

June 2016 Financial Update

(activity thru April 2016)

June 13, 2016

Kara Skinner

Chief Financial Officer



General Revenue Information

Property Taxes are collected mainly in March-July. 98% of the total revenue is typically collected by the end of July.

Other Taxes includes specific ownership tax, admissions tax, and occupational liquor taxes. Specific ownership tax is the state automobile tax and is collected throughout the year; however, there are no collections booked for January and two months of collections are booked in December.

Charges for services include court costs, development review fees, excess police alarm fees, hazardous material fees, youth and adult recreation programs, and community center classes. This category includes revenue which are not smooth throughout the year or received in the same months year to year. Also, program managers monitor program revenues and monitor and adjust expenditures accordingly.

Fines are collected for violations including parking and traffic violations.

Intergovernmental includes HUTF, state cigarette tax, and road and bridge revenue. HUTF is collected by the state and distributed locally throughout the year, although collections are typically slightly higher in the last half of the year – sources include motor fuel taxes and vehicle registration fees. Cigarette tax is lagged such that no revenue is collected January or February, but December has three months of collections booked.

Other Financing Sources includes shared services, utilities surplus revenue, and sale of capital assets. Shared services revenue is collected from enterprises for services provided by General Fund employees such as the City Attorney, City Auditor, and the City Clerk. Some of the charges are determined through a cost allocation model and the revenue received is smooth throughout the year, other charges are billed as services are provided and can vary greatly by month each year. Beginning in 2014, fuel for the City and Colorado Springs Utilities was purchased by the General Fund. Colorado Springs Utilities reimburses the General Fund for its fuel usage, which results in a much higher shared services amount. Utilities surplus revenue is collected throughout the year; however, no revenue is booked in January and two months of revenue are booked in December.

General Fund YTD Revenue

Line #	Revenue	As of April 30, 2016			2016 Budget
		Budget	Actual	Variance	
1	Sales & Use Tax	34,585,146	34,189,893	(395,253)	157,319,940
2	Property Tax	8,435,178	8,830,460	395,282	19,894,550
3	Other Taxes	945,548	1,036,039	90,491	2,999,582
4	Licenses & Permits	635,943	743,897	107,954	1,905,320
5	Intergovernmental	5,995,026	6,401,469	406,443	20,178,116
6	Charges for Service	5,029,333	4,024,811	(1,004,522)	14,586,555
7	Fines	1,879,270	1,617,159	(262,111)	5,332,992
8	Miscellaneous	637,526	523,180	(114,346)	2,506,960
9	Other Financing Sources	11,226,617	10,976,498	(250,119)	42,036,489
10	Total	69,369,586	68,343,406	(1,026,180)	266,760,504

Notes for Line #:

- For 2016, payments for the School Resource Officer program have not been received. In 2015, half of the payment had been received through this period. Court and Parks charges are tracking lower than budget.

General Fund YTD Expenditures

		As of April 30, 2016			
Line #	Department	Budget	Actual	Variance	2016 Budget
1	City Attorney/City Clerk/Municipal Court	2,457,308	2,632,053	174,745	9,824,151
2	City Auditor	382,809	414,676	31,867	1,417,032
3	City Council	427,511	462,940	35,429	930,413
4	Finance/Contract Compliance/General Costs	23,992,697	28,802,563	4,809,866	66,469,855
5	Fire/OEM	14,574,785	16,001,860	1,427,075	50,230,231
6	Information Technology	4,076,230	3,958,994	(117,236)	13,342,783
7	Mayor/Communications/Human Resources	764,880	887,423	122,543	3,131,626
8	Parks, Recreation, and Cultural Services	3,372,196	3,587,913	215,717	16,116,638
9	Planning/Economic Development/Housing	1,152,286	1,400,583	248,297	5,043,940
10	Police	25,222,378	28,711,977	3,489,599	88,972,910
11	Public Works	6,493,251	6,855,881	362,630	22,156,787
12	Total	82,916,331	93,716,863	10,800,532	277,636,366

Notes for Line #:

- All April held an additional pay period in 2016, a three pay period month did not occur until May in 2015.
- 4. For 2016, an insurance payment was made in this period, which was split between two periods in 2015. Payments for Sales Tax Refunds and Legal Defense are higher than through this period in 2015.
- 5. & 10. YTD expenditures were tracking well under budget through this period of 2015, YTD expenditures are tracking closer to budget in 2016.
- 5. Fire Sworn Overtime is tracking higher in 2016 than in 2015. In addition, Fire encumbered \$1 million for new apparatus.
- 10. Police Recruit expenses are being incurred in 2016, which were not incurred through this period of 2015. A portion of this expense will be moved to PSST fund.

