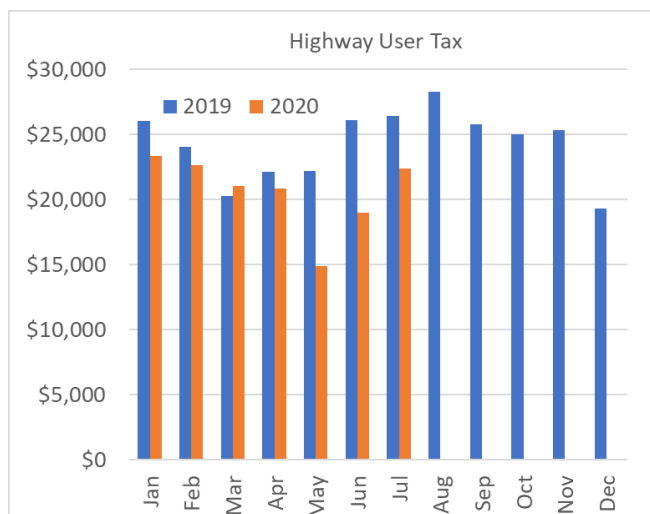
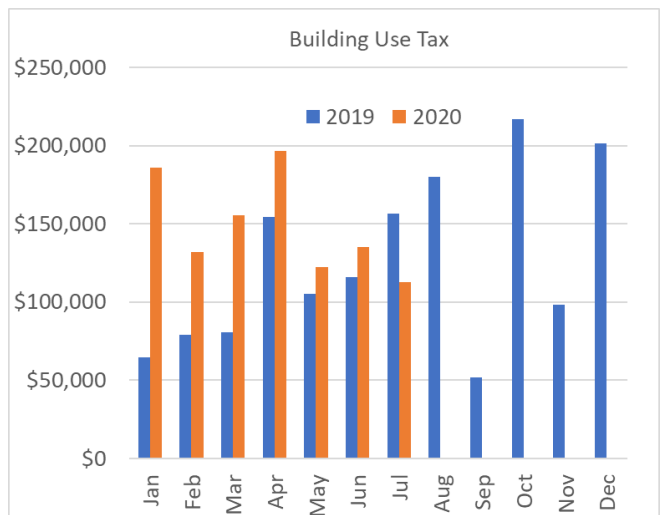
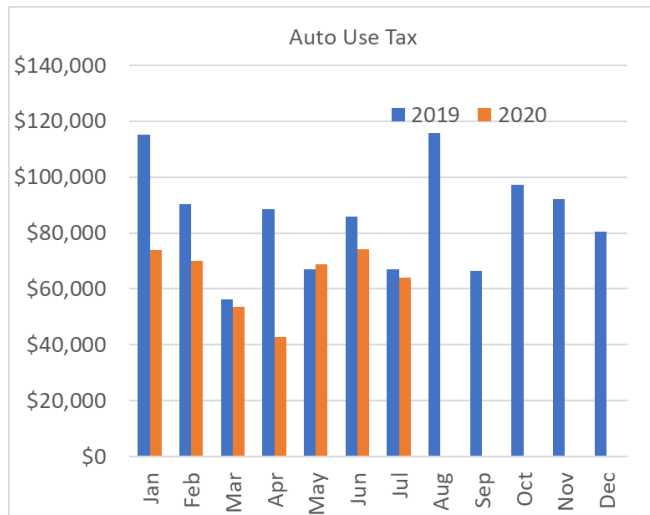
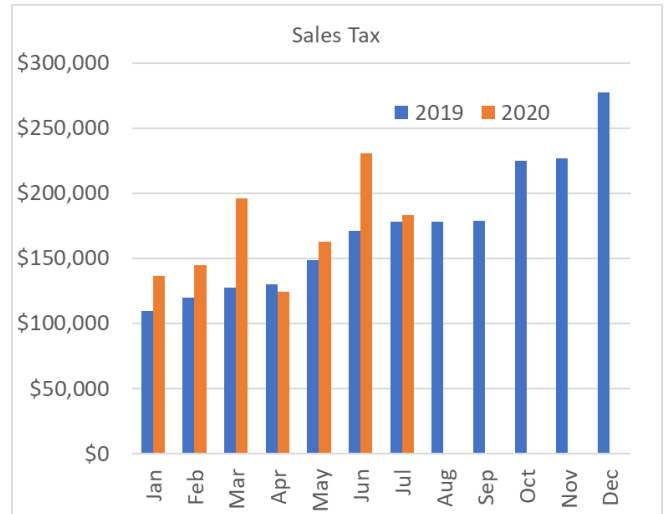
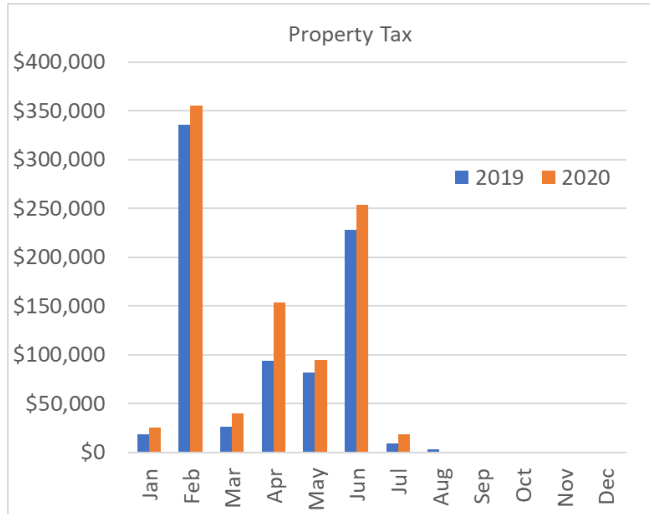
- Taxes - 62% of the budget has been received and 15% ahead of 2019.
 - Property tax - 99% received and 19% ahead of 2019. The majority of property tax is received through first half of the year. New construction contributed to the increase over 2019.
 - Sales tax - 61% received and 20% ahead of 2019. 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. July 2020 was 3% greater than July 2019. The City started to see large increases in revenue from internet business-based sales in June 2019 (see graph below).
 - Building use tax - 60% received and 37% ahead of 2019. The increase over 2019 is due to an increase in new residential construction within the City.
 - Auto use tax - 41% received and 21% lower than 2019. Auto use tax continues to be impacted by the pandemic through July. July 2020 was 4% 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. June was 14% lower.
- Licenses and Permits - 167% of budget received.
 - Business licenses - 347% received. The 2020 budget is \$5,000 and \$17,355 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 - 263% received.
- Intergovernmental - 63% of budget received and 7% ahead of 2019.
 - Highway Users Trust Fund - 52% of budget received and 14% 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 - 34% received and 14% lower than 2019.
- Building use tax County shareback - 51% received and 38% ahead of 2019.
- Charges for Services - 54% of budget received.
 - Building permit fees - 52% received and 46% ahead of 2019.
- Fines and Forfeitures - 25% 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, 62% of the GF operating budget is expended. Most departments are within budget expectations.
- Public Works is 78% 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.
- Interdepartmental is 72% expended much of which is due to unanticipated COVID-19 expenditures. However, COVID-19 has had little impact to the city's budget. The City has spent approximately \$23,400 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	\$ 940,651	\$ 6,949	99%
Specific Ownership Tax	79,400	45,024	34,376	57%
Sales Tax	1,939,600	1,177,879	761,721	61%
Building Use Tax	1,733,700	1,039,989	693,711	60%
Auto Use Tax	1,093,300	447,582	645,718	41%
Franchise - Electric	210,100	115,488	94,612	55%
Franchise - Gas	132,200	58,709	73,491	44%
Franchise - Cable	175,700	78,749	96,951	45%
Franchise - Telecom	4,600	570	4,030	12%
TOTAL TAXES	6,316,200	3,904,641	2,411,559	62%
<i>Licenses and Permits</i>				
Business Licenses	5,000	17,355	(12,355)	347%
Liquor/Tobacco Licenses	2,400	2,040	360	85%
Contractor Licenses	30,000	12,688	17,312	42%
Sign Permits	-	1,686	(1,686)	n/a
ROW/GESC Permits	30,000	79,034	(49,034)	263%
TOTAL LICENSES AND PERMITS	67,400	112,803	(45,403)	167%
<i>Intergovernmental</i>				
Highway Users Trust Fund - State	279,500	144,146	135,354	52%
Motor Vehicle Registration Fee	38,800	20,521	18,279	53%
Road & Bridge Property Tax - County	466,800	452,574	14,226	97%
Sales/Auto Use Tax - County	309,200	106,442	202,758	34%
Building Use Tax - County	221,800	113,879	107,921	51%
Other	11,000	4,513	6,487	41%
TOTAL INTERGOVERNMENTAL	1,327,100	842,075	485,025	63%
<i>Charges for Services</i>				
Planning and Zoning Fees	175,000	107,986	67,014	62%
Finance Fees	-	3,776	(3,776)	n/a
Building Permit Fees	1,493,200	783,614	709,586	52%
Park Land Mitigation Fee	17,600	7,800	9,800	44%
TOTAL CHARGES FOR SERVICES	1,685,800	903,176	782,624	54%
TOTAL FINES AND FORFEITURES	260,700	64,067	196,633	25%
<i>Other</i>				
Interest Earnings	55,000	35,986	19,014	65%
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	2,024,082	30,918	98%
TOTAL REVENUE	\$ 11,712,200	\$ 7,850,844	\$ 3,861,356	67%

