

**JAN-MAR
2023**



City of Loveland

QUARTERLY FINANCIAL REPORT

BRIAN WALDES

CHIEF FINANCIAL OFFICER

JUNE 13, 2023



Why are we here?

To present the Quarterly Financial Report in an updated format

What do we need?

City Council's understanding of our financial position particularly as it relates to our General Fund

AGENDA

1

GENERAL FUND SUMMARIES

2

CITYWIDE SUMMARIES

3

INVESTMENTS SUMMARIES

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BUDGET TIMELINE

5

QUESTIONS / FEEDBACK?

General Fund

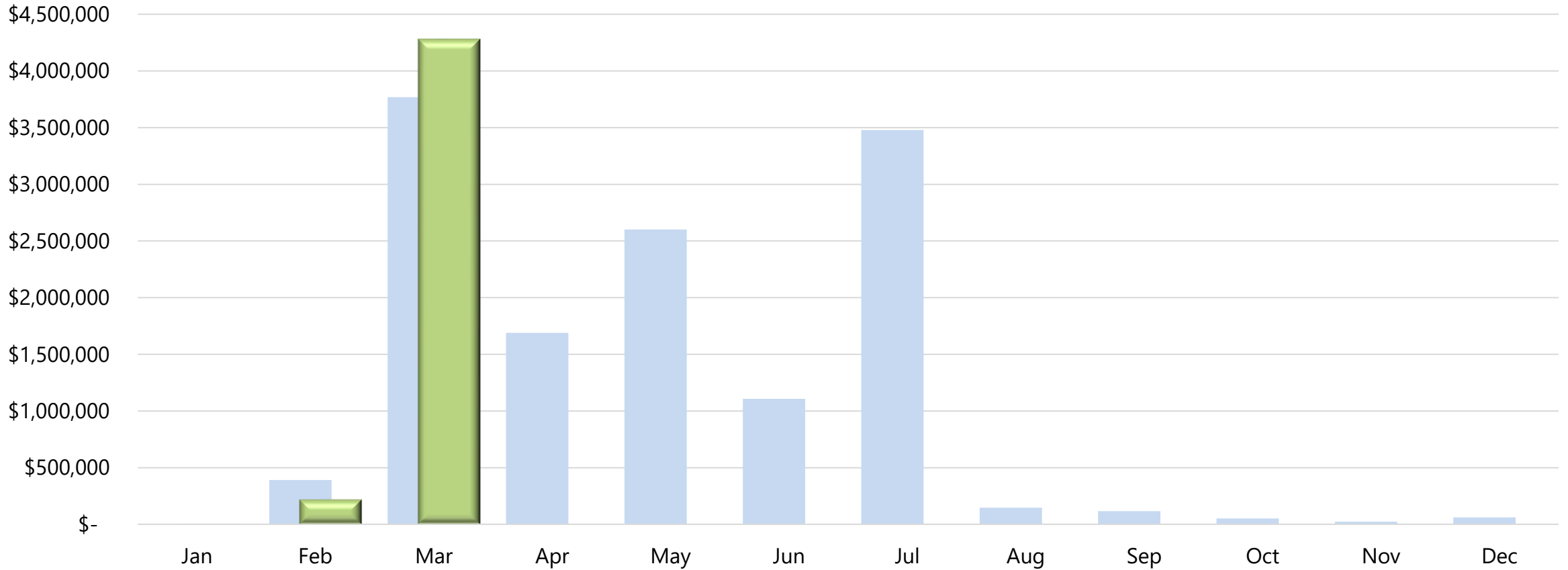
Revenues

PROPERTY TAX

In this section, we'll share information related specifically to **Property Tax collections**.

- The timing of property tax payments make this data more helpful at different points in the year
 - Lump sum payments are due beginning of May
 - Installments are due end February and mid June

Property Tax



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023 Total	Q1 Totals
Budget	(385)	392,141	3,769,464	1,690,414	2,600,862	1,108,043	3,479,820	147,630	116,638	51,201	23,106	60,964	\$ 13,439,898	\$ 4,161,220
Actuals	2	222,213	4,285,317	-	-	-	-	-	-	-	-	-	\$ 4,507,531	\$ 4,507,531
Surplus/Deficit	\$ 387	\$ (169,929)	\$ 515,853	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 346,311	\$ 346,311

Property Tax Collections are higher than forecasted but -0.7% lower through Q1 than last year.

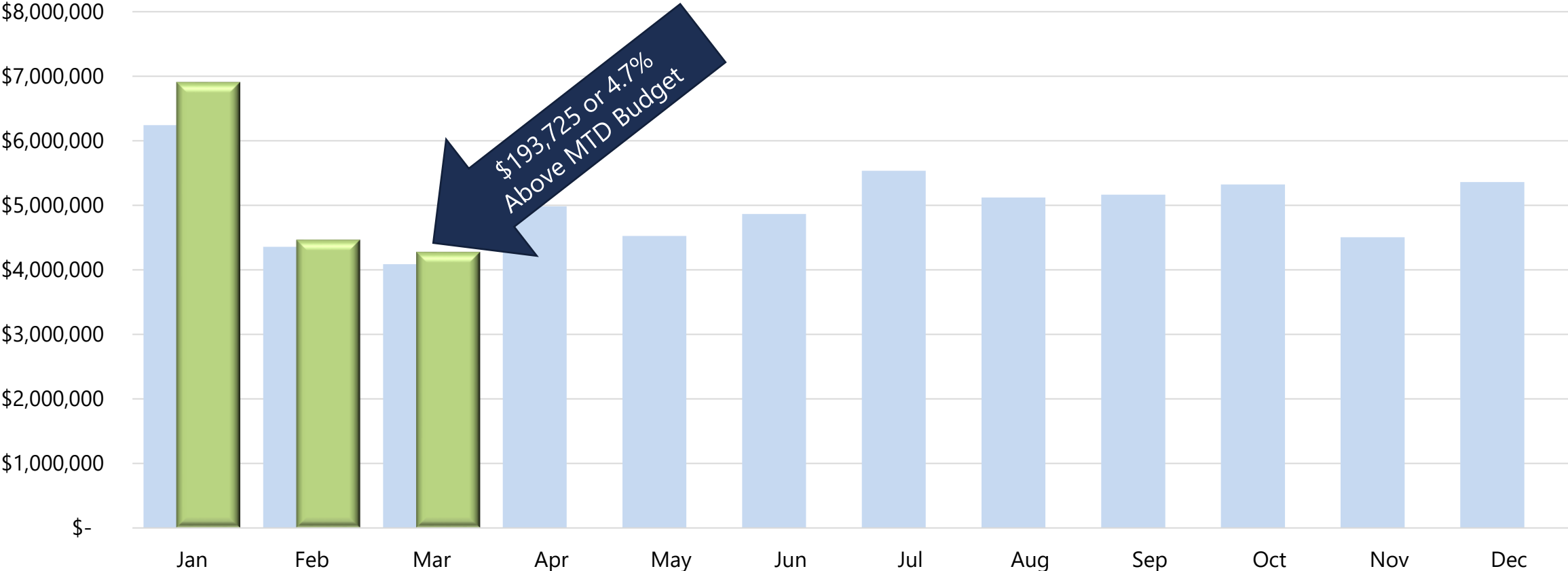
SALES TAX

In this section, we'll share information related specifically to **Sales Tax collections**.

- Sales tax collections are typically similar month-to-month throughout the year with a predictable rise in January due to the prior month's holiday and timing of collections

sales tax

Sales Tax



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023 Total	Q1 Totals
Budget	6,241,029	4,354,371	4,086,290	4,982,133	4,523,239	4,863,833	5,534,221	5,121,278	5,163,592	5,322,095	4,502,451	5,359,012	\$ 60,053,544	\$ 14,681,690
Actuals	6,908,516	4,465,702	4,280,015	-	-	-	-	-	-	-	-	-	\$ 15,654,233	\$ 15,654,233
Surplus/Deficit	\$ 667,488	\$ 111,330	\$ 193,725	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 972,543	\$ 972,543

Sales Tax Collected through the first quarter is 10.1% or \$1.4 million more than last year

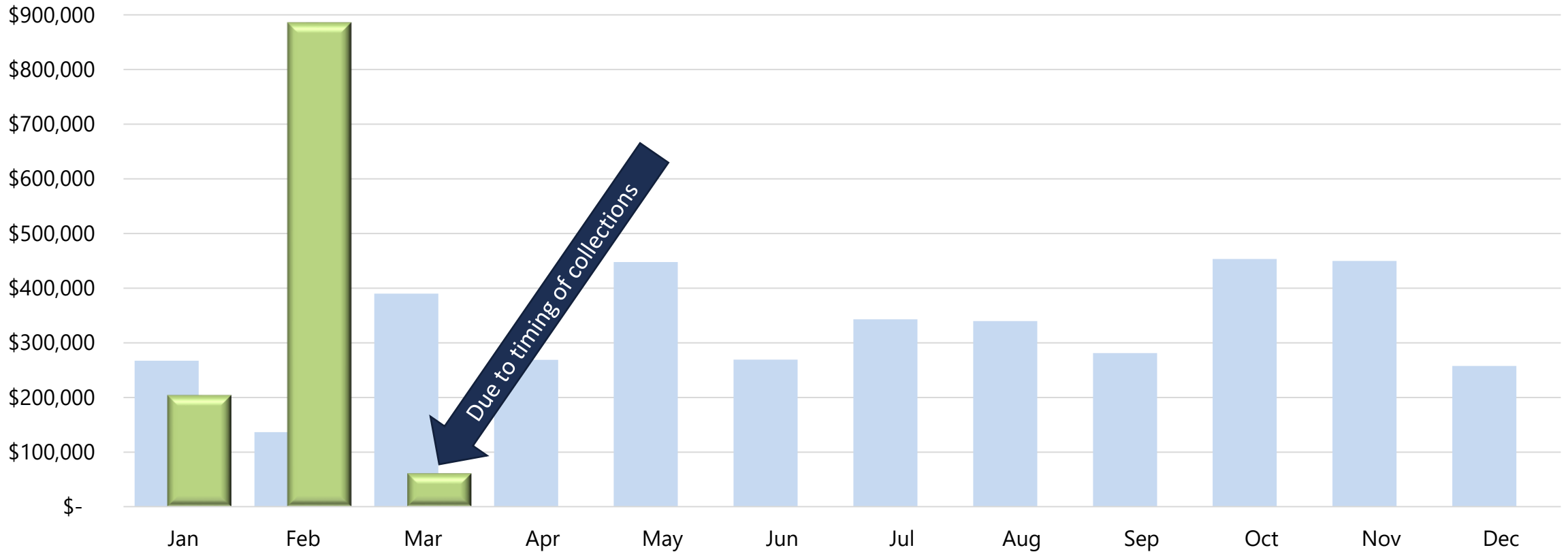


BUILDING MATERIALS USE TAX

In this section, we'll share information related specifically to **Building Materials Use Tax** collections.

