

To the Mayor and Members of the City Council

February 16, 2016

Page 1 of 3



SUBJECT: DECEMBER 2015 – SALES TAX UPDATE

Sales tax revenue represents approximately twenty two percent (22%) of the City’s General Fund anticipated revenue in Fiscal Year 2016. 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 December 2015 (Fiscal Year 2016, Period 3) collection results on February 10th. 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.

DECEMBER NET SALES TAX COLLECTIONS (10-YEAR HISTORY)

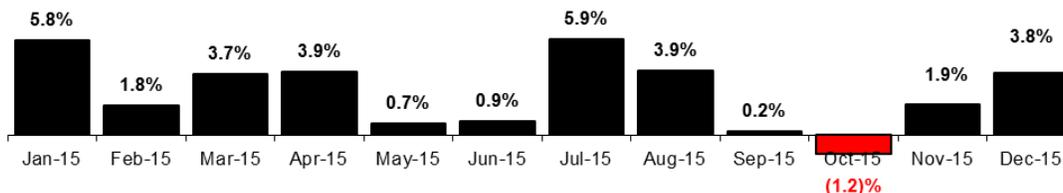


The City’s net sales tax collection is up **\$642,042** or **4.5%**, compared to the same month last year. As depicted in the table below, the City experienced **\$553,560** or a **3.8%** increase when compared to last year’s collections for the same month. Current period collections include only transactions that occurred within the month, so this number reflects pure economic activity.

COLLECTION DETAIL FOR CITY SALES TAX

	December 14	December 15	Variance (\$)	Variance (%)
Current Period Collections	\$14,482,413	\$15,035,973	\$553,560	3.8% ↑
Other Collections	279,029	318,526	39,497	14.2%
Audit Collections	32,151	104,016	71,866	223.5%
Service Fee	(295,872)	(309,170)	(13,298)	(4.5%)
Retainage	(92,678)	(102,260)	(9,583)	(10.3%)
Net Collections	\$14,405,044	\$15,047,086	\$642,042	4.5% ↑

CURRENT PERIOD COLLECTIONS
Change Compared to Same Month in Prior Year



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Page 2 of 3



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The City's Sales Tax collections year-to-date are within $\pm 1\%$ of the budget year-to-date and are approximately 2% higher than the year-to-date total for the same period last year.

CITY OF FORT WORTH YTD NET COLLECTIONS COMPARISON

CITY OF FORT WORTH	Budget as of Period 3	Current Receipts Through Period 3	FY2015 Receipts Through Period 3
GENERAL FUND	\$34,977,253	\$35,317,555	\$34,608,276
CRIME CONTROL AND PREVENTION DISTRICT	16,781,642	16,649,043	16,336,614
TOTAL	\$51,758,895	\$51,966,599	\$50,944,890

CITY OF FORT WORTH FISCAL YEAR COMPARISON – FY2016

CITY OF FORT WORTH	Adopted Budget	Amended Budget	Fiscal Year Projections	Projected Variance to Amended (\$)	Projected Variance to Amended (%)
GENERAL FUND	\$135,065,427	\$135,065,427	\$135,065,427	\$0	0.0%
CRIME CONTROL AND PREVENTION DISTRICT	\$64,802,679	\$64,802,679	\$64,802,679	\$0	0.0%
FORT WORTH TRANSPORTATION AUTHORITY	\$67,857,000	\$67,857,000	\$67,857,000	\$0	0.0%

The City anticipates collecting **\$135,065,427** in the General Fund and **\$64,802,679** in the Crime Control and Prevention District Fund by fiscal year end, which matches original estimates in the FY2016 adopted budget.

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Page 3 of 3



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The chart below indicates how current year sales tax collections in Fort Worth and other select cities in the state compare to FY2016 collections for the same period.

**CITIES COMPARISON
FY2016 vs. FY2015**

City	October	November	December	YTD
GRAND PRAIRIE	5.8%	8.2%	6.3%	6.7%
MCKINNEY	8.7%	1.4%	8.4%	6.4%
GARLAND	1.5%	11.4%	4.9%	5.7%
AUSTIN	2.9%	6.2%	3.9%	4.3%
ARLINGTON	5.6%	5.8%	1.0%	3.7%
SAN ANTONIO	(0.4%)	2.9%	4.7%	2.6%
DALLAS	(0.8%)	6.8%	1.5%	2.2%
FORT WORTH	(1.0%)	1.7%	4.5%	2.0%
IRVING	(8.4%)	11.3%	2.8%	1.8%
EL PASO	(6.6%)	2.8%	3.2%	0.3%
PLANO	8.4%	(3.5%)	(10.6%)	(3.5%)
HOUSTON	(6.8%)	(2.1%)	(7.6%)	(5.7%)
FRISCO	(6.3%)	(8.4%)	(4.6%)	(6.2%)
STATE TOTAL	(5.4%)	(3.3%)	(1.0%)	(3.3%)

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

David Cooke
City Manager