

November 2015 Financial Update

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Chief Financial Officer

General Fund

Line #	Year	Total Revenue	Total Expenditures	Unrestricted Fund Balance	Contribution to/ (Draw from) Unrestricted Fund Balance	Unrestricted Fund Balance as a % of Following Year's Expenditures
1	2014 Actual	\$ 252,408,441	\$ 255,770,943	\$ 43,257,368		16.7%
2	2015 Budget	257,195,842	258,695,842	41,757,368	(1,500,000)	16.0%
3	2015 Anticipated Changes					
4	<i>Sales Tax Revenue above budget</i>	4,945,000				
5	<i>Other revenue above budget</i>	1,422,626				
6	<i>Supplemental appropriations</i>		5,771,447			
7	<i>Expenditures over/(under) budget</i>		(2,844,151)			
8	2015 EOY Estimate	\$ 263,563,468	\$ 261,623,138	\$ 45,197,698	\$ 1,940,330	16.9%

General Fund YTD Revenue

through Period 10 of 2015
83% of year transpired

Line #	Revenue	2015 Original Budget	Actual Revenue YTD	% of Budget YTD	Historical Avg. % of Budget YTD	EOY Forecast	2015 Budget to EOY Forecast
1	Sales & Use Tax	\$ 147,855,000	\$ 109,966,085	74%	77%	\$ 152,800,000	\$ 4,945,000
2	Property Tax	\$ 19,811,225	\$ 19,372,502	98%	100%	\$ 19,560,965	\$ (250,260)
3	Other Taxes	\$ 3,047,406	\$ 2,351,949	77%	78%	\$ 2,967,150	\$ (80,256)
4	Charges for Service	\$ 12,278,048	\$ 10,861,333	88%	82%	\$ 13,756,133	\$ 1,478,085
5	Fines	\$ 4,956,073	\$ 4,507,692	91%	80%	\$ 5,281,700	\$ 325,627
6	Intergovernmental	\$ 20,887,930	\$ 17,406,213	83%	84%	\$ 21,014,148	\$ 126,218
7	Licenses & Permits	\$ 1,842,389	\$ 1,682,972	91%	82%	\$ 2,225,250	\$ 382,861
8	Miscellaneous	\$ 2,778,978	\$ 2,903,062	104%	109%	\$ 2,930,978	\$ 152,000
9	Other Financing Sources	\$ 43,738,793	\$ 30,996,435	71%	77%	\$ 43,027,144	\$ (711,649)
10	Total	\$ 257,195,842	\$ 200,048,243	78%	77%	\$ 263,563,468	\$ 6,367,626

Notes for Line #:

- After the most recent month of collections we now project that sales and use tax revenue will come in approximately 3.3% above budget. Historical average % of budget is higher because, following the recession, the City budgeted very conservatively to build fund balance.
- Development related charges for service are the main reason the Charges for Services category is trending above budget.
- Traffic violations trending above budget is the main reason Fines are trending above budget.
- Medical marijuana license fee and development fees are the primary reasons for the Licenses & Permit category trending above budget.
- Insurance reimbursement for the Fire truck and AMR liquidated damages are the primary reasons the Miscellaneous category is trending above budget.
- Utilities Surplus revenue is the primary reason the Other Financing Sources category is trending below budget.

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 Expenditures

through Period 10 of 2015
83% of year transpired
81% of year payroll complete

Line #	Department	2015 Original Budget	Supplementals	YTD Actuals	% of Budget YTD	EOY Estimate	Expenditures Over/(Under) Budget + Supplementals
1	City Council	\$ 968,081	\$ -	\$ 768,588	79%	\$ 939,784	\$ (28,297)
2	City Auditor	\$ 1,372,807	\$ -	\$ 1,050,879	77%	\$ 1,306,573	\$ (66,234)
3	Parks, Recreation & Cultural Services	\$ 14,603,610	\$ 1,000,000	\$ 12,410,804	85%	\$ 15,603,610	\$ -
4	Police	\$ 88,982,619	\$ -	\$ 72,148,667	81%	\$ 88,582,619	\$ (400,000)
5	Fire & OEM	\$ 47,688,981	\$ -	\$ 37,511,642	79%	\$ 47,286,323	\$ (402,658)
6	Public Works	\$ 22,286,035	\$ 4,000,000	\$ 17,580,272	79%	\$ 25,603,123	\$ (682,912)
7	City Attorney, Municipal Court, City Clerk	\$ 8,951,294	\$ 170,000	\$ 6,911,613	77%	\$ 8,550,987	\$ (570,307)
8	Information Technology	\$ 12,581,562	\$ -	\$ 9,344,669	74%	\$ 12,415,155	\$ (166,407)
9	Planning, Economic Development, Housing	\$ 2,773,055	\$ -	\$ 1,962,570	71%	\$ 2,496,705	\$ (276,350)
10	Finance, Contract Comp., Fleet, General Costs	\$ 55,401,034	\$ 601,447	\$ 40,297,552	73%	\$ 55,983,322	\$ (19,159)
11	Mayor, Communications, Human Resources	\$ 3,086,764	\$ -	\$ 2,155,859	70%	\$ 2,854,937	\$ (231,827)
	Total	\$ 258,695,842	\$ 5,771,447	\$ 202,143,115	78%	\$ 261,623,138	\$ (2,844,151)

