City of Benson
City Council Communication

Regular Meeting **January 14, 2013**

To: Mayor and Council Agenda Item # 4

From: Jim Cox, Finance Director

Subject:

Review of City Finances with emphasis on November, 2012 financial results, the City's financial position at November 30, 2012 and discussion of expected future net revenue streams

Discussion:

Staff will present the attached power point slide show to summarize the results of City operations and the City's financial position at November 30, 2012. The presentation will also include a short discussion of anticipated future revenue streams.

Staff Recommendation:

Information only

Benson

Arizona

Founded in 1880

Gateway to the San Pedro Valley

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FINANCIAL HIGHLIGHTS NOVEMBER, 2012

Citywide Financial Highlights

Cash

- Cash is +$493K at $1.7M
- Bond Proceeds are $1.6M

Fund Balances

- –$118K for November
- –$79K YTD

Trends

- Overall performance down slightly from prior year.

Citywide Financial Results

Revenues

- Nov Revenues $944K,-$52K comp. to 2011
- +$58K Sales tax, +$28K Const Tax, +$34K Golf, -$166K Bond Proceeds

Personnel

- $590K for Nov, +$224K comp. to 2011 due to 3 payroll month
- $2.1 Million YTD, +$52K comp to 2011

Other Costs

- $471K for Nov
- $2,359K YTD, +$155K comp to 2011

General Fund

Revenues

- $418K for Nov, +$31K compared to 2011
- $1.8M YTD, +$85K compared to 2011

Expenditures

- Personnel $376K, +$144K comp. to 2011
- Other costs $129K, +$56K comp. to 2011

Fund Balance

- –$87K for Nov
- –$125K YTD

Enterprise Funds

Gas

- –$14K for Nov, –$44K YTD
- Even compared to 2011

Water

- +$4K for Nov, +$74K YTD
- +$37K compared to 2011

Wastewater

- –$37K for Nov, –$27K YTD
- –$128K comp. to 2011 (WHET)

Golf Course

Financial

- -$27K for Nov, -$16K YTD
- $25K extra payroll & $11K mower repair in Nov
- YTD Rev +$81K, Expenses are Even

Operations

- Restaurant operations improving
- Golf Course operations are smooth
- Overseeding successful

