City of Benson
City Council Communication

Regular Meeting **April 22, 2013**

To: Mayor and Council Agenda Item # 9

From: Megan Moreno, Finance Director

Subject:

Review of City Finances with emphasis on March, 2013 financial results, the City's financial position at March 31, 2013 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 March 31, 2013. 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
MARCH, 2013

Citywide Financial Highlights

Cash

- Cash is –$209K at $1.6M
- Bond Proceeds are $1.4M

Fund Balances

- +$90K for March
- –$43K YTD

Trends

- Overall performance comparable to prior year.

Citywide Financial Results

Revenues

- Mar Rev. $948K,+$50K comp. to 2012
- +$25K Grants, -$23K City Sales Tax, -$12K Construction Sales Tax, +$25K Gas Revenue

Personnel

- $347K for Mar, +$22K comp. to 2012
- $3.6 Million YTD

Other Costs

- $511K for Mar, +$125K comp to 2012
- $4.2 Million YTD, -$93K comp to 2012

General Fund

Revenues

- $369K for Mar, –$41K compared to 2012
- $3.3M YTD, +$21K compared to 2012

Expenditures

- Personnel $211K, +$10K comp. to 2012
- Other costs $97K, +$28K comp. to 2012

Fund Balance

- +$61K for March
- –$135K YTD

Enterprise Funds

Gas

- –$87K for Mar vs 2012
- +$26K YTD

Water

- –$.4K for Mar vs 2012
- +$92K YTD

Wastewater

- +$5K for Mar, –$26K YTD
- Whetstone Fees $70K YTD

Golf Course

Financial

- +$37K for Mar, +$26K YTD
- YTD turnaround of +$86K

Operations

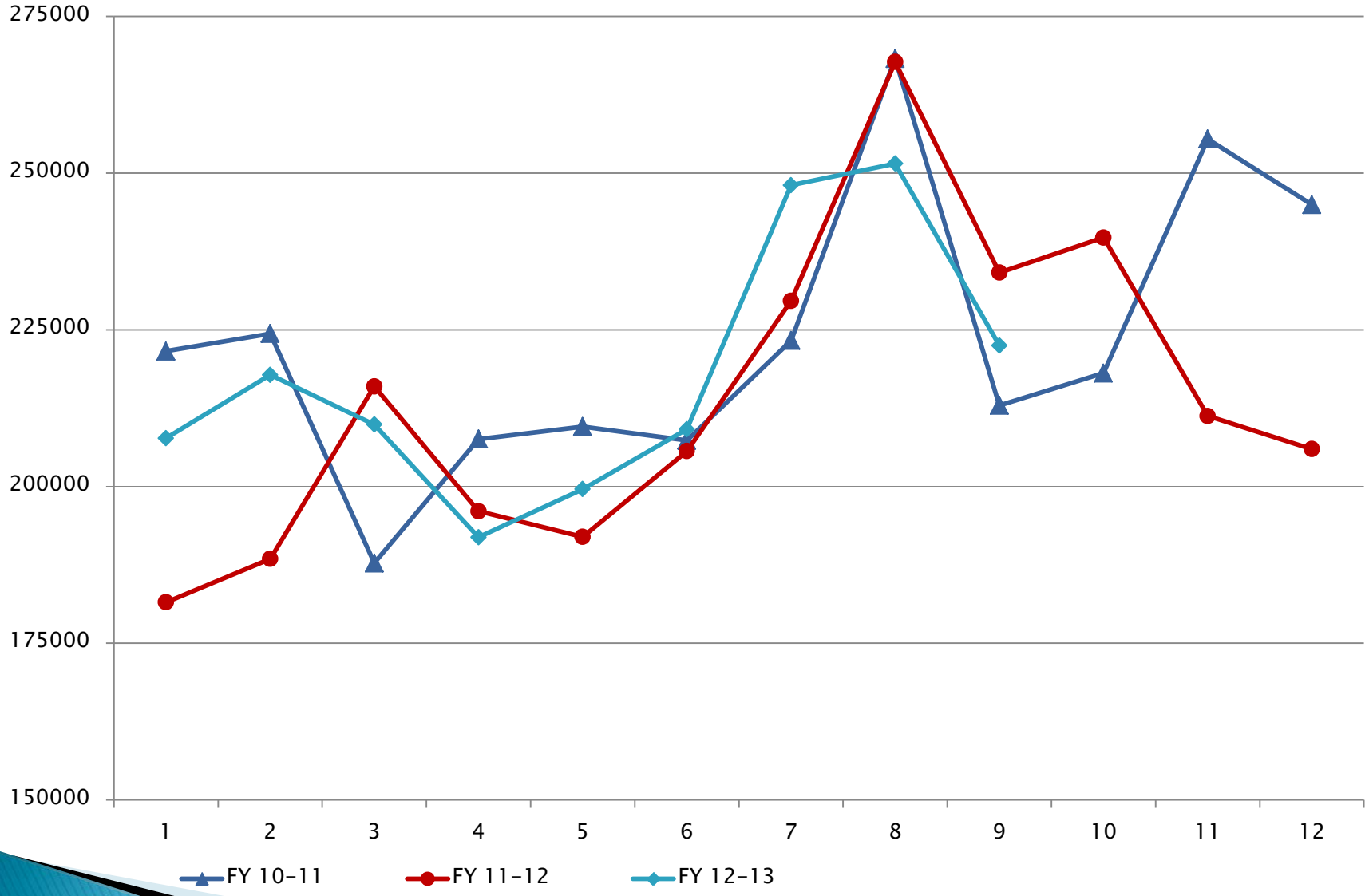
- Restaurant new Hours & new Menu
- Golf Course operations are excellent

