

Memorandum

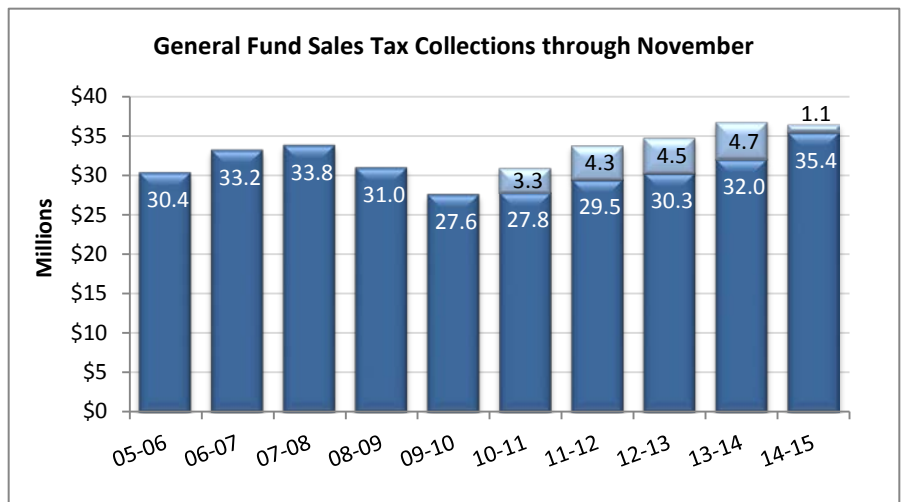


Municipal Budget Office

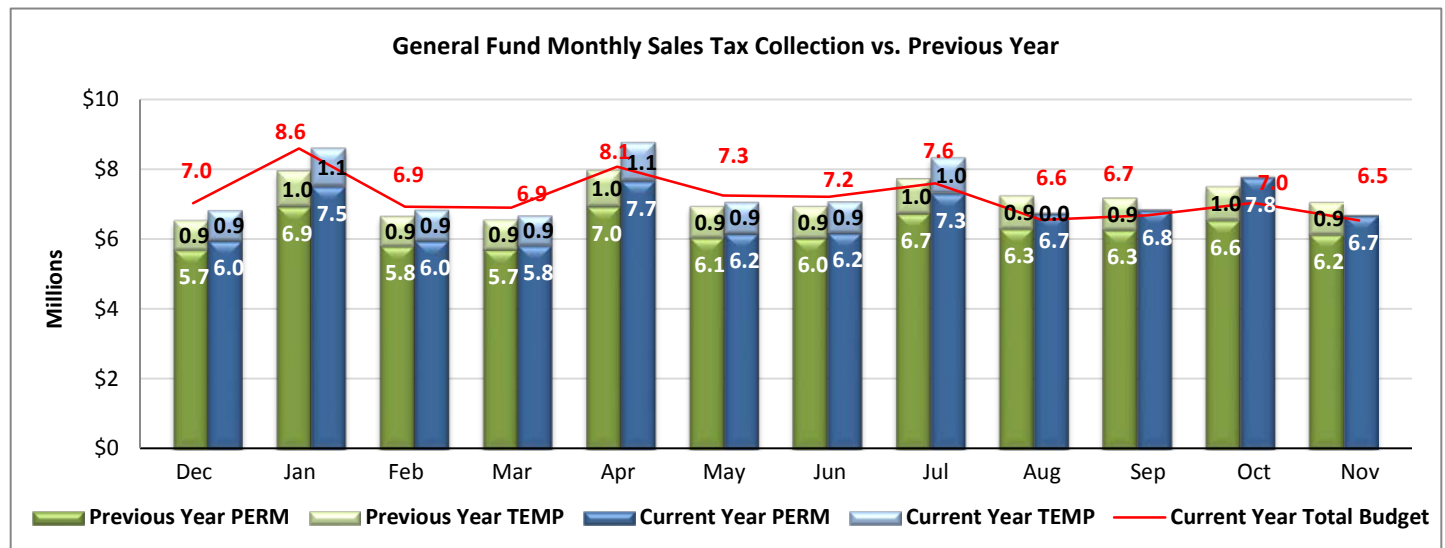
Date: December 19, 2014
 To: Mayor and Council
 From: Cecilia Robles, Budget Manager (350-8881)
 Subject: Tax Revenue Statistical Report – November 2014

