



City Manager Report

The City of OKLAHOMA CITY

NO: 2065

DATE: FEBRUARY 27, 2024

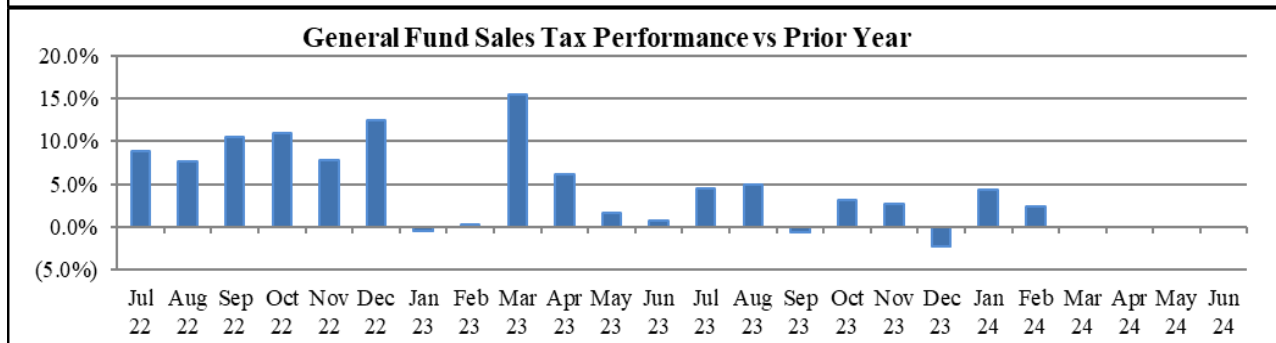
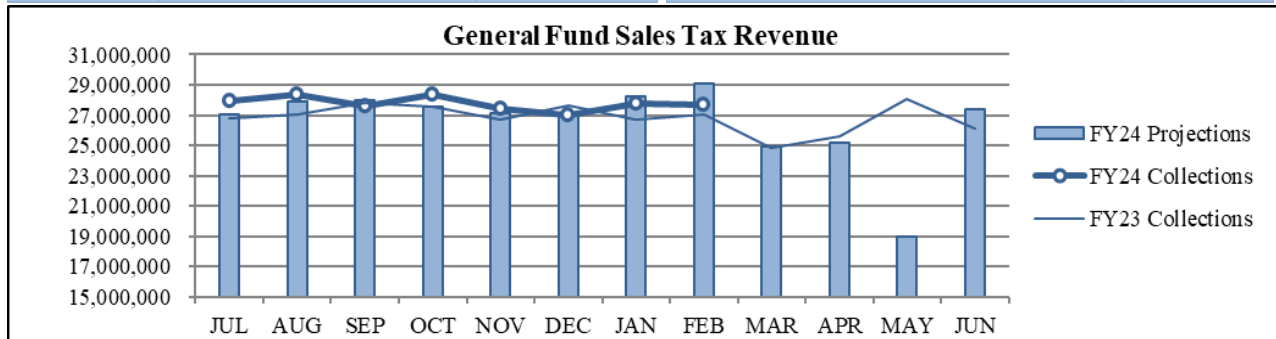
TO: THE MAYOR AND MEMBERS OF THE CITY COUNCIL

