

August 2018 Financial Update

(activity thru June 2018)

August 13, 2018

Charae McDaniel

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.

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 is 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.

Licenses and Permits includes revenue collected throughout the City for the issuance and renewal of business licenses, as well as permits pertaining to activity conducted within the City's limits.

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.

Miscellaneous Revenue 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.

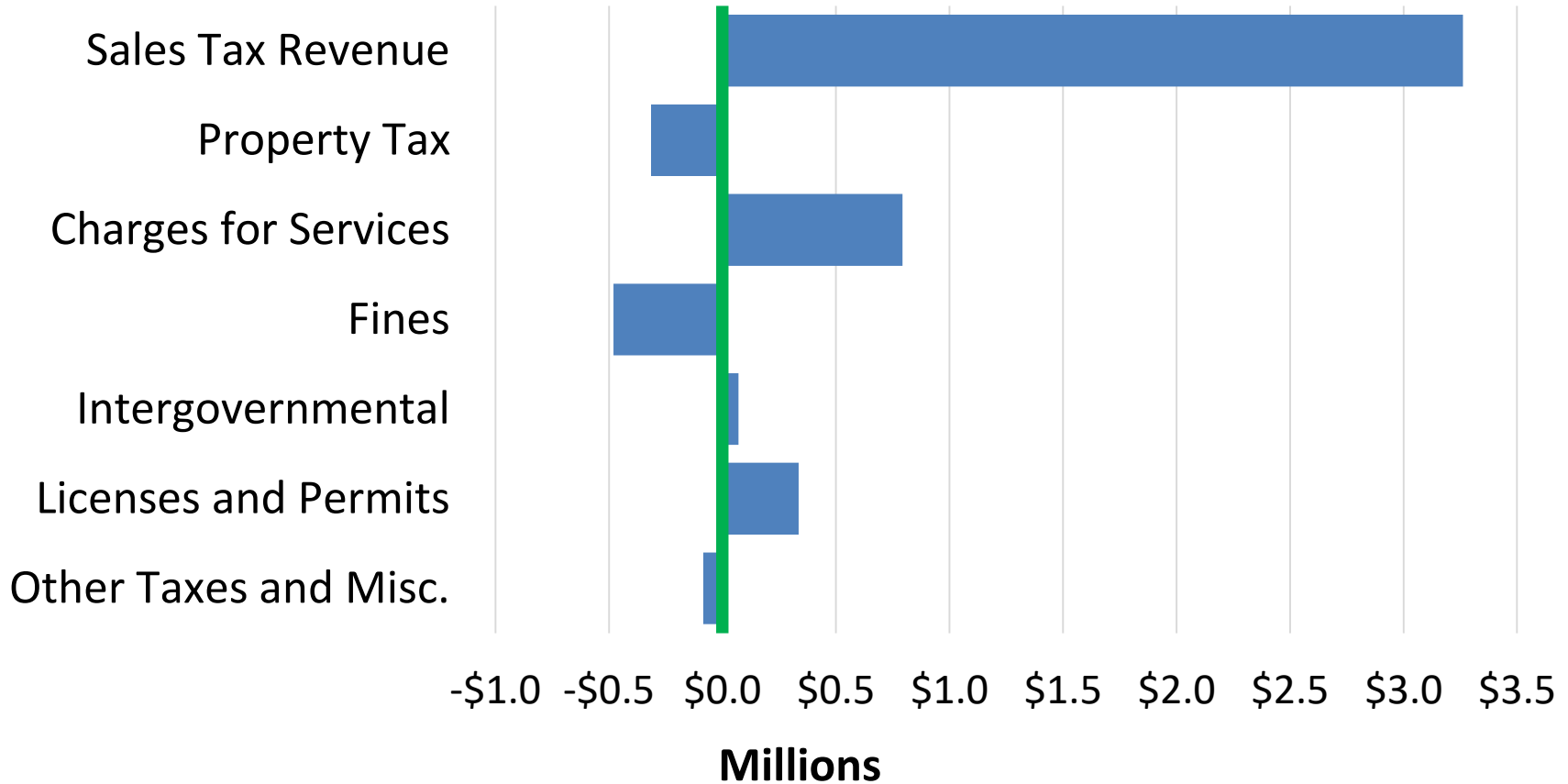
General Fund Revenue



EOY Revenue Trend

(activity thru June 2018)