Sales Tax Trends

2.0% Sales and Use Tax:

- S&U combined – up 2.98% for the month and 4.64% year-to-date
 - Sales tax – up 1.70% for the month and up 3.54% year-to-date
 - Use tax – up 27.30% for the month and up 24.32% year-to-date

2.0% Lodger's Tax & 1.0% Auto Rental Tax:

- LART Combined – up 22.36% for the month and 21.6% year-to-date
 - Lodger's Tax – up 24.99% for the month and up 23.14% year-to-date
 - Auto Rental Tax - up 4.38% for the month and up 11.71% year-to-date

0.62% Road Tax:

- \$3,924,909

Sales Tax Trends

Industries with Largest Month over Month % Increase		Industries with Largest Month over Month \$ Increase	
Medical Marijuana	26.84%	Building Materials	\$104,425
Grocery Stores	24.15%	Grocery Stores	\$93,050
Hotel/Motel	22.28%	Hotel/Motel	\$77,183
Industries with Largest Month over Month % Decrease		Industries with Largest Month over Month \$ Decrease	
Utilities	(16.43%)	Auto Dealer	(\$193,074)
Auto Dealer	(15.51%)	Restaurants	(\$74,715)
Department and Discount	(5.92%)	Department and Discount	(\$72,684)

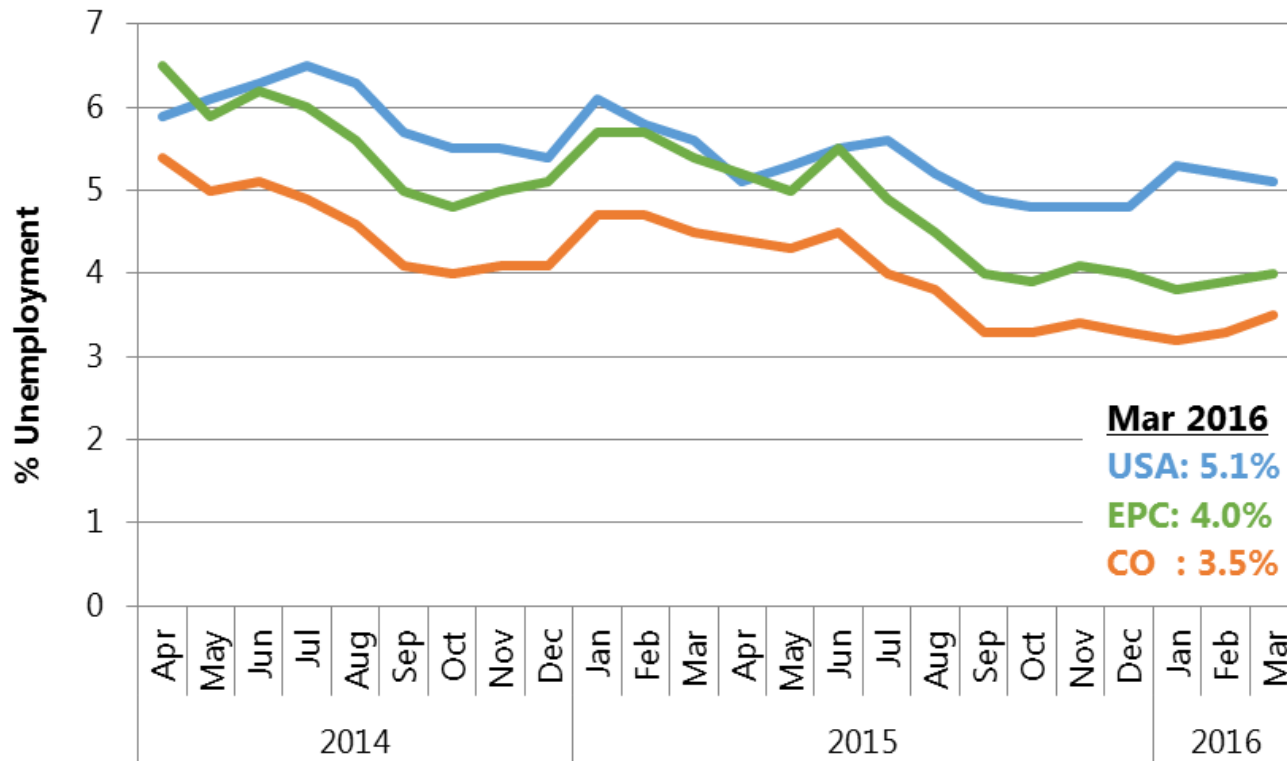
Sales Tax Trends

Category	\$ Change 2016 YTD compared to 2015 YTD	% Change 2016 YTD compared to 2015 YTD
Auto Dealers	(193,477)	(5.9%)
Auto Repair, Leases	62,874	4.3%
Building Materials	246,937	9.5%
Business Services *	(34,385)	(4.4%)
Clothing	93,709	8.1%
Commercial Machines *	33,186	5.0%
Department/Discount	(100,078)	(3.1%)
Furniture/Appliances/Electronics	168,425	10.0%
Grocery	215,472	19.4%
Hotel/Motel	196,653	22.7%
Medical Marijuana	87,140	28.0%
Miscellaneous Retail	(51,991)	7.0%
Restaurants	111,296	2.6%
Utilities	(111,047)	(11.8%)

