

# Memorandum

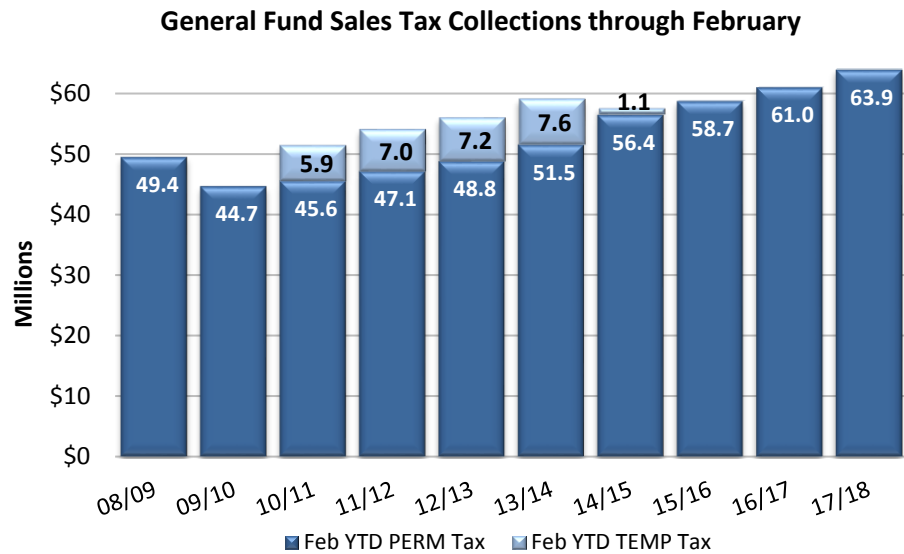


## Municipal Budget Office

Date: May 15, 2018  
 To: Mayor and Council  
 From: Cecilia V. Robles, Municipal Budget Director (350-8881)  
 Subject: Tax Revenue Statistical Report – February 2018

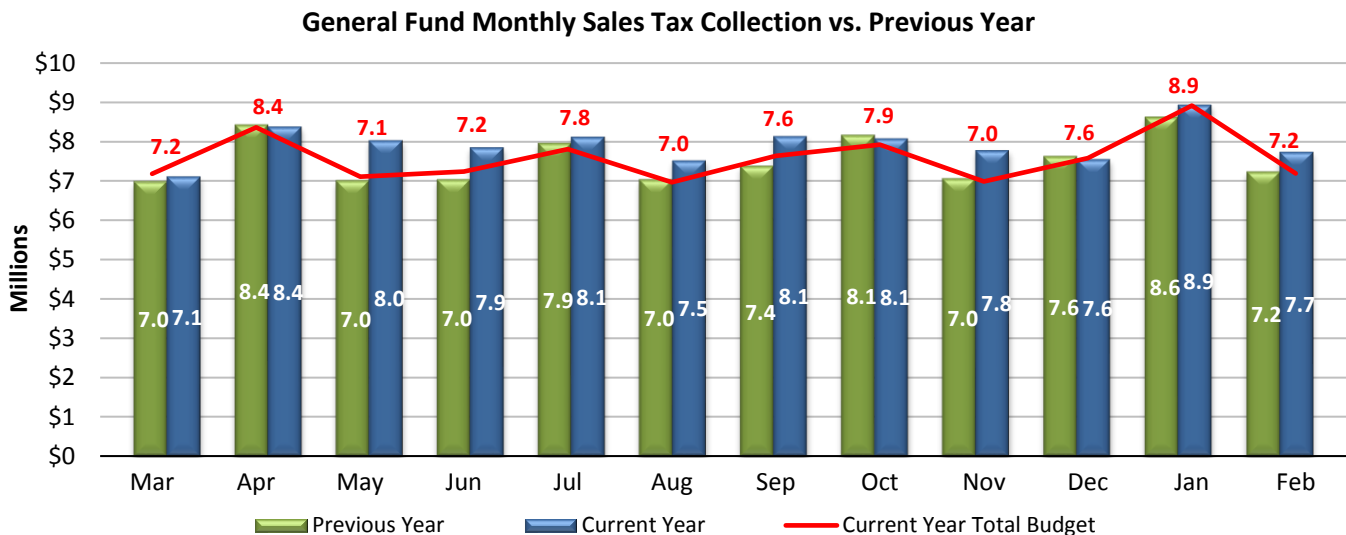
Attached is the Executive Summary of the Tax Revenue Statistical Report for February 2018 covering January sales activity reported to the Arizona Department of Revenue (ADOR). The lag in reporting is due to the delay in receiving information from ADOR.