(Under) Budget Above



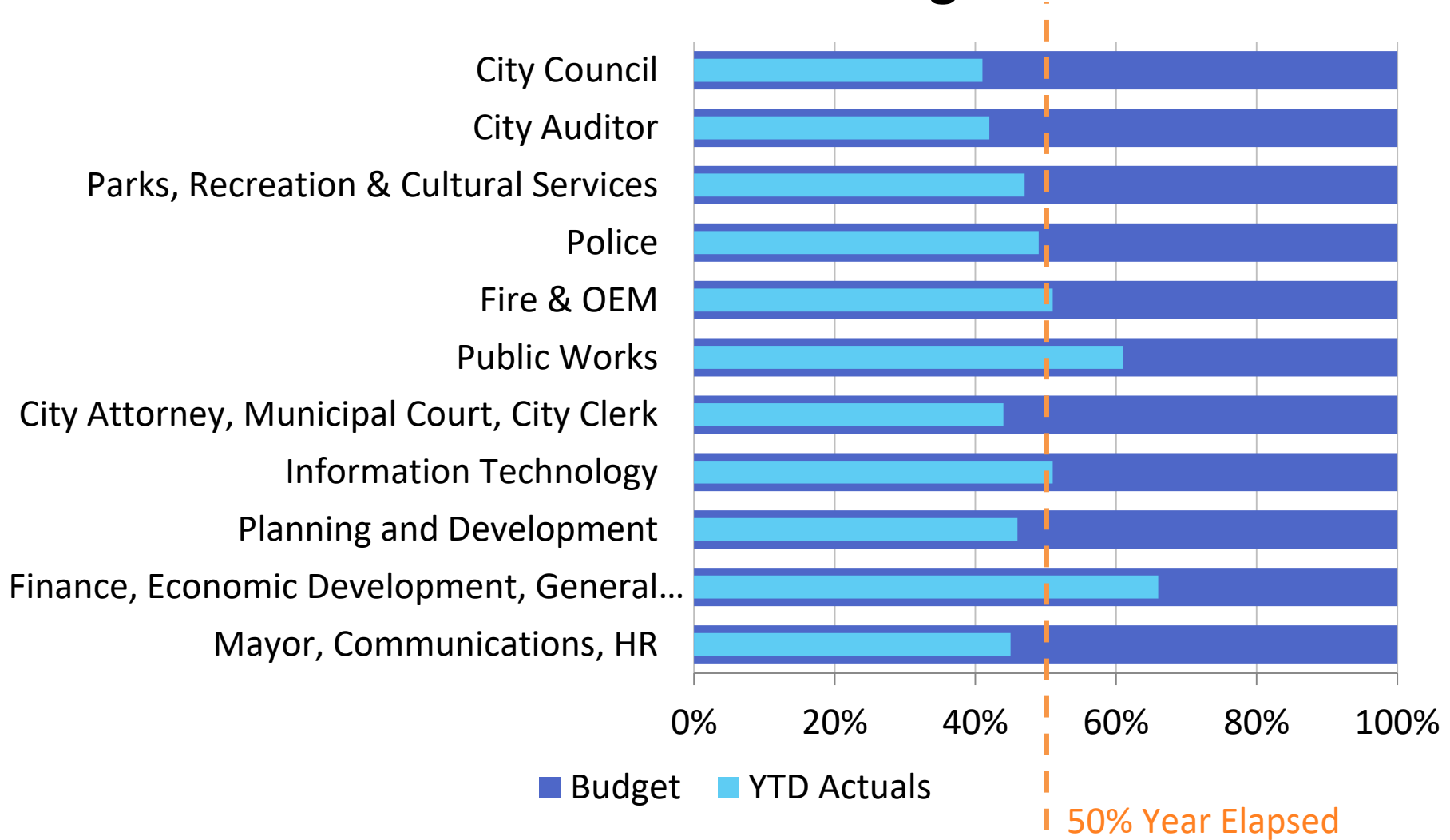
Summary – total GF revenue trending \$3.4 - 3.8M, or 1.3 - 1.4%, above budget

General Fund Expenditures



YTD Actual as % of Budget

(activity thru June 2018)

