

**MAY
2024**



City of Loveland

MONTHLY REVENUE REVIEW

BRIAN WALDES

CFO, FINANCE

JULY 2, 2024

AGENDA

The **Monthly Revenue Review** is used to convey the City's revenue status as it compares to forecasted numbers and to identify economic trends / events and its affect on revenues.

Strategic Plan

Focus Area: Fiscal Stability & Strength

Strategy Area: Optimize Financial Structure & Systems

Priority Area: Transparent & Accessible Financial Information

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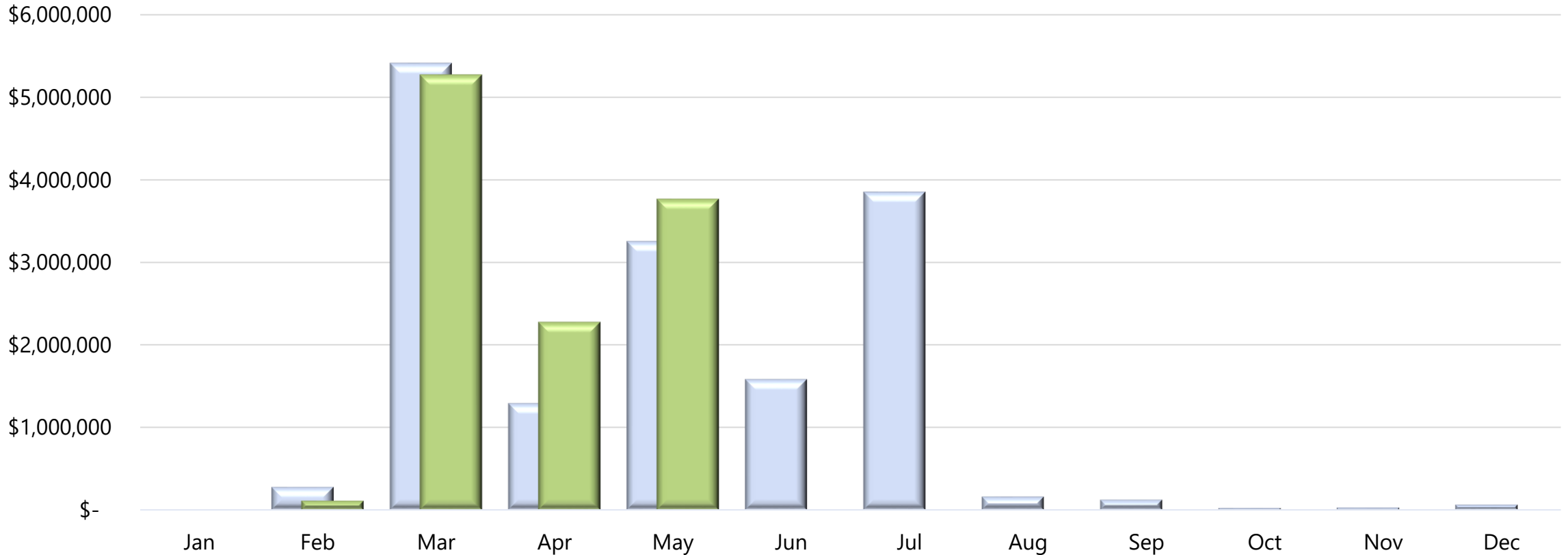
QUESTIONS

PROPERTY TAX

In this section, we'll share information specifically related 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	2024 Total	Subtotal YTD 2024
Budget	2	280,896	5,417,007	1,298,921	3,260,934	1,590,758	3,859,484	166,034	128,245	25,786	33,308	66,504	\$ 16,127,878	\$ 10,257,760
Actuals	1,428	114,398	5,272,782	2,282,929	3,771,257	-	-	-	-	-	-	-	\$ 11,442,794	\$ 11,442,794
Surplus / (Deficit)	\$ 1,426	\$ (166,498)	\$ (144,226)	\$ 984,008	\$ 510,324	-	-	-	-	-	-	-	\$ (4,685,084)	\$ 1,185,035

Actual Property Tax Collected through May is 11.6% or \$1,185,035 more than Budget.

