

January 9, 2008

TO: The Honorable Mayor and City Council
Laurie Kadrich, City Manager
Trent Prall, Interim Deputy City Manager
John Shaver, City Attorney
Dept. Directors: Gardner, Watkins, Moore, Trainor, Stevens, Kovalik

FROM: Jodi Romero, Financial Operations Manager
Sonya Stockert, Accountant/Analyst

SUBJECT: Year-to-Date Sales & Use Tax Analysis

Attached to this memorandum is the Sales and Use Tax comparative analysis for the month ending December 31, 2007. "City" Sales and Use Tax figures are for retail activity for the month of November, collected through the month of December. The City's Share of the County Sales Tax is collected by the state, which lags one month behind City Sales Tax, reflecting retail activity through the month of October.

Total Sales and Use Tax receipts of \$54.5 million were **11.7%** (or \$5.71M) higher than collections in 2006; and \$107K (or .2%) higher than revised budget projections.

City Sales Tax collections totaling \$45.2 million represent an **11.4%** increase (or \$4.63M) over receipts in 2006; \$235K (or .5%) under revised budget projections.

City Use Tax receipts of \$2.4 million were \$317K greater than what was collected in 2006, a 15.4% increase, and 3% (or \$70K) greater than revised budget projections.

In addition, the City has received approximately \$6.9M from our share of the **County Sales Tax**. These collections were \$765K (or 12.4%) more than collections in 2006 and 4.1%, or \$272K, over revised budget projections.

If you have any questions or would like additional information, please feel free to give me a call. Thank you!

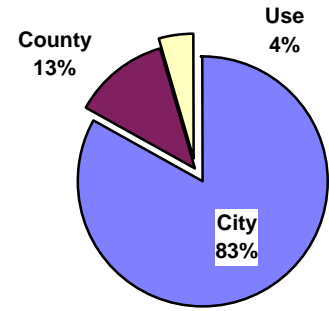
cc: Jay Valentine, Amy Lee, Marilyn Simons, Harold Stalf, Sam Rainguet, Brian Holman, Angela Harness

SALES AND USE TAX YTD SUMMARY

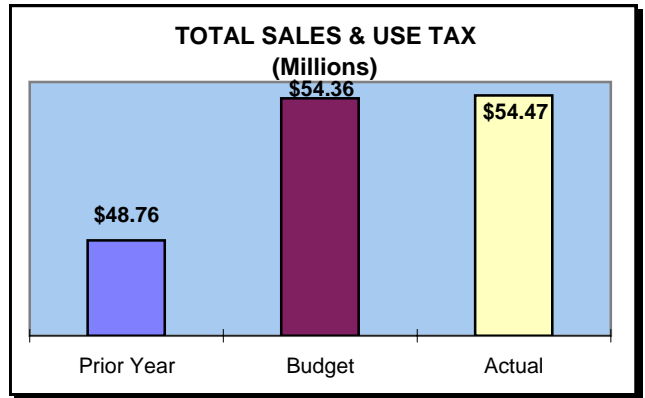
(As of Dec, 2007)

Revised Budget Projections

COLLECTIONS	ACTUAL YTD	BUDGET YTD	PRIOR YTD
City Sales Tax	\$ 45,175,325	\$ 45,410,690	\$ 40,545,259
City Use Tax	\$ 2,375,163	\$ 2,304,916	\$ 2,057,961
City Share / County Sales Tax	\$ 6,916,681	\$ 6,644,199	\$ 6,152,036
TOTAL SALES & USE TAX	\$ 54,467,169	\$ 54,359,805	\$ 48,755,256

