



# Fund Performance Report

General Fund



For the Quarter Ending  
September 30, 2020

Released October 30, 2020

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## Economic Update

The coronavirus pandemic resulted in a partial shutdown of the economy in late March 2020. Nationally, real gross domestic product shrunk by an annualized rate of 31.4 percent in the second quarter. At the same time, the national unemployment rate hit 14.4 percent in April. The subsequent re-opening of the economy resulted in a surprisingly sharp economic recovery. The national unemployment rate has improved every month since April, falling to 8.5 percent in August.

Colorado's economy has mirrored national trends, including a faster-than-anticipated recovery in the third quarter. The Leeds Business Confidence Index (LBCI), a local measure of business expectations, fell to a historic low of 29.7 points in the second quarter. The LBCI experienced record improvement in the third quarter, rising to 44.3 points. The index continued to improve, rising to 47.9 points in the fourth quarter. In addition to improving business expectations, the consumer confidence index in September rose to 94.8, the highest level since the start of the pandemic.

Unemployment rates in the Metro Area averaged 2.7 percent for the first two months of 2020. By April the Metro region unemployment rate had risen to 11.9 percent. The opening of the economy brought some jobs back and the unemployment rate has improved every month since April. Most recently, the Metro Area unemployment rate was 6.9 percent in August.

Supplemented by an unprecedented level of federal stimulus funding, personal income rose in the second quarter to a record high despite the negative impacts of the recession. Rising personal income was an important factor behind the increased consumer spending that occurred when the economy re-opened. However, personal income finally started to fall in August. Even with considerable third quarter improvements, most economic indicators remain low by historic standards and there are signs that the recovery may be slowing. Economists are warning that it may take years for the economy to fully recover. For example, state employment is expected to finish the year 5.5 percent below 2019 and is not expected to reach pre-pandemic levels until 2022 at the earliest.

Several factors create uncertainty looking forward, including whether the pandemic worsens, the speed and efficacy of COVID-19 therapies, and whether additional federal stimulus is provided. Without additional stimulus, personal income is expected to decline, which will likely negatively affect consumer spending. Similarly, some business sectors such as travel & tourism, as well as certain service sectors (especially in-person services), may not fully recover until effective COVID-19 therapies are developed.

## Local Economic Indicators

2020 Current Month Compared to Prior Year		2020 YTD Avg Compared to Prior Year	
Metro Area Unemployment Rate			
	<b>6.9% (Aug)</b> Up 4.4 percentage points	<b>7.3%</b> Up 4.5 percentage points	
Consumer Confidence Index (CCI) Mountain Region			
	<b>94.8 (Sep)</b> -27.1%	<b>104.7</b> -22.5%	
AURORA BUILDING PERMITS # of New Dwelling Units and Commercial Buildings			
	<b>188 (Sep)</b> - 49.9%	<b>2,075</b> - 27.1%	
Metro Area Home Sales			
	<b>5,651 (Aug)</b> + 5.1%	<b>35,481</b> - 8.4%	
Local Outlook Surveys			
Manpower, Inc. % Companies Hiring Denver-Aurora-Broomfield MSA			
	<b>Q4 2020</b> 18%	<b>Q3 2020</b> 21%	<b>Q4 2019</b> 20%
LEEDS Business Confidence Index (LBCI) (values above 50 indicate expansion)			
	<b>Q4 2020</b> 47.9	<b>Q3 2020</b> 44.3	<b>Q4 2019</b> 46.9
LBCI Component	Q4 2020	Change Quarterly	Change Annual
State Economy	48.9	▲	▲
National Economy	44.5	▲	▲
Industry Sales	52.5	▲	▲
Industry Profits	48.8	▲	▼
Industry Hiring	48.0	▲	▼
Capital Expenditures	44.7	▲	▼
LBCI	47.9	▲	▲

All indicator data above is the most current available of as this report's publication date



## Revenues (General Fund Sources of Funds)

As shown in the *2020 Revenue Budget Performance by Type* table, year-to-date General Fund operating revenue collections are above projection by \$14.5 million (5.9%). Significant reductions in the mid-year revenue projection and a stronger-than-expected economic recovery have led to most revenue streams exceeding expectations. About 80 percent of the over-performance has occurred in sales tax collections.