Actual Property Tax Collected through May is 41% or \$3,328,028 more 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

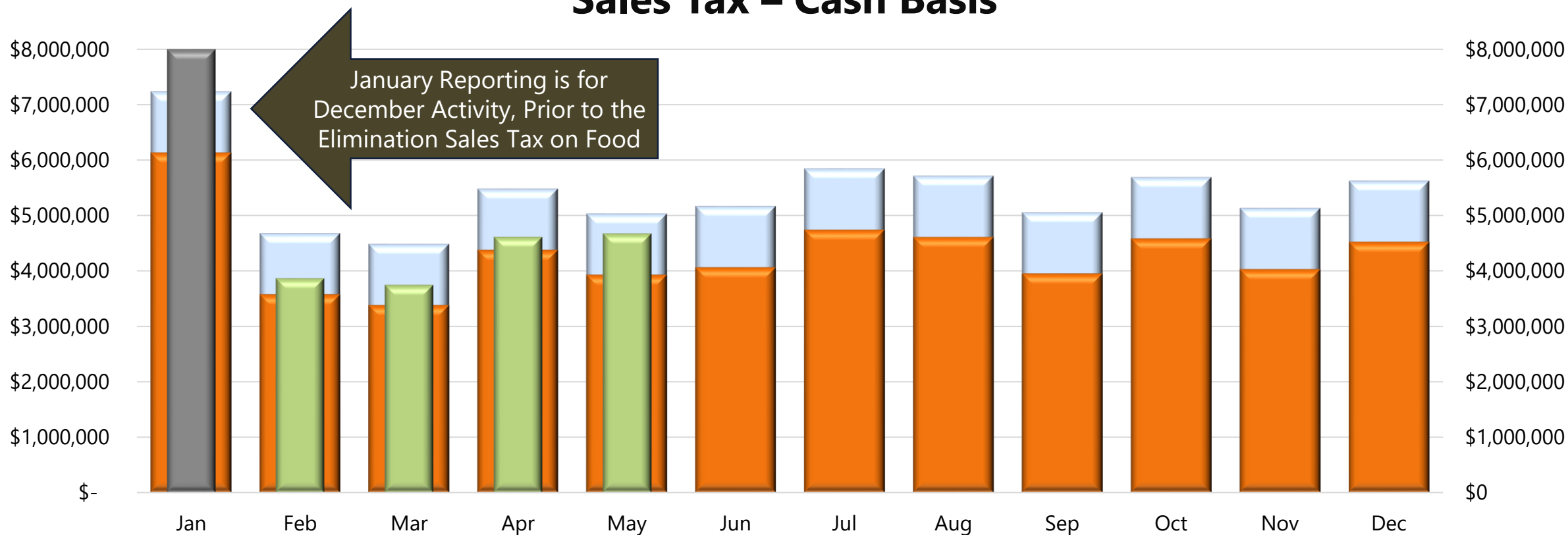
SALES TAX: CASH VS. ACCRUAL BASIS



- To better reflect how recent changes to the City's sales tax base are affecting its finances, the Quarterly Financial Report now presents Sales Tax information in both cash and accrual formats.
- What does that mean?
 - Under cash basis accounting, sales taxes are recorded when the City receives them from the retailer – typically in the month following the purchase.
 - Under accrual basis accounting, all sales tax revenues are accounted for in the month the purchase is made. This is a requirement of GAAP¹ and is the basis for our official annual report.

We have always reported on a modified accrual basis for the purpose of our annual report (ACFR). Accrual basis accounting shows the **most accurate picture** of the impacts of revenue changes in 2024.

Sales Tax – Cash Basis



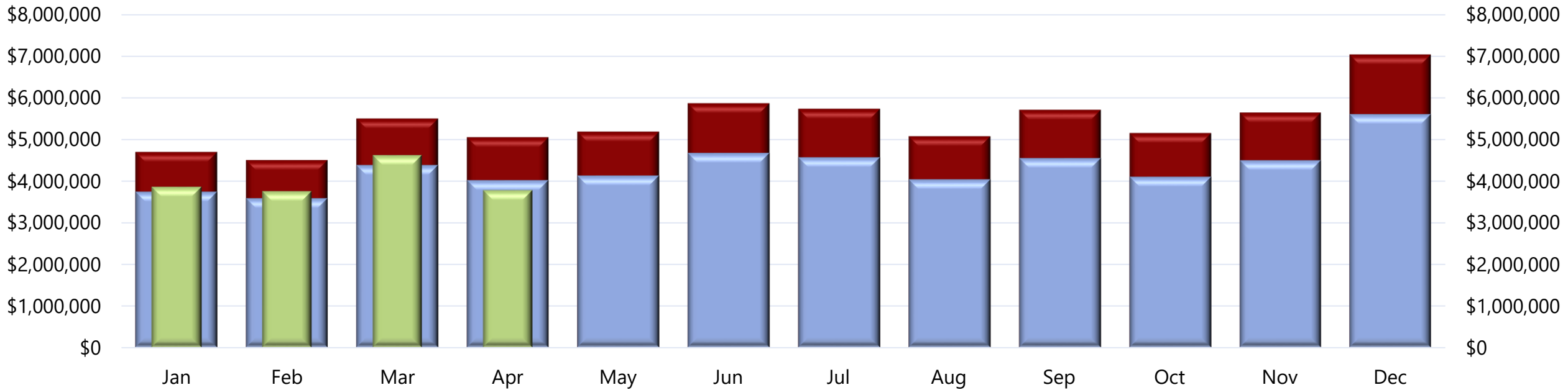
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	Subtotal YTD 2024
Adopted Budget	7,234,722	4,676,562	4,482,108	5,477,896	5,027,826	5,163,834	5,843,356	5,711,726	5,051,430	5,685,341	5,129,308	5,621,223	\$ 65,105,331	\$ 26,899,113
Revised Forecast	6,134,722	3,576,562	3,382,108	4,377,896	3,927,826	4,063,834	4,743,356	4,611,726	3,951,430	4,585,341	4,029,308	4,521,223	\$ 51,905,331	\$ 21,399,113
Actuals	7,991,757	3,865,256	3,746,561	4,614,689	4,672,882	-	-	-	-	-	-	-	\$ 24,891,147	\$ 24,891,147
+ / - Adopted	757,036	(811,306)	(735,547)	(863,206)	(354,943)	-	-	-	-	-	-	-	\$ (40,214,184)	\$ (2,007,967)
+ / - Revised	1,857,036	288,694	364,453	236,794	745,057	-	-	-	-	-	-	-	\$ (27,014,184)	\$ 3,492,033

