

**OCTOBER
2024**



MONTHLY REVENUE REVIEW

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CFO, FINANCE

NOVEMBER 19, 2024



AGENDA

The **Monthly Revenue Review** provides an overview of the City's revenue status compared to forecasted figures and highlights economic trends and events impacting revenues.

Strategic Plan

Focus Area: Fiscal Stability & Strength

Strategy Area: Optimize Financial Structure & Systems

Priority Area: Transparent & Accessible Financial Information

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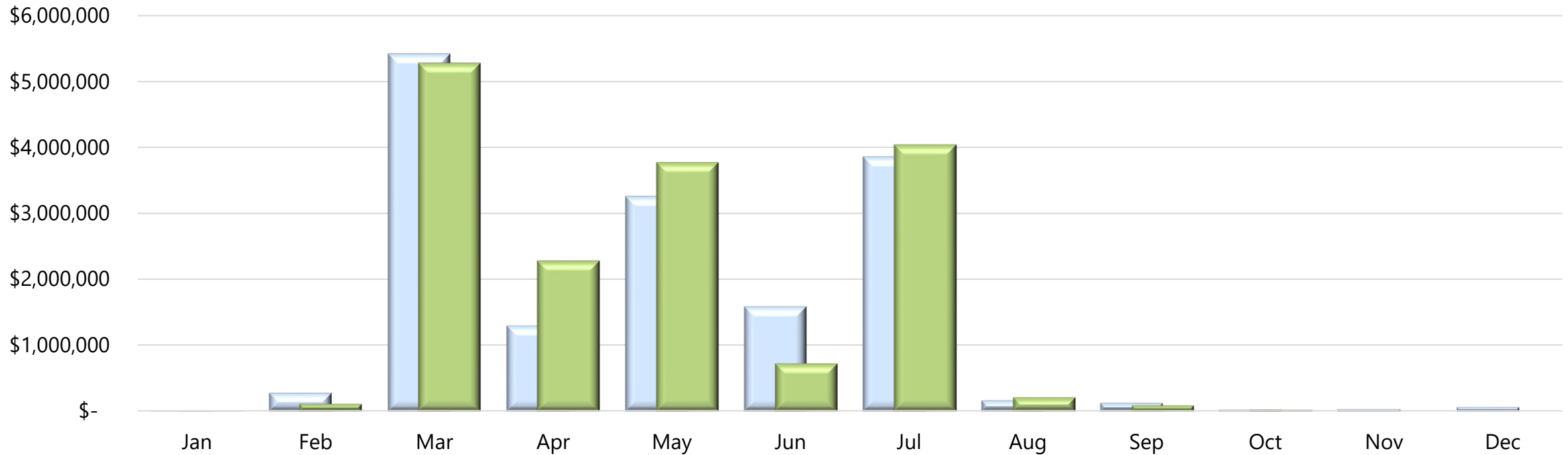
QUESTIONS

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 end of April
 - Installments are due end of 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	\$ 16,028,066
Actuals	1,428	114,398	5,272,782	2,282,929	3,771,257	725,947	4,040,881	214,037	91,649	24,104	-	-	\$ 16,539,412	\$ 16,539,412
Surplus / (Deficit)	\$ 1,426	\$ (166,498)	\$ (144,226)	\$ 984,008	\$ 510,324	\$ (864,811)	\$ 181,397	\$ 48,003	\$ (36,596)	\$ (1,682)			\$ 411,534	\$ 511,346

Actual Property Tax Collected through October is 3.2% or \$511,346 more than Budget.
Actual Property Tax Collected through August is 30.4% or \$3,859,839 more than last year.

***Note: A one-time backfill from the State because of SB23B-001 in the amount of \$883,548 was received in April and will not reoccur in future years.**

