



THORNTON
COLORADO

MONTHLY FINANCIAL REPORT

December 2025

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Executive Summary

Introduction

The City of Thornton Finance and Budget offices are committed to providing financial information and transparency to the public and City stakeholders. The City reports information through the use of 20 funds, full descriptions of the funds and how they are grouped together can be found in [Appendix A](#) following the financial report. The following report is provided to give a high-level explanation of the City's financial position on a month-to-month basis. The City's funds are summarized by comparing year-to-date (YTD) activity with prior year activity, as well as the 2025 Budget. This provides context for the financial data and the City's current financial position. Though there are highlights given within this summary, users are encouraged to review this report in full and in combination with the City's Annual Comprehensive Financial Report and Budget Book for a full view of the City's financial position and health.

Please note that the financial information in this report contains preliminary numbers utilizing YTD actuals and expected revenues and expenditure for 2025. The final audited financials will be in the City's Annual Comprehensive Financial Report to be issued by June of 2026.

Economic Outlook

Nationally, holiday shopping activity came in lower than expected. Holiday sales in November were up 3.3%, leading many to believe that December 2025 could end on a high note. However, the most recent report from the Commerce Department on February 10th indicates the December retail sales were flat compared to November and up only 2.4% on an annual basis. This rate failed to keep up with inflation, with the Consumer Price Index posting a 2.7% increase in December. "The report puts a downbeat end to an otherwise solid year for shopping activity, with higher-end consumers spending briskly through much of 2025, though those on the lower end of the income spectrum were more cautious." (Cos, Jeff "Disappointing holiday season: December retail sales were flat, falling well short of estimate" CNBC, 10, February 2026. <https://www.cnbc.com/2026/02/10/december-retail-sales-were-flat-missing-expectations.html>).

Colorado continues to have a mixed bag of economic news for the end of 2025 and beginning of 2026. January 2026 home sales in the metro area were the weakest they have been since 2008, but current homes under contract were up almost 50% compared to the same period last year. The University of Colorado's Leeds School of Business is estimating that wages will grow by 3.6%, and personal income is projected to increase by 4.5% through 2026. Colorado's population growth, however, has been slowing over the past decade. For the first time in a long time, Colorado had more move outs than move ins according to the state demographer's office. Despite some conflicting signals coming from the data, Brian Lewandoski, the executive director of the Business Research Division at Leeds School of Business told reporters that, "positive growth projected for Colorado's gross domestic product gives him confidence that the state could avoid a recession in the next two years." (Martinez, Andrea Teres "Colorado's economy is projected to grow in 2026, but labor constraints are tempering forecasts" Aspen Times, 11, December 2025. <https://www.aspentimes.com/news/colorado-economy-positive-job-growth-spending-state/>).

Sales Tax Update

Preliminary sales tax reporting for December 2025, show that city-wide sales tax collections, including vehicle use tax, increased by about 3.2% for the month and 0.4% compared to 2024. Several categories reported strong year over year growth compared to 2024, including "Restaurants," up 8%, "Other General Merchandise," (ex. small to midsize retailers) up 7%, and "Other Food & Food Delivery" (ex. DoorDash and Uber Eats), up 10%. Several categories that struggled throughout 2025 included "Construction & Building Materials," down 16%, "Automobile Sales, Parts & Services," down 5%, and "Fast Food" which finished down 1% compared to 2024.

Contact Us

Please reach out to Kim Newhart, Finance Director, at Kimberly.Newhart@thorntonco.gov or 303-538-7255 or Erika Senna, Budget and Operations Director, at Erika.Senna@thorntonco.gov or 303-538-7321 with any questions.