- Building Materials Use Tax collections can vary month-to-month depending on new projects developing throughout the City.

Building Materials Use Tax



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023 Total	Q1 Totals
Budget	267,380	136,650	389,948	268,659	447,699	269,261	342,899	339,621	281,019	453,129	449,532	257,537	\$ 3,903,333	\$ 793,978
Actuals	204,091	885,226	61,350	-	-	-	-	-	-	-	-	-	\$ 1,150,667	\$ 1,150,667
Surplus/Deficit	\$ (63,288)	\$ 748,576	\$ (328,598)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 356,689	\$ 356,689

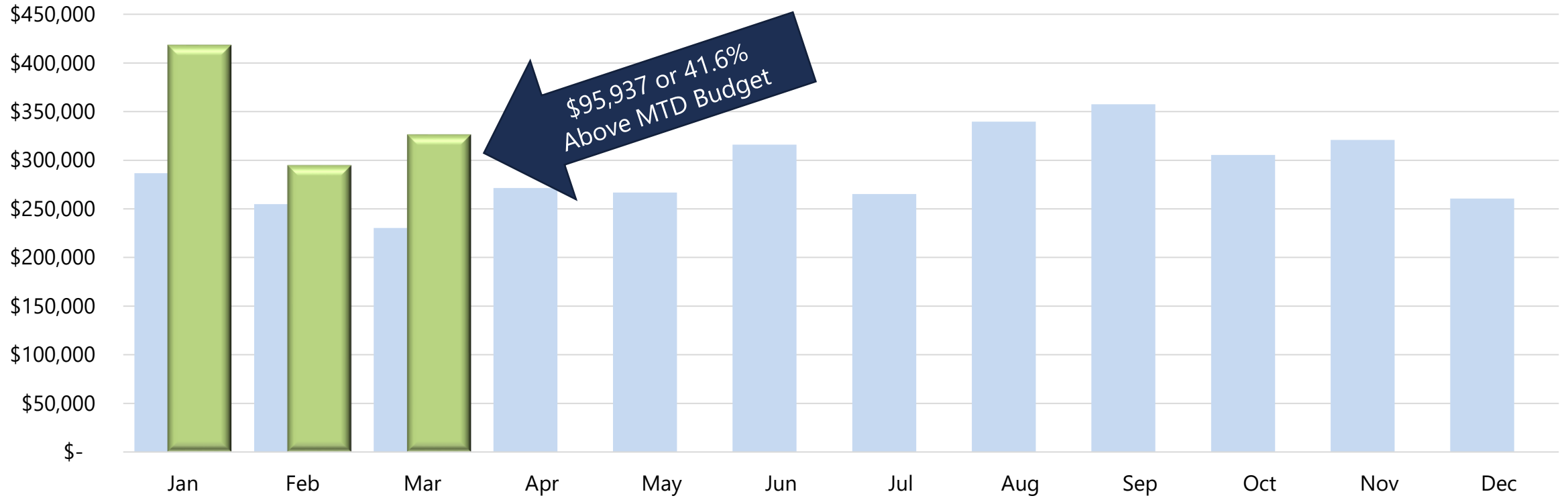
Building Materials Use Tax collected through March is -40.5% or \$783,323 less than last year due to a large development in March of 2022.

AUTO USE TAX

In this section, we'll share information related specifically to **Auto Use Tax collections**.

- Auto Use Tax collections stay relatively consistent throughout the year. COVID has impacted its predictability for various reasons (cost, supply shortages, demand etc.).

Auto Use Tax



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2023 Total	Q1 Totals
Budget	286,705	254,828	230,406	271,321	266,701	316,088	265,193	339,683	357,557	305,517	320,893	260,536	\$ 3,475,426	\$ 771,938
Actuals	418,568	294,798	326,343	-	-	-	-	-	-	-	-	-	\$ 1,039,709	\$ 1,039,709
Surplus/Deficit	\$ 131,864	\$ 39,970	\$ 95,937	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 267,771	\$ 267,771

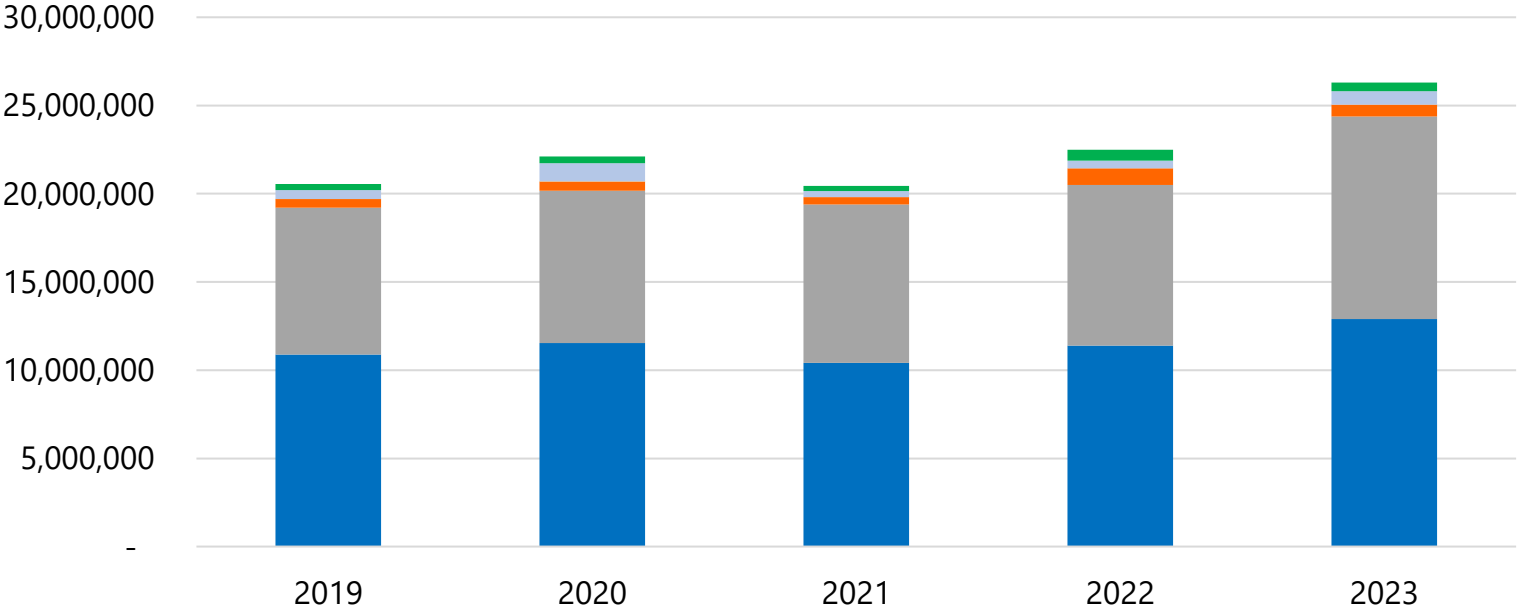
Auto Use Tax collected through Q1 is 6.4% or \$62,108 more than last year

Quarterly Expenses Update

2023 ACTUALS THROUGH MARCH 31, 2023

GENERAL FUND EXPENSES

General Fund Actuals Quarter 1 (Q1) by Class



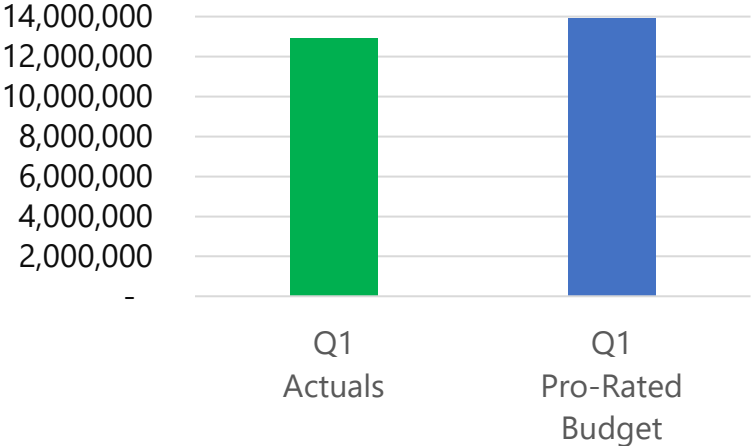
Quarter 1 (Q1) General Fund Expenses by Class

Expenses Class	2019	2020	2021	2022	2023
Personal Services	10,883,490	11,534,387	10,416,388	11,401,153	12,906,927
Supplies	487,475	522,406	415,170	932,621	661,242
Purchased Services	8,325,604	8,641,533	8,973,810	9,099,387	11,476,370
Debt Service-Exp	1,662	1,662	-	-	-
Transfers	512,149	1,030,959	341,313	443,996	766,235
Capital Outlay	349,043	384,873	291,410	614,611	489,575
Total General Fund Expenses	\$20,559,422	\$22,115,821	\$20,438,092	\$22,491,768	\$26,300,349