Trends

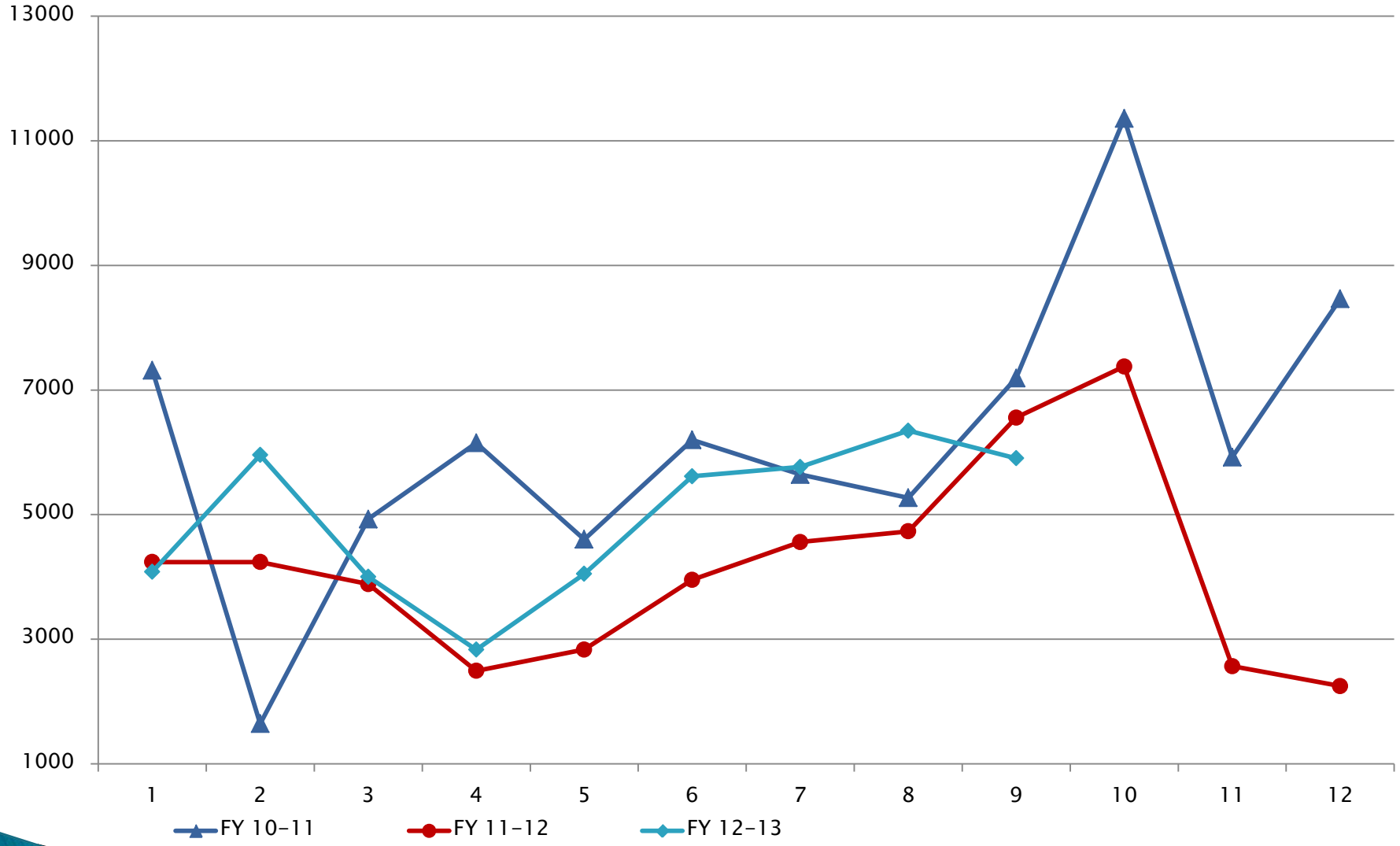
- Membership continued expansion
- Reputation is being enhanced

