



CITY OF HOBBS
COMMISSION STAFF SUMMARY FORM

MEETING DATE: November 7th, 2016

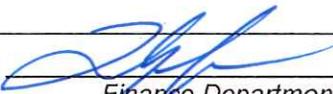
SUBJECT: Approving the 1st quarter fiscal year 2017 DFA Report for Lodgers' Tax.

DEPT. OF ORIGIN: Finance
DATE SUBMITTED: November 1st, 2016
SUBMITTED BY: Toby Spears, Finance Director

Summary:

The NM Department of Finance Administration recommends approving the City of Hobbs quarterly lodgers' tax process. The following attachment is for the 1st quarter 2017 DFA report.

Fiscal Impact:

Reviewed By: 

Finance Department

The September 30th, 2016 Cash Balance for the Lodgers' Tax Fund is \$329,271. The current balance of unencumbered events are as follows:

Security and Sanitation (15%)	\$ 0.00
Non-Profit/For Profit/Public Entity (20%)	\$(96,578.63)
City and County (40%)	\$(304,363.59)
Airline (25%)	\$ (170,397.89)

The current revised budget for annual lodgers' tax is \$800,000. The original budget was set at \$950,000. A \$150,000 budget revenue adjustment was adopted by the City Commission and was forwarded to DFA for approval. The DFA approval is still pending.

Note: transfers for NMML, Rockwind Marketing, National Fast Pitch, Hobbs Slam & Jam and Security (15%) in the amount of \$135,441.28 will be transferred in 2nd quarter to General Fund. After the transfer, cash will be at \$193,828.96.

Attachments:

Resolution
9-30-2016 Financial Report

Legal Review:

Approved As To Form: 

City Attorney

Recommendation:

To be determined by City Commission.

Approved For Submittal By:



Department Director



City Manager

CITY CLERK'S USE ONLY
COMMISSION ACTION TAKEN

Resolution No. 6493

Ordinance No. _____

Approved 11-7-16

Other _____

Continued To: _____

Referred To: _____

Denied _____

File No. _____

CITY OF HOBBS

RESOLUTION NO. 6493

A RESOLUTION APPROVING THE FY2017
LODGERS' TAX DFA 1st QUARTER FINANCIAL REPORT

WHEREAS, the State of New Mexico requires the 1st quarter Lodgers' Tax DFA Financial Report to be approved annually, they now recommend that all quarterly financial reports be approved.

WHEREAS, the ending cash balance for the period ended September 30, 2016 was \$329,270.24 for lodgers' tax funds; and

WHEREAS, the City of Hobbs actual year-to-date lodgers' tax revenue and expenditures for fiscal year 2017 crosswalk the amounts to the DFA 1st quarter financial report;

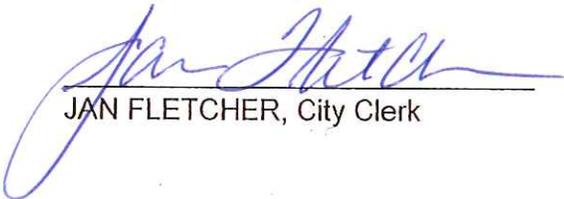
NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HOBBS, NEW MEXICO, that the herein referenced 1st quarter lodgers' tax financial report be approved.

PASSED, ADOPTED AND APPROVED this 7th day of November, 2016



ATTEST:


SAM D. COBB, Mayor


JAN FLETCHER, City Clerk

INSTRUCTIONS

1. Provide quarterly and year-to-date revenue for the quarterly reporting period. Money received through joint powers agreements must be reported separately. Other sources includes private grants, donations, reimbursements, etc.
 2. Allocate revenue to the promotional, non-promotional and general funds based on the percent of tax imposed. Administrative costs may not exceed 10% of the gross pro
 3. Provide a "book cash balance" for both the promotional and non-promotional funds for the quarterly reporting period and year to date amounts.
 4. Provide quarterly and year-to-date transfers-in and transfers - out.
- [Note: The Lodgers' Tax Act does not allow transfers from the Lodgers' Tax Fund to the General Fund or other Funds of the local public body.]
5. Provide quarterly and year-to-date expenditures on the expenditures tab. Contractual service expenditures must comply with the Lodgers' Tax Act, terms of the contract and the Procurement Code 13-1-28 through 13-1-199 NMSA 1978.

