



Staff Report

To: The Loop CID Board
From: Carrie Gartner
Date: June 17, 2019
Re: FY2020 Revenues

Revenues

Our fiscal year runs from October 1 to September 30, and our operating budget reflect this. Although we budget for an Oct-Sept fiscal year, we collect revenues at various times throughout the year so those collection schedules do not reflect our fiscal year.

Property Assessments

The CID property assessment is .4778 per \$100 of assessed valuation. Assessments are due to the county on December 31 for that calendar year. We generally receive payments from November to April or May.

The property assessment revenue line item is based on cash-on-hand. Our FY2020 Budget is based on collections received from November 2018 to about May 2019—all of which reflect 2018 property tax payments.

I work with the Boone County Assessor and Collector to anticipate any substantial drops or increases in assessments as well as to track delinquent payments. As of March 2019, we had \$1468.18 in unpaid assessments.

	2019	2018	2017	2016	2015
Property Assessments					
October		0	0	0	0
November		5,829	3,239	0	14
December		38,563	40,496	6,056	5,837
January		21,481	11,201	23,298	24,615
February		922	8,123	20,360	24,310
March		102	37	4,929	1,914
April		367	0	0	0
May		102	0	0	0
June			0	0	0
July			26	0	26
August		898	0	0	0
September		0	587	0	0
Total		68,264	63,710	54,644	56,717

Sales Tax

The CID sales tax began April 1, 2016 and includes sales tax and use tax. We have seen a considerable amount of variability across the last three years, likely resulting from changes to reporting methods instituted by the Department of Revenue.

	2019	2018	2017	2016
Sales Tax				
October	22,661	25,340	16,766	0
November	22,656	25,935	31,106	0
December	25,800	35,959	32,253	0
January	18,442	26,363	18,988	0
February	27,915	26,232	36,674	0
March	31,231	29,915	21,312	0
April	14,204	7,986	27,018	0
May	25,151	34,928	28,106	20,292
June		31,712	41,127	30,960
July		11,793	16,814	14,437
August		36,866	29,732	33,291
September		19,911	26,090	24,154
Total	188,061	312,939	325,986	123,133

	2019	2018	2017	2016
Local Option Use Tax				
October	391	47	38	0
November	1,027	949	2,221	0
December	739	97	66	0
January	247	840	228	0
February	1,968	2,552	1,450	0
March	777	224	160	0
April	415	184	61	0
May	1,542	1,416	1,657	7
June		(1)	12	88
July		141	83	43
August		1,562	1,461	1,880
September		65	3	7
Total	7,105	8,076	7,440	2,025

For the FY2020 budget, the revenue estimate is based on the average of actual collections from the three previous years. This is a new standard so comparisons of FY2020 estimates to past budget estimates would be akin to comparing apples to oranges. The combined sales and use tax estimate for FY2020 is \$316,024.

Sales and Use Tax – Estimates v. Actuals

	<i>3-year average</i>							
	2020 Est.	FY2019 Actual	2019 Est.	FY2018 Actual	2018 Est.	FY2017 Actual	2017 Est.	FY2016 Actual
October	21,748	23,052	25,386	25,386	16,805	16,805	18,768	
November	27,965	23,682	26,884	26,884	33,328	33,328	18,470	-
December	31,638	26,539	36,056	36,056	32,319	32,319	21,045	-
January	21,703	18,690	27,203	27,203	19,216	19,216	18,201	-
February	32,264	29,883	28,783	28,783	38,125	38,125	17,172	-
March	27,873	32,008	30,139	30,139	21,472	21,472	19,162	-
April	16,622	14,618	8,170	8,170	27,078	27,078	16,792	0
May	28,802	26,693	29,763	36,344	20,299	29,763	17,522	20,299
June	34,633		41,139	31,711	31,048	41,139	31,048	31,048
July	14,437		16,896	11,934	14,480	16,896	14,480	14,480
August	34,931		31,193	38,428	35,172	31,193	35,172	35,172
September	23,410		26,092	19,975	24,161	26,092	27,078	24,161
	316,024	195,166	327,705	321,014	313,501	333,426	254,910	125,159

Shifting to a three-year average for our revenue estimate will help smooth out year-to-year variances but as a new organization, we don't yet have a lot of data for these estimates. We will continue to do periodic assessments of sales tax revenues throughout the year and adjust when necessary. The budget also includes a \$50,000 set aside for the fund balance that would serve as a buffer.

Total Revenues

	FY2019	FY2020	Change	
Property Assessment	63,710	68,264	4,555	<i>current collections</i>
Sales Tax	327,705	316,024	(11,681)	<i>estimate based on 3-year average</i>
Total Revenue	391,415	384,289	(7,126)	

City Revenues

Below is an overview of sales along the corridor extrapolated from tax revenues. (This amount does not include sales of autos or other motor vehicles as those are not taxed by the CID as per state statute.) This also shows an extrapolation of city sales tax generated from these sales.

	FY2018 Actual	FY2017 Actual	<i>partial year</i> FY2016 Actual
Loop CID Revenues	321,014	333,426	125,159
Total Sales	64,202,850	66,685,226	25,031,766
City Sales Tax (2%)	1,284,057	1,333,705	500,635