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

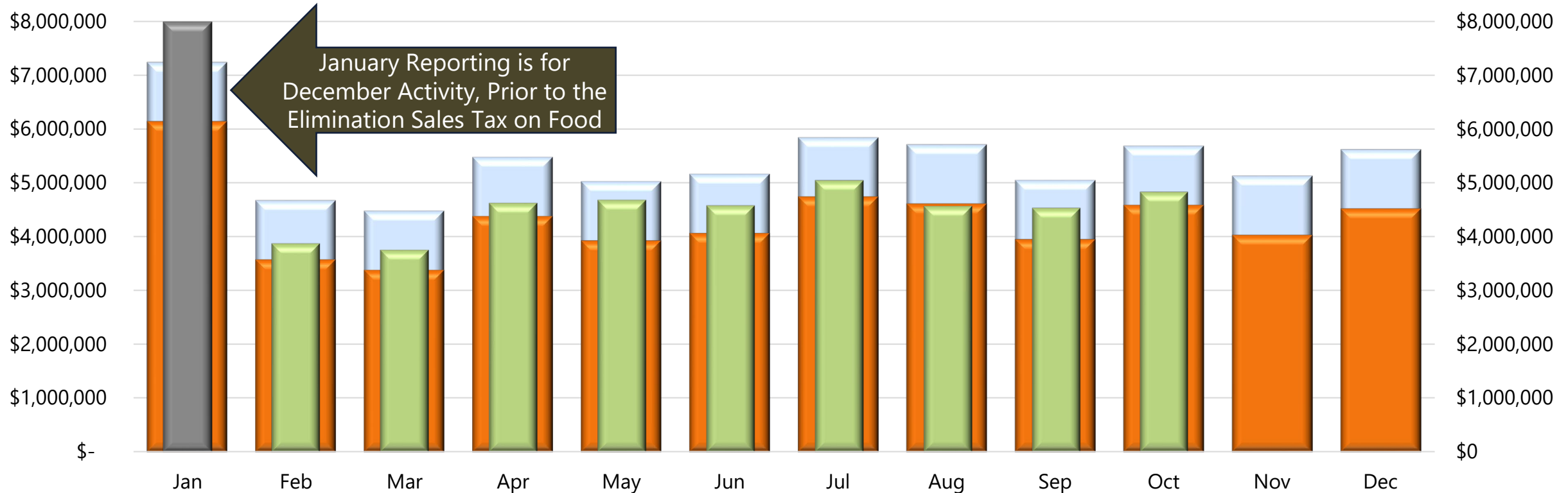
SALES TAX: CASH VS. ACCRUAL BASIS



- 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 (Traditionally Reported)



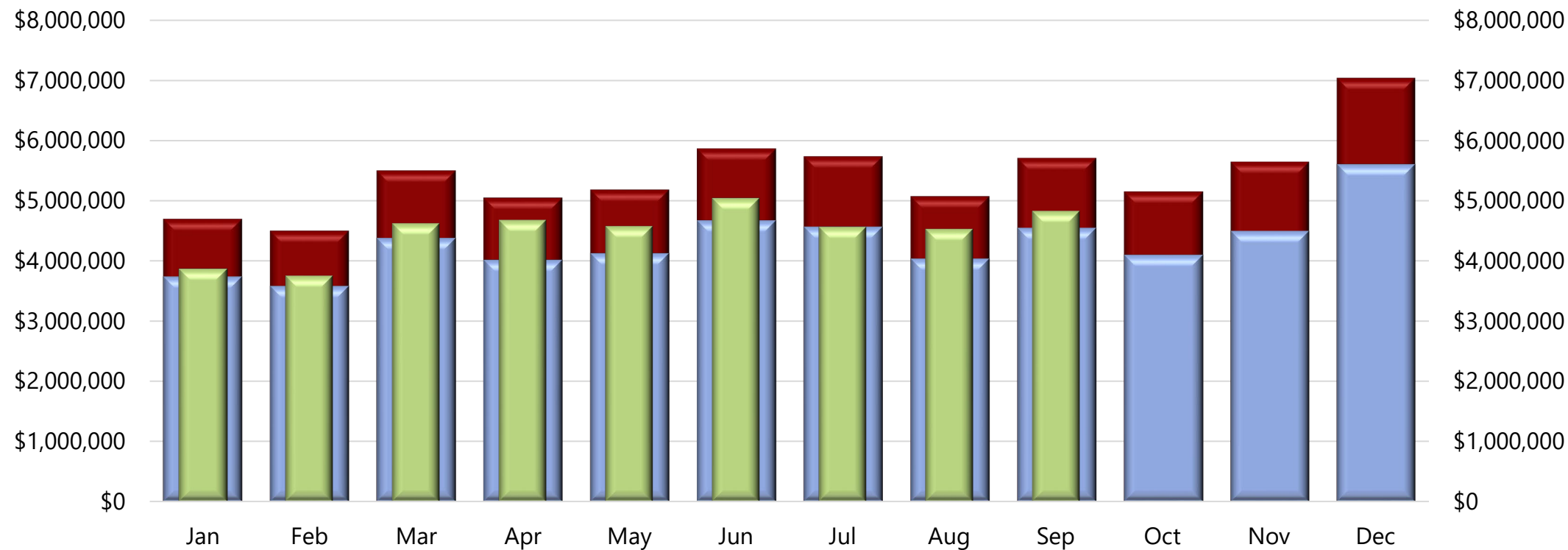
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	Subtotal YTD 2024
Adopted Budget	\$ 7,234,722	4,676,562	4,482,108	5,477,896	5,027,826	5,163,834	5,843,356	5,711,726	5,051,430	5,685,341	5,129,308	5,621,223	\$ 65,105,331	\$ 54,354,800
Revised Forecast	6,134,722	3,576,562	3,382,108	4,377,896	3,927,826	4,063,834	4,743,356	4,611,726	3,951,430	4,585,341	4,029,308	4,521,223	\$ 51,905,331	\$ 43,354,800
Actuals	7,991,757	3,865,256	3,746,561	4,614,689	4,672,882	4,569,774	5,033,911	4,557,930	4,524,049	4,820,748	-	-	\$ 48,397,558	\$ 48,397,558
+ / - Adopted	757,036	(811,306)	(735,547)	(863,206)	(354,943)	(594,060)	(809,445)	(1,153,795)	(527,381)	(864,593)			\$ (16,707,773)	\$ (5,957,242)
+ / - Revised	1,857,036	288,694	364,453	236,794	745,057	505,940	290,555	(53,795)	572,619	235,407			\$ (3,507,773)	\$ 5,042,758

Actual Sales Tax Collected through October is -11.0% or (\$5,957,242) less than the Adopted Budget.

