

Memorandum

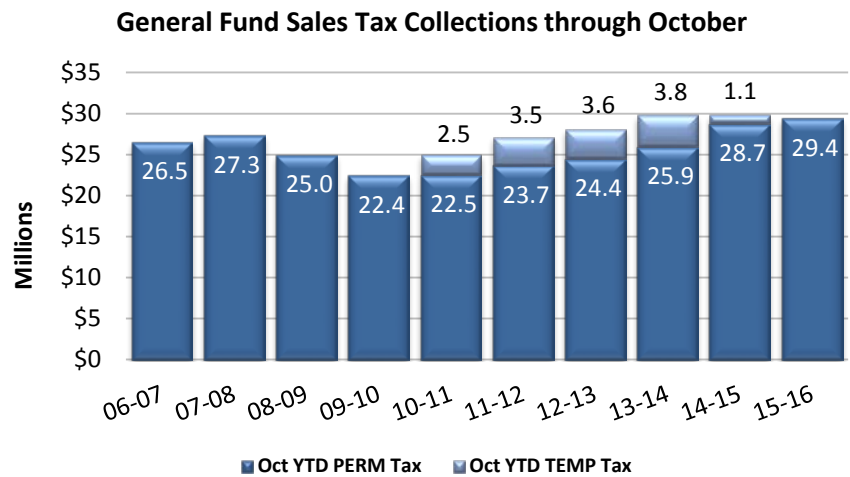


Municipal Budget Office

Date: November 6, 2015
 To: Mayor and Council
 From: Cecilia Robles, Municipal Budget Office Director (350-8881)
 Subject: Tax Revenue Statistical Report – October 2015

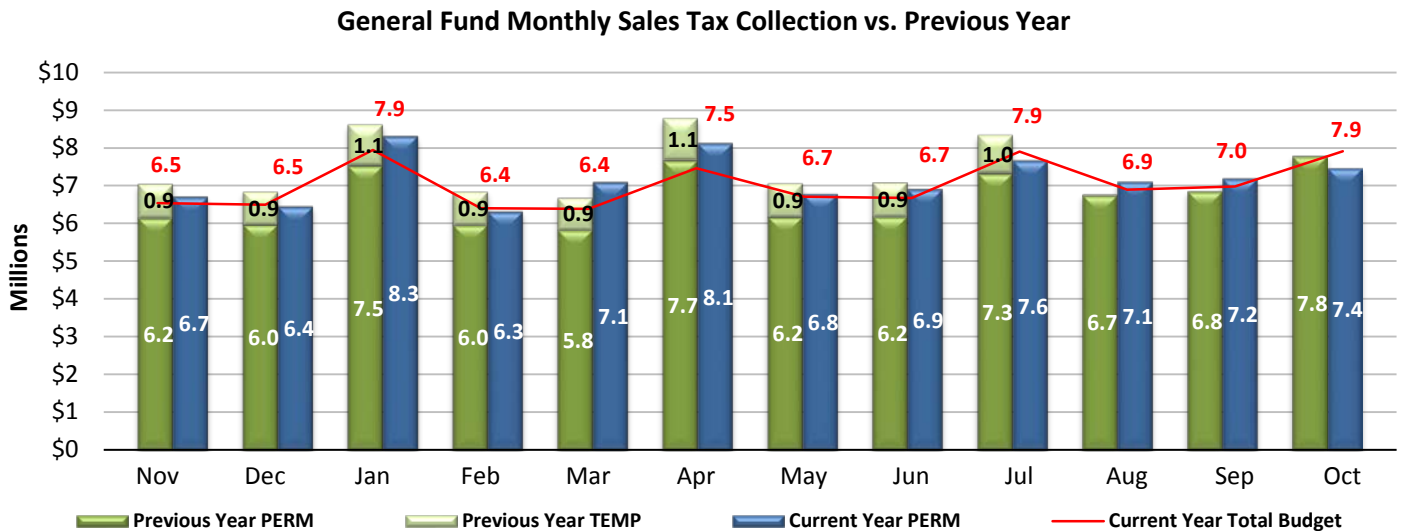
Attached is the Executive Summary of the Tax Revenue Statistical Report for October 2015 covering September sales activity reported to our Tax and License Division in October.