REPORTING ENTITY: City of Hobbs 5 (PERCENT IMPOSED) QUARTER ENDING: 9/30/2016

1. REVENUE SUMMARY:	QUARTERLY AMOUNT	YEAR-TO-DATE (Y-T-D) AMOUNT	2. REVENUE ALLOCATION:	QUARTERLY AMOUNT	YEAR-TO-DATE (Y-T-D) AMOUNT
	(THIS REPORTING PERIOD)	(SUM OF ALL QUARTERS)		(THIS REPORTING PERIOD)	(SUM OF ALL QUARTERS)
LODGERS' TAX PROCEEDS \$	<u>209,875</u>	<u>209,875</u>	NON-PROMOTIONAL FUND	\$ <u>0</u>	\$ <u>0</u>
INVESTMENT INCOME	<u>816</u>	<u>816</u>	PROMOTIONAL FUND	\$ <u>210,691</u>	\$ <u>210,691</u>
LATE PENALTIES			ADMINISTRATIVE COST	\$ <u>0</u>	\$ <u>0</u>
CONVENTION CENTER FINANCING FEES			(10% IS THE MAXIMUM OF GROSS TAX PROCEEDS, i.e. 10% OF QUARTERLY AMOUNT FOR THIS REPORTING PERIOD)		
HOSPITALITY FEE ACT FEES					
1. _____					
2. _____					
TOTAL REVENUE \$	<u>210,691</u>	<u>210,691</u>			

4. TRANSFERS: IN

INTERGOVERNMENT, INTERFUND TRANSFERS - IN

(e.g. JPAs, GRANTS TRANSFERRED TO LODGERS' TAX FUND)

1. _____	\$ _____	\$ _____
2. _____		
	\$ <u>0</u>	\$ <u>0</u>

3. CASH BALANCES:

Carryover From Previous Fiscal Year: Non-Promotional	\$ <u>15,511</u>
Carryover From Previous Fiscal Year: Promotional	<u>173,443</u>
(Note: 2 years maximum carryover before money must be spent).	
NON-PROMOTIONAL FUND	\$ <u>0</u> \$ <u>0</u>
PROMOTIONAL FUND	\$ _____ \$ <u>155,827</u>
Grand Total (Non-Promo)	\$ _____ \$ <u>15,511</u>
Grand Total (Promo)	\$ _____ \$ <u>329,271</u>

TRANSFERS:OUT

NON-PROMOTIONAL FUND

INTERFUND TRANSFERS - (OUT)

(e.g. FROM NON-PROMOTIONAL TO VENDOR OR PROMOTIONAL)

1. _____	\$ _____	\$ _____
2. _____		
3. _____		
4. _____		
	\$ <u>0</u>	\$ <u>0</u>

PROMOTIONAL FUND

INTERFUND TRANSFERS - (OUT)

(e.g. FROM PROMOTIONAL TO VENDOR OR NON-PROMOTIONAL)

1. _____	\$ _____	\$ _____
2. _____		
3. _____		
4. _____		
	\$ <u>0</u>	\$ <u>0</u>

INTERGOVERNMENTAL TRANSFERS - (OUT)

1. _____	\$ _____	\$ _____
2. _____		
3. _____		
4. _____		
	\$ <u>0</u>	\$ <u>0</u>

INTERGOVERNMENTAL TRANSFERS - (OUT)

1. _____	\$ _____	\$ _____
2. _____		
3. _____		
4. _____		
	\$ <u>0</u>	\$ <u>0</u>

