

May 2017 Financial Update

(activity thru March 2017)

May 08, 2017

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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 Revenue



(activity thru March 2017)

Revenue Type	Trending above/(below) budget
Sales Tax Revenue	\$ 4,700,000
Property Tax	\$ 173,000
Charges for Services	\$ 373,000
Fines	\$ (1,200,000)
Intergovernmental	\$ 291,000
Licenses and Permits	\$ 1,000,000
Other Taxes and Misc. Revenue	\$ (1,750,000)
Total	\$ 3,587,000

Summary – total GF revenue trending ~\$3.6M (1.3%) above budget

General Fund Expenditures



(activity thru March 2017)

Revenue Type	Trending above/(below) budget	Reason
City Council	\$ (30,000)	Savings on dues and membership and travel out of town
City Auditor	\$ 5,000	
Parks, Recreation & Cultural Services	\$ (254,000)	Vacancies and current maintenance efficiencies
Police	\$ -	
Fire & OEM	\$ -	
Public Works	\$ (1,000,000)	Vacancies and some capital outlay savings
City Attorney, Municipal Court, City Clerk	\$ (35,000)	Vacancies
Information Technology	\$ -	
Planning and Development	\$ (141,000)	Mainly due to vacancies and operating efficiencies
Finance, Economic Development, General Costs	\$ (90,000)	Vacancies
Mayor, Communications, HR	\$ (60,000)	Vacancies
Total	\$ (1,605,000)	

Summary – total GF expenditures ~\$1.6M (0.58%) under budget

General Fund Expenditures



(activity thru March 2017)

Department	Current Budget*	YTD Actuals	% of Budget YTD
City Council	\$ 995,888	\$ 449,107	45%
City Auditor	\$ 1,482,990	\$ 348,108	23%
Parks, Recreation & Cultural Services	\$ 12,362,752	\$ 2,435,420	20%
Police	\$ 91,304,852	\$ 23,147,632	25%
Fire & OEM	\$ 51,096,017	\$ 13,782,354	27%
Public Works	\$ 33,451,702	\$ 8,592,723	26%
City Attorney, Municipal Court, City Clerk	\$ 9,688,688	\$ 2,315,774	24%
Information Technology	\$ 14,392,634	\$ 4,794,537	33%
Planning, Economic Development, Community Development	\$ 4,726,635	\$ 926,242	20%
Finance, Contract Compliance & Sustainability, General Costs	\$ 51,933,591	\$ 19,237,007	37%
Mayor, Communications, HR	\$ 3,413,670	\$ 722,641	21%
Total	\$ 274,849,419	\$ 76,751,545	28%

*Includes all amendments and encumbrances incurred during 2017

Thru March:

Remainder of Payroll: 77.01%

Remainder of Year: 75.00%

(collections thru March 2017)

2.0% Sales and Use Tax:

- S&U combined – up 8.40% for the month and up 9.91% year-to-date
 - Sales tax – up 10.37% for the month and up 11.37% year-to-date
 - Use tax – down 17.41% for the month and down 11.44% year-to-date

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

- LART Combined – up 7.31% for the month and up 7.05% year-to-date
 - Lodger's Tax – up 7.95% for the month and up 7.36% year-to-date
 - Auto Rental Tax - up 2.85% for the month and up 5.03% year-to-date

0.62% Road Tax:

- \$3,587,521
 - Collections thru January (12 months of collections) = \$52.6M

Sales Tax Trends



(collections thru March 2017)

Industries with Largest Month over Month % Increase

Building Materials	52.56%
Commercial Machines	38.20%
Grocery Stores	15.88%

Industries with Largest Month over Month \$ Increase

Building Materials	\$444,587
Miscellaneous Retail	\$127,424
Grocery Stores	\$67,951

Industries with Largest Month over Month % Decrease

Department and Discount	(10.24%)
Furniture, Appliances, and Electronics	(2.48%)

Industries with Largest Month over Month \$ Decrease

Department and Discount	(\$104,676)
Furniture, Appliances, and Electronics	(\$14,207)

Sales Tax Trends



(collections thru March 2017)

