



TO: Fruita City Council and Mayor

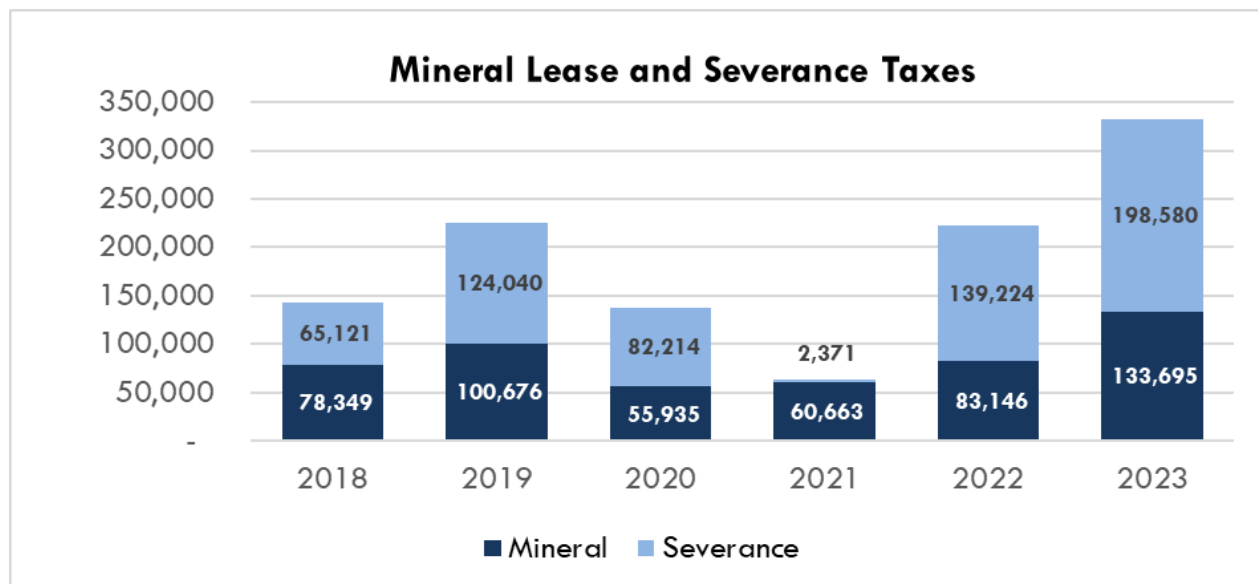
FROM: Margaret Sell, Finance Director/City Clerk

DATE: September 19, 2023

AGENDA TEXT: FINANCIAL REPORTS – A request to approve the August 2023 Financial Reports

BACKGROUND

Mineral Lease and Severance Tax Distribution. The City the mineral lease and severance tax distribution for 2023 in the amount of \$332,275, an increase of 72% from the prior year. This revenue is budgeted conservatively and is typically allocated to one-time expenses due to the volatile nature of this revenue source.



Sales and use tax revenues. The following table provides a summary of sales and use tax revenues for July 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 July by \$414,570.

