



# City Manager Report

## The City of OKLAHOMA CITY

**NO: 658**

**DATE: JUNE 23, 2015**

**TO: THE MAYOR AND MEMBERS OF THE CITY COUNCIL**

**SUBJECT: JUNE 2015 SALES AND USE TAX COLLECTIONS**

Combined sales and use taxes for the General Fund are \$1,567,416 or 0.6% below target for the year.

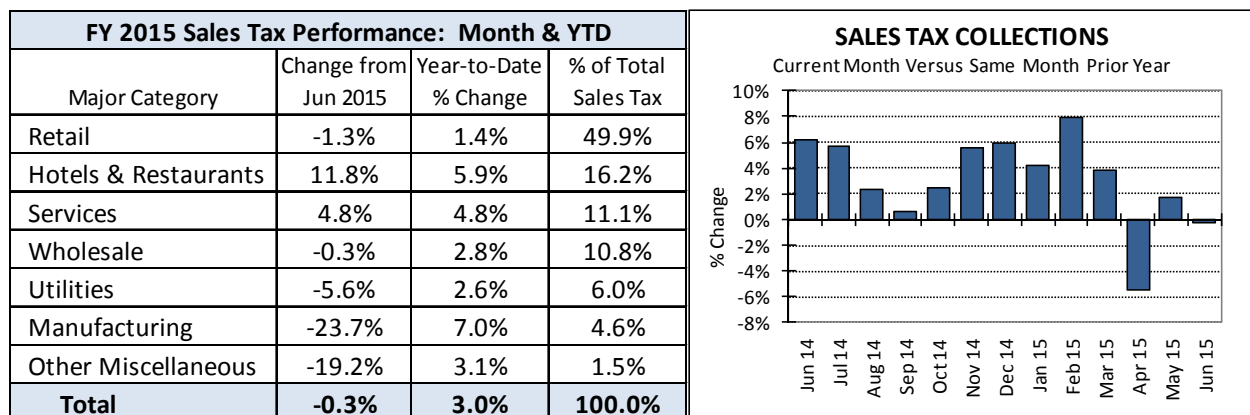
### General Fund Sales Tax

General Fund sales tax collections for June totaled \$17,731,264, which is:

- \$70,214 or 0.4% below target for the month
- \$54,061 or 0.3% below FY 2014 collections for the month

The June remittance includes actual collections for the second half of April and estimated collections for the first half of May by major taxpayers.

Sales tax collections for fiscal year 2015 were under target by only 0.02% or \$74,482 and above fiscal year 2014 by 3.0% or \$11,894,241. For the year, Manufacturing had the largest impact on sales tax growth followed by Retail and Hotels & Restaurants; however, all of the major categories of sales tax improved from fiscal year 2014. For June, only Hotels & Restaurants and Services improved from last year. Last year's sales were strong in several of the major categories having a negative impact on year-over-year comparisons.



City Comparison		
City	Change from Jun 2015	Year-to-Date % Change
Oklahoma City	-0.3%	2.9%
Tulsa	-0.6%	3.5%
Norman	0.8%	3.3%
Edmond	0.5%	4.5%
Moore	-4.8%	0.3%
Midwest City	-5.9%	-2.9%
Yukon	10.1%	7.2%

*Rates are normalized to account for tax rate changes*

### Comparison to Other Cities

Sales tax collections for most of the top twenty cities in Oklahoma were flat or down slightly. The Oklahoma City metro performed much the same as most were either flat or down slightly. Yukon's growth has been very strong in recent months and they are an exception to the norm.

### Retail

- General Merchandise – Nearly all of the major retailers in General Merchandise reported sales declines.
- Building Materials – A couple of businesses submitted very large payments causing last year's sales to be somewhat inflated.
- Food Stores – One grocer reported large sales this month while recent expansion has improved the sales of another business.
- Electronics & Appliances – Most were down this month. A refund to a retailer further hurt sales.
- Pharmacies & Health Stores – A big payment from one business, the recent addition of another business, and the reclassification of a business from Non-Classified helped notably.

FY 2015 Retail Sub-Category Performance: Month & YTD			
Retail Category	Change from Jun 2015	Year-to-Date % Change	% of Total Retail Sales
General Merchandise	-4.1%	-0.6%	22.3%
Building Materials and Lawn & Garden	-5.6%	-8.2%	17.7%
Food Stores	4.3%	5.9%	12.9%
Apparel & Accessories	2.1%	6.0%	10.1%
Electronics & Appliances	-9.2%	2.4%	8.1%
Miscellaneous Retail	-1.3%	2.2%	6.5%
Auto Parts & Supplies	0.9%	2.4%	5.5%
Pharmacies & Health Stores	15.6%	14.1%	4.6%
Furniture & Home	8.0%	-12.6%	4.5%
Sporting Goods & Hobby Stores	-6.8%	1.7%	4.1%
Convenience Stores	1.5%	47.5%	3.2%
Direct Sales	-12.0%	10.0%	0.7%
<b>Total</b>	<b>-1.3%</b>	<b>1.4%</b>	<b>100.0%</b>

