


Board of Directors Communication

TO: HONORABLE MAYOR AND BOARD OF DIRECTORS

FROM: BRUCE T. MOORE, CITY MANAGER 

SUBJECT: SALES AND USE TAX COLLECTIONS UPDATE

DATE: JANUARY 18, 2019

Sales and Use Tax collections for December 2018 have been tabulated. The December 2018 collections are for sales that occurred in the month of October. The chart below compares the current tax totals to the 2018 Amended Budget and to collections made in the same periods one (1)-year ago.

<u>Month</u>	<u>Sales & Use Tax Current Collections</u>	<u>Budget</u>	<u>Variance from Budget</u>	<u>Sales & Use Tax Same Month One Year Ago</u>	<u>Variance from Prior Year</u>
March 2018	\$7,704,357	\$7,704,357	\$0	\$7,599,154	\$105,203
April 2018	7,578,538	7,578,538	0	7,760,233	(181,695)
May 2018	8,954,207	8,954,207	0	8,856,402	97,805
June 2018	8,174,008	8,174,008	0	7,965,881	208,127
July 2018	8,953,386	8,953,386	0	8,992,583	(39,197)
August 2018	8,624,756	8,686,481	(61,725)	8,544,183	80,573
September 2018	8,415,748	8,459,732	(43,984)	8,321,702	94,046
October 2018	8,636,782	8,637,486	(704)	8,496,475	140,307
November 2018	8,451,362	8,451,424	(62)	8,313,523	137,839
December 2018	8,510,313	8,500,644	9,669	8,361,927	148,386
YTD 2018	\$84,003,456	\$84,100,262	(\$96,806)	\$83,212,064	\$791,391

December 2018 Sales and Use Tax collections are 1.77% higher than the same month one (1)-year ago. December 2018 Sales Tax Receipts, which include the City's share of the County One (1)-Cent Tax, the State Turnback allocation and the City's 1 1/8-Cent Operating Tax, were 0.11% above the budgeted growth for the month. Year-to-date sales tax revenues are 0.95% above the same period a year ago and 0.12% lower than the Amended Budget.

In January 2018, the City received \$204,759 in State Turnback Funds from the surplus of the Property Tax Relief Fund. For this report, the distribution has been prorated over a twelve (12)-month period. Sales and Use Tax collections for the twelve (12) months ended December 2018 and December 2017 were \$102,240,960 and \$101,327,629, respectively.

The FY18 Amended Budget estimated total Sales and Use Tax collections at \$102,641,000, or \$400,040 more than the amount collected in the most recent twelve (12) months. Growth of 2.19% is required for the remainder of the year to reach the amended budget growth rate of 1.17%.

In addition, in December 2018, the City received \$1,585,586 in revenue from the 3/8-Cent Sales Tax for capital projects associated with October 2018 sales. There is not an Adopted Budget for Capital Sales Tax Revenue; however, the City anticipates approximately \$19,196,560 in revenue from the 3/8-Cent Tax for the 2018 year, assuming growth of 2% over 2017 actual collections. Revenue from the capital portion of the sales tax is recorded in a separate Capital Projects Fund and therefore, is not included in the operating sales tax table above.

If additional information is needed, please advise.