

August 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 August, 67% of the year has elapsed.

COVID-19 pandemic - Except for April (down 4.6%), monthly sales tax revenue continues to exceed the prior year’s months. Through August, sales tax revenue was 19% ahead of 2019 and it appears that sales tax revenue was only significantly impacted by COVID-19 in April.

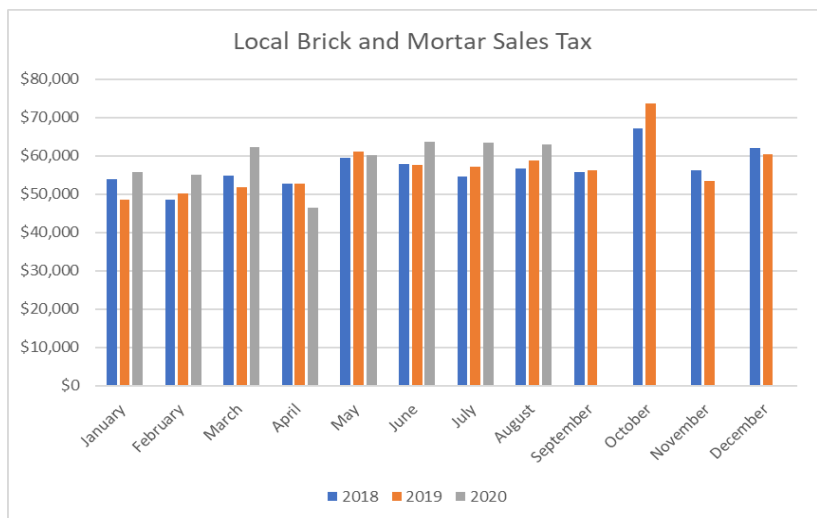
As shown in the chart and table to the right, the City’s top sales tax-generating local retailers (grocery, restaurant, and beverage) experienced a 7% increase in August 2020 over August 2019. For these same stores, January through August 2020 revenue is 7% ahead of 2019.

Other revenues impacted by the pandemic are related to vehicle sales and fuel. Through August, auto use tax is 21% less than 2019. Highway user tax is down 13% and motor vehicle registration fees are down 4%.

Construction-related revenues remain on the plus side with building permit fees and use tax up a combined 34% through August.

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 and stability since May. 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
August	\$ 56,526	4%	\$ 58,637	7%	\$ 62,899
Jan-August	\$ 438,112	0%	\$ 437,599	7%	\$ 469,252



Charts and line item details follow and accompany this narrative analysis

GENERAL FUND

Revenues

- Overall, through the first eight months, revenues are meeting expectations with 74% 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, 69% of the budget is received, which is positive given that 67% of the year is elapsed and the COVID-19 pandemic impact.