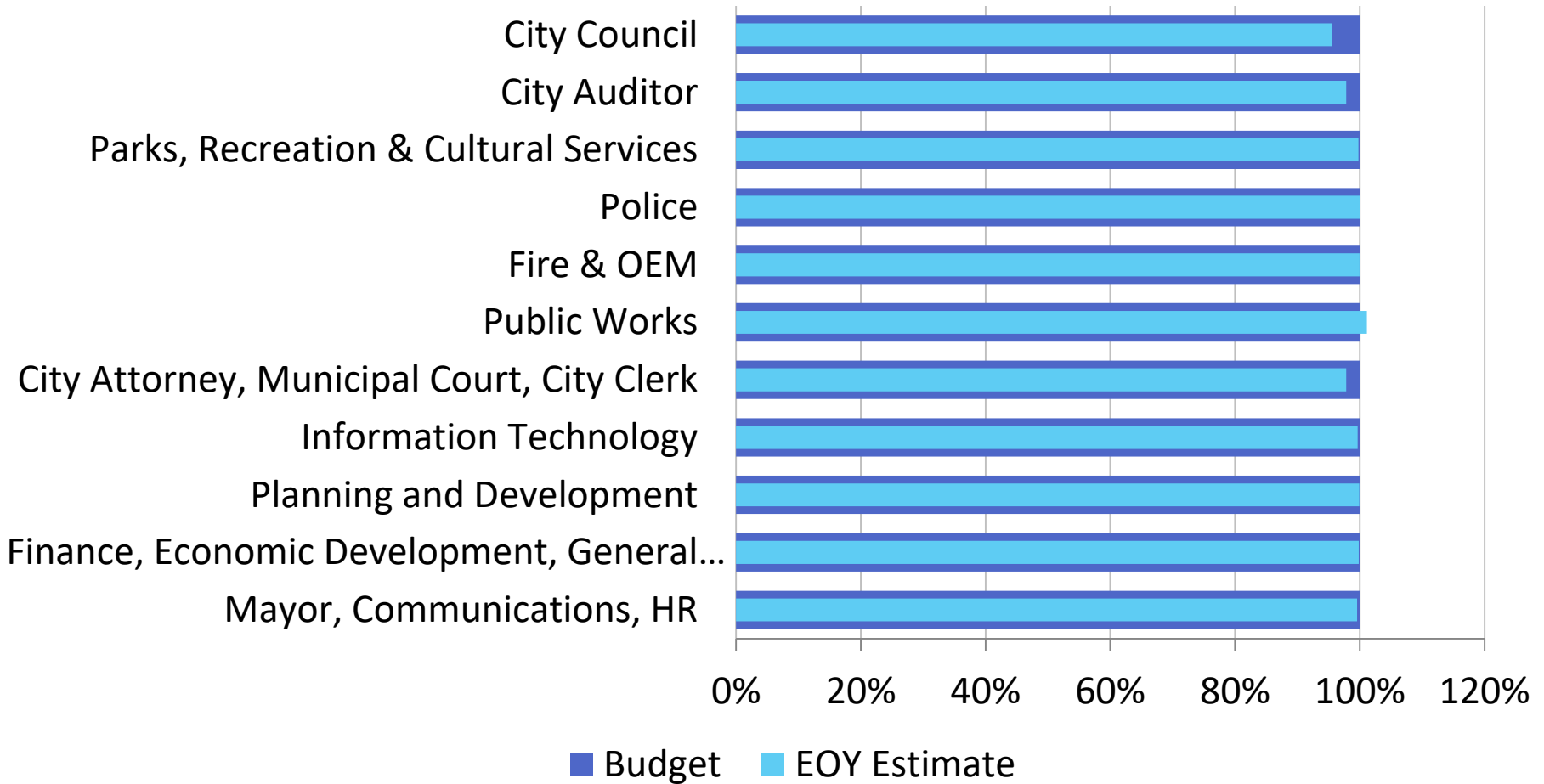


General Fund Expenditures



EOY Estimate as % of Budget

(activity thru June 2018)



Summary – total GF expenditures trending ~\$200k, or 0.1%, under budget

Sales Tax Trends



(collections thru June 2018)

2.0% Sales and Use Tax:

- S&U combined – up 6.58% for the month and up 5.49% year-to-date
 - Sales tax – up 6.26% for the month and up 5.27% year-to-date
 - Use tax – up 14.13% for the month and up 9.36% year-to-date

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

- LART Combined – up 7.11% for the month and up 4.91% year-to-date
 - Lodger's Tax – up 7.90% for the month and up 6.01% year-to-date
 - Auto Rental Tax - down 3.52% for the month and down 6.21% year-to-date

0.62% Road Tax:

- 2C Road Tax – up 6.62% for the month and up 5.57% year-to-date

Sales Tax Trends



(collections thru June 2018)

Industries with Largest Month over Month % Increase

Business Services	35.83%
Commercial Machines	17.98%
Miscellaneous Retail	17.36%

Industries with Largest Month over Month % Decrease

Medical Marijuana	(15.53%)
Department and Discount	(10.35%)
Auto Dealer	(1.08%)

Industries with Largest Month over Month \$ Increase

Miscellaneous Retail	\$271,125
Building Materials	\$98,870
Business Services	\$96,889

Industries with Largest Month over Month \$ Decrease

Department and Discount	(\$126,369)
Medical Marijuana	(\$26,245)
Auto Dealer	(\$13,525)

Sales Tax Trends



(collections thru June 2018)