Actual Sales Tax Collected through May is -7.5% or (\$2,007,967) less than the Adopted Budget.

Actual Sales Tax Collected through May is 16.3% or \$3,492,033 more than the Revised Forecast.

Actual Sales Tax Collected through May is -3.1% or (\$795,117) less than last year.

Sales Tax - Accrual Basis



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	Subtotal through 4/2024
Adopted Budget	\$ 4,692,925	\$ 4,497,790	\$ 5,497,062	\$ 5,045,417	\$ 5,181,901	\$ 5,863,801	\$ 5,731,710	\$ 5,069,103	\$ 5,705,233	\$ 5,147,254	\$ 5,640,891	\$ 7,032,246	\$ 65,105,331	\$ 19,733,193
Revised Forecast	3,741,442	3,585,870	4,382,541	4,022,467	4,131,279	4,674,925	4,569,615	4,041,350	4,548,506	4,103,656	4,497,209	5,606,469	\$ 51,905,331	\$ 15,732,321
Actuals	3,865,256	3,746,561	4,614,689	3,771,257	-	-	-	-	-	-	-	-	\$ 15,997,765	\$ 15,997,765
+/- Adopted	\$ (827,669)	\$ (751,228)	\$ (882,372)	\$ (1,274,160)	-	-	-	-	-	-	-	-	\$ (49,107,566)	\$ (3,735,429)
+/- Revised	\$ 123,814	\$ 160,691	\$ 232,148	\$ (251,209)	-	-	-	-	-	-	-	-	\$ (35,907,566)	\$ 265,444

Actual Sales Tax Collected through April is -18.9% or (\$3,735,429) less than the Adopted Budget.

Actual Sales Tax Collected through April is 1.7% or \$265,444 more than the Revised Forecast.

Actual Sales Tax Collected through April is -14.8% or (\$2,779,983) less than last year.