CITY OF HOBBS
EVENT SUMMARIES
9/30/2016

PROMOTIONAL
ITEMS

16-10	HOBBS USSSA (17 EVENTS)	4/20/2015	20,000.00
17-08	SOUTHWEST SYMPHONY	4/18/2016	25,000.00
17-09	HOBBS USSSA	4/18/2016	25,375.27
TOTAL EXPENDITURES			<u><u>70,375.27</u></u>

September 30, 2016

CITY OF HOBBBS LODGERS' TAX REPORT

RECEIPTS 239999-

EXPENDITURES

NET CHANGE

Cash

Month	Month	Gross Taxable Revenue	Lodgers' Tax	Other Income	TOTAL	Contract for Services	Advert & Promotion	TOTAL	For Month	YTD	Balance
SUBTOTAL		15,364,272.60	768,213.63	527.46	768,741.09	0.00	762,619.97	762,619.97			
CASH BALANCE	06/30/2014	1,046,187.97	1,522,951.39	1,188.11	1,524,139.50		1,573,328.84	1,573,328.84			
July 2014		3,159,550.20	157,977.51	166.68	158,144.19		12,189.63	12,189.63	145,954.56	145,954.56	1,192,142.63
August 2014		2,849,733.20	142,486.66	117.90	142,604.56		47,966.80	47,966.80	94,637.76	240,592.32	1,286,780.29
September 2014		3,539,271.40	176,963.57	116.90	177,080.47		290,400.26	290,400.26	(113,319.79)	127,272.53	1,173,460.50
October 2014		3,512,479.60	175,623.98		175,623.98		19,391.12	19,391.12	156,232.86	283,505.39	1,329,693.36
November 2014		2,955,754.40	147,787.72	209.71	147,997.43		35,419.72	35,419.72	112,577.71	396,083.10	1,442,271.07
December 2014		3,656,135.80	182,806.79	185.17	182,991.96		361,308.53	361,308.53	(178,316.57)	217,766.53	1,263,954.50
SUBTOTAL		19,672,924.60	983,646.23	796.36	984,442.59	0.00	766,676.06	766,676.06			
January 2015		3,560,372.60	178,018.63	141.48	178,160.11		58,903.18	58,903.18	119,256.93	337,023.46	1,383,211.43
February 2015		2,989,102.20	149,455.11	170.66	149,625.77		107,324.31	107,324.31	42,301.46	379,324.92	1,425,512.89
March 2015		3,388,411.80	169,420.59	154.17	169,574.76		93,121.38	93,121.38	76,453.38	455,778.30	1,501,966.27
April 2015		2,947,497.20	147,374.86	155.71	147,530.57		146,226.29	146,226.29	1,304.28	457,082.58	1,503,270.55
May 2015		2,504,198.80	125,209.94	179.59	125,389.53		285,011.65	285,011.65	(159,622.12)	297,460.46	1,343,648.43
June 2015		2,639,282.20	131,963.11	171.83	132,134.94		762,239.51	762,239.51	(630,104.57)	(332,644.11)	713,543.86
SUBTOTAL		18,028,844.80	901,442.24	973.44	902,415.68	0.00	1,452,826.32	1,452,826.32			
CASH BALANCE	06/30/15	713,543.86	1,885,088.47	1,769.80	1,886,856.27		2,219,502.38	2,219,502.38			
July 2015		2,900,131.40	145,006.57	96.18	145,102.75		8,042.29	8,042.29	137,060.46	137,060.46	850,604.32
August 2015		2,529,784.20	126,489.21	111.19	126,600.40		144,675.09	144,675.09	(18,074.69)	118,985.77	832,529.63
September 2015		2,295,191.20	114,759.56	91.70	114,851.26		156,289.41	156,289.41	(41,438.15)	77,547.62	791,091.48
October 2015		2,048,496.80	102,424.84	125.40	102,550.24		89,784.47	89,784.47	12,765.77	90,313.39	803,857.25
November 2015		1,963,598.60	98,179.93	90.85	98,270.78		67,821.32	67,821.32	30,449.46	120,762.85	834,306.71
December 2015		1,934,861.20	96,743.06	92.58	96,835.64		559,250.02	559,250.02	(462,414.38)	(341,651.53)	371,892.33
SUBTOTAL		13,672,063.40	683,603.17	607.90	684,211.07	0.00	1,025,862.60	1,025,862.60			
January 2016		1,420,170.20	71,008.51	126.28	71,134.79		40,866.67	40,866.67	30,268.12	(311,383.41)	402,160.45
February 2016		1,600,508.40	80,025.42	231.91	80,257.33		228,045.55	228,045.55	(147,788.22)	(459,171.63)	254,372.23
March 2016		1,836,594.80	91,829.74	182.49	92,012.23		204,512.68	204,512.68	(112,500.45)	(571,672.08)	141,871.78
April 2016		1,518,952.60	75,947.63	132.27	76,079.90		94,829.98	94,829.98	(18,750.08)	(590,422.16)	123,121.70
May 2016		1,688,331.80	84,416.59	171.54	84,588.13		25,056.30	25,056.30	59,531.83	(530,890.33)	182,653.53
June 2016		1,591,457.20	79,572.86	185.02	79,757.88		73,456.67	73,456.67	6,301.21	(524,589.12)	188,954.74
SUBTOTAL		9,656,015.00	482,800.75	1,029.51	483,830.26	0.00	666,767.85	666,767.85			
CASH BALANCE	09/30/16	188,994.74	1,166,403.92	1,637.41	1,168,041.33	0.00	1,692,630.45	1,692,630.45			
July 2016		1,483,720.00	74,186.00	174.74	74,360.74		10,000.00	10,000.00	64,360.74	64,360.74	253,315.48
August 2016		1,286,676.40	64,333.82	229.08	64,562.90		35,000.00	35,000.00	29,562.90	93,923.64	282,878.38
September 2016		1,427,108.20	71,355.41	411.72	71,767.13		25,375.27	25,375.27	46,391.86	140,315.50	329,270.24
October 2016		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	329,270.24
November 2016		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	329,270.24
December 2016		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	329,270.24
SUBTOTAL		4,197,504.60	209,875.23	815.54	210,690.77	0.00	70,375.27	70,375.27			
January 2017		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	329,270.24
February 2017		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	329,270.24
March 2017		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	329,270.24
April 2017		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	329,270.24
May 2017		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	329,270.24
June 2017		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	329,270.24
SUBTOTAL		0.00	0.00	0.00	0.00	0.00	0.00	0.00			
CASH BALANCE		329,270.24	0.00	0.00	0.00	0.00	0.00	0.00			

