

To the Mayor and Members of the City Council

April 14, 2015

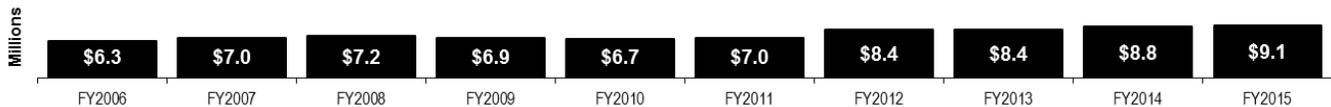
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SUBJECT: FEBRUARY 2015 – SALES TAX UPDATE

Budgeted sales tax revenue represents approximately twenty one percent (21%) of the City’s General Fund revenue anticipations in Fiscal Year 2015. 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 you regular updates on this important and sometimes volatile revenue source. The Texas Comptroller’s Office posted February 2015 (Fiscal Year 2015, Period 5) collection results on April 8th. 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.

FEBRUARY NET SALES TAX COLLECTIONS (10-YEAR HISTORY)



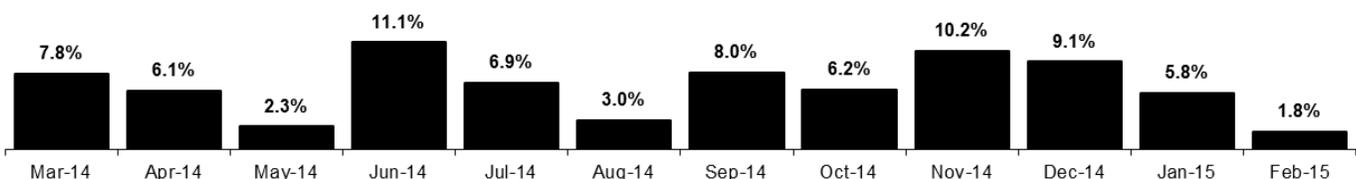
The City’s net sales tax collection is up **\$247,963**, or **2.8%**, compared to the same month last year. As depicted in the table below, the City experienced **\$160,470**, or **1.8%**, in positive growth when compared to last year’s collections for the same month. Current period collections include only transactions that occurred within the month, so this number reflects pure economic activity.

COLLECTION DETAIL FOR CITY SALES TAX

	February 14	February 15	Variance (\$)	Variance (%)
Current Period Collections:	\$8,758,430	\$8,918,900	\$160,470	1.8% ↑
Other Collections:	\$154,590	\$216,276	\$61,686	39.9%
Audit Collections:	\$88,161	\$99,814	\$11,653	13.2%
Service Fee:	(\$180,024)	(\$184,700)	(\$4,676)	(2.6%)
Retainage:	\$2,222	\$21,052	\$18,830	847.4%
Net Collections:	\$8,823,379	\$9,071,342	\$247,963	2.8% ↑

CURRENT PERIOD COLLECTIONS

Change Compared to Same Month in Prior Year



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CITY OF FORT WORTH BUDGET COMPARISON – FY2015

	<u>Adopted Budget</u>	<u>Fiscal Year Projections</u>	<u>Variance (\$)</u>	<u>Variance (%)</u>	
CITY OF FORT WORTH					
GENERAL FUND	\$126,013,570	\$129,627,621	\$3,614,051	2.9%	↑
CRIME CONTROL AND PREVENTION DISTRICT	\$58,227,401	\$61,279,129	\$3,051,729	5.2%	↑
MATS TRANSIT AUTHORITY - THE "T"	\$64,761,746	\$64,916,459	\$154,713	0.2%	↑

The City anticipates collecting **\$129,627,621** by fiscal year end, which exceeds original estimates in the FY2015 adopted budget by **2.9%**. 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, as we continue to experience 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**

City	1st Quarter	Jan	Feb	YTD
BEDFORD	39.1%	24.2%	35.2%	35.6%
SOUTHLAKE	11.7%	9.7%	144.7%	33.2%
BURLESON	25.6%	12.1%	6.2%	19.7%
KELLER	14.6%	11.4%	18.4%	14.6%
HURST	5.1%	35.3%	5.8%	10.2%
FORT WORTH	7.4%	12.9%	2.8%	7.6%
DALLAS	8.3%	9.5%	0.2%	7.1%
ARLINGTON	9.8%	2.9%	0.0%	6.7%
WATAUGA	7.1%	7.6%	2.3%	6.3%
GRAPEVINE	9.9%	3.0%	(4.9%)	6.0%
NORTH RICHLAND HILLS	2.0%	8.9%	3.3%	3.4%
GRAND PRAIRIE	5.0%	(0.7%)	(4.3%)	2.2%
EULESS	4.5%	7.0%	(13.8%)	1.2%
STATE TOTAL	9.3%	11.2%	11.7%	10.2%

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

David Cooke
City Manager