Actual Sales Tax Collected through October is 11.6% or \$5,042,758 more than the Revised Forecast.

Actual Sales Tax Collected through October is -6.8% or (\$3,506,447) less than last year.

Sales Tax - Accrual Basis



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	Subtotal YTD 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	\$ 47,284,941
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	\$ 37,697,996
Actuals	3,865,256	3,746,561	4,614,689	4,672,882	4,569,774	5,033,911	4,557,930	4,524,049	4,820,748	-	-	-	\$ 40,405,801	\$ 40,405,801
+/- Adopted	\$ (827,669)	\$ (751,228)	\$ (882,372)	\$ (372,535)	\$ (612,127)	\$ (829,890)	\$ (1,173,780)	\$ (545,054)	\$ (884,485)				\$ (24,699,530)	\$ (6,879,140)
+/- Revised	\$ 123,814	\$ 160,691	\$ 232,148	\$ 650,416	\$ 438,495	\$ 358,986	\$ (11,685)	\$ 482,698	\$ 272,241				\$ (11,499,530)	\$ 2,707,805

Actual Sales Tax Collected through September is -14.5% or (\$6,879,140) less than the Adopted Budget.

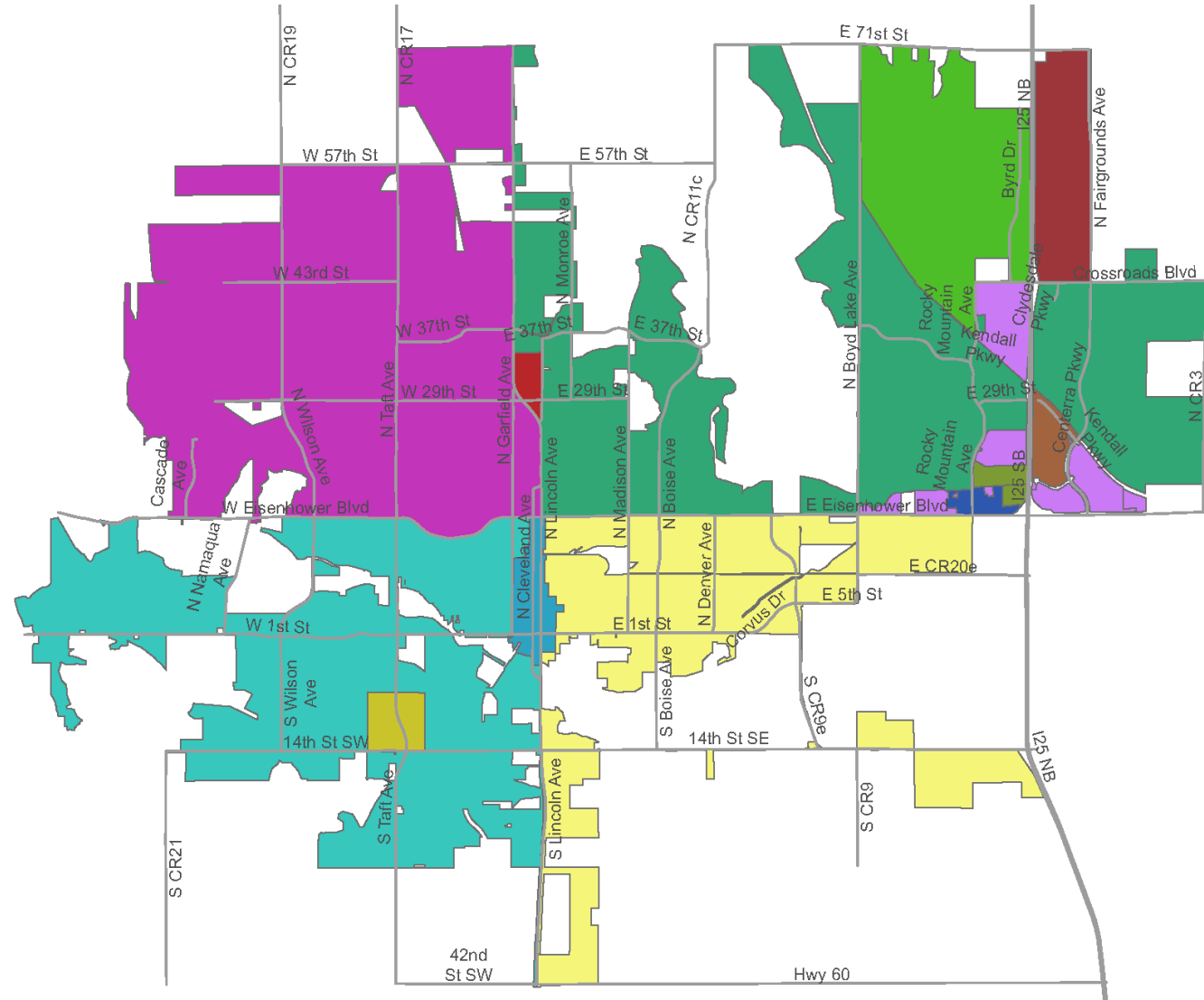
Actual Sales Tax Collected through September is 7.2% or \$2,707,805 more than the Revised Forecast.