May 2024 Sales Tax Collections by Industry Code

Industry Sector	Change from Previous Year						Change from Same Month Last Year	
	YTD 2023	YTD 2024	\$ Change	% Change	% of Total	Dollar Amount	Percent Change	
Beer, Wine & Liquor Stores	\$ 411,748	\$ 352,610	\$ (59,138) ↓	-14.4%	1.4%	\$ (13,175) ↓	-17.7%	
Broadcasting & Telecommunications	315,543	290,703	(24,840) ↓	-7.9%	1.2%	(1) →	0.0%	
Building Material & Lawn & Garden Supplies	2,105,587	2,226,042	120,455 ↑	5.7%	8.9%	24,468 ↑	4.6%	
Clothing & Clothing Accessories Stores	550,349	577,335	26,986 ↑	4.9%	2.3%	6,671 ↑	7.1%	
Consumer Goods & Commercial Equipment Rental	668,721	1,202,718	533,997 ↑	79.9%	4.8%	(3,242) ↓	-2.8%	
Department Stores & General Merchandise	4,367,081	2,992,381	(1,374,700) ↓	-31.5%	12.0%	(312,535) ↓	-39.3%	
Electronic Shopping & Mail-Order Houses	1,592,885	2,337,902	745,017 ↑	46.8%	9.4%	179,203 ↑	63.5%	
Electronics & Appliance Stores	494,624	436,189	(58,435) ↓	-11.8%	1.8%	(11,175) ↓	-14.2%	
Furniture & Home Furnishing Stores	244,635	227,633	(17,002) ↓	-6.9%	0.9%	14,413 ↑	34.0%	
Gasoline Stations with Convenience Stores	329,513	298,970	(30,543) ↓	-9.3%	1.2%	(11,338) ↓	-15.5%	
Grocery Stores & Specialty Foods	2,782,439	1,342,800	(1,439,639) ↓	-51.7%	5.4%	(375,749) ↓	-77.9%	
Health & Personal Care Stores	383,681	357,299	(26,382) ↓	-6.9%	1.4%	(4,368) ↓	-6.9%	
Hotels, Motels & Other Accommodations	506,479	549,263	42,784 ↑	8.4%	2.2%	(10,887) ↓	-8.8%	
Misc. Retail Including Used Merchandise Stores	1,159,352	1,133,057	(26,295) ↓	-2.3%	4.6%	(11,544) ↓	-5.8%	
Motor Vehicle Dealers, Auto Parts & Leasing	2,176,752	2,180,237	3,485 ↑	0.2%	8.8%	(12,356) ↓	-2.7%	
Office Supplies, Stationery & Gift Stores	85,048	82,088	(2,960) ↓	-3.5%	0.3%	1,417 ↑	10.0%	
Restaurants & Bars	3,140,886	3,402,247	261,361 ↑	8.3%	13.7%	71,410 ↑	10.6%	
Sporting Goods, Hobby, Book & Music Stores	651,513	578,706	(72,807) ↓	-11.2%	2.3%	(24,093) ↓	-21.1%	
Utilities	1,633,403	1,364,588	(268,815) ↓	-16.5%	5.5%	(4,054) ↓	-1.7%	
All Other Categories	2,086,025	2,958,379	872,354 ↑	41.8%	11.9%	368,690 ↑	122.7%	
Total	\$ 25,686,264	\$ 24,891,147	\$ (795,117) ↓	-3.1%	100.0%	\$ (128,245) ↓	-2.7%	

Activity Measures

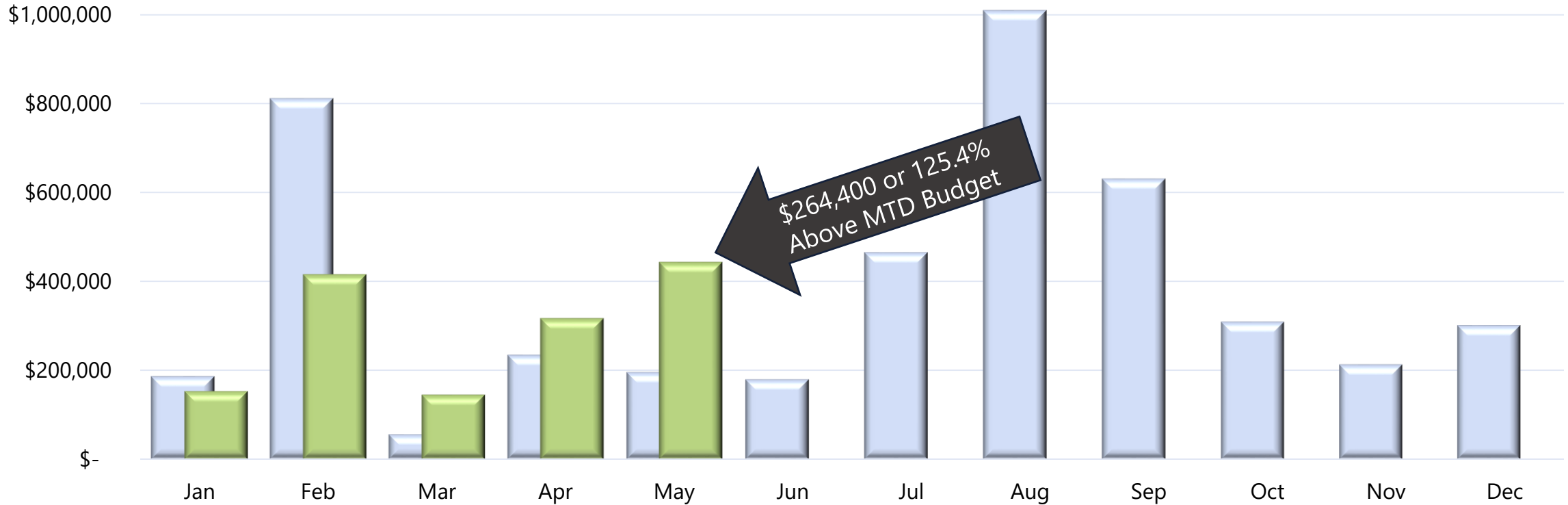
Measures	May '22	May '23	May '24	2022 YTD	2023 YTD	2024 YTD
Governmental Measures						
# of Building Permits	366	309	407	1,656	1,358	1,648
\$ Building Permit Valuations	\$ 487,037,241	\$ 28,767,427	36,117,334	672,326,182	145,559,891	223,895,553
# of Certified Occupancies	59	36	34	231	154	104
Net # of Sales Tax Licenses	13	(22)	11	92	(2)	88
\$ of Lodging Tax Collected	\$ 76,094	\$ 108,659	98,298	346,575	427,359	455,854
Sales & Use Tax System Receipts (SUTS)	\$ 96,833	\$ 262,505	503,329	386,394	1,060,725	2,177,878
Enterprise Measures						
New Residential Electric Meter Sets	103	50	42	506	241	127
# of Utility Bills Sent	42,864	43,825	45,180	212,346	217,705	223,335
KWH Demand (kH)	106,695	95,207	98,668	486,207	471,643	476,248
KWH Purchased (kwh)	56,627,079	55,380,410	53,874,025	289,283,048	288,082,118	286,546,399
Gallons of Water Sold	276,189,576	-	-	864,274,768	-	-
Rounds of Golf	17,740	18,307	19,560	35,730	37,571	44,987
Internal Measures						
\$ Average Health Claim Costs/Emp.	\$ 991	\$ 1,144	\$ 889	\$ 1,056	1,130	1,010
# of Workers' Comp Claims	17	\$ 13	\$ 9	\$ 57	63	38
\$ of Workers' Comp Claims	\$ 3,623	\$ 39,547	\$ 28,045	\$ 103,208	207,775	186,993
# of Total Open Claims	16	\$ 20	\$ 17	<i>Not Cumulative</i>		
\$ of Total Open Claims	\$ 302,445	\$ 228,835	\$ 251,884	<i>Not Cumulative</i>		