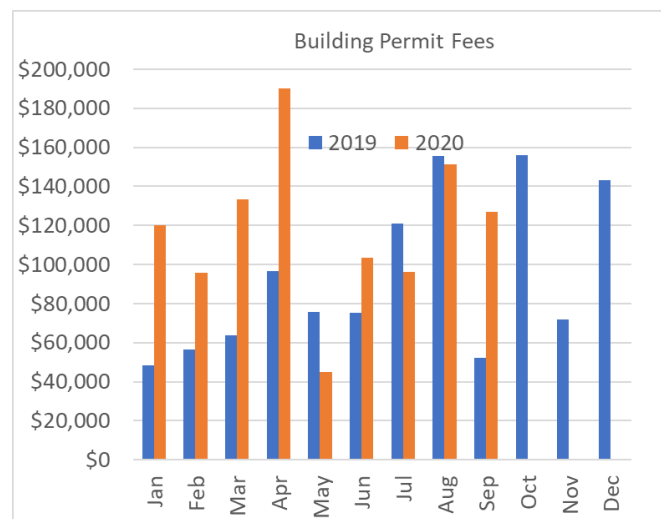
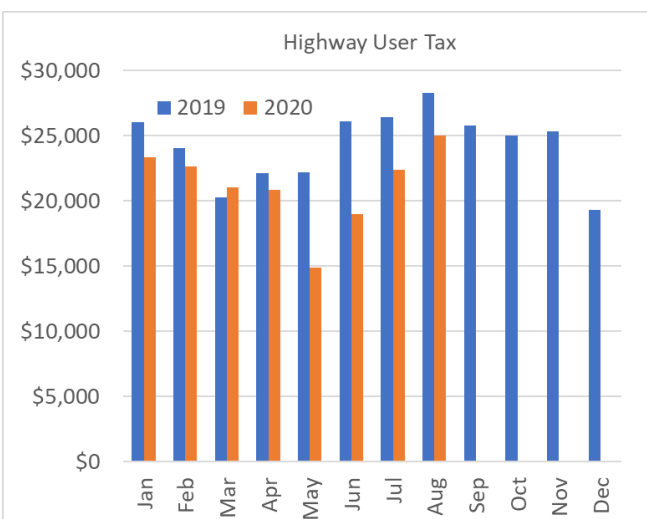
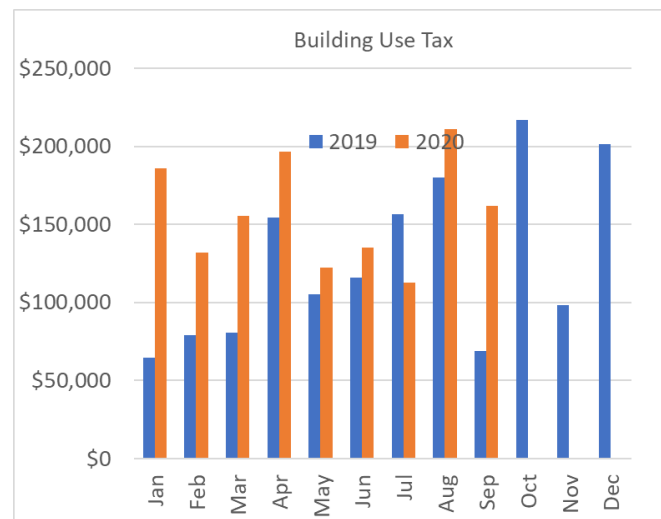
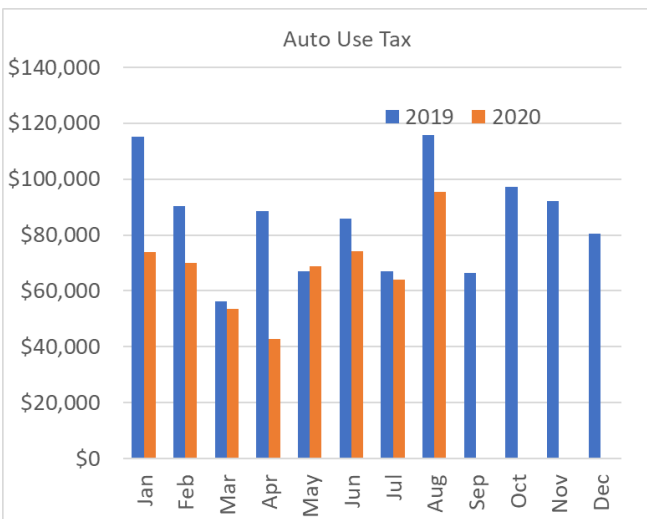
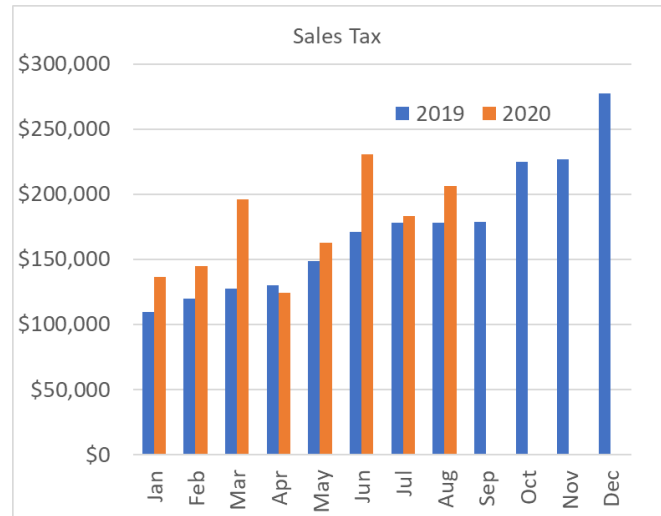
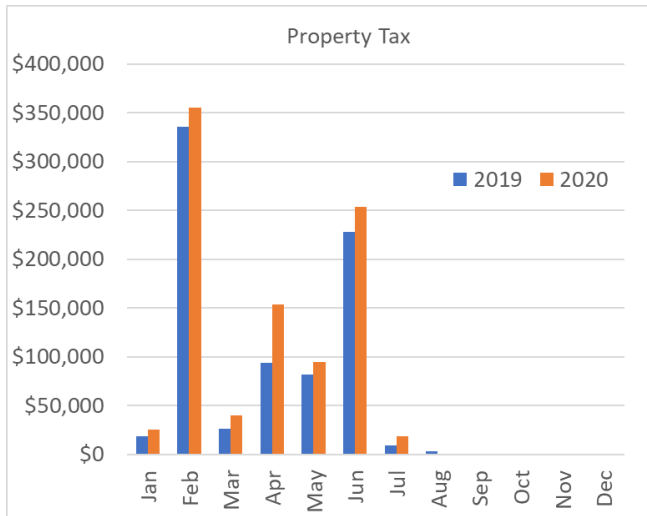
General Fund	Budget	YTD Actual (unaudited)	Balance Remaining	% of budget received
Revenue				
Taxes	\$ 6,316,200	\$ 4,453,889	\$ 1,862,311	71%
Licenses/Permits	67,400	123,834	(56,434)	184%
Intergovernmental	1,327,100	915,772	411,328	69%
Charges for Services	1,685,800	1,061,171	624,629	63%
Fines and Forfeitures	260,700	67,002	193,698	26%
Other	2,055,000	2,028,742	26,258	99%
Total Revenue	\$ 11,712,200	\$ 8,650,409	\$ 3,061,791	74%