Actual Sales Tax Collected through September is -10.2% or (\$4,589,689) less than last year.

Sales Tax Collections by Geographical Area Cash Basis

Geographical Area		YTD 2023	YTD 2024	% Change
South East Loveland		\$ 12,186,682	\$ 10,379,081	-14.8%
North West Loveland		5,640,495	3,999,418	-29.1%
North East Loveland		4,934,945	4,157,995	-15.7%
Centerra		3,583,083	3,828,412	6.8%
Orchards Shopping Center		2,782,620	1,787,794	-35.8%
Thompson Valley Town Center		2,161,216	1,034,888	-52.1%
South West Loveland		2,183,626	2,067,708	-5.3%
Promenade Shops		1,700,072	1,758,208	3.4%
Downtown		1,626,300	1,576,230	-3.1%
Airport		966,534	843,605	-12.7%
Columbine Shopping Center		918,257	519,611	-43.4%
The Ranch		936,427	1,042,669	11.3%
Outlet Mall		137,782	157,388	14.2%
All Other Areas (1)		12,145,966	15,244,551	25.5%
Total		\$ 51,904,005	\$ 48,397,558	-6.8%

(1) Refers to sales tax remitted by vendors who are located outside of the City but make sales to customers within Loveland.



October 2024 Sales Tax Collections by Industry Code

	Change from Previous Year						Change from Same Month Last Year	
Industry Sector	YTD 2023	YTD 2024	\$ Change	% Change	% of Total	Dollar Amount	Percent Change	
Beer, Wine & Liquor Stores	\$ 811,860	\$ 712,170	\$ (99,690) ↓	-12.3%	1.5%	\$ (13,591) ↓	-17.5%	
Broadcasting & Telecommunications	605,209	562,896	(42,313) ↓	-7.0%	1.2%	(7,602) ↓	-11.7%	
Building Material & Lawn & Garden Supplies	4,867,465	4,858,550	(8,915) ↓	-0.2%	10.0%	(12,191) ↓	-2.3%	
Clothing & Clothing Accessories Stores	1,097,562	1,146,400	48,838 ↑	4.4%	2.4%	5,254 ↑	4.8%	
Consumer Goods & Commercial Equipment Rental	1,326,559	1,890,140	563,581 ↑	42.5%	3.9%	10,715 ↑	7.2%	
Department Stores & General Merchandise	8,611,245	5,629,401	(2,981,844) ↓	-34.6%	11.6%	(316,135) ↓	-38.6%	
Electronic Shopping & Mail-Order Houses	3,041,522	4,864,689	1,823,167 ↑	59.9%	10.1%	220,722 ↑	73.0%	
Electronics & Appliance Stores	957,207	840,391	(116,816) ↓	-12.2%	1.7%	(16,112) ↓	-16.6%	
Furniture & Home Furnishing Stores	503,448	462,696	(40,752) ↓	-8.1%	1.0%	(577) ↓	-1.1%	
Gasoline Stations with Convenience Stores	747,419	644,650	(102,769) ↓	-13.7%	1.3%	(23,640) ↓	-26.8%	
Grocery Stores & Specialty Foods	5,341,659	2,005,507	(3,336,152) ↓	-62.5%	4.1%	(378,984) ↓	-75.7%	
Health & Personal Care Stores	743,101	690,523	(52,578) ↓	-7.1%	1.4%	58 ↑	0.1%	
Hotels, Motels & Other Accommodations	1,284,554	1,352,200	67,646 ↑	5.3%	2.8%	(8,478) ↓	-5.4%	
Misc. Retail Including Used Merchandise Stores	2,348,343	2,297,076	(51,267) ↓	-2.2%	4.7%	9,676 ↑	3.8%	
Motor Vehicle Dealers, Auto Parts & Leasing	4,767,322	4,602,997	(164,325) ↓	-3.4%	9.5%	(53,841) ↓	-10.2%	
Office Supplies, Stationery & Gift Stores	161,412	155,699	(5,713) ↓	-3.5%	0.3%	(433) ↓	-2.7%	
Restaurants & Bars	6,740,964	7,052,255	311,291 ↑	4.6%	14.6%	(7,403) ↓	-1.0%	
Sporting Goods, Hobby, Book & Music Stores	1,230,022	1,146,618	(83,404) ↓	-6.8%	2.4%	16,410 ↑	14.6%	
Utilities	2,710,628	2,576,396	(134,232) ↓	-5.0%	5.3%	21,612 ↑	8.7%	
All Other Categories	4,006,504	4,906,304	899,800 ↑	22.5%	10.1%	(53,708) ↓	-10.5%	
Total	\$ 51,904,005	\$ 48,397,558	\$ (3,506,447) ↓	-6.8%	100.0%	\$ (608,248) ↓	-11.2%	

Year-to-Date Deductions Report

January through September 2024

	Gross Sales	Food Deductions	Grocery % of Gross Sales	Sales Tax Revenue Loss^
Grocery	\$ 194,407,793	\$ 119,237,270	61.3 %	\$ 3,577,118
Department	292,800,753	125,467,264	42.9 %	3,764,018
Other	66,177,148	4,112,993	6.2 %	123,390
TOTAL	\$ 553,385,694	\$ 248,817,527	45.0%	\$ 7,464,526

Annual Revenue %* 71.8%

2024 Loss Projection: \$10,390,485

* Based on prior year trending, 71.8% of Loveland sales tax activity occurs from January through September.

