



City of
Golden

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Council Memorandum

To: City Council
From: Jeff Hansen, Finance Director
Date: October 10, 2017
Re: Sales Tax Report

Attached are the sales and use tax reports for August sales (collected in September). Sales tax collections were up \$37,967 (3.1%) for the month. Most of the increase for the month came from businesses outside the City. Revenue from within the City was up less than 1%. Overall, revenue is up \$461,285 (+4.8%) year-to-date compared to 2016. When adjusted for seasonality, sales tax revenues exceed the 2017 Budget by 2.6%.

Overall, sales tax from businesses within the City limits (including Utilities) is up \$361,047 compared to 2016. In terms of dollars, revenues have increased the most from Golden Road, Coors Tech Center, and North Golden. The Heritage/Gateway Village area shows the largest decrease compared to last year. By business type, General Merchandise, Restaurants, and Grocery show the largest increases. Manufacturing has the largest decrease for the year. Sales tax from businesses outside the City limits, which includes big ticket items that are delivered into the City, is up \$100,238 (4.82%) for the year.

Use tax collections were up \$88,605 (41.2%) for August. Most of the increase for the month came from taxes associated with vehicle registrations. For the year, use tax is up \$135,879 (7.0%) compared to 2016. Automotive, Business Services/Supplies, and Accommodations have the largest increases so far this year, with Manufacturing still showing the largest decrease. As has been mentioned in prior reports, use tax can be very sporadic in nature, making trend analysis more difficult. Use tax is generally a sign of businesses reinvesting and upgrading their assets, and can also be a result of the opening of new businesses.

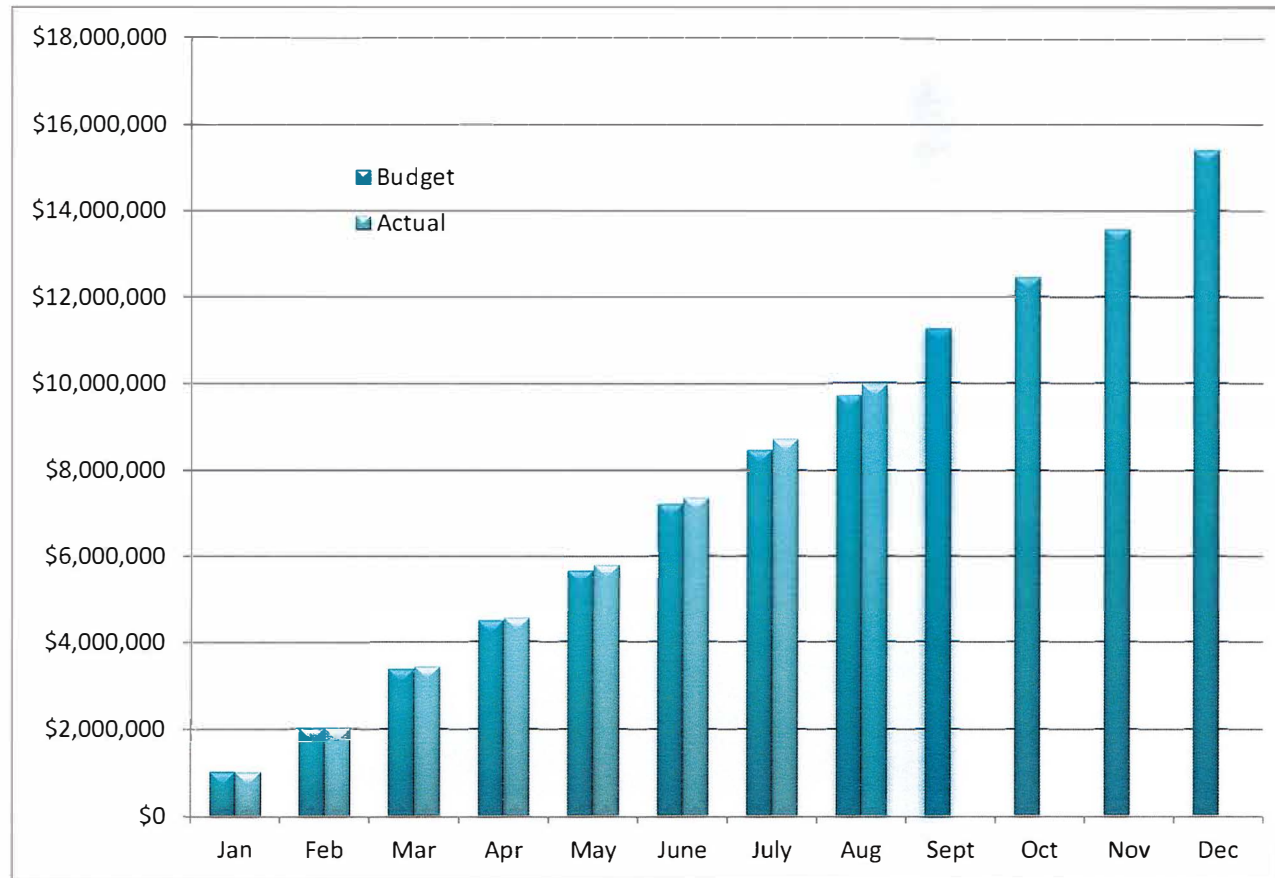
In the area of audit revenue, \$81,016 was collected in September. Including building use tax audits, the total audit revenue collected so far in 2017 is \$594,249. Also, the City continues to have audits in progress and additional audit revenue has been assessed, with collection anticipated over the next few months. \$42,520 have been issued in refunds for the year. These amounts are shown separately on the attached collection reports.

The local economy continues to look very good. The strong numbers for Restaurants (sales tax) and Automotive (use tax) are positive signs in regards to discretionary spending. August sales tax was not as strong as July, but still good. Use tax has picked up nicely over the last couple months, with the anticipated manufacturing use tax still to come. At this point, the outlook for the balance of 2017 remains very good.

As always, if you have any questions, please call me at 303-384-8020.

CITY OF GOLDEN
Budget to Actual Comparison
(adjusted for seasonality)
2017 Sales Tax Revenue

<u>Month</u>	<u>YTD Budget</u>	<u>YTD Actual</u>
Jan	\$1,014,831	\$1,006,334
Feb	2,013,664	2,008,044
Mar	3,366,552	3,427,875
Apr	4,479,702	4,543,508
May	5,655,075	5,787,588
June	7,201,833	7,349,666
July	8,457,624	8,706,714
Aug	9,724,363	9,972,409
Sept	11,273,432	
Oct	12,454