- Taxes - 71% of the budget has been received and 15% ahead of 2019.
 - Property tax - 99% 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 - 71% received and 19% 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. August 2020 was 16% greater than August 2019. The City started to see large increases in revenue from internet business-based sales in June 2019 (see graph below).
 - Building use tax - 72% received and 34% ahead of 2019. The increase over 2019 is due to an increase in new residential construction within the City.
 - Auto use tax - 50% received and 21% lower than 2019. Auto use tax continues to be impacted by the pandemic through August. August 2020 was 18% 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 - 184% of budget received, which is \$56,434 greater than its budget.
 - Business licenses - 356% received, which is \$12,790 greater than its budget. The 2020 budget is \$5,000 and \$17,790 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 - 293% received, which is \$57,819 greater than its budget.
- Intergovernmental - 69% of budget received and 8% ahead of 2019.
 - Highway Users Trust Fund - 61% 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 - 41% received and 6% lower than 2019.
- Building use tax County shareback - 62% received and 33% ahead of 2019.
- Charges for Services - 63% of budget received.
 - Building permit fees - 63% received and 35% ahead of 2019.
- Fines and Forfeitures - 26% of budget received. This is lower than expectations and is likely due to the COVID-19 pandemic, less travelers and fewer tickets issued.
- Other - 99% 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, 69% of the GF operating budget is expended. Most departments are within budget expectations.
- Interdepartmental is 87% expended. COVID19-related expenditures and one-time professional services contribute to being at 87% vs 67% of the year complete.
- Community Events expenditures are only 22% expended due to the cancellation of events in the Spring because of COVID-19.