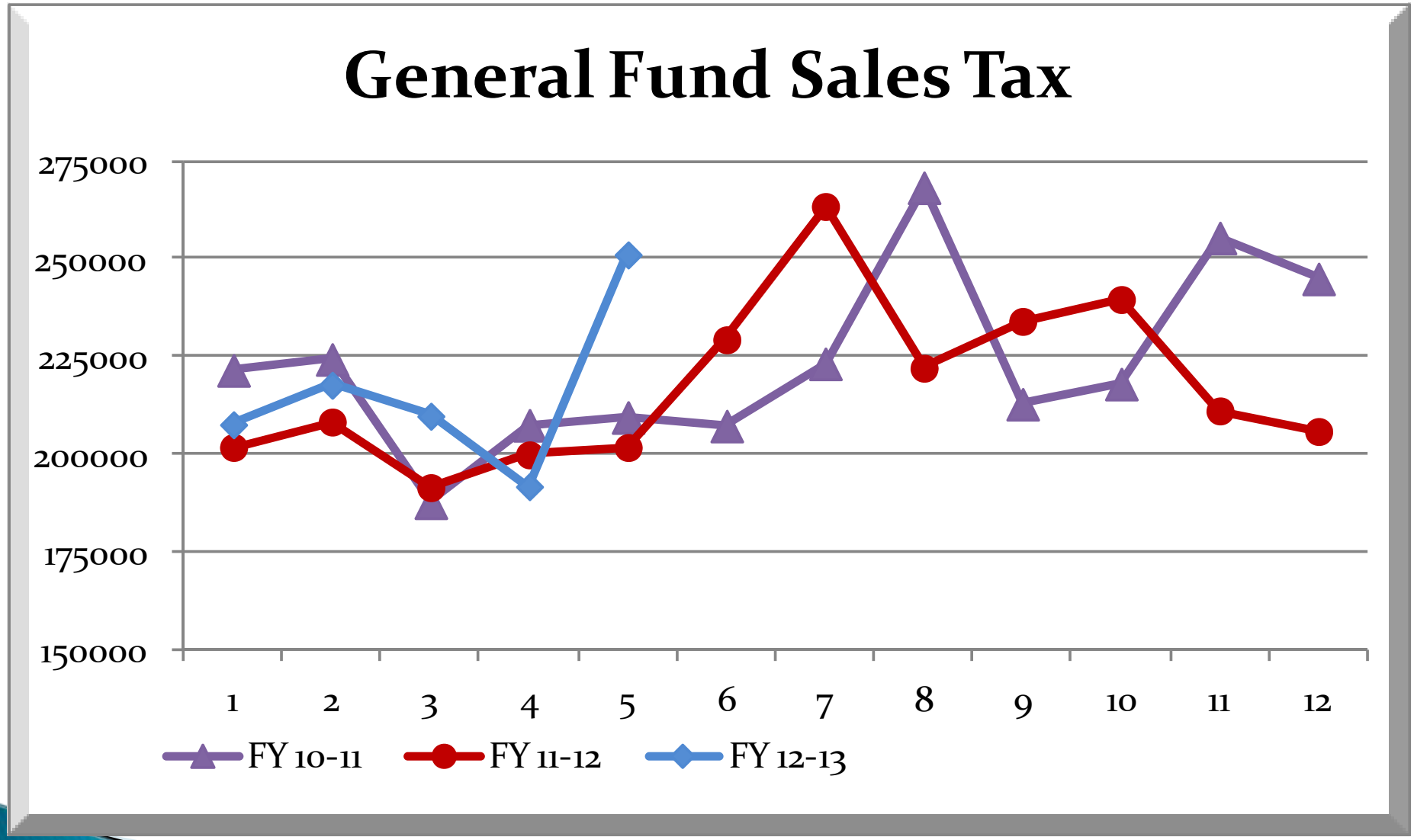
Trends

- Membership Expanding dramatically
- Overseed has enhanced play
- Course conditions attract outside play

SUMMARY

- State tax collections are steady
- City YTD tax collections improving
- Golf course on positive financial trend
- Oct-Dec cash flow very tight
- Overall, City financial performance is very slightly below recent years