^ Calculations based on the City of Loveland's 3.00% Sales Tax rate.

Activity Measures

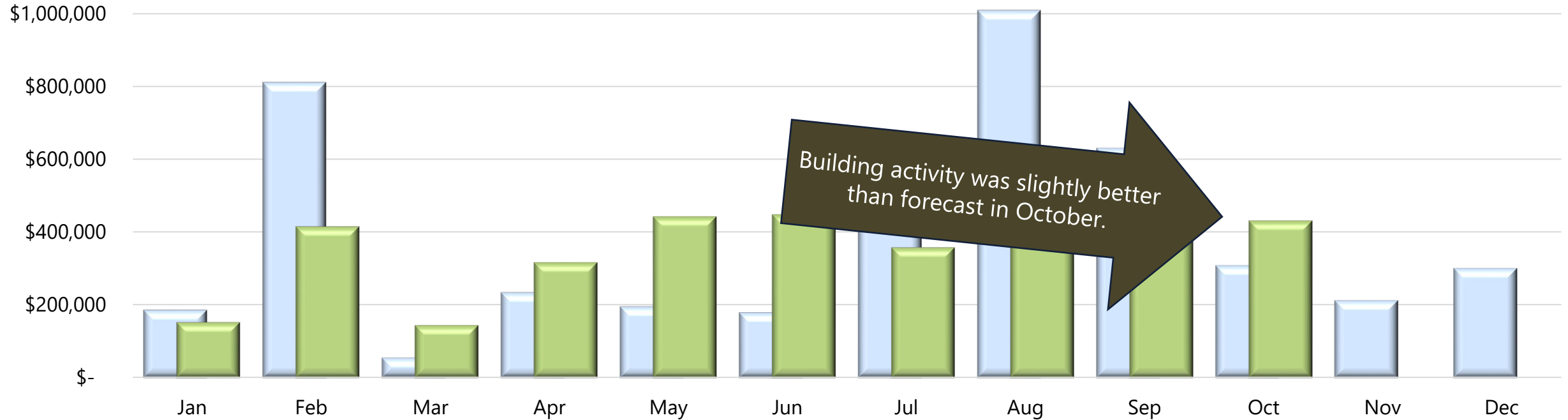
Measures	October '22	October '23	October '24	2022 YTD	2023 YTD	2024 YTD
Governmental Measures						
# of Building Permits	395	398	690	3,522	3,056	4,684
\$ Building Permit Valuations	30,224,924	40,429,021	29,128,108	824,246,349	379,603,067	389,130,861
# of Certified Occupancies	61	38	36	526	356	298
Net # of Sales Tax Licenses	27	38	28	241	130	118
\$ of Lodging Tax Collected	108,484	144,849	159,374	952,344	1,159,574	1,271,383
Sales & Use Tax System Receipts (SUTS)	149,434	324,819	432,718	1,053,964	2,492,866	4,151,715
Enterprise Measures						
New Residential Electric Meter Sets	165	27	4	1,103	382	243
# of Utility Bills Sent	42,851	44,078	45,565	427,623	437,906	450,530
KWH Demand (kH)	79,908	95,909	101,008	1,189,949	1,153,669	1,181,827
KWH Purchased (kwh)	54,838,338	56,646,630	55,535,706	628,099,643	607,439,850	617,932,558
Gallons of Water Sold	420,666,892	385,294,450	448,546,639	3,522,409,846	2,847,450,257	3,489,928,331
Rounds of Golf	14,262	13,725	14,641	138,994	144,592	148,250
Internal Measures						
\$ Average Health Claim Costs/Emp.	897	874	1,127	1,019	1,100	1,063
# of Workers' Comp Claims	13	6	8	122	114	87
\$ of Workers' Comp Claims	26,718	11,712	43,104	313,246	337,539	357,015
# of Total Open Claims	21	11	19	Not Cumulative		
\$ of Total Open Claims	277,576	233,542	344,992	Not Cumulative		

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	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	\$ 4,084,667
Actuals	152,947	415,452	145,172	316,718	442,897	448,591	357,984	584,654	431,666	431,748	-	-	\$ 3,727,830	\$ 3,727,830
Surplus / (Deficit)	\$ (34,268)	\$ (396,575)	\$ 88,895	\$ 81,222	\$ 246,400	\$ 268,236	\$ (107,819)	\$ (424,793)	\$ (199,984)	\$ 121,850			\$ (872,170)	\$ (356,837)

Actual Building Materials Use Tax Collected through October is **-8.7%** or **(\$356,837)** less than **Budget**.