Note: transfers for NMMTL, Rockwind, National Fast Pitch, Hobbs Slam & Jam and Security (15%) in the Amount of \$135,441.28 will be transferred in 2nd quarter to General Fund - cash = 193,828.96

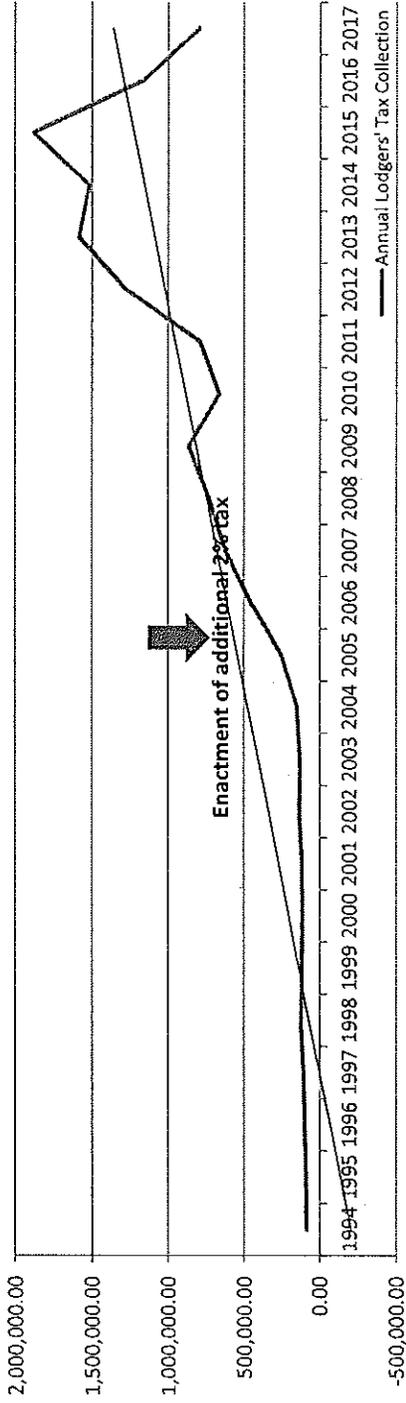
CITY OF HOBBS LODGERS' TAX PROGRAM						
6/30/2016	AWARD				ACTUAL	
	PROJECT	DATE	AMOUNT	ACTUAL EXPENSE	OUTSTANDING GRANT	CATEGORY
6/30/2016	CASH BALANCE				329,270.24	
Proof of Cash:						
Beginning Cash Available for Profit, Non-Profit, and Public Entities (20%)						47,192.44
16-10	HOBBS USSSA (17 EVENTS)	4/20/2015	123,000.00	122,531.16	468.84	NP
16-27	CINCO DE MAYO COMMITTEE (CITY MGR APPROVED)	1/15/2016	10,000.00	4,340.88	5,659.12	NP
17-01	IMPACTO	4/18/2016	4,500.00	4,500.00	0.00	NP
17-02	HOBBS CHAMBER OF COMMERCE - HOBBS HOLIDAY TOURNEY	4/18/2016	8,443.43	0.00	8,443.43	NP
17-03	HISPANO CHAMBER OF COMMERCE - MARIACHI CHRISTMAS	4/18/2016	13,450.00	0.00	13,450.00	NP
17-04	HISPANO CHAMBER OF COMMERCE - FIESTA DE SEPTIEMBRE	4/18/2016	17,500.00	0.00	17,500.00	NP
17-05	HOBBS KENNEL CLUB - 2017	4/18/2016	2,600.00	0.00	2,600.00	NP
17-06	LEA COUNTY COMMISSION OF THE ARTS	4/18/2016	10,000.00	0.00	10,000.00	NP
17-07	LIGHT OF LEA COUNTY	4/18/2016	10,000.00	0.00	10,000.00	NP
17-08	SOUTHWEST SYMPHONY	4/18/2016	25,000.00	25,000.00	0.00	NP
17-09	HOBBS USSSA	4/18/2016	70,000.00	25,375.27	44,624.73	NP
17-10	WESTERN HERITAGE MUSEUM COMPLEX	4/18/2016	20,000.00	0.00	20,000.00	NP
17-11	TUFF HEDEMAN	4/18/2016	18,000.00	0.00	18,000.00	P
17-12	CYCLE CITY PROMOTIONS	4/18/2016	35,000.00	0.00	35,000.00	P
17-13						
17-14						
TOTAL REMAINING ALLOCATION FOR PROFIT, NON-PROFIT AND PUBLIC ENTITIES			367,493.43	181,747.31	185,746.12	
Add:	20% Monthly Tax Revenue (starting April 1st, 2013)				41,975.05	
