



THORNTON
COLORADO

MONTHLY FINANCIAL REPORT

April 2026

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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](#). 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 2026 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.

Economic Overview

Global conflict and rising energy costs continue to drive up the prices of everyday goods, which may lead households and businesses to adjust spending patterns and reduce discretionary purchases. According to AAA, the average gasoline price in Colorado reached \$4.63 per gallon, compared to the national average of \$4.53 per gallon, representing an increase of nearly 20% from prior month. National inflationary impacts have been observed in several consumer categories over the past 12 months, including fruits and vegetables, up 6.1%, food away from home, up 3.6%, and apparel costs increasing by 4.2%. Higher fuel and consumer costs may continue to place pressure on household budgets and could eventually impact consumer spending behavior. Sources: AAA Gas Prices; U.S. Bureau of Labor Statistics Consumer Price Index; Investopedia, "Sub-\$4 Gas Has All but Disappeared," Sabrina Karl.

Despite these broader economic pressures, Thornton has not yet experienced negative impacts on overall sales tax performance. Through the first quarter, city-wide sales tax revenues are up 3.5% compared to the prior year. Key discretionary spending categories have remained resilient, with restaurants up 10% year to date, and furniture, electronics, and equipment increasing nearly 6%. Due to Thornton's diverse tax base, the City may continue to experience increased revenues in necessity-based categories as prices rise. However, prolonged inflationary pressure and sustained higher consumer costs could eventually lead to declines in discretionary spending and big-ticket purchases.

As noted in prior months, development activity has slowed significantly compared to the prior year, resulting in lower connection fee revenues and fewer permits issued. Through April, residential housing permits totaled 86, a decrease of approximately 67% from 262 permits issued during the same period last year. Although the City has revised its year end projection to 425 new housing units by year-end, the slower start to the year is contributing to reduced development-related revenues and may continue to place pressure on these revenue streams if current trends persist.

The City remains in Stage 1 drought conditions and established a goal of reducing water demand by 10%. As of April 30th, water consumption is down 3.5% year-to-date. Continued reductions in usage are expected to lower utility revenues, particularly in the Water and Sewer Funds despite recent rate increases. This impact is expected to be partially offset by savings on water treatment costs and reduced General Fund expenditures for park irrigation.

With uncertainty surrounding energy costs, limited development, increasing inflation, and potential impacts on consumer behavior, we are closely monitoring sales tax collection trends for multiple industries to determine if these first quarter results represent a sustainable trend for the year, or if it is a temporary peak.

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	2026 Budget	Percentage of Budget
Governmental	\$ 68,970,139	\$ (404,437)	(1%)	\$ 259,173,466	27%
Special Revenue	4,955,972	(2,046,399)	(29%)	29,217,514	17%
Thornton Development Authorities	13,293,935	3,689,972	38%	33,476,801	40%
Other Governmental	6,608,413	(1,221,729)	(16%)	21,580,392	31%

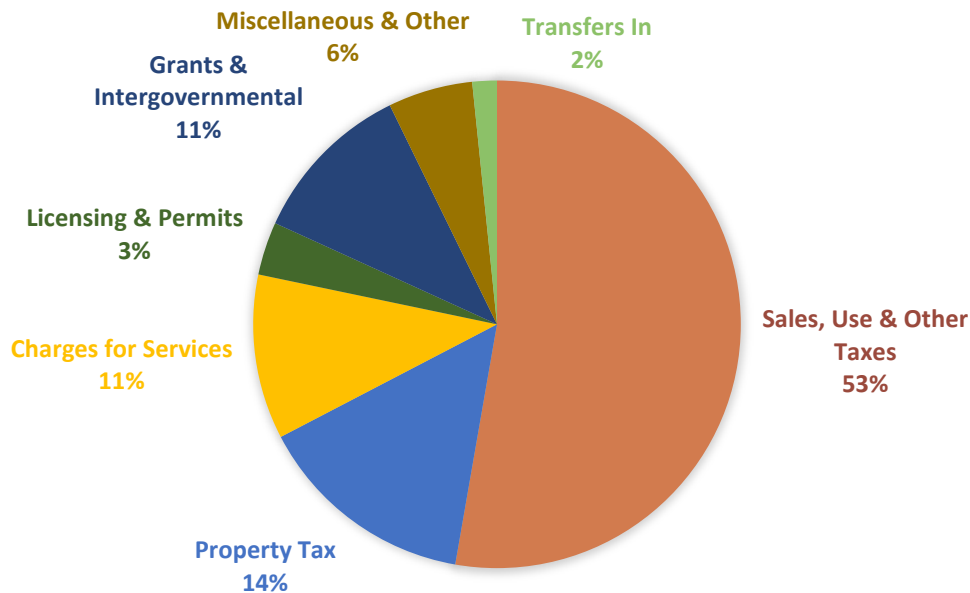
Year-over-year decreases across Governmental Funds are primarily due to nonrecurring and timing-related factors, however an increase in Sales, Use & Other Taxes has minimized the overall decrease in the funds.

