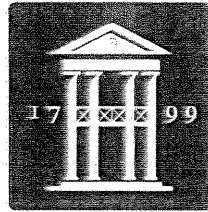


ADMINISTRATION

Russell B. Truell
Assistant City Administrator, CFO
Finance



ITEM #7A
FINANCE
5/17/11

Dr. Ken Moore
Mayor

Eric S. Stuckey
City Administrator

HISTORIC
FRANKLIN
TENNESSEE

MEMORANDUM

May 12, 2011

TO: Eric Stuckey, City Administrator

FR: Russ Truell, ACA/CFO

RE: Local Sales Tax Report

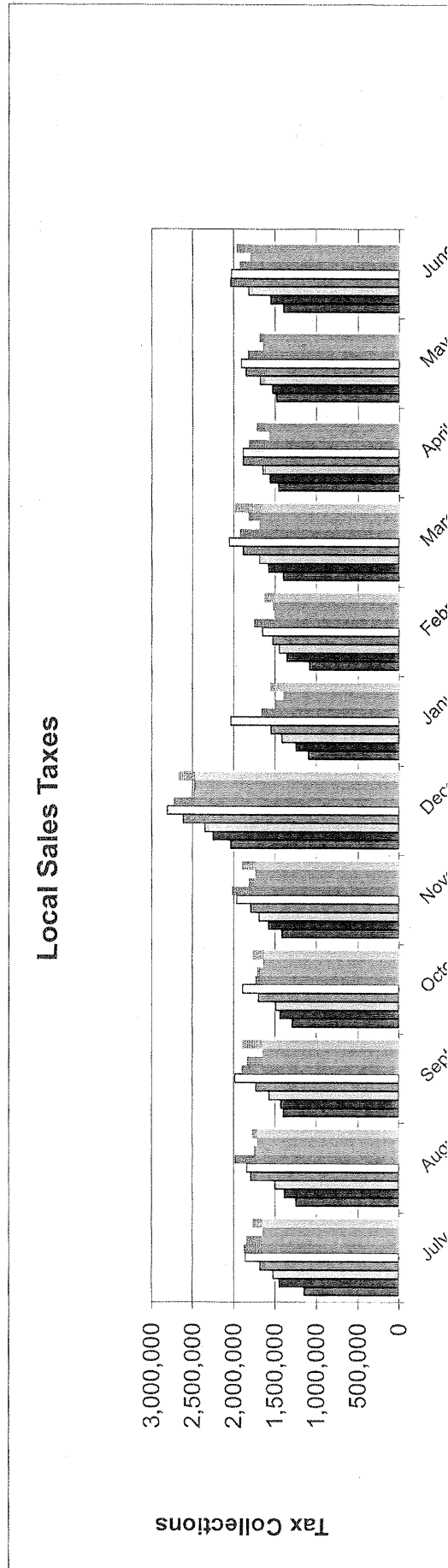
The local sales tax remittance from the State of Tennessee for May was \$ 1,979,079 compared to \$1,819,095 for the same month in 2010, an increase of \$ 159,985 or 8.8%. [The May remittance is for sales tax collected during the month of March, representing the ninth month of the fiscal year on an accrual basis.] During the same period, the State of Tennessee sales tax collections were up 3.5%.

Year-to-date, the City has received \$16.9 million compared to \$15.6 million in the previous year, a difference of \$ 1,321,426 or 8.5%. The State of Tennessee sales tax collections, year-to-date, were \$4.79 billion compared to \$ 4.59 billion in the prior year, a difference of \$ 198.9 million or 4.3%.

For budget comparisons, the City anticipated collections of \$16.6 million for the first nine months of the fiscal year. Through March, the City is \$ 268,586 ahead of budgeted collections. As a further comparison, the March collection of \$ 1.63 million compares to \$2.05 million in 2007, \$1.93 million in 2008, and \$1.69 million in 2009.

