



To the Mayor and Members of the City Council

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SUBJECT: June 2013 – Sales Tax Update

Sales tax revenue represents approximately 20% of the City’s General Fund budget. The Texas Comptroller’s Office posted results on August 7th. The results are dependent upon the timeliness and accuracy of sales tax payers' returns. This payment from the State represents taxes collected on sales that occurred primarily in the month of June. 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.

Monthly Net Sales Tax Collections For June

City of Fort Worth

Jun-13	\$11,146,404	<u>DOLLAR VARIANCE</u>	↑	<u>% VARIANCE</u>	↑
Jun-12	\$9,633,041	\$1,513,363		15.7%	



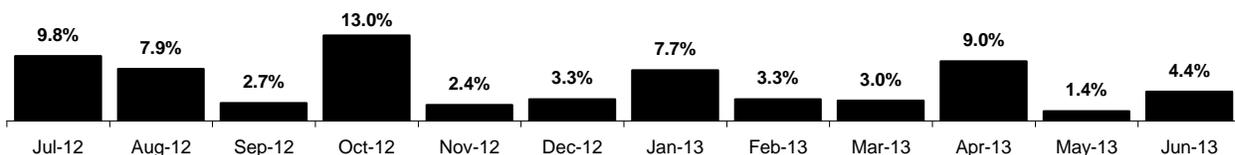
The City’s net sales tax collection is up \$1,513,363 or 15.7% compared to this month last year. One component of the growth compared to last year is a negative audit adjustment in June 2012 that significantly reduced collections. As depicted in the table below, the City experienced **\$468,942 or 4.4%** in positive growth when compared to last year’s current period 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

	Jun 12	Jun 13	CHANGE	CHANGE	
Current Period Collections:	\$10,638,173	\$11,107,115	\$468,942	4.4%	↑
Other Collections:	(\$69,745)	\$147,422	\$217,168	311.4%	
Audit Collections:	(\$726,258)	\$151,219	\$877,477	120.8%	
Service Fee:	(\$196,843)	(\$228,115)	(\$31,272)	-15.9%	
Retainage:	(\$12,286)	(\$31,238)	(\$18,952)	-154.3%	
Net Collections	\$9,633,041	\$11,146,404	\$1,513,363	15.7%	↑

Current Period Collections

Change vs. Same Month in Prior Year





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City Of Fort Worth Budget Comparison - FY2013

	Adopted Budget	Fiscal Year Projection	Variance		
CITY OF FORT WORTH	\$ 108,798,434	\$ 116,283,008	6.9%	↑	\$ 7,484,574
CRIME CONTROL AND PREVENTION DIST.	\$ 49,795,976	\$ 54,076,737	8.6%	↑	\$ 4,280,761
MASS TRANSIT AUTHORITY - THE "T"	\$ 57,231,467	\$ 58,500,268	2.2%	↑	\$ 1,268,801

The City has collected **\$7,484,574** above budget year-to-date and projects to end the year **6.9%** higher than the FY2013 adopted budget. As depicted above, you will also see how the positive results are affecting our partner agencies. This is the eighth collection for the fiscal year and while results are encouraging, staff recommends maintaining a conservative forecast for FY2013 as we continue to experience uncertainty with the national economy and potential audit adjustments. The chart below indicates how other cities in the region compared to FY2012.

City Comparisons - FY2013 vs. FY2012

CITY	First Quarter	Second Quarter	Third Quarter	June	YTD
SOUTHLAKE	11.3%	12.1%	17.6%	19.0%	13.7%
GRAND PRAIRIE	12.6%	7.3%	13.1%	2.9%	11.0%
EULESS	17.1%	6.7%	2.1%	2.6%	8.2%
ARLINGTON	-1.7%	22.2%	3.9%	-0.4%	7.8%
KELLER	7.2%	8.2%	7.7%	5.4%	7.7%
FORT WORTH	7.6%	4.9%	10.3%	15.7%	7.6%
DALLAS	7.4%	5.9%	7.0%	2.8%	6.8%
GRAPEVINE	9.3%	7.5%	-4.4%	-15.6%	3.9%
BEDFORD	3.2%	6.4%	0.9%	-0.7%	3.5%
NORTH RICHLAND HILLS	-4.4%	13.5%	-1.0%	4.8%	2.0%
WATAUGA	0.3%	3.1%	7.0%	9.1%	0.4%
HURST	-0.5%	0.2%	-0.9%	-2.3%	-0.4%
BURLESON	-9.5%	-9.9%	-2.3%	-0.8%	-7.3%
STATE TOTAL	10.3%	5.1%	7.0%	9.1%	7.5%

Again, hopefully you find this additional information helpful. If you have any questions, please call Jay Chapa, Interim Financial Management Services Director, at 817.392.2379.

**Tom Higgins
City Manager**