Category	\$ Change 2017 YTD compared to 2016 YTD	% Change 2017 YTD compared to 2016 YTD
Auto Dealers	153,133	7.6%
Auto Repair, Leases	75,935	8.4%
Building Materials	796,740	46.5%
Business Services *	54,260	11.2%
Clothing	47,061	6.4%
Commercial Machines *	84,880	24.0%
Department/Discount	(164,120)	(8.3%)
Furniture/Appliances/Electronics	31,771	2.8%
Grocery	132,384	15.7%
Hotel/Motel	78,105	12.2%
Medical Marijuana	35,341	12.2%
Miscellaneous Retail	329,785	14.2%
Restaurants	188,541	6.7%
Utilities	51,887	9.2%

*The most volatile categories

2016 Grant Funds Update



(activity thru March 2017)

2017 Grants Appropriation	\$ 42,039,733	TABOR Impact
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Grants Awarded:

Federal	\$ 16,076	No
Federal Pass-Through	4,298,179	No
Other	714,000	No
State of Colorado	302,341	Yes
Private	0	No
<i>Total Grants Awarded</i>	\$ 5,330,596	
Remaining Appropriation as of March 31, 2017	\$ 36,709,137	

2016 Grant Funds Update



(activity thru March 2017)

Recipient Unit	2017 Appropriation	2017 Grant Awards through 03/31/17	Variance (Awards less Appropriation)
Airport	\$13,222,222	\$0	\$(13,222,222)
City Engineering	5,781,167	0	(5,781,167)
Community Development	4,127,113	0	(4,127,113)
Finance	0	302,341	302,341
Fire	1,625,000	614,000	(1,011,000)
Office of Emergency Management	610,450	0	(610,450)
Parks, Recreation, and Cultural Services	865,000	116,076	(748,924)
Police	1,936,520	0	(1,936,520)
Stormwater	1,700,000	4,298,179	2,598,179
Traffic Engineering	1,333,715	0	(1,333,715)
Transit	10,838,546	0	(10,838,546)
Grand Total	\$42,039,733	\$5,330,596	\$(36,709,137)