GENERAL FUND	Budget	YTD Actual (unaudited)	Balance Remaining	% of budget expended
EXPENDITURES				
City Council	\$ 80,300	\$ 37,531	\$ 42,769	47%
City Manager	179,800	109,131	70,669	61%
Inter-/Non-Departmental	401,900	287,545	114,355	72%
Legal Services	120,000	96,771	23,229	81%
Finance	268,400	162,279	106,121	60%
City Clerk	143,300	79,679	63,621	56%
Municipal Court	41,300	20,457	20,843	50%
Public Safety	1,053,000	600,237	452,763	57%
Public Works	3,738,700	2,915,307	823,393	78%
Community Development	1,712,200	788,923	923,277	46%
Economic Development	95,900	53,943	41,957	56%
Community Events	201,800	22,544	179,256	11%
Transfers Out	6,522,500	3,804,792	2,717,708	58%
TOTAL EXPENDITURES	\$ 14,559,100	\$ 8,979,139	\$ 5,579,961	62%

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	\$ 7,960	\$ 12,540	39%
Insurance Recovery	-	13,540	(13,540)	n/a
Transfers In	196,600	-	196,600	0%
TOTAL REVENUE	\$ 217,100	\$ 21,500	\$ 195,600	10%
TOTAL EXPENDITURES	\$ 326,600	\$ 135,715	\$ 190,885	42%

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	3,804,792	2,755,308	58%
TOTAL REVENUE	\$ 6,654,100	\$ 3,804,792	\$ (3,804,792)	57%
EXPENDITURES				
Major Roads/Streets Construction	\$ 5,825,000	\$ 1,165,951	\$ 4,659,049	20%
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	43,942	394,158	10%
Machinery and Equipment	188,000	23,257	164,743	12%
TOTAL EXPENDITURES	\$ 7,611,700	\$ 1,325,178	\$ 6,286,522	17%