Special Revenue declines reflect higher prior-year grant activity and a one-time 2025 reimbursement for the community center and library.

Increase in TDA revenues, year to date, compared to the prior year can be attributed to the timing of property taxes received to date.

Other Governmental Funds are down due to reduced risk management charges driven by lower projected self-insurance costs.

GOVERNMENTAL FUNDS REVENUE AS PERCENTAGE OF TOTAL



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. The Governmental – Capital expenditures are lower than 2025 due to the timing of fleet capital purchases made last year.

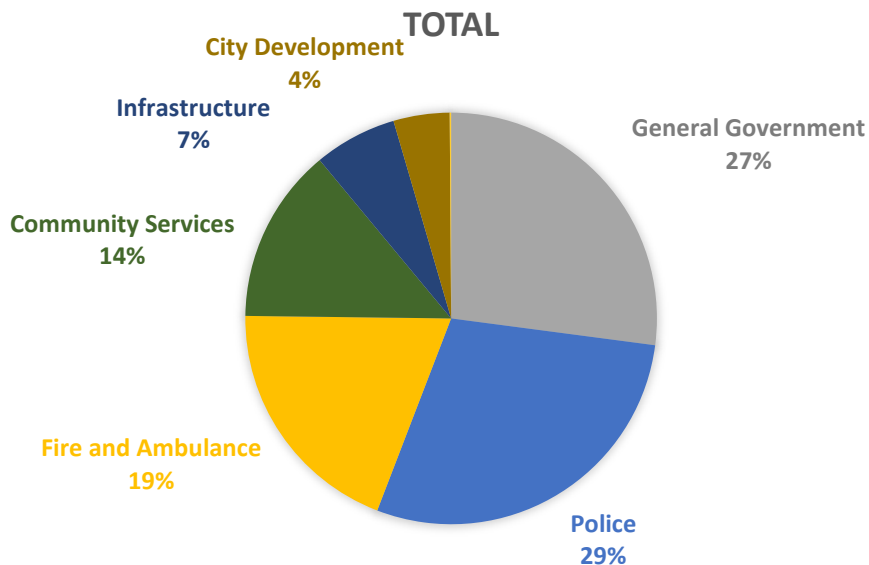
Fund	Year to Date	Year Over Year Change in Dollars	Year Over Year Change as Percentage	2026 Budget, Includes Prior Year Rollover	Percentage of Budget
Governmental - Operating	\$ 59,917,187	\$ 179,879	0%	\$ 221,771,173	27%
Governmental - Capital	3,720,166	(3,872,659)	(51%)	95,080,593	4%
Special Revenue	1,678,070	(610,919)	(27%)	56,442,174	3%
Thornton Development Authorities	1,933,162	157,760	9%	22,352,490	9%
Other Governmental	7,658,097	1,391,151	22%	29,285,845	26%

Two projects to highlight within the Governmental Capital Fund are the implementation of the new HR/Payroll system and the completion of Fire Station #8. City staff have been working diligently to implement the new HR/Payroll software system, with a current go-live date anticipated in August of this year. Fire Station #8, located at 15343 Monaco Street, opened in April of this year and will serve the growing northeast part of the City. This building was constructed using a combination of Government Capital funds and American Rescue Plan Act (ARPA) funds.

In 2026, the Ken Freiberg Fire Museum is underway in the Special Revenue Funds and major construction activities are expected to be completed by the end of the year, which will be followed by specialized museum exhibit construction and installation.

In the TDA South Fund, environmental remediation of soil, impacted by dry cleaning chemicals, continues at the Market at 88th, formerly known as the Thornton Shopping Center.

