

Memorandum



CITY OF DALLAS

DATE December 11, 2020

TO Honorable Mayor and Members of the City Council

SUBJECT **Sales Tax Receipts**

We budgeted \$296.3 million in sales tax revenue for FY 2020-21, which is a 9 percent decrease from the FY 2019-20 budget of \$325.6 million and a 4.6 percent decrease from FY 2019-20 actual collections of \$310.7 million. As you know, we adjusted the sales tax revenue budget because the Coronavirus pandemic and subsequent economic crisis affected sales tax receipts and will continue to do so.

The October 2020 sales tax receipts from the State Comptroller's Office are \$25,607,902, which represents an 8.4 percent decrease in total collections compared to the same reporting period last year. Over the most recent 12 months, sales tax receipts have decreased by 2.5 percent.

While sales tax is underperforming relative to the same time last year, it exceeded the projected monthly budget by 12.5 percent, highlighting the difficult nature of revenue forecasting in this economic environment.

- October 2019 actual \$27,942,608
- October 2020 budget \$22,757,735
- October 2020 actual \$25,607,902

October's receipts represent the first month of FY 2020-21 collections. We will update the forecast as more data becomes available; however, I do not anticipate completing an update until we have at least one quarter's worth of data.

Thank you for your support. Please contact me with any questions.

A handwritten signature in blue ink that reads "M. Elizabeth Reich".

M. Elizabeth Reich
Chief Financial Officer

cc: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Chief of Staff to the City Manager

Majed A. Al-Ghafry, Assistant City Manager
Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Dr. Eric A. Johnson, Chief of Economic Development and Neighborhood Services
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors

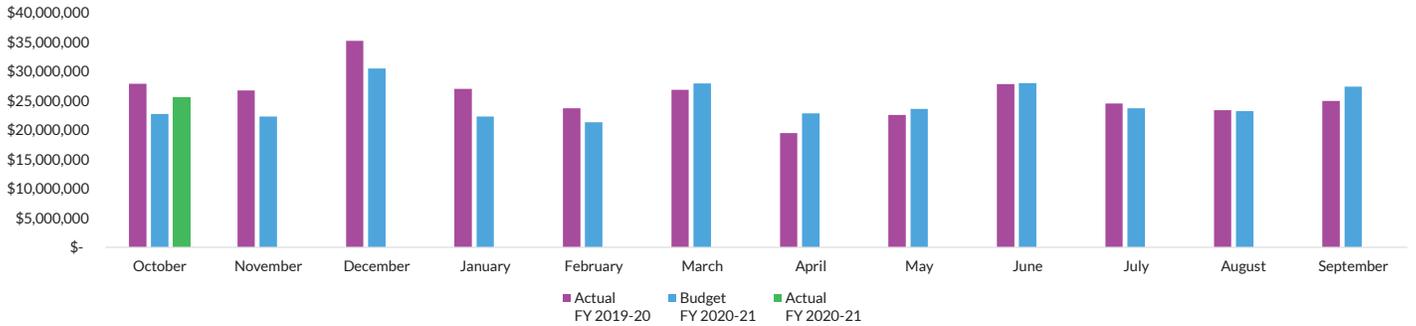
Sales Tax

as of October 2020

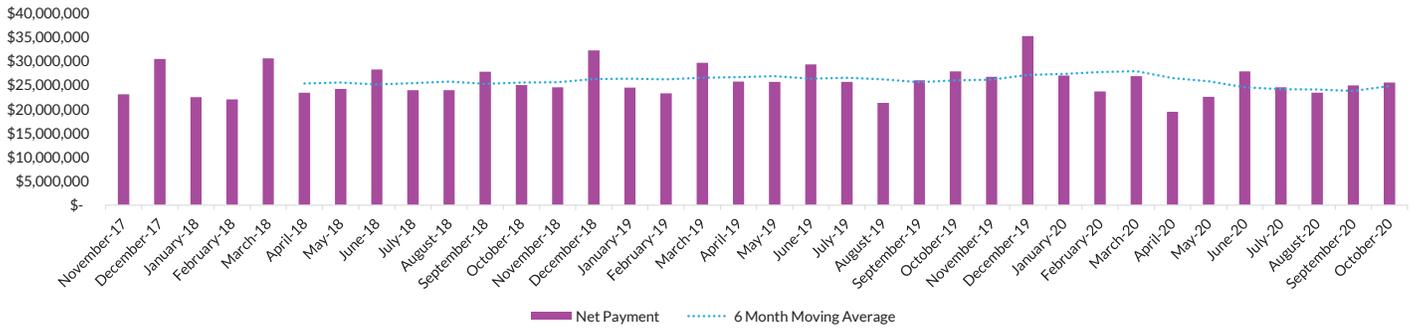
Month	Actual FY 2019-20	Budget FY 2020-21	Actual FY 2020-21	YTD Variance FY 2020-21 Actuals versus FY 2019-20 Actuals (\$)	YTD Variance FY 2020-21 Actuals versus FY 2019-20 Actuals (%)	FY 2020-21 Actuals versus Budget (\$)	FY 2020-21 Actuals versus Budget (%)
October	\$ 27,942,608	\$ 22,757,735	\$ 25,607,902	\$ (2,334,706)	-8.4%	\$ 2,850,167	12.5%
November	\$ 26,805,867	\$ 22,339,564					
December	\$ 35,274,527	\$ 30,546,181					
January	\$ 27,074,542	\$ 22,334,940					
February	\$ 23,738,211	\$ 21,368,002					
March	\$ 26,900,241	\$ 27,992,061					
April	\$ 19,483,347	\$ 22,902,432					
May	\$ 22,615,759	\$ 23,621,251					
June	\$ 27,891,265	\$ 28,031,574					
July	\$ 24,568,195	\$ 23,753,049					
August	\$ 23,433,307	\$ 23,262,607					
September	\$ 25,009,630 ¹	\$ 27,414,969					
Total	\$ 310,737,499	\$ 296,324,365	\$ 25,607,902	\$ (2,334,706)	-8.4%	\$ 2,850,167	12.5%

¹ FY 2019-20 revenue reduced due to a one-time repayment to the State of \$3,393,027.

FY 2019-20 Actuals versus FY 2020-21 Actuals



Sales Tax Net Payments (36 Months)



Sales Tax Net Payments - Year over Year Change (%)