SUBJECT: FEBRUARY 2024 SALES AND USE TAX COLLECTIONS

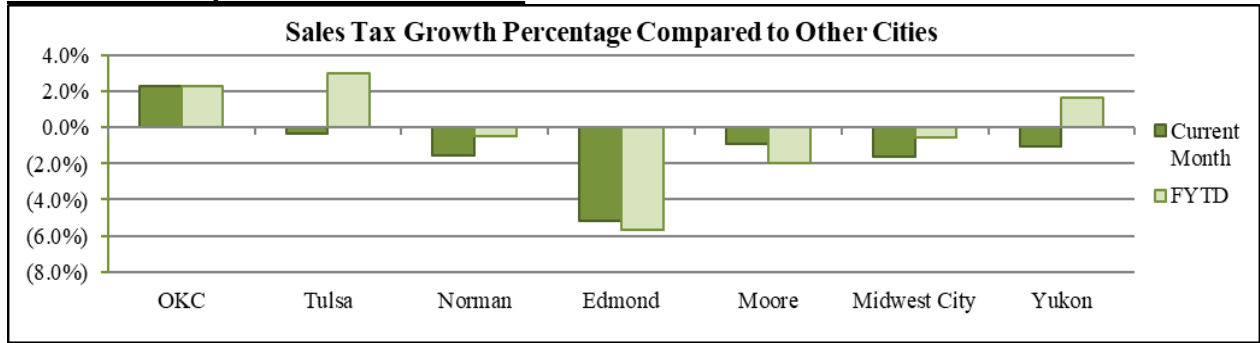
The February remittance is made up primarily of actual collections for the last half of December and estimated collections for the first half of January along with smaller amounts for corrections and reconciling amounts from prior estimates. Combined sales and use taxes for the General Fund are \$423,843 or 0.1% below projections for the year.

General Fund Sales Tax

| SALES TAX PERFORMANCE (vs Projection) | | | | SALES TAX PERFORMANCE (vs Prior Year) | | | |
|---------------------------------------|-------------|-------------|----------|---------------------------------------|-------------|-----------|----------|
| Feb. FY24 | Projection | \$ Diff | % Change | Feb. FY24 | Feb. FY23 | \$ Diff | % Change |
| 27,692,061 | 29,048,100 | (1,356,039) | -4.7% | 27,692,061 | 27,064,184 | 627,877 | 2.3% |
| YTD FY24 | YTD Proj | \$ Diff | % Change | YTD FY24 | YTD FY23 | \$ Diff | % Change |
| 222,264,064 | 221,949,271 | 314,793 | 0.1% | 222,264,064 | 217,256,185 | 5,007,878 | 2.3% |

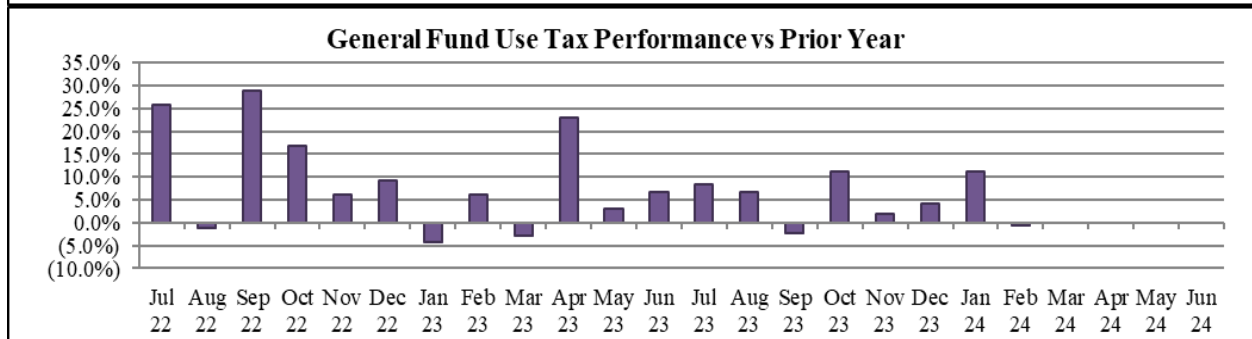
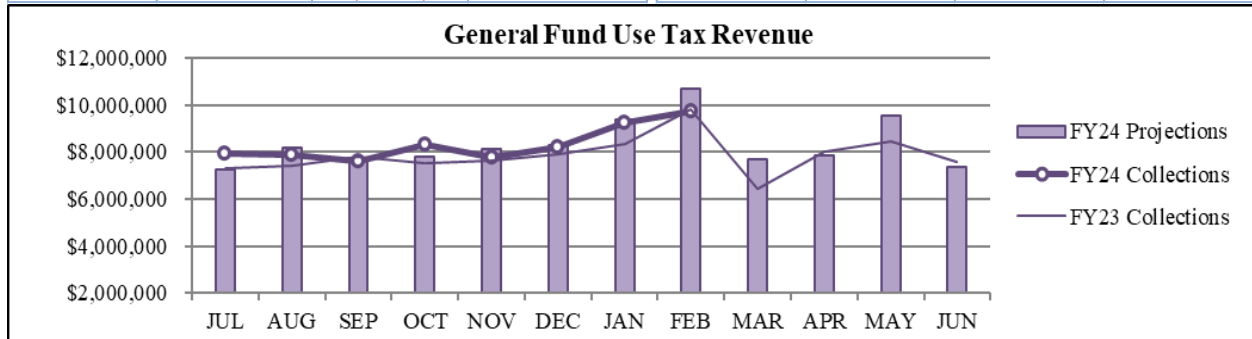