Sales Tax Analysis

General Fund Sales Tax



Bed Tax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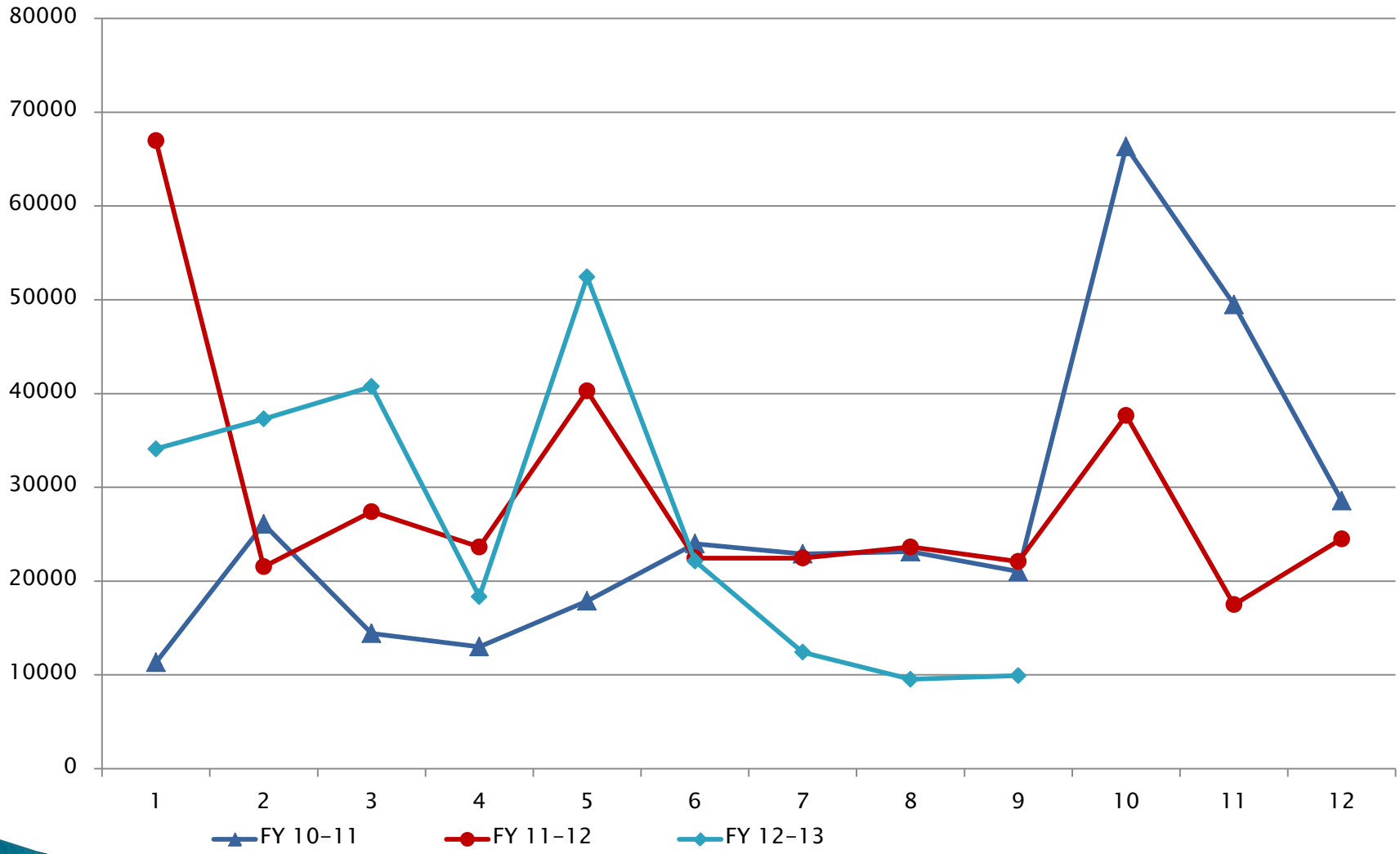
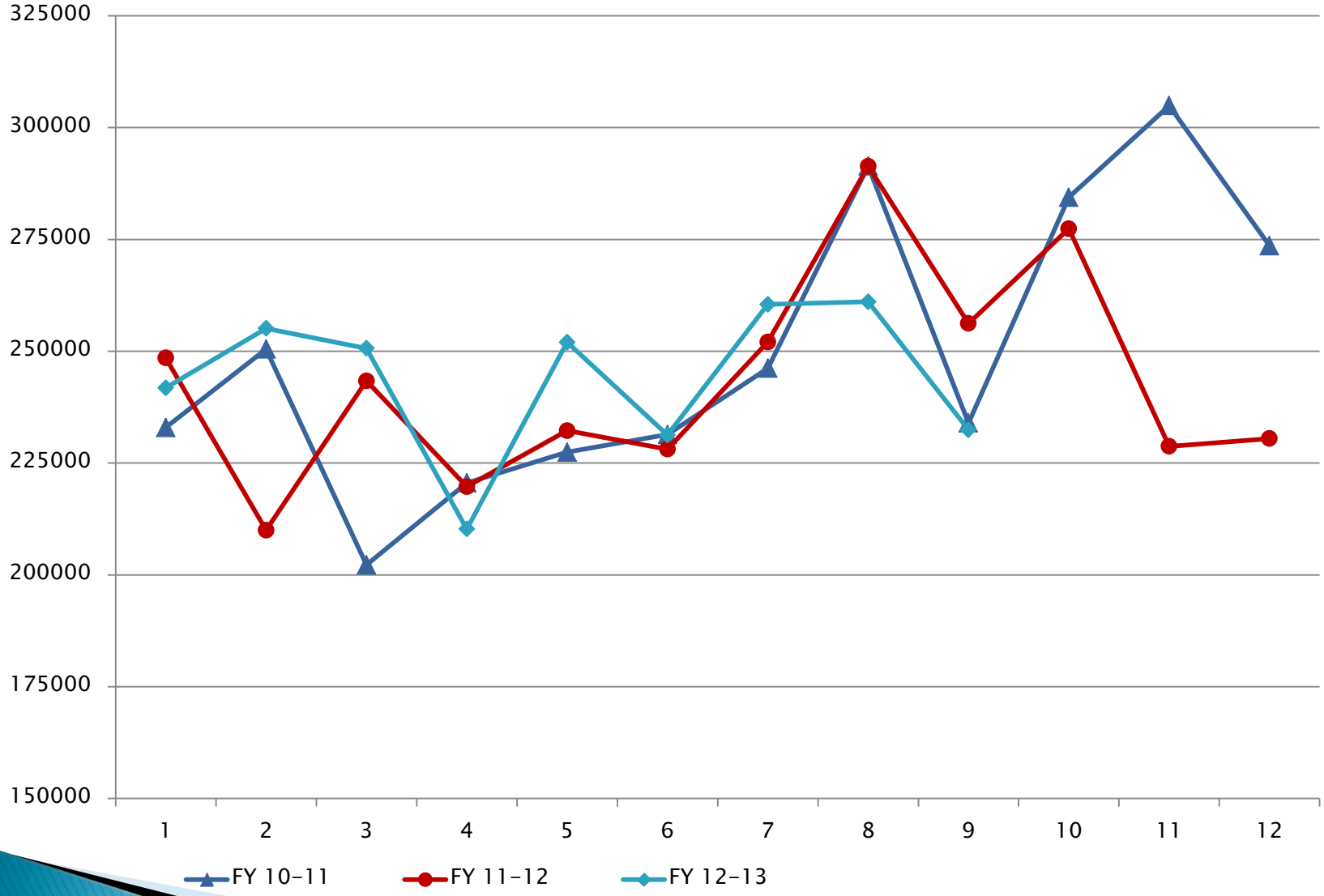