Attached is the Executive Summary of the Tax Revenue Statistical Report for November 2014 covering October sales activity reported to our Tax and License Division in November.

The graph to the right depicts year-to-date General Fund historical privilege tax revenue from FY 2005-06 through FY 2014-15. General Fund Sales Tax revenue collected through November for FY 2014-15 is down 0.8% from the same period in the prior fiscal year. In terms of actual dollars received (\$36.5 million), we are \$0.2 million below last fiscal year (\$36.7 million). While the growth over the prior year appears to be declining, this revenue collection pattern is trending as forecasted to budget, considering the temporary sales tax expired in June.



Although sales taxes are not budgeted on a monthly basis, the graph below applies historical collection percentages to the annual budget to gain insight into sales tax performance. Using this approach, sales tax collections in the General Fund are \$0.2 million above budget.



Executive Summary

	Current Month -November								Fiscal Year to Date through November							
	2011-12	Change	2012-13	Change	2013-14	Change	2014-15	Change	2011-12	Change	2012-13	Change	2013-14	Change	2014-15	Change
Taxable Sales																
Total Taxable Sales	507,784,000	-0.1%	503,970,000	-0.8%	533,793,000	5.9%	580,234,000	8.7%	2,562,693,000	27.6%	2,640,376,000	3.0%	2,781,991,000	5.4%	3,063,247,000	10.1%
Retail Taxable Sales	249,120,000	1.6%	242,094,000	-2.8%	269,013,000	11.1%	284,366,000	5.7%	1,250,537,000	24.7%	1,330,774,000	6.4%	1,413,150,000	6.2%	1,513,780,000	7.1%
Tax Revenues by Funds																
Privilege Tax - General Fund (1.2%)	5,828,000	-11.8%	5,883,000	0.9%	6,152,000	4.6%	6,690,000	8.7%	29,490,000	6.1%	30,305,000	2.8%	32,039,000	5.7%	35,396,000	10.5%
Temporary Privilege Tax - General Fund	870,000		865,000	-0.6%	909,000	5.1%	14,000	-98.5%	4,320,000	32.7%	4,486,000	3.8%	4,730,000	5.4%	1,073,000	-77.3%
Transit Tax Fund (.5%)	2,429,000	1.2%	2,454,000	1.0%	2,566,000	4.6%	2,789,000	8.7%	12,297,000	6.1%	12,640,000	2.8%	13,364,000	5.7%	14,758,000	10.4%
Arts Tax Fund (.1%)	499,000	0.8%	505,000	1.2%	529,000	4.8%	575,000	8.7%	2,534,000	6.0%	2,604,000	2.8%	2,755,000	5.8%	3,037,000	10.2%