- 2013-2014 cash flow will be a challenge
- City remains sound financially under current conditions. Further economic downturn could affect soundness.

Sales Tax Analysis


General Fund Sales Tax
275000
250000
225000
200000
175000
150000
1
2
3
4
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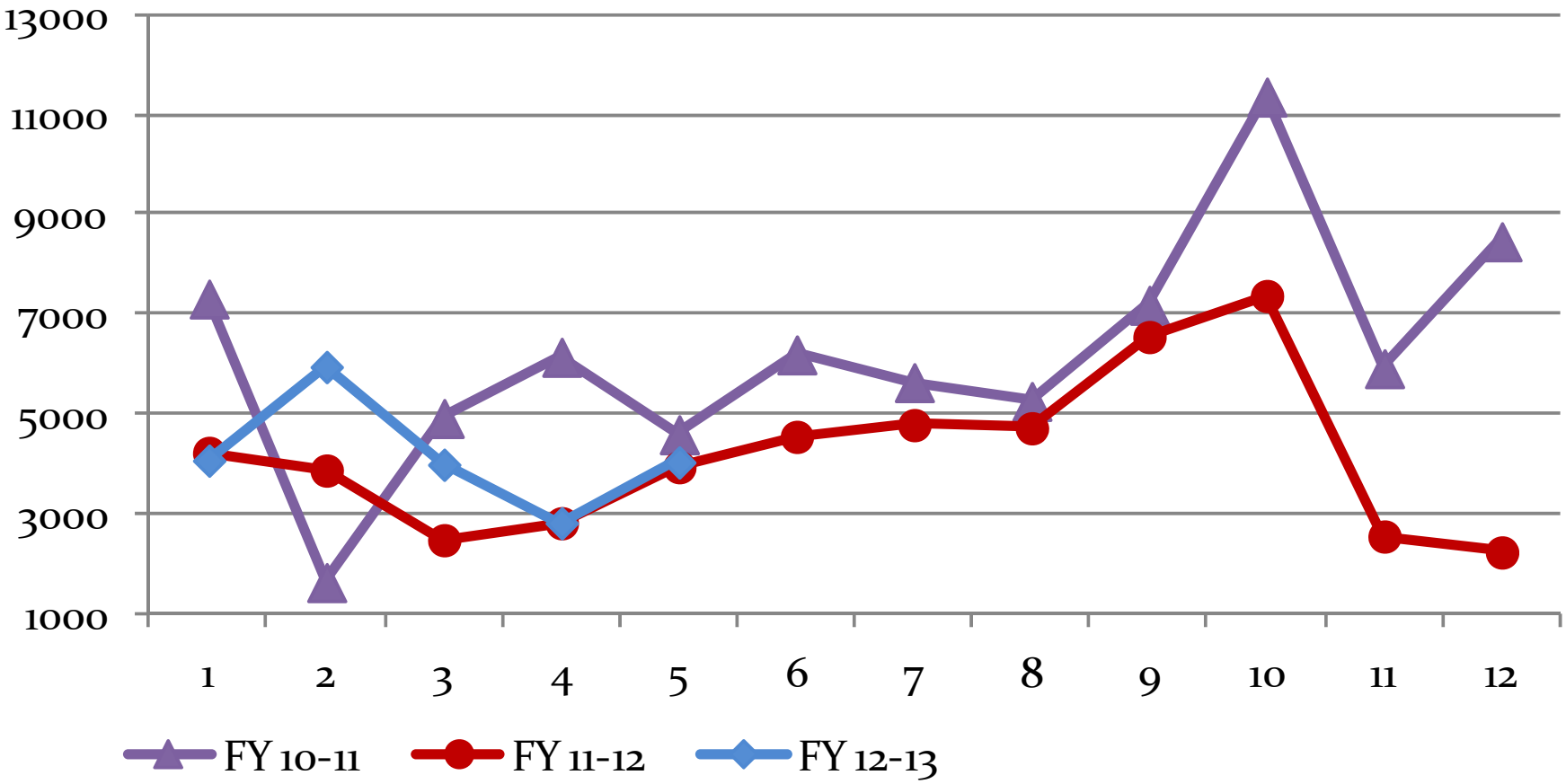
11
12
FY 10-11
FY 11-12
FY 12-13