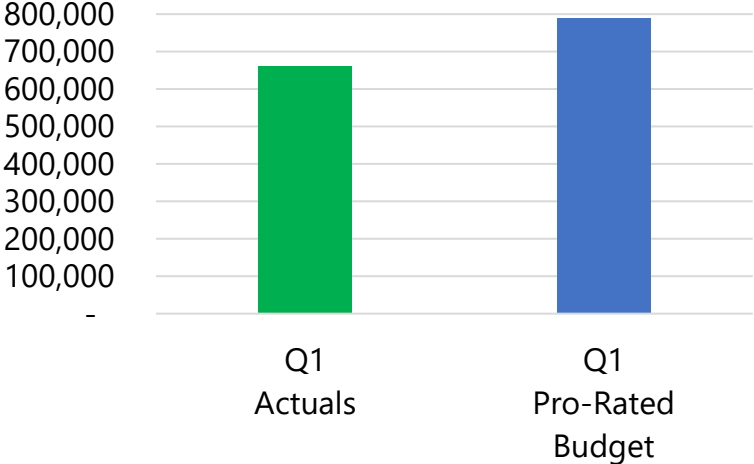
2023 ACTUALS THROUGH MARCH 31, 2023

GENERAL FUND PRO-RATED EXPENDITURES

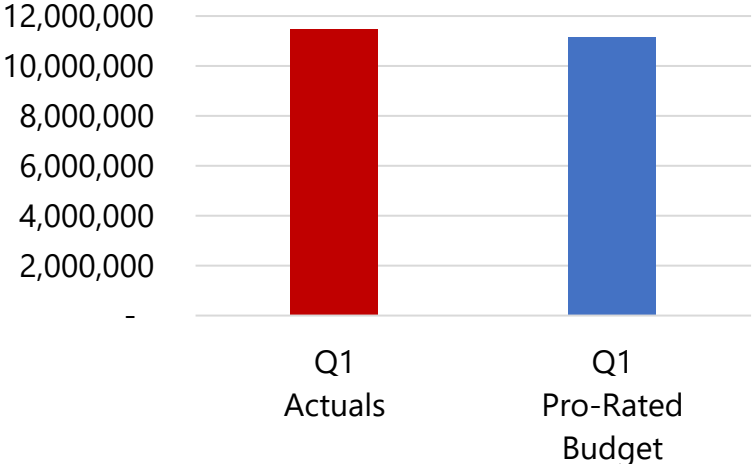
Personal Services



Supplies



Purchased Services



Expenses Class	Q1 Actuals	Q1 Pro-Rated Budget	Compared to Budget	Compared to Budget	As a Percentage
Personal Services	12,906,927	13,914,046	(1,007,119)	Under	-7.2%
Supplies	661,242	790,269	(129,027)	Under	-16.3%
Purchased Services	11,476,392	11,139,911	336,481	Over	3.0%
Total	\$25,044,560	\$25,844,226	\$ (799,666)		

Total Savings through Q1: \$800 k

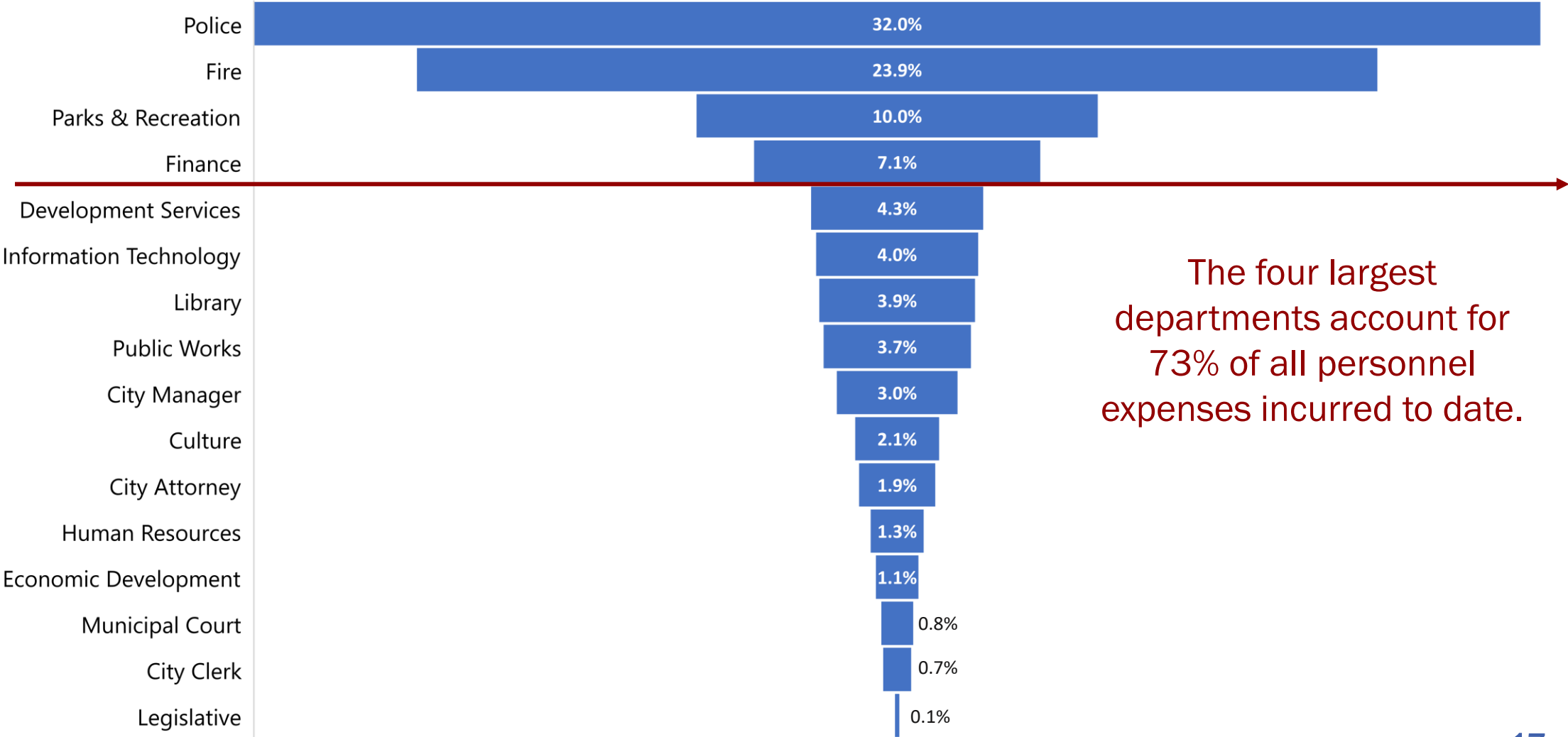
Note: Capital & Transfers are fully committed and deemed fully spent.



2023 ACTUALS THROUGH MARCH 31, 2023

GENERAL FUND PERSONNEL

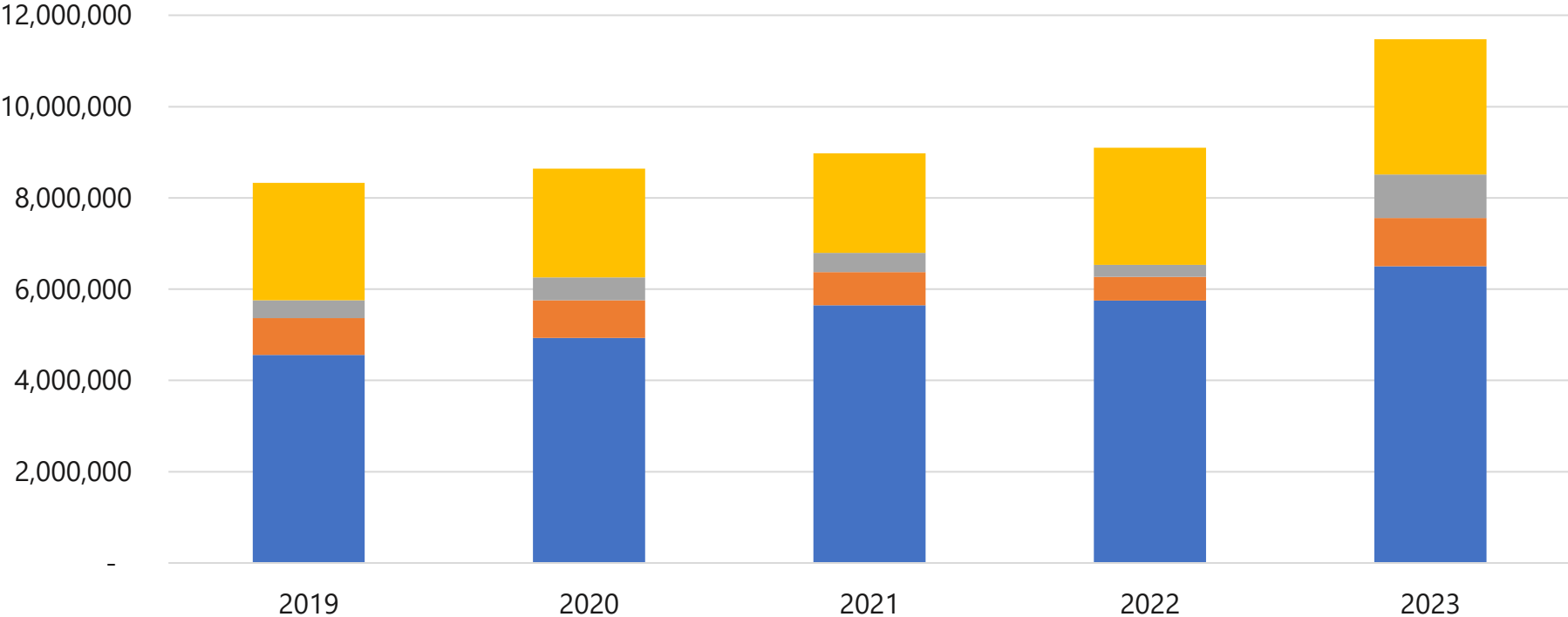
Personnel Expenses as a Percentage of Total Expenses Incurred to Date (Q1 2023)