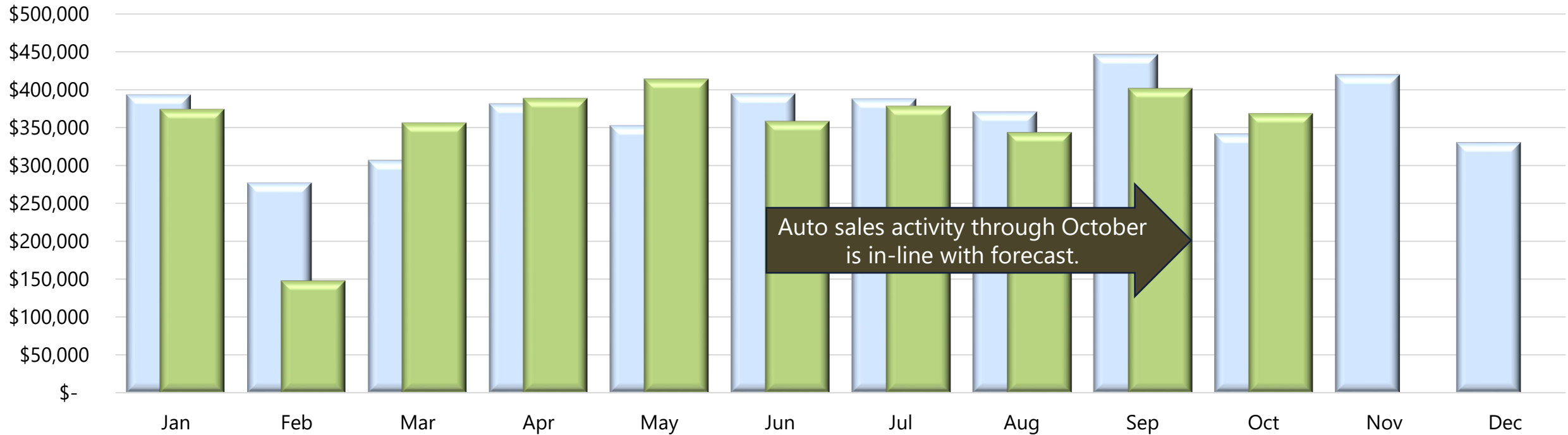
Actual Building Materials Use Tax Collected through October is **-16.3%** or **(\$725,042)** less than last year. 14

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	\$ 3,650,461
Actuals	373,761	148,197	355,861	388,333	413,581	358,109	378,031	343,390	401,412	368,160	-	-	\$ 3,528,835	\$ 3,528,835
Surplus / (Deficit)	\$ (19,331)	\$ (128,658)	\$ 49,381	\$ 7,238	\$ 61,121	\$ (36,340)	\$ (9,761)	\$ (27,182)	\$ (44,808)	\$ 26,714			\$ (871,165)	\$ (148,339)

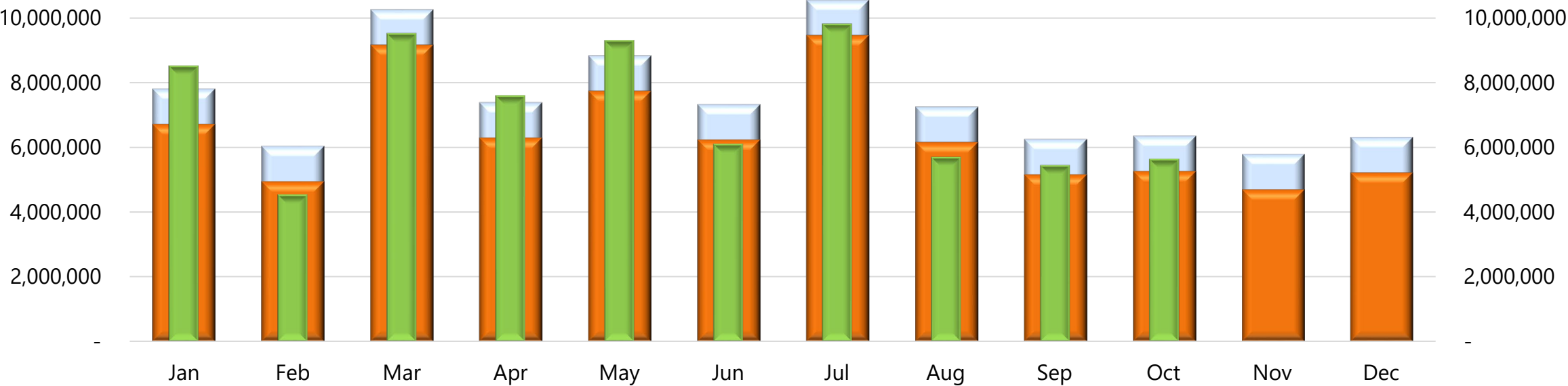
Actual Auto Use Tax Collected through October is **-3.3%** or **(\$121,626)** less than **Budget**.