*The most volatile categories

Economic Indicators

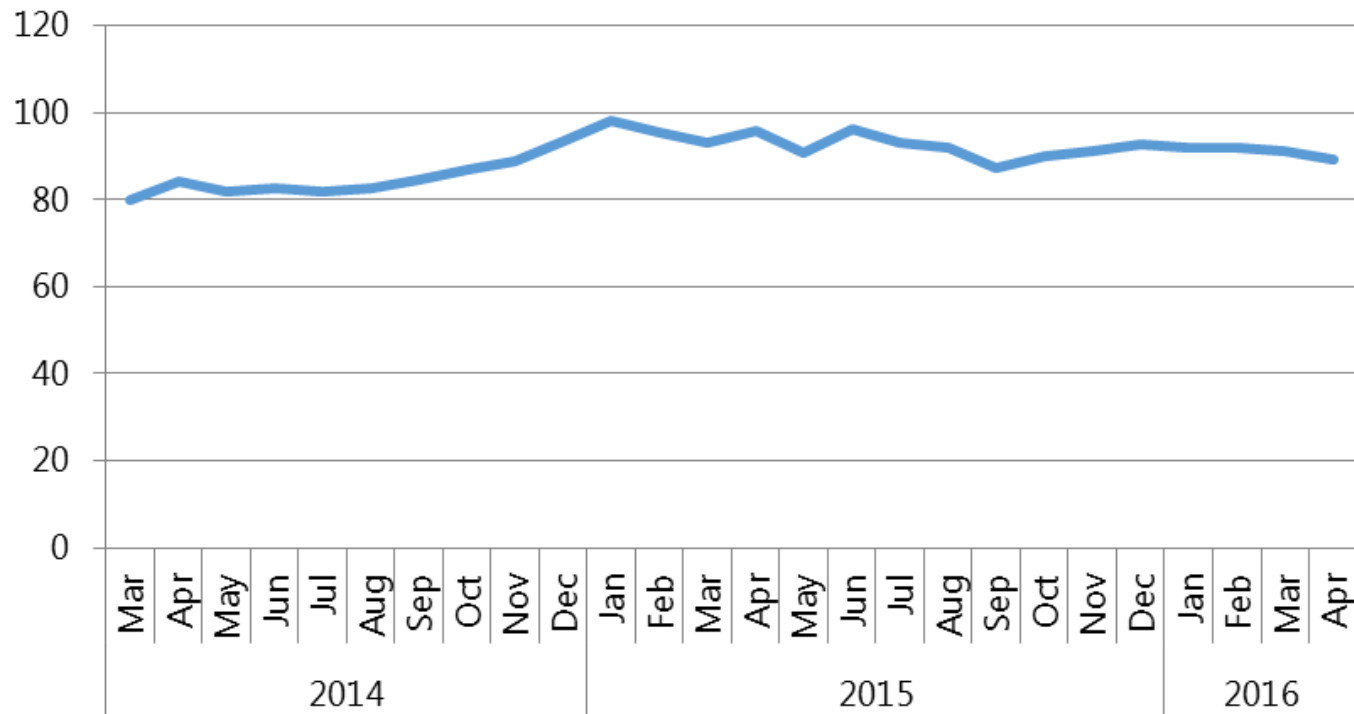
Unemployment Rate



Economic Indicators

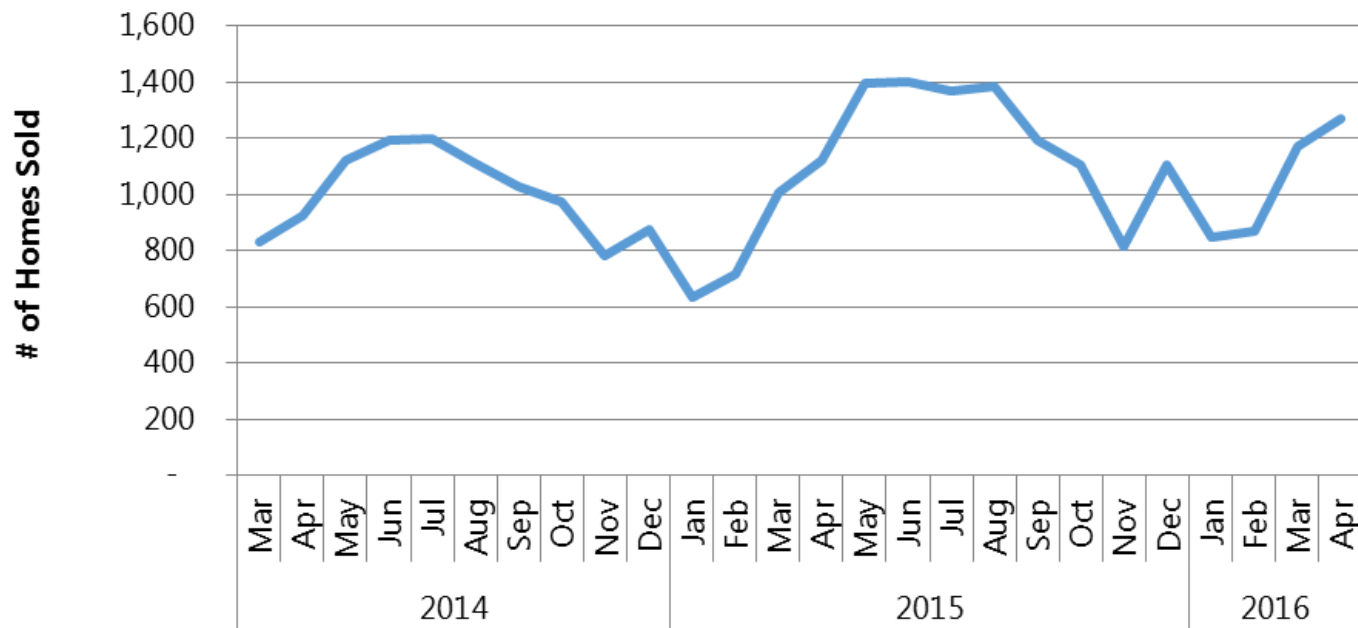