	Cash Available for Allocation				<u>(96,578.63)</u>	
Beginning Cash Available for Local Government (City and County) (40%)						84,946.37
17-17	LEA COUNTY EVENT CENTER 2017	4/18/2016	50,000.00	0.00	50,000.00	LOCAL GOV
15-20	CITY OF HOBBS PUBLIC TRANSPORTATION TAXI	4/21/2014	0.00	0.00	0.00	LOCAL GOV
16-21	CITY OF HOBBS NMLL 2016	1/19/2016	175,000.00	18,594.00	156,406.00	LOCAL GOV
16-19	CITY OF HOBBS ROCKWIND GOLF COURSE MARKETING	1/19/2016	132,559.10	19,205.05	113,354.05	LOCAL GOV
17-15	CITY OF HOBBS ROCKWIND GOLF COURSE MARKETING- 2017	4/18/2016	25,000.00	0.00	25,000.00	LOCAL GOV
17-17	CITY OF HOBBS VETERANS MEMORIAL - 2017	4/18/2016	50,000.00	0.00	50,000.00	LOCAL GOV
17-16	CITY OF HOBBS SLAM AND JAM 2017	4/18/2016	78,500.00	0.00	78,500.00	LOCAL GOV
TOTAL REMAINING ALLOCATION FOR LOCAL GOVERNMENT			511,059.10	37,799.05	473,260.05	
Add:	40% Monthly Tax Revenue (starting April 1st, 2013)				83,950.09	
	Cash Available for Allocation				<u>(304,363.59)</u>	
Beginning Cash Available for Fire, EMS, Sanitaton (15%)						
	CITY OF HOBBS - FIRE AND POLICE SUBSIDY 2015		283,028.74	283,028.74	0.00	SEC.
	CITY OF HOBBS - FIRE AND POLICE SUBSIDY 2016		174,960.59	174,960.59	0.00	
TOTAL REMAINING ALLOCATION FOR CITY OF HOBBS POLICE AND FIRE			457,989.33	457,989.33	0.00	
Add:	15% Monthly Tax Revenue (starting April 1st, 2013)				31,481.28	
	Cash Available for Allocation				<u>0.00</u>	
Beginning Cash Available for Airline subsidy (25%)						58,830.92
	EDC - 2017 AIRLINE SUBSIDY (\$220,502.38 GENERAL FUND)	4/18/2016	279,497.62	0.00	279,497.62	
Add:	25% Monthly Tax Revenue (starting April 1st, 2013)				52,468.81	
	TOTAL REMAINING ALLOCATION FOR AIRLINE SUBSIDY		279,497.62	0.00	279,497.62	
	Cash Available for Allocation				<u>(170,397.89)</u>	

