

Sales tax numbers rebound in April

Tax:

CITY

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After falling behind in March, sales tax numbers bounced back in a big way last month.

The general purpose sales tax for the month of April, which reflects sales during February, was about \$4.6 million. That is an increase of roughly \$222,000 or 5 percent above April 2018 levels.

City Finance Director Anthony Francisco said the latest returns are good news and the city is presently poised to finish up 2.5 percent over last year's mark, even after March returns came in 5 percent under the same month last year.

"I think this is a reason to continue to monitor the situation," Francisco said. "March [sales tax] remittance was way down, so I think there was something of a boomerang effect here."

He said the reason behind the dip and quick turnaround is a matter of speculation.

"A lot of people think it's related to the federal

government shutdown," he said. "People kind of withdrew during the month of January and came back in the month February ... We'll see what happens in May."

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From **Page A1** Adding to that, the general purpose use tax for April, which reflects February sales of goods purchased outside the state for delivery within Norman, totaled \$375,781. That's an increase of roughly \$70,000, or 23 percent above April 2018 levels.

On the Fiscal Year, 2018-2019 use tax collections are now roughly 36 percent above prior-year levels.

Those are positive signs, but the Francisco said the positive returns won't save the city from its budget

in the coming weeks.

Adding to the pressure is the imminent takeover of the CART bus system — slated to become effective June 30 — which could bring the city's projected budget hole to around \$1.8 million. The city's Public Safety Sales Tax account is projected to fall about \$2 million short in FY 2020, even without staffing unfilled positions, as well.

The council is scheduled to continue budget discussions with a council budget conference on May 14, a second public budget hearing on May 28, and an optional council budget study session on June 4.

The budget is scheduled to come before the council for adoption on June 11.

predicament, a perfect storm of falling revenues and rising expenses that he has warned about for years.

During a budget hearing last month at city hall, Francisco said the city has some major budget issues that the council will have to grapple with