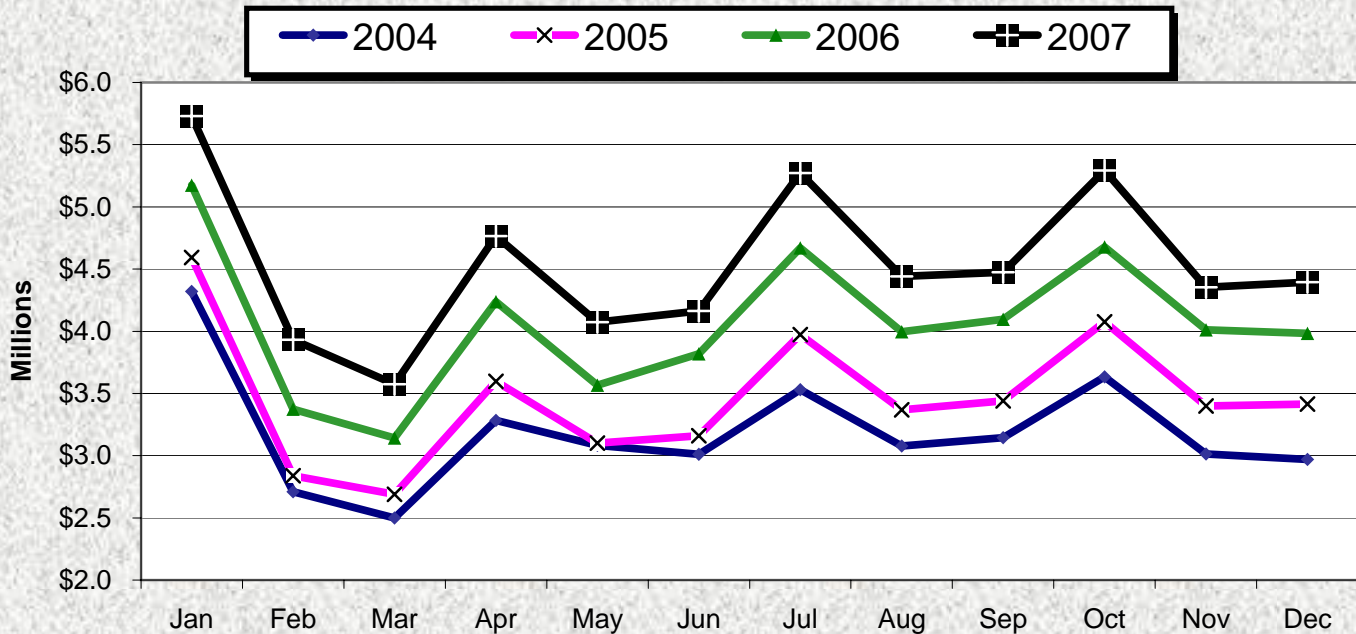


\$ DIFFERENCE: ACTUAL -VS- BUDGET	PRIOR
City Sales Tax	\$ (235,365) \$ 4,630,066
City Use Tax	\$ 70,247 \$ 317,202
City Share / County Sales Tax	\$ 272,482 \$ 764,645
TOTAL SALES & USE TAX	\$ 107,364 \$ 5,711,913



% DIFFERENCE: ACTUAL -VS- BUDGET	PRIOR
City Sales Tax	-0.5% 11.4%
City Use Tax	3.0% 15.4%
City Share / County Sales Tax	4.1% 12.4%
TOTAL SALES & USE TAX	0.2% 11.7%

Monthly Collections



SALES and USE TAX COMPARATIVE ANALYSIS

Thru Dec, 2007 (Cash Basis)