Sales Tax Comparison to Other Cities



General Fund Use Tax

| USE TAX PERFORMANCE (vs Projection) | | | | USE TAX PERFORMANCE (vs Prior Year) | | | |
|-------------------------------------|------------|-----------|----------|-------------------------------------|------------|-----------|----------|
| Feb. FY24 | Projection | \$ Diff | % Change | Feb. FY24 | Feb. FY23 | \$ Diff | % Change |
| 9,758,021 | 10,701,025 | (943,004) | -8.8% | 9,758,021 | 9,828,002 | (69,981) | -0.7% |
| YTD FY24 | YTD Proj | \$ Diff | % Change | YTD FY24 | YTD FY23 | \$ Diff | % Change |
| 66,787,908 | 67,526,544 | (738,636) | -1.1% | 66,787,908 | 63,694,233 | 3,093,675 | 4.9% |



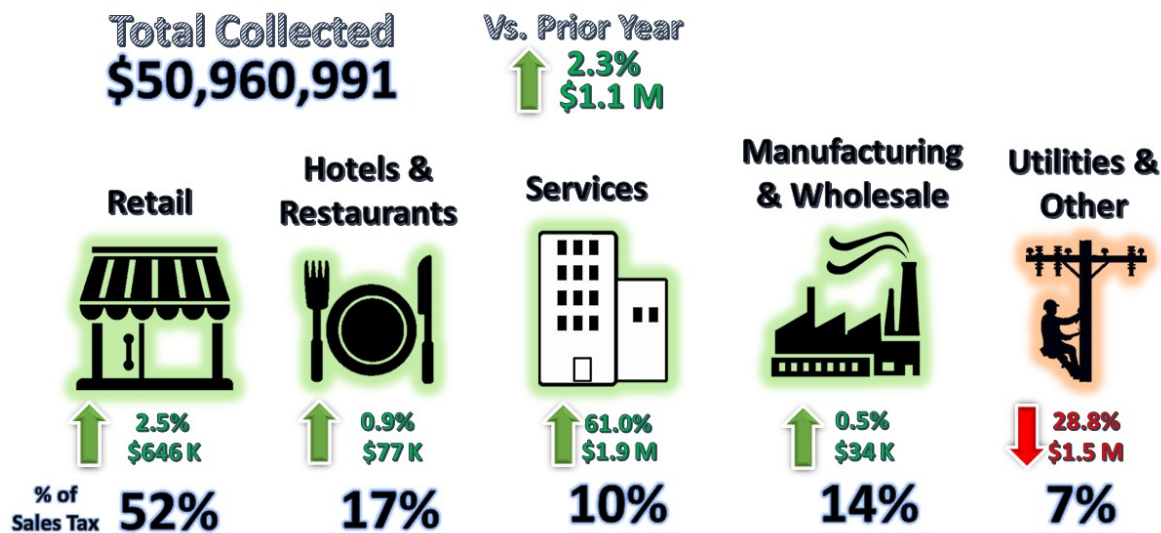
NAICS Categories Performance

The North American Industry Classification System (NAICS) is the U.S. standard for categorizing and describing types of businesses when analyzing economic information. The City groups all NAICS codes into several general categories when analyzing sales and use tax trends within the local economy. The NAICS system was last updated in 2022. More information can be found on the U.S. Census Bureau website at [Census.gov/NAICS](https://www.census.gov/NAICS).

