

To the Mayor and Members of the City Council

September 17, 2019

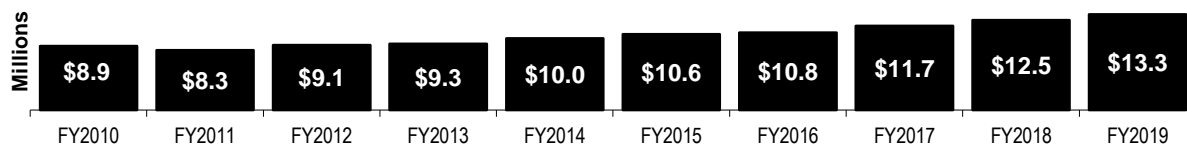
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SUBJECT: JULY 2019 – SALES TAX UPDATE

Sales tax revenue represents approximately twenty-two percent (22.3%) of the City's General Fund anticipated revenue in Fiscal Year 2019. It is the second largest revenue source, with property tax being the largest. In addition, sales tax revenue represents the largest revenue source in the Crime Control and Prevention District Fund. Staff is committed to providing regular updates on this important and sometimes volatile revenue source. The Texas Comptroller's Office posted July 2019 (Fiscal Year 2019, Period 10) collection results on September 11th, 2019. Actual receipts are dependent upon the timeliness and accuracy of sales tax payers' returns. This report provides Fort Worth's sales tax collection compared to last year and the impact on the current year's budget.

JULY NET SALES TAX COLLECTIONS (10-YEAR HISTORY)



The City's net sales tax collection is up **\$804,239** or **6.4%**, compared to the same month last year. As depicted in the table below, the City experienced **\$564,286** or a **4.5%** increase in current period collections when compared to last year's collections for the same month. Current period collections include transactions that were collected for the current period on schedule within the due date.

COLLECTION DETAIL FOR CITY SALES TAX

| | July 18 | July 19 | Variance (\$) | Variance (%) |
|-----------------------------------|---------------------|---------------------|------------------|--------------|
| Current Period Collections | \$12,657,174 | \$13,221,460 | \$564,286 | 4.5% |
| Other Collections | 84,517 | 327,568 | 243,051 | 287.6% |
| Audit Adjustments | 5,785 | 29,494 | 23,708 | 409.8% |
| Service Fee | (254,950) | (271,570) | (16,621) | (6.5%) |
| Retainage | 44,378 | 34,192 | (10,187) | (23.0%) |
| Net Collections | \$12,536,905 | \$13,341,144 | \$804,239 | 6.4% |

*OTHER COLLECTIONS ARE PAYMENTS ATTRIBUTED TO NON-CURRENT COLLECTIONS INCLUDING PRIOR PERIOD, FUTURE PERIOD AND UNIDENTIFIED COLLECTIONS. (AUDIT ADJUSTMENTS MAY FLUCTUATE BASED UPON RESULTS OF TAXPAYER SALES TAX AUDITS CONDUCTED BY THE STATE OF TEXAS.)

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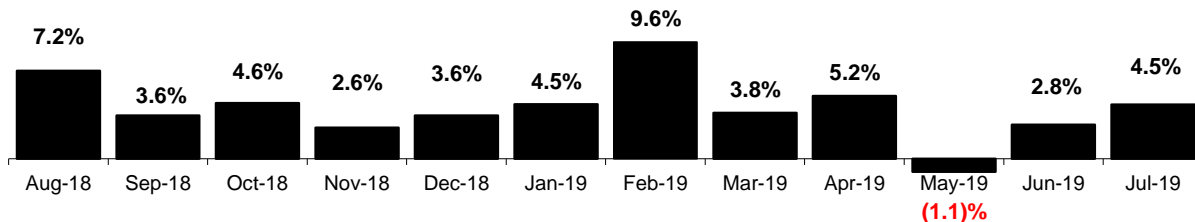
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SUBJECT: JULY 2019 – SALES TAX UPDATE

CURRENT PERIOD COLLECTIONS
Change Compared to Same Month in Prior Year



The City's General Fund sales tax collections as of FY2019 M10 are 101.5% to budget, and at 105.5% for the same period last year. The City's Crime Control and Prevention District Fund (CCPD) sales tax collections as of FY2019 M10 are 102.7% to budget, and 106.0% for the same period last year.

