Date: February 15, 2021

To: Honorable Mayor and City Commissioners

From: Ashley Neel, CPA, Finance Director and City Treasurer

Subject: February Sales and Use Tax Deposit

**Sales and Use Tax Collections:** The Oklahoma Tax Commission (the “OTC”) collects and enforces collection of sales and use taxes, including special earmarked taxes such as alcohol and tobacco, for the entities responsible for remitting taxes to the City of Shawnee. Entities with monthly tax liabilities exceeding $2,500 are required to remit tax estimates each month by the 20th; in addition, entities are required to report their final tax collections for the previous month along with a final payment of taxes for the previous month on the 20th. To summarize, tax collections remitted to the City of Shawnee by the OTC in February consist of January estimates and December final reported collections. Any taxes collected for months prior to December will include accrued late penalties and interest.

**Sales Tax Collection Allocated by Fund:**
The February sales tax deposit was $2,046,927.19, including interest of $1,326.92, to be allocated as follows:

<table>
<thead>
<tr>
<th>Fund</th>
<th>Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Fund</td>
<td>$1,169,672.68</td>
</tr>
<tr>
<td>2018 Capital Improvements Fund</td>
<td>292,418.17</td>
</tr>
<tr>
<td>Capital Improvements Fund</td>
<td>226,624.09</td>
</tr>
<tr>
<td>Street Improvements Fund</td>
<td>255,865.89</td>
</tr>
<tr>
<td>Economic Development Fund</td>
<td>29,241.82</td>
</tr>
<tr>
<td>Police Sales Tax Fund</td>
<td>36,552.27</td>
</tr>
<tr>
<td>Fire Sales Tax Fund</td>
<td>36,552.27</td>
</tr>
<tr>
<td><strong>Total Sales Taxes Collected</strong></td>
<td><strong>$2,046,927.19</strong></td>
</tr>
</tbody>
</table>

**Finance Department Report:**
Sales and use tax collections totaled $2,300,568.87 for February 2021. It should be noted the current sales tax estimate for FY 20-21 is based on a 8.5% reduction compared to the prior year budget. For the year, sales tax collections are up $2,046,161 or 14.78%, over the projected budget year-to-date. Use tax collections are up approximately $39,947, or 2.39%, over the projected budget year-to-date.
### Fiscal Year 2021 Sales Tax Collections and Performance:

#### Sales Tax Revenues

<table>
<thead>
<tr>
<th>Month</th>
<th>FY20 Collections</th>
<th>FY21 Collections</th>
</tr>
</thead>
<tbody>
<tr>
<td>JUL</td>
<td>250,000.00</td>
<td>250,000.00</td>
</tr>
<tr>
<td>AUG</td>
<td>500,000.00</td>
<td>500,000.00</td>
</tr>
<tr>
<td>SEP</td>
<td>750,000.00</td>
<td>750,000.00</td>
</tr>
<tr>
<td>OCT</td>
<td>1,000,000.00</td>
<td>1,000,000.00</td>
</tr>
<tr>
<td>NOV</td>
<td>1,250,000.00</td>
<td>1,250,000.00</td>
</tr>
<tr>
<td>DEC</td>
<td>1,500,000.00</td>
<td>1,500,000.00</td>
</tr>
<tr>
<td>JAN</td>
<td>1,750,000.00</td>
<td>1,750,000.00</td>
</tr>
<tr>
<td>FEB</td>
<td>2,000,000.00</td>
<td>2,000,000.00</td>
</tr>
<tr>
<td>MAR</td>
<td>2,250,000.00</td>
<td>2,250,000.00</td>
</tr>
<tr>
<td>APR</td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAY</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JUN</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Sales Tax Receipts (February 2021):

- **Projected Budget**: $1,945,346
- **Actual**: $2,046,927
- **Variance**: $101,581 ($5.22%)

#### Sales Tax Receipts (year-to-date):

- **Projected Budget**: $13,845,527
- **Actual**: $15,891,688
- **Variance**: $2,046,161 ($14.78%)

#### Sales Tax Receipts (vs Prior Year):

- **February 2021** vs **February 2020**:
  - **Amount Variance**: $133,527 ($6.98%)
- **Year To Date FY 2021** vs **Year To Date FY 2020**:
  - **Amount Variance**: $578,481 ($3.78%)
**Fiscal Year 2021 Use Tax Collections and Performance:**

![Use Tax Revenues Chart]

<table>
<thead>
<tr>
<th></th>
<th>Projected</th>
<th>Budget</th>
<th>Actual</th>
<th>Amount Variance</th>
<th>Percentage Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Use Tax Receipts (February 2021):</strong></td>
<td>$233,033</td>
<td></td>
<td>$253,642</td>
<td>$20,609</td>
<td>8.84%</td>
</tr>
<tr>
<td><strong>Use Tax Receipts (year-to-date):</strong></td>
<td>$1,672,291</td>
<td></td>
<td>$1,712,237</td>
<td>$39,947</td>
<td>2.39%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>February 2021</th>
<th>February 2020</th>
<th>Amount Variance</th>
<th>Percentage Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Use Tax Receipts (vs Prior Year):</strong></td>
<td>$253,642</td>
<td>$229,368</td>
<td>$24,273</td>
<td>10.58%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Year To Date FY 2021</th>
<th>Year To Date FY 2020</th>
<th>Amount Variance</th>
<th>Percentage Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Use Tax Receipts (vs Prior Year):</strong></td>
<td>$1,712,237</td>
<td>$1,708,662</td>
<td>$3,575</td>
<td>0.21%</td>
</tr>
</tbody>
</table>