Actual Auto Use Tax Collected through October is **-9.2%** or **(\$358,212)** 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 September 2024



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	Subtotal YTD 2024
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	\$ 78,117,995
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	\$ 67,117,995
Actuals	8,519,893	4,543,303	9,520,376	7,602,670	9,300,618	6,102,421	9,810,807	5,700,012	5,448,775	5,644,759	-	-	72,193,636	\$ 72,193,636
+ / - Adopted	704,863	(1,503,037)	(741,497)	209,262	462,900	(1,226,975)	(745,627)	(1,557,768)	(808,769)	(717,711)	-	-	(18,039,573)	\$ (5,924,359)
+ / - Revised	\$ 1,804,863	\$ (403,037)	\$ 358,503	\$ 1,309,262	\$ 1,562,900	\$ (126,975)	\$ 354,373	\$ (457,768)	\$ 291,231	\$ 382,289	-	-	(4,839,573)	\$ 5,075,641

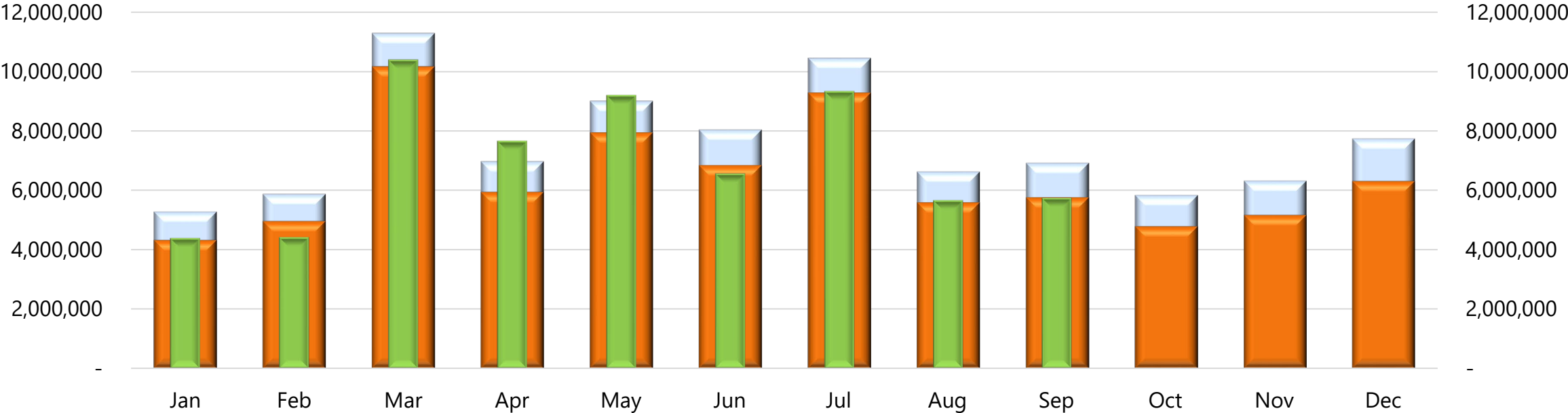
Actual Combined Revenue Collected through September is -7.6% or (\$5,924,359) less than the Original Budget.

Actual Combined Revenue Collected through September is 7.6% or \$5,075,641 more than the Revised Forecast.

Actual Combined Revenue Collected through September is -1.0% or (\$729,862) less than last year.



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



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	2024 Total	Subtotal through 9/2024
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	\$ 70,371,006
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	\$ 60,784,061
Actuals	4,393,393	4,424,608	10,388,504	7,660,863	9,197,510	6,566,558	9,334,826	5,666,130	5,745,474	-	-	-	63,377,867	\$ 63,377,867
+ / - Adopted	(879,841)	(1,442,959)	(888,322)	699,933	205,717	(1,462,805)	(1,109,962)	(949,026)	(1,165,873)	-	-	-	(26,855,342)	\$ (6,993,139)
+ / - Revised	\$ 71,642	\$ (531,040)	\$ 226,198	\$ 1,722,884	\$ 1,256,339	\$ (273,929)	\$ 52,133	\$ 78,726	\$ (9,146)	-	-	-	(13,655,342)	\$ 2,593,806

Actual Combined Revenue Collected through September is **-9.9%** or **(\$6,993,139)** less than the **Original Budget**.

Actual Combined Revenue Collected through September is **4.3%** or **\$2,593,806** more than the **Revised Forecast**.

Actual Combined Revenue Collected through September is **-2.9%** or **(\$1,915,307)** less than last year. 19