Sales tax revenue through September was \$11.9 million (8.1%) above the year-to-date projection, equating to a \$5.8 million (3.8%) increase over 2019. As can be seen in the *% Change from Same Month in Prior Year* graph, the vast majority of growth in 2020 occurred in the first two months of the year (prior to the pandemic) and in the third quarter (during the better-than-expected economic recovery). Revenues from the city's consistent top taxpayers have decreased by a modest 1.7 percent, though year-over-year changes vary significantly by industry categories. A major source of growth in sales tax collections comes from variable top taxpayers, a term coined to describe top taxpayers who submit large amounts of sales tax with some inconsistency. Business-to-business sales of information technology systems and services have been driving growth in the variable top taxpayer category. As can be seen in the *Top Taxpayers by Industry Category* chart, the Total of All Other Taxpayers has grown by about \$3.5 million compared to 2019. Growth includes a \$1.8 million increase in variable payments from taxpayers not considered top taxpayers, a \$325,400 increase in sales taxes remitted by food delivery services, and a \$136,600 increase from large online marketplace facilitators (not including Amazon, which is part of the "Other Top Taxpayers" category). Because variable payments are considered one-time in nature, it is not clear that strong variable payments will continue in 2021.

The construction industry has not yet shown any signs of slowing down during the pandemic. As a result, capital-related use tax collections have come in higher than projection by \$1.1 million (5.4%). June was the strongest month so far this year for capital-related use tax revenues, with two large commercial projects that by themselves generated \$1.9 million in use tax revenues.

General Fund revenues have exceeded projection largely because sales tax collections grew at a surprising 5.4% in the third quarter instead of declining. As the weather turns cold and cases of COVID-19 appear to be on the rise, there is an increasing risk of finishing below projection in the fourth quarter. Finally, it remains unclear if personal income will continue to grow and fuel consumer spending moving forward without additional federal stimulus (even with the State of Colorado providing \$375 in one-time stimulus to qualified Coloradoans).

### 2020 Revenue Projection Performance by

Revenue Category (\$ in thousands)	2020 YTD Actuals	Actuals (Under)/ Over 2020 Proj	
		\$	%
General Sales Tax	\$158,280.9	\$11,857.9	8.1%
Audit Revenue	5,041.6	1,440.4	40.0%
Capital-Related Use Tax	21,944.5	1,123.1	5.4%
Lodger's Tax	3,358.1	369.0	12.3%
Auto Use Tax	15,068.2	221.0	1.5%
Construction Permits	1,518.7	193.1	14.6%
Specific Ownership Tax	2,273.3	184.6	8.8%
All Other Sources	83,737.0	710.2	0.9%
<b>Total Sources</b>	<b>\$291,222.2</b>	<b>\$16,099.4</b>	<b>5.9%</b>
Less Capital Transfer	30,747.9	1,581.1	5.4%
<b>Operating Revenue</b>	<b>\$260,474.3</b>	<b>\$14,518.2</b>	<b>5.9%</b>

