



**TO:** Fruita City Council and Mayor

**FROM:** Margaret Sell, Finance Director/City Clerk

**DATE:** January 16, 2024

**AGENDA TEXT:** FINANCIAL REPORTS – A request to approve the Preliminary December 2024 Financial Reports

**BACKGROUND**

Sales and use tax revenues. The following table provides a summary of sales and use tax revenues for November sales compared to sales in the same period in 2022. Reductions in sales and use tax revenues were anticipated in the 2023 Budget. Collectively, these revenues have surpassed the budget through November by \$563,148. On a year-to-date basis county sales tax revenues are flat compared to the prior year, use taxes on building materials and vehicles are down from the prior year, and city sales tax and lodging tax revenues are up from the previous year.

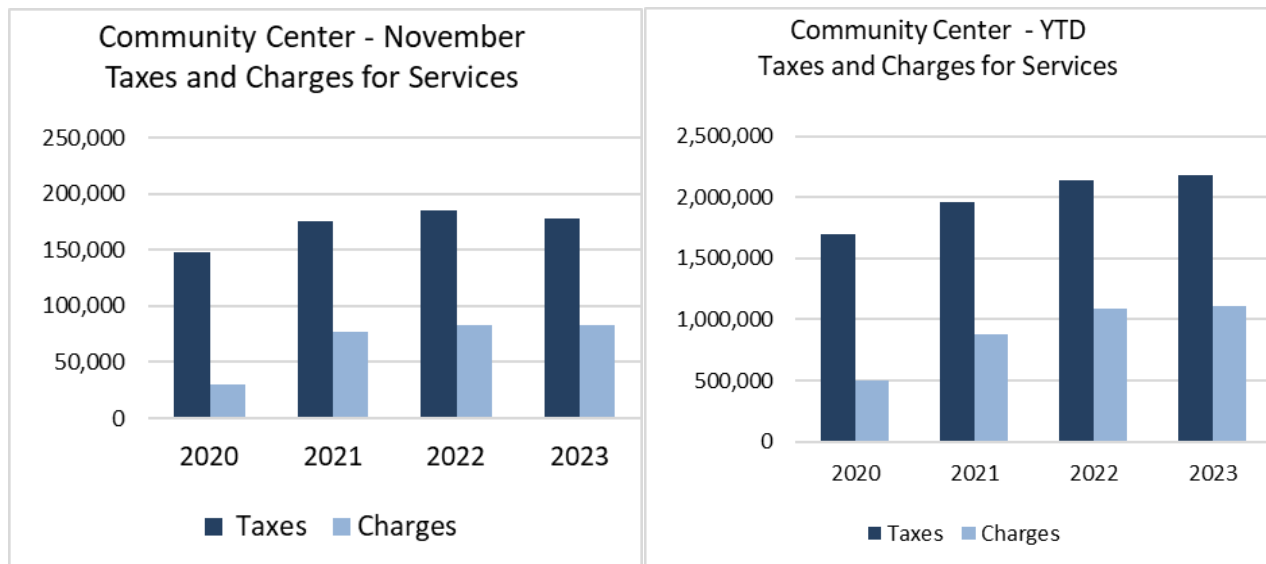
Summary of Sales and Use Tax Revenues - November 2023					
Type	Month	Percent (%) Change		Dollar (\$) Change	
		Month	Y-T-D	From prior year - YTD	Between actual and budget - YTD
City Sales Tax (2%)	Nov-23	-0.8%	6%	\$ 184,719	\$ 323,036
Use tax on Motor Vehicles (2%)	Nov-23	-24.5%	-9%	\$ (73,163)	\$ (18,149)
Use tax on Building Materials (2%)	Nov-23	28.3%	-10%	\$ (37,267)	\$ 34,150
Lodging Tax (3%)	Nov-23	19.2%	2%	\$ 4,328	\$ 34,076
County Sales Tax	Nov-23	2.1%	0%	\$ 10,499	\$ 163,702
Public Safety Tax	Nov-23	2.0%	1%	\$ 2,928	\$ 26,333
				<b>\$ 92,044</b>	<b>\$ 563,148</b>

The following table shows a monthly comparison between November 022 and 2023 city sales tax collections by NAICS category. City sales tax revenues were down 1% from the prior year with the largest reductions in wholesale and retail trade. Remote sales were up 36% over the prior year.

<b>Sales Tax Revenues by Category (3%)</b>					
Nov-23					
<b>Description</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>1 yr % Chg</b>	<b>1 yr \$ Chg</b>
Retail Trade	222,760	240,276	247,284	3%	7,008
Food	60,557	61,382	56,927	-7%	(4,455)
Other Miscellaneous	8,706	16,470	14,692	-11%	(1,778)
Utilities	24,804	34,433	26,215	-24%	(8,218)
Manufacturing	9,472	15,911	11,953	-25%	(3,958)
Rental and Leasing	5,903	7,228	6,654	-8%	(574)
Other Services	5,660	6,420	7,179	12%	759
Lodging	11,615	8,988	9,457	5%	469
Wholesale Trade	10,499	16,048	17,898	12%	1,850
Communications	15,715	14,905	16,221	9%	1,316
Oil and Gas	1,739	599	4,710	686%	4,111
<b>Total</b>	<b>377,430</b>	<b>422,660</b>	<b>419,190</b>	<b>-1%</b>	<b>(3,470)</b>
<b>Remote retailers</b>	<b>48,771</b>	<b>56,805</b>	<b>59,732</b>	<b>5%</b>	<b>2,927</b>

Community Center Fund Charges for Services – November 2023

November 2023 charges for services (pass fees and recreation programs) were up 1% from the prior year while sales and use tax revenues were down 3% from the prior year. Annual revenues are up 2% for both user fees and tax revenues.



Actual vs Budget Report – December (Preliminary) 2023. The attached Actual vs Budget report presents comparison information on budgeted vs actual revenues and expenses by fund and department for all funds. There are a number of year end adjustments and entries that are outstanding and these numbers will change for the final year end reporting. The following is a summary of the report by fund.

<b>Revenues and Expenses as Percentage of Budget - PRELIMINARY December 2023 (100%)</b>		
Column 1	Revenues as a % Budget	Expenses as a % of Budget
General Fund	115%	77%
Conservation Trust Fund	119%	20%
Economic Development Fund	122%	62%
Marketing	119%	81%
Public Places Fund	134%	86%
Community Center	106%	74%
Fruita Housing Authority	113%	93%
Capital Projects	29%	31%
Debt Service	104%	100%
Devils Canyon Center	0%	0%
Irrigation Water *	98%	62%
Sewer*	66%	84%
Trash*	94%	91%
Fleet Maintenance Fund	100%	78%
<b>Total</b>	<b>79%</b>	<b>67%</b>

**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 2023 FINANCIAL REPORTS AS PRESENTED**