

To the Mayor and Members of the City Council

March 27, 2020

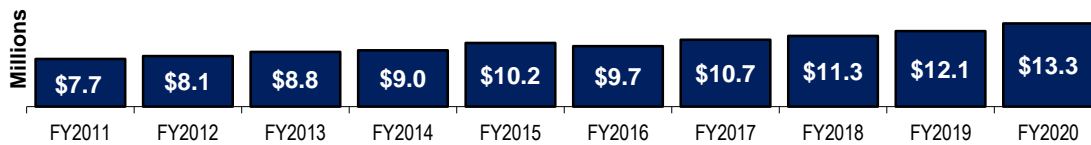
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SUBJECT: JANUARY 2020 – SALES TAX UPDATE

Sales tax revenue represents approximately twenty-two percent (22.4%) of the City’s General Fund anticipated revenue in Fiscal Year 2020. 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 January 2020 (Fiscal Year 2020, Period 4) collection results on March 11th, 2020. 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. Legislation has currently reformed how sales tax is remitted to the state comptroller. This activity is closely monitored and will be reported on if significant impact is expected.

JANUARY NET SALES TAX COLLECTIONS (10-YEAR HISTORY)



The City’s net sales tax collection is up **\$1,215,464** or **10.0%**, compared to the same month last year. As depicted in the table below, the City experienced **\$576,634** or a **4.8%** increase in current period collections when compared to last year’s collections for the same month. Last year’s current period collections realized growth of **4.5%**. Current period collections include transactions that were collected for the current period on schedule within the due date.

COLLECTION DETAIL FOR CITY SALES TAX

	January 19	January 20	Variance (\$)	Variance (%)
Current Period Collections	\$11,910,821	\$12,487,455	\$576,634	4.8%
Other Collections*	179,166	675,015	495,849	276.8%
Audit Adjustments	186,159	345,107	158,948	85.4%
Service Fee	(245,523)	(270,152)	(24,629)	(10.0%)
Retainage	92,967	101,628	8,662	9.3%
Net Collections	\$12,123,590	\$13,339,054	\$1,215,464	10.0%

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

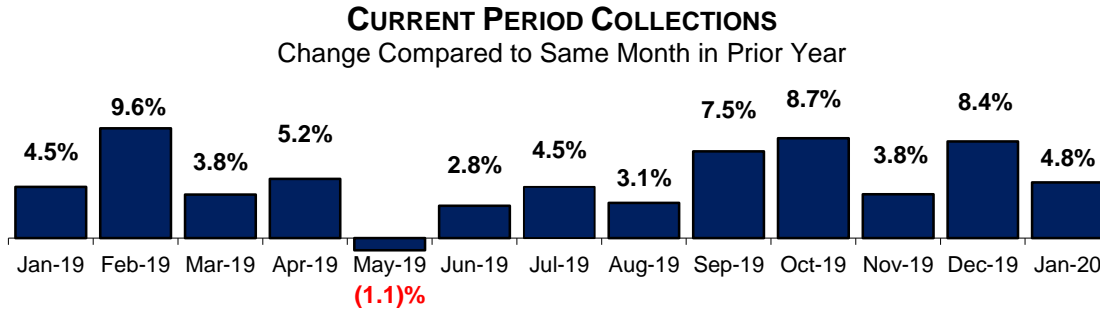
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The City’s General Fund net sales tax collections through FY2020 M04 are 102.0% to budget, and at 106.1% for the same period last year. The City’s Crime Control and Prevention District Fund (CCPD) sales tax collections through FY2020 M04 are 103.5% to budget, and 106.3% for the same period last year.

CITY OF FORT WORTH YTD NET COLLECTIONS COMPARISON

CITY OF FORT WORTH	Budget as of Period 4	Current Receipts Through Period 4	FY2019 Receipts Through Period 4
GENERAL FUND	\$57,056,085	\$58,207,590	\$54,886,450
CRIME CONTROL AND PREVENTION DISTRICT	26,862,090	27,803,458	26,158,141
TOTAL	\$83,918,175	\$86,011,048	\$81,044,591

CITY OF FORT WORTH BUDGET COMPARISON – FY2020

	Adopted Budget	Amended Budget	Fiscal Year Projections	Projected Variance to Amended	
				(\$)	(%)
CITY OF FORT WORTH					
GENERAL FUND	\$172,769,615	\$172,769,615	\$172,769,615	\$0	0.0%
CRIME CONTROL & PREVENTION DISTRICT	\$81,340,193	\$81,340,193	\$81,340,193	\$0	0.0%

The City anticipates collecting **\$172,769,615** in the General Fund by fiscal year end, which matches original estimates in the FY2020 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 FY2019 collections for the same period.

**CITIES COMPARISON – NET COLLECTIONS
FY2020 vs. FY2019**

City	1st Quarter	January
PLANO	100.1%	120.2%
FRISCO	107.6%	115.3%
EL PASO	113.4%	114.7%
GRAND PRAIRIE	109.9%	112.1%
MCKINNEY	113.8%	111.6%
DALLAS	109.8%	110.3%
FORT WORTH	104.9%	110.0%
IRVING	107.3%	109.1%
HOUSTON	105.8%	108.6%
AUSTIN	109.3%	108.2%
GARLAND	105.6%	107.9%
SAN ANTONIO	104.2%	105.3%
ARLINGTON	105.7%	103.7%
STATE TOTAL	106.0%	108.9%

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 Planning and Data Analytics, at 817-392-7934.

David Cooke
City Manager