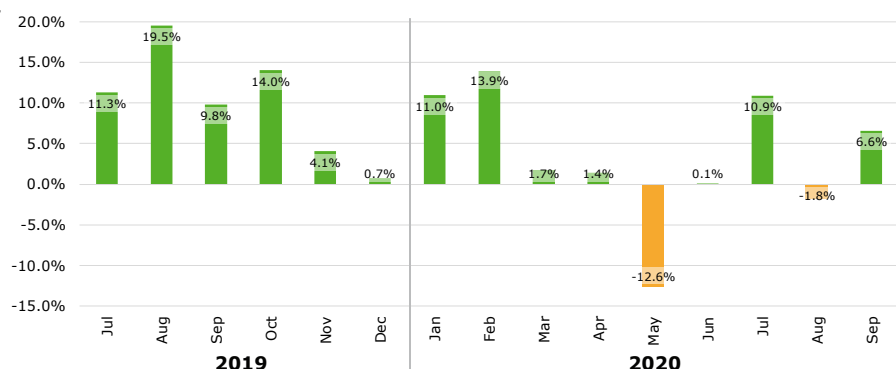
### Sales Tax

#### Top Taxpayers by Industry Category

Industry Category (\$ in thousands)	YTD Sept		\$ Variance	% Change
	2020	2019		
Eating & Drinking Places	\$19,554.4	\$22,396.6	(\$2,842.1)	(12.7%)
Discount Stores	18,509.8	17,237.1	1,272.7	7.4%
Building Materials	14,275.9	13,392.6	883.3	6.6%
Utilities	8,569.9	8,802.0	(232.0)	(2.6%)
Auto Dealers and Parts	8,113.8	9,012.4	(898.6)	(10.0%)
Telecommunication/Cellular	6,446.4	7,037.9	(591.5)	(8.4%)
Grocery Stores	4,572.6	3,964.7	607.8	15.3%
Beer, Wine, and Liquor Stores	4,077.8	3,390.4	687.4	20.3%
Electronics/Computers	3,717.8	3,239.1	478.6	14.8%
Clothing and Clothing Accessories	3,320.2	4,296.9	(976.8)	(22.7%)
Department Stores	2,245.7	3,385.3	(1,139.6)	(33.7%)
Furniture and Home Furnishings	1,650.2	1,762.3	(112.1)	(6.4%)
Sport Goods, Hobby, Books, Music	1,259.3	1,480.8	(221.5)	(15.0%)
Other Top Taxpayers	10,703.6	9,445.1	1,258.4	13.3%
<b>Consistent Top Taxpayers</b>	<b>\$107,017.4</b>	<b>\$108,843.3</b>	<b>(\$1,825.9)</b>	<b>(1.7%)</b>
Variable Top Taxpayers	10,349.4	7,365.6	2,983.8	40.5%
Total of All Other Taxpayers	45,664.8	42,189.4	3,475.4	8.2%
<b>Total Sales Tax Collections</b>	<b>\$163,031.7</b>	<b>\$158,398.4</b>	<b>\$4,633.3</b>	<b>2.9%</b>
Less Sales Tax Incentives	4,750.7	5,919.4	(1,168.7)	(19.7%)
<b>Total Reported Sales Tax</b>	<b>\$158,280.9</b>	<b>\$152,479.0</b>	<b>\$5,801.9</b>	<b>3.8%</b>

### Sales Tax

#### % Change from Same Month in Prior Year



## Expenditures (General Fund Uses of Funds)

The COVID-19 pandemic and the resulting economic recession have placed significant pressure on the city's budget, prompting 2020 General Fund balancing actions of \$26.1 million. The vast majority of these balancing needs were achieved through 2020 expenditure reductions.

As shown on page 6, the 2020 mid-year review resulted in a \$25.5 million decrease in projected expenditures compared to the 2020 budget. This decrease is primarily attributable to a \$14.6 million reduction in transfers out of the General Fund. Transfers to the Capital Projects Fund account for \$13.3 million of the transfer reduction, which necessitated the elimination and deferral of several capital projects. A selective hiring freeze and two furlough days are the main drivers behind the \$6.6 million projected savings in the personal services category.

Total General Fund operating expenditures through the third quarter of 2020 are \$1.8 million (0.8%) lower than projection. This favorable variance is primarily associated with savings in personal services. When including transfers out, General Fund uses are \$901,300 (0.3%) over projection. Higher than projected capital-related revenues have increased the transfer to the Capital Projects Fund. In addition, \$1.1 million of revenue subject to rebate has been transferred to the Designated Revenues Fund.

Personnel-related expenditures are \$1.6 million under the year-to-date projection. The *2020 Personnel Expenditures* chart shows salaries and benefits savings to-date are partially offset by a \$662,000 overage in special pay, largely associated with turnover-related accrued leave payouts in Police. Fire and Police overtime expenditures through September are also higher than projected. COVID-19-related facility closures and restricted operations in Parks, Recreation, and Open Space account for the majority of savings in the temporary compensation class.

Professional and technical services exceed projection by \$354,200 (2.6%), predominately driven by a comprehensive independent review of the Police Department that will inform and influence the department's five-point plan to guide change and reform.

