



TO: Fruita City Council and Mayor

FROM: Margaret Sell, Finance Director/City Clerk

DATE: February 15, 2022

AGENDA TEXT: FINANCIAL REPORTS – A request to approve the January 2022 Financial Reports

BACKGROUND

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

The following chart provides a comparison of sales, use and lodging tax revenues between 2020 and 2021. Overall tax revenues are up \$1.24 million from the prior year and ahead of budgeted amounts by \$1.59 million.

Summary of Sales and Use Tax Revenues - December 2021					
		Percent (%) Change		Dollar (\$) Change	
Type	Month	Month	Y-T-D	From prior year - YTD	Between actual and budget - YTD
City Sales Tax (2%)	Dec-21	13%	15%	\$ 401,058	\$ 565,343
Use tax on Motor Vehicles (2%)	Dec-21	4%	20%	\$ 141,544	\$ 192,203
Use tax on Building Materials (2%)	Dec-21	-12%	-2%	\$ (6,131)	\$ 92,462
Lodging Tax - (3%)	Dec-21	39%	92%	\$ 82,418	\$ 91,368
County Sales Tax	Dec-21	20%	21%	\$ 539,205	\$ 562,239
Public Safety Tax	Dec-21	19%	22%	\$ 84,804	\$ 89,743
				\$ 1,242,898	\$ 1,593,359

The following table shows a comparison between December 2020 and 2021 city sales tax collections by NAICS category. Retail trade continues to be the largest dollar contributor to city sales tax revenues. Sales tax revenues are up 13.4% for the month over the same period last year and up 14.65% for the year.

Sales Tax Revenues by Category (3%)					
Dec-21					
Description	2019	2020	2021	1 yr % Chg	1 yr \$ Chg
Retail Trade	139,942	218,671	237,688	9%	19,017
Food	50,195	52,689	57,432	9%	4,743
Other Miscellaneous	8,340	11,261	15,276	36%	4,015
Utilities	24,340	27,014	35,908	33%	8,894
Manufacturing	8,910	10,317	10,492	2%	175
Rental and Leasing	11,270	8,537	5,639	-34%	(2,898)
Other Services	5,707	5,969	3,916	-34%	(2,053)
Lodging	6,839	5,812	12,821	121%	7,009
Wholesale Trade	10,207	11,851	17,097	44%	5,246
Communications	33,414	11,635	16,951	46%	5,316
Oil and Gas	13,871	875	306	-65%	(569)
Total	313,035	364,631	413,526	13%	48,895

Remote retailers	32,465	40,794	45,272	11%	4,478
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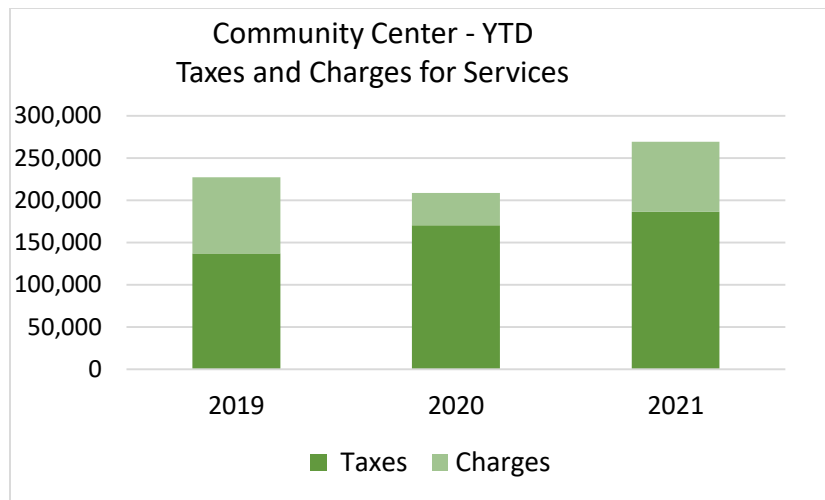
A 5 year history (2017 thru 2021) of the year-to-date sales and use tax revenues by Category (NAICS) is attached. The following table shows the top and bottom 3 categories for growth from 2017 to 2021.

FIVE YEAR TOP AND BOTTOM GROWTH CATEGORIES FOR CITY SALES TAX		
NAICS Category	Change from 2017 to 2021	
	% Change	\$ Change
Retail Trade	122%	\$ 1,385,334
Food Sales	51%	\$ 289,893
Wholesale Trade	780%	\$ 159,163
Rental & Leasing	-14%	\$ -14,093
Gas and Oil	-65%	\$ -12,860
Communications	-3%	\$ -4,708

Use tax revenues on motor vehicles are up 4% for the month (up 20% for the year) and use tax revenues on building materials are down 12% for the month and down 2% year to date.

Community Center Fund – December 2021.

December charges for services (pass fees and recreation programs) are up 117% from the prior year (79% YTD) but down 8% from 2019 pre-covid levels (22% YTD). The 2021 revenues were budgeted at 53% of 2019 pre-covid levels.



Actual vs Budget Report – January 2022 This attached report presents comparison information on budgeted vs actual revenues and expenses by fund and department for all funds. 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 January 2022		
Column 1	Revenues as a % Budget	Expenses as a % of Budget
General Fund	7%	4%
Conservation Trust Fund	0%	0%
Economic Development Fund	0%	0%
Marketing	5%	1%
Public Places Fund	3%	0%
Community Center	8%	4%
Capital Projects	0%	0%
Debt Service	0%	0%
Devils Canyon Center	0%	0%
Irrigation Water	0%	6%
Sewer	1%	2%
Trash	0%	0%
Fleet Maintenance Fund	0%	5%
Total	3%	2%

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 JANUARY 2022 FINANCIAL REPORTS AS PRESENTED