

May 2016 Financial Update

(activity thru March 2016)

May 9, 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 March 31, 2016			2016 Budget
		Budget	Actual	Variance	
1	Sales & Use Tax	21,400,860	21,610,807	209,947	157,319,940
2	Property Tax	7,210,976	7,979,973	768,997	19,894,550
3	Other Taxes	727,463	789,904	62,441	2,999,582
4	Licenses & Permits	439,400	484,111	44,711	1,905,320
5	Intergovernmental	3,464,321	4,434,886	970,565	20,178,116
6	Charges for Service	3,121,627	2,866,279	(255,348)	14,586,555
7	Fines	1,273,813	1,181,828	(91,985)	5,332,992
8	Miscellaneous	432,088	444,940	12,852	2,506,960
9	Other Financing Sources	7,777,638	7,159,945	(617,693)	42,036,489
10	Total	45,848,186	46,952,673	1,104,487	266,760,504

Notes for Line #:

- 5. HUTF revenue is primary source of positive variance.

General Fund YTD Expenditures

Line #	Department	As of March 31, 2016			2016 Budget
		Budget	Actual	Variance	
1	City Attorney/City Clerk/Municipal Court	1,788,920	1,701,597	(87,323)	9,824,151
2	City Auditor	268,674	266,321	(2,353)	1,417,032
3	City Council	392,196	409,763	17,567	930,413
4	Finance/Contract Compliance/General Costs	23,351,180	24,258,635	907,455	65,374,295
5	Fire/OEM	11,201,430	10,923,670	(277,760)	50,230,231
6	Information Technology	2,963,048	2,007,848	(955,200)	13,342,783
7	Mayor/Communications/Human Resources	566,202	565,949	(253)	3,131,626
8	Parks, Recreation, and Cultural Services	2,357,940	2,373,450	15,510	16,116,638
9	Planning/Economic Development/Housing	769,143	871,974	102,831	5,072,371
10	Police	18,570,185	19,060,455	490,270	88,972,910
11	Public Works	4,797,566	4,996,051	198,485	22,128,356
12	Total	67,026,484	67,435,713	409,229	276,540,806

Notes for Line #:

- For 2016, payments for Sales Tax Refunds and Legal Defense are higher than through this period in 2015.

Sales Tax Trends

2.0% Sales and Use Tax:

- S&U combined – up 3.40% for the month and 5.67% year-to-date
 - Sales tax – up 0.67% for the month and up 4.68% year-to-date
 - Use tax – up 60.15% for the month and up 22.66% year-to-date

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

- LART Combined – up 14.71% for the month and 17.25% year-to-date
 - Lodger's Tax – up 26.86% for the month and up 21.95% year-to-date
 - Auto Rental Tax – down 2.34% for the month and up 16.01% year-to-date

0.62% Road Tax:

- \$3,261,257

Sales Tax Trends

Industries with Largest Month over Month % Increase

Medical Marijuana	33.86%
Hotel/Motel	28.78%
Grocery Stores	15.91%

Industries with Largest Month over Month \$ Increase

Restaurants	\$123,532
Building Materials	\$79,987
Hotel/Motel	\$75,872

Industries with Largest Month over Month % Decrease

Commercial Machines	(25.80%)
Department and Discount	(2.91%)
Utilities	(2.43%)

Industries with Largest Month over Month \$ Decrease

Commercial Machines	(\$60,109)
Department and Discount	(\$30,616)
Miscellaneous Retail	(\$12,240)

