

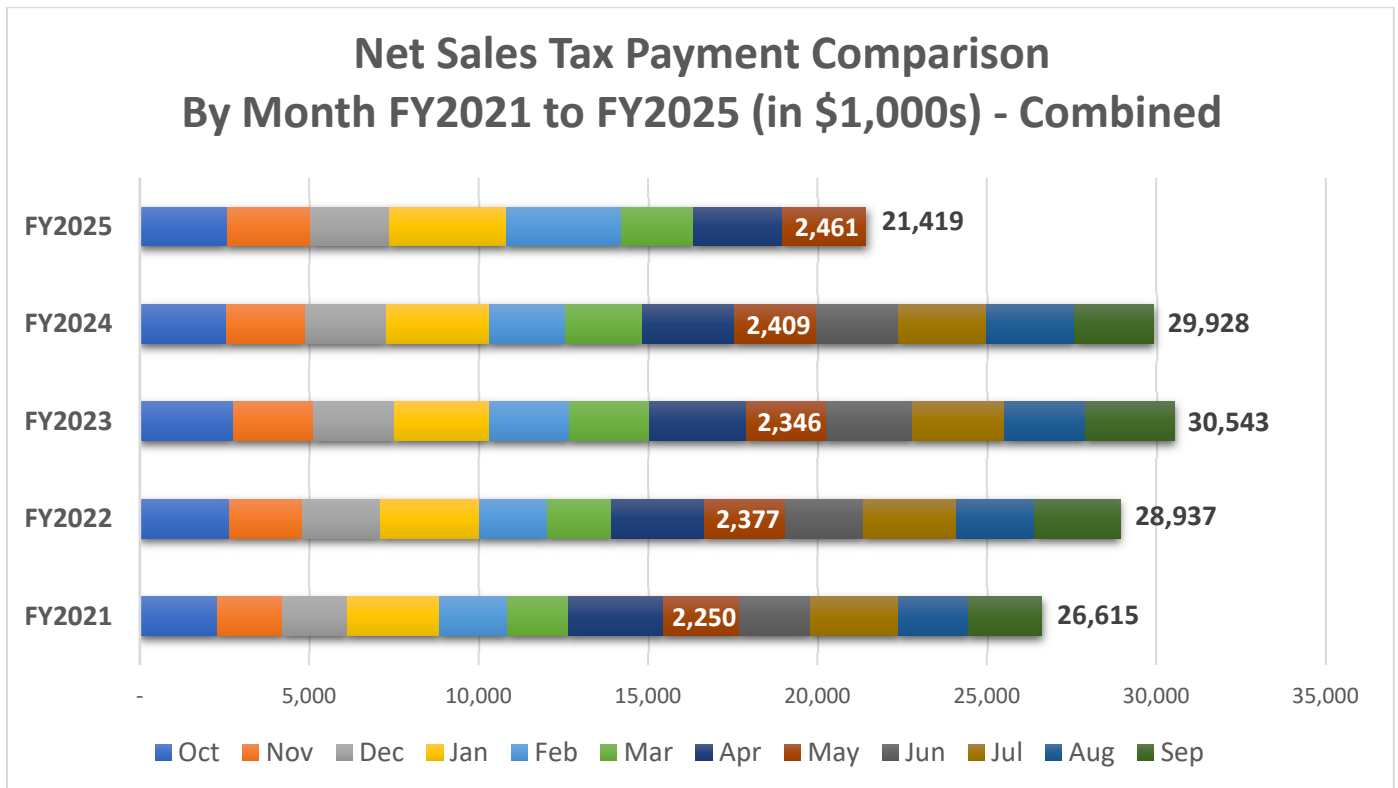


Monthly Report on Sales Tax Collections

Due to the elastic nature of sales tax revenue, the Finance Department is committed to providing a brief update of the sales tax collections. The Texas Comptroller's Office posted the May sales tax results in June. The results are dependent upon the timeliness and accuracy of sales taxpayers' returns.

This payment from the State represents taxes remitted in May on sales that occurred primarily in the month of April. Note that payments are received and recorded on the general ledger two months after the month of sale; i.e. payments for sales in the month of April are recorded in June.