Local Sales Tax Revenue Comparison

Month	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11	% over prior yr	\$ over prior yr
July	963,117	1,030,595	1,178,452	1,142,684	1,448,615	1,520,851	1,676,862	1,857,805	1,876,318	1,842,160	1,646,449	1,769,523	7.5%	123,074
August	978,025	1,052,818	1,248,418	1,244,434	1,381,099	1,498,953	1,788,477	1,837,563	1,985,123	1,747,507	1,711,487	1,774,021	3.7%	62,534
September	1,057,301	1,127,922	1,188,574	1,395,252	1,423,877	1,567,311	1,724,983	1,977,557	1,900,808	1,834,296	1,645,241	1,888,809	14.8%	243,568
October	988,212	1,051,540	1,173,770	1,284,783	1,433,786	1,484,549	1,695,501	1,887,613	1,734,361	1,707,123	1,639,767	1,767,404	7.8%	127,637
November	1,083,745	1,235,695	1,292,190	1,411,314	1,571,854	1,686,900	1,787,276	1,960,370	2,018,105	1,816,125	1,735,146	1,892,149	9.0%	156,003
December	1,632,903	1,802,271	1,862,351	2,032,755	2,245,611	2,348,329	2,617,849	2,806,905	2,730,286	2,491,017	2,479,640	2,670,491	7.7%	190,852
January	842,297	999,859	1,081,641	1,091,350	1,241,700	1,415,392	1,544,557	2,034,121	1,664,281	1,502,087	1,401,398	1,552,324	10.8%	150,926
February	896,485	971,017	1,061,854	1,079,337	1,351,992	1,445,409	1,526,301	1,649,397	1,752,131	1,507,868	1,521,898	1,628,745	7.0%	106,847
March	1,085,613	1,176,221	1,274,840	1,395,948	1,572,431	1,682,707	1,880,654	2,054,793	1,925,296	1,688,794	1,819,095	1,979,080	8.8%	159,985
April	1,014,741	1,179,452	1,179,175	1,453,049	1,553,462	1,649,228	1,883,777	1,885,024	1,812,244	1,572,824	1,719,674	0	0.0%	0
May	1,038,869	1,182,119	1,254,595	1,478,979	1,524,900	1,674,495	1,846,229	1,909,074	1,824,127	1,642,271	1,686,756	0	0.0%	0
June	1,153,403	1,249,480	1,308,845	1,390,654	1,547,355	1,812,106	2,033,237	2,025,044	1,926,353	1,800,044	1,961,270	0	0.0%	0
Total	12,734,711	14,058,989	15,104,705	16,400,539	18,296,682	19,786,230	22,005,703	23,885,264	23,149,433	21,152,117	20,968,821	16,922,547	15,601,121	1,321,426
Budgeted	Up 13.4%	Up 10.4%	Up 7.4%	Up 8.6%	Up 11.6%	Up 8.1%	Up 11.2%	Up 8.5%	Down -3.1%	Down -8.6%	Down -0.9%	year to date 8.5%	last yr YTD	YTD difference





TENNESSEE DEPARTMENT OF REVENUE

COUNTY EXECUTIVE/MAYOR
 WILLIAMSON COUNTY
 1320 W MAIN ST STE 125
 FRANKLIN TN 37064-3700

May 9, 2011
 Month of: APRIL
 Tot. Collections: \$6,612,829.35
 Cost of Admin: \$74,394.33
 Net Collections: \$6,538,435.02

The Department of Revenue has collected and allocated the above total during the month indicated from Local Option Sales Tax as follows:

COUNTY/CITY NAME	TOTAL COLLECTIONS	LESS ADMIN. COSTS	NET COLLECTIONS
WILLIAMSON COUNTY	\$192,290.40	\$2,163.27	\$190,127.13
FRANKLIN	\$4,043,631.30	\$45,490.85	\$3,998,140.45
FAIRVIEW	\$148,249.52	\$1,667.81	\$146,581.71
BRENTWOOD	\$1,908,205.28	\$21,467.31	\$1,886,737.97
SPRING HILL	\$194,422.11	\$2,187.25	\$192,234.86
THOMPSON STATION	\$88,728.36	\$998.19	\$87,730.17
NOLENSVILLE	\$37,302.38	\$419.65	\$36,882.73

Note that we have deducted 1.125% state cost of administration leaving the net collections. The Department of Finance and Administration has been notified to issue a payment to the Trustee of your county in the amount of the net collections.