At the conclusion of the third quarter, total utilities expenditures are slightly over projection, with higher than projected street light expenditures offsetting savings in water/sewer.

The net of all other operating expenditures is under the year-to-date projection by \$634,800. As departments complete end-of-year purchases, all or a portion of these savings may be spent during the last quarter of 2020.

See page 6 for detail expenditure performance by category.

### 2020 Expenditure Budget Performance

Expenditure Category (\$ in thousands)	2020 YTD Actuals	Actuals Under/ (Over) Projection	
		\$	%
Personal Services	\$169,826.0	\$1,108.5	0.6%
Temp Compensation	1,771.5	448.1	20.2%
Professional/Technical	13,794.6	(354.2)	(2.6%)
Operating Supplies	15,404.8	210.1	1.3%
Utilities	7,881.0	(85.0)	(1.1%)
Fleet/Risk Interfund	13,201.8	269.5	2.0%
Debt/Equip Purchases	3,745.4	155.1	4.0%
<b>Total Operating Exp.</b>	<b>\$225,625.1</b>	<b>\$1,752.2</b>	<b>0.8%</b>
Capital Rev Transfer	30,747.9	(1,581.1)	(5.4%)
Other Transfers Out	5,076.2	(1,072.4)	(26.8%)
<b>Total Uses of Funds</b>	<b>\$261,449.3</b>	<b>(\$901.3)</b>	<b>(0.3%)</b>

### 2020 Personnel Expenditures

Personnel Category (\$ in thousands)	YTD Sept Projection	YTD Sept Actuals	Actuals Under/ (Over) Projection
Regular Employee Salary & Benefits	\$162,710.5	\$160,642.1	\$2,068.5
Special Pay	2,885.6	3,547.6	(662.0)
Overtime Compensation	5,338.4	5,636.3	(298.0)
Temporary Compensation	2,219.6	1,771.5	448.1
<b>Total Salary &amp; Other Compensation</b>	<b>\$173,154.1</b>	<b>\$171,597.5</b>	<b>\$1,556.6</b>

General Fund Vacancies	Q1	Q2	Q3
Total Career Service	94.0	102.5	120.5

### 2020 Citywide Utilities

Utility (\$ in thousands)	YTD Sept Projection	YTD Sept Actuals	Actuals Under/ (Over) Projection
Electricity	\$1,261.6	\$1,239.4	\$22.2
Natural Gas	165.6	168.4	(2.8)
Non-Routine Maint-XCEL	650.7	725.9	(75.2)
Street Lights-XCEL	2,772.1	2,899.6	(127.5)
Traffic Lights, Signs	89.2	91.6	(2.4)
Water/Sewer	2,856.8	2,752.2	104.6
Other Utilities	0.0	3.9	(3.9)
<b>Total Sept YTD</b>	<b>\$7,796.0</b>	<b>\$7,881.0</b>	<b>(\$85.0)</b>

# General Fund | Fund Summary

The General Fund is the operating fund for the City of Aurora. It accounts for receipts, appropriations, and expenditures unless separate fund reporting is required. For an overview of

the General Fund budget, including a breakdown of uses and departments, see page 8.