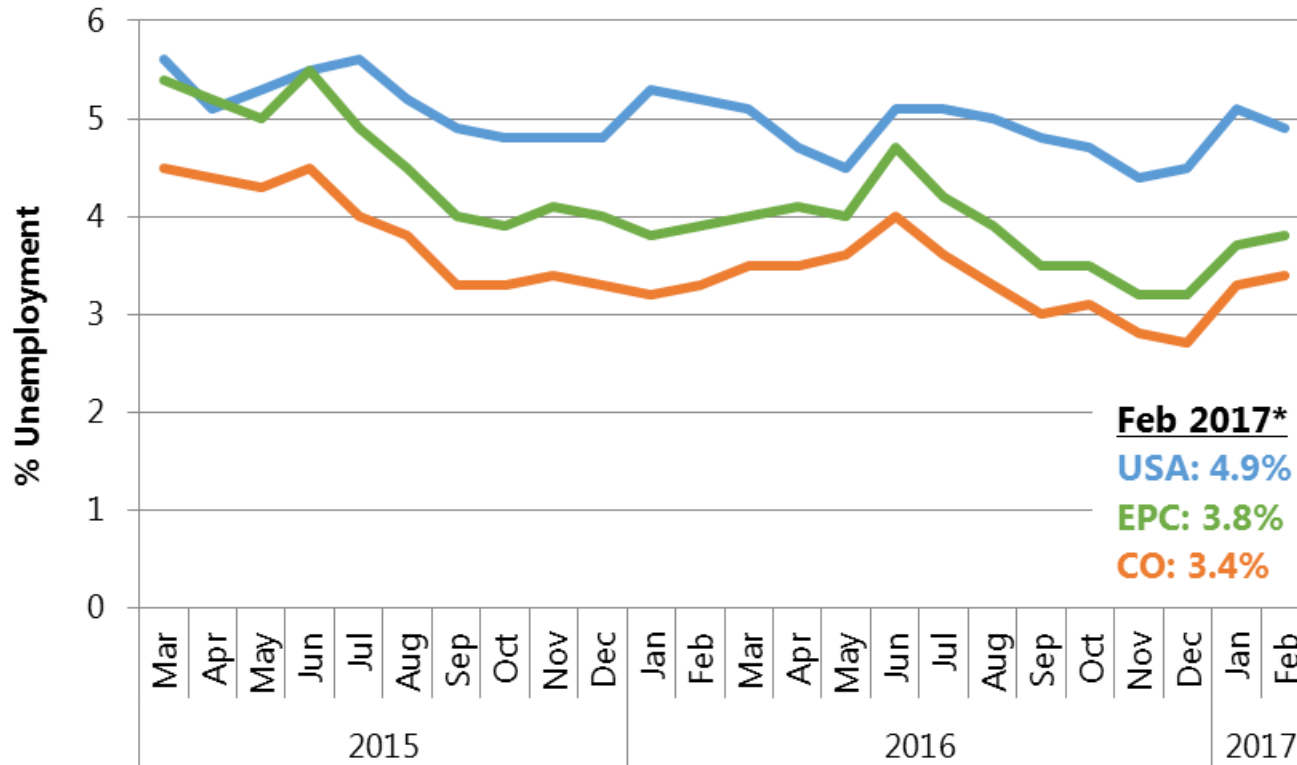
Economic Indicators



(activity thru February 2017*)



Unemployment Rate

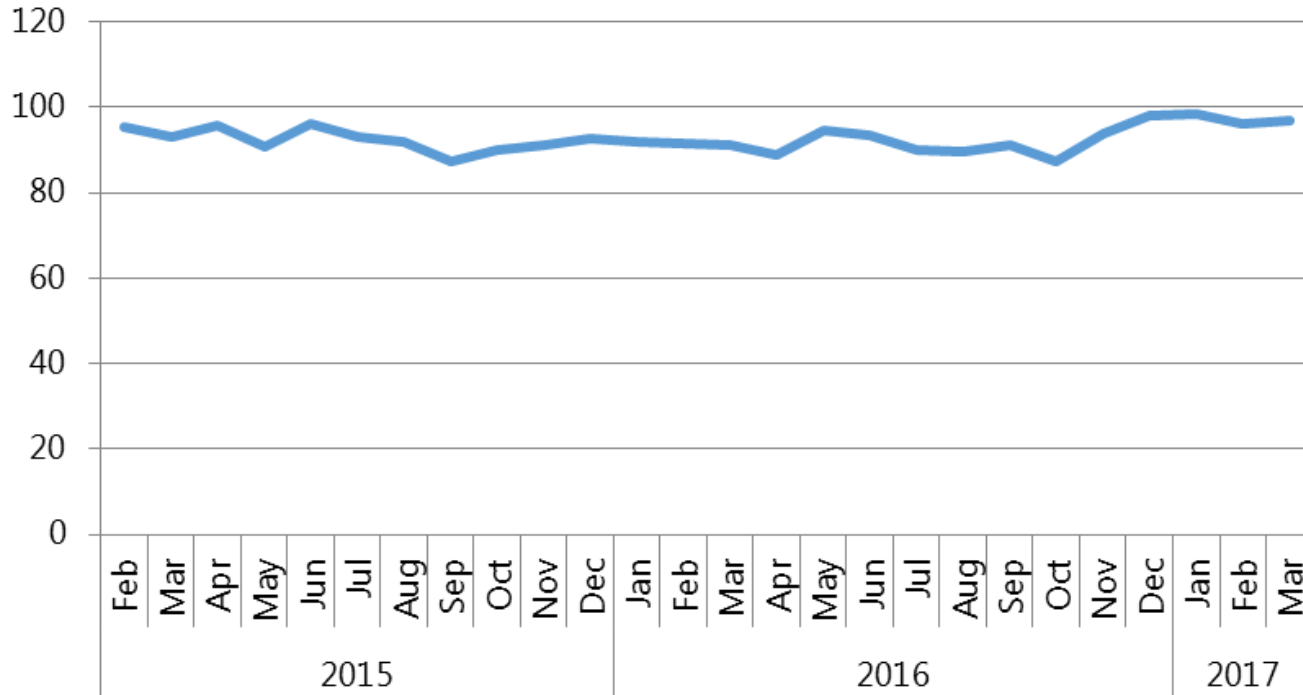


*Lag due to Bureau of Labor Statistics data collection and reporting.

