



Date: September 21, 2020
To: Honorable Mayor and City Commissioners
From: Ashley Neel, CPA, Finance Director and City Treasurer
Subject: September 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 September consist of August estimates and July final reported collections. Any taxes collected for months prior to July will include accrued late penalties and interest.

Sales Tax Collection Allocated by Fund:

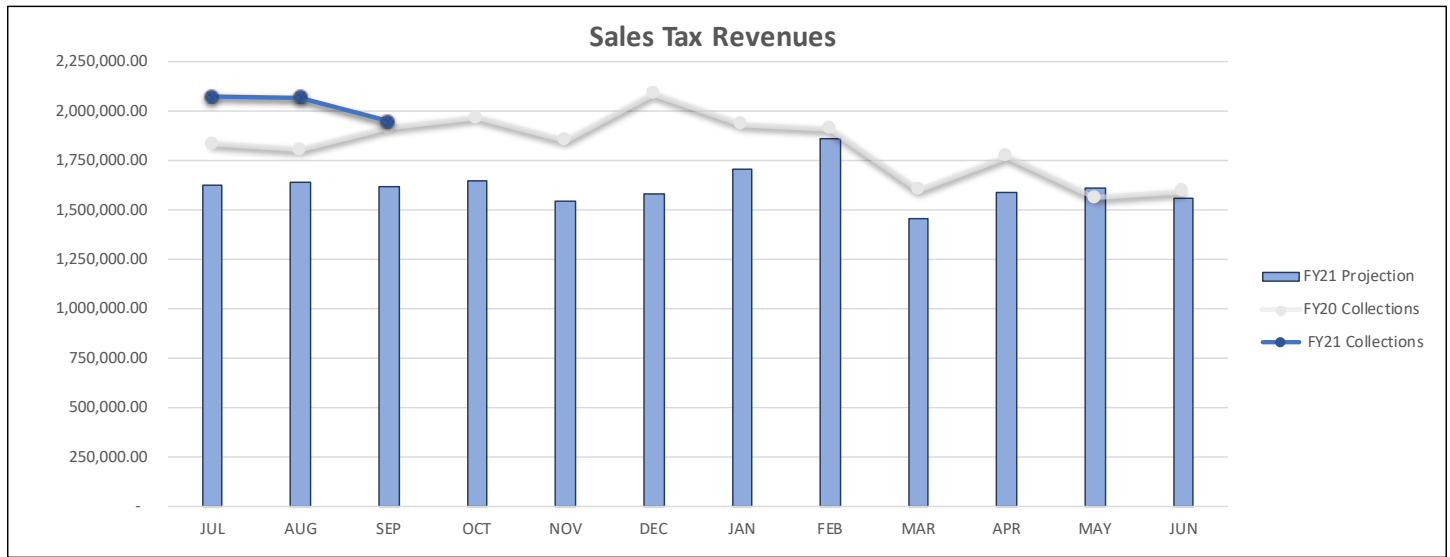
The September sales tax deposit was \$1,949,947.57, including interest of \$1,747.20, to be allocated as follows:

| <u>Fund</u> | <u>Allocation</u> |
|--------------------------------|------------------------|
| General Fund | \$ 1,114,255.75 |
| 2018 Capital Improvements Fund | 278,563.94 |
| Capital Improvements Fund | 215,887.06 |
| Street Improvements Fund | 243,743.44 |
| Economic Development Fund | 27,856.40 |
| Police Sales Tax Fund | 34,820.49 |
| Fire Sales Tax Fund | <u>34,820.49</u> |
| Total Sales Taxes Collected | <u>\$ 1,949,947.57</u> |

Finance Department Report:

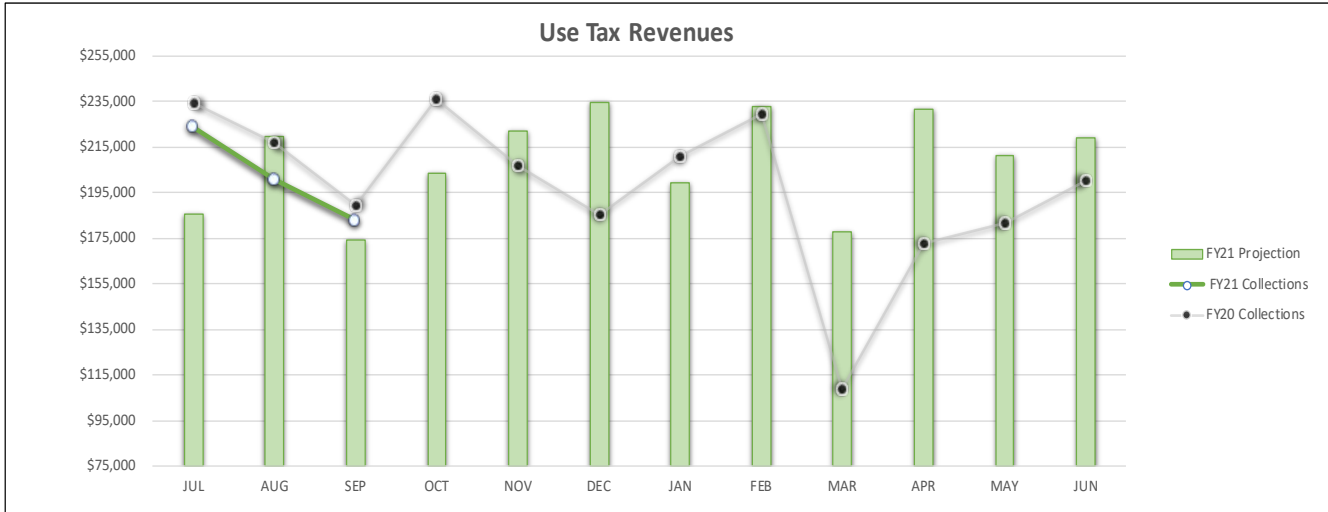
Sales and use tax collections totaled \$2,132,785.74 for September 2020. It should be noted the sales tax estimate for FY 20-21 was based on a 12.5% reduction compared to the prior year budget. For the year, sales tax collections are up \$1,199,334 or 24.51%, over the projected budget year-to-date. Use tax collections are up approximately \$27,472, or 4.74%, over the projected budget year-to-date.

Fiscal Year 2021 Sales Tax Collections and Performance:



| | <u>Projected Budget</u> | <u>Actual</u> | <u>Amount Variance</u> | <u>Percentage Variance</u> |
|---|-----------------------------|-----------------------------|------------------------|----------------------------|
| Sales Tax Receipts (September 2020): | \$ 1,620,024 | \$ 1,949,948 | \$ 329,924 | 20.37% |
| Sales Tax Receipts (year-to-date): | \$ 4,892,865 | \$ 6,092,198 | \$ 1,199,334 | 24.51% |
| | <u>September 2020</u> | <u>September 2019</u> | <u>Amount Variance</u> | <u>Percentage Variance</u> |
| Sales Tax Receipts (vs Prior Year): | \$ 1,949,948 | \$ 1,915,770 | \$ 34,177 | 1.78% |
| | <u>Year To Date FY 2021</u> | <u>Year To Date FY 2020</u> | <u>Amount Variance</u> | <u>Percentage Variance</u> |
| Sales Tax Receipts (vs Prior Year): | \$ 6,092,198 | \$ 5,557,140 | \$ 535,058 | 9.63% |

Fiscal Year 2021 Use Tax Collections and Performance:



| | <u>Projected Budget</u> | <u>Actual</u> | <u>Amount Variance</u> | <u>Percentage Variance</u> |
|---|-------------------------|---------------|------------------------|----------------------------|
| Use Tax Receipts (September 2020): | \$ 174,078 | \$ 182,838 | \$ 8,760 | 5.03% |
| Use Tax Receipts (year-to-date): | \$ 579,687 | \$ 607,159 | \$ 27,472 | 4.74% |

| | <u>September 2020</u> | <u>September 2019</u> | <u>Amount Variance</u> | <u>Percentage Variance</u> |
|--|-----------------------|-----------------------|------------------------|----------------------------|
| Use Tax Receipts (vs Prior Year): | \$ 182,838 | \$ 189,314 | \$ (6,475) | -3.42% |

| | <u>Year To Date FY 2021</u> | <u>Year To Date FY 2020</u> | <u>Amount Variance</u> | <u>Percentage Variance</u> |
|--|-----------------------------|-----------------------------|------------------------|----------------------------|
| Use Tax Receipts (vs Prior Year): | \$ 607,159 | \$ 640,382 | \$ (33,223) | -5.19% |