Privilege Tax - Rebates Fund	263,000	-28.7%	285,000	8.4%	307,000	7.7%	286,000	-6.8%	1,458,000	-23.2%	1,497,000	2.7%	1,593,000	6.4%	1,503,000	-5.6%
Bed Tax Fund	393,000	41.4%	385,000	-2.0%	399,000	3.6%	487,000	22.1%	1,316,000	9.9%	1,373,000	4.3%	1,566,000	14.1%	1,771,000	13.1%
Totals	10,282,000	1.3%	10,377,000	0.9%	10,862,000	4.7%	10,841,000	-0.2%	51,415,000	6.8%	52,905,000	2.9%	56,047,000	5.9%	57,538,000	2.7%
Tax Revenues - Business Activities																
Retail	5,041,000	2.4%	5,060,000	0.4%	5,485,000	8.4%	5,376,000	-2.0%	25,733,000	6.4%	27,184,000	5.6%	29,049,000	6.9%	28,852,000	-0.7%
Rentals	1,952,000	-3.5%	2,074,000	6.3%	1,934,000	-6.8%	1,703,000	-11.9%	9,767,000	5.3%	10,054,000	2.9%	10,095,000	0.4%	9,650,000	-4.4%
Utilities/Communication	981,000	-7.4%	921,000	-6.1%	951,000	3.3%	1,122,000	18.0%	5,252,000	2.6%	5,215,000	-0.7%	5,401,000	3.6%	5,504,000	1.9%
Restaurants	940,000	21.0%	872,000	-7.2%	959,000	10.0%	904,000	-5.7%	3,991,000	8.7%	4,028,000	0.9%	4,423,000	9.8%	4,308,000	-2.6%
Contracting	501,000	-17.1%	571,000	14.0%	601,000	5.3%	808,000	34.4%	3,332,000	26.4%	2,957,000	-11.3%	3,316,000	12.1%	5,325,000	60.6%
Hotel/Motel	232,000	54.7%	207,000	-10.8%	234,000	13.0%	240,000	2.6%	769,000	11.9%	755,000	-1.8%	847,000	12.2%	853,000	0.7%
Transient (Bed Tax)	394,000	41.7%	386,000	-2.0%	399,000	3.4%	486,000	21.8%	1,316,000	9.8%	1,374,000	4.4%	1,567,000	14.0%	1,771,000	13.0%
Amusements	131,000	-21.1%	118,000	-9.9%	120,000	1.7%	103,000	-14.2%	740,000	-3.0%	648,000	-12.4%	699,000	7.9%	638,000	-8.7%
All Other	110,000	-36.0%	168,000	52.7%	179,000	6.5%	99,000	-44.7%	515,000	-14.2%	690,000	34.0%	650,000	-5.8%	637,000	-2.0%
Totals	10,282,000	1.3%	10,377,000	0.9%	10,862,000	4.7%	10,841,000	-0.2%	51,415,000	6.8%	52,905,000	2.9%	56,047,000	5.9%	57,538,000	2.7%
Tax Revenues - Retail Activities Breakdown																
Automotive	784,000	17.0%	848,000	8.2%	937,000	10.5%	915,000	-2.3%	3,828,000	12.4%	4,413,000	15.3%	4,760,000	7.9%	4,963,000	4.3%
Furniture/Equipment/Electronics	1,045,000	3.6%	1,064,000	1.8%	1,145,000	7.6%	1,194,000	4.3%	5,420,000	1.3%	5,951,000	9.8%	7,048,000	18.4%	6,692,000	-5.1%