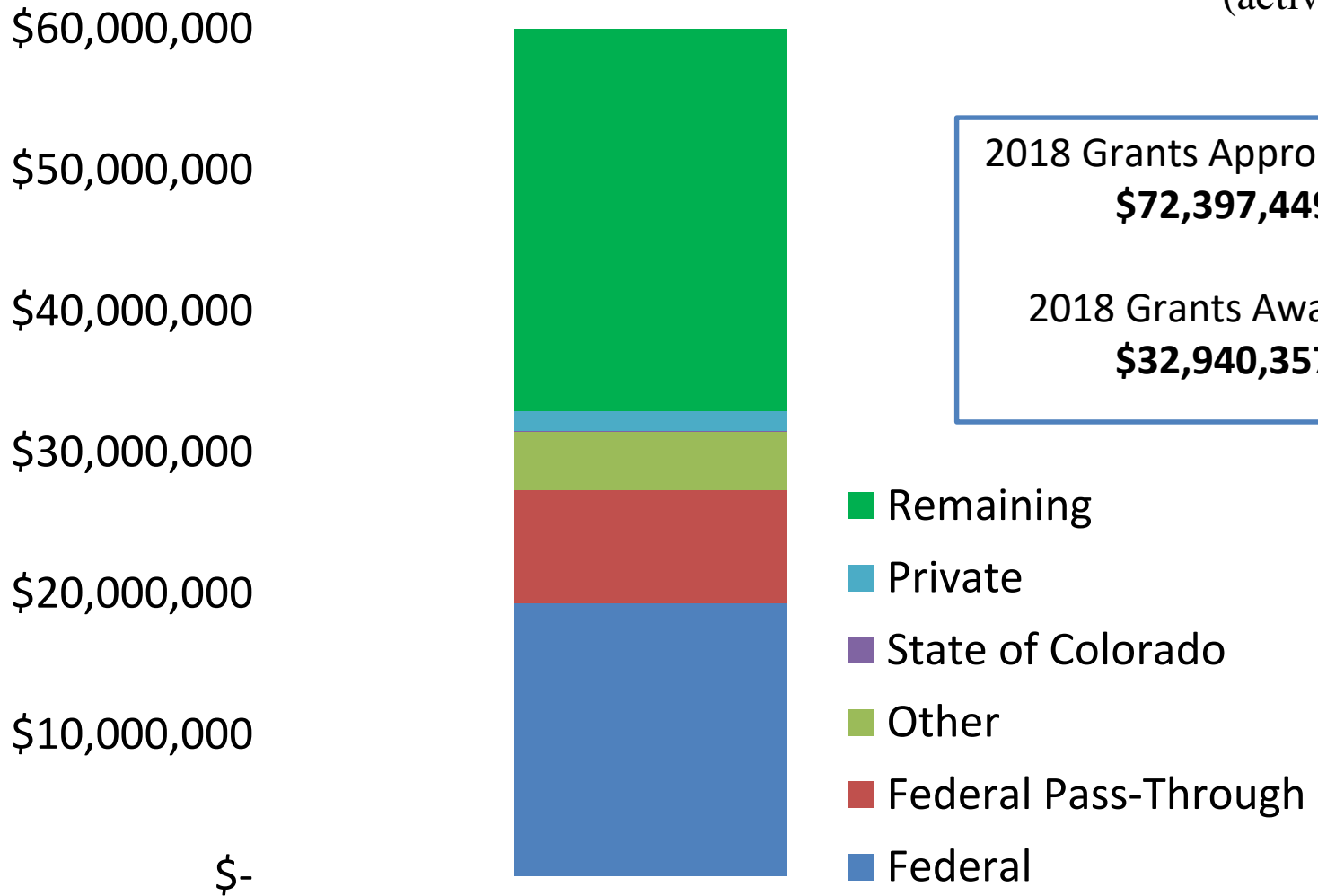
Category	\$ Change 2018 YTD compared to 2017 YTD	% Change 2018 YTD compared to 2017 YTD
Auto Dealers	19,742	0.3%
Auto Repair, Leases	42,983	1.6%
Building Materials	9,054	0.1%
Business Services *	241,265	17.4%
Clothing	105,714	4.6%
Commercial Machines *	269,488	20.9%
Department/Discount	(10,414)	(0.2%)
Furniture/Appliances/Electronics	318,717	10.1%
Grocery	182,464	6.8%
Hotel/Motel	152,192	5.5%
Medical Marijuana	(52,832)	(6.6%)
Miscellaneous Retail	514,466	6.9%
Restaurants	381,541	4.6%
Utilities	23,394	1.6%

*The most volatile categories

2018 Grant Funds Update



(activity thru June 2018)



