



TO: Fruita City Council and Mayor

FROM: Margaret Sell, Finance Director/City Clerk

DATE: January 18, 2022

AGENDA TEXT: FINANCIAL REPORTS – A request to approve the PRELIMINARY December 2021 Financial Reports

BACKGROUND

Sales, Use Tax and Lodging Tax Revenues – November 2021 Sales.

The following chart provides a comparison of sales, use and lodging tax revenues between 2020 and 2021. Overall tax revenues are up \$1.15 million from the prior year and ahead of budgeted amounts by \$1.47 million.

Summary of Sales and Use Tax Revenues - November 2021					
		Percent (%) Change		Dollar (\$) Change	
Type	Month	Month	Y-T-D	From prior year - YTD	Between actual and budget - YTD
City Sales Tax (2%)	Nov-21	12%	15%	\$ 368,461	\$ 518,160
Use tax on Motor Vehicles (2%)	Nov-21	94%	22%	\$ 138,830	\$ 184,608
Use tax on Building Materials (2%)	Nov-21	-42%	-1%	\$ (2,403)	\$ 86,207
Lodging Tax - (3%)	Nov-21	49%	95%	\$ 80,404	\$ 88,834
County Sales Tax	Nov-21	19%	21%	\$ 490,306	\$ 511,108
Public Safety Tax	Nov-21	18%	23%	\$ 77,232	\$ 81,692
				\$ 1,152,830	\$ 1,470,610

The following table shows a comparison between November 2020 and 2021 city sales tax collections by NAICS category. Retail trade continues to be the largest dollar contributor to the monthly increase in city sales tax.

Sales Tax Revenues by Category (3%)					
Nov-21					
Description	2019	2020	2021	1 yr % Chg	1 yr \$ Chg
Retail Trade	148,974	196,600	222,761	13%	26,161
Food	49,648	51,881	60,557	17%	8,676
Other Miscellaneous	8,075	14,158	8,706	-39%	(5,452)
Utilities	20,171	22,087	24,804	12%	2,717
Manufacturing	5,083	7,053	9,473	34%	2,420
Rental and Leasing	8,776	8,329	5,901	-29%	(2,428)
Other Services	3,230	6,544	5,660	-14%	(884)
Lodging	8,568	8,124	11,615	43%	3,491
Wholesale Trade	7,479	10,212	10,499	3%	287
Communications	24,850	11,102	15,715	42%	4,613
Oil and Gas	4,595	666	1,739	161%	1,073
Total	289,449	336,756	377,430	12%	40,674
Remote retailers	17,209	44,560	47,695	7%	3,135

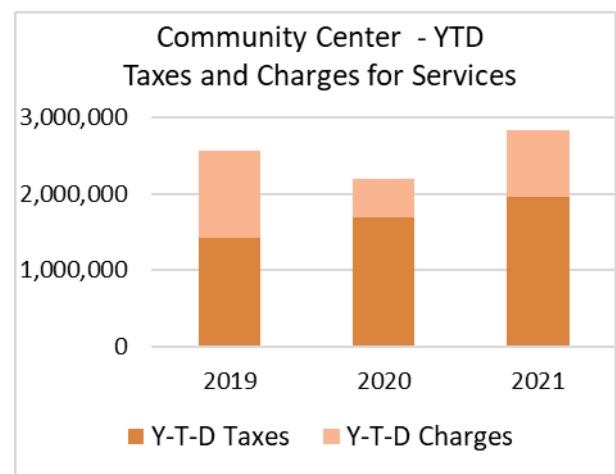
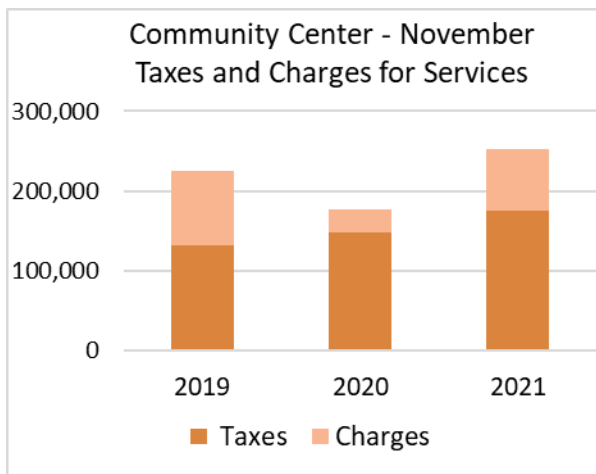
Sales tax revenues are up 12% for the month over the same period last year and up 15% year to date. Attached is 5 year history of the year-to-date sales and use tax revenues by Category (NAICS).

Use tax revenues on motor vehicles are up 94% for the month (up 22% for the year) and use tax revenues on building materials are down 42% for the month and down 1% year to date.

Community Center Fund – November 2021.

City sales and use tax revenues for November reflect a 19% increase from 2020 revenues (15% YTD). Sales and use tax revenues collected YTD represent 114% of the 2021 budgeted revenues.

November charges for services (pass fees and recreation programs) are up 155% from the prior year (77% YTD) but down 17% from 2019 pre-covid levels for the month and (23% YTD). However, this compares favorably to the 2021 budgeted revenues which were budgeted at 53% of 2019 pre-covid levels.



Revenue vs Expense by Account Type – PRELIMINARY December 2021. This report presents PRELIMINARY summary information on revenues and expenses and budget comparisons for all funds. The report includes revenues and expenses by type and also by department. The following is a summary of the report by fund showing actual revenues and expenses as a percentage of budget.

Revenues and Expenses as Percentage of Budget Preliminary December 2021		
Column 1	Revenues as a % Budget	Expenses as a % of Budget
General Fund	117%	72%
Conservation Trust Fund	122%	100%
Economic Development Fund	191%	99%
Marketing	139%	62%
Public Places Fund	185%	94%
Community Center	126%	93%
Capital Projects	34%	37%
Debt Service	99%	100%
Devils Canyon Center	0%	100%
Irrigation Water	102%	91%
Sewer	96%	75%
Trash	92%	92%
Fleet Maintenance Fund	100%	95%
Total	90%	66%

FISCAL IMPACT

None.

APPLICABILITY TO CITY GOALS AND OBJECTIVES

These reports provide financial information to the Council to monitor the City's financial position and may be used as a tool to hold staff accountable for accomplishing goals and objectives set forth in the Budget.

OPTIONS AVAILABLE TO THE COUNCIL

Approval of Financial Reports

Approval of Financial Reports with clarification on specific items

RECOMMENDATION

It is the recommendation of staff that the Council by motion:

**ACCEPT THE PRELIMINARY DECEMBER 2021 FINANCIAL REPORTS AS
PRESENTED**