Government Funds Review

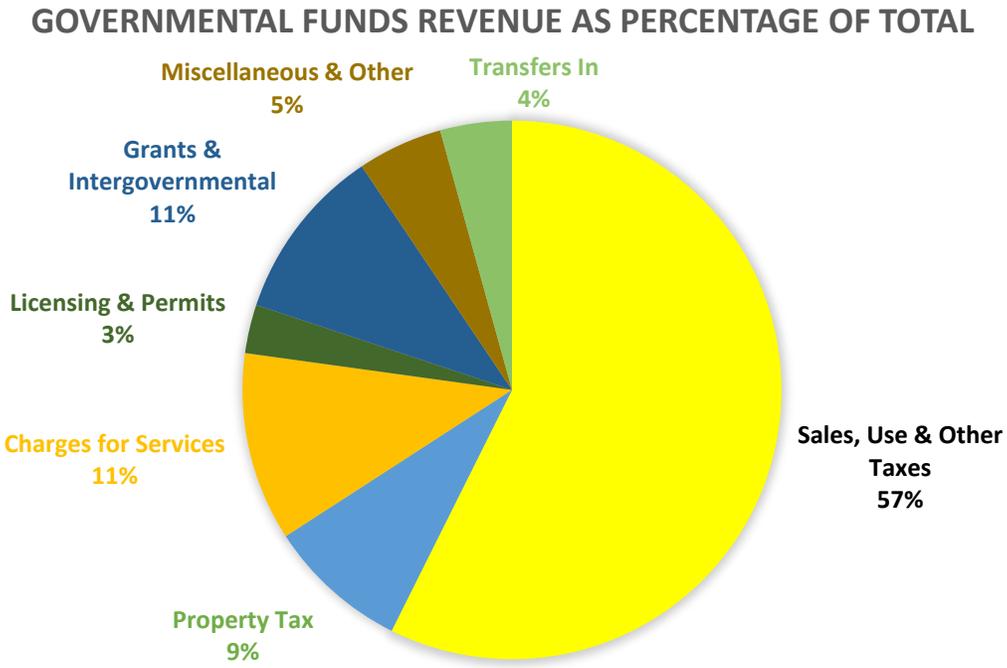
Government Funds Revenue

Below is a summary of all revenues received within the government funds, how revenue compares to the prior year in dollars and as a percentage, current year budget and how the City is performing against the current year budget.

Fund	Year to Date	Year Over Year Change in Dollars	Year Over Year Change as Percentage	2025 Budget	Percentage of Budget
Governmental	\$ 258,842,145	\$ 6,623,629	3%	\$ 247,577,467	105%
Special Revenue	26,089,843	(609,519)	-2%	25,206,254	104%
Thornton Development Authorities (TDA)	48,042,139	20,625,560	75%	49,537,406	97%
Other Governmental	24,873,721	2,684,083	12%	24,077,121	103%

The \$6.6M year-over-year increase in year-to-date revenue for the Governmental Funds is primarily due to increased sales, use, and other taxes of \$3.6M. There is also a one-time special accounting item of \$1.3M increase to revenues due to a change in the method of calculating the uncollectible allowance for ambulance charges. This is a non-recurring adjustment and does not affect cash balances. Lastly, there is a non-recurring amount of \$1.3M from federal forfeitures via the Department of Justice due to a recently closed police case.

Special Revenue Fund revenues are lower compared to 2024 due to the Rangeview Library District contribution to the Community Center project in 2024 of \$5.6M. The TDA receipts grew by 75% from 2024, due to the \$20.6M in 2025 received from refunding the 2015 TDA 144th Capital Fund Revenue Bonds.