2018 Grants Appropriation:
\$72,397,449

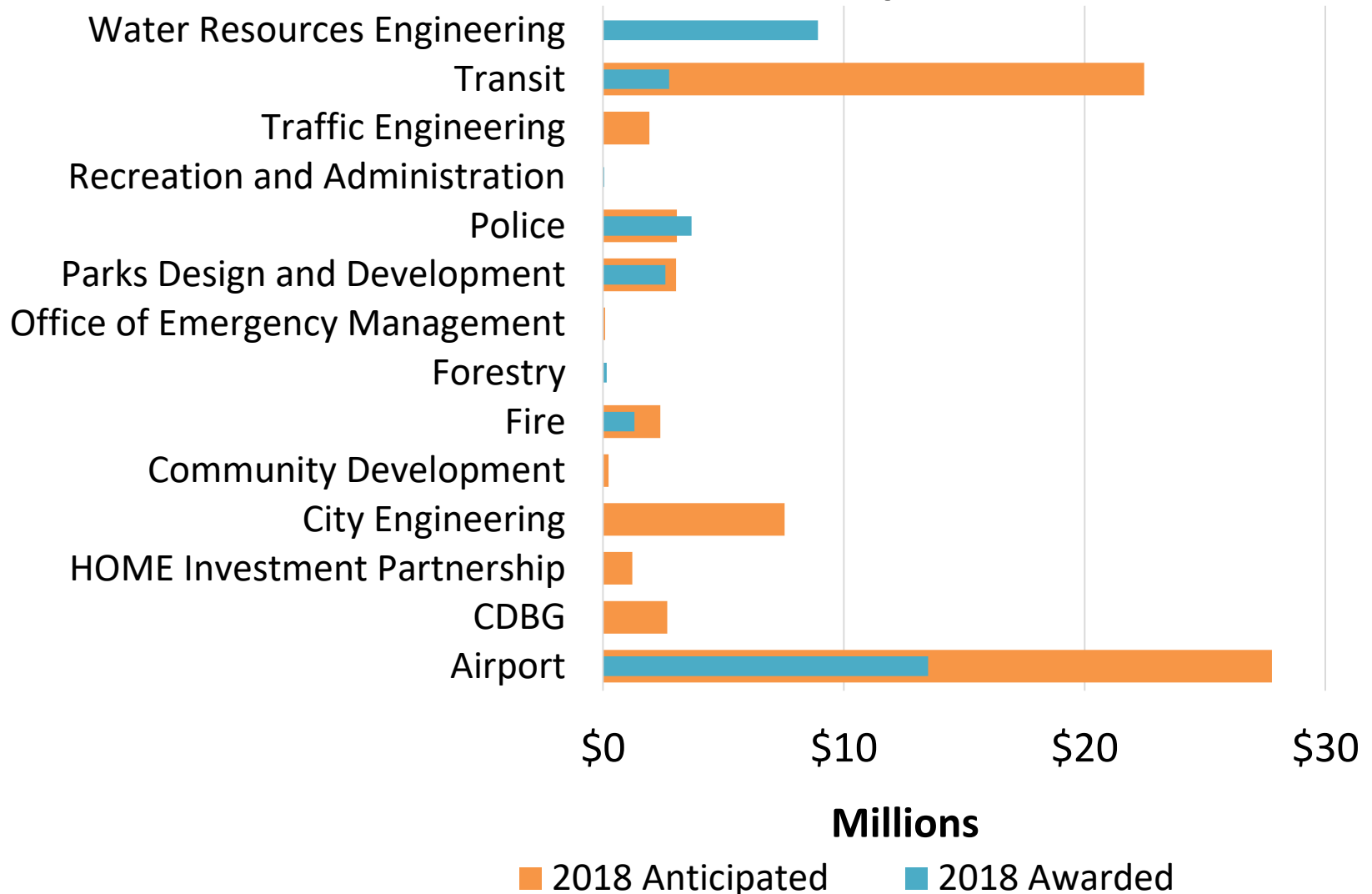
2018 Grants Awarded:
\$32,940,357

2018 Grant Funds Update



(activity thru June 2018)

2018 Awarded vs. Anticipated



Memorial Health System Update



(activity thru June 2018)

Beginning Jun 1, 2018 balance, unaudited		\$ 2,971,770
Revenue:		
Jun 2018 lease payment	467,676	
Miscellaneous	771	
	Total Revenue	\$ 468,447
Expenses:		
Run-out workers' comp, liability claims & insurance costs	(3,671)	
Legal fees	(11,743)	
Excess balance transfer to CSHF - May 31, 2018 - transferred in Jun	(471,770)	
	Total Expenses	(487,184)
Ending Jun 30, 2018 balance, unaudited		\$ 2,953,033