2023 ACTUALS THROUGH MARCH 31, 2023

GENERAL FUND PURCHASED SERVICES

Purchased Services

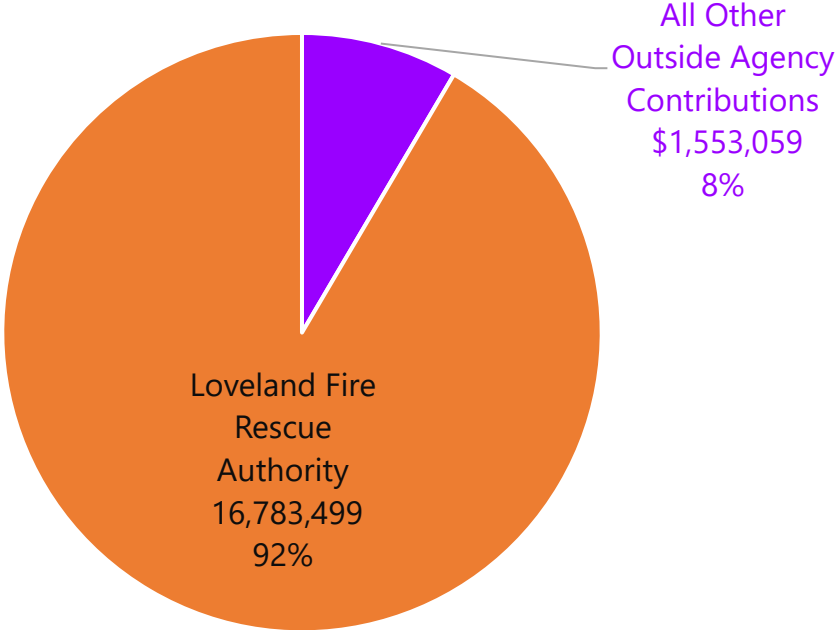


Purchased Services	2019	2020	2021	2022	2023
Contributions to Outside Agencies	4,555,840	4,933,676	5,644,994	5,752,638	6,503,304
Software Maintenance	809,825	819,772	729,169	516,206	1,052,256
Professional Services	389,084	503,519	420,981	264,207	958,349
Other Purchased Services	2,570,855	2,384,567	2,178,666	2,566,336	2,962,462
Total Purchased Services	\$ 8,325,604	\$ 8,641,533	\$ 8,973,810	\$ 9,099,387	\$11,476,370

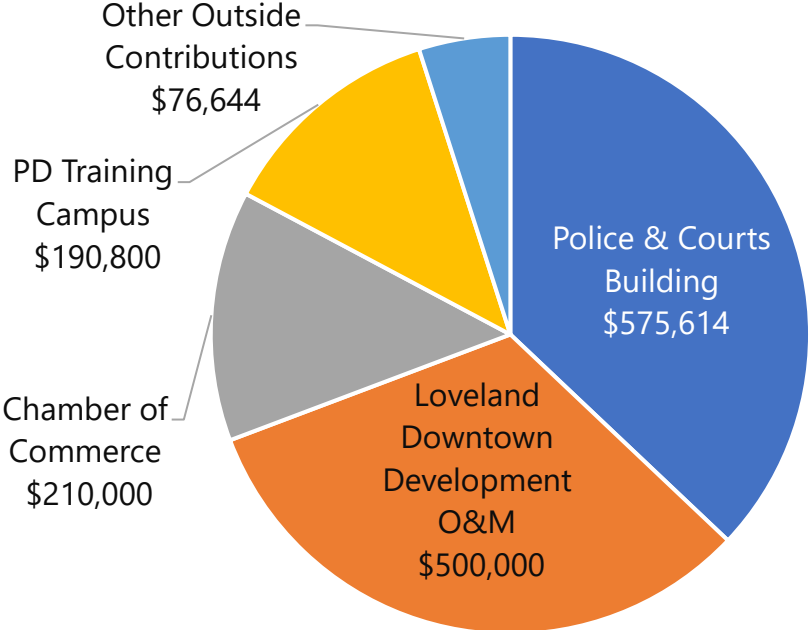
2023 OUTSIDE AGENCY CONTRIBUTIONS

GENERAL FUND TOTAL BUDGET

Total Outside Agency Contributions



Outside Agency Contributions (Excluding LFRA)



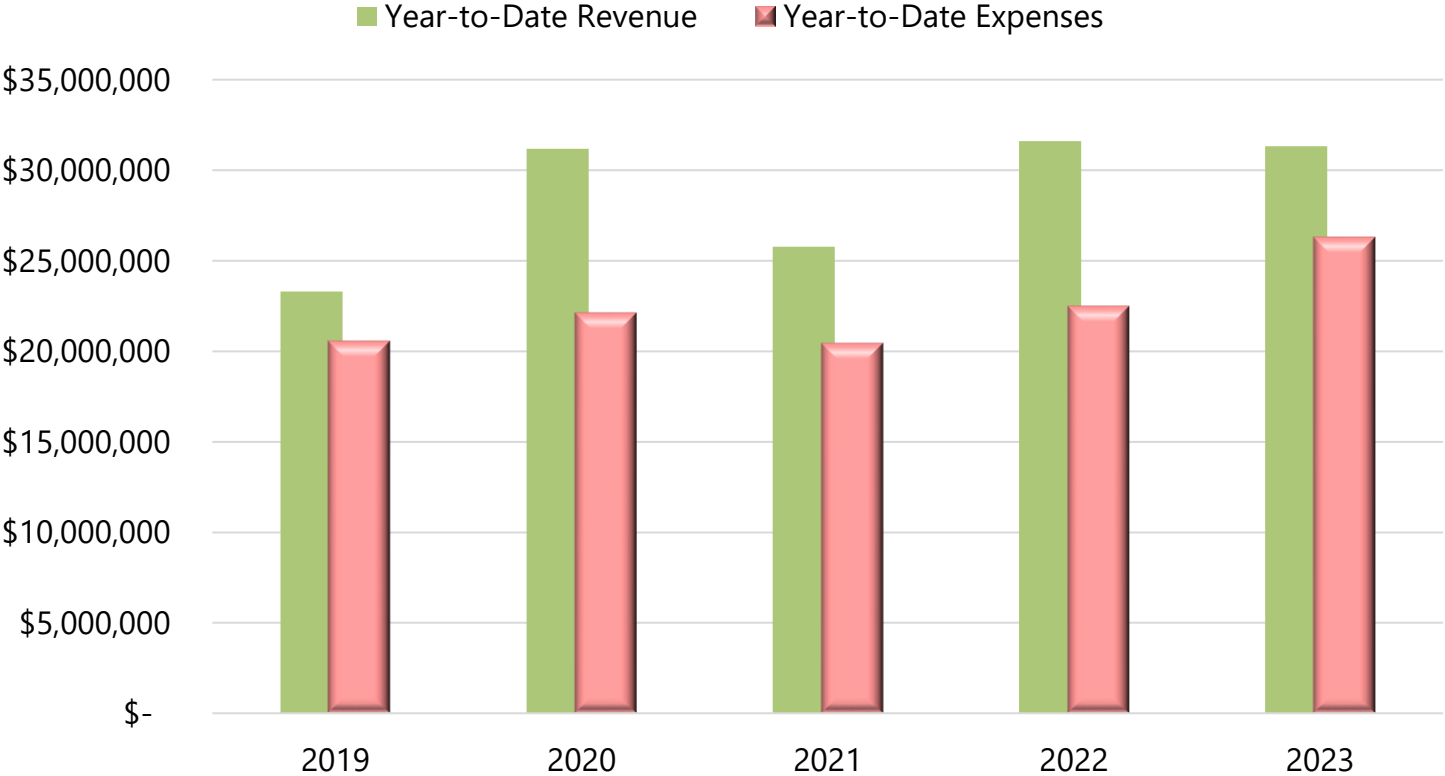
Total 2023 Budget: \$16.8 Million

Revenues & Expenses Combined

2023 ACTUALS THROUGH MARCH 31, 2023

GENERAL FUND

General Fund



Quarter 1 Performance

- Revenues: \$1.9M
- Expenses: \$800k

Total Budget Surplus:
\$2.7 Million

		2019	2020	2021	2022	2023
General Fund	Year-to-Date Revenue	\$ 23,299,169	\$ 31,189,816	\$ 25,780,501	\$ 31,620,006	\$ 31,322,327
	Year-to-Date Expenses	\$ 20,559,422	\$ 22,115,701	\$ 20,437,605	\$ 22,491,400	\$ 26,300,370
	Surplus / (Deficit)	\$ 2,739,747	\$ 9,074,115	\$ 5,342,896	\$ 9,128,606	\$ 5,021,957