As shown below, the City's combined May collections of \$2,461,016 are the highest net sales tax payment for the month of May between FY2021 and FY2025. Total net collections increased by \$51,445, or 2.1%, compared to May 2024.

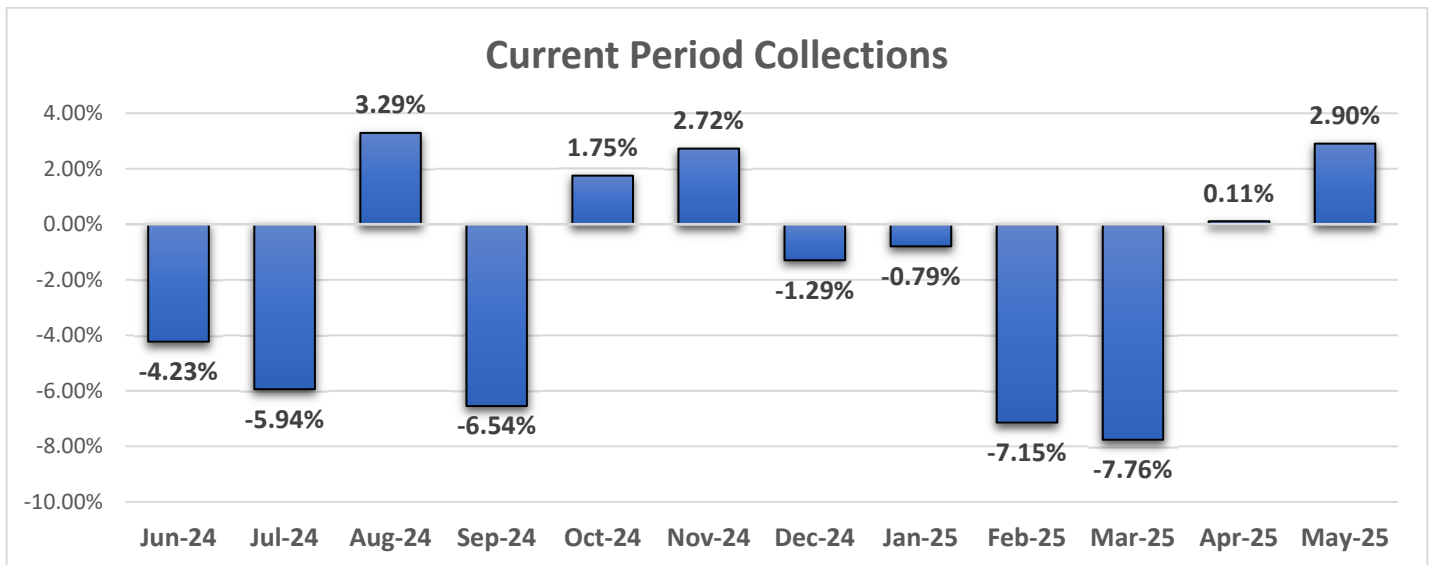




Collection Detail for Sales Tax	May 2025	May 2024	\$ Change	% Change
Current Period Collections	\$ 2,394,800	\$ 2,327,229	\$ 67,571	2.9%
Other Collections	66,218	102,808	(36,591)	-35.6%
Audit Collections	15,760	(3,387)	19,146	565.4%
Single Local Rate Collections:	31,302	25,271	6,031	23.9%
Service Fee	(50,162)	(49,038)	(1,123)	-2.3%
Retainage	3,098	6,688	(3,590)	-53.7%
Net Payment	\$ 2,461,016	\$ 2,409,571	\$ 51,445	2.1%

Current period collections provide a more accurate indicator to the City's economic health. Current collections were up \$67,571, or 2.9%, compared to May 2024. See page 5 for definitions of line items.

The chart below shows the change in the current period collections compared to the same month in the prior year.