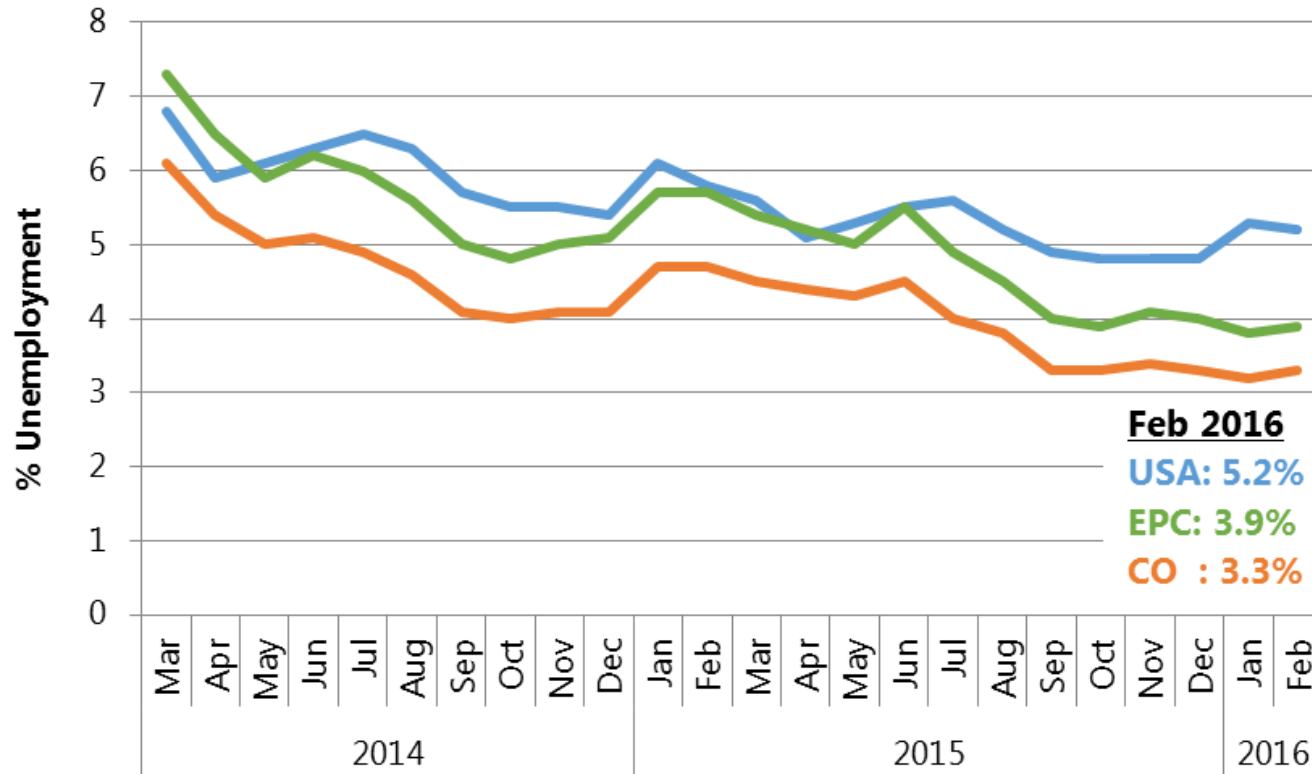
Sales Tax Trends

Category	\$ Change 2016 YTD compared to 2015 YTD	% Change 2016 YTD compared to 2015 YTD
Auto Dealers	(403)	(0.0%)
Auto Repair, Leases	19,683	2.2%
Building Materials	142,512	9.1%
Business Services *	(17,941)	(3.6%)
Clothing	67,593	10.2%
Commercial Machines *	(18,992)	(5.1%)
Department/Discount	(27,394)	(1.4%)
Furniture/Appliances/Electronics	101,157	9.7%
Grocery	122,422	16.9%
Hotel/Motel	119,469	22.9%
Medical Marijuana	57,123	28.7%
Miscellaneous Retail	(14,810)	(0.6%)
Restaurants	186,011	7.0%
Utilities	(59,736)	(9.5%)

