

Memorandum



CITY OF DALLAS

DATE May 8, 2020

TO Honorable Mayor and Members of the City Council

SUBJECT **Sales Tax Receipts**

The March 2020 sales tax receipts from the State Comptroller's Office are \$26,900,241. This is a 9.4 percent decrease in total collections compared to the same reporting period last year and 14.2 percent below budget for the month.

- March 2019 actual \$29,690,536
- March 2020 budget \$31,361,760
- March 2020 actual \$26,900,241

As discussed at the May 6 budget briefing, the Coronavirus pandemic and subsequent economic crisis are severely affecting sales taxes, and our revised forecast indicates that we may end the current fiscal year \$25.2 million below budget. The economist with whom we are working, Dr. Jacob Dearmon from Dearmon Analytics, LLC and Oklahoma City University, has initially forecast sales tax revenue to drop as much as 18.4 percent for March through June and then 12.3 percent for July through September. While March did not drop by the full 18.4 percent, we anticipate the drop in April will be worse.

Thus far, we are forecasting with very limited actual data. As more data becomes available, we will continue to work with Dr. Dearmon to update the forecast and will keep you informed.

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

M. Elizabeth Reich
Chief Financial Officer

[Attachment]

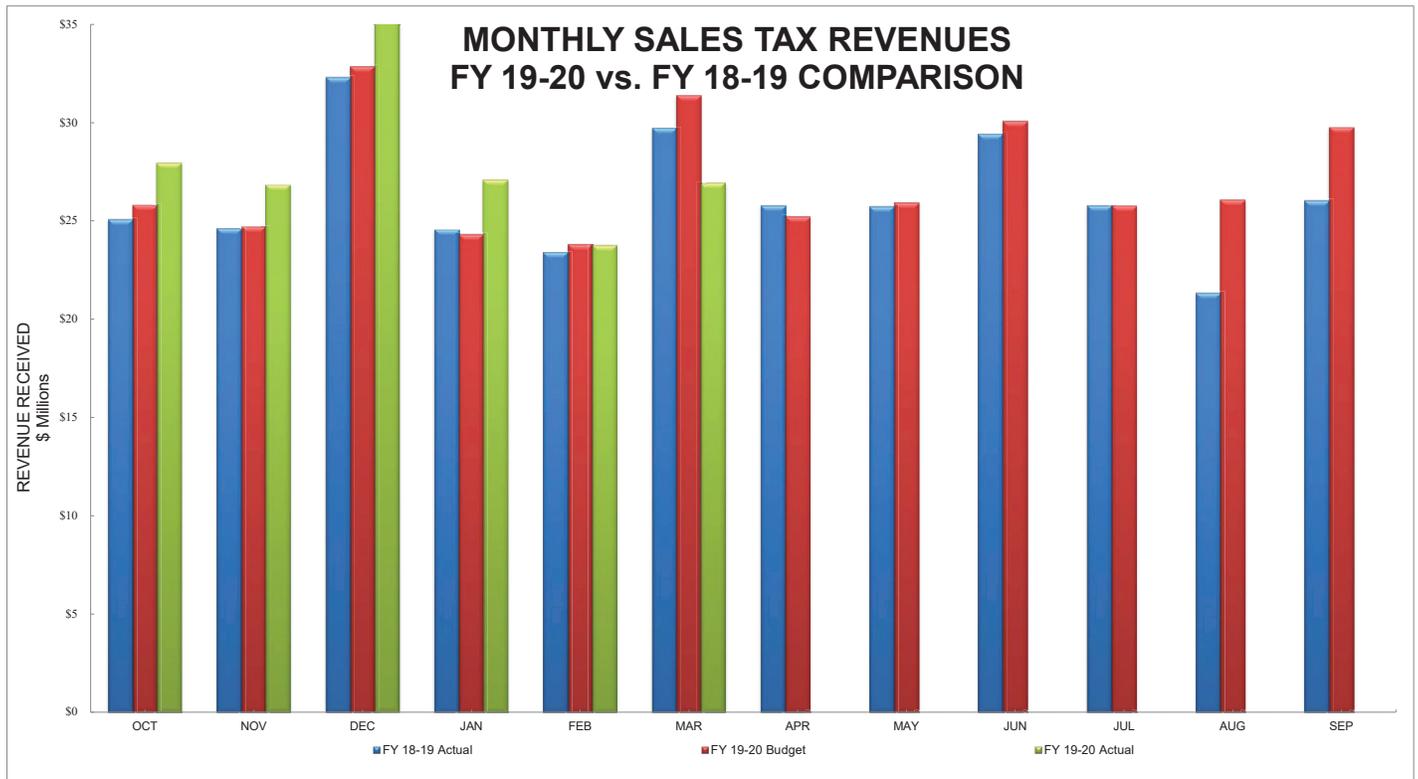
cc: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Chief of Staff to the City Manager
Majed A. Al-Ghafry, Assistant City Manager

Jon Fortune, Assistant City Manager
Joey Zapata, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager
Dr. Eric A. Johnson, Chief of Economic Development and Neighborhood Services
Laila Alequresh, Chief Innovation Officer
M. Elizabeth (Liz) Cedillo-Pereira, Chief of Equity and Inclusion
Directors and Assistant Directors

SALES TAX

as of March 2020

	ACTUAL FY 2018-19	BUDGET FY 2019-20	ACTUAL FY 2019-20	YTD VARIANCE FY 19-20 ACT. VS. FY 18-19 ACT.		YTD VARIANCE FY 19-20 ACTUAL VS. BUDGET	
				DOLLARS	PERCENT	DOLLARS	PERCENT
OCT	\$25,049,631	\$25,788,648	\$27,942,608	\$2,892,977	11.5%	\$2,153,960	8.4%
NOV	24,571,164	24,673,808	26,805,867	2,234,703	9.1%	2,132,059	8.6%
DEC	32,289,498	32,846,092	35,274,527	2,985,029	9.2%	2,428,435	7.4%
JAN	24,523,254	24,314,236	27,074,542	2,551,288	10.4%	2,760,306	11.4%
FEB	23,361,412	23,804,444	23,738,211	376,799	1.6%	(66,233)	-0.3%
MAR	29,690,536	31,361,760	26,900,241	(2,790,295)	-9.4%	(4,461,519)	-14.2%
APR	25,775,135	25,221,806					
MAY	25,722,682	25,924,216					
JUN	29,391,839	30,084,024					
JUL	25,745,004	25,755,057					
AUG	21,317,027 ¹	26,054,972					
SEP	26,023,568 ²	29,737,123					
TOTAL	\$313,460,750	\$325,566,185	\$167,735,996	\$8,250,501	5.2%	\$4,947,009	3.0%



¹ FY 2018-19 revenue reduced due to a one-time repayment to the State of \$5,201,409.

² FY 2018-19 revenue reduced due to a one-time repayment to the State of \$3,793,301.