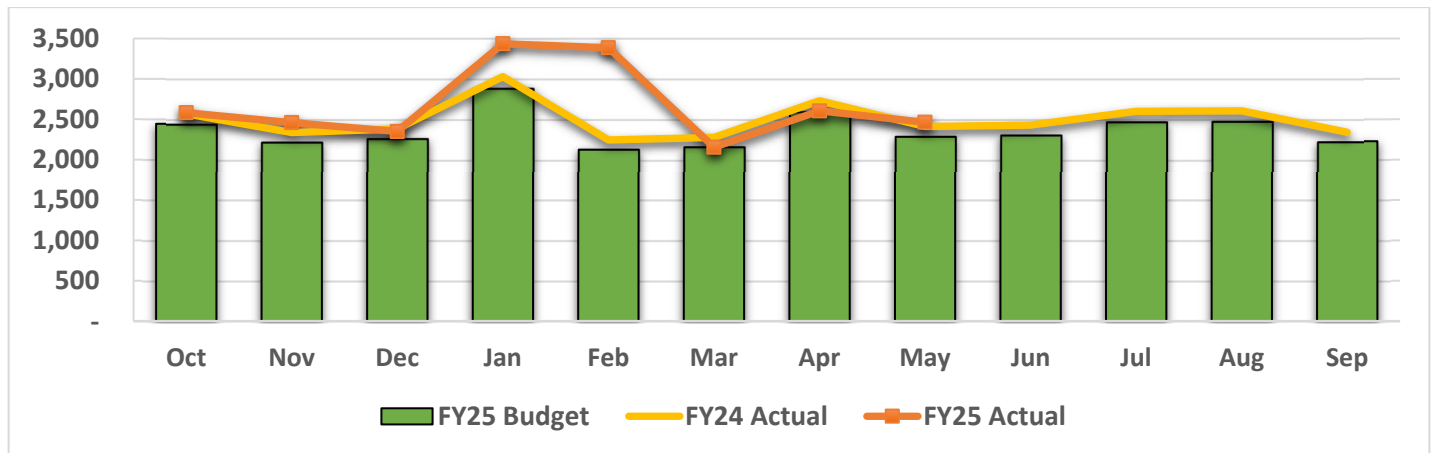
For FY2025, the City has collected \$21,419,000 in sales tax which is \$2,408,049, or 12.7%, more than the FY2025 budget of \$19,010,951 and \$1,456,000, or 7.3%, more than the FY2024 actual collections.

Budget Comparison to FY2024	FY2024 Actual	FY2025 Budget	FY2025 Actual
May	2,409,000	2,294,056	2,461,000
Year-to-Date	19,963,000	19,010,951	21,419,000

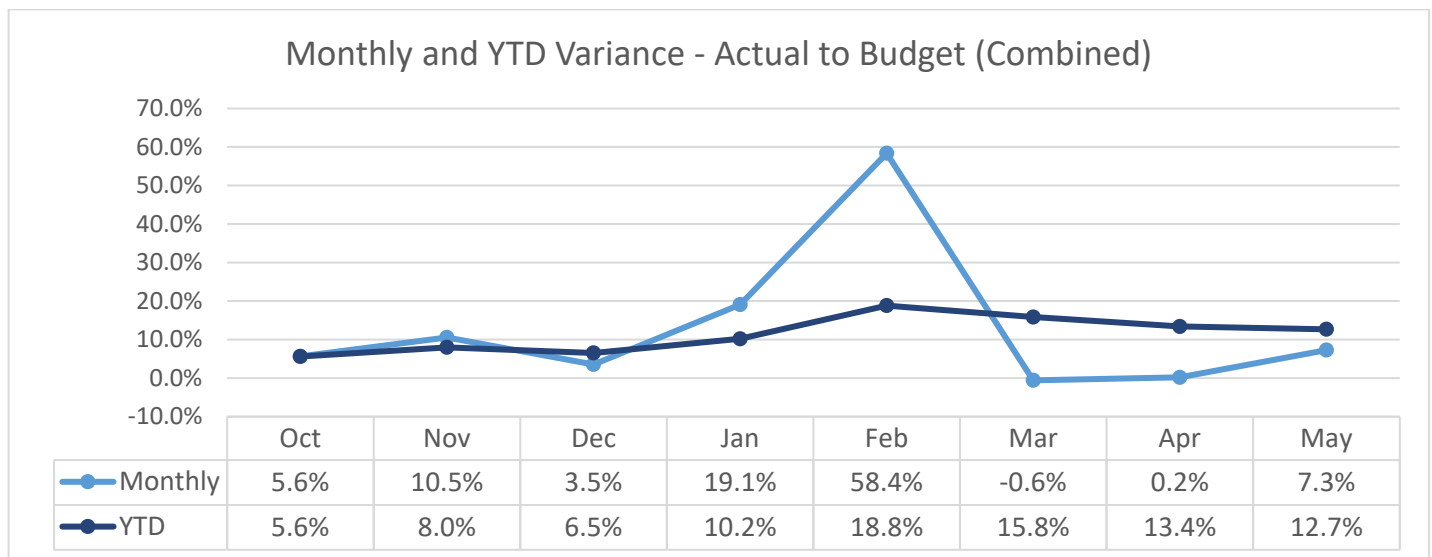
Year-to-Date Variance		
Over/(Under) FY2024 Actual	1,456,000	7.3%
Over/(Under) FY2025 Budget	2,408,049	12.7%



