

# Revenues Update

Update on Actuals and Trends with Sales Tax and Property Taxes (PILOTs and Replacement Tax)

# Sales Tax



# Sales Tax – Projections

- Original FY19 Projection: \$18,264,469.
  - Presented to the F&BC on February 11th.
  - 7 months of Actuals: July – January.
  - Trends:
    - 8.04% over prior year (FY18) actuals
    - 2.74% over current year (FY19) budget
- Methodology for Projections: 7 months of actuals plus budgeted amounts increased at 2%.

Month	Actual 2018	Actual 2019
July	1,686,459	1,822,515
Aug	1,062,223	1,114,791
Sept	1,791,492	1,979,547
Oct	1,328,051	1,252,757
Nov	1,031,529	1,410,362
Dec	2,006,596	1,805,011
Jan	1,186,780	1,519,617
<b>Total</b>	<b>10,093,130</b>	<b>10,904,600</b>

\$ Change: 811,470  
 % Change: 8.04%

Month	Budget 2019	Actual 2019
July	1,675,964	1,822,515
Aug	1,046,586	1,114,791
Sept	1,954,102	1,979,547
Oct	1,490,538	1,252,757
Nov	1,080,462	1,410,362
Dec	1,770,459	1,805,011
Jan	1,595,731	1,519,617
<b>Total</b>	<b>10,613,842</b>	<b>10,904,600</b>

\$ Change: 290,758  
 % Change: 2.74%



# Sales Tax – Forecast

- Original FY20 Forecast: \$18,903,726.
  - Presented at the F&BC on March 11<sup>th</sup>.
  - 8 months of Actuals: July – February.
  - Trends:
    - 7.76% over prior year (FY18) actuals
    - 2.57% over current year (FY19) budget
- Methodology for Forecast: 3.5% increase over FY19 Projections.

Month	Actual 2018	Actual 2019
July	1,686,459	1,822,515
Aug	1,062,223	1,114,791
Sept	1,791,492	1,979,547
Oct	1,328,051	1,252,757
Nov	1,031,529	1,410,362
Dec	2,006,596	1,805,011
Jan	1,186,780	1,519,617
Feb	1,092,056	1,148,345
<b>Total</b>	<b>11,185,186</b>	<b>12,052,945</b>

\$ Change: 867,759  
 % Change: 7.76%

Month	Budget 2019	Actual 2019
July	1,675,964	1,822,515
Aug	1,046,586	1,114,791
Sept	1,954,102	1,979,547
Oct	1,490,538	1,252,757
Nov	1,080,462	1,410,362
Dec	1,770,459	1,805,011
Jan	1,595,731	1,519,617
Feb	1,137,516	1,148,345
<b>Total</b>	<b>11,751,358</b>	<b>12,052,945</b>

\$ Change: 301,587  
 % Change: 2.57%



# Sales Tax – Trend Since Projections and Forecast

- 11 months of Actuals: July – May.
- Trend: Growth rates have decreased.
  - 6.23% over prior year (FY18) actuals
  - 0.86% over current year (FY19) budget

Month	Actual 2018	Actual 2019
July	1,686,459	1,822,515
Aug	1,062,223	1,114,791
Sept	1,791,492	1,979,547
Oct	1,328,051	1,252,757
Nov	1,031,529	1,410,362
Dec	2,006,596	1,805,011
Jan	1,186,780	1,519,617
Feb	1,092,056	1,148,345
Mar	2,006,232	1,754,988
Apr	970,442	1,362,113
May	1,024,585	962,660
<b>Total</b>	<b>15,186,445</b>	<b>16,132,706</b>

\$ Change 946,261  
% Change 6.23%

Month	Budget 2019	Actual 2019
July	1,675,964	1,822,515
Aug	1,046,586	1,114,791
Sept	1,954,102	1,979,547
Oct	1,490,538	1,252,757
Nov	1,080,462	1,410,362
Dec	1,770,459	1,805,011
Jan	1,595,731	1,519,617
Feb	1,137,516	1,148,345
Mar	1,832,862	1,754,988
Apr	1,397,825	1,362,113
May	1,012,710	962,660
<b>Total</b>	<b>15,994,755</b>	<b>16,132,706</b>

\$ Change 137,951  
% Change 0.86%



# Sales Tax – Updated Projection

- As a result of new data and trends, it seems appropriate to revise the year-end projections.
- Methodology: 11 months of Actuals (July – May) and FY19 Budgeted amount for June.