Other Major Categories

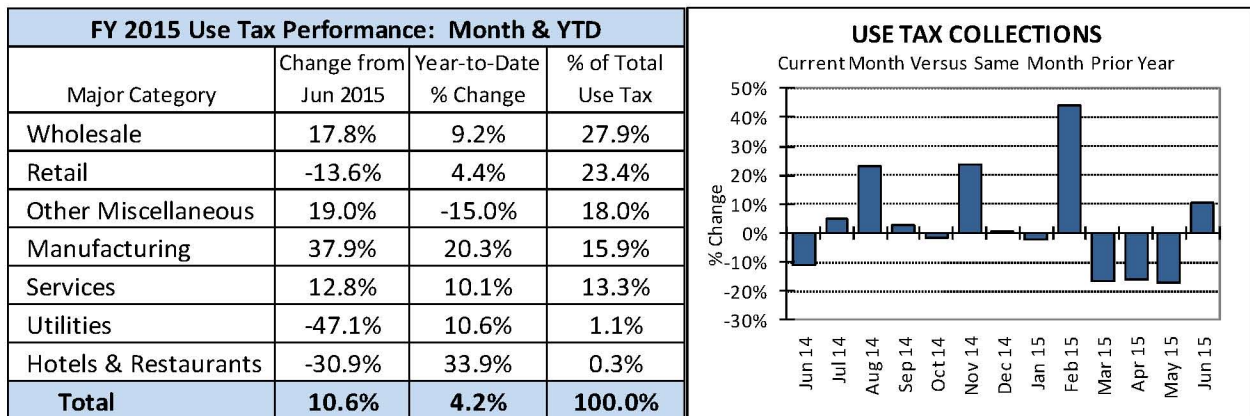
- Hotels & Restaurants increased 11.8% from last year.
  - Hotels jumped 19.0% this month.
  - Eating & Drinking Establishments improved by 10.5%.
- Services increased 4.8% partly due to a few new taxpayers.
- Wholesale slipped 0.3%. Sales were down slightly for most in the category.
- Utilities fell 5.6%. Lower natural gas prices this year have made an impact on natural gas related revenues.
- Manufacturing declined 23.7%. Last year’s sales were strong (up 17.7%). Most segments of manufacturing reported declines this month.
- Other Miscellaneous dropped 19.2%. An overall reduction in mining activity has negatively affected sales. All of the subcategories of Other Miscellaneous reported declines.

General Fund Use Tax

The General Fund use tax collections for June totaled \$2,917,848 which is:

- \$48,340 or 1.7% above target for the month
- \$280,219 or 10.6% above FY 2014 collections for the month

Use tax collections for fiscal year 2015 were under target by 3.6% or \$1,925,289 and above fiscal year 2014 by 4.2% or \$2,071,232. After three months of declines, use taxes were up 10.6% from last year. For the year, all but Other Miscellaneous improved from last year.



Staff is available should you have questions or require additional information.