Remaining Unassigned Fund Balance

REMAINING UNASSIGNED FUND BALANCE

PRELIMINARY - PRE-AUDIT - AS OF MARCH 31, 2023

	On System 3-22-23	Non-Lapsing Capital	Re-Apps	New Appropriations	Grand Total	
<i>Last Updated 4-13-23 MTE</i>						
Beginning Fund Balance	\$ 55,349,330	22,881,870			\$ 78,231,200	A
Total Budgeted Revenues	\$ 115,309,569		26,500	296,860	\$ 115,632,929	B
<u>Expenditures</u>						
Operating Expenditures	115,123,679		1,760,129	1,844,201	\$ 118,728,009	C
<i>Net Operating Position</i>					\$ (3,095,080)	D
Capital & Transfers	23,824,299	14,697,951		2,920,602	\$ 41,442,852	E
Total Budgeted Expenditures	\$ 138,947,978	\$ 14,697,951	\$ 1,760,129	\$ 4,764,803	\$ 160,170,861	F
<u>Reserves</u>						
3% TABOR Emergency Reserve	3,689,774				\$ 3,689,774	G
15% Contingency Reserve	13,653,721			(1,750,000)	\$ 11,903,721	H
Excess TABOR Reserve	6,872,297			(914,398)	\$ 5,957,899	I
Departmental Reserves	1,334,788		(5,178)	(53,000)	\$ 1,276,610	J
Total Reserves	\$ 25,550,580	\$ -	\$ (5,178)	\$ (2,717,398)	\$ 22,828,004	K
Revised Remaining Unassigned					\$ 10,865,265	=A+B-F-K
<u>Pending Items Drawing Down Available Fund Balance</u>						
<i>Hold for Additional 2024 Capital (TABOR Excess Reserve will fund \$5-6M)</i>					6,000,000	L
<i>Encampment (one-time in prior budgets)</i>					1,500,000	M
<i>2024 General Fund Merit Adjustments</i>					2,000,000	N
Unassigned Fund Balance Available for Appropriation in 2023					\$ 1,365,265	

Citywide Summaries

General Government Services

2023 ACTUALS THROUGH MARCH 31, 2023

GENERAL GOVERNMENT SERVICES

Funds

General Fund

General Government COP Fund

COLT Transit Fund

Economic Incentives Fund

Capital Projects Fund

Excess TABOR Fund

Community Housing Development Fund

Transportation Fund

Foundry Parking Garage Fund

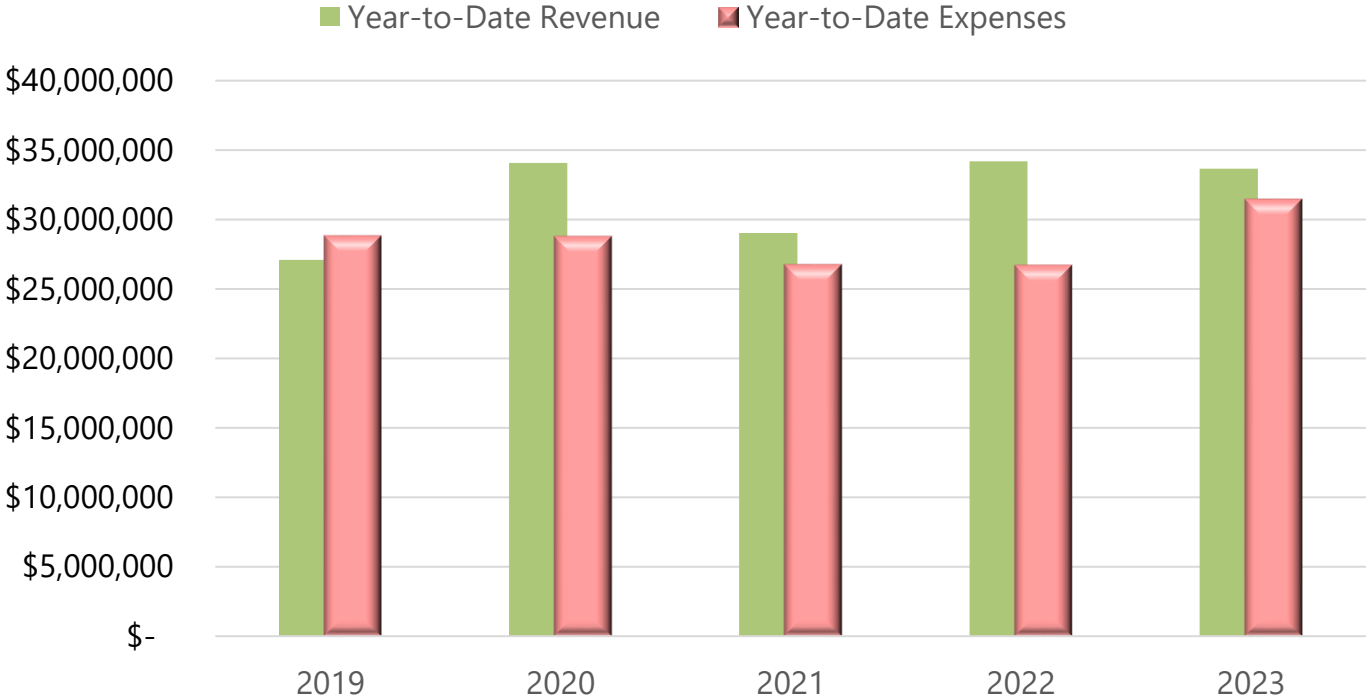
← How are they funded?

The General Fund is primarily funded from property tax and sales & use tax. All other General Government Service Funds are fully funded or subsidized by the General Fund.

2023 ACTUALS THROUGH MARCH 31, 2023

GENERAL GOVERNMENT SERVICES

General Governmental Services



	2019	2020	2021	2022	2023
General Government Services Year-to-Date Revenue	\$ 27,082,691	\$ 34,057,256	\$ 29,025,563	\$ 34,178,653	\$ 33,648,313
Year-to-Date Expenses	\$ 28,829,559	\$ 28,780,921	\$ 26,757,558	\$ 26,716,640	\$ 31,465,266
Surplus / (Deficit)	\$ (1,746,868)	\$ 5,276,336	\$ 2,268,005	\$ 7,462,013	\$ 2,183,047

Special Revenue Funds

2023 ACTUALS THROUGH MARCH 31, 2023

SPECIAL REVENUE FUNDS

Funds

Perpetual Care Fund (Cemetery)
Parks Improvement Fund
Conservation Trust Fund (State Lottery \$)
Open Space (County) Tax Fund
Community Development Block Grant Fund
Art in Public Places Fund
Lodging Tax Fund
PEG Fee Fund
Capital Expansion Fee Funds
Fiber Network Fund (not PULSE)

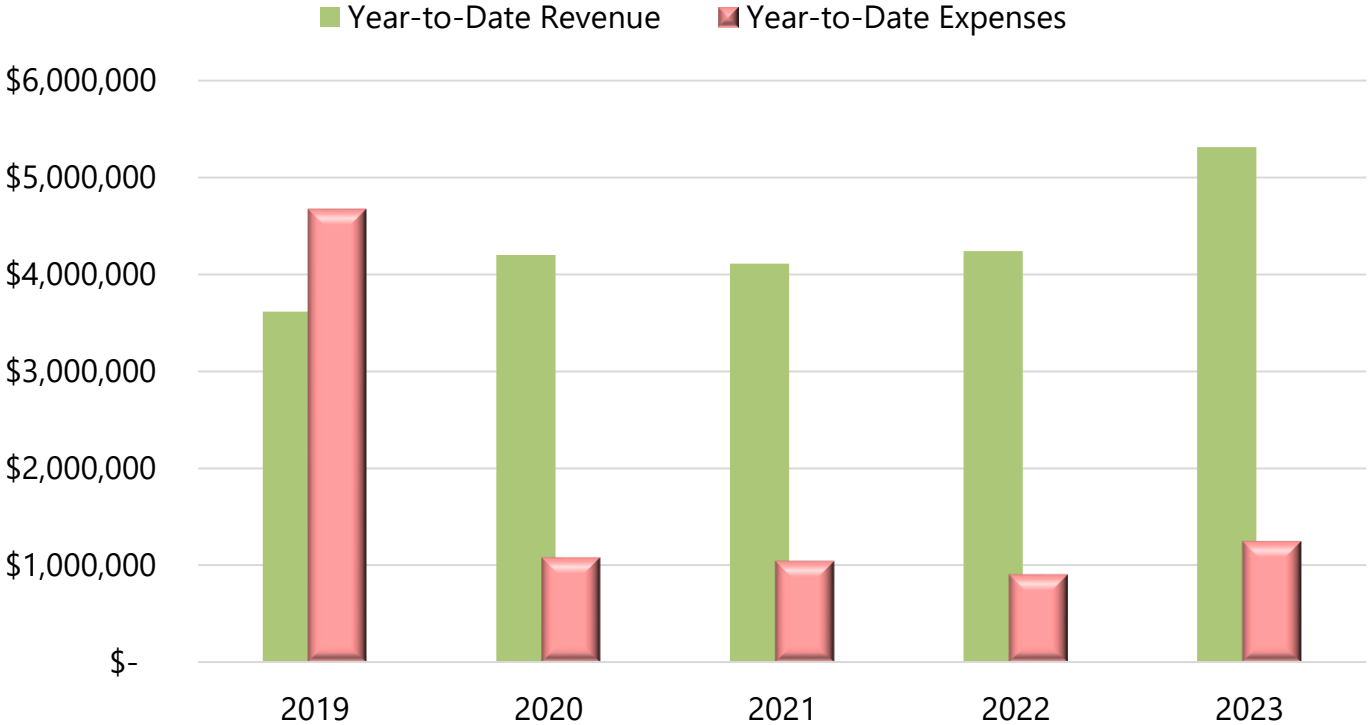
← How are they funded?

Dedicated funding sources for specific purposes established in the fund's origination.