Notes for Line #:

- all In general, all departments are currently trending **under** budget.
- 1. City Council's budget includes dues & memberships that benefit the City as a whole that are paid early in the year, so their actual expenditures as a % of the year transpired will trend high.
- 3. Parks has spent \$2,385,132 of their water budget currently all charged to the General Fund (GF budget = \$2,231,218 and CTF budget = \$372,146, Total = \$2,603,364.)

Sales Tax Trends

2.0% Sales and Use Tax:

- S&U combined – up 7.49% for the month and up 4.51% year-to-date
 - Sales tax – up 7.94% for the month and up 4.84% year-to-date
 - Use tax – up 1.06% for the month and down 0.83% year-to-date

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

- LART Combined – up 20.59% for the month and up 13.80% year-to-date
 - Lodger's Tax – up 22.65% for the month and up 14.77% year-to-date
 - Auto Rental Tax – down 1.36% for the month and up 4.62% year-to-date

Sales Tax Trends

2.5% sales tax collections by major industry

Industries with Largest Month over Month % Increase		Industries with Largest Month over Month \$ Increase	
Medical Marijuana	40.91%	Building Materials	\$200,770
Hotel/Motel	20.33%	Hotel/Motel	\$156,101
Grocery Stores	18.25%	Furniture, Appliances, & Electronics	\$141,785

Industries with Largest Month over Month % Decrease		Industries with Largest Month over Month \$ Decrease	
Commercial Machines	(30.07%)	Commercial Machines	(\$185,614)
Department and Discount	(3.33%)	Department and Discount	(\$47,562)
Utilities	(2.20%)	Miscellaneous Retail	(\$37,588)

Month over month describes October 2015 collections compared with October 2014 collections which are from September activity each year.

Sales Tax Trends

CATEGORY	% Change 2015 YTD compared to 2014 YTD	YTD \$ Change
AUTO DEALERS	9%	1,088,035
AUTO REPAIR, LEASES	9%	490,281
BUILDING MATERIALS	7%	835,107
BUSINESS SERVICES *	-1%	(29,361)
CLOTHING	5%	217,710
COMMERCIAL MACHINES *	-41%	(2,176,725)
DEPARTMENT/DISCOUNT	1%	141,970
FURNITURE/APPLIANCES/ELECTRONICS	2%	119,757
GROCERY	17%	643,310
HOTEL/MOTEL	15%	845,705
MEDICAL MARIJUANA	26%	293,841
MISCELLANEOUS RETAIL	-2%	(263,284)
RESTAURANTS	7%	1,180,855
UTILITIES	-3%	(92,687)

* The most volatile categories

Other Funds YTD

through Period 10 of 2015
 83% of year transpired
 81% of year payroll complete

Line #	Fund	Revenue			Expenditures			YTD Revenue Over/ (Under) YTD Expenditures
		2015 Original Revenue Budget	Actual Revenue YTD	% of Budget YTD	2015 Original Expenditure Budget	Actual Expenditures YTD	% of Budget YTD	
1	Airport Gross Revenue Fund	\$17,650,662	\$10,629,873	60%	\$16,972,651	\$10,514,978	62%	\$114,895
2	Conservation Trust Fund	\$4,420,000	\$2,217,449	50%	\$4,768,088	\$3,122,046	65%	(\$904,597)
3	Health Insurance Fund	\$33,980,995	\$21,444,599	63%	\$33,980,995	\$19,718,555	58%	\$1,726,044
4	Public Safety Sales Tax Fund	\$29,652,000	\$21,989,424	74%	\$28,537,029	\$20,945,300	73%	\$1,044,123
5	Trails Open Space Parks Fund	\$7,335,000	\$5,564,739	76%	\$8,605,864	\$6,292,417	73%	(\$727,678)
6	Workers' Compensation Fund	\$8,000,000	\$6,011,872	75%	\$8,000,000	\$6,673,951	83%	(\$662,079)

Notes for Line #:

1. Airport revenue is over expenditures year-to-date because final debt services payment is made in December, and a budgeted contribution to fund balance in 2016.
2. CTF expenditures are over revenue due to a budgeted a draw from the fund balance in 2016.
5. TOPS expenditures are over revenue due to the acquisition of the Ute Valley Park – phase 2 in January for \$2.8 million.
6. Workers' Compensation expenses are over revenue year-to-date; actual claim and settlement costs for both the City and CSU are higher than anticipated thus far this year.