



Q3 Financial Update

CITY COUNCIL – December 3, 2024

City Staff Representatives:

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Finance

Department:

Purpose

To provide City council with a summary of the City's financial results through September 30, 2024, including an analysis of sales tax revenue trends.



Quarterly Update Topics & Disclosures

All information is based on data available November 2024 for January through September of each year discussed. Comparative results are comparing to the same period in prior years. Information is unaudited.

This update will discuss Governmental Fund results. Full results and discussion are included in the Q3 2024 Financial Report provided.

Topics

- Financial results and trends
- Sales tax revenue trends and results

Financial Results and Trends

Governmental Fund Highlights

Q3 Revenues (excluding transfers) totaled \$69.3M

- Overall increase of \$3.4M, or 5.2%
 - Sales taxes +\$2.0M (7.6%)
 - Use taxes +\$1.9M (41.0%)
 - Property taxes +\$2.7M (57.5%)
 - Licenses & permits +\$1.4M (20.0%)
 - Investment Earnings +\$1.7M (51.1%)
 - Intergovernmental -\$5.5M (48.8%)

Q3 Spending (excluding transfers) totaled \$68.0M

- Overall increase of \$11.8M, or 21.0%
 - Personnel +\$2.7M (11.0%)
 - Operating Costs +\$1.2M (12.3%)
 - Capital Projects +\$7.7M (38.3%)

2024 Themes

Development is rebounding.

People are spending.

Projects are progressing.

Bridge Street Widening



Municipal Service Center



Governmental Fund Summary

Q3 2024 (presented in 000's)

Revenues

Taxes	\$ 43,234
Charges for Services	8,248
Intergovernmental	5,804
Investment Earnings	5,153
Oil and Gas Royalties	4,973
Other	<u>1,852</u>
Total Revenues	\$ 69,264