9/30/16

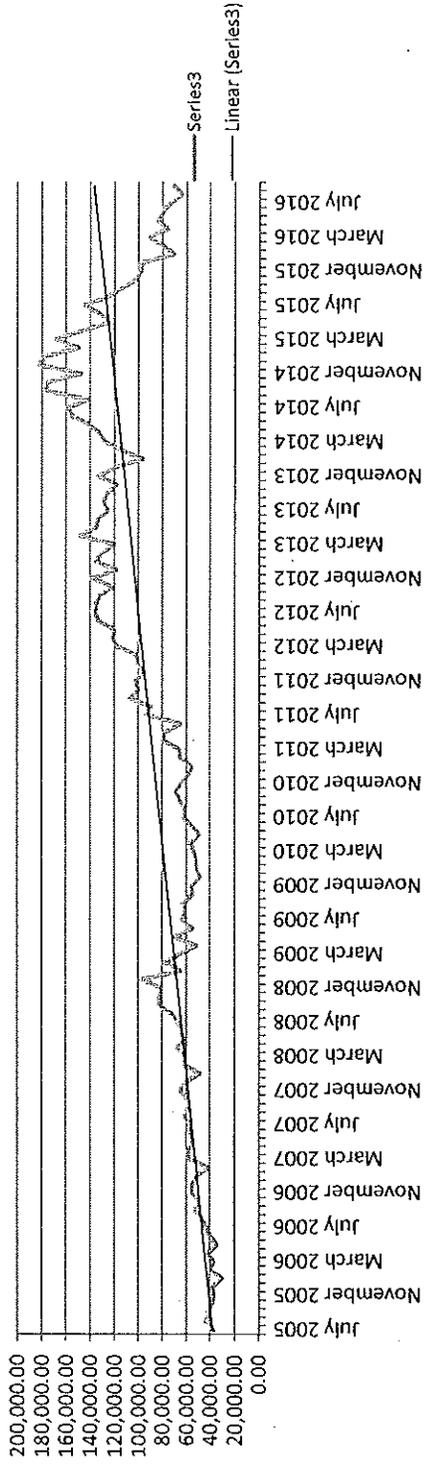
CITY OF HOBBS LODGERS' TAX PROGRAM
EXPENDITURE REPORT FOR THE 1ST QUARTER OF 2016 - 2017

