

Memorandum



CITY OF DALLAS

DATE May 12, 2023

TO Honorable Mayor and Members of the City Council

SUBJECT **Sales Tax Receipts**

As part of the FY 2022-23 mid-year budget ordinance approved by the City Council on May 10, we increased the sales tax revenue budget by \$15.5 million from \$417.2 million to \$432.8 million. The budget increase was possible based on YTD actual collections. Receipts have increased by 10.5% over the most recent 12 months.

The March 2023 sales tax receipts from the State Comptroller's Office are \$38.6 million and represent a 3.0% decrease in total collections compared to the same reporting period last year which included a one-time positive audit finding that we received in March 2022. When comparing current collections, March 2023 receipts are 1.2% greater than the same reporting period last year.

- March 2022 actual \$39,832,144
- March 2023 budget \$40,266,992
- March 2023 actual \$38,643,035*

*This amount does not include self-reported sales tax (\$127,000 average collections) due to ongoing system issues

The FY 2022-23 YTD trend is positive and consultation with Dearmon Analytics (contract economist) predicts slowing to more historical growth rates should occur over the next several months. We will continue to monitor our sales tax forecast closely and provide additional information as it becomes available.

If you have any questions, please contact me or Janette Weedon, Director of Budget & Management Services.

A handwritten signature in blue ink that reads "Jack Ireland".

Jack Ireland
Chief Financial Officer

[Attachment]

c: T.C. Broadnax, City Manager
Tammy Palomino, Interim City Attorney
Mark Swann, City Auditor
Billierae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizer Tolbert, Deputy City Manager
Jon Fortune, Deputy City Manager

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

Sales Tax

as of February 2023

Month	Actual FY 22	Budget FY 23	Amended Budget FY 23	Actual FY 23	YTD Variance FY 2022-23	YTD Variance FY 2022-23	FY 2022-23	FY 2022-23
					Actuals versus	Actuals versus	Actuals versus	Actuals versus
					FY 2021-22 Actuals	FY 2021-22 Actuals	Amended	Amended
					(\$)	(%)	Budget	Budget
October	\$ 30,717,609	\$ 30,857,310	\$ 33,546,824	\$ 33,546,824	\$ 2,829,215	9.2%	\$ -	0.0%
November	30,461,440	30,389,940	34,320,398	34,320,398	3,858,958	12.7%	\$ -	0.0%
December	39,784,802	41,477,877	43,576,728	43,576,728	3,791,926	9.5%	\$ -	0.0%
January	28,760,595	29,196,263	32,196,210	32,196,210	3,435,615	11.9%	\$ -	0.0%
February	27,238,115	27,350,419	31,149,534	31,149,534	3,911,419	14.4%	\$ -	0.0%
March	39,832,144	40,266,992	40,266,992	38,643,035	(1,189,109)	-3.0%	(1,623,956)	-4.0%
April	34,139,323	34,661,953	34,661,953					
May	33,254,120	34,060,402	34,060,402					
June	38,602,297	39,913,555	39,913,555					
July	32,646,635	34,850,176	34,850,176					
August	32,060,088	33,125,024	33,125,024					
September	39,811,956	41,082,472	41,082,472					
Total	\$ 407,309,124	\$ 417,232,383	\$ 432,750,269	\$ 213,432,729	\$ 16,638,024	8.5%	\$ (1,623,956)	-0.8%