CITY OF FORT WORTH YTD NET COLLECTIONS COMPARISON

| CITY OF FORT WORTH | Budget as of Period 10 | Current Receipts Through Period 10 | FY2018 Receipts Through Period 10 |
|---------------------------------------|---------------------------|---------------------------------------|--------------------------------------|
| GENERAL FUND | \$134,724,093 | \$136,691,057 | \$129,523,240 |
| CRIME CONTROL AND PREVENTION DISTRICT | 63,317,692 | 65,036,570 | 61,326,876 |
| TOTAL | \$198,041,785 | \$201,727,627 | \$190,850,116 |

CITY OF FORT WORTH BUDGET COMPARISON – FY2019

| | Adopted Budget | Amended Budget | Fiscal Year Projections | Projected Variance to Amended | |
|-------------------------------------|-------------------|-------------------|----------------------------|----------------------------------|------|
| | | | | (\$) | (%) |
| CITY OF FORT WORTH | | | | | |
| GENERAL FUND | \$163,151,802 | \$163,303,162 | \$165,599,079 | \$2,295,917 | 1.4% |
| CRIME CONTROL & PREVENTION DISTRICT | \$76,678,160 | \$76,678,160 | \$78,211,723 | \$1,533,563 | 2.0% |

The City anticipates collecting **\$165,599,079** by fiscal year end, which is a 1.4% increase from the FY2019 amended budget, or a 1.5% increase from the original adopted budget.

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The chart below indicates how current year sales tax net collections in Fort Worth and other select cities in the state compare to FY2018 collections for the same period.

**CITIES COMPARISON – NET COLLECTIONS
FY2019 vs. FY2018**

| City | 1st Quarter | 2nd Quarter | 3rd Quarter | July | YTD |
|--------------------|--------------------|--------------------|--------------------|---------------|---------------|
| IRVING | 113.0% | 122.2% | 100.6% | 116.6% | 112.1% |
| ARLINGTON | 111.3% | 105.9% | 110.0% | 123.3% | 110.4% |
| AUSTIN | 108.0% | 106.3% | 108.3% | 111.3% | 107.9% |
| GRAND PRAIRIE | 104.1% | 103.8% | 112.2% | 111.1% | 107.3% |
| FORT WORTH | 106.2% | 106.6% | 103.6% | 106.4% | 105.5% |
| SAN ANTONIO | 106.6% | 103.3% | 104.2% | 112.0% | 105.4% |
| DALLAS | 104.7% | 103.0% | 106.3% | 107.1% | 104.9% |
| MCKINNEY | 105.8% | 104.7% | 103.3% | 107.0% | 104.8% |
| EL PASO | 102.8% | 104.7% | 105.6% | 105.5% | 104.5% |
| GARLAND | 103.1% | 100.4% | 103.0% | 109.0% | 102.9% |
| FRISCO | 103.1% | 100.5% | 100.1% | 109.3% | 102.0% |
| HOUSTON | 99.2% | 102.1% | 101.3% | 102.8% | 101.0% |
| PLANO | 103.0% | 98.6% | 91.4% | 101.1% | 98.0% |
| STATE TOTAL | 106.5% | 107.3% | 105.1% | 104.3% | 106.1% |

Source: Allocation Payment Detail and Monthly All Fund Revenue Report, Texas Comptroller of Public Accounts

If you have any questions, please call Terry Hanson, Assistant Director of Budget and Analysis, at 817-392-7934.

David Cooke
City Manager