(activity thru March 2017)



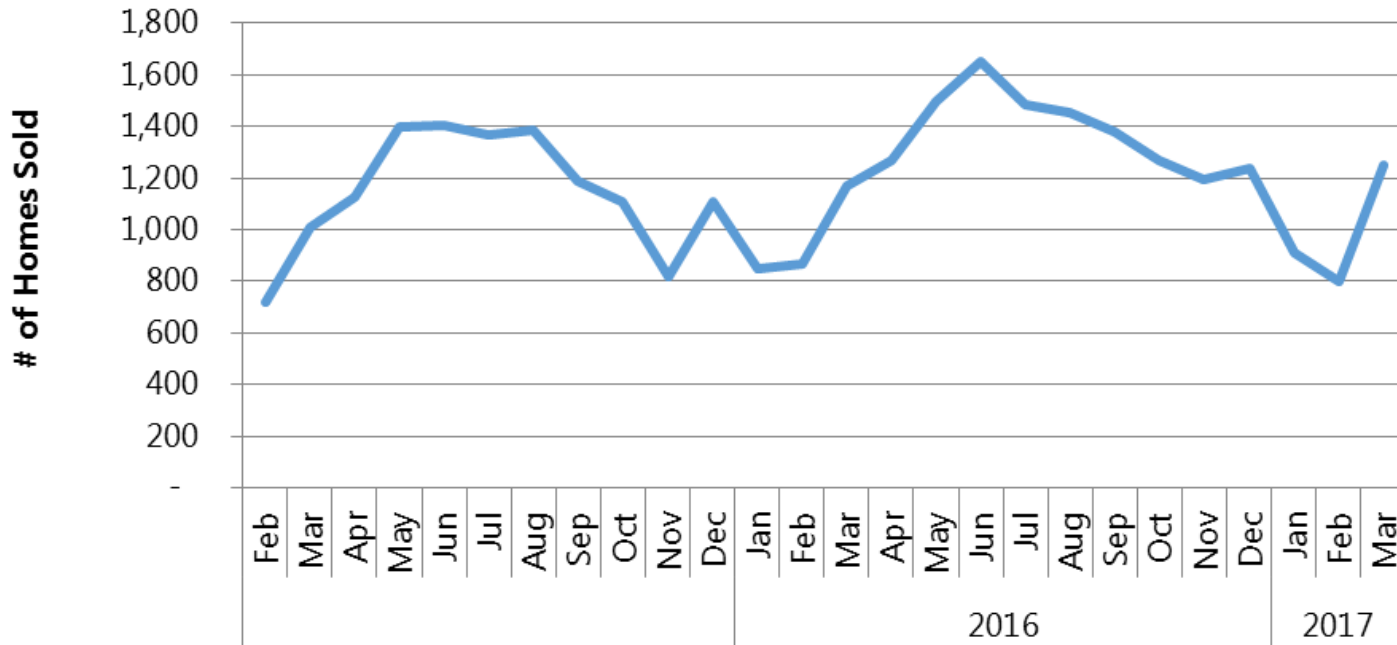
Index of Consumer Sentiment



(activity thru March 2017)



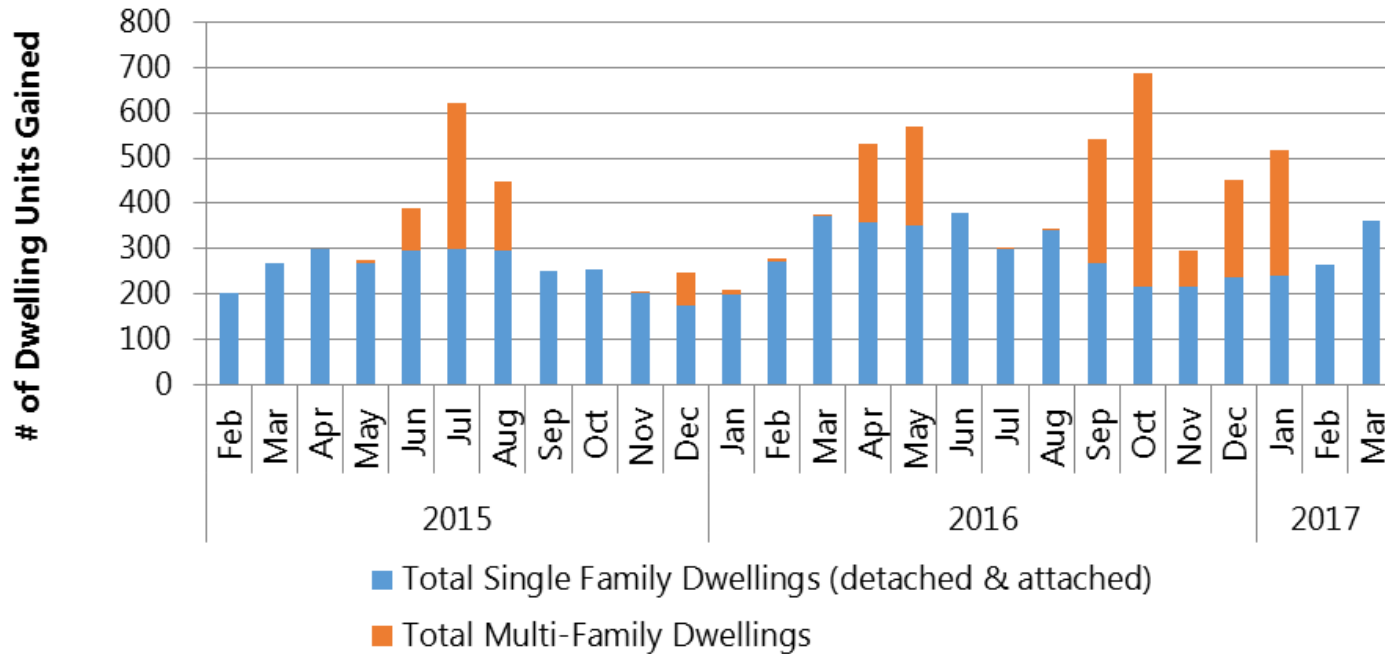
Pikes Peak Region Home Sales Single Family/Patio Homes