Index of Consumer Sentiment



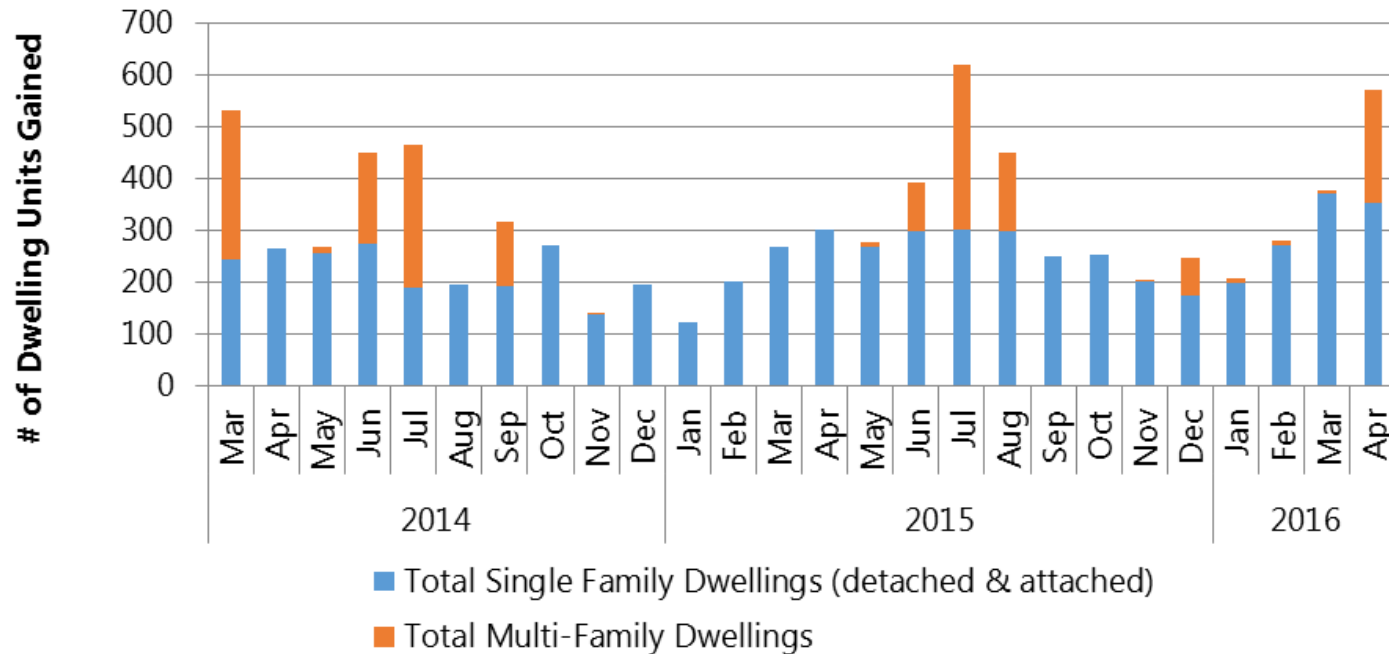
Economic Indicators

Pikes Peak Region Home Sales Single Family/Patio Homes



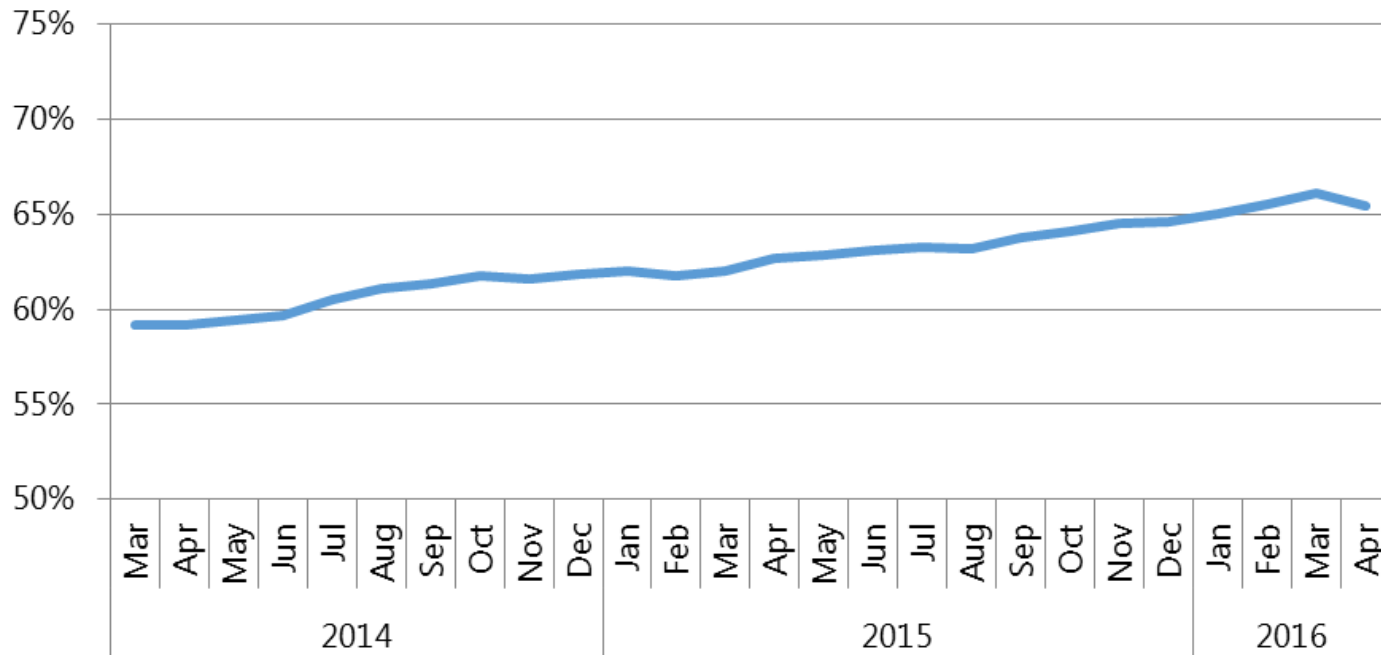
Economic Indicators

Pikes Peak Region Residential Building Permits



Economic Indicators

Colorado Springs Hotel Occupancy Rate (12 Month Moving Average)



Questions?