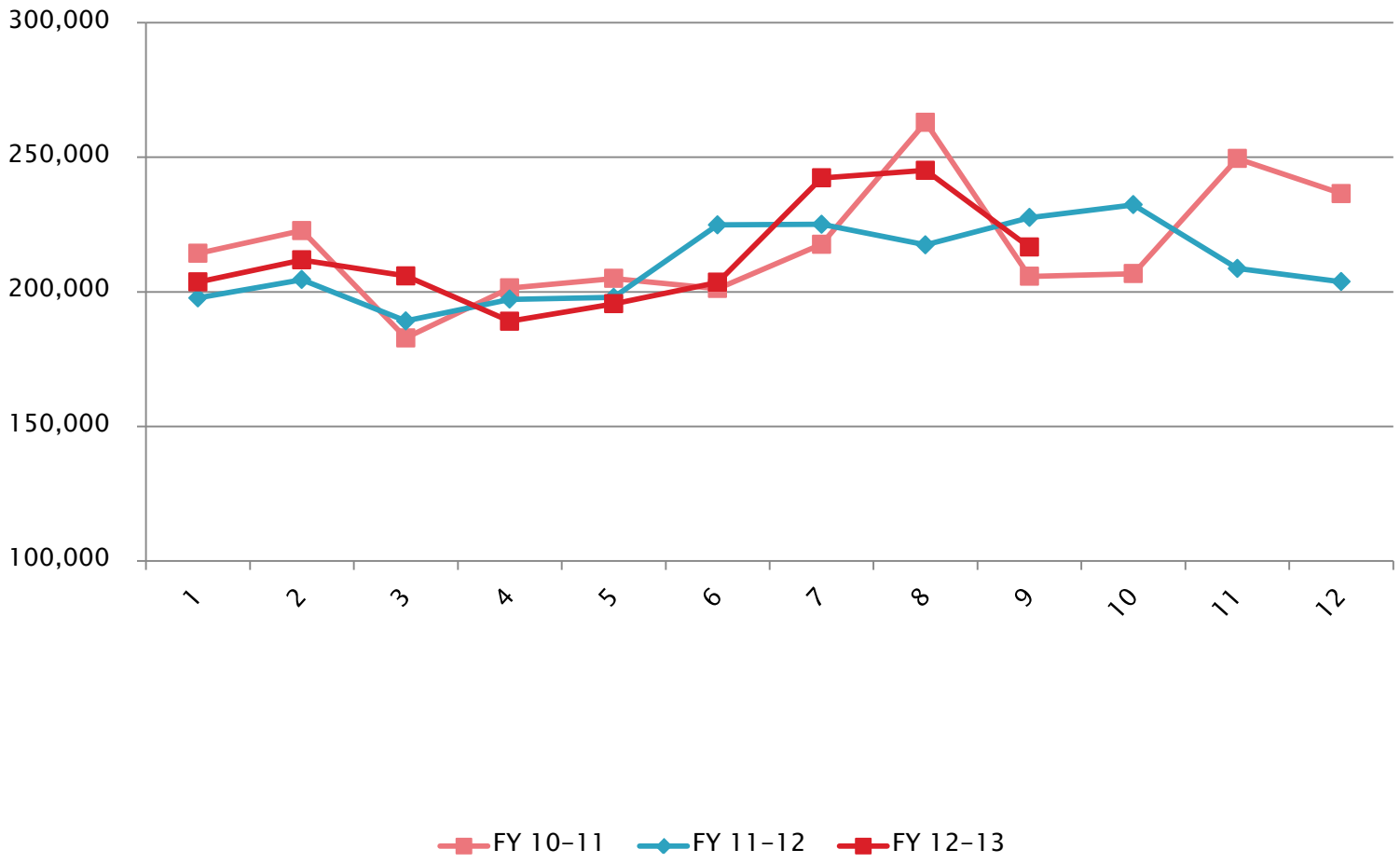
Construction Sales Tax