The graph to the right depicts year-to-date General Fund historical privilege tax revenue from FY 2008-09 through FY 2017-18. Total taxable sales increased by 5.5% over the same year-to-date period in the prior fiscal year. General Fund Sales Tax revenue is also up 4.8% (\$2.9 million) because of overall strong retail (\$2.9 million), rentals (\$1.1 million), and combined bed tax and hotel/motel (\$485 thousand) activity. The combined bed tax and hotel/motel tax revenue is up 8.7% as its trend has recovered from extra payments made during prior year.



The graph below represents twelve months of activity, comparing current year General Fund monthly sales tax collections to the previous year.

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 \$2.9 million above budgeted projections year to date.





**Privilege Tax Revenue - General Fund (1.2%)  
2017-18 Actual Compared to Budget**

**Monthly Amounts**

	2017-18 Budget		2017-18 Actual	Over(Under)	
	Percent	Amount		Amount	Percent
<b>Jul</b>	8.4%	7,813,000	8,130,000	317,000	4.1%
<b>Aug</b>	7.5%	6,967,000	7,529,000	561,913	8.1%
<b>Sep</b>	8.2%	7,636,000	8,144,000	508,073	6.7%
<b>Oct</b>	8.5%	7,924,000	8,090,000	166,100	2.1%
<b>Nov</b>	7.5%	6,986,000	7,789,000	803,334	11.5%
<b>Dec</b>	8.2%	7,580,000	7,556,000	(24,190)	-0.3%
<b>Jan</b>	9.6%	8,918,000	8,938,000	20,129	0.2%
<b>Feb</b>	7.7%	7,190,000	7,744,000	\$553,966	7.7%
<b>Mar</b>	8.1%	7,478,000			
<b>Apr</b>	9.4%	8,704,000			
<b>May</b>	8.3%	7,720,000			
<b>Jun</b>	8.5%	7,896,000			
<b>Totals</b>	100.0%	92,812,000	63,920,000	2,906,325	

**Cumulative Amounts**

	2017-18 Budget		2017-18 Actual	Over(Under)	
	Percent	Amount		Amount	Percent
<b>Jul</b>	8.4%	7,813,000	8,130,000	317,000	4.1%
<b>Jul-Aug</b>	15.9%	14,780,000	15,659,000	879,000	5.9%
<b>Jul-Sep</b>	24.1%	22,416,000	23,803,000	1,387,000	6.2%
<b>Jul-Oct</b>	32.6%	30,340,000	31,893,000	1,553,000	5.1%
<b>Jul-Nov</b>	40.1%	37,326,000	39,682,000	2,356,000	6.3%
<b>Jul-Dec</b>	48.3%	44,906,000	47,238,000	2,332,000	5.2%
<b>Jul-Jan</b>	57.9%	53,824,000	56,176,000	2,352,000	4.4%
<b>Jul-Feb</b>	65.6%	61,014,000	63,920,000	\$2,906,000	4.8%
<b>Jul-Mar</b>	73.7%	66,533,000			
<b>Jul-Apr</b>	83.1%	75,237,000			
<b>Jul-May</b>	91.4%	82,957,000			
<b>Jul-Jun</b>	100.0%	90,853,000			

**Tax and License Annual Privilege Tax Revenue Projections**

Method	Privilege Tax		Overage/Shortage	
	Projected	Budgeted	Amount	Percent
<b>Percent of Increase</b>	96,535,000	92,812,000	3,723,000	4.0%
<b>Percentage Received</b>	97,022,000	92,812,000	4,210,000	4.5%