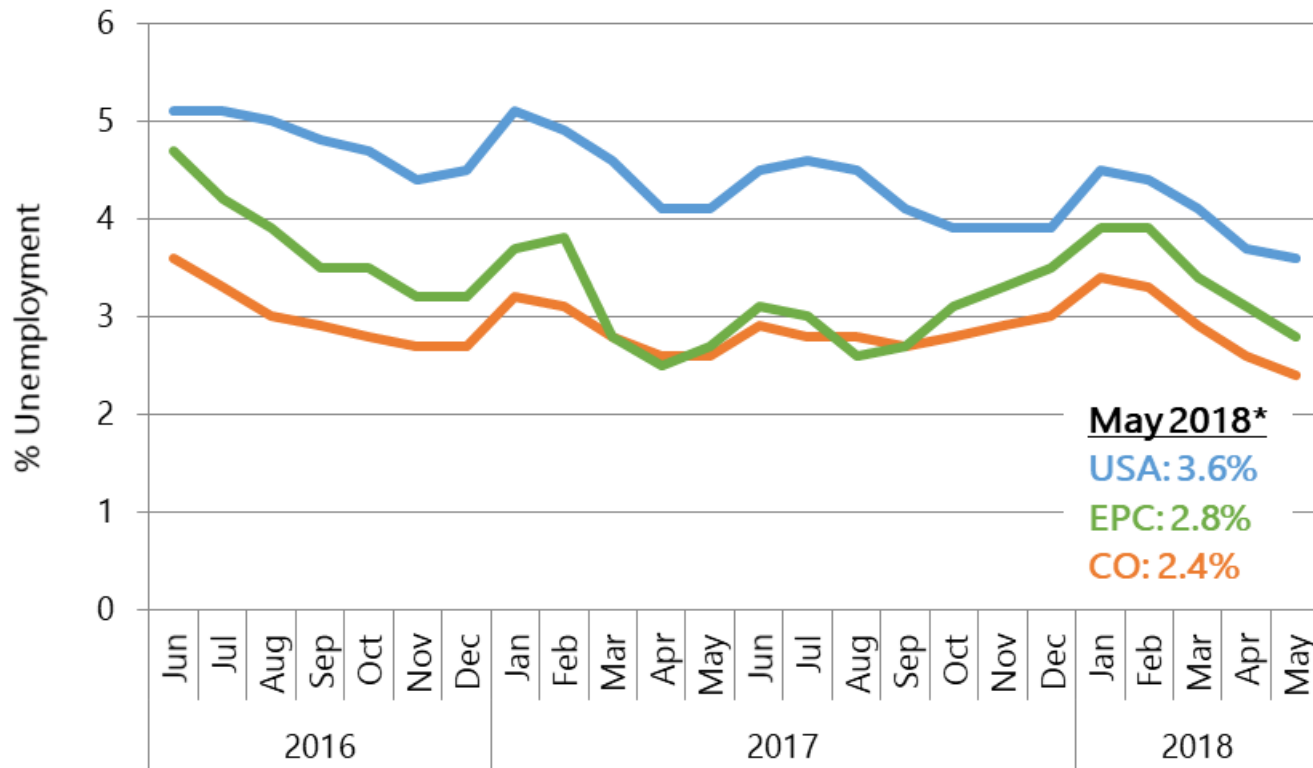
Economic Indicators



(activity thru May 2018)