The following graph demonstrates how our trend compares to last year's actuals and budget.



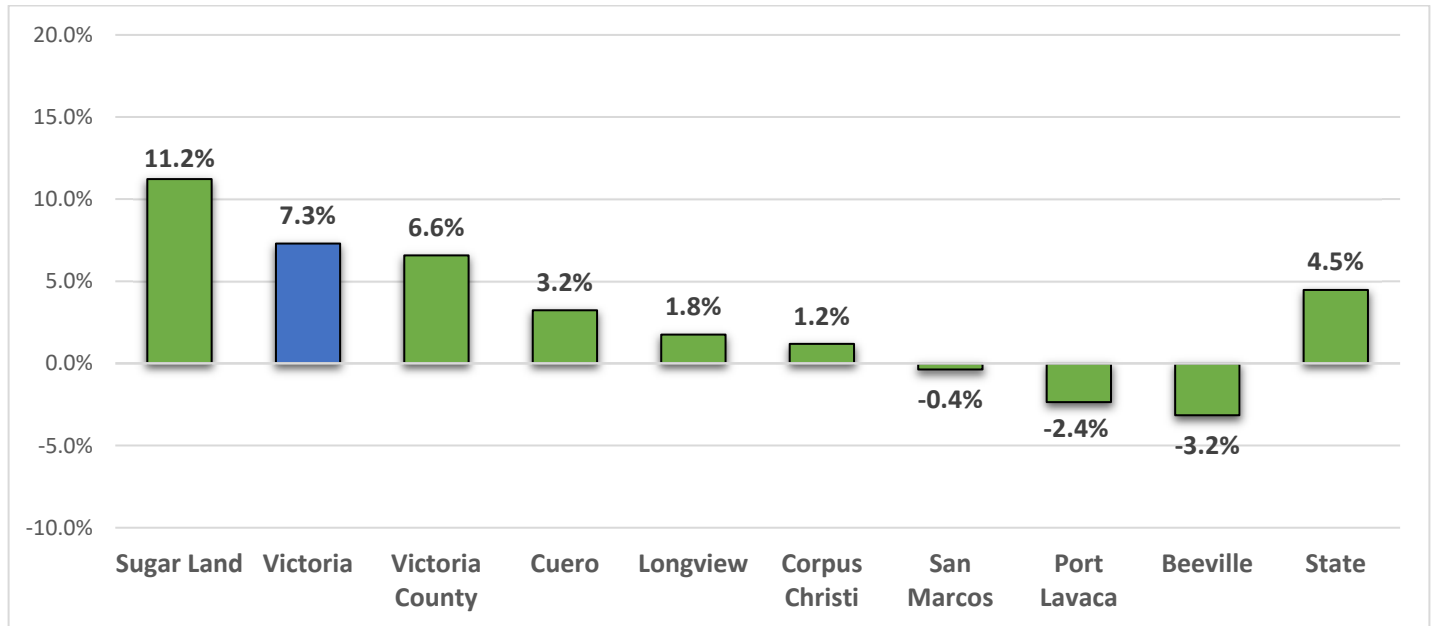
May collections are above the monthly budget by \$167,000, or 7.3%. The following graph provides the variance related to current monthly performance as compared to the budget.