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



\$264,400 or 125.4% Above MTD Budget

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	Subtotal YTD 2024
Budget	187,215	812,027	56,277	235,497	196,498	180,355	465,803	1,009,448	631,650	309,898	213,607	301,725	\$ 4,600,000	\$ 1,487,514
Actuals	152,947	415,452	145,172	316,718	442,897	-	-	-	-	-	-	-	\$ 1,473,187	\$ 1,473,187
Surplus / (Deficit)	\$ (34,268)	\$ (396,575)	\$ 88,895	\$ 81,222	\$ 246,400	-	-	-	-	-	-	-	\$ (3,126,813)	\$ (14,327)

Actual Building Materials Use Tax Collected through May is -1% or (\$14,327) less than Budget.

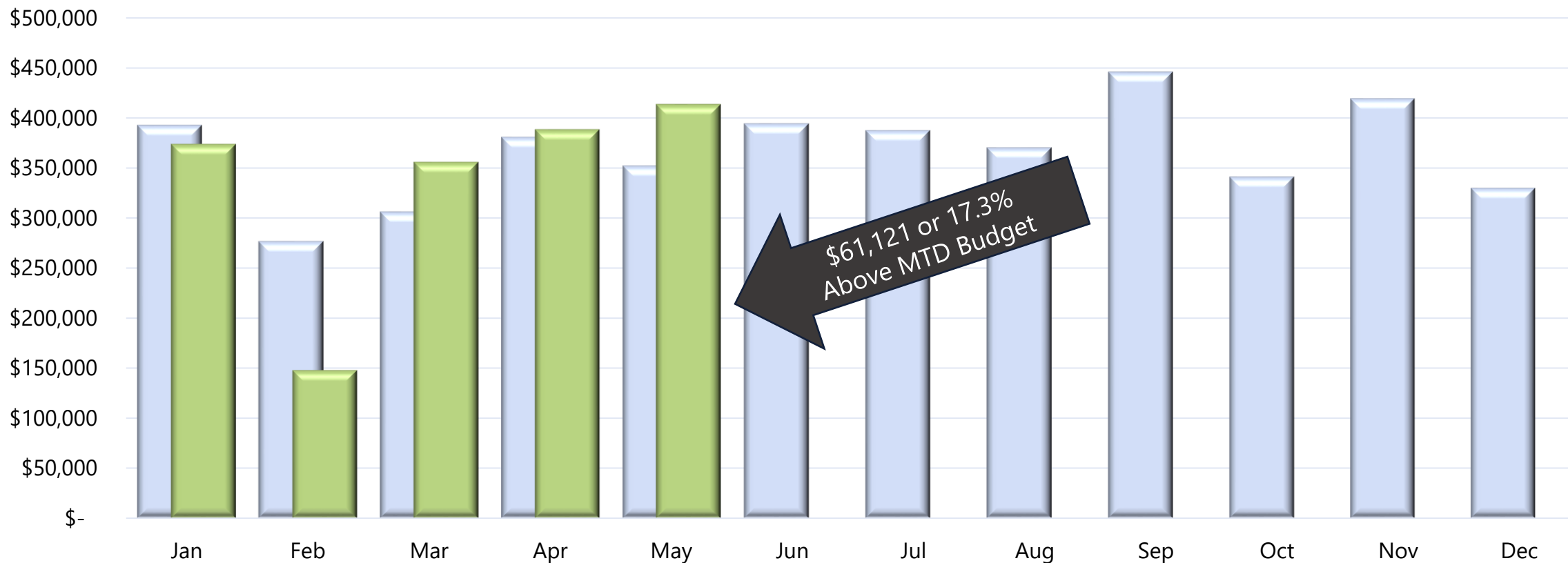
Actual Building Materials Use Tax Collected through May is -9.2% or (\$148,416) less than last year.