GENERAL FUND	Budget	YTD Actual (unaudited)	Balance Remaining	% of budget received
REVENUE				
<i>Taxes</i>				
Property Tax	\$ 947,600	\$ 941,274	\$ 6,326	99%
Specific Ownership Tax	79,400	52,101	27,299	66%
Sales Tax	1,939,600	1,384,475	555,125	71%
Building Use Tax	1,733,700	1,250,741	482,959	72%
Auto Use Tax	1,093,300	542,914	550,386	50%
Franchise - Electric	210,100	139,506	70,594	66%
Franchise - Gas	132,200	63,559	68,641	48%
Franchise - Cable	175,700	78,749	96,951	45%
Franchise - Telecom	4,600	570	4,030	12%
TOTAL TAXES	6,316,200	4,453,889	1,862,311	71%
<i>Licenses and Permits</i>				
Business Licenses	5,000	17,790	(12,790)	356%
Liquor/Tobacco Licenses	2,400	2,162	238	90%
Contractor Licenses	30,000	13,775	16,225	46%
Sign Permits	-	2,288	(2,288)	n/a
ROW/GESC Permits	30,000	87,819	(57,819)	293%
TOTAL LICENSES AND PERMITS	67,400	123,834	(56,434)	184%
<i>Intergovernmental</i>				
Highway Users Trust Fund - State	279,500	169,176	110,324	61%
Motor Vehicle Registration Fee	38,800	23,962	14,838	62%
Road & Bridge Property Tax - County	466,800	452,574	14,226	97%
Sales/Auto Use Tax - County	309,200	128,216	180,984	41%
Building Use Tax - County	221,800	136,708	85,092	62%
Other	11,000	5,136	5,864	47%
TOTAL INTERGOVERNMENTAL	1,327,100	915,772	411,328	69%
<i>Charges for Services</i>				
Planning and Zoning Fees	175,000	111,326	63,674	64%
Finance Fees	-	4,929	(4,929)	n/a
Building Permit Fees	1,493,200	934,716	558,484	63%
Park Land Mitigation Fee	17,600	10,200	7,400	58%
TOTAL CHARGES FOR SERVICES	1,685,800	1,061,171	624,629	63%
TOTAL FINES AND FORFEITURES	260,700	67,002	193,698	26%
<i>Other</i>				
Interest Earnings	55,000	40,646	14,354	74%
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	2,028,742	26,258	99%
TOTAL REVENUE	\$ 11,712,200	\$ 8,650,409	\$ 3,061,791	74%

GENERAL FUND	Budget	YTD Actual (unaudited)	Balance Remaining	% of budget expended
EXPENDITURES				
City Council	\$ 80,300	\$ 40,045	\$ 40,255	50%
City Manager	179,800	123,187	56,613	69%
Inter-/Non-Departmental	401,900	285,653	116,247	71%
Legal Services	120,000	114,433	5,567	95%
Finance	268,400	181,181	87,219	68%
City Clerk	143,300	87,821	55,479	61%
Municipal Court	41,300	23,632	17,668	57%
Public Safety	1,053,000	688,769	364,231	65%
Public Works	1,738,700	1,011,139	727,561	58%
Community Development	1,712,200	1,051,289	660,911	61%
Economic Development	95,900	59,844	36,056	62%
Community Events	201,800	44,046	157,754	22%
Stormwater Management Pass-through	2,000,000	1,970,272	29,728	99%
Transfers Out	6,522,500	4,348,333	2,174,167	67%
TOTAL EXPENDITURES	\$ 14,559,100	\$ 10,029,644	\$ 4,529,456	69%

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	\$ 11,950	\$ 8,550	58%
Insurance Recovery	-	13,540	(13,540)	n/a
Transfers In	196,600	131,067	65,533	67%
TOTAL REVENUE	\$ 217,100	\$ 156,557	\$ 60,543	72%
TOTAL EXPENDITURES	\$ 326,600	\$ 175,538	\$ 151,062	54%

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.
- The \$94,000 revenue budget is IREA’s contribution (50%) to new light poles (Machinery and Equipment \$188,000).
- The City received \$3,411,100 from the sale of land by a developer.

CAPITAL IMPROVEMENTS FUND	Budget	YTD Actual (unaudited)	Balance Remaining	% of budget received/ expended
Revenue	\$ 94,000	\$ 3,411,100	\$ (3,317,100)	3629%
Transfers In	6,560,100	4,217,267	2,342,833	64%
TOTAL REVENUE	\$ 6,654,100	\$ 7,628,367	\$ (7,628,367)	115%
EXPENDITURES				
Major Roads/Streets Construction	\$ 5,825,000	\$ 2,864,221	\$ 2,960,779	49%
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	13,801	350,199	4%
City Hall	438,100	62,004	376,096	14%
Machinery and Equipment	188,000	29,149	158,851	16%
TOTAL EXPENDITURES	\$ 7,611,700	\$ 3,055,466	\$ 4,556,234	40%