Revenues (Sources of Funds)	2020 Budget	2020 Projection	YTD Actual thru Sept 2020	2020 Year-to-Date Sources Over/(Under)				Sept 2020 Actual	Sept Variance Over/(Under)	
				2019	2020 Projection	% Chg vs 2019	% Chg vs Proj		2019	2020 Projection
Sales Tax - General	\$208,377,583	\$192,750,830	\$158,280,941	\$5,801,975	\$11,857,908	3.8%	8.1%	\$17,664,745	\$1,094,676	\$2,740,295
Use Tax - Capital Related	25,525,226	25,623,726	21,944,485	2,855,999	1,123,137	15.0%	5.4%	1,735,668	(801,946)	53,592
Use Tax - Automobile	20,170,348	19,907,498	15,068,155	(1,697,754)	221,021	(10.1%)	1.5%	2,033,225	(117,701)	253,157
Property Tax	41,930,207	45,330,207	44,534,535	7,461,417	(34,283)	20.1%	(0.1%)	214,524	10,565	0
Franchise Fees & Taxes	15,021,497	13,921,497	8,824,138	(287,467)	85,689	(3.2%)	1.0%	1,019,389	(60,376)	85,700
Highway User's Fees & Taxes	12,537,390	11,492,608	7,425,383	(1,334,176)	(32,245)	(15.2%)	(0.4%)	1,130,628	(91,592)	(1,804)
Other Auto Related (SOT, MV Fees)	4,197,122	4,197,122	2,976,213	162,142	178,068	5.8%	6.4%	408,420	242	48,995
Audit Revenue	3,901,168	3,901,168	5,041,599	169,416	1,440,435	3.5%	40.0%	1,149,383	1,006,635	1,049,383
Other Taxes	14,690,506	9,090,290	7,431,930	(3,202,150)	503,388	(30.1%)	7.3%	783,899	(518,353)	339,675
Other Intergovernmental Fees & Taxes	2,615,954	2,615,954	2,285,267	(347,564)	116,000	(13.2%)	5.3%	113,029	(268,616)	95,703
Business Licenses & Other Permits	3,438,998	3,438,998	2,879,631	(8,121)	201,956	(0.3%)	7.5%	488,966	84,973	168,302
Fines & Forfeitures	5,070,694	2,535,347	2,158,505	(1,345,935)	145,268	(38.4%)	7.2%	299,189	(50,236)	123,879
Internal Charges for Services	7,580,981	7,580,981	5,580,313	(28,270)	(66,884)	(0.5%)	(1.2%)	603,926	1,105	(40,669)
External Charges for Services	6,658,507	4,441,224	3,633,955	(1,342,233)	203,640	(27.0%)	5.9%	722,564	122,118	155,915
Other General Fund Revenue	3,419,739	6,219,739	3,157,168	289,652	156,254	10.1%	5.2%	310,406	(106,825)	51,588
<b>Total General Fund Revenue</b>	<b>\$375,135,920</b>	<b>\$353,047,189</b>	<b>\$291,222,218</b>	<b>\$7,146,931</b>	<b>\$16,099,351</b>	<b>2.5%</b>	<b>5.9%</b>	<b>\$28,677,961</b>	<b>\$304,667</b>	<b>\$5,123,711</b>
Transfers In from Other Funds	2,230,337	4,230,337	0	0	0	n/a	n/a	0	0	0
<b>Total Sources of Funds</b>	<b>\$377,366,257</b>	<b>\$357,277,526</b>	<b>\$291,222,218</b>	<b>\$7,146,931</b>	<b>\$16,099,351</b>	<b>2.5%</b>	<b>5.9%</b>	<b>\$28,677,961</b>	<b>\$304,667</b>	<b>\$5,123,711</b>
<b>General Fund Operating Revenue <sup>1</sup></b>	<b>\$340,278,244</b>	<b>\$320,932,593</b>	<b>\$260,474,280</b>	<b>\$4,355,359</b>	<b>\$14,518,226</b>	<b>1.7%</b>	<b>5.9%</b>			