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 this regularity for various reasons (cost, supply shortages, demand etc.).

Auto Use Tax



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	Subtotal YTD 2024
Budget	393,092	276,855	306,480	381,095	352,461	394,449	387,791	370,572	446,219	341,446	419,547	329,992	\$ 4,400,000	\$ 1,709,983
Actuals	373,761	148,197	355,861	388,333	413,581	-	-	-	-	-	-	-	\$ 1,679,733	\$ 1,679,733
Surplus / (Deficit)	\$ (19,331)	\$ (128,658)	\$ 49,381	\$ 7,238	\$ 61,121	-	-	-	-	-	-	-	\$ (2,720,267)	\$ (30,249)

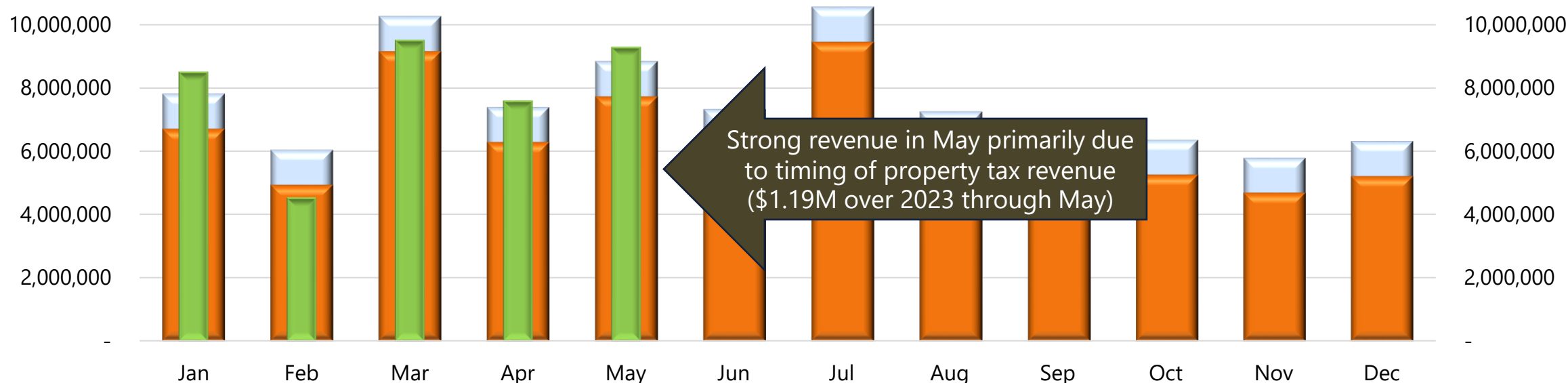
Actual Auto Use Tax Collected through May is **-1.8%** or **(\$30,249)** less than **Budget**.

Actual Auto Use Tax Collected through May is **-7.7%** or **(\$141,073)** less than last year.

TAX REVENUE COMBINED TOTALS

In this section, we'll review the combined totals of **Property Tax, Sales Tax, Building Materials Use Tax, and Auto Use Tax** collections.

