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### AGENDA ITEM COVER SHEET

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**TO:** FRUITA CITY COUNCIL AND MAYOR  
**FROM:** MARGARET SELL, FINANCE DIRECTOR/CITY CLERK  
**DATE:** OCTOBER 19, 2021  
**RE:** FINANCIAL REPORTS FOR OCTOBER 2021

#### **BACKGROUND**

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

The following chart provides a comparison of sales, use and lodging tax revenues between 2020 and 2021. Overall tax revenues are up \$1.0 million from the prior year and ahead of budgeted amounts by \$1.2 million

Summary of Sales and Use Tax Revenues - September 2021					
		Percent (%) Change		Dollar (\$) Change	
Type	Month	Month	Y-T-D	From prior year - YTD	Between actual and budget - YTD
City Sales Tax (2%)	Sep-21	17%	16%	\$ 318,437	\$ 440,040
Use tax on Motor Vehicles (2%)	Sep-21	-19%	16%	\$ 84,556	\$ 123,164
Use tax on Building Materials (2%)	Sep-21	-35%	-4%	\$ (9,261)	\$ 61,675
Lodging Tax - (3%)	Sep-21	74%	115%	\$ 135,340	\$ 78,636
County Sales Tax	Sep-21	19%	22%	\$ 413,581	\$ 430,423
Public Safety Tax	Sep-21	19%	23%	\$ 65,016	\$ 68,625
				<b>\$ 1,007,669</b>	<b>\$ 1,202,563</b>

The following table shows a comparison between September 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.

<b>Sales Tax Revenues by Category (3%)</b>					
Sep-21					
<b>Description</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>1 yr % Chg</b>	<b>1 yr \$ Chg</b>
Retail Trade	130,282	188,034	218,168	16%	30,134
Food	64,533	64,659	74,449	15%	9,790
Other Miscellaneous	10,381	12,500	21,987	76%	9,487
Utilities	24,495	30,338	26,981	-11%	(3,357)
Manufacturing	4,780	8,179	14,365	76%	6,186
Rental and Leasing	8,706	13,731	4,802	-65%	(8,929)
Other Services	6,380	5,920	10,100	71%	4,180
Lodging	16,313	14,577	23,348	60%	8,771
Wholesale Trade	9,678	10,316	13,678	33%	3,362
Communications	12,683	10,414	13,259	27%	2,845
Oil and Gas	1,306	960	816	-15%	(144)
<b>Total</b>	<b>289,537</b>	<b>359,628</b>	<b>421,953</b>	<b>17%</b>	<b>62,325</b>

<b>Remote retailers</b>	<b>17,433</b>	<b>32,371</b>	<b>23,942</b>	<b>-26%</b>	<b>(8,429)</b>
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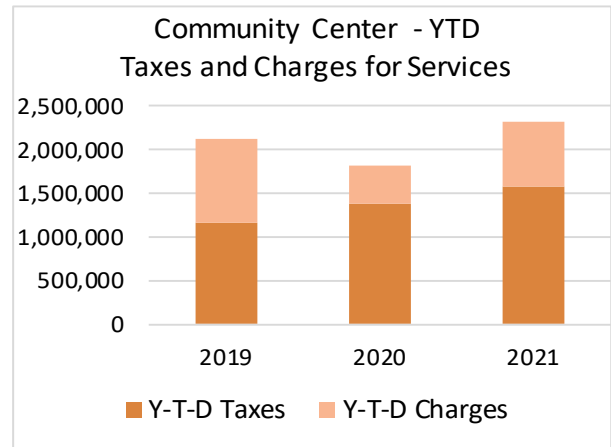
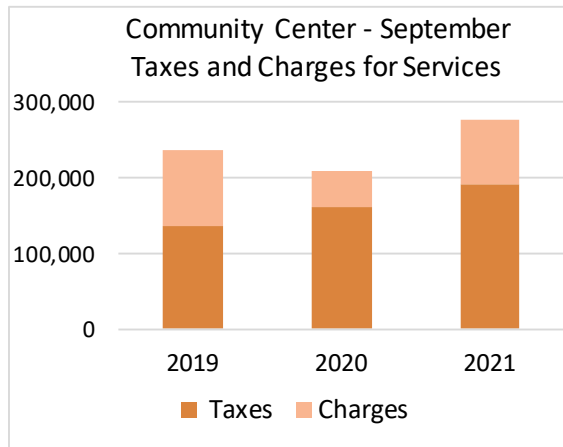
Sales tax revenues are up 17% for the month over the same period last year and up 16% year to date. Attached is 5 year history of the year-to-date sales and use tax revenues by Category (NAICS).

Use tax revenues on motor vehicles are down 19% for the month (up 16% for the year) and use tax revenues on building materials are down 35% for the month and down 4% year to date. Both these business sectors are experiencing supply chain shortages, and this may be impacting sales.

#### Community Center Fund – October 2021.

City sales and use tax revenues for September reflect a 6% increase from 2020 revenues (14% YTD). Sales and use tax revenues collected YTD represent 92.5% of the 2021 budgeted revenues.

September charges for services (pass fees and recreation programs) are up 97% from the prior year (71% YTD) but down 15% from 2019 pre-covid levels for the month and down 24% YTD from 2019 pre-covid levels. 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 – October 2021. This report presents 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 October 2021		
Column1	Revenues as a % Budget	Expenses as a % of Budget
General Fund	99%	62%
Conservation Trust Fund	91%	100%
Economic Development Fund	158%	99%
Marketing	118%	57%
Public Places Fund	162%	85%
Community Center	104%	81%
Capital Projects	33%	34%
Debt Service	99%	100%
Devils Canyon Center	0%	100%
Irrigation Water	100%	80%
Sewer	79%	66%
Trash	77%	69%
Fleet Maintenance Fund	100%	82%
<b>Total</b>	<b>84%</b>	<b>62%</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 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 OCTOBER 2021 FINANCIAL REPORTS AS PRESENTED**