Bed Tax


13000
11000
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FY 10-11
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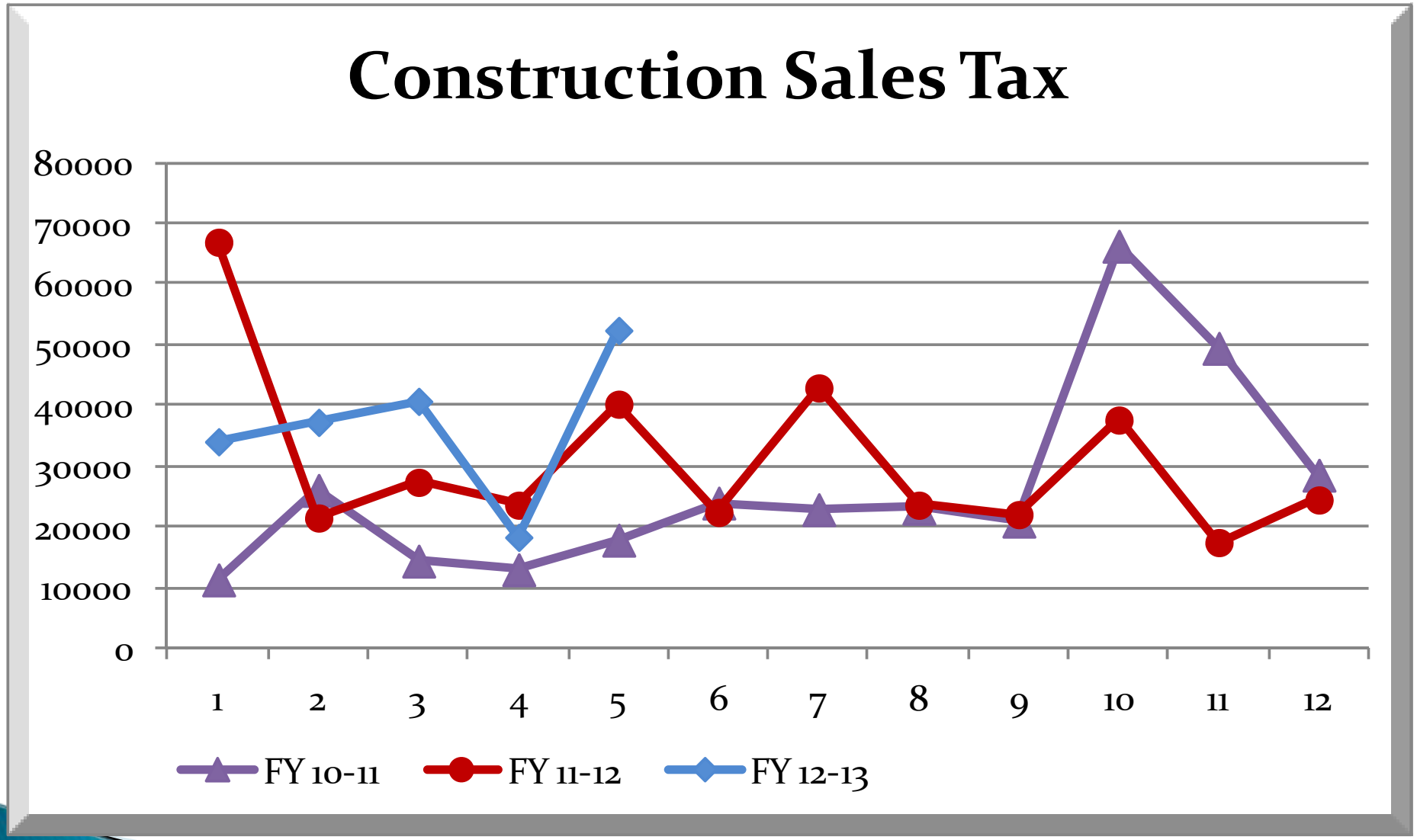
FY 12-13