General Fund Primary Tax Revenue - Cash Basis Combined Totals Through May 2024



Strong revenue in May primarily due to timing of property tax revenue (\$1.19M over 2023 through May)

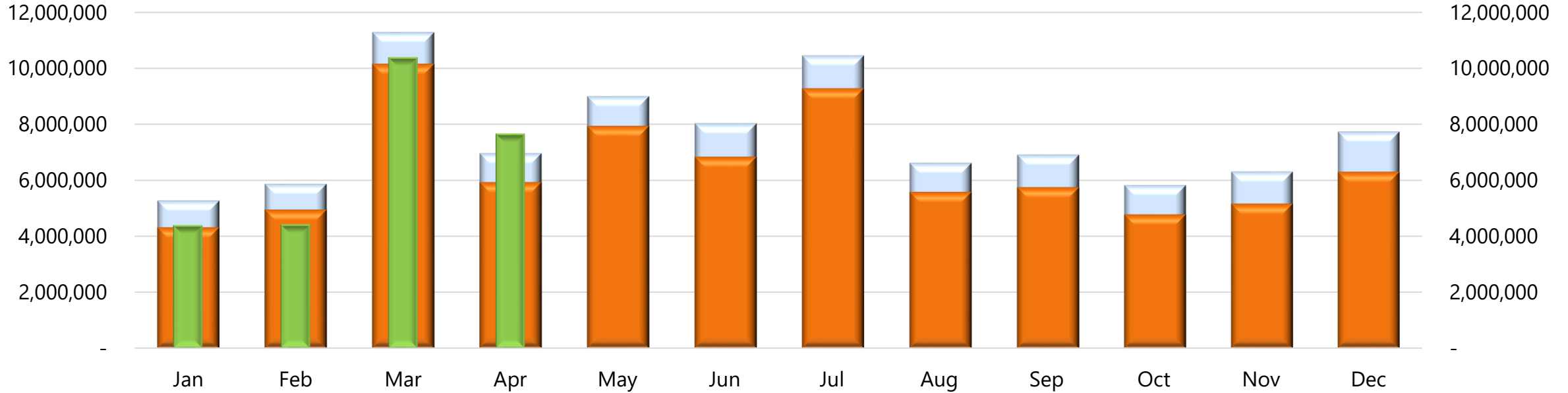
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	Subtotal YTD
Adopted Budget	7,815,031	6,046,340	10,261,872	7,393,408	8,837,718	7,329,397	10,556,434	7,257,780	6,257,544	6,362,471	5,795,770	6,319,444	90,233,209	\$40,354,369
Revised Forecast	6,715,031	4,946,340	9,161,872	6,293,408	7,737,718	6,229,397	9,456,434	6,157,780	5,157,544	5,262,471	4,695,770	5,219,444	77,033,209	\$34,854,369
Actuals	8,519,893	4,543,303	9,520,376	7,602,670	9,300,618	-	-	-	-	-	-	-	39,486,861	\$39,486,861
+ / - Adopted	\$ 704,863	\$ (1,503,037)	\$ (741,497)	\$ 209,262	\$ 462,900	-	-	-	-	-	-	-	\$(50,746,348)	\$ (867,509)
+ / - Revised	\$1,804,863	\$ (403,037)	\$ 358,503	\$1,309,262	\$ 1,562,900	-	-	-	-	-	-	-	\$(37,546,348)	\$ 4,632,491

Actual Combined Revenue Collected through May is -2.1% or (\$867,509) less than the Original Budget.

Actual Combined Revenue Collected through May is 13.3% or \$4,632,491 more than the Revised Forecast.

Actual Combined Revenue Collected through May is 6% or \$2,243,421 more than last year.

General Fund Primary Tax Revenue - Accrual Basis Combined Totals Through April 2024



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	SubTotal through 4/2024
Adopted Budget	5,273,234	5,867,568	11,276,826	6,960,930	8,991,793	8,029,363	10,444,788	6,615,157	6,911,348	5,824,383	6,307,353	7,730,467	90,233,209	\$ 29,378,557
Revised Forecast	4,321,751	4,955,648	10,162,306	5,937,980	7,941,171	6,840,487	9,282,693	5,587,405	5,754,621	4,780,786	5,163,672	6,304,691	77,033,209	\$ 25,377,685
Actuals	4,393,393	4,424,608	10,388,504	7,660,863	-	-	-	-	-	-	-	-	26,867,368	\$ 26,867,368
+ / - Adopted	\$(879,841)	\$(1,442,959)	\$(888,322)	\$ 699,933	-	-	-	-	-	-	-	-	(63,365,841)	\$ (2,511,189)
+ / - Revised	\$ 71,642	\$(531,040)	\$ 226,198	\$ 1,722,884	-	-	-	-	-	-	-	-	(50,165,841)	\$ 1,489,683

Actual Combined Revenue Collected through April is **-8.5%** or **\$(2,511,189)** less than the **Original Budget**.

Actual Combined Revenue Collected through April is **5.9%** or **\$1,489,683** more than the **Revised Forecast**.