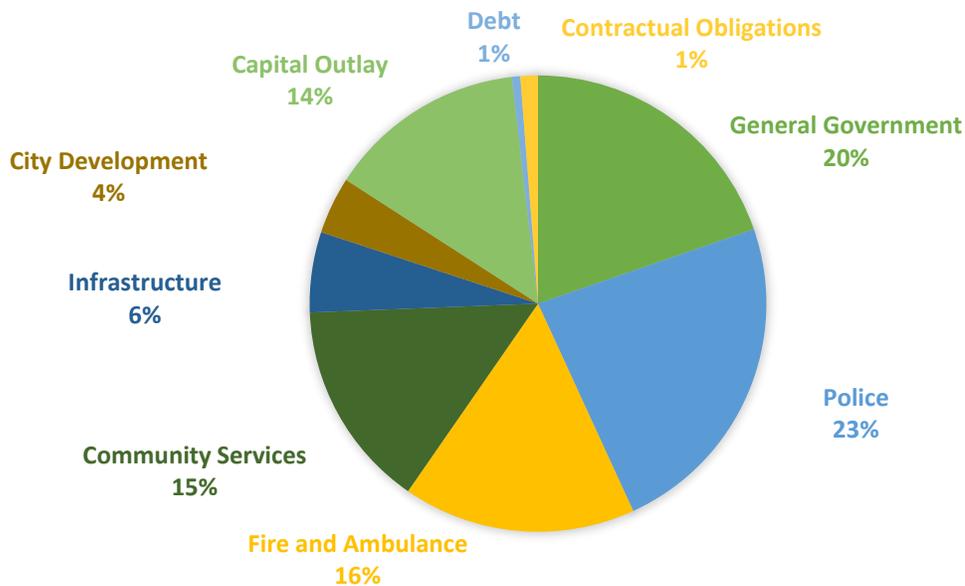


Government Funds Expenditures

Controlling the expenditure growth of the City year over year is one way City Officials properly steward the funds entrusted to the City. Below is a summary of all expenditures within the government funds, how expenditures compare to prior year in dollars and as a percentage, current year budget, including prior year capital budget rollover, and how the City is performing against the current year budget. Governmental Capital expenditures are higher than last year largely due to Fire Station #8 project costs. The Special Revenue funds are lower in 2025 compared to the prior year, primarily due to higher 2024 YTD project costs for the Community Center, Trail Winds Recreation Center turf replacement and other higher parks and recreation capital project costs in 2024. The TDA 144th Capital Fund incurred \$21.6M this year in payment of refunding the bonds as mentioned in the Revenue Section of this report. The Governmental operating accounts are projecting savings, with the majority of the savings coming from the personnel budget, contractual services, and snow and ice supplies.

Fund	Year to Date	Year Over Year Change in Dollars	Year Over Year Change as Percentage	2025 Budget, Including Prior Year Rollover	Percentage of Budget
Governmental - Operating	\$ 214,464,479	\$ 13,998,417	7%	\$ 222,603,191	96%
Governmental - Capital	36,286,138	5,613,566	18%	87,797,064	41%
Special Revenue	20,043,960	(24,731,283)	-55%	46,859,725	43%
Thornton Development Authorities (TDA)	37,613,320	22,189,251	144%	49,163,783	77%
Other Governmental	24,426,608	3,429,973	16%	27,443,957	89%

GOVERNMENTAL FUNDS EXPENDITURES AS PERCENTAGE OF OPERATING TOTAL



Enterprise Funds Review

Enterprise Funds Revenue

The City operates four Enterprise Funds, including Water, Sewer, Stormwater, and Environmental Services. Each of these funds are primarily funded through the charging of services. Below is a summary of all revenues received within the enterprise funds, how revenue compares to the prior year in dollars and as a percentage, current year budget and how the City is performing against the current year budget.

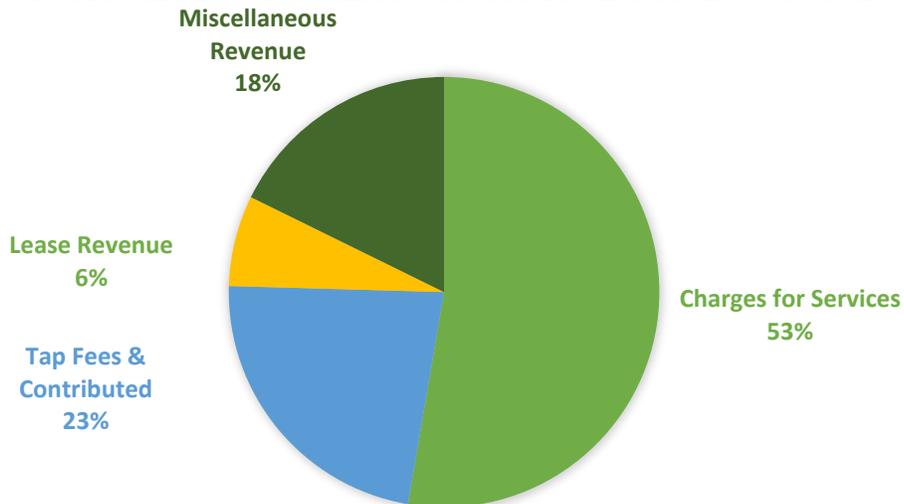
Fund	Year to Date	Year Over Year Change in Dollars	Year Over Year Change as Percentage	2025 Budget	Percentage of Budget
Water	\$ 124,717,297	\$21,346,223	21%	\$ 326,242,433	38%
Sewer	22,287,162	1,463,915	7%	22,596,100	99%
Stormwater	5,011,885	188,408	4%	4,820,000	104%
Environmental Services	9,403,039	1,389,330	17%	9,450,246	100%