The graph to the right depicts year-to-date (YTD) General Fund historical privilege tax revenue, which includes the 1.2% permanent tax and the expired 0.2% temporary tax, from FY 2006-07 through FY 2015-16. While taxable sales increased by 2.4% over the same year-to-date period in the prior fiscal year, General Fund Sales Tax revenue collected for FY 2015-16 is down 1.3% (\$400 thousand), as a result of the expiration of the temporary tax. However, the combined bed tax and hotel/motel tax revenues are up by 10.0% (\$189 thousand) over the prior fiscal year.



The graph below represents twelve months of activity, comparing current year General Fund monthly sales tax collections to the previous year. The previous year's collections are broken into two components: the 1.2% permanent tax and the expired 0.2% temporary tax.

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 \$325 thousand below budgeted projections through October.



Executive Summary

	Current Month -October								Fiscal Year to Date through October							
	2012-13	Change	2013-14	Change	2014-15	Change	2015-16	Change	2012-13	Change	2013-14	Change	2014-15	Change	2015-16	Change
Taxable Sales																
Total Taxable Sales	561,030,000	5.7%	574,354,000	2.4%	676,788,000	17.8%	648,245,000	-4.2%	2,136,406,000	4.0%	2,248,198,000	5.2%	2,483,013,000	10.4%	2,542,880,000	2.4%
Retail Taxable Sales	281,636,000	14.4%	279,765,000	-0.7%	309,085,000	10.5%	316,938,000	2.5%	1,088,680,000	8.7%	1,144,137,000	5.1%	1,229,414,000	7.5%	1,277,681,000	3.9%
Tax Revenues by Funds																
Privilege Tax - General Fund (1.2%)	6,332,000	2.6%	6,552,000	3.5%	7,782,000	18.8%	7,448,000	-4.3%	24,422,000	3.2%	25,887,000	6.0%	28,702,000	10.9%	29,352,000	2.3%
Temporary Privilege Tax - General Fund	928,000	6.1%	962,000	3.7%	1,000	-99.9%	-	-100.0%	3,622,000	5.0%	3,821,000	5.5%	1,059,000	-72.3%	11,000	-99.0%
Transit Tax Fund (.5%)	2,641,000	2.6%	2,732,000	3.4%	3,245,000	18.8%	3,105,000	-4.3%	10,186,000	3.2%	10,798,000	6.0%	11,969,000	10.8%	12,236,000	2.2%
Arts Tax Fund (.1%)	544,000	2.4%	564,000	3.7%	666,000	18.1%	639,000	-4.1%	2,099,000	3.2%	2,226,000	6.1%	2,461,000	10.6%	2,521,000	2.4%
Privilege Tax - Rebates Fund	305,000	3.4%	338,000	10.8%	298,000	-11.8%	318,000	6.7%	1,212,000	1.4%	1,288,000	6.3%	1,218,000	-5.4%	1,276,000	4.8%
Bed Tax Fund	289,000	28.4%	339,000	17.3%	362,000	6.8%	398,000	9.9%	988,000	7.2%	1,167,000	18.1%	1,284,000	10.0%	1,417,000	10.4%
Totals	11,039,000	3.4%	11,487,000	4.1%	12,354,000	7.5%	11,908,000	-3.6%	42,529,000	3.4%	45,187,000	6.2%	46,693,000	3.3%	46,813,000	0.3%
Tax Revenues - Business Activities																
Retail	5,589,000	10.2%	5,701,000	2.0%	5,741,000	0.7%	5,998,000	4.5%	22,124,000	6.9%	23,564,000	6.5%	23,473,000	-0.4%	23,949,000	2.0%
Rentals	2,100,000	-3.3%	2,212,000	5.3%	2,177,000	-1.6%	2,166,000	-0.5%	7,980,000	2.1%	8,161,000	2.3%	7,947,000	-2.6%	8,085,000	1.7%
Utilities/Communication	1,059,000	-1.9%	1,112,000	5.0%	1,065,000	-4.2%	1,037,000	-2.6%	4,294,000	0.5%	4,450,000	3.6%	4,382,000	-1.5%	4,096,000	-6.5%
Restaurants	849,000	10.7%	930,000	9.5%	912,000	-1.9%	936,000	2.6%	3,156,000	3.4%	3,464,000	9.8%	3,404,000	-1.7%	3,560,000	4.6%
Contracting	710,000	-26.2%	745,000	4.9%	1,660,000	122.8%	931,000	-43.9%	2,386,000	-15.7%	2,715,000	13.8%	4,517,000	66.4%	3,966,000	-12.2%