Sales Tax NAICS Performance

Retail comprises the largest percentage of sales tax collections at around 52%. The largest year-over-year category changes for February were in Services (up \$1.9 million) and Utilities and Other (down \$1.5 million).

SALES TAX PERFORMANCE



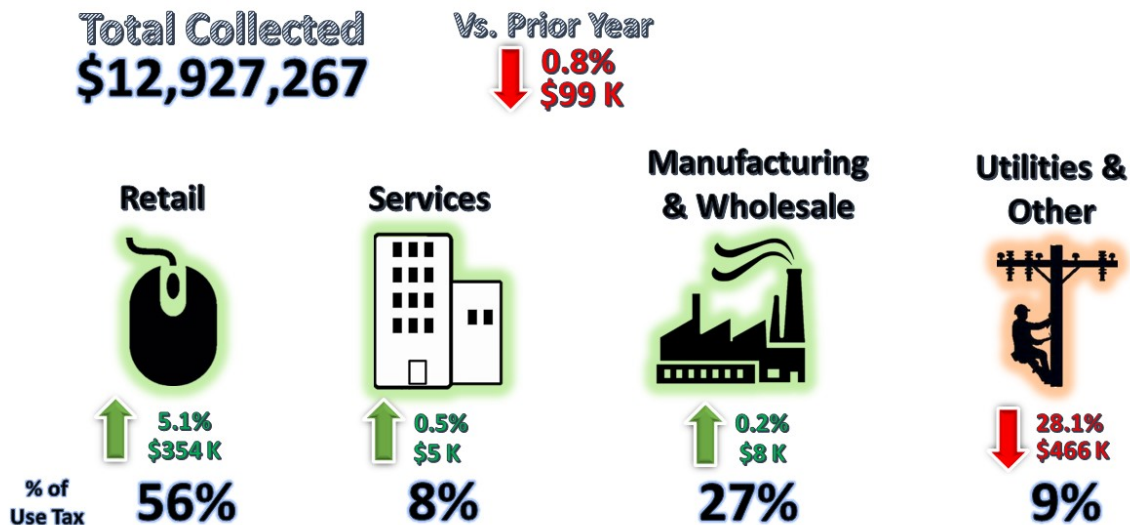
| NAICS SALES TAX PERFORMANCE (vs Prior Year) | | | | |
|---|-------------------|-------------------|------------------|-------------|
| NAICS Category | Feb. FY24 | Feb. FY23 | \$ Diff | % Change |
| Services | 4,906,120 | 3,047,275 | 1,858,845 | 61.0% |
| Utilities & Other | 3,663,658 | 5,145,676 | (1,482,018) | -28.8% |
| Retail | 26,332,785 | 25,686,697 | 646,089 | 2.5% |
| Hotels & Restaurants | 8,909,556 | 8,832,365 | 77,191 | 0.9% |
| Wholesale & Mfg. | 7,148,871 | 7,115,091 | 33,780 | 0.5% |
| Total | 50,960,991 | 49,827,105 | 1,133,886 | 2.3% |

Percentages may differ from General Fund Tax Performance since NAICS detail includes interest, penalty, retention, and reallocation amounts.

Use Tax NAICS Performance

Retail also comprises the largest percentage of use tax collections. The largest year-over-year category changes for February were in Utilities and Other (down \$466 thousand) and Retail (up \$354 thousand).

USE TAX PERFORMANCE



| NAICS USE TAX PERFORMANCE (vs Prior Year) | | | | |
|---|-------------------|-------------------|-----------------|--------------|
| NAICS Category | Feb. FY24 | Feb. FY23 | \$ Diff | % Change |
| Utilities & Other | 1,192,329 | 1,658,370 | (466,041) | -28.1% |
| Retail | 7,262,848 | 6,908,860 | 353,989 | 5.1% |
| Wholesale & Mfg. | 3,492,174 | 3,484,381 | 7,793 | 0.2% |
| Services | 979,915 | 974,883 | 5,033 | 0.5% |
| Total | 12,927,267 | 13,026,493 | (99,226) | -0.8% |

Percentages may differ from General Fund Tax Performance since NAICS detail includes interest, penalty, retention, and reallocation amounts.