Effective January 1, 2025; Water rates increased 11%, sewer rates increased 3.4%, stormwater rates increased 3.4% and solid waste collection increased \$1.50 per month. There was also a change to the collection of tap fees, which are now due at the time a building permit is issued, this change impacts the water and sewer funds. Water revenues are higher largely from the rate increase along with \$13.1M higher tap and water resource fees. Sewer revenues are higher than 2024 primarily due to the rate increase along with \$605K in higher tap fees. Combined Water and Sewer service charges are slightly lower than the budget by 1.0% due to lower water consumption. The 2025 Water revenues exclude the budgeted revenue bonds of \$232M which have been moved to 2026 to fund the waterline project. Excluding this budget amount, the 2025 Water revenues are 132% of the budget due to \$9.8M in PFAS settlement proceeds, investment interest, tap fees, and water resource fees.

Environmental Services revenues are up by \$1.3M from the rate increase and \$211K from a transfer from the General Fund for the collections of the 10 cent bag fees.

With the importance of water, the chart below highlights the revenue streams for water and the percentage each stream makes up of the total revenue for the Water Fund.

WATER REVENUE STREAMS AS A PERCENTAGE OF TOTAL



Enterprise Funds Expenses

Enterprise Funds Operating Expenses

Below is a summary of operating expenses within the enterprise funds, how operating expenses compare to prior year in dollars and as a percentage, current year budget and how the City is performing against the current year budget. Operating expenses related to personnel are anticipated to increase across all enterprise funds, however the overall operating expense picture will fluctuate depending on other inputs. Currently, all enterprise fund operating expenses are tracking under budget.

Fund	Year to Date	Year Over Year Change in Dollars	Year Over Year Change as Percentage	2025 Budget	Percentage of Budget
Water	\$ 44,852,287	\$ 1,759,111	4%	\$ 47,942,760	94%
Sewer	17,086,379	607,560	4%	18,052,206	95%
Stormwater	4,004,882	1,062,593	36%	4,074,920	98%
Environmental Services	6,731,218	112,768	2%	7,318,905	92%

Enterprise Funds Capital Expenses

The continued development of the City and changes in emerging technologies bring about the need for significant capital investments in the City's infrastructure.

Two highlighted projects currently within the Water Fund: design and construction of improvements at the Thornton Treatment Plant to remove PFAS from treated water and the Thornton Water Project, which includes the design and construction of a significant water pipeline to fulfill the water needs for a growing City.

One highlighted project currently within the Sewer Fund is the Big Dry Creek Parallel Sewer project, which is construction of a parallel sewer segment located between E-470.

One highlighted Stormwater Fund capital project is an evaluation of stormwater detention and culvert improvements at Washington Street to carry 100-year flows under the road and reduce flood risks. This is in partnership with the Mile High Flood District.

Below is a summary of capital expenses within all enterprise funds, how capital expenses compare to prior year in dollars and as a percentage, current year budget, including prior year capital budget rollover, and how the City is performing against the current year budget.

Fund	Year to Date	Year Over Year Change in Dollars	Year Over Year Change as Percentage	2025 Budget, Including Prior Year Rollover	Percentage of Budget
Water	\$ 129,955,657	\$ 70,455,275	118%	\$ 423,781,644	31%
Sewer	2,683,130	(2,925,844)	-52%	9,508,131	28%
Stormwater	1,892,047	(537,512)	-22%	3,374,959	56%
Environmental Services	2,018,344	(796,890)	-28%	2,125,293	95%

Environmental Services capital expenditures are mainly fleet vehicles.

Appendix A - Fund Descriptions

General Governmental Funds

The City has two main governmental funds:

1. General Fund, the primary operating fund covering City services, including police, fire and emergency medical response, parks and recreation, transportation infrastructure, development services, economic development, finance, legal, and general administration activities.
2. Governmental Capital Fund, the City's primary capital improvement fund.

The primary funding sources for the general governmental are sales and use tax, property tax, user fees, fines, permit fees, license fees, intergovernmental revenue, and administrative charges.