		PROMO	NON PROMO	TOTAL
CASH BAL.	6/30/16	173,443.28	15,511.46	188,954.74
FIRST QUARTER INCOME		209,875.23		209,875.23
FIRST QUARTER INTEREST		815.54		815.54
TOTAL REVENUE		210,690.77	0.00	210,690.77
FIRST QUARTER EXPENSES		70,375.27		70,375.27
CASH BAL.	9/30/16	313,758.78	15,511.46	329,270.24
SECOND QUARTER INCOME				0.00
SECOND QUARTER INTEREST				0.00
TOTAL REVENUE		0.00	0.00	0.00
SECOND QUARTER EXPENSES				0.00
CASH BAL.	12/31/16	313,758.78	15,511.46	329,270.24
THIRD QUARTER INCOME				0.00
THIRD QUARTER INTEREST				0.00
TOTAL REVENUE		0.00	0.00	0.00
THIRD QUARTER EXPENSES				0.00
CASH BAL.	3/31/17	313,758.78	15,511.46	329,270.24
FOURTH QUARTER INCOME(FORCE EXTRA TO PROMO)				0.00
FOURTH QUARTER INTEREST				0.00
TOTAL REVENUE		0.00	0.00	0.00
FOURTH QUARTER EXPENSES**				0.00
CASH BAL.	6/30/17	313,758.78	15,511.46	329,270.24
YEAR TO DATE INCOME		209,875.23	0.00	209,875.23
YEAR TO DATE INTEREST		815.54	0.00	815.54
TOTAL REVENUE		210,690.77	0.00	210,690.77
YEAR TO DATE EXPENSES		70,375.27	0.00	70,375.27
YEAR TO DATE CASH BALANCES		313,758.78	15,511.46	329,270.24

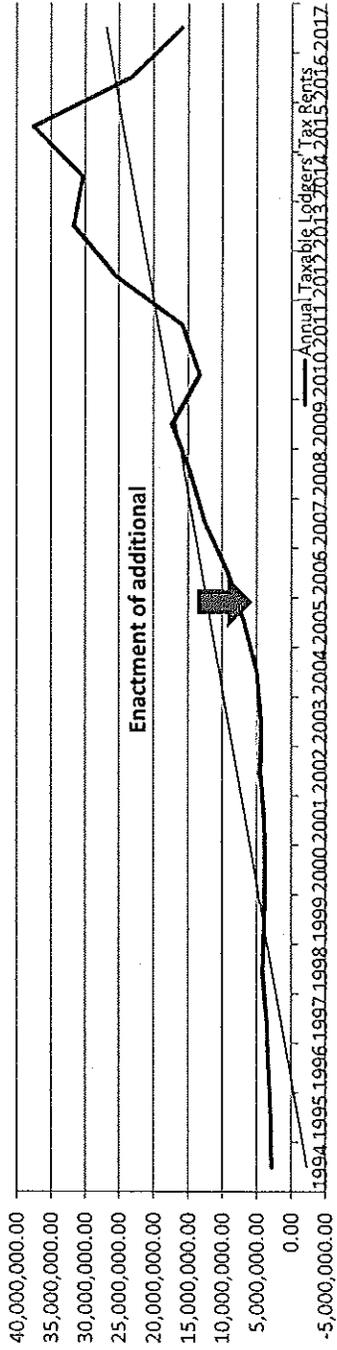
Annual Lodgers' Tax Collection



Monthly Lodgers' Tax Collection



Annual Taxable Lodgers' Tax Rents



Monthly Taxable Lodgers' Tax Rents

