



TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Karl R. Amylon, City Manager

DATE: April 22, 2021

RE: **2021 Sales Tax Report No. 3**

Attached for City Council review is a memorandum from Finance Director Michelle Johansen regarding 2021 sales tax collections. Should Councilmembers have questions and/or concerns regarding the Finance Director's report, staff will attempt to respond accordingly.

MEMORANDUM
CITY OF KETCHIKAN, ALASKA
Finance Department
Office of the Finance Director

Michelle Johansen, Finance Director
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TO: Karl R. Amylon, City Manager/KPU General Manager

FROM: Michelle Johansen, Finance Director

DATE: April 20, 2021

SUBJECT: 2021 Sales Tax Report No. 3

With the adoption of the 2021 General Government Operating and Capital Budget, the City projected that it would collect \$11,157,000 in sales tax revenue during 2021. The table below was prepared for the purpose of reporting the actual results for 2021 and comparing them with the budgetary projections for 2021 and the actual results from 2020.

	Year-To-Date			2021 Budget/ 2021 Actual Increase (Decrease)	2021 Actual/ 2020 Actual Increase (Decrease)	2021/2020 Percentage Increase (Decrease)
	Budget 2021	Actual 2021	Actual 2020			
4th Quarter:						
Due Jan 2021						
January Collections	\$1,500,000	\$944,532	\$1,515,979	(\$555,468)	(\$571,447)	-37.69%
February Collections	300,000	947,767	402,892	647,767	544,875	135.24%
March Collections	100,000	183,827	88,805	83,827	95,022	107.00%
4th Quarter Totals	1,900,000	2,076,126	2,007,676	176,126	68,450	3.41%
1st Quarter:						
Due April 2021						
April Collections	0	0	0	0	0	0.00%
May Collections	0	0	0	0	0	0.00%
June Collections	0	0	0	0	0	0.00%
1st Quarter Totals	0	0	0	0	0	0.00%
2nd Quarter:						
Due July 2021						
July Collections	0	0	0	0	0	0.00%
August Collections	0	0	0	0	0	0.00%
September Collections	0	0	0	0	0	0.00%
2nd Quarter Totals	0	0	0	0	0	0.00%
3rd Quarter:						
Due October 2021						
October Collections	0	0	0	0	0	0.00%
November Collections	0	0	0	0	0	0.00%
December Collections	0	0	0	0	0	0.00%
3rd Quarter Totals	0	0	0	0	0	0.00%
Totals	\$1,900,000	\$2,076,126	\$2,007,676	\$176,126	\$68,450	3.41%

For the month of March 2021, the City collected \$183,827. Collections to date are \$176,126 more than projected for 2021. The City also collected \$95,022 more than collections in March 2020. The year-to-date collections are slightly higher than year-to-date 2020 collections by \$68,450 or 3.41%.

The table below summarizes a ten-year history of City sales tax collections. Please note that the increase in 2014 was due to the City raising its sales tax rate from 3.5% to 4%. Had the City not raised its sale tax rate, sales tax collections for 2014 would have been about \$340,000 less than 2013.