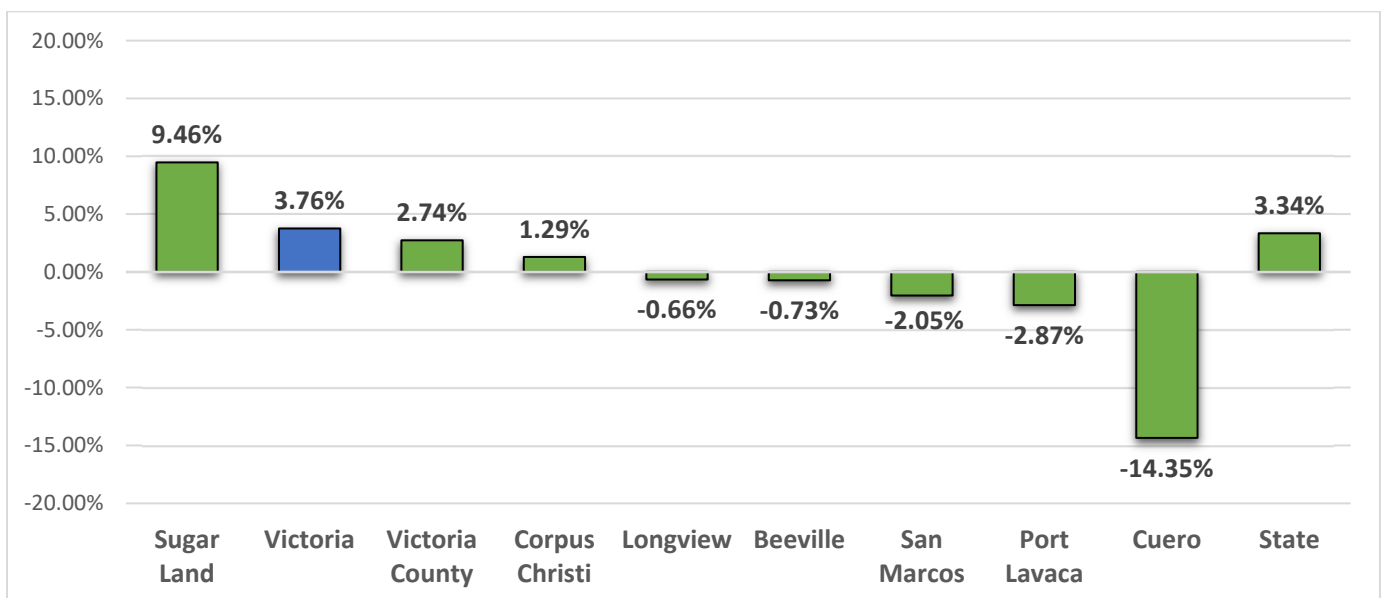
Compared to Other Cities

Year-to-date collections for Victoria are up 7.3% which is the second highest variance of comparative cities/counties, and more than the State average.



Rolling 12-Month

The rolling 12-month percentage change for Victoria and comparative cities/counties is reflected in the graph below. Victoria's rolling 12-month growth rate decreased to 3.76%, the second highest among the comparison cities/counties and above the State, for the period of June 2024 – May 2025.





Definitions

Components of Allocation Payments

Authority Code	Unique seven digit code assigned to each taxing jurisdiction. Cities start with a "2," transit authorities with a "3," counties with a "4," and SPDs with a "5."	
Allocation Period	Month and year the payment was distributed to the city, county, special purpose district or transit authority	
Total Collections	Total of the following five collection sources since the last allocation	
	<i>Prior Period Collections</i>	Collections from any original or amended returns whose due date was before the most recent return due date and collections of delinquent balances
	<i>Current Period Collections</i>	Collections from the most recent return(s) due
	<i>Future Period Collections</i>	Collections from returns not yet due
	<i>Audit Collections</i>	Collections from audited periods
	<i>Unidentified</i>	Occasional proportionate disbursements of local tax collected and remitted by businesses but not identified by specific location
	<i>Single Local Rate Collections</i>	Proportionate share of disbursement of local tax collected and remitted by remote sellers opting to report local tax using the single local tax rate
(-) Service Fee	Two percent of the total collections retained by the state	
(-) Current Retained	Two percent of the net total collections less the monthly service fee	
(+) Prior Retained	Reimbursement of the amount retained in the previous month's allocation	
(=) Net Payment	Payment amount	

Source: <https://mycpa.cpa.state.tx.us/allocation/help>