Unemployment Rate

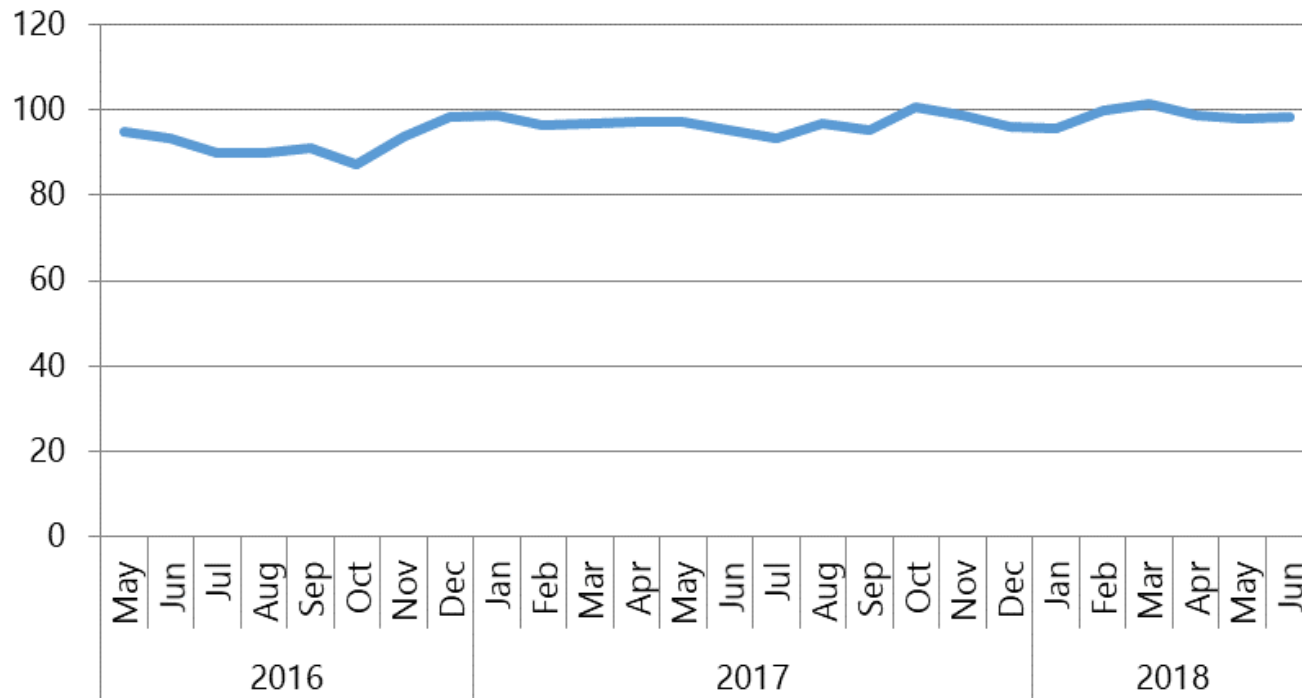


*Lag due to Bureau of Labor Statistics data collection and reporting.

(activity thru June 2018)



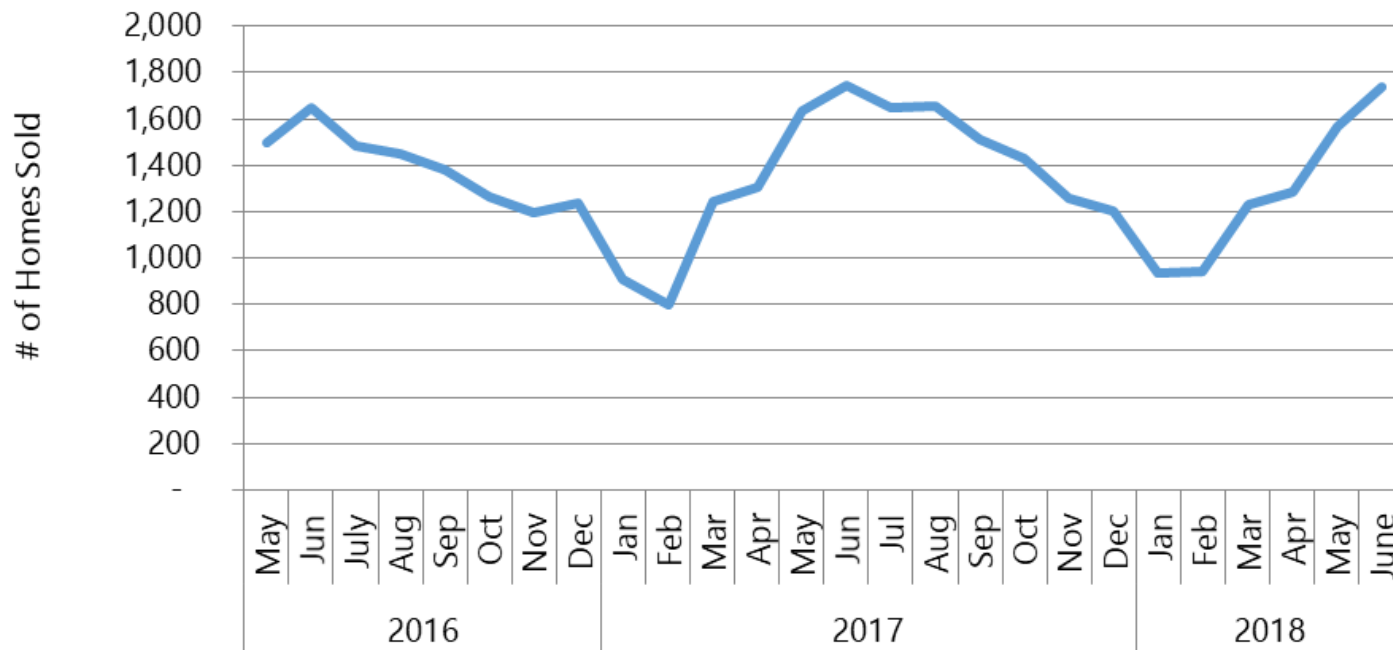
Index of Consumer Sentiment



(activity thru June 2018)