Recent Performance

| RECENT PERFORMANCE | | | |
|--------------------|-------------------|-------------------|--------------------|
| | Trailing 3 Months | Trailing 6 Months | Trailing 12 Months |
| Sales Tax | 1.4% | 1.5% | 3.3% |
| Use Tax | 4.6% | 4.1% | 5.6% |
| Combined | 2.1% | 2.1% | 3.8% |

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

A handwritten signature in black ink, appearing to read "C. Freeman". The signature is fluid and cursive, with a large initial "C" and a long, sweeping tail.

Craig Freeman
City Manager

CITY OF OKLAHOMA CITY
SALES TAX COLLECTIONS
February 2024

| | General Fund | General Fund MAPS 4 Program | Police Public Safety | Fire Public Safety | Zoo | Better Streets Safer City | MAPS 3 | Sports Facilities Improvement | MAPS for Kids | Police/Fire Equipment | MAPS | Total Sales Tax |
|-----------------------|---------------|--------------------------------|-------------------------|-----------------------|--------------|------------------------------|------------|----------------------------------|------------------|--------------------------|------|--------------------|
| Current Month: | | | | | | | | | | | | |
| Actual | \$27,692,161 | \$12,307,627 | \$4,615,360 | \$4,615,360 | \$1,538,453 | - | - | - | - | - | - | \$50,768,963 |
| Reallocations | (\$101) | (\$3,530) | \$28 | \$28 | \$9 | \$2,500 | \$1,066 | - | - | - | - | - |
| Adjusted Actual | \$27,692,061 | \$12,304,097 | \$4,615,388 | \$4,615,388 | \$1,538,463 | \$2,500 | \$1,066 | - | - | - | - | \$50,768,963 |
| Projection | \$29,048,100 | \$12,877,816 | \$4,829,222 | \$4,829,222 | \$1,609,741 | - | - | - | - | - | - | \$53,194,101 |
| +/- Projection | (\$1,356,039) | (\$573,719) | (\$213,834) | (\$213,834) | (\$71,278) | \$2,500 | \$1,066 | - | - | - | - | (\$2,425,138) |
| %+/- Projection | -4.7% | -4.5% | -4.4% | -4.4% | -4.4% | - | - | - | - | - | - | -4.6% |
| Prior Year Actual | \$27,064,184 | \$12,023,102 | \$4,511,026 | \$4,511,026 | \$1,503,675 | (\$1,854) | \$7,878 | - | - | - | - | \$49,619,036 |
| +/- Prior Year | \$627,877 | \$280,995 | \$104,362 | \$104,362 | \$34,787 | \$4,355 | (\$6,811) | - | - | - | - | \$1,149,927 |
| %+/- Prior Year | 2.3% | 2.3% | 2.3% | 2.3% | 2.3% | -234.8% | -86.5% | - | - | - | - | 2.3% |
| Year-to-Date: | | | | | | | | | | | | |
| Actual | \$222,265,259 | \$98,784,560 | \$37,044,210 | \$37,044,210 | \$12,348,070 | - | - | - | - | - | - | \$407,486,308 |
| Reallocations | (\$1,195) | (\$358) | \$607 | \$607 | \$203 | (\$19,225) | \$19,361 | - | - | - | - | - |
| Adjusted Actual | \$222,264,064 | \$98,784,201 | \$37,044,817 | \$37,044,817 | \$12,348,272 | (\$19,225) | \$19,361 | - | - | - | - | \$407,486,308 |
| Projection | \$221,949,271 | \$98,549,790 | \$36,956,509 | \$36,956,509 | \$12,318,837 | - | - | - | - | - | - | \$406,730,916 |
| +/- Projection | \$314,793 | \$234,411 | \$88,308 | \$88,308 | \$29,435 | (\$19,225) | \$19,361 | - | - | - | - | \$755,392 |
| %+/- Projection | 0.1% | 0.2% | 0.2% | 0.2% | 0.2% | - | - | - | - | - | - | 0.2% |
| Prior Year Actual | \$217,256,185 | \$96,451,771 | \$36,211,489 | \$36,211,489 | \$12,070,496 | \$64,677 | \$50,991 | - | - | - | - | \$398,317,099 |
| +/- Prior Year | \$5,007,878 | \$2,332,430 | \$833,328 | \$833,328 | \$277,776 | (\$83,902) | (\$31,630) | - | - | - | - | \$9,169,210 |
| %+/- Prior Year | 2.3% | 2.4% | 2.3% | 2.3% | 2.3% | -129.7% | -62.0% | - | - | - | - | 2.3% |
| | | (1) | | | | (2) | (3) | (3) | (3) | (3) | (3) | (4) |