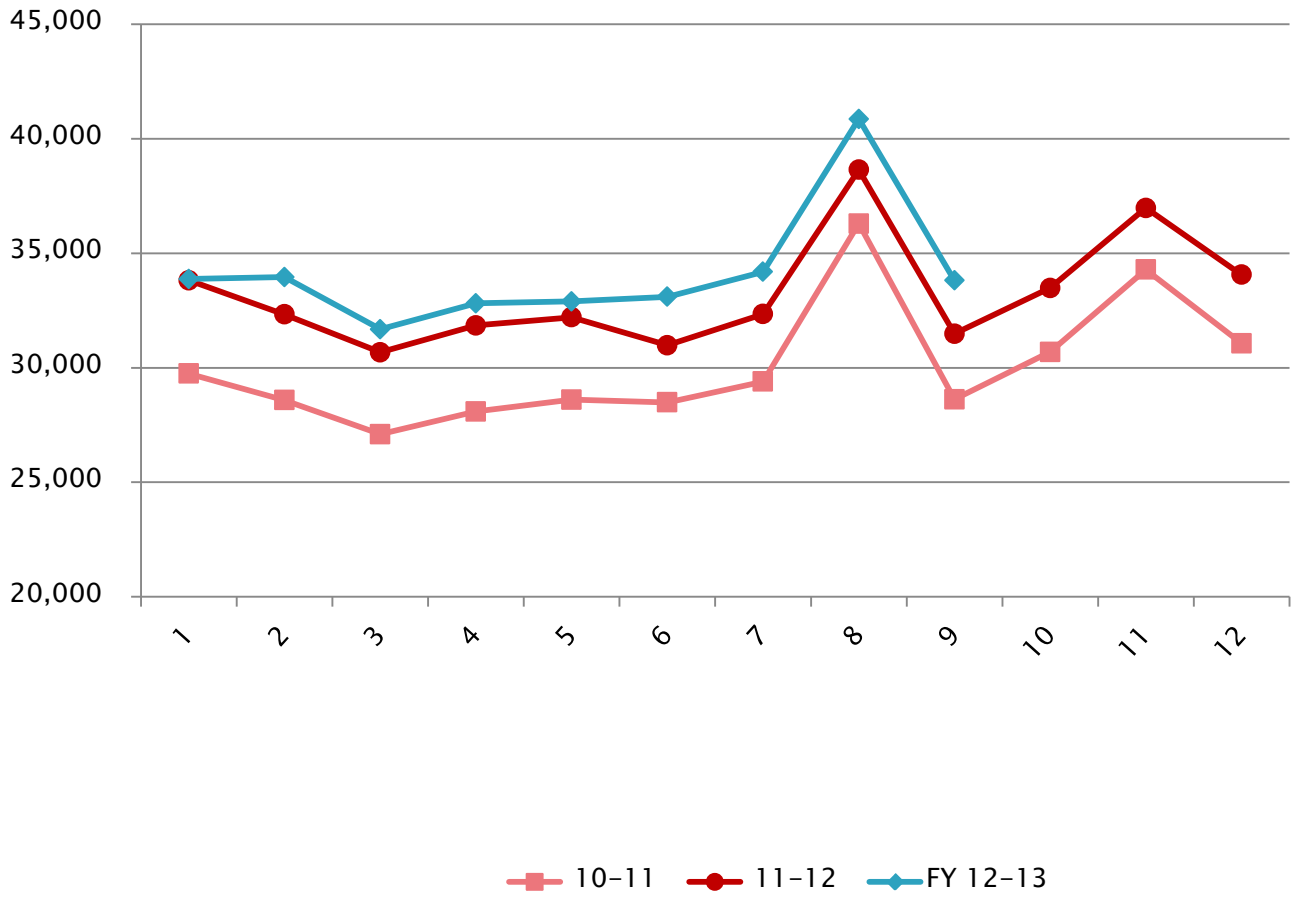
Total City Sales Tax



City Retail Sales Tax Collections



State Retail Sales Tax Collections



SUMMARY

- State tax collections are steady
- City YTD tax collections improving
- Golf course on positive financial trend
- Cash flow is still tight
- Overall, City financial performance is comparable to prior years
- 2013-2014 cash flow will be a challenge
- City remains sound financially under current conditions. Further economic downturn could affect soundness.