Construction Sales Tax
80000
70000
60000
50000
40000
30000
20000
10000
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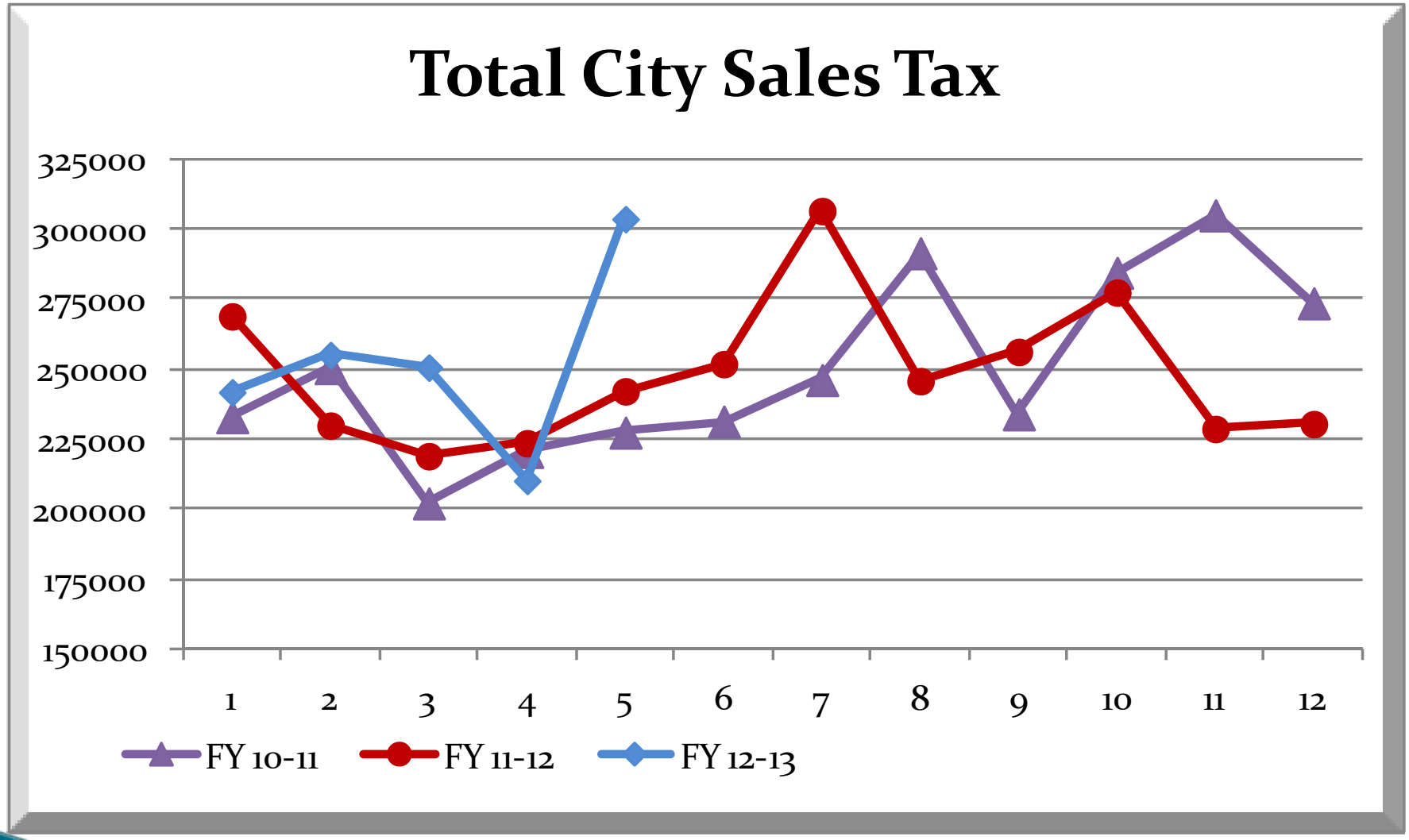
FY 10-11
FY 11-12
FY 12-13


