

Memorandum



CITY OF DALLAS

DATE May 20, 2022

TO Honorable Mayor and Members of the City Council

SUBJECT **Sales Tax Receipts**

As part of the FY 2021-22 mid-year budget ordinance approved by the City Council on May 11, we increased the sales tax revenue budget from \$344.3 million to \$364.3 million. The budget increase was possible since economic conditions are rebounding faster and stronger than projected. Receipts have increased by 23.6 percent over the most recent 12 months.

Although we increased the current year budget to \$364.3 million, our current forecast is to end FY 2021-22 with \$375.5 million. It was necessary to leave \$11.2 million unallocated or unbudgeted to offset other General Fund revenues that are forecast to end the year under-budget.

Last week, we received the March 2022 sales tax receipts from the State Comptroller's Office which are \$39.8 million and represent an 18.3 percent increase in total collections compared to the same reporting period last year. As part of the total collections, we received \$1.6 million in non-recurring receipts due to a positive audit from the State Comptroller's Office.

• March 2021 actual	\$33,669,367
• March 2022 original budget	\$33,512,514
• March 2022 amended budget	\$36,078,221
• March 2022 actual	\$39,832,144

Although the current trend is positive, consultation with Dearmon Analytics (contract economist) predicts the U.S. economy will slow later in 2022. The slowing was anticipated in 2023 but has been accelerated due to the current Russia-Ukraine crisis.

We will continue to closely monitor our sales tax forecast and provide additional information as it becomes available. Please contact me with any questions.


M. Elizabeth Reich

Chief Financial Officer

[Attachment]

c: T.C. Broadnax, City Manager
Chris Caso, City Attorney
Mark Swann, City Auditor
Biliera Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizzor Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager

Majed A. Al-Ghafry, Assistant City Manager
M. Elizabeth (Liz) Cedillo-Pereira, Assistant City Manager
Robert Perez, Assistant City Manager
Carl Simpson, Assistant City Manager
Genesis Gavino, Chief of Staff to the City Manager
Directors and Assistant Directors

Sales Tax

as of March 2022

Month	Actual FY21	Budget FY22	Amended Budget FY22	Actual FY22	Variance FY22 Actual vs FY21 Actuals (\$)	Variance FY22 Actual vs FY21 Actuals (%)	Variance FY22 Actual vs FY22 Amended Budget (\$)	Variance FY22 Actual vs FY22 Amended Budget (%)
October	\$ 25,607,902	\$ 27,322,304	\$ 30,717,609	\$ 30,717,609	\$ 5,109,707	20.0%	\$ -	0.0%
November	\$ 25,010,956	\$ 25,621,546	\$ 30,461,440	\$ 30,461,440	\$ 5,450,484	21.8%	\$ -	0.0%
December	\$ 35,927,004	\$ 35,846,753	\$ 39,784,802	\$ 39,784,802	\$ 3,857,798	10.7%	\$ -	0.0%
January	\$ 24,532,918	\$ 25,773,030	\$ 28,760,595	\$ 28,760,595	\$ 4,227,677	17.2%	\$ -	0.0%
February	\$ 22,686,079	\$ 24,953,637	\$ 27,238,115	\$ 27,238,115	\$ 4,552,036	20.1%	\$ -	0.0%
March	\$ 33,669,367	\$ 33,512,514	\$ 36,078,221	\$ 39,832,144	\$ 6,162,777	18.3%	\$ 3,753,923	10.4%
April	\$ 29,131,009	\$ 27,115,734	\$ 27,115,734					
May	\$ 28,918,168	\$ 27,239,676	\$ 27,239,676					
June	\$ 34,254,068	\$ 32,397,037	\$ 32,397,037					
July	\$ 30,967,271	\$ 27,039,992	\$ 27,039,992					
August	\$ 28,404,805	\$ 26,151,742	\$ 26,151,742					
September	\$ 35,178,095	\$ 31,309,102	\$ 31,309,102					
Total	\$ 354,287,642	\$ 344,283,066	\$ 364,294,064	\$ 196,794,705	\$ 29,360,479	17.5%	\$ 3,753,923	1.9%