2023 ACTUALS THROUGH MARCH 31, 2023

SPECIAL REVENUE FUNDS

Special Revenue Funds



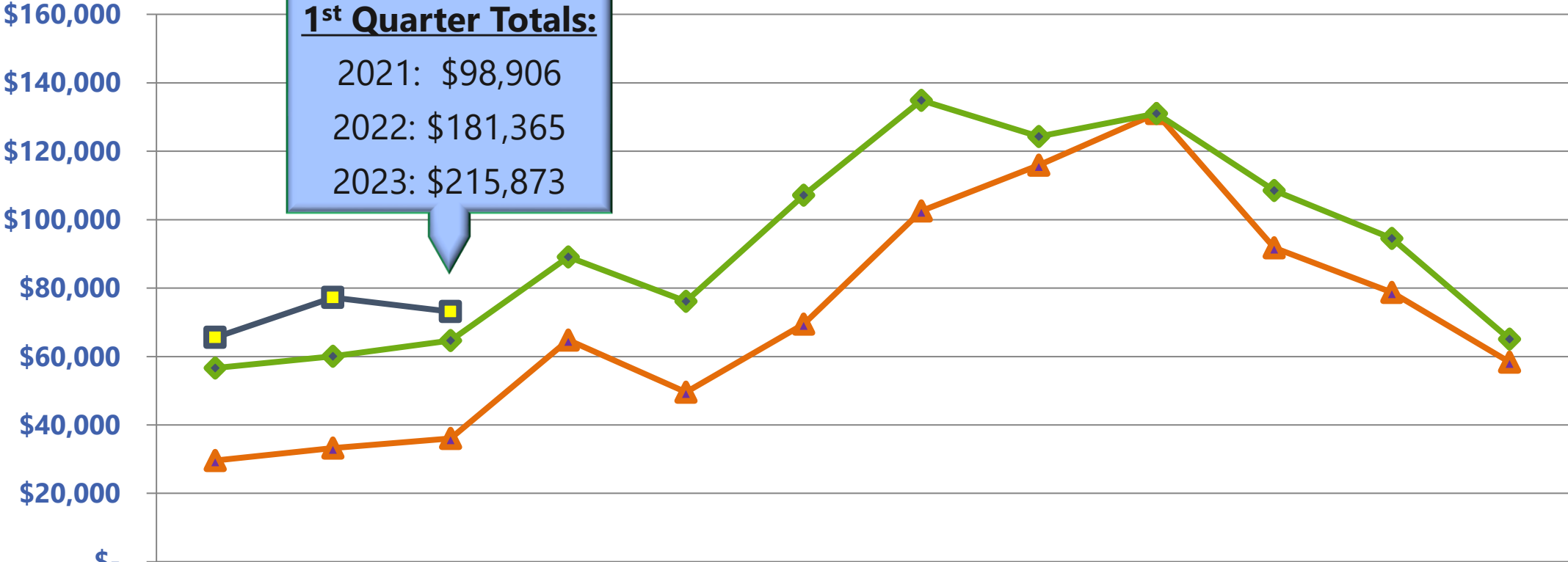
		2019	2020	2021	2022	2023
Special Revenue Funds	Year-to-Date Revenue	\$ 3,617,711	\$ 4,201,501	\$ 4,110,202	\$ 4,239,885	\$ 5,315,273
	Year-to-Date Expenses	\$ 4,676,470	\$ 1,083,483	\$ 1,046,529	\$ 907,971	\$ 1,254,117
	Surplus/(Deficit)	\$ (1,058,759)	\$ 3,118,018	\$ 3,063,673	\$ 3,331,914	\$ 4,061,156

2023 ACTUALS THROUGH MARCH 31, 2023

SPECIAL REVENUE FUNDS

Lodging Tax

1st Quarter Totals:
 2021: \$98,906
 2022: \$181,365
 2023: \$215,873



	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
2021	29,635	33,244	36,027	64,824	49,558	69,479	102,507	115,955	131,026	91,759	78,728	58,326
2022	56,673	60,052	64,640	89,116	76,094	107,149	134,857	124,285	130,994	108,484	94,482	65,094
2023	65,541	77,191	73,140									

Enterprise Funds

2023 ACTUALS THROUGH MARCH 31, 2023

ENTERPRISE FUNDS

Funds

Water Utility Funds (including Raw Water)

Wastewater Utility Funds

Power Utility Funds

Utility Bond Debt Service Funds

Solid Waste & Recycling Fund

Stormwater Enterprise Fund

Golf Enterprise Fund

PULSE (Municipal Fiber Utility) Funds

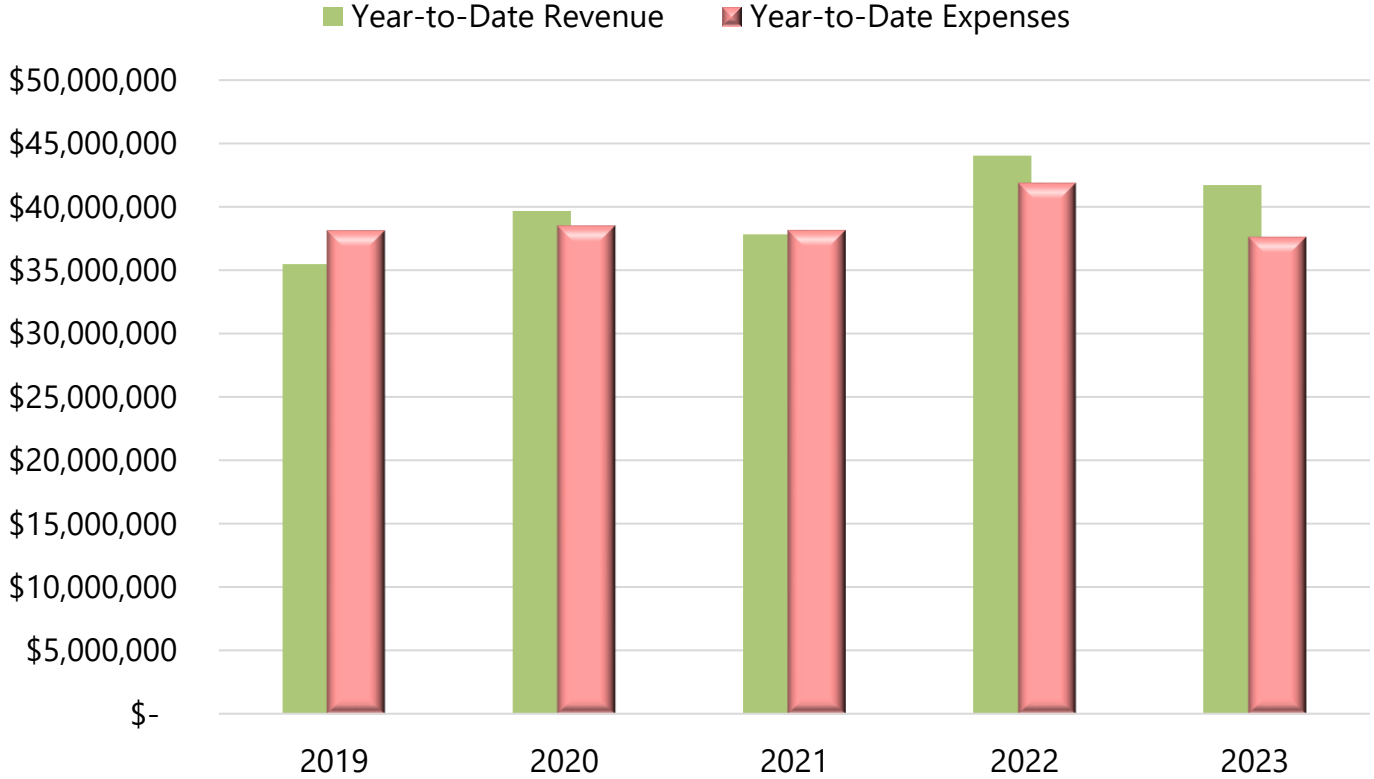
← How are they funded?

Fees for service. Rates are set annually.

2023 ACTUALS THROUGH MARCH 31, 2023

ENTERPRISE FUNDS

Enterprise Funds



	2019	2020	2021	2022	2023
Enterprise Funds					
Year-to-Date Revenue	\$ 35,492,701	\$ 39,670,741	\$ 37,826,239	\$ 44,049,069	\$ 41,722,336
Year-to-Date Expenses	\$ 38,143,059	\$ 38,530,959	\$ 38,177,224	\$ 41,882,471	\$ 37,634,183
Surplus/(Deficit)	\$ (2,650,358)	\$ 1,139,782	\$ (350,985)	\$ 2,166,598	\$ 4,088,153

Internal Service Funds

2023 ACTUALS THROUGH MARCH 31, 2023

INTERNAL SERVICE FUNDS

Funds

Fleet Replacement Fund
Fleet Maintenance Fund
City Risk & Insurance Fund
Employee Benefits Fund

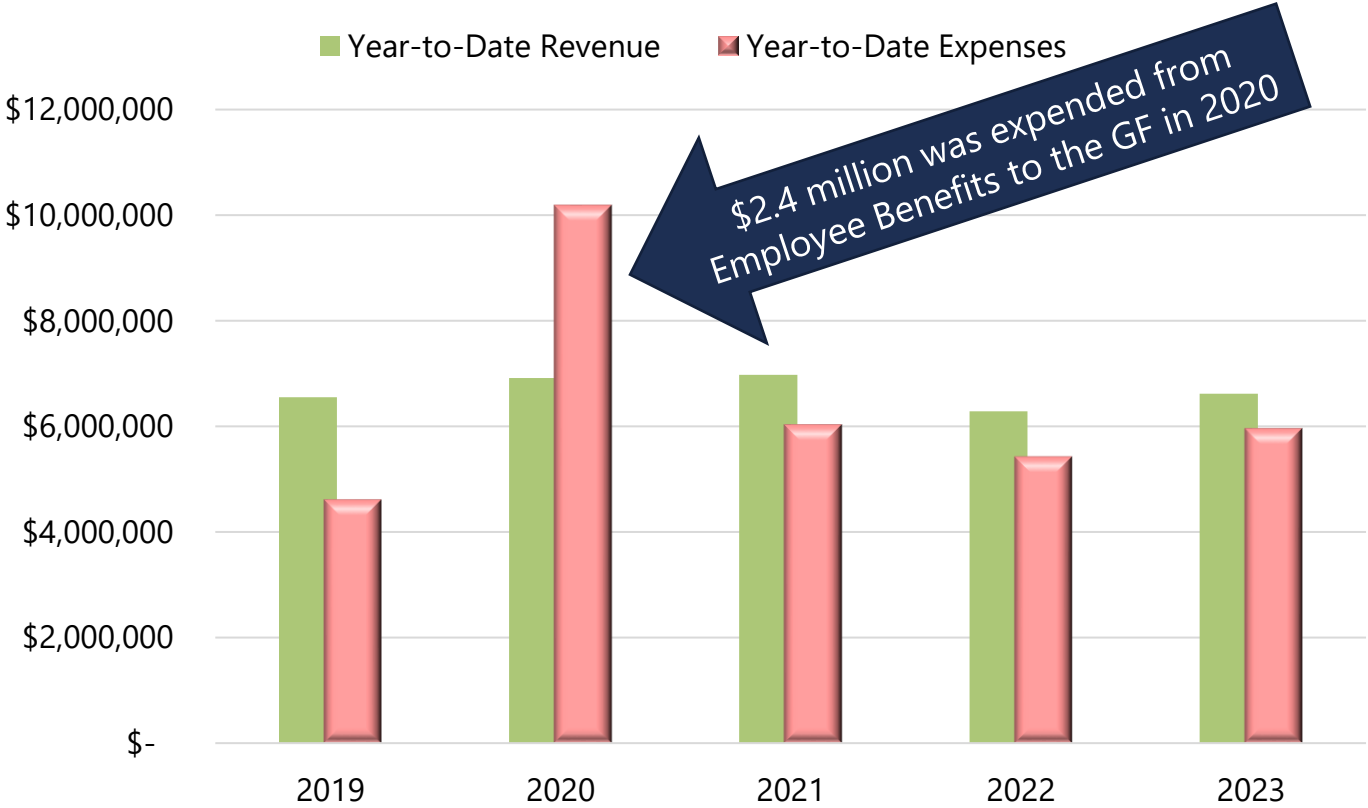
← How are they funded?

