

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: MARCH 29, 2019

Sales and Use Tax collections for March 2019 have been tabulated. The March 2019 collections are for sales that occurred in the month of January 2019. The chart below compares the current tax totals to the 2019 Budget and to collections made in the same periods one (1)-year ago. Collections for 2018 are compared to the final amended budget.

<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	8,686,475	(61,719)	8,544,183	80,573
September 2018	8,415,748	8,459,726	(43,978)	8,321,702	94,046
October 2018	8,636,782	8,637,480	(398)	8,496,475	140,307
November 2018	8,451,362	8,451,419	(57)	8,313,523	137,839
December 2018	8,510,313	8,500,638	9,675	8,361,927	148,386
January 2019	8,672,328	8,385,736	286,592	8,248,955	423,373
February 2019	9,791,132	10,155,030	(363,898)	9,988,509	(197,377)
YTD 2018	\$102,466,917	\$102,641,000	(\$174,083)	\$101,449,527	\$1,017,390
March 2019	\$8,194,573	\$7,821,845	\$372,728	\$7,704,357	\$490,216

March 2019 Sales and Use Tax collections are 6.36% higher than the same month one (1)-year ago. March 2019 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 4.77% higher than the budgeted growth for the month.

In January 2019, the City received \$204,453 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 March 2019 and March 2018 were \$102,957,133 and \$101,554,731, respectively. The FY19 Budget estimated total Sales and Use Tax collections at \$104,027,600, or \$1,070,467, more than the amount collected in the most recent twelve (12) months. Growth of 1.13% is required for the remainder of the year to reach the Adopted Budget growth rate of 1.52%.

In addition, in March 2019, the City received \$1,520,643 in revenue from the 3/8-Cent Sales Tax for capital projects associated with January 2019 sales. There is not an Adopted Budget for capital sales tax revenue; however, the City anticipates approximately \$19,387,300 in revenue from the 3/8-Cent Sales Tax for the 2019 year, assuming growth of 2% over 2018 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.