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TRANSMITTAL MEMORANDUM

TO: The Honorable Mayor and City Council

FROM: Lacey G. Simpson, Acting City Manager

DATE: September 23, 2022

RE: **2022 Sales Tax Reports No. 7 and No. 8**

Attached for City Council review are memoranda from Finance Director Michelle Johansen regarding 2022 sales tax collections that include an eleven (11) year sales tax comparison. Should Councilmembers have questions and/or concerns regarding the Finance Director's reports, staff will attempt to respond accordingly.

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

Michelle L. Johansen, Finance Director
Camille Nelson, Financial Analyst
Phone: (907) 228-5621
Facsimile: (907) 228-5617

TO: Lacey G. Simpson, Acting City Manager/KPU General Manager

FROM: Michelle L. Johansen, Finance Director

DATE: September 7, 2022

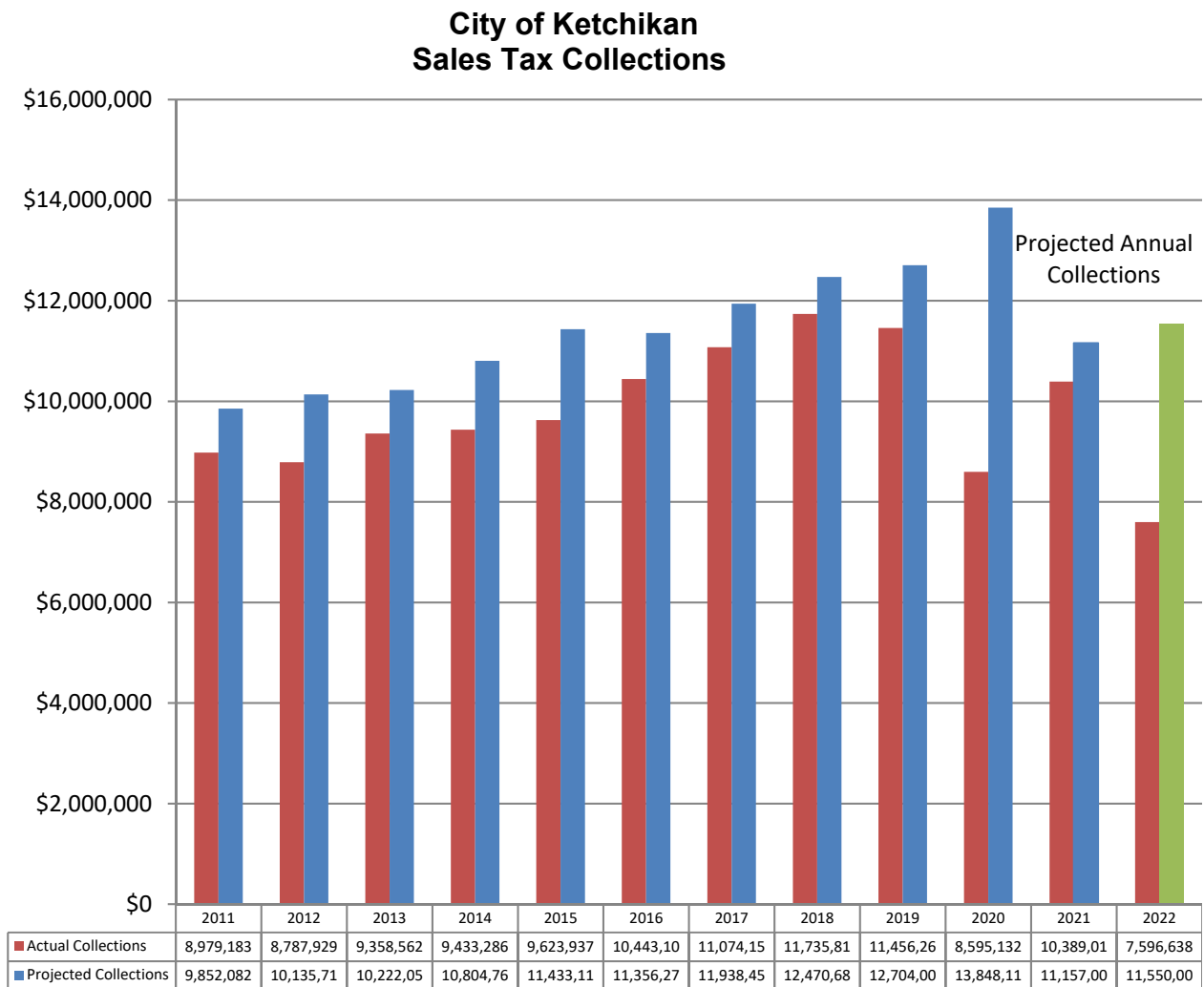
SUBJECT: 2022 Sales Tax Report No. 7

With the adoption of the 2022 General Government Operating and Capital Budget, the City projected that it would collect \$11,550,000 in sales tax revenue during 2022. The table below was prepared for the purpose of reporting the actual results for 2022 and comparing them with the budgetary projections for 2022 and the actual results from 2021.