Expenditures (Uses of Funds)	2020 Budget	2020 Projection	YTD Actual thru Sept 2020	2020 Year-to-Date Uses Under/(Over)				Sept 2020 Actual	Sept Variance Over/(Under)	
				2019	2020 Projection	% Chg vs 2019	% Chg vs Proj		2019	2020 Projection
Personal Services	\$244,952,002	\$238,388,554	\$169,826,000	(\$746,299)	\$1,108,531	(0.4%)	0.6%			
Temporary Compensation	3,020,691	3,155,242	1,771,499	429,647	448,059	19.5%	20.2%			
Professional & Technical Services	18,570,033	16,072,555	13,794,625	(900,648)	(354,198)	(7.0%)	(2.6%)			
Operating Supplies/Other	20,619,717	20,846,980	15,404,757	1,024,821	210,103	6.2%	1.3%			
Utilities	11,972,944	10,598,700	7,881,040	(530,534)	(85,034)	(7.2%)	(1.1%)			
Interfund Charges	17,468,598	17,796,403	13,201,752	(579,558)	269,545	(4.6%)	2.0%			
Capital Purchases (Equip, Vehicles, Other)	5,842,740	4,694,563	3,745,422	2,522,366	155,147	40.2%	4.0%			
<b>General Fund Operating Expenditures</b>	<b>\$322,446,725</b>	<b>\$311,552,997</b>	<b>\$225,625,094</b>	<b>\$1,219,795</b>	<b>\$1,752,154</b>	<b>0.5%</b>	<b>0.8%</b>			
Capital Related Revenue Transfer Out <sup>2</sup>	37,088,013	36,344,933	30,747,938	(2,791,572)	(1,581,125)	(10.0%)	(5.4%)			
All Other Transfers Out to Other Funds	27,902,733	14,037,531	5,076,238	(607,539)	(1,072,357)	(13.6%)	(26.8%)			
<b>Total Uses of Funds</b>	<b>\$387,437,471</b>	<b>\$361,935,461</b>	<b>\$261,449,270</b>	<b>(\$2,179,316)</b>	<b>(\$901,328)</b>	<b>(0.8%)</b>	<b>(0.3%)</b>			
<b>Increase/(Use) of Available Funds <sup>3</sup></b>	<b>(\$10,071,214)</b>	<b>(\$4,657,935)</b>								

See page 9 for glossary and detailed data description for each column.

1. Operating revenue accounts for the transfer out of construction related use tax to the Capital Projects Fund (CPF).
2. The transfer to the CPF is calculated in December and transferred out of the General Fund.
3. The 2020 Adopted Budget includes the planned use of \$10.1 million in funds available, primarily associated with one-time 2020 budget amendments to include a one-time increase in the Police Money Purchase Pension Plan, a citywide Americans with Disabilities Act (ADA) assessment, Fire apparatus, and affordable housing seed funding. The 2020 projection reduces the planned use of funds available to \$4.7 million as departments have identified projects and services that can be postponed, suspended, or eliminated.

# General Fund Overview

## Fund Description

The General Fund is the operating fund for the City of Aurora. It accounts for receipts, appropriations, and expenditures unless separate fund reporting is required.

## Sources of Funds

Sources of funds include nearly all taxes and other resources traditionally associated with city operations. Revenues and expenditures from the 0.25% voter-approved sales tax for the police officer staffing mandate are included in this fund. Other sources include transfers in from other funds.

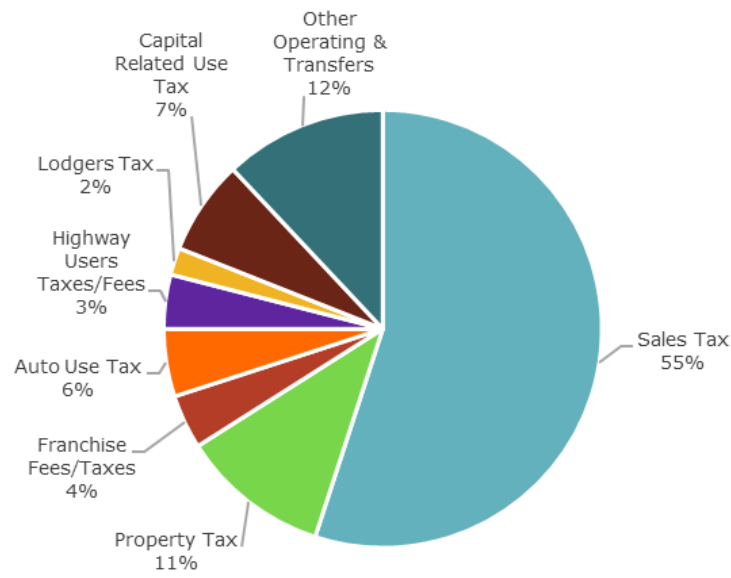
Retail sales remain the backbone of Aurora's General Fund, accounting for roughly 55% of total revenue. Use tax is a companion tax to sales tax and is associated with purchases of commodities and equipment. Approximately two-thirds of all General Fund revenue is dependent on purchases when use tax revenues (e.g. building materials use tax, automobile use tax, and equipment use tax) are included.