GOVERNMENTAL FUNDS EXPENDITURES AS PERCENTAGE OF OPERATING TOTAL



Enterprise Funds Review

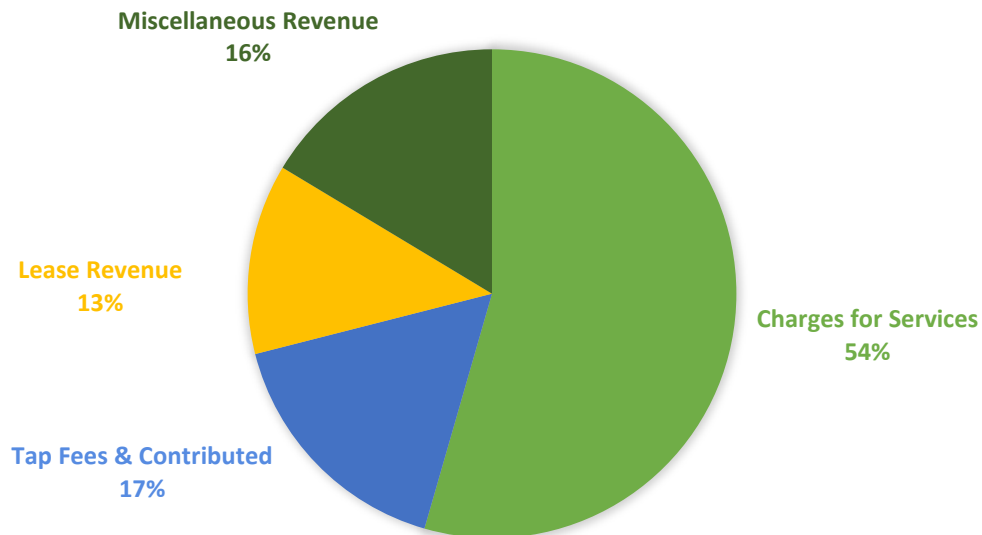
Enterprise Funds Revenue

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	2026 Budget	Percentage of Budget
Water	\$ 22,150,642	\$ (10,218,168)	(32%)	\$ 351,607,000	6%
Sewer	5,947,240	(328,884)	(5%)	24,177,300	25%
Stormwater	1,714,898	83,119	5%	5,188,700	33%
Environmental Services	2,456,933	(219,668)	(8%)	9,435,700	26%

Despite rate increases effective January 1, 2026 (Water 11%, Sewer 6%, Stormwater 6%, Environmental Services 1.3%), Water and Sewer revenues are down year-to-date due to reduced development activity and lower consumption, which more than offsets the rate adjustments. Water and Sewer Connection fees revenues have decreased approximately \$10.1 million due to slower development activity. Environmental Services revenues are also lower due to a nonrecurring transfer of 2025 bag fees.

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.

Fund	Year to Date	Year Over Year Change in Dollars	Year Over Year Change as Percentage	2026 Budget	Percentage of Budget
Water	\$ 13,385,291	\$ (278,051)	(2%)	\$ 48,268,696	28%
Sewer	4,951,100	473,533	11%	19,266,871	26%
Stormwater	873,525	52,900	6%	4,146,912	21%
Environmental Services	1,908,969	56,355	3%	7,589,704	25%

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.

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	2026 Budget, Including Prior Year Rollover	Percentage of Budget
Water	\$ 37,198,249	\$ 13,274,142	55%	\$ 496,022,031	7%
Sewer	1,056,479	928,618	726%	9,572,292	11%
Stormwater	321,889	118,246	58%	1,957,328	16%
Environmental Services	3,704	(370,589)	(99%)	1,812,600	0%

One ongoing project in the Water Fund is the installation of solar panels at the Thornton Water Treatment Plant. This project will install rooftop and ground mounted solar capacity at the Thornton Water Treatment Plant to maximize onsite renewable energy generation.

In the Sewer Fund, staff continue to perform maintenance and rehabilitation on sewer lines and manholes throughout the City. In 2026, the projects will rehabilitate approximately 46,000 linear feet of pipe and 87 manholes.

One highlighted project in the Stormwater Fund is the ongoing construction on the northwest corner of the Margaret W. Carpenter Park as part of a stormwater maintenance project being completed in partnership with the Mile High Flood District. The work focuses on stabilizing the creek from 112th Avenue to the lakes.

The only ongoing capital project in the Environmental Services fund is the replacement of fleet vehicles, the majority of which will be ordered later this year.

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 October 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 October 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 November 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 7 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.