Month	Projected YE 2019 (new)
July	1,822,515
Aug	1,114,791
Sept	1,979,547
Oct	1,252,757
Nov	1,410,362
Dec	1,805,011
Jan	1,519,617
Feb	1,148,345
Mar	1,754,988
Apr	1,362,113
May	962,660
June	1,834,645
<b>Total</b>	<b>17,967,351</b>

# Sales Tax – Updated Forecast

- As a result of updating the projection, it is also recommended to update the FY20 Forecast.
- Methodology: 3.5% increase over updated FY19 Projections.

Month	Projected YE 2019 (new)	new FY20 Forecast
July	1,822,515	1,886,303
Aug	1,114,791	1,153,809
Sept	1,979,547	2,048,831
Oct	1,252,757	1,296,603
Nov	1,410,362	1,459,725
Dec	1,805,011	1,868,186
Jan	1,519,617	1,572,804
Feb	1,148,345	1,188,537
Mar	1,754,988	1,816,413
Apr	1,362,113	1,409,787
May	962,660	996,353
June	1,834,645	1,898,858
<b>Total</b>	<b>17,967,351</b>	<b>18,596,208</b>
	\$ Change	628,857
	% Change	3.50%

# Sales Tax – Updated Forecast (continued)

- The updated FY20 Forecast decreased from the original FY20 Forecast amount by \$307,518.

Month	FY20 Forecast	new FY20 Forecast
July	1,886,303	1,886,303
Aug	1,153,809	1,153,809
Sept	2,048,831	2,048,831
Oct	1,296,603	1,296,603
Nov	1,459,725	1,459,725
Dec	1,868,186	1,868,186
Jan	1,572,804	1,572,804
Feb	1,200,876	1,188,537
Mar	1,934,952	1,816,413
Apr	1,475,684	1,409,787
May	1,069,118	996,353
June	1,936,835	1,898,858
<b>Total</b>	<b>18,903,726</b>	<b>18,596,208</b>

\$ Change (307,518)

% Change -1.63%





# Sales Tax

	2018	2019	2019	2020	Change from FY19 Budget		Change from FY19 Proj	
	Actuals	Budget	Proj	Forecast	\$	%	\$	%
<b>Gross Sales Tax</b>	16,946,275	17,829,399	18,264,469	18,596,208	766,809	4.30%	331,739	1.82%
<b>EATs</b>	-633,691	-708,123	-669,816	-680,200	27,923	-3.94%	-10,384	1.55%
<b>Sales Tax-Cass Co prior period</b>	89,509	0	214,824	214,824	214,824	N/A	0	0.00%
<b>Total</b>	<b>16,402,093</b>	<b>17,121,276</b>	<b>17,809,477</b>	<b>18,130,832</b>	<b>1,009,556</b>	<b>5.90%</b>	<b>321,355</b>	<b>1.80%</b>

# Property Taxes

Payments in Lieu of Taxes (PILOTs)  
and Replacement Tax

# Property Taxes – PILOTs

- Original FY20 Forecast: \$2,783,989
- Most PILOTs are on a fixed schedule.
- After a review of the revenues (and expenses) for PILOTs, it was determined that the total revenues for FY20 was not correct and should be revised.
- Updated FY20 Forecast: \$2,989,531 (increase of \$205,542).