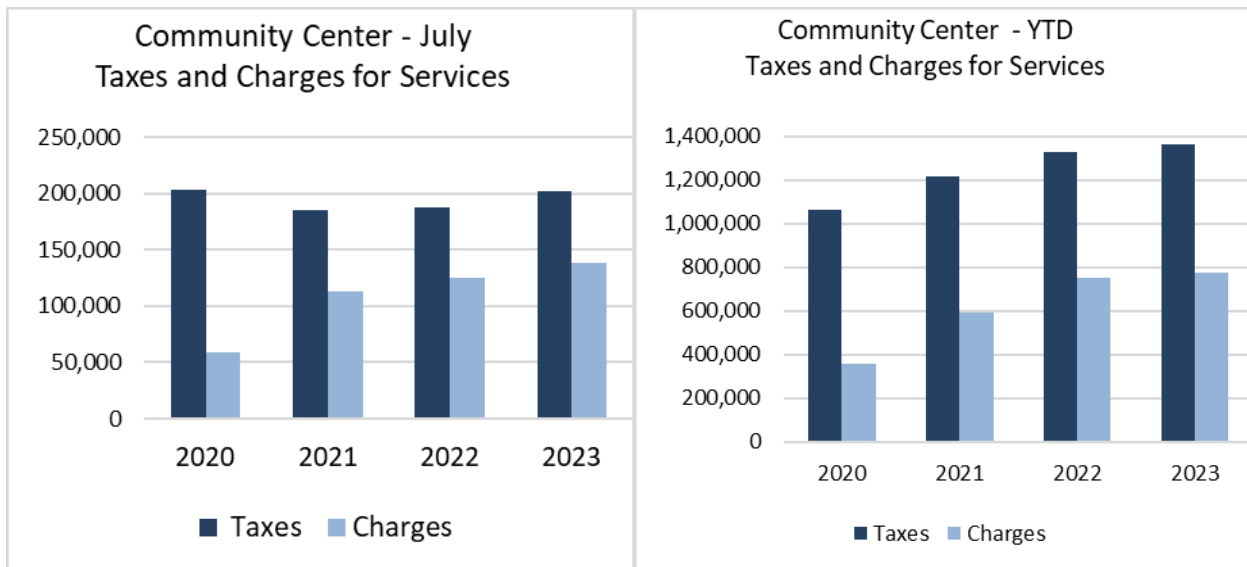
Summary of Sales and Use Tax Revenues - July 2023					
		Percent (%) Change		Dollar (\$) Change	
Type	Month	Month	Y-T-D	From prior year - YTD	Between actual and budget - YTD
City Sales Tax (2%)	Jul-23	6%	8%	\$ 159,987	\$ 245,067
Use tax on Motor Vehicles (2%)	Jul-23	-15%	-10%	\$ (45,200)	\$ (11,741)
Use tax on Building Materials (2%)	Jul-23	125%	-10%	\$ (25,525)	\$ 24,279
Lodging Tax (3%)	Jul-23	34%	5%	\$ 5,615	\$ 23,129
County Sales Tax	Jul-23	2%	1%	\$ 19,947	\$ 115,200
Public Safety Tax	Jul-23	1%	1%	\$ 4,055	\$ 18,635
				\$ 118,879	\$ 414,570

The following table shows a monthly comparison between July 2022 and 2023 city sales tax collections by NAICS category. Retail trade show the largest dollar increase of \$20,543 (9%).

Sales Tax Revenues by Category (3%)					
Jul-23					
Description	2021	2022	2023	1 yr % Chg	1 yr \$ Chg
Retail Trade	192,337	219,415	239,958	9%	20,543
Food	88,919	80,051	91,364	14%	11,313
Other Miscellaneous	12,548	16,735	18,021	8%	1,286
Utilities	28,877	33,764	29,747	-12%	(4,017)
Manufacturing	10,896	13,160	9,678	-26%	(3,482)
Rental and Leasing	7,733	7,088	5,291	-25%	(1,797)
Other Services	6,150	8,791	6,451	-27%	(2,340)
Lodging	24,905	22,413	21,732	-3%	(681)
Wholesale Trade	16,130	19,765	19,343	-2%	(422)
Communications	12,269	13,747	14,120	3%	373
Oil and Gas	1,269	1,061	4,594	333%	3,533
Total	402,033	435,990	460,299	6%	24,309
Remote retailers	39,704	43,950	52,721	20%	8,771

Community Center Fund Charges for Services –July 2023

July 2023 charges for services (pass fees and recreation programs) are up 10% from the prior year while sales and use tax revenues are up 8% from the prior year. Annual revenues are up 3% for user fees and 2% for tax revenues.



Actual vs Budget Report –August 2023. The attached Actual vs Budget 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.

Revenues and Expenses as Percentage of Budget - August 2023 (67%)		
Column 1	Revenues as a % of Budget	Expenses as a % of Budget
General Fund	81%	51%
Conservation Trust Fund	63%	27%
Economic Development Fund	75%	38%
Marketing	83%	61%
Public Places Fund	87%	83%
Community Center	73%	49%
Fruita Housing Authority	60%	64%
Capital Projects	28%	27%
Debt Service	52%	24%
Devils Canyon Center	0%	0%
Irrigation Water *	71%	42%
Sewer*	39%	41%
Trash*	60%	50%
Fleet Maintenance Fund	100%	52%
Total	57%	43%

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 AUGUST 2023 FINANCIAL REPORTS AS PRESENTED