## Uses of Funds

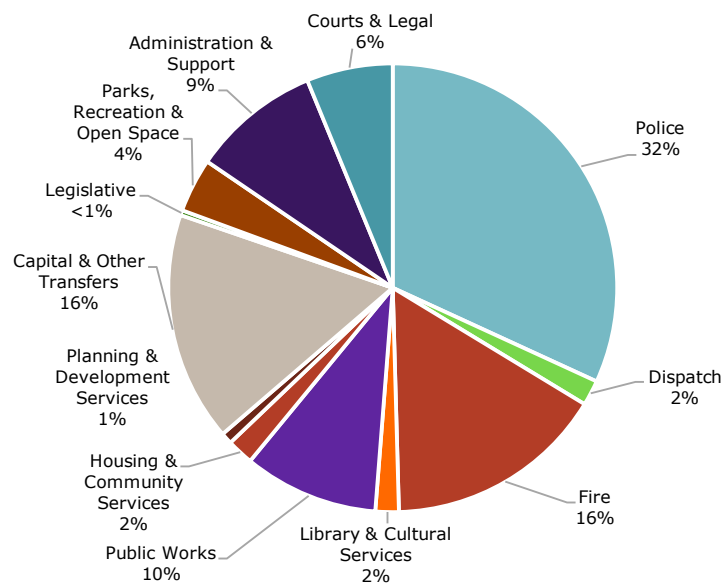
Uses of funds mainly result from expenditures incurred by the departments included in the General Fund. The majority of general services, programs and activities for the citizens of Aurora are supported by this fund, as well as the City Council and the administrative management functions. Other uses include transfers out to other funds, such as the transfer to the Capital Projects Fund.

Public safety functions, including Fire, Dispatch, Police, and Court Administration account for 56.0% of total General Fund appropriations in 2020.

2020 General Fund Revenue (Sources)



2020 General Fund Appropriations (Uses)



## General Fund Departments

- |   |   |   |  |
|---|---|---|--|
| <ul style="list-style-type: none"><li>City Attorney</li><li>Civil Service Commission</li><li>Communications</li><li>Court Administration</li><li>Finance</li><li>Fire</li></ul> | <ul style="list-style-type: none"><li>General Management</li><li>Human Resources</li><li>Information Technology</li><li>Judicial</li><li>Library &amp; Cultural Services</li><li>Mayor &amp; City Council</li></ul> | <ul style="list-style-type: none"><li>Housing and Community Services</li><li>Non-Departmental (snow removal, transfers, contingencies)</li><li>Parks, Recreation &amp; Open Space</li></ul> | <ul style="list-style-type: none"><li>Planning &amp; Development Services</li><li>Police (including Dispatch)</li><li>Public Defender</li><li>Public Works</li></ul> |
|---|---|---|--|



# Appendices

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**Accrual Basis:** Transactions are recorded as they occur, regardless of the timing of related cash flows.

**Actuals:** Transactions recorded in the accounting system on a cash basis. Certain revenue sources are recorded on the accrual basis instead of the cash basis. Accrual basis revenue sources will show zero collections for January, and in some cases February, and two or three months of receipts recorded in December.

**Cash Basis:** Transactions are recorded in accordance with cash flow regardless of economic transaction timing.

**Encumbrances:** The legal commitment of appropriated funds to purchase an item or service in the future. An encumbrance is recorded when a purchase order is recorded. The encumbrance is reduced as cash payments are made against the purchase order. If there is an encumbered balance at the end of any given year, the balance will carryforward and be added to the next year's working budget to cover the cash outlay in that year.

**Spending Plan/Projection Plan/Revenue Plan:** For current month and year-to-date comparison purposes, the 2020 budget and revenue assumptions have been projected monthly, or calendarized. Various methods were used in the process including: historical seasonality, known payment schedules, payroll and benefit calendars, and the straight line basis (1/12th per month).

**Variance:** Used to describe the difference or resulting percentage change in comparative data. Bracketed variances indicate an unfavorable result.

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## Column Descriptions

**Sources of Funds:** All revenue received from external/internal sources and interfund transfers into the fund.

**Uses of Funds:** All departmental expenditures incurred and interfund transfers out of the fund.

**2020 Budget:** The 2020 Adopted Budget plus approved supplemental amendments.

**2020 Projection:** A detailed estimate prepared mid-year for use in current year budget balancing and as the basis for the subsequent budget year estimates.