Hotel/Motel	157,000	17.2%	177,000	12.7%	168,000	-5.1%	197,000	17.3%	548,000	2.0%	613,000	11.9%	613,000	0.0%	669,000	9.1%
Transient (Bed Tax)	289,000	28.4%	339,000	17.3%	362,000	6.8%	398,000	9.9%	988,000	7.2%	1,168,000	18.2%	1,285,000	10.0%	1,418,000	10.4%
Amusements	126,000	-18.2%	132,000	4.8%	128,000	-3.0%	110,000	-14.1%	530,000	-13.0%	579,000	9.2%	535,000	-7.6%	616,000	15.1%
All Other	160,000	44.1%	139,000	-13.1%	141,000	1.4%	135,000	-4.3%	523,000	28.8%	473,000	-9.6%	537,000	13.5%	454,000	-15.5%
Totals	11,039,000	3.4%	11,487,000	4.1%	12,354,000	7.5%	11,908,000	-3.6%	42,529,000	3.4%	45,187,000	6.2%	46,693,000	3.3%	46,813,000	0.3%
Tax Revenues - Retail Activities Breakdown																
Automotive	930,000	31.0%	954,000	2.6%	944,000	-1.0%	977,000	3.5%	3,565,000	17.1%	3,823,000	7.2%	4,048,000	5.9%	4,060,000	0.3%
Furniture/Equipment/Electronics	1,199,000	10.8%	1,257,000	4.8%	1,247,000	-0.8%	1,193,000	-4.3%	4,887,000	11.7%	5,903,000	20.8%	5,498,000	-6.9%	5,015,000	-8.8%
Department Stores	916,000	4.2%	903,000	-1.4%	842,000	-6.8%	881,000	4.6%	4,002,000	4.8%	3,896,000	-2.6%	3,722,000	-4.5%	3,786,000	1.7%
Grocery Stores	640,000	10.0%	642,000	0.3%	655,000	2.0%	692,000	5.6%	2,334,000	2.2%	2,467,000	5.7%	2,596,000	5.2%	2,663,000	2.6%
Drugs/Small Stores	599,000	11.5%	608,000	1.5%	576,000	-5.3%	518,000	-10.1%	2,297,000	2.9%	2,415,000	5.1%	2,327,000	-3.6%	2,119,000	-8.9%
Manufacturing Firms	354,000	5.7%	299,000	-15.5%	269,000	-10.0%	279,000	3.7%	1,347,000	-0.1%	1,095,000	-18.7%	1,138,000	3.9%	1,286,000	13.0%
Building Supply Stores	183,000	5.2%	200,000	9.3%	187,000	-6.5%	212,000	13.4%	708,000	-0.1%	767,000	8.3%	725,000	-5.5%	853,000	17.7%
All Other Retail	768,000	-0.4%	838,000	9.1%	1,021,000	21.8%	1,246,000	22.0%	2,984,000	3.6%	3,198,000	7.2%	3,419,000	6.9%	4,167,000	21.9%
Totals	5,589,000	10.2%	5,701,000	2.0%	5,741,000	0.7%	5,998,000	4.5%	22,124,000	6.9%	23,564,000	6.5%	23,473,000	-0.4%	23,949,000	2.0%
Tax Revenues - Business Districts																
Elliot Corridor	1,524,000	27.5%	1,495,000	-1.9%	1,548,000	3.5%	1,494,000	-3.5%	6,125,000	22.0%	6,573,000	7.3%	6,631,000	0.9%	6,329,000	-4.6%
Autoplex (included in Elliot Corridor)	660,000	50.0%	666,000	0.9%	631,000	-5.3%	676,000	7.1%	2,481,000	26.9%	2,647,000	6.7%	2,775,000	4.8%	2,761,000	-0.5%
Market Place	429,000	0.5%	486,000	13.3%	432,000	-11.1%	461,000	6.7%	1,768,000	6.0%	1,875,000	6.1%	1,788,000	-4.6%	1,878,000	5.0%
Mills Mall	459,000	2.9%	467,000	1.7%	419,000	-10.3%	360,000	-14.1%	2,077,000	0.6%	2,029,000	-2.3%	1,849,000	-8.9%	1,835,000	-0.8%
Downtown Tempe	281,000	31.9%	359,000	27.8%	372,000	3.6%	371,000	-0.3%	1,029,000	9.6%	1,231,000	19.6%	1,296,000	5.3%	1,286,000	-0.8%
Apache Blvd.	181,000	1.7%	232,000	28.2%	232,000	0.0%	204,000	-12.1%	715,000	-0.3%	844,000	18.0%	861,000	2.0%	818,000	-5.0%
ASU Properties	187,000	0.0%	225,000	20.3%	226,000	0.4%	184,000	-18.6%	674,000	13.5%	808,000	19.9%	795,000	-1.6%	737,000	-7.3%
Rio Salado	256,000	-10.2%	246,000	-3.9%	326,000	32.5%	291,000	-10.7%	885,000	-11.7%	981,000	10.8%	1,069,000	9.0%	1,041,000	-2.6%
All Other Areas	7,722,000	-0.3%	7,977,000	3.3%	8,799,000	10.3%	8,543,000	-2.9%	29,256,000	0.4%	30,846,000	5.4%	32,404,000	5.1%	32,889,000	1.5%