*The most volatile categories

Economic Indicators

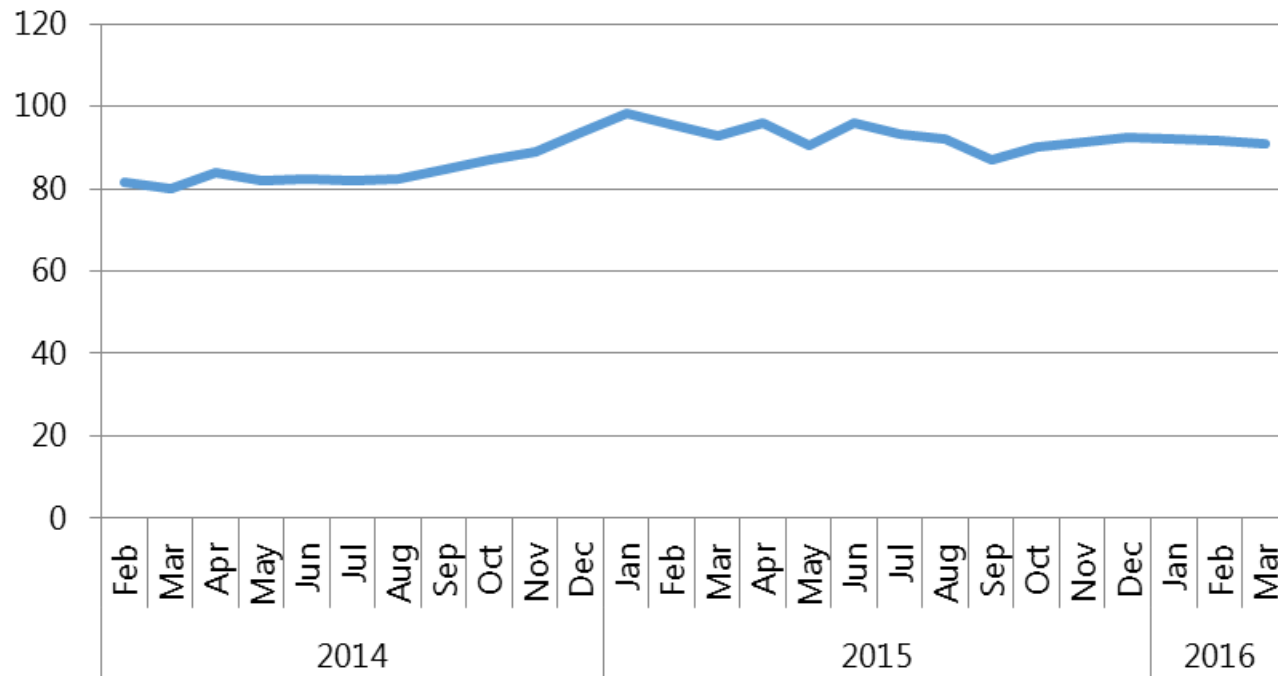
Unemployment Rate



Economic Indicators

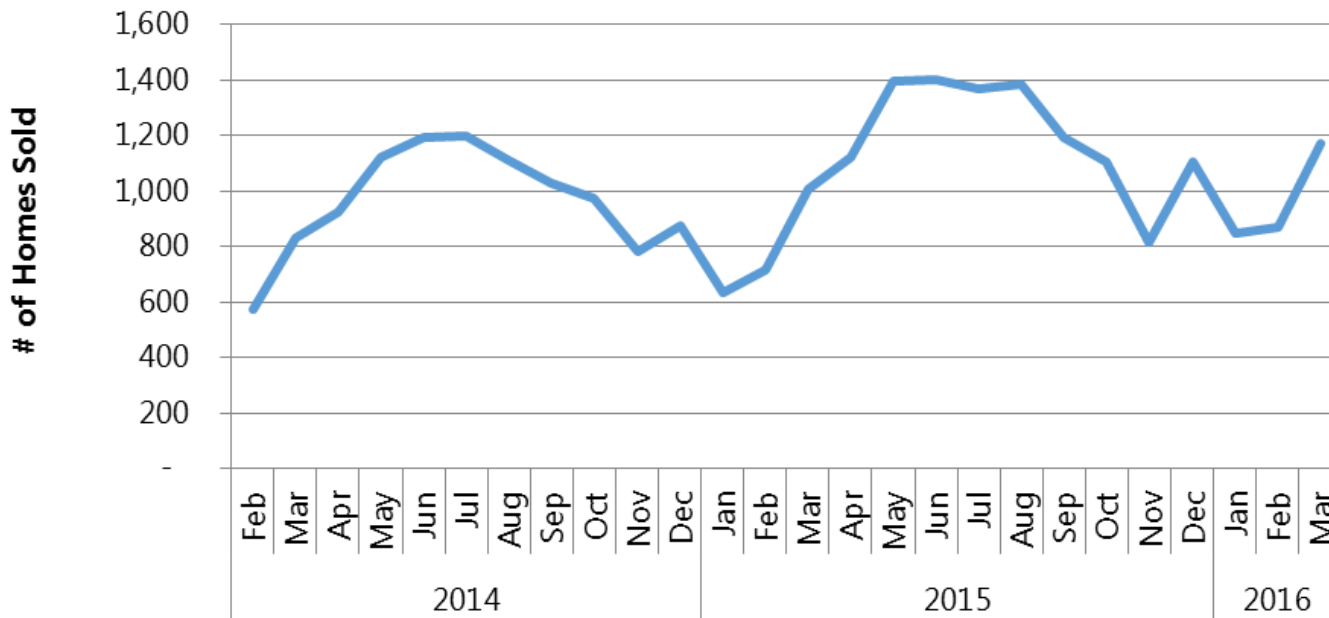