  
James D. Couch  
City Manager

**CITY OF OKLAHOMA CITY**  
**SALES TAX COLLECTIONS**  
*June 2015*

	<u>General Fund</u>	<u>Police Public Safety</u>	<u>Fire Public Safety</u>	<u>Zoo</u>	<u>MAPS 3</u>	<u>Sports Facilities Improvement</u>	<u>MAPS for Kids</u>	<u>Police/Fire Equipment</u>	<u>MAPS</u>	<u>Total Sales Tax</u>
<b>Current Month:</b>										
Actual	\$17,731,219	\$3,324,604	\$3,324,604	\$1,108,201	\$8,865,610	-	-	-	-	\$34,354,237
Reallocations	\$45	\$9	\$9	\$3	(\$5,034)	\$418	\$3,562	\$145	\$844	-
Adjusted Actual	\$17,731,264	\$3,324,612	\$3,324,612	\$1,108,204	\$8,860,575	\$418	\$3,562	\$145	\$844	\$34,354,237
Target	\$17,801,478	\$3,337,766	\$3,337,766	\$1,112,589	\$9,051,321	-	-	-	-	\$34,640,920
+/- Target	(\$70,214)	(\$13,154)	(\$13,154)	(\$4,385)	(\$190,746)	\$418	\$3,562	\$145	\$844	(\$286,683)
%+/- Target	-0.4%	-0.4%	-0.4%	-0.4%	-2.1%	-	-	-	-	-0.8%
Prior Year Actual	\$17,785,325	\$3,334,748	\$3,334,748	\$1,111,583	\$8,888,015	\$723	\$2,528	\$186	\$604	\$34,458,461
+/- Prior Year	(\$54,061)	(\$10,136)	(\$10,136)	(\$3,379)	(\$27,440)	(\$305)	\$1,034	(\$41)	\$240	(\$104,224)
%+/- Prior Year	-0.3%	-0.3%	-0.3%	-0.3%	-0.3%	-42.2%	40.9%	-22.1%	39.7%	-0.3%
<b>Year-to-Date:</b>										
Actual	\$218,833,633	\$41,031,306	\$41,031,306	\$13,677,102	\$109,416,816	-	-	-	-	\$423,990,164
Reallocations	\$3,700	\$694	\$694	\$231	(\$99,817)	\$37,052	\$40,881	\$3,719	\$12,847	-
Adjusted Actual	\$218,837,333	\$41,032,000	\$41,032,000	\$13,677,333	\$109,316,999	\$37,052	\$40,881	\$3,719	\$12,847	\$423,990,164
Target	\$218,675,735	\$41,001,690	\$41,001,690	\$13,667,230	\$109,718,301	-	-	-	-	\$424,064,646
+/- Target	\$161,598	\$30,310	\$30,310	\$10,103	(\$401,302)	\$37,052	\$40,881	\$3,719	\$12,847	(\$74,482)
%+/- Target	0.1%	0.1%	0.1%	0.1%	-0.4%	-	-	-	-	-
Prior Year Actual	\$212,698,157	\$39,880,904	\$39,880,904	\$13,293,635	\$106,246,182	\$29,859	\$42,956	\$2,569	\$21,148	\$412,096,314
+/- Prior Year	\$6,139,176	\$1,151,096	\$1,151,096	\$383,698	\$3,070,817	\$7,193	(\$2,076)	\$1,150	(\$8,301)	\$11,893,849
%+/- Prior Year	2.9%	2.9%	2.9%	2.9%	2.9%	24.1%	-4.8%	44.8%	-39.3%	2.9%
						(1)	(1)	(1)	(1)	(2)

**NOTES:**

- (1) The **Sports Facilities Improvement, Maps for Kids, Police/Fire Equipment** and **MAPS** taxes expired in prior years, therefore, only current year reallocation activity is presented for these funds.  
(2) The percentages listed will differ from those on the Sales and Use Tax City Manager Report slightly due to the inclusion of administrative fee, interest and reallocation on this report.

**CITY OF OKLAHOMA CITY**  
**USE TAX COLLECTIONS**  
*June 2015*

	<u>General Fund</u>	<u>MAPS 3</u>	<u>Sports Facilities Improvement</u>	<u>City &amp; Schools</u>	<u>Police/Fire Equipment</u>	<u>MAPS</u>	<u>Total Use Tax</u>
<b>Current Month:</b>							
Actual	\$2,917,848	\$1,014,904	-	-	-	-	\$3,932,752
Reallocations	-	(\$276)	\$4	\$272	-	-	-
Adjusted Actual	\$2,917,848	\$1,014,628	\$4	\$272	-	-	\$3,932,752
Target	\$2,869,508	\$822,303	-	-	-	-	\$3,691,811
+/- Target	\$48,340	\$192,325	\$4	\$272	-	-	\$240,941
%+/- Target	1.7%	23.4%	-	-	-	-	6.5%
Prior Year Actual	\$2,637,629	\$909,052	\$7,912	\$457	\$8	-	\$3,555,058
+/- Prior Year	\$280,219	\$105,576	(\$7,908)	(\$186)	(\$8)	-	\$377,694
%+/- Prior Year	10.6%	11.6%	-99.9%	-40.6%	-100.00%	-	10.6%
<b>Year-to-Date:</b>							
Actual	\$37,879,687	\$13,175,543	-	-	-	-	\$51,055,230
Reallocations	(\$0)	(\$38,918)	\$30,009	\$8,937	(\$46)	\$18	-
Adjusted Actual	\$37,879,687	\$13,136,625	\$30,009	\$8,937	(\$46)	\$18	\$51,055,230
Target	\$39,608,700	\$13,371,819	-	-	-	-	\$52,980,519
+/- Target	(\$1,729,013)	(\$235,194)	\$30,009	\$8,937	(\$46)	\$18	(\$1,925,289)
%+/- Target	-4.4%	-1.8%	-	-	-	-	-3.6%
Prior Year Actual	\$36,343,310	\$12,591,596	\$39,630	\$9,151	\$272	\$39	\$48,983,998
+/- Prior Year	\$1,536,377	\$545,029	(\$9,621)	(\$214)	(\$318)	(\$21)	\$2,071,232
%+/- Prior Year	4.2%	4.3%	-24.3%	-2.3%	-116.9%	-54.1%	4.2%
			(1)	(1)	(1)	(1)	(2)

**NOTES:**

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