



**BUDGET & MANAGEMENT STUDIES**

DATE: June 30, 2020

TO: MAYOR LEE BRAND  
COUNCIL PRESIDENT MIGUEL ARIAS  
CITY COUNCIL MEMBERS

THROUGH: WILMA QUAN, City Manager

FROM: HENRY FIERRO, Budget Manager

SUBJECT: RESPONSE TO COUNCIL DIRECTION No. 15 CITY'S CURRENT AND LONG TERM SALES TAX FORECAST REPORT

Per email received from Council District 3, the District requested the City's current and long term sales tax forecast.

The table below reflects the current estimates for FY 2020 through FY 2025. Note that at this time the administration is not estimating a sustained decrease in sales tax, however the forecasts in the out years are effected by the use of a lower base number for FY 2021's estimate. These estimates are also contained in the presentation made to Council on June 25, 2020. All annual estimates reflect 12 months of receipts.

	2020	2021	2022	2023	2024	2025
Sales Tax – est. 6/19/20	84,479,000	91,141,000	94,787,000	98,578,000	102,521,000	106,622,000
Revised % Increase		7.9	4.0	4.0	4.0	4.0
Sales Tax – est. at 3/16/20	97,559,000	102,472,000	106,571,000	110,834,000	115,267,000	119,878,000
Original % Increase		5.04	4.0	4.0	4.0	4.0

For reference purposes, the FY 2020 Amended Sales Tax is \$95,171,000.

C: Jane Sumpter, Assistant City Manager  
Jim Schaad, Assistant City Manager  
Tim Orman, Chief of Staff  
Michael Lima, Finance Director/Controller