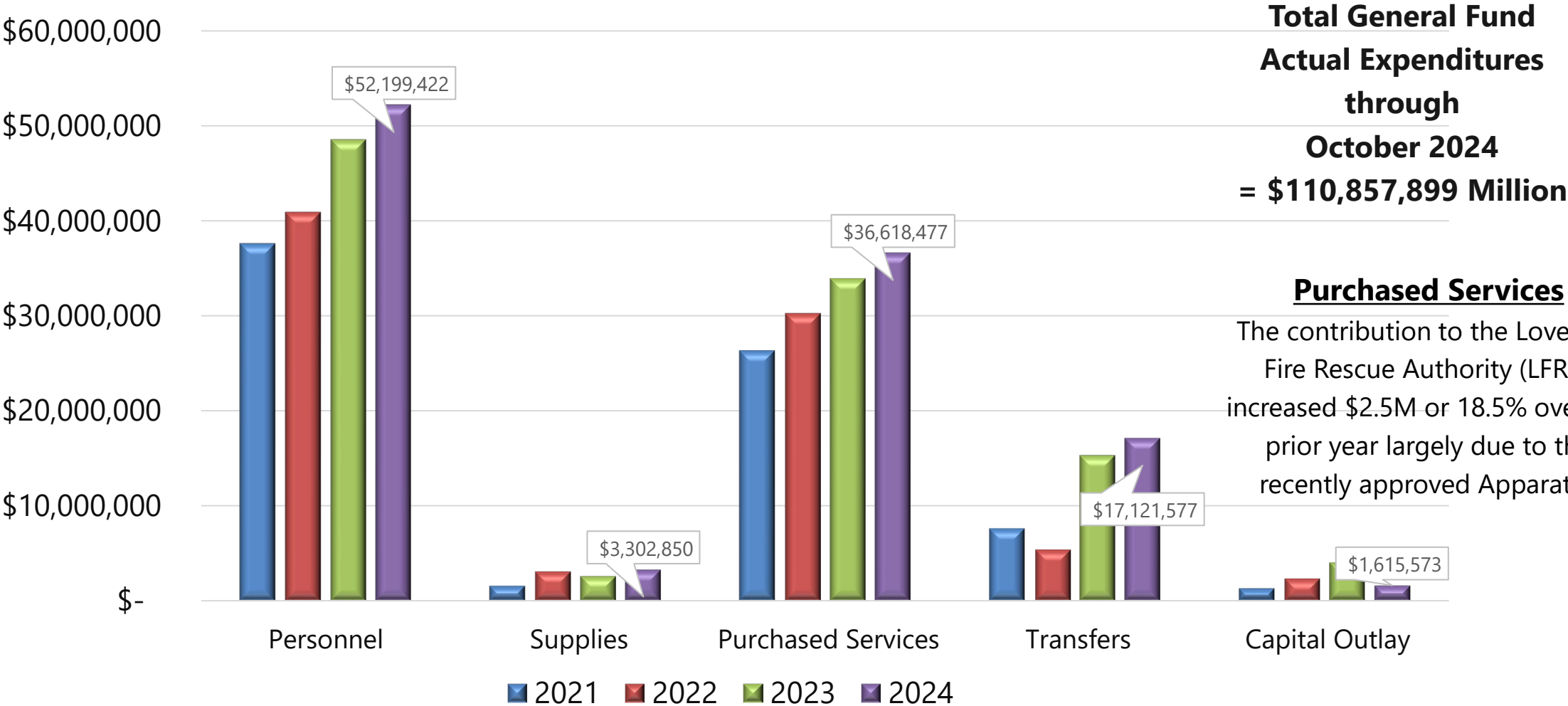




GENERAL FUND EXPENDITURES

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

General Fund Expenditures Summary



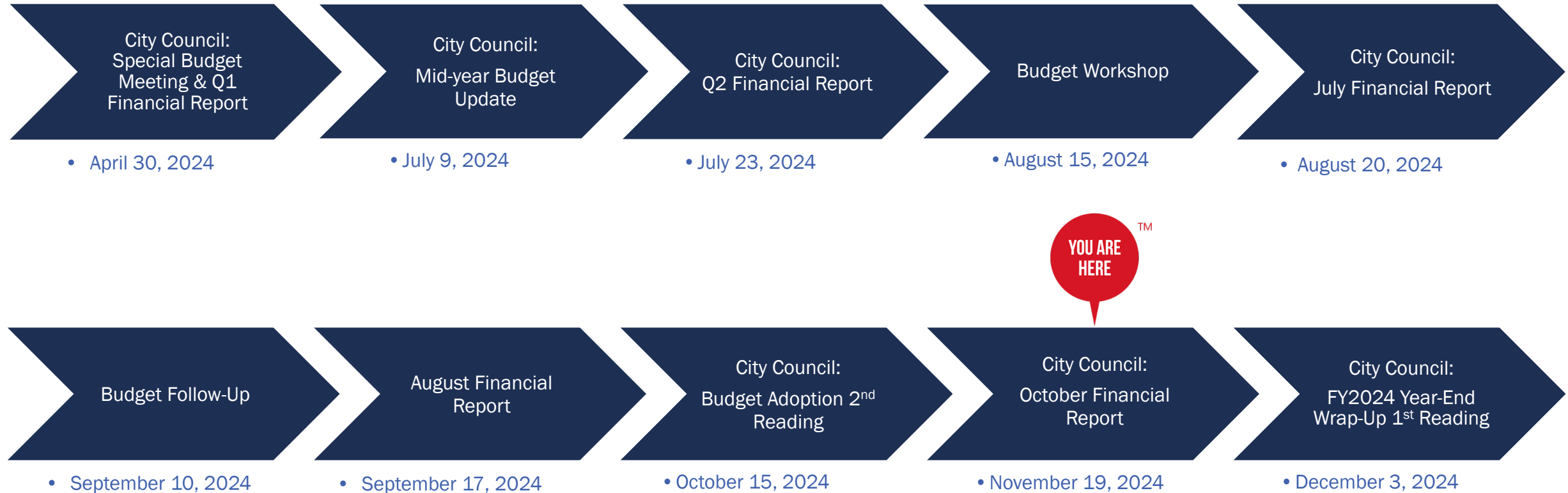
General Fund Expenditures through October are 6.0% or (\$6,317,098) more than last year.
Increases in actual expenditures are in line with forecasts and 2024 revised budget.
Expenditures will be presented in more detail on the quarterly report.



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