**YTD Actual thru the Current Month:** The year-to-date actual sources and uses of funds.



### **Year-to-Date / Current Month Variance:**

- Over/(Under) - Current year sources under the prior year or budgeted/projected sources are unfavorable, indicated by brackets.
- Under/(Over) - Current year uses over the prior year or budgeted/projected uses are unfavorable, indicated by brackets.
  - 2019 - The \$ difference between 2020 year-to-date / current month actuals compared to the 2019 actuals for the same timeframe.
  - 2020 Budget/Projection - The \$ difference between the 2020 year-to-date / current month actuals through the current month compared to the 2020 year-to-date budget/projection spending plan for the same timeframe.
  - Percent Chg vs 2019 - The percentage change between 2020 year-to-date actuals through the current month and the 2019 actuals through the same month.
  - Percent Chg vs Budget/Projection - The percentage change between the 2020 year-to-date actuals and the year-to-date budget/projection spending plan.

# Finance Department Indicators (for the month ending 9/30/20)

## Accounts Payable

By making payments within the standard 30 days or less, the city can capture vendor discount terms, avoid penalties and interest charges and save taxpayer money. Staffing issues in PROS, changes in the electronic systems and processes used to process invoices in Risk, and refunds of Temporary Certificates of Occupancy in Public Works were all drivers behind the September results. The departments are making process adjustments to provide for more timely processing of accounts payable going forward.

Target: 30 Days for 85% of Vendor Payments	
 <b>77%</b> (Sep)	<b>84%</b> (YTD) 

## Investments

In light of financial uncertainty stemming from the pandemic-induced recession, the city adopted a more defensive investing strategy focused on increased liquidity. This strategy, along with historically low interest rates, has resulted in a declining average yield. In September, the weighted average yield was 1.81%, which is down from 1.98% in 2018 and 2.23% in 2019.

The portfolio balance has increased slightly during the pandemic due to steady water revenues, recovering sales tax receipts, and expenditure reduction efforts.

September	2018	2019	2020
Cash & Investment Portfolio	\$551.3 M	\$588.7 M	\$603.1 M
Weighted avg. yield	1.98%	2.23%	1.81%
Duration (months)	16.9	20.4	20.4

## Financing Transactions Over Previous 12 Months

In the course of the AMC refinancing the city's credit rating was upgraded to Aaa, the highest possible.

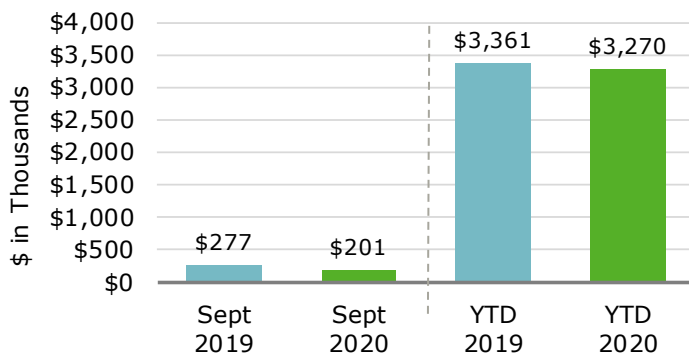
Pending transactions include Southeast Rec Center (\$30 million) and 2020 Fleet (\$4 million).

Purpose	Amount	Closed	Rate	Term (yrs.)	Lender/ Banker
2019 Fleet	\$3.9 M	19-Dec	1.97%	6.3	JPM
AMC Refinancing COPs	\$62.9 M	19-Oct	1.84%	11	Stifel

## Delinquent Tax Collections

Delinquent collections in September were \$200,600, which is below average. Looking more broadly at year-to-date collections in 2020, delinquent tax collections are \$91,100 (2.7%) below 2019. Because year-to-date collections exceed the 12 month collections from both 2018 and 2017, year-to-date collections are still considered above average despite trailing slightly behind 2019 collections.

Delinquent Tax Collections (\$ in Thou.)



## City of Aurora

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