(activity thru March 2017)



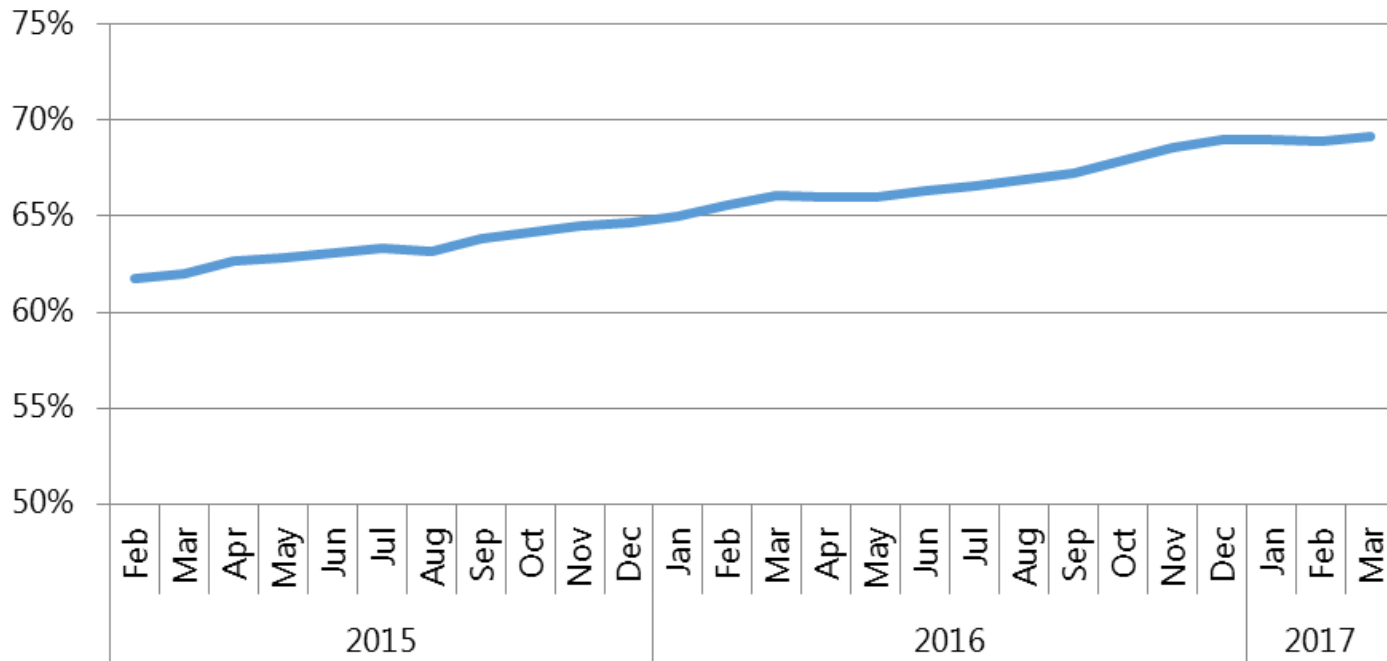
Pikes Peak Region Residential Building Permits



(activity thru March 2017)



Colorado Springs Hotel Occupancy Rate (12 Month Moving Average)



Questions?