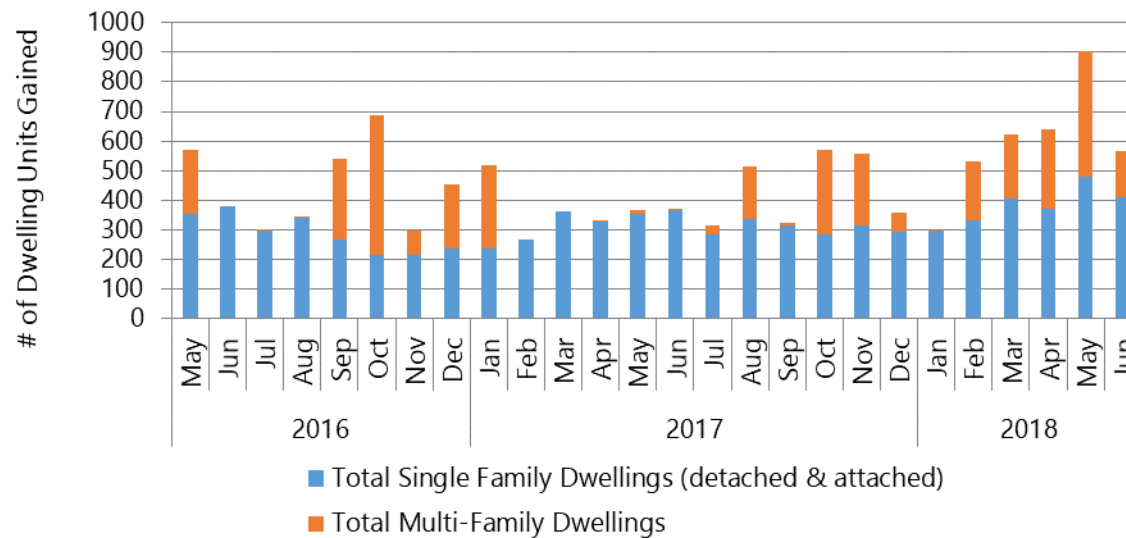
Pikes Peak Region Home Sales Single Family/Patio Homes



(activity thru June 2018)



Pikes Peak Region Residential Building Permits

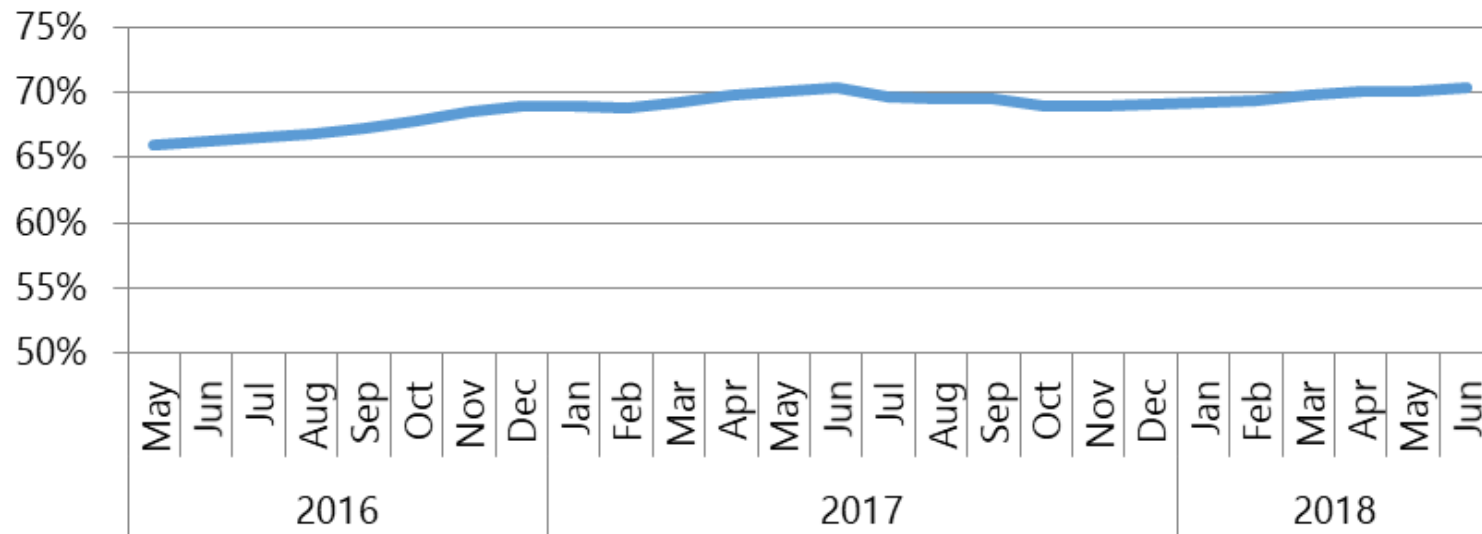


Category	Avg. Sales Price Jun 2018	Avg. Sales Price Jun 2017	% Change
Single Family/Patio Homes	\$361,499	\$326,263	10.8
Condo/Townhomes	\$230,142	\$199,134	15.6

(activity thru June 2018)



Colorado Springs Hotel Occupancy Rate (12 Month Moving Average)



Questions?