NOTES:

(1) The **General Fund MAPS 4 Program** tax began on April 1, 2020

(2) The **Better Streets Safer City** tax began January 1, 2018. It replaced the MAPS 3 tax that expired December 31, 2017.

(3) The **MAPS 3, 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.

(4) 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 that report.

CITY OF OKLAHOMA CITY

USE TAX COLLECTIONS

February 2024

| | General <u>Fund</u> | MAPS 4 <u>Program</u> | Better Streets <u>Safer City</u> | MAPS 3 | Sports Facilities <u>Improvement</u> | City & <u>Schools</u> | Police/Fire <u>Equipment</u> | MAPS | Total <u>Use Tax</u> |
|-----------------------|------------------------|--------------------------|-------------------------------------|------------|---|--------------------------|---------------------------------|------|-------------------------|
| Current Month: | | | | | | | | | |
| Actual | \$9,757,641 | \$3,122,445 | - | - | - | - | - | - | \$12,880,086 |
| Reallocations | \$380 | \$60,262 | (\$54,434) | (\$6,209) | - | - | - | - | - |
| Adjusted Actual | \$9,758,021 | \$3,182,707 | (\$54,434) | (\$6,209) | - | - | - | - | \$12,880,086 |
| Projection | \$10,701,025 | \$3,424,328 | - | - | - | - | - | - | \$14,125,353 |
| +/- Projection | (\$943,004) | (\$241,621) | (\$54,434) | (\$6,209) | - | - | - | - | (\$1,245,267) |
| %+/- Projection | -8.8% | -7.1% | - | - | - | - | - | - | -8.8% |
| Prior Year Actual | \$9,828,002 | \$3,299,462 | (\$146,648) | (\$8,556) | - | - | - | - | \$12,972,260 |
| +/- Prior Year | (\$69,981) | (\$116,755) | \$92,214 | \$2,348 | - | - | - | - | (\$92,174) |
| %+/- Prior Year | -0.7% | -3.5% | -62.9% | 27.4% | - | - | - | - | -0.7% |
| Year-to-Date: | | | | | | | | | |
| Actual | \$66,793,174 | \$21,373,816 | - | - | - | - | - | - | \$88,166,990 |
| Reallocations | (\$5,266) | \$99,896 | (\$85,699) | (\$8,931) | - | - | - | - | - |
| Adjusted Actual | \$66,787,908 | \$21,473,711 | (\$85,699) | (\$8,931) | - | - | - | - | \$88,166,990 |
| Projection | \$67,526,544 | \$21,608,494 | - | - | - | - | - | - | \$89,135,038 |
| +/- Projection | (\$738,636) | (\$134,783) | (\$85,699) | (\$8,931) | - | - | - | - | (\$968,048) |
| %+/- Projection | -1.1% | -0.6% | - | - | - | - | - | - | -1.1% |
| Prior Year Actual | \$63,694,233 | \$20,911,861 | (\$311,769) | (\$24,961) | - | - | - | - | \$84,269,364 |
| +/- Prior Year | \$3,093,675 | \$561,850 | \$226,070 | \$16,031 | - | - | - | - | \$3,897,626 |
| %+/- Prior Year | 4.9% | 2.7% | -72.5% | -64.2% | - | - | - | - | 4.6% |
| | | (1) | (2) | (3) | (3) | (3) | (3) | (3) | (4) |

NOTES:

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