Department Stores	881,000	-17.3%	880,000	-0.1%	936,000	6.4%	877,000	-6.3%	4,699,000	9.1%	4,882,000	3.9%	4,832,000	-1.0%	4,599,000	-4.8%
Grocery Stores	575,000	0.0%	593,000	3.1%	633,000	6.7%	648,000	2.4%	2,858,000	8.7%	2,927,000	2.4%	3,100,000	5.9%	3,244,000	4.6%
Drugs/Small Stores	555,000	-1.6%	521,000	-6.1%	568,000	9.0%	531,000	-6.5%	2,787,000	6.6%	2,818,000	1.1%	2,983,000	5.9%	2,858,000	-4.2%
Manufacturing Firms	318,000	4.6%	308,000	-3.1%	292,000	-5.2%	191,000	-34.6%	1,666,000	21.3%	1,655,000	-0.7%	1,387,000	-16.2%	1,329,000	-4.2%
Building Supply Stores	200,000	19.8%	213,000	6.5%	221,000	3.8%	206,000	-6.8%	909,000	1.2%	921,000	1.3%	988,000	7.3%	931,000	-5.8%
All Other Retail	683,000	-15.5%	633,000	-7.3%	753,000	19.0%	814,000	8.1%	3,566,000	-1.2%	3,617,000	1.4%	3,951,000	9.2%	4,236,000	7.2%
Totals	5,041,000	2.4%	5,060,000	0.4%	5,485,000	8.4%	5,376,000	-2.0%	25,733,000	6.4%	27,184,000	5.6%	29,049,000	6.9%	28,852,000	-0.7%
Tax Revenues - Business Districts																
Elliot Corridor	1,313,000	11.2%	1,379,000	5.0%	1,432,000	3.8%	1,397,000	-2.4%	6,335,000	2.0%	7,504,000	18.5%	8,005,000	6.7%	8,028,000	0.3%
Autoplex (included in Elliot Corridor)	534,000	25.6%	580,000	8.6%	634,000	9.3%	636,000	0.3%	2,489,000	11.2%	3,061,000	23.0%	3,281,000	7.2%	3,411,000	4.0%
Market Place	398,000	1.8%	415,000	4.3%	438,000	5.5%	466,000	6.4%	2,066,000	4.6%	2,183,000	5.7%	2,313,000	6.0%	2,254,000	-2.6%
Mills Mall	460,000	6.0%	451,000	-2.0%	455,000	0.9%	330,000	-27.5%	2,525,000	7.8%	2,528,000	0.1%	2,484,000	-1.7%	2,179,000	-12.3%
Downtown Tempe	401,000	54.2%	377,000	-6.0%	374,000	-0.8%	475,000	27.0%	1,340,000	12.4%	1,406,000	4.9%	1,605,000	14.2%	1,771,000	10.3%
Apache Blvd.	192,000	0.0%	181,000	-5.7%	212,000	17.1%	202,000	-4.7%	909,000	1.5%	896,000	-1.4%	1,056,000	17.9%	1,063,000	0.7%
ASU Properties	215,000	22.9%	218,000	1.4%	205,000	-6.0%	178,000	-13.2%	809,000	20.4%	892,000	10.3%	1,013,000	13.6%	973,000	-3.9%
Rio Salado (1.8% and 3.0% Bed Tax)	267,000	-17.3%	242,000	-9.4%	266,000	9.9%	269,000	1.1%	1,269,000	6.6%	1,127,000	-11.2%	1,247,000	10.6%	1,338,000	7.3%
All Other Areas	7,036,000	-2.2%	7,114,000	1.1%	7,480,000	5.1%	7,524,000	0.6%	36,162,000	7.4%	36,369,000	0.6%	38,324,000	5.4%	39,932,000	4.2%