Please be aware that normal Local Option Sales Tax collections may fluctuate. This could be due to additional collections on assessments or reductions as a result of taxpayer refunds or returned checks. Should your collection amount increase significantly, it might be the result of an audit assessment.

For additional information regarding the allocation you may call the Division of Fiscal Services at (615) 741-1028 between 8:00 a.m. and 4:30 p.m., Monday through Friday, holidays excepted. If you need information concerning other matters, please see the back of this notice for our local offices and phone numbers.

c: County Trustee; City Mayor
 Director of Accounts: County, F & A

Handwritten calculations:
 $3,998,140.45 \div 2 = 1,999,070.22$
 $- 19,990.70$

 $1,979,079.52$

Department of Finance & Administration
Mark Emkes, Commissioner



MEDIA RELEASE

STATE OF TENNESSEE
DEPARTMENT OF FINANCE & ADMINISTRATION

GOVERNOR
Bill Haslam
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FOR IMMEDIATE RELEASE
WEDNESDAY, MAY 11, 2011

CONTACT: LOLA POTTER
615.532.8560 (OFFICE)
615.202.0701 (CELL)

APRIL REVENUES

NASHVILLE – Tennessee revenue collections continued a very modest positive growth trend in April. Finance and Administration Commissioner Mark Emkes today announced a net positive growth of 1.70% over April collections one year ago. Overall April revenues were \$1.264 billion, which is \$600,000 more than the state budgeted.

"Sales tax collections recorded the 13th consecutive month of positive growth dating back to April of 2010," Emkes said. "Corporate Franchise and Excise tax collections have been disappointing for the past two months but it's believed they are reflecting prior year losses that have been carried forward to this tax year.

"In light of depressed corporate tax collections, and with one very large collection month left in this year, we'll closely monitor collections and expenditures and work with the legislature to ensure we end the year in balance."

On an accrual basis, April is the ninth month in the 2010-2011 fiscal year.

The general fund was under collected by \$6.9 million, and the four other funds were over collected by \$7.5 million.

Sales tax collections were \$22.8 million more than the budgeted estimate for April. The April growth rate was positive 3.52%. For nine months revenues are over collected by \$140.6 million. The year-to-date growth rate for nine months was positive 4.34%.

Franchise and excise taxes combined were \$31.5 million below the budgeted estimate of \$372.6 million. For nine months revenues are \$348,000 over the budgeted estimate.

Hall Income tax collections for April were \$537,000 less than the budgeted estimate. For nine months collections are \$5.3 million more than the budgeted estimate. The growth rate for the nine month period was positive 10.83%.

Inheritance and estate tax collections were \$5.3 million above the April estimate. For nine months collections are \$27.7 million over the budgeted estimate.

Gasoline and motor fuel collections for April increased by 3.04%, and were \$2.4 million more than the budgeted estimate. For nine months revenues are positive 3.59%, and \$7.8 million above the budgeted estimate of \$617.3 million.

Tobacco tax collections were \$391,000 over the budgeted estimate of \$23.6 million. For nine months revenues are under collected in the amount of \$3.9 million.

All other taxes for April were over collected by a net of \$546,000.

Year-to-date collections for nine months were \$154.2 million more than the budgeted estimate. The general fund was over collected by \$126.2 million and the four other funds were over collected by \$28.0 million.

The budgeted revenue estimates for 2010-2011 are based on the State Funding Board's consensus recommendation of April 7, 2010 and adopted by the second session of the 106th. General Assembly in June. They are available on the state's website at <http://www.tn.gov/finance/bud/budget.html>.

The State Funding Board met on the 8th and 14th of December 2010, and again on February 7, 2011. As a result of these meetings the board adopted mid-year revised revenue ranges for 2010-2011. The board issued a formal letter addressed to the Governor and Chairman of House and Senate Finance Ways and Means Committees dated February 25, 2011 detailing the board's actions.