Thornton Development Authorities (TDA)

The City has 3 development authorities

1. TDA North: The City Council established, by ordinance in December 2003, the North Washington Street Urban Renewal Plan to reduce, eliminate, and prevent the spread of blight within the urban renewal area and to stimulate growth and development of the North Washington Street corridor. Property tax and sale tax increment revenues are the main sources of TDA North revenue.
2. TDA South: The City Council established, by ordinance in December 2012, the South Thornton Urban Renewal Plan to reduce, eliminate, and prevent the spread of blight within the urban renewal area and to stimulate growth and development in South Thornton. Property tax increment revenue is the main source of TDA South revenue.
3. TDA 144th: The City Council established, by ordinance in December 2012, the 144th Avenue and Interstate 25 Urban Renewal Plan to reduce, eliminate, and prevent the spread of blight within the urban renewal area and to stimulate growth and development in the 144th Avenue and Interstate 25 corridor. Property tax and sales tax increment revenues are the main sources of TDA 144th revenue.

Special Revenue Funds

The City has seven special revenue funds

1. Cash in Lieu: accounts for the proceeds from developer contributions associated with different developments throughout the City. The applicable capital projects are managed by responsible City personnel.
2. Conservation Trust: accounts for the proceeds the City receives from the Colorado State Lottery. Funds are used for the acquisition, development, and maintenance of new conservation sites, capital improvements or maintenance for recreational purposes on any public site.
3. Parks, Open Space, and Parks and Open Space: these three funds account for the proceeds from the City's 0.25% sales tax devoted to parks and open space. All revenues are accounted for within the Parks and Open Space fund with capital projects budgeted and expensed out of all three funds as applicable.
4. Adams County (ADCO) Road and Bridge: accounts for the proceeds the City receives from the ADCO Road and Bridge sales tax of 0.5%. Capital projects focus on infrastructure improvement.
5. Adams County (ADCO) Open Space: Accounts for the proceeds the City receives from the ADCO Open Space sales tax of 0.25% and applicable grant funding received from the County. Capital projects focus on parks and open space improvements.

Other Funds

The City has 4 other funds

1. 136th Avenue General Improvement District (136th GID): The 136th Avenue GID was established by City Council in 2000 to help fund the construction of an interchange at 136th Avenue and Interstate 25. Property tax revenue is the main source of 136th Avenue GID Fund revenue.
2. Thornton Emergency Telephone Service (E-911) Authority: The Thornton E-911 Authority was established by City Council in 2004 to collect surcharges for 911 emergency telephone services in the City and to manage the provisions of the emergency telephone service. The monthly emergency telephone surcharge remitted to the Authority is used to pay for a portion of equipment, personnel, technology maintenance, and other authorized costs pursuant to State Statute for the City to provide emergency telephone service.
3. Thornton Arts, Sciences and Humanities Council (TASHCO): TASHCO was established by City Council in 1991 to address the community's need for additional arts and cultural programs. TASHCO conducts fundraising, actively supports all City sponsored arts and culture events, and encourages membership and public participation.
4. Risk: Risk Management is responsible for evaluating risk exposures throughout the City and coordinating ways to transfer and manage the exposures via contractual agreements or through insurance coverage via various insurance carriers for property casualty, workers' compensation, and general professional and public official liability. Revenues for Risk Management come from charges for service to the City's operating divisions. Revenues are constant throughout the year, though expenses will vary.

Enterprise Funds

The City operates 4 enterprise funds

1. The Water Fund is responsible for operating, maintaining, and planning for the future of the City's water utility. The City is proud to provide quality water services, from the protection of water sources to the distribution of water to homes and businesses. Charges for services, leases, and tap fees are the main sources of revenue.
2. The Sewer Fund is responsible for operating and maintaining the City's wastewater collection system. While the City collects wastewater, it does not own or operate a wastewater treatment plant. The City sends wastewater to the Metro Water Recovery for treatment. Charges for services and tap fees are the main sources of revenue.
3. The Environmental Services Fund provides curbside trash and recycling collection services to over 30,000 homes throughout the community, as well as several special collection services for Thornton residents. Charges for services are the main source of revenue.
4. The Stormwater Fund is responsible for operation, maintenance, and capital improvement projects of the drain and drainage system throughout the City. Service fees are the main source of revenue.