**Privilege Tax Revenue - General Fund (1.2%)
2014-15 Actual Compared to Budget**

Monthly Amounts

	2014-15 Budget		2014-15 Actual	Over(Under)	
	Percent	Amount		Amount	Percent
Jul	8.1%	6,621,000	7,327,000	706,000	10.7%
Aug	8.0%	6,554,000	6,749,000	195,000	3.0%
Sep	8.2%	6,678,000	6,847,000	169,000	2.5%
Oct	8.6%	7,035,000	7,782,000	747,000	10.6%
Nov	8.0%	6,534,000	6,691,000	157,000	2.4%
Dec	8.0%	6,495,000			
Jan	9.8%	7,946,000			
Feb	7.9%	6,402,000			
Mar	7.8%	6,382,000			
Apr	9.2%	7,461,000			
May	8.2%	6,705,000			
Jun	8.2%	6,669,000			
Totals	100.0%	81,482,000	35,396,000	1,974,000	

Cumulative Amounts

	2014-15 Budget		2014-15 Actual	Over(Under)	
	Percent	Amount		Amount	Percent
Jul	8.1%	6,621,000	7,327,000	706,000	10.7%
Jul-Aug	16.1%	13,175,000	14,076,000	901,000	6.8%
Jul-Sep	24.3%	19,853,000	20,923,000	1,070,000	5.4%
Jul-Oct	32.9%	26,888,000	28,705,000	1,817,000	6.8%
Jul-Nov	40.9%	33,422,000	35,396,000	1,974,000	5.9%
Jul-Dec	48.9%	39,917,000			
Jul-Jan	58.7%	47,863,000			
Jul-Feb	66.6%	54,265,000			
Jul-Mar	74.4%	60,647,000			
Jul-Apr	83.6%	68,108,000			
Jul-May	91.8%	74,813,000			
Jul-Jun	100.0%	81,482,000			

Tax and License Annual Privilege Tax Revenue Projections

Method	Privilege Tax		Overage/Shortage	
	Projected	Budgeted	Amount	Percent
Percent of Increase	85,500,000	81,482,000	4,018,000	4.9%
Percentage Received	86,543,000	81,482,000	5,061,000	6.2%

**Temporary Privilege Tax Revenue - General Fund (0.2%)
Year-to-Date Comparison - November**

Monthly Amounts

	2011-12	%	2012-13	%	2013-14	%	2014-15	%
Jul	873,000		933,000	6.9%	1,001,000	7.3%	1,013,000	1.2%
Aug	847,000	8.0%	868,000	2.5%	942,000	8.5%	31,000	-96.7%
Sep	854,000	3.8%	892,000	4.4%	916,000	2.7%	14,000	-98.5%
Oct	876,000	7.2%	928,000	5.9%	962,000	3.7%	1,000	-99.9%
Nov	870,000	8.6%	865,000	-0.6%	909,000	5.1%	14,000	-98.5%
Dec	838,000	4.9%	853,000	1.8%	881,000	3.3%		
Jan	961,000	-4.2%	1,025,000	6.7%	1,093,000	6.6%		
Feb	844,000	-0.7%	861,000	2.0%	890,000	3.4%		
Mar	910,000	14.3%	865,000	-4.9%	861,000	-0.5%		
Apr	897,000	-4.0%	1,027,000	14.5%	1,106,000	7.7%		
May	922,000	7.1%	897,000	-2.7%	906,000	1.0%		
Jun	868,000	5.0%	904,000	4.1%	912,000	0.9%		
Totals	10,560,000	13.2%	10,918,000	3.4%	11,379,000	4.2%	1,073,000	

Cumulative Amounts

	2011-12	%	2012-13	%	2013-14	%	2014-15	%
Jul	873,000		933,000	6.9%	1,001,000	7.3%	1,013,000	1.2%
Jul-Aug	1,720,000	119.4%	1,801,000	4.7%	1,943,000	7.9%	1,044,000	-46.3%
Jul-Sep	2,574,000	60.2%	2,693,000	4.6%	2,859,000	6.2%	1,058,000	-63.0%
Jul-Oct	3,450,000	40.6%	3,621,000	5.0%	3,821,000	5.5%	1,059,000	-72.3%
Jul-Nov	4,320,000	32.7%	4,486,000	3.8%	4,730,000	5.4%	1,073,000	-77.3%
Jul-Dec	5,158,000	27.2%	5,339,000	3.5%	5,611,000	5.1%		
Jul-Jan	6,119,000	21.0%	6,364,000	4.0%	6,704,000	5.3%		
Jul-Feb	6,963,000	17.9%	7,225,000	3.8%	7,594,000	5.1%		
Jul-Mar	7,873,000	17.5%	8,090,000	2.8%	8,455,000	4.5%		
Jul-Apr	8,770,000	14.8%	9,117,000	4.0%	9,561,000	4.9%		
Jul-May	9,692,000	14.1%	10,014,000	3.3%	10,467,000	4.5%		
Jul-Jun	10,560,000	13.2%	10,918,000	3.4%	11,379,000	4.2%		