Actual Combined Revenue Collected through April is **20.1%** or **\$4,502,764** more than last year. 18

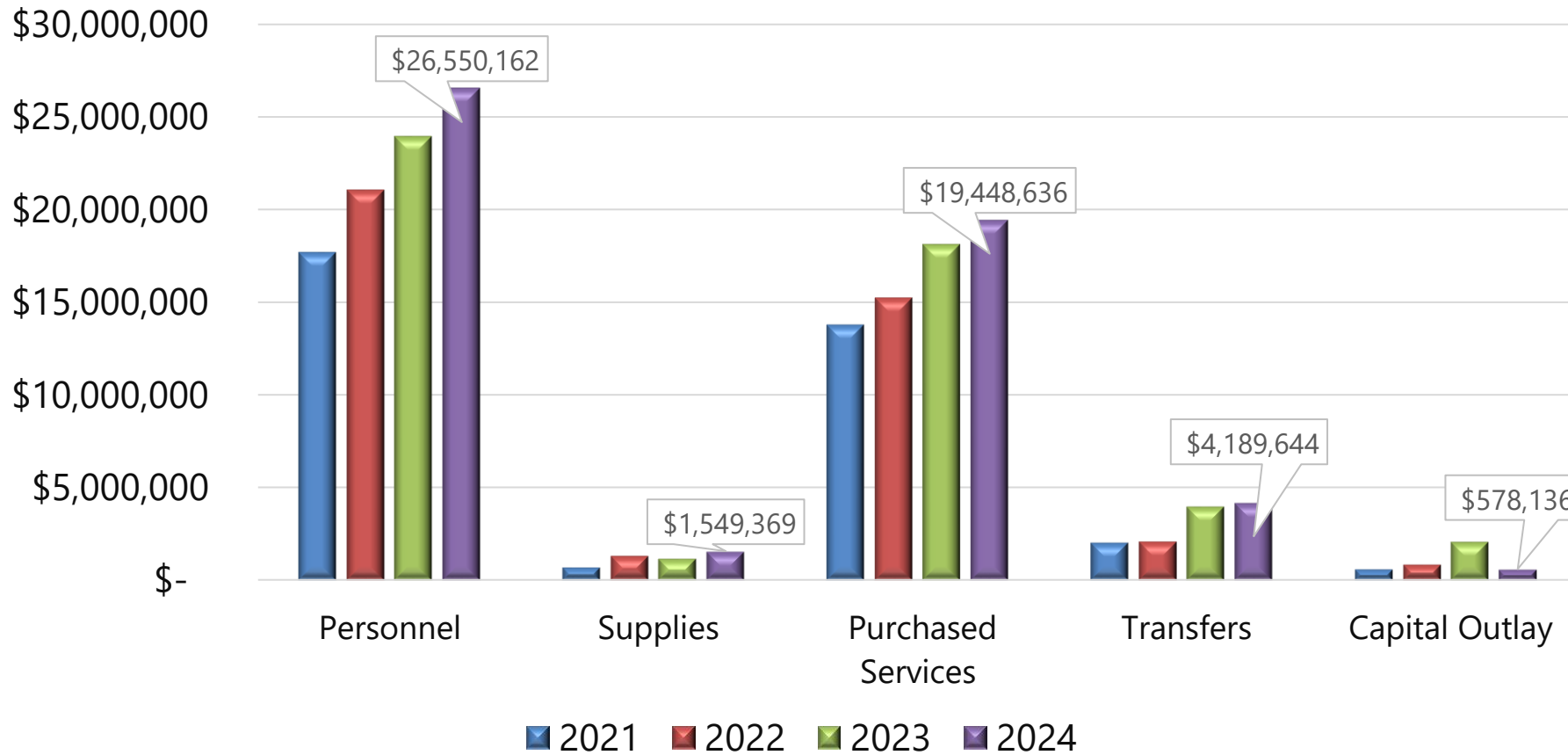


GENERAL FUND EXPENDITURES



The following slide compares
expenditures through the current month
over the past three (3) years

General Fund Expenditures Summary



**May 2024
Total General Fund
Actual Expenditures
= \$52.3 Million**

Purchased Services

The contribution to the Loveland Fire Rescue Authority (LFRA) increased \$1.6M or 52.0% over the prior year largely due to the recently approved Apparatus

General Fund Expenditures through May are 6.14% or \$3 million more than last year. Increases in actual expenditures are in line with forecasts and 2024 revised budget. Expenditures will be presented in more detail on the quarterly report.

UPCOMING BUDGET TOUCH-POINTS



The following slide depicts a brief outline
of upcoming Council meetings or items
relating to City finances only.

BUDGET TIMELINE



Questions