

TO: Mayor Lioneld Jordan and Members of the City Council
 Don Marr, Chief of Staff

FROM: Paul A. Becker, Finance Director *Paul A. Becker*

DATE: April 21, 2011

SUBJECT: **February Sales Taxes Received In March 2011 by the State**

The following key points need to be communicated regarding sales tax collections:

FAYETTEVILLE SALES TAX ACTIVITY

1. Sales tax collections remitted for sales tax subject to the 1 cent City tax in March, 2011 were down \$46,910 / -3.89% as compared to the same month prior year. These collections represent February, 2011 sales.
2. Sales tax collections remitted to the City for the City's share of County tax collections in March, 2011 were down \$41,704 / -5.09% as compared to the same month prior year. These collections represent February, 2011 sales.
3. When compared to budget for the month, sales tax collections were down a total of \$49,974 / -2.52%. The 2011 year to date budget impact for the three months is up a total of \$186,691 / 2.93%.

1% City / 1% County (Combined)	Budget	Actual	\$ Difference	% Difference
December, 2010	\$ 2,427,300	\$ 2,633,749	\$ 206,449	8.51%
January, 2011	1,955,600	1,985,816	30,216	1.55%
February, 2011	1,986,100	1,936,126	(49,974)	(2.52%)
March, 2011				
April, 2011				
May, 2011				
June, 2011				
July, 2011				
August, 2011				
September, 2011				
October, 2011				
November, 2011				
YTD Budget to Actual	\$ 6,369,000	\$ 6,555,691	\$ 186,691	2.93%

Funding Source	Budget	Actual	\$ Difference	% Difference
General Fund: 1% City (60% Split)	\$ 2,301,100	\$ 2,384,849	\$ 83,749	3.64%
1% County	2,533,800	2,580,943	47,143	1.86%
	\$ 4,834,900	\$ 4,965,792	\$ 130,892	2.71%
ST Capital: 1% City (40% Split)	\$ 1,534,100	\$ 1,589,899	\$ 55,799	3.64%
Total General/ST Capital Funds:	\$ 6,369,000	\$ 6,555,691	\$ 186,691	2.93%

NWA REGION SALES TAX ACTIVITY - FEBRUARY 2011 COLLECTIONS

4. February, 2011 1% City Sales Tax collections as compared to the surrounding areas were as follows:

City Sales Tax Collections:		February 2010	February 2011	\$ Difference	% Difference
1% City:	Fayetteville	\$ 1,205,534	\$ 1,158,625	\$ (46,910)	(3.89%)
	Springdale	\$ 757,292	\$ 735,715	\$ (21,577)	(2.85%)
	Bentonville	\$ 535,443	\$ 629,580	\$ 94,137	17.58%
	Rogers	\$ 839,319	\$ 857,248	\$ 17,930	2.14%

5. February, 2011 1% County Sales Tax collections as compared to the surrounding areas were as follows:

County Sales Tax Collections:		February 2010	February 2011	\$ Difference	% Difference
Washington	Fayetteville	\$ 819,206	\$ 777,501	\$ (41,704)	(5.09%)
Washington	Springdale	\$ 617,957	\$ 673,556	\$ 55,599	9.00%
Benton	Bentonville	\$ 289,933	\$ 370,466	\$ 80,533	27.78%
Benton	Rogers	\$ 581,864	\$ 587,313	\$ 5,450	0.94%

6. February, 2011 countywide collections for the combined Washington and Benton Counties were as follows:

County Sales Tax Collections:		February 2010	February 2011	\$ Difference	% Difference
Washington County		\$ 2,225,800	\$ 2,145,737	\$ (80,063)	(3.60%)
Benton County		2,254,324	2,322,839	68,515	3.04%
		<u>\$ 4,480,124</u>	<u>\$ 4,468,576</u>	<u>\$ (11,548)</u>	<u>(0.26%)</u>

NWA REGION SALES TAX ACTIVITY - YEAR-TO-DATE (THREE MONTHS) COLLECTIONS

7. Year-to-Date (three months) collections as compared to the surrounding areas were as follows:

City Sales Tax Collections:		(Three Months) YTD 2010	(Three Months) YTD 2011	\$ Increase (Decrease)	% Increase (Decrease)
1% City:	Fayetteville	\$ 3,906,069	\$ 3,974,748	\$ 68,679	1.76%
	Springdale	\$ 2,433,164	\$ 2,308,233	\$ (124,930)	(5.13%)
	Bentonville	\$ 1,995,220	\$ 1,936,134	\$ (59,086)	(2.96%)
	Rogers	\$ 2,770,018	\$ 2,943,042	\$ 173,024	6.25%

8. Year-to-Date (three months) for the combined Washington and Benton Counties, sales were up \$163,815 / 1.13%.

Sales Tax Collections:		(Three Months) YTD 2010	(Three Months) YTD 2011	\$ Increase (Decrease)	% Increase (Decrease)
Washington County		\$ 7,028,781	\$ 7,122,848	\$ 94,067	1.34%
Benton County		7,410,835	7,480,583	69,748	0.94%
		<u>\$ 14,439,616</u>	<u>\$ 14,603,431</u>	<u>\$ 163,815</u>	<u>1.13%</u>