**Privilege Tax Revenue - General Fund (1.2%)
Year-to-Date Comparison - October**

Monthly Amounts

	2012-13	%	2013-14	%	2014-15	%	2015-16	%
Jul	6,279,000	4.5%	6,741,000	7.4%	7,325,000	8.7%	7,644,000	4.4%
Aug	5,808,000	2.3%	6,315,000	8.7%	6,748,000	6.9%	7,091,000	5.1%
Sep	6,003,000	3.4%	6,279,000	4.6%	6,847,000	9.0%	7,169,000	4.7%
Oct	6,332,000	2.6%	6,552,000	3.5%	7,782,000	18.8%	7,448,000	-4.3%
Nov	5,883,000	0.9%	6,152,000	4.6%	6,690,000	8.7%		
Dec	5,711,000	1.9%	5,978,000	4.7%	6,438,000	7.7%		
Jan	6,943,000	9.0%	7,525,000	8.4%	8,292,000	10.2%		
Feb	5,815,000	2.4%	5,970,000	2.7%	6,298,000	5.5%		
Mar	5,719,000	-6.4%	5,834,000	2.0%	7,077,000	21.3%		
Apr	6,951,000	16.0%	7,676,000	10.4%	8,106,000	5.6%		
May	6,058,000	-3.1%	6,177,000	2.0%	6,769,000	9.6%		
Jun	6,048,000	4.4%	6,192,000	2.4%	6,889,000	11.3%		
Total	73,550,000	3.2%	77,391,000	5.2%	85,261,000	10.2%	29,352,000	