	Year-To-Date			2022 Budget/ 2022 Actual	2022 Actual/ 2021 Actual	2022/2021 Percentage
	Budget 2022	Actual 2022	Actual 2021	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)
4th Quarter:						
Due Jan 2022						
January Collections	\$1,275,000	\$1,362,266	\$995,314	\$87,266	\$366,952	36.87%
February Collections	650,000	1,032,562	978,189	382,562	54,373	5.56%
March Collections	115,000	178,460	216,059	63,460	(37,599)	-17.40%
4th Quarter Totals	2,040,000	2,573,288	2,189,562	533,288	383,726	17.53%
1st Quarter:						
Due April 2022						
April Collections	1,390,000	1,451,872	1,131,388	61,872	320,484	28.33%
May Collections	750,000	657,046	792,265	(92,954)	(135,219)	-17.07%
June Collections	175,000	286,052	191,812	111,052	94,240	49.13%
1st Quarter Totals	2,315,000	2,394,970	2,115,465	79,970	279,505	13.21%
2nd Quarter:						
Due July 2022						
July Collections	2,425,000	2,628,380	1,264,163	203,380	1,364,217	107.91%
August Collections						
September Collections						
2nd Quarter Totals	2,425,000	2,628,380	1,264,163	203,380	1,364,217	107.91%
3rd Quarter:						
Due October 2022						
October Collections						
November Collections						
December Collections						
3rd Quarter Totals	0	0	0	0	0	
Totals	\$6,780,000	\$7,596,638	\$5,569,190	\$816,638	\$2,027,448	36.40%

For the month of July 2022, the City collected \$2,628,380. Collections to date are \$816,638 more than projected for 2022. The City collected \$203,380 more than the July collections in 2021. The year-to-date collections exceeded the year-to-date 2021 collections by \$2,027,448 or 36.40%.

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 sales tax rate, sales tax collections for 2014 would have been about \$340,000 less than 2013.



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

Michelle L. Johansen, Finance Director
Camille Nelson, Financial Analyst
Phone: (907) 228-5621
Facsimile: (907) 228-5617

TO: Lacey G. Simpson, Acting City Manager/KPU General Manager

FROM: Michelle L. Johansen, Finance Director

DATE: September 21, 2022

SUBJECT: 2022 Sales Tax Report No. 8

With the adoption of the 2022 General Government Operating and Capital Budget, the City projected that it would collect \$11,550,000 in sales tax revenue during 2022. The table below was prepared for the purpose of reporting the actual results for 2022 and comparing them with the budgetary projections for 2022 and the actual results from 2021.

	Year-To-Date			2022 Budget/ 2022 Actual	2022 Actual/ 2021 Actual	2022/2021 Percentage
	Budget 2022	Actual 2022	Actual 2021	Increase (Decrease)	Increase (Decrease)	Increase (Decrease)
4th Quarter:						
Due Jan 2022						
January Collections	\$1,275,000	\$1,362,266	\$995,314	\$87,266	\$366,952	36.87%
February Collections	650,000	1,032,562	978,189	382,562	54,373	5.56%
March Collections	115,000	178,460	216,059	63,460	(37,599)	-17.40%
4th Quarter Totals	2,040,000	2,573,288	2,189,562	533,288	383,726	17.53%
1st Quarter:						
Due April 2022						
April Collections	1,390,000	1,451,872	1,131,388	61,872	320,484	28.33%
May Collections	750,000	657,046	792,265	(92,954)	(135,219)	-17.07%
June Collections	175,000	286,052	191,812	111,052	94,240	49.13%
1st Quarter Totals	2,315,000	2,394,970	2,115,465	79,970	279,505	13.21%
2nd Quarter:						
Due July 2022						
July Collections	2,425,000	2,628,380	1,264,163	203,380	1,364,217	107.91%
August Collections	750,000	1,596,740	1,204,617	846,740	392,123	32.55%
September Collections						
2nd Quarter Totals	3,175,000	4,225,120	2,468,780	1,050,120	1,756,340	71.14%
3rd Quarter:						
Due October 2022						
October Collections						
November Collections						
December Collections						
3rd Quarter Totals	0	0	0	0	0	
Totals	\$7,530,000	\$9,193,378	\$6,773,807	\$1,663,378	\$2,419,571	35.72%

For the month of August 2022, the City collected \$1,596,740. Collections to date are \$1,663,378 more than projected for 2022. The City collected \$392,123 more than the August collections in 2021. The year-to-date collections exceeded the year-to-date 2021 collections by \$2,419,571 or 35.72%.

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 sales tax rate, sales tax collections for 2014 would have been about \$340,000 less than 2013.

City of Ketchikan Sales Tax Collections