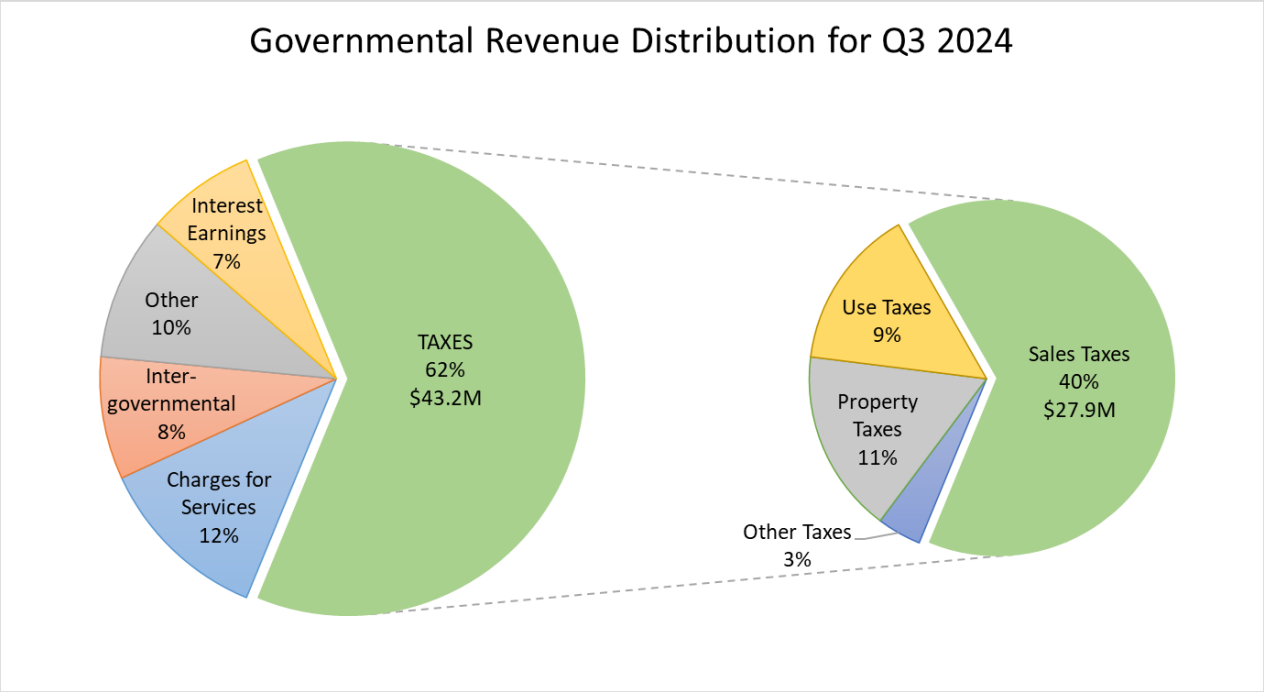
Expenditures

Personnel	\$ 27,394
Operating & Purchased Services	11,660
Capital Outlay	27,877
Other	<u>1,044</u>
Total Expenditures	\$ 67,975

Increase to Reserves \$ 1,288



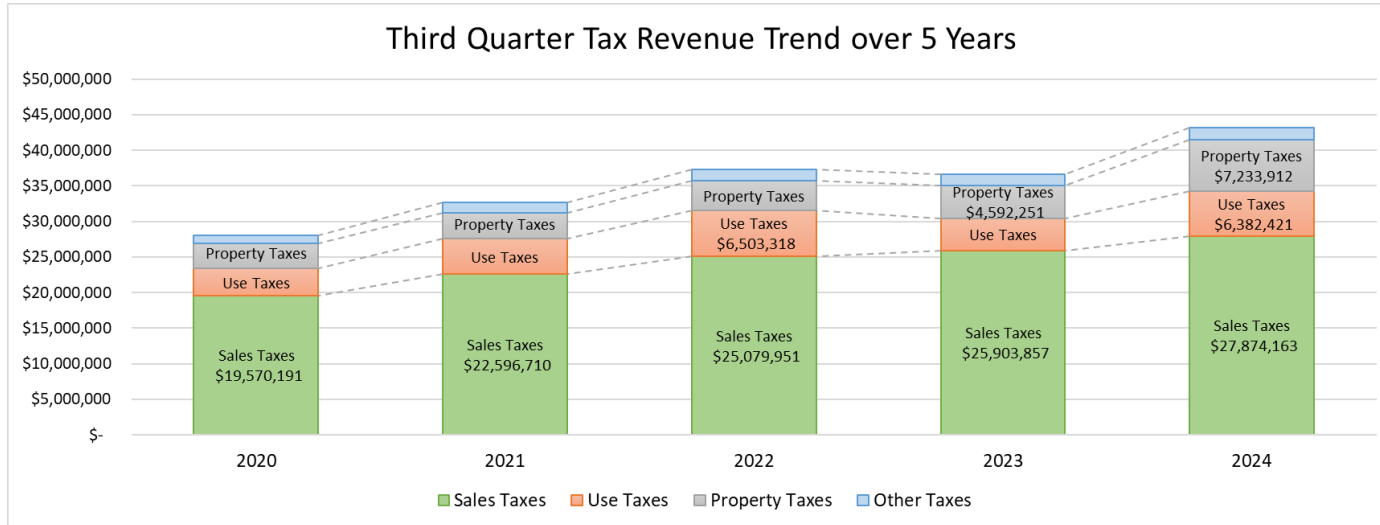
Governmental Fund Revenue Profile



Total Governmental Fund Revenue through Q3 2024 - \$69.3M

Tax Revenue Trends

Tax Revenues through Q3 of each year presented



Highlights

General Fund Taxes include:
 2% General Sales Tax
 3.75% Construction Use Tax
 Property and Franchise Taxes

These taxes make up more than 70% of General Fund Revenues

Other Governmental Fund Taxes include:
 1.00% Capital Projects
 0.75% Parks Projects

Sales Tax Results

Brighton Sales Tax Rate

	<u>Brighton Weld</u>	<u>Brighton Adams</u>	<u>Prairie Center</u>
State of Colorado	2.90%	2.90%	2.90%
RTD	---	1.00%	1.00%
Cultural District	---	0.10%	0.10%
Adams County	---	0.75%	0.75%
Weld County	---	---	---
Prairie Ctr Add-on PIF	---	---	1.00%
Prairie Ctr Credit PIF	---	---	1.25%
City of Brighton	3.75%	3.75%	2.50%
Total (combined rate)	<u>6.65%</u>	<u>8.50%</u>	<u>9.50%</u>