The 2010-2011 revised ranges adopted by the board reflect growth rates ranging from 3.60% to 4.00% in total taxes, and 3.95% to 4.45% in general fund taxes.

Based on the board's consensus recommendation, the official budgeted estimates for 2010-2011 were revised in March 2011.

The revised estimates are reflected on pages A-72 and A-74 in the 2011-2012 Budget Document and assume an over collection in total taxes in the amount of \$198.5 million, and an over collection of \$161.3



TNRecovery.gov
Open Government

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Table 1
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Class of Tax	April		Change	Percent
	2010	2011		
Franchise & Excise	\$360,545,000	\$341,137,000	(\$19,408,000)	-5.38%
Income	139,617,000	152,003,000	12,386,000	8.87%
Inheritance & Estate	13,729,000	18,205,000	4,476,000	32.60%
Gasoline	48,887,000	52,691,000	3,804,000	7.78%
Petroleum Special	5,269,000	5,323,000	54,000	1.02%
Tobacco	21,805,000	24,003,000	2,198,000	10.08%
Beer	1,283,000	1,299,000	16,000	1.25%
Motor Vehicle Registration	30,444,000	28,571,000	(1,873,000)	-6.15%
Motor Vehicle Title	980,000	944,000	(36,000)	-3.67%
Mixed Drink	4,735,000	5,125,000	390,000	8.24%
Business	2,113,000	3,252,000	1,139,000	53.90%
Privilege	17,302,000	17,674,000	372,000	2.15%
Gross Receipts	95,000	77,000	(18,000)	-18.95%
TVA - In Lieu of Tax Payments	26,499,000	26,095,000	(404,000)	-1.52%
Alcoholic Beverage	4,082,000	4,406,000	324,000	7.94%
Sales and Use	548,754,000	568,080,000	19,326,000	3.52%
Motor Vehicle Fuel	16,785,000	15,087,000	(1,698,000)	-10.12%
Severance	147,000	194,000	47,000	31.97%
Coin-operated Amusement	0	6,000	6,000	NA
Unauthorized Substance	(36,000)	0	36,000	NA
Total	\$1,243,035,000	\$1,264,172,000	\$21,137,000	1.70%

STATE REVENUES

Table 2
Tennessee Department of Revenue
Comparative Statement of Collected Revenues

Year to Date

August - April

Class of Tax	2009-2010	2010-2011	Change	Percent
Franchise & Excise	\$1,099,394,000	\$1,137,748,000	\$38,354,000	3.49%
Income	165,136,000	183,025,000	17,889,000	10.83%
Inheritance & Estate	64,918,000	89,277,000	24,359,000	37.52%
Gasoline	444,501,000	461,748,000	17,247,000	3.88%
Petroleum Special	45,764,000	46,920,000	1,156,000	2.53%
Tobacco	215,344,000	213,843,000	(1,501,000)	-0.70%
Beer	12,305,000	13,533,000	1,228,000	9.98%
Motor Vehicle Registration	179,979,000	184,545,000	4,566,000	2.54%
Motor Vehicle Title	7,702,000	8,115,000	413,000	5.36%
Mixed Drink	41,268,000	42,372,000	1,104,000	2.68%
Business	28,523,000	58,761,000	30,238,000	106.01%
Privilege	134,453,000	134,904,000	451,000	0.34%
Gross Receipts	13,884,000	9,137,000	(4,747,000)	-34.19%
TVA - In Lieu of Tax Payments	238,415,000	242,840,000	4,425,000	1.86%
Alcoholic Beverage	34,175,000	35,580,000	1,405,000	4.11%
Sales and Use	4,587,633,000	4,786,542,000	198,909,000	4.34%
Motor Vehicle Fuel	113,244,000	116,515,000	3,271,000	2.89%
Severance	1,693,000	1,830,000	137,000	8.09%
Coin-operated Amusement	70,000	97,000	27,000	38.57%
Unauthorized Substance	(1,807,000)	(489,000)	1,318,000	NA
Total	\$7,426,594,000	\$7,766,843,000	\$340,249,000	4.58%