Internal charges to other City funds for services rendered. Rates are set annually.

2023 ACTUALS THROUGH MARCH 31, 2023

INTERNAL SERVICE FUNDS

Internal Service Funds



		2019	2020	2021	2022	2023
Internal Service Funds	Year-to-Date Revenue	\$ 6,548,602	\$ 6,913,158	\$ 6,973,014	\$ 6,285,577	\$ 6,619,519
	Year-to-Date Expenses	\$ 4,611,448	\$ 10,183,947	\$ 6,028,287	\$ 5,424,070	\$ 5,957,245
	Surplus/(Deficit)	\$ 1,937,154	\$ (3,270,789)	\$ 944,727	\$ 861,507	\$ 662,273

Other Entity Funds

2023 ACTUALS THROUGH MARCH 31, 2023

OTHER ENTITY FUNDS

Funds

- Northern Colorado Region Airport Fund
- Loveland/Larimer Building Authority Fund
- General Improvement District No. 1 Fund
- Loveland Urban Renewal Authority Fund
- Loveland Fire Rescue Authority Funds
- Northern Colorado Regional Law Enforcement Training Center Fund
- Loveland Downtown Development Authority Fund
- Special Improvement District No. 1

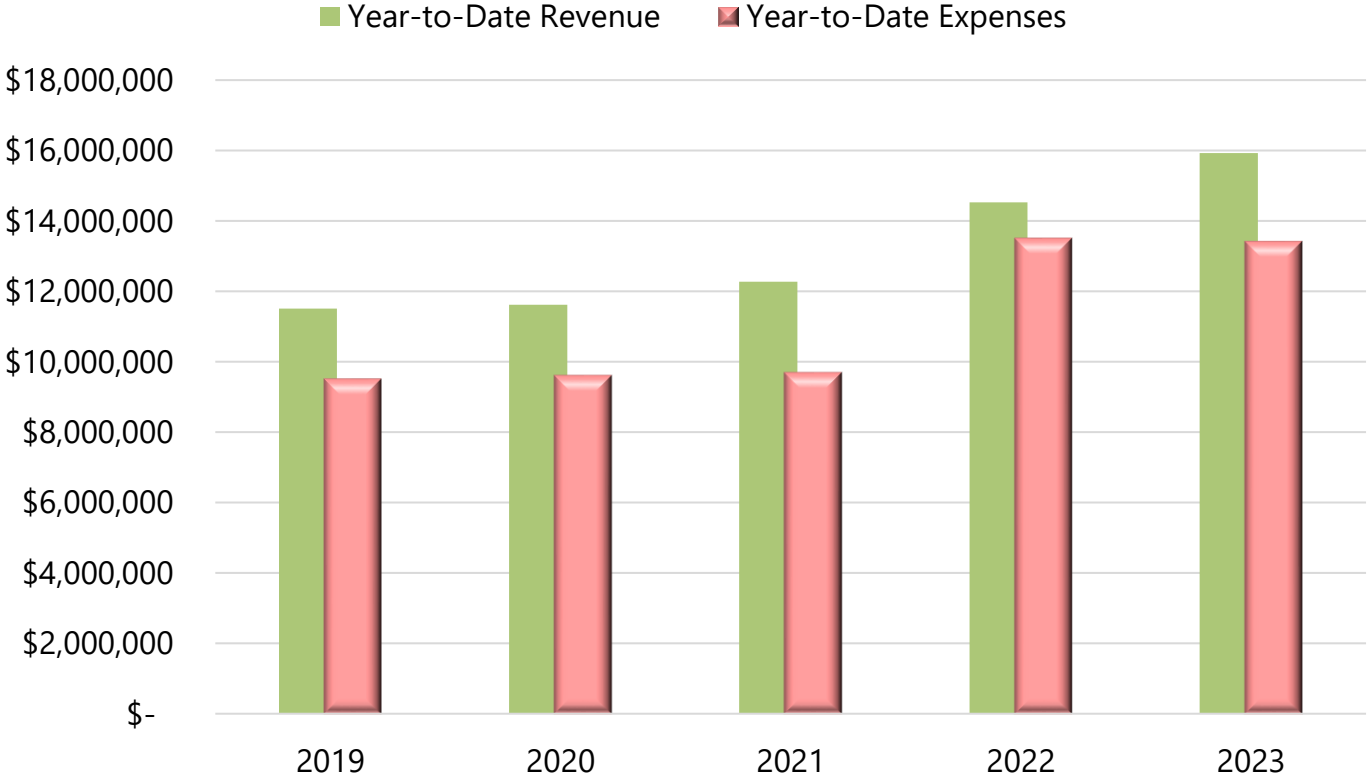
← How are they funded?

Outside revenue sources – the City acts as the custodian of the funds but independent boards appropriate the funding.

2023 ACTUALS THROUGH MARCH 31, 2023

OTHER ENTITY FUNDS

Other Entity Funds

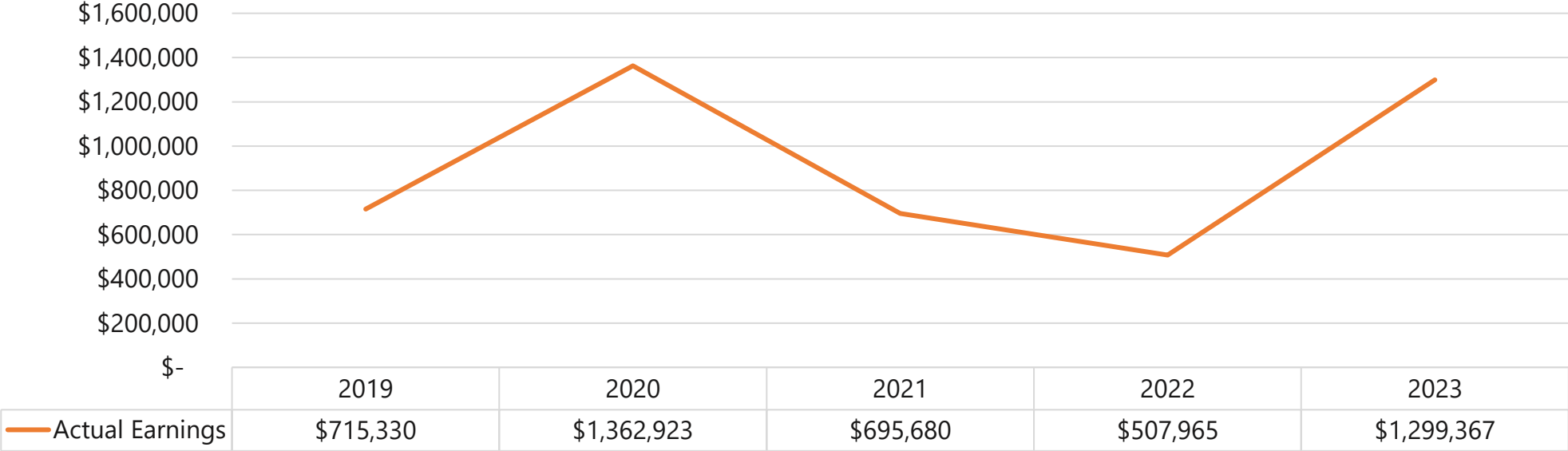


	2019	2020	2021	2022	2023
Other Entities Year-to-Date Revenue	\$ 11,515,866	\$ 11,618,050	\$ 12,274,137	\$ 14,531,542	\$ 15,927,480
Year-to-Date Expenses	\$ 9,531,235	\$ 9,630,677	\$ 9,708,151	\$ 13,521,603	\$ 13,427,143
Surplus/(Deficit)	\$ 1,984,631	\$ 1,987,373	\$ 2,565,985	\$ 1,009,938	\$ 2,500,337