3.75%

Brighton Sales Tax Distribution

Fund	Type	Brighton General	Brighton Prairie Center
General Fund	Unrestricted	2.00%	2.00%*
Capital Projects	Restricted	1.00%	--
Parks & Recreation Projects & Maintenance	Restricted	0.75%	0.50%
Total		3.75%	2.50%

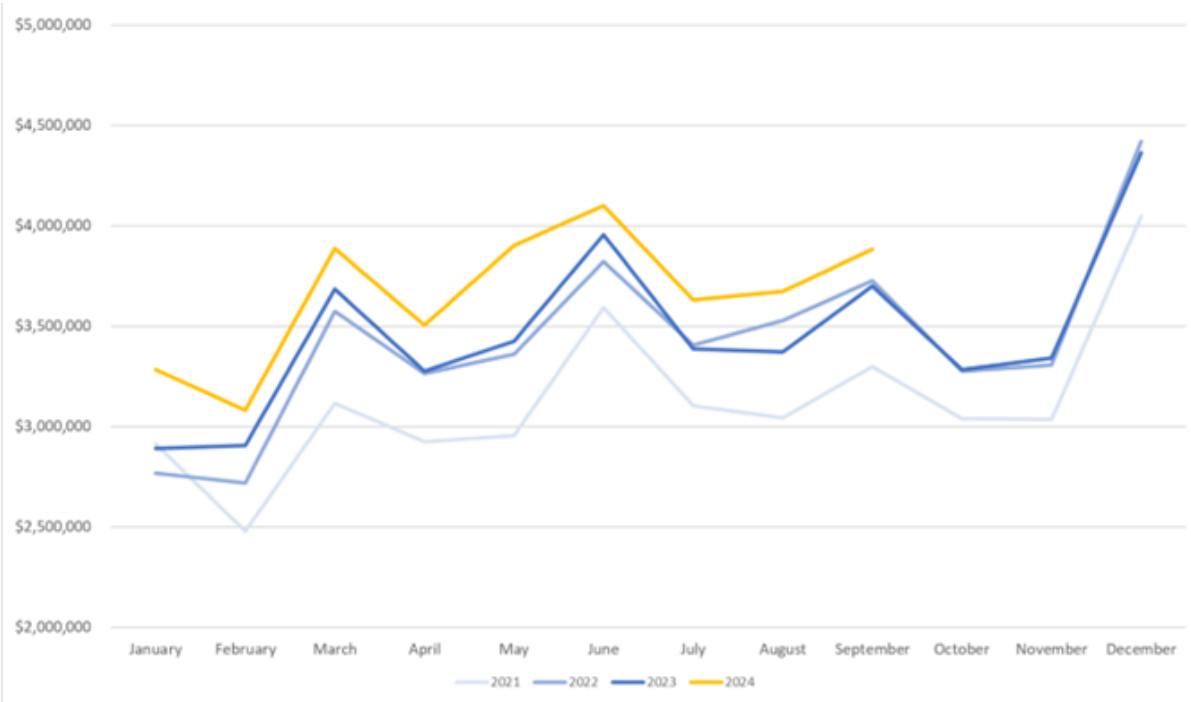
* Up to 49% of new revenue collected on sales made in the Prairie Center Metro District area is rebatable back to the District, depending on total sales in the District.

Sales Tax Revenue & Program Growth

- \$33 million in revenue due for Q2 2024, before rebates
 - Texas Roadhouse and Alberta Kuner rebates ended in 2023
 - Currently three active *sales tax* rebates:
 - South Beebe, Adams East, Prairie Center
 - Use and Property Tax rebate agreements are in addition to these.
- Continued compliance efforts
 - Outreach and business education to encourage compliance.
 - Over 375 new accounts added in Q4 2024
 - More than \$880k in assessed audit revenue.

