

**To the Mayor and Members of the City Council**

**March 17, 2015**

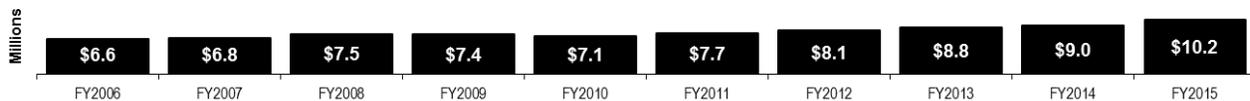
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**SUBJECT: JANUARY 2015 – SALES TAX UPDATE**

Sales tax revenue represents approximately twenty one percent (21%) of the City’s General Fund revenue anticipations in Fiscal Year 2015. This 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 you regular updates on this important and sometimes volatile revenue source. The Texas Comptroller’s Office posted January 2015 (Fiscal Year 2015, Period 4) collection results on March 11<sup>th</sup>. Actual receipts are dependent upon the timeliness and accuracy of sales tax payers’ returns. In this report, you will see Fort Worth’s sales tax collection compared to last year and the impact on the current year’s budget.

**JANUARY NET SALES TAX COLLECTIONS (10-YEAR HISTORY)**

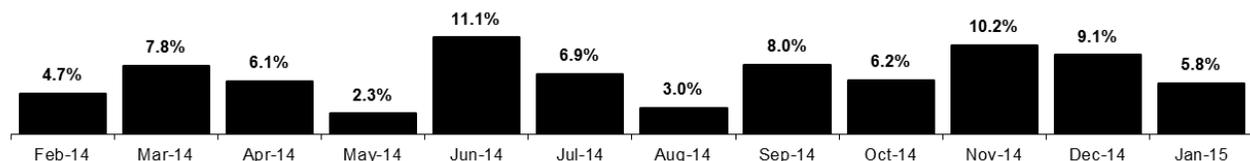


The City’s net sales tax collection is up **\$1,167,132**, or **12.9%**, compared to this month last year. As depicted in the table below, the City experienced **\$515,951**, or **5.8%**, in positive growth when compared to last year’s collections for the same month. Current period collections include only transactions that occurred within the month, so this number reflects pure economic activity.

**COLLECTION DETAIL FOR CITY SALES TAX**

	January 14	January 15	Variance (\$)	Variance (%)
<b>Current Period Collections:</b>	\$8,879,217	\$9,395,168	\$515,951	5.8% ↑
Other Collections:	\$381,748	\$827,650	\$445,902	116.8%
Audit Collections:	(\$146,415)	\$86,258	\$232,674	158.9%
Service Fee:	(\$182,291)	(\$206,182)	(\$23,891)	(13.1%)
Retainage:	\$91,400	\$87,897	(\$3,504)	(3.8%)
<b>Net Collections:</b>	<b>\$9,023,659</b>	<b>\$10,190,791</b>	<b>\$1,167,132</b>	<b>12.9% ↑</b>

**CURRENT PERIOD COLLECTIONS**  
Change Compared to Same Month in Prior Year



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**CITY OF FORT WORTH BUDGET COMPARISON – FY2015**

	<b>Adopted Budget</b>	<b>Fiscal Year Projections</b>	<b>Variance (\$)</b>	<b>Variance (%)</b>	
<b>CITY OF FORT WORTH</b>					
<b>GENERAL FUND</b>	\$126,013,570	\$129,253,449	\$3,239,879	2.6%	↑
<b>CRIME CONTROL AND PREVENTION DISTRICT</b>	\$58,227,401	\$61,421,884	\$3,194,484	5.5%	↑
<b>MATS TRANSIT AUTHORITY - THE "T"</b>	\$64,761,746	\$64,807,376	\$45,630	0.1%	↑

The City anticipates collecting **\$129,253,449**, which exceeds original estimates in the FY2015 adopted budget by **2.6%**. As depicted above, the positive results are affecting our partner agencies as well. While these results are encouraging, staff recommends maintaining a conservative forecast for FY2015, due to uncertainty with the national economy and potential audit adjustments from the Comptroller’s Office.

The chart below indicates how current year sales tax collections in Fort Worth and other cities in the region compare to FY2014 collections for the same period.

**CITIES COMPARISON  
FY2015 vs. FY2014**

<b>CITY</b>	<b>1st Quarter</b>	<b>Jan</b>	<b>YTD</b>
BEDFORD	39.1%	24.2%	35.7%
BURLESON	25.6%	12.1%	22.8%
KELLER	14.6%	11.4%	13.9%
SOUTHLAKE	11.7%	9.7%	11.3%
HURST	5.1%	35.3%	11.1%
DALLAS	8.3%	9.5%	8.6%
<b>FORT WORTH</b>	<b>7.4%</b>	<b>12.9%</b>	<b>8.6%</b>
GRAPEVINE	9.9%	3.0%	8.4%
ARLINGTON	9.8%	2.9%	8.1%
WATAUGA	7.1%	7.6%	7.2%
EULESS	4.5%	7.0%	5.1%
GRAND PRAIRIE	5.0%	(0.7%)	3.7%
NORTH RICHLAND HILLS	2.0%	8.9%	3.4%
<b>STATE TOTAL</b>	<b>9.3%</b>	<b>11.2%</b>	<b>9.8%</b>

If you have any questions, please call Aaron Bovos, Chief Financial Officer, at 817-392-8517.

**David Cooke  
City Manager**