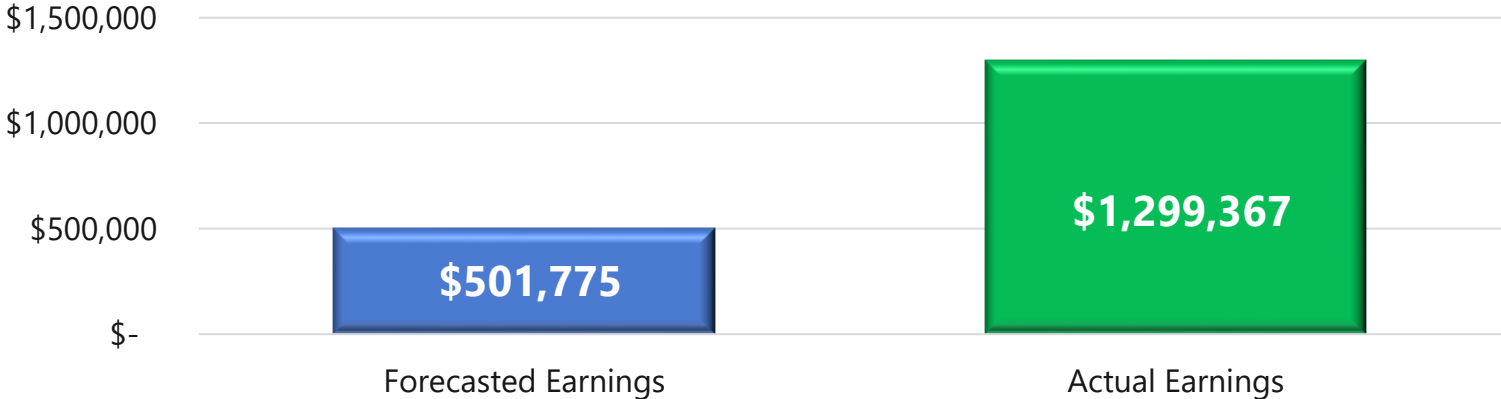
Investment Overview

CITYWIDE INVESTMENTS OVERVIEW

Quarter 1 Actual Investment Interest Earnings

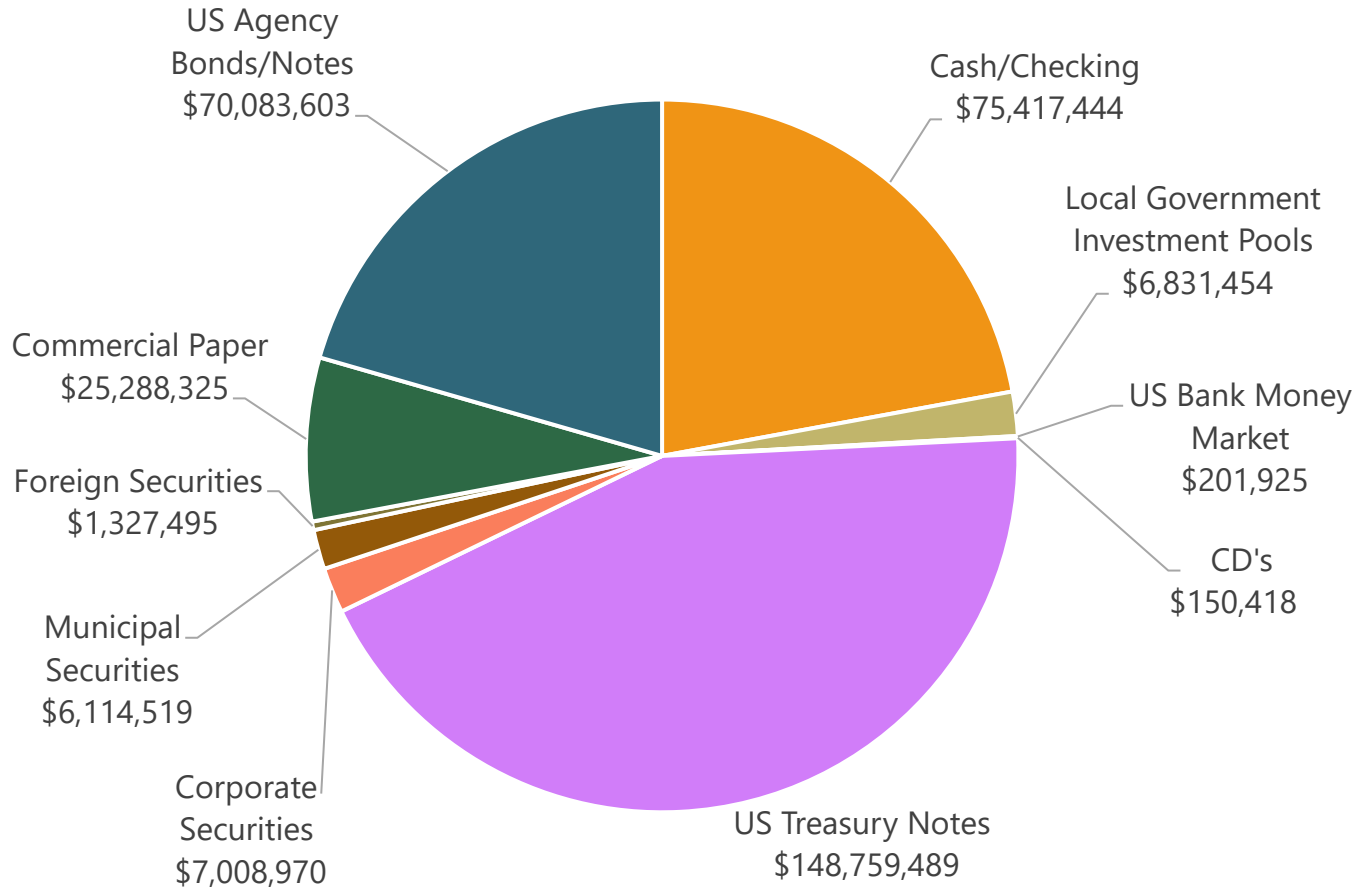


2023 Quarter 1 Interest Earnings Performance Compared to Budget



INVESTMENTS OVERVIEW

Portfolio Value as of March 31, 2023
\$341,183,641

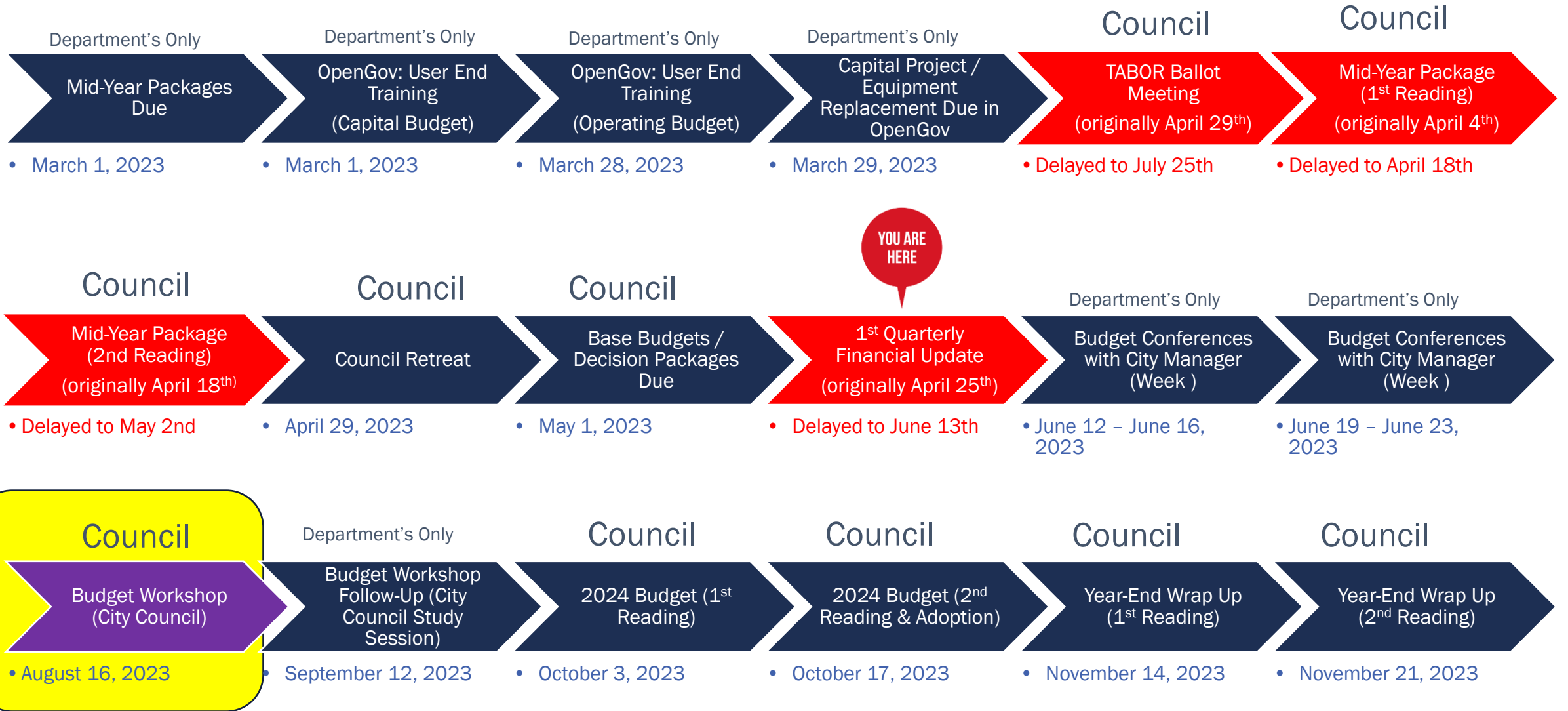


Average Months to Maturity	23 months
Average Yield of Portfolio	1.02%

TRANSACTIONS	
PURCHASES	
<u>Toronto Dominion Bank CP</u>	
Purchase Date	10/23/2023
Face Value	\$2,800,000
Purchase Amount	\$2,717,890
Rate	5.54%
MATURITIES	
<u>New York St Urban</u>	
Maturity Date	03/15/2023
Face Value	\$1,000,000
Purchase Amount	\$1,034,960
Rate	2.67%
<u>Toyota Motor MTN</u>	
Maturity Date	03/30/2023
Face Value	\$1,150,000
Purchase Amount	\$1,149,874
Rate	2.90%

Budget Timeline

BUDGET TIMELINE



Questions / Feedback?