Sales Tax Revenues by Month

2021 through 2024, gross amount due before payment of rebates



January - September 2024 Top 10 taxpayers *(in alphabetical order)*

- Amazon**
- Flow-Zone**
- Home Depot**
- Johnson Auto Plaza**
- King Soopers**
- Lowe's**
- Target**
- United Power**
- Wal-Mart**
- Western United Electric**

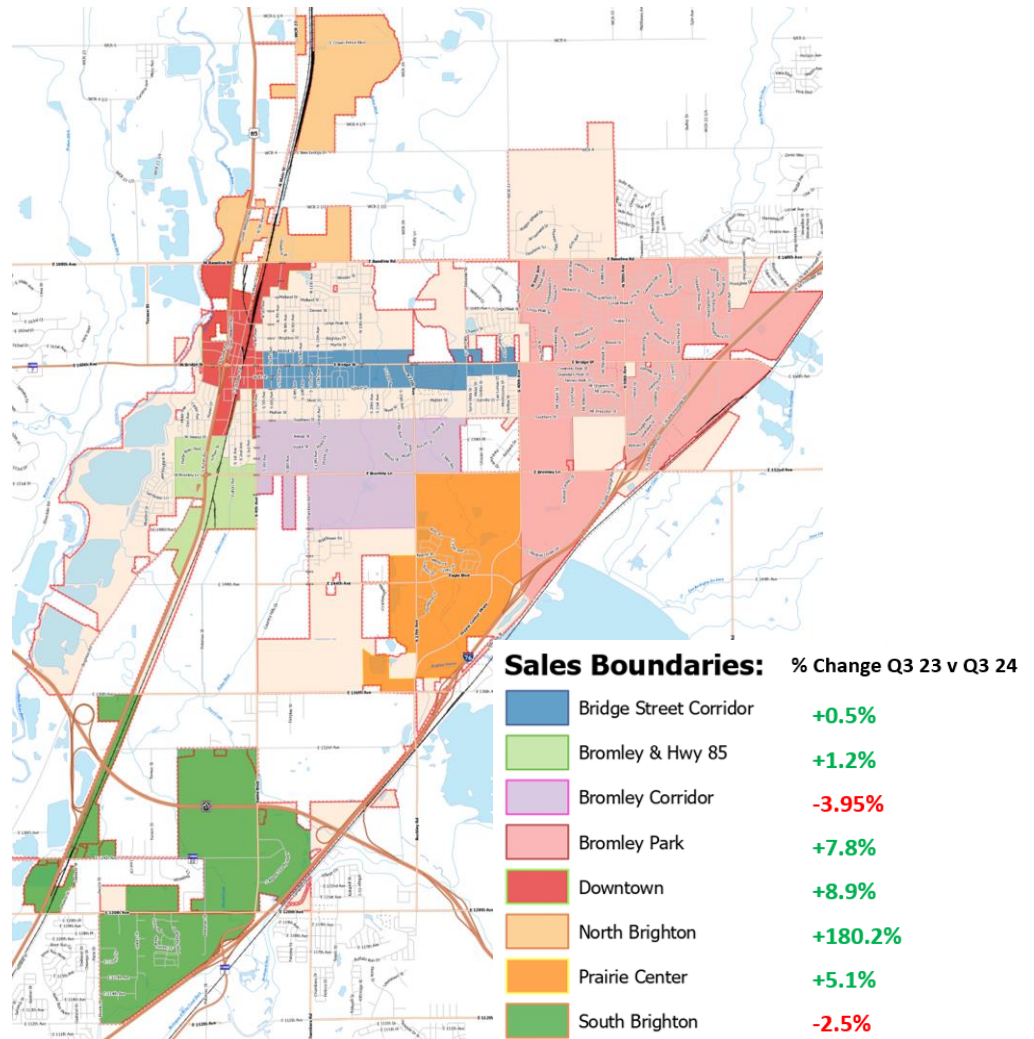
January - September 2024 Performance By Industry

Retail	- 0.4%
Retail Online	+ 28.4%
Accommodations & Food	+ 1.3%
Construction	+ 61.9%
Utilities	+ 14.4%

Sales by City Area

Sales tax revenues up overall

- North Brighton increase due to new businesses and growth of existing businesses.
- Other city areas saw a change of less than 10%
- Sales tax from areas outside the City continues to increase.



Questions?