# Property Taxes – Replacement Tax

- Original FY20 Forecast: \$1,750,812
  - When the FY20 Forecast was calculated, the FY19 Actual amounts were not available yet.
- With the FY19 Actuals information available, it is recommended to revise the FY20 Forecast amount for Replacement Tax.
  - FY17 Actuals: \$1,704,297
  - FY18 Actuals: \$1,794,230
  - FY19 Actuals: \$2,015,812
- Updated FY20 Forecast: \$1,905,021 (increase of \$154,209)
  - Methodology: 2-year average of FY18 and FY19 Actuals

# Property Taxes

	2018	2019	2019	2020	Change from FY19 Budget		Change from FY19 Proj	
	Actuals	Budget	Proj	Forecast	\$	%	\$	%
<b>Property Taxes- Jackson</b>	16,652,184	16,683,733	17,017,105	17,261,085	577,352	3.46%	243,980	1.43%
<b>Property Taxes Cass</b>	485,585	495,242	480,817	518,682	23,440	4.73%	37,865	7.88%
<b>RR Tax - Jackson</b>	382,344	334,486	334,486	382,344	47,858	14.31%	47,858	14.31%
<b>RR Tax - Cass</b>	9,904	9,954	9,954	9,187	-767	-7.71%	-767	-7.71%
<b>Replacement Tax</b>	1,794,230	1,794,230	1,794,230	1,905,021	110,791	6.17%	110,791	6.17%
<b>Payment in Lieu of Taxes</b>	1,853,132	2,346,832	2,346,832	2,989,531	642,699	27.39%	642,699	27.39%
<b>Total</b>	<b>21,177,379</b>	<b>21,664,477</b>	<b>21,983,424</b>	<b>23,065,850</b>	<b>1,401,373</b>	<b>6.47%</b>	<b>1,082,426</b>	<b>4.92%</b>



# Impact of Revenue Updates

- Sales Tax: decrease \$307,518
- Property Tax – PILOTs: increase \$205,542
- Property Tax – Replacement Tax: increase \$154,209
  
- Total Impact of Changes: increase \$52,233

# FY20 Revenues Forecast

	2018	2019	2019	2020	Change from FY19 Budget		Change from FY19 Proj	
	Actuals	Budget	Proj	Forecast	\$	%	\$	%
<b>Property Taxes</b>	21,177,380	21,664,477	21,983,424	23,065,850	1,401,373	6.47%	1,082,426	4.92%
<b>Sales Tax</b>	16,402,094	17,121,276	17,809,477	18,130,832	1,009,556	5.90%	321,355	1.80%
<b>Franchise Tax</b>	13,425,420	12,530,550	12,892,717	12,625,326	94,776	0.76%	-267,391	-2.07%
<b>Motor Vehicle Taxes</b>	3,704,598	3,694,490	3,683,787	3,694,164	-326	-0.01%	10,377	0.28%
<b>Other Taxes</b>	319,617	322,690	310,610	295,174	-27,516	-8.53%	-15,436	-4.97%
<b>Fines and Forfeitures</b>	1,201,591	1,199,105	1,147,106	1,159,690	-39,415	-3.29%	12,584	1.10%
<b>Licenses and Permits</b>	2,762,581	2,655,300	2,727,300	2,685,440	30,140	1.14%	-41,860	-1.53%
<b>Intergovernmental</b>	891,502	1,148,065	1,148,065	1,310,965	162,900	14.19%	162,900	14.19%
<b>Charges for Services</b>	7,731,488	8,826,224	8,901,187	9,374,305	548,081	6.21%	473,118	5.32%
<b>Materials and Fuel Sales</b>	830	0	1,860	2,000	2,000	N/A	140	7.53%
<b>Investment Earnings</b>	98,394	120,000	334,334	330,000	210,000	175.00%	-4,334	-1.30%
<b>Other</b>	1,890,067	1,730,838	1,740,105	2,139,500	408,662	23.61%	399,395	22.95%
<b>Sale of Property</b>	108,233	0	0	0	0	0.00%	0	0.00%
<b>Transfers In</b>	791,112	804,515	804,515	906,097	101,582	12.63%	101,582	12.63%
<b>Total</b>	<b>70,504,907</b>	<b>71,817,530</b>	<b>73,484,487</b>	<b>75,719,343</b>	<b>3,901,813</b>	<b>5.43%</b>	<b>2,234,856</b>	<b>3.04%</b>