Cumulative Amounts

	2012-13	%	2013-14	%	2014-15	%	2015-16	%
Jul	6,279,000	4.5%	6,741,000	7.4%	7,325,000	8.7%	7,644,000	4.4%
Jul-Aug	12,087,000	3.4%	13,056,000	8.0%	14,073,000	7.8%	14,735,000	4.7%
Jul-Sep	18,090,000	3.4%	19,335,000	6.9%	20,920,000	8.2%	21,904,000	4.7%
Jul-Oct	24,422,000	3.2%	25,887,000	6.0%	28,702,000	10.9%	29,352,000	2.3%
Jul-Nov	30,305,000	2.8%	32,039,000	5.7%	35,392,000	10.5%		
Jul-Dec	36,016,000	2.6%	38,017,000	5.6%	41,830,000	10.0%		
Jul-Jan	42,959,000	3.6%	45,542,000	6.0%	50,122,000	10.1%		
Jul-Feb	48,774,000	3.5%	51,512,000	5.6%	56,420,000	9.5%		
Jul-Mar	54,493,000	2.3%	57,346,000	5.2%	63,497,000	10.7%		
Jul-Apr	61,444,000	3.7%	65,022,000	5.8%	71,603,000	10.1%		
Jul-May	67,502,000	3.1%	71,199,000	5.5%	78,372,000	10.1%		
Jul-Jun	73,550,000	3.2%	77,391,000	5.2%	85,261,000	10.2%		

This schedule presents General Fund privilege tax revenues (1.2%) reported in the City of Tempe for the past four fiscal years. These revenues do not include amounts transferred to the Transit, Performing Arts, and Tax Rebates funds. The percentages shown to the right of each amount reflect the percentage increase or decrease of that amount when compared to the applicable amount for the preceding year.

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

Monthly Amounts

	2012-13	%	2013-14	%	2014-15	%	2015-16	%
Jul	934,000	6.9%	1,000,000	7.1%	1,013,000	1.3%	4,000	-99.6%
Aug	868,000	2.4%	943,000	8.6%	31,000	-96.7%	4,000	-87.1%
Sep	892,000	4.4%	916,000	2.7%	14,000	-98.5%	3,000	-78.6%
Oct	928,000	5.9%	962,000	3.7%	1,000	-99.9%	-	-100.0%
Nov	865,000	-0.6%	909,000	5.1%	14,000	-98.5%		
Dec	853,000	1.8%	881,000	3.3%	8,000	-99.1%		
Jan	1,025,000	6.7%	1,093,000	6.6%	4,000	-99.6%		
Feb	861,000	2.0%	890,000	3.4%	8,000	-99.1%		
Mar	865,000	-4.9%	861,000	-0.5%	9,000	-99.0%		
Apr	1,027,000	14.5%	1,106,000	7.7%	6,000	-99.5%		
May	897,000	-2.7%	906,000	1.0%	5,000	-99.4%		
Jun	904,000	4.1%	912,000	0.9%	7,000	-99.2%		
Totals	10,919,000	3.4%	11,379,000	4.2%	1,120,000	-90.2%	11,000	

Cumulative Amounts

	2012-13	%	2013-14	%	2014-15	%	2015-16	%
Jul	934,000	6.9%	1,000,000	7.1%	1,013,000	1.3%	4,000	-99.6%
Jul-Aug	1,802,000	4.6%	1,943,000	7.8%	1,044,000	-46.3%	8,000	-99.2%
Jul-Sep	2,694,000	4.6%	2,859,000	6.1%	1,058,000	-63.0%	11,000	-99.0%
Jul-Oct	3,622,000	4.9%	3,821,000	5.5%	1,059,000	-72.3%	11,000	-99.0%
Jul-Nov	4,487,000	3.8%	4,730,000	5.4%	1,073,000	-77.3%		
Jul-Dec	5,340,000	3.5%	5,611,000	5.1%	1,081,000	-80.7%		
Jul-Jan	6,365,000	4.0%	6,704,000	5.3%	1,085,000	-83.8%		
Jul-Feb	7,226,000	3.7%	7,594,000	5.1%	1,093,000	-85.6%		
Jul-Mar	8,091,000	2.7%	8,455,000	4.5%	1,102,000	-87.0%		
Jul-Apr	9,118,000	3.9%	9,561,000	4.9%	1,108,000	-88.4%		
Jul-May	10,015,000	3.3%	10,467,000	4.5%	1,113,000	-89.4%		
Jul-Jun	10,919,000	3.4%	11,379,000	4.2%	1,120,000	-90.2%		