Index of Consumer Sentiment



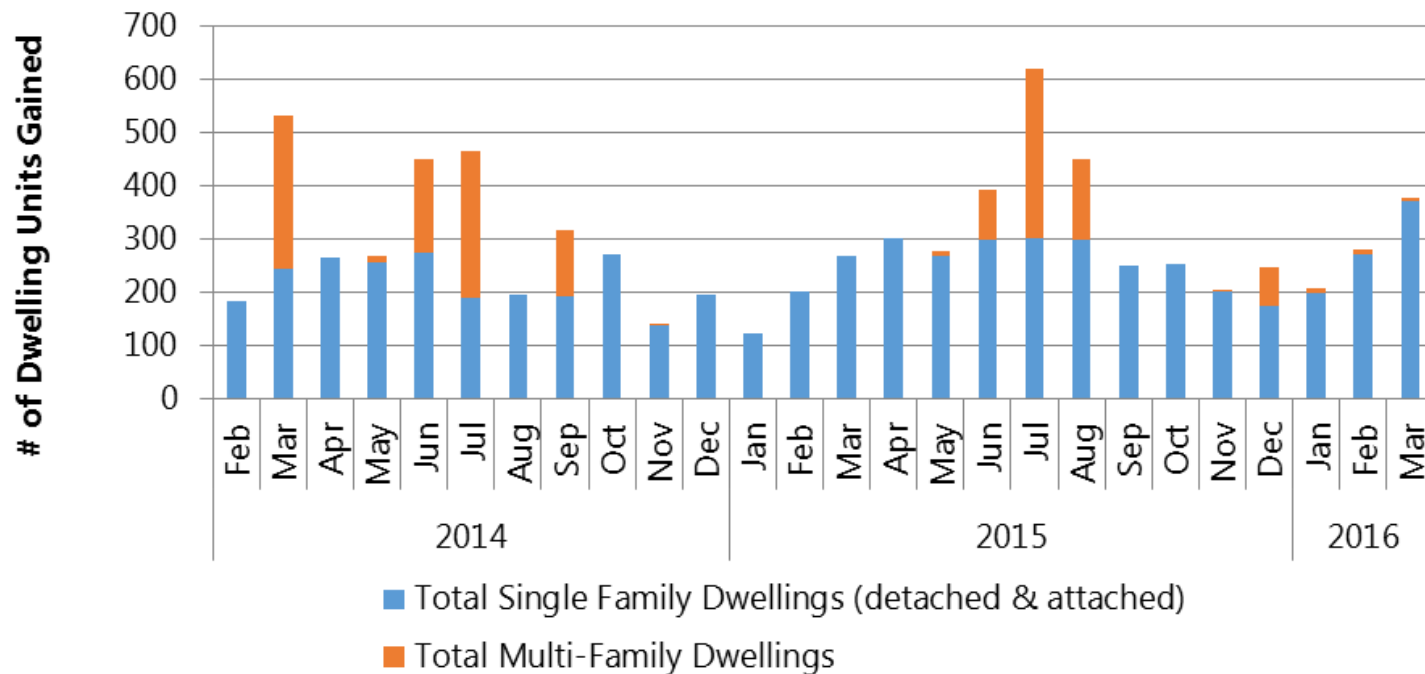
Economic Indicators

Pikes Peak Region Home Sales Single Family/Patio Homes



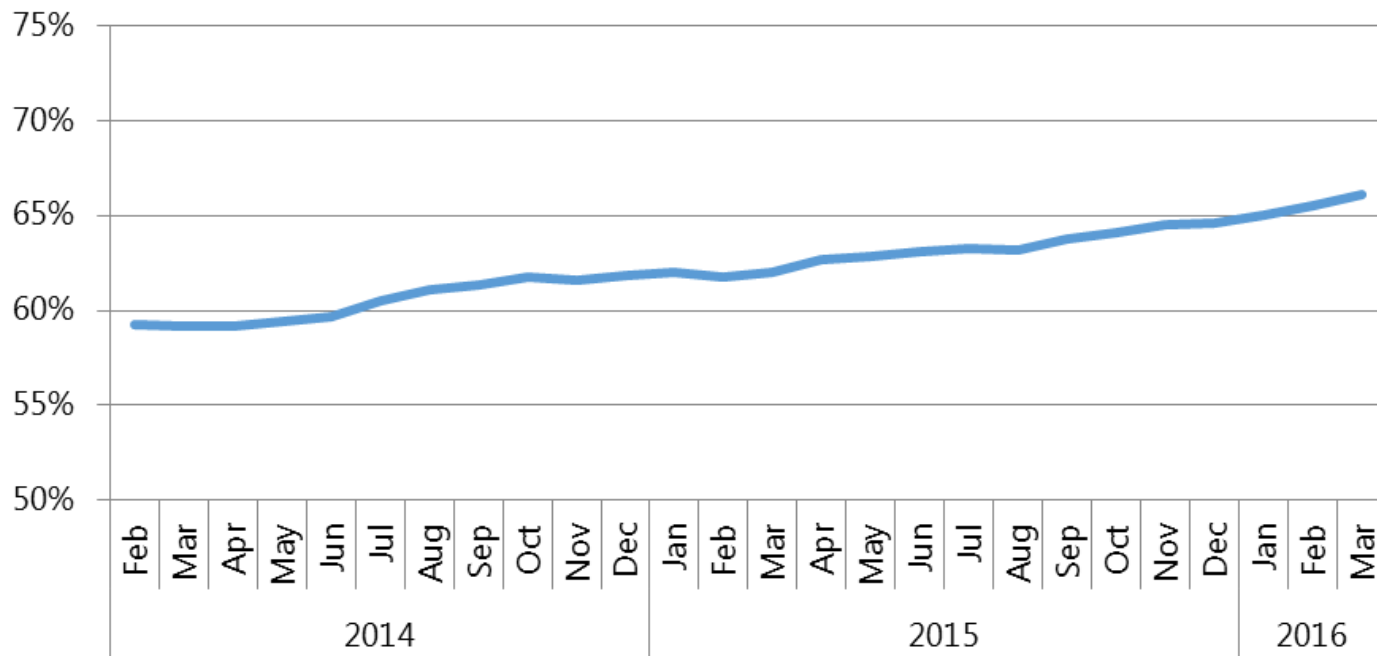
Economic Indicators

Pikes Peak Region Residential Building Permits



Economic Indicators

Colorado Springs Hotel Occupancy Rate (12 Month Moving Average)



Questions?