Total City Sales Tax
325000
300000
275000
250000
225000
200000
175000
150000
1
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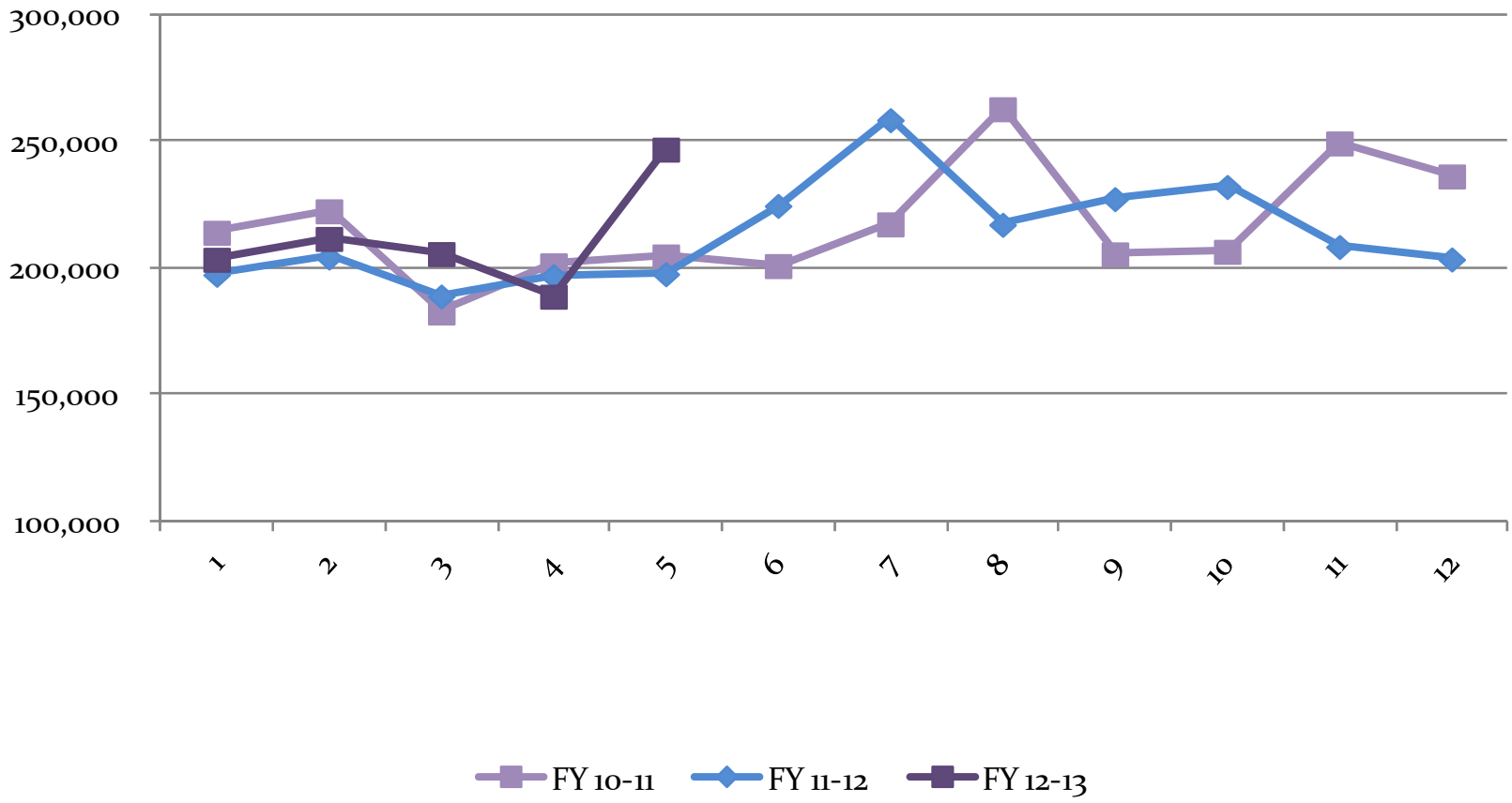
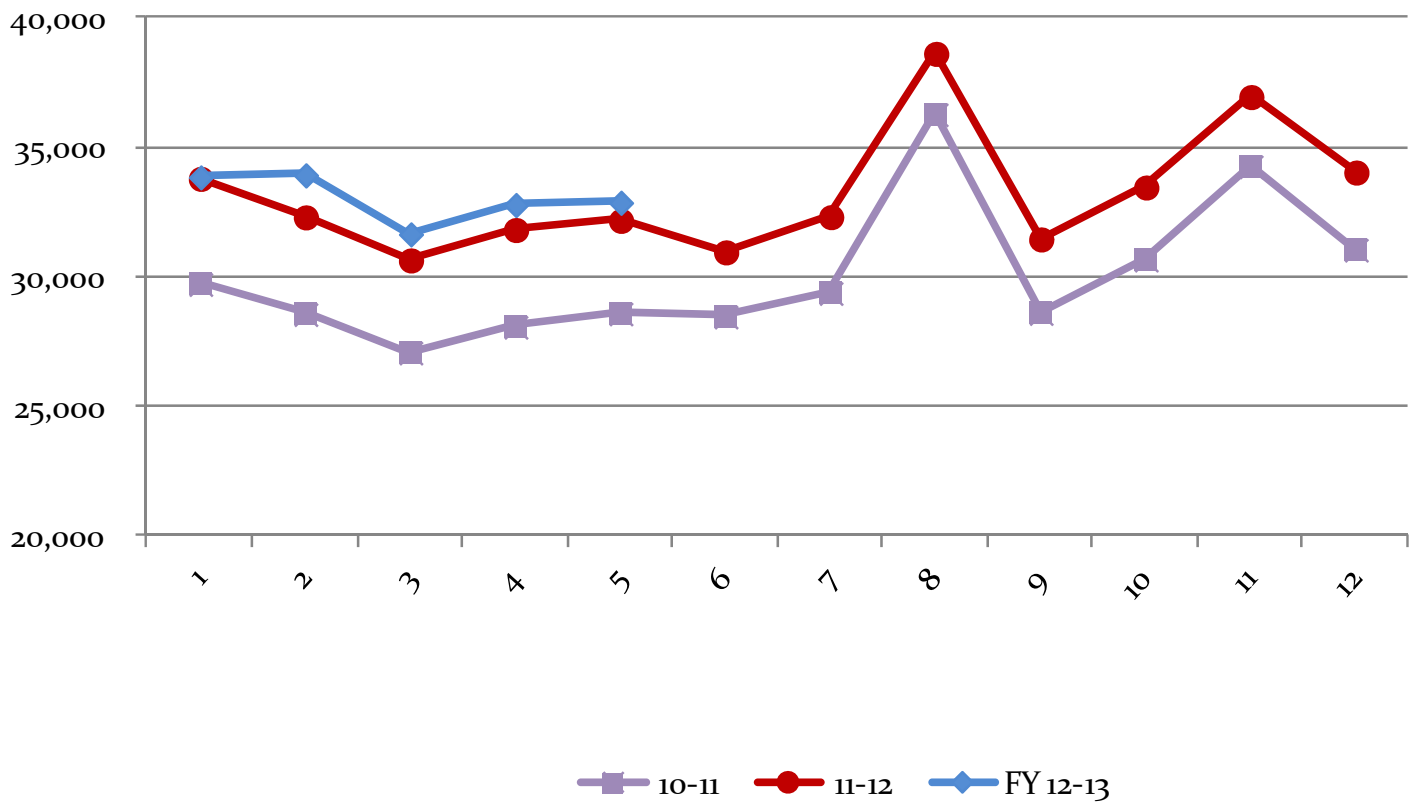
FY 10-11
FY 11-12
FY 12-13

City Retail Sales Tax Collections



State Retail Sales Tax Collections