Revised Budget Projections

	JAN *	FEB	MAR	APR *	MAY	JUN	JUL *	AUG	SEP	OCT *	NOV	DEC	YTD TOTAL	ANNUAL TOTAL	
CITY SALES TAX															
Prior Year Actual	4,464,040	2,593,411	2,602,143	3,666,714	2,986,008	3,172,072	3,966,384	3,248,010	3,412,417	3,941,491	3,181,817	3,310,752	40,545,259	40,545,259	Growth Rate
Current Year Budget	4,942,283	3,012,724	2,953,809	4,100,917	3,378,031	3,474,316	4,430,166	3,656,571	3,766,541	4,254,027	3,720,528	3,720,777	45,410,690	45,410,690	12.00% Bud
Current Year Actual	4,942,283	3,012,724	2,953,809	4,100,917	3,378,031	3,474,316	4,430,166	3,656,571	3,766,541	4,254,027	3,550,654	3,655,287	45,175,325		
PERCENT DIFFERENCE															
Actual -vs- Prior Year	10.7%	16.2%	13.5%	11.8%	13.1%	9.5%	11.7%	12.6%	10.4%	7.9%	11.6%	10.4%	11.4%	99.5%	Pct. of Budget
Actual -vs- Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-4.6%	-1.8%	-0.5%	4,630,066	YTD Difference
														(235,365)	Budget Variance
CITY USE TAX															
Prior Year Actual	257,901	194,960	109,276	136,753	91,185	145,376	192,756	175,386	171,776	166,005	253,778	162,810	2,057,961	2,057,961	Growth Rate
Current Year Budget	365,035	168,033	127,532	178,071	122,480	131,356	218,170	169,932	110,561	432,794	140,476	140,476	2,304,916	2,304,916	12.0% Bud
Current Year Actual	365,035	168,033	127,532	178,071	122,480	131,356	218,170	169,932	110,561	432,794	192,330	158,868	2,375,163		
PERCENT DIFFERENCE															
Actual -vs- Prior Year	41.5%	-13.8%	16.7%	30.2%	34.3%	-9.6%	13.2%	-3.1%	-35.6%	160.7%	-24.2%	-2.4%	15.4%	103.0%	Pct. of Budget
Actual -vs- Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	36.9%	13.1%	3.0%	317,202	YTD Difference
														70,247	Budget Variance
CITY SHARE/COUNTY TAX															
Prior Year Actual	453,184	584,028	431,746	434,803	488,852	500,693	510,184	573,029	511,024	569,218	576,474	518,801	6,152,036	6,152,036	Growth Rate
Current Year Budget	421,832	751,049	492,549	487,532	573,707	557,644	622,515	615,813	597,629	606,449	472,213	445,267	6,644,199	6,644,199	8.0% Bud
Current Year Actual	421,832	751,049	492,549	487,532	573,707	557,644	622,515	615,813	597,629	606,449	609,916	580,047	6,916,681		
PERCENT DIFFERENCE															
Actual -vs- Prior Year	-6.9%	28.6%	14.1%	12.1%	17.4%	11.4%	22.0%	7.5%	16.9%	6.5%	5.8%	11.8%	12.4%	104.1%	Pct. of Budget
Actual -vs- Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	29.2%	30.3%	4.1%	764,645	YTD Difference
														272,482	Budget Variance
TOTAL SALES & USE TAX															
Prior Year Actual	5,175,125	3,372,399	3,143,164	4,238,270	3,566,044	3,818,141	4,669,324	3,996,425	4,095,217	4,676,714	4,012,069	3,992,364	48,755,256	48,755,257	Growth Rate
Current Year Budget	5,729,150	3,931,806	3,573,890	4,766,520	4,074,218	4,163,316	5,270,851	4,442,316	4,474,731	5,293,270	4,333,217	4,306,520	54,359,805	54,359,805	11.5% Bud
Current Year Actual	5,729,150	3,931,806	3,573,890	4,766,521	4,074,218	4,163,316	5,270,851	4,442,315	4,474,732	5,293,270	4,352,899	4,394,202	54,467,169		
PERCENT DIFFERENCE															
Actual -vs- Prior Year	10.7%	16.6%	13.7%	12.5%	14.3%	9.0%	12.9%	11.2%	9.3%	13.2%	8.5%	10.1%	11.7%	100.2%	Pct. of Budget
Actual -vs- Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	2.0%	0.2%	5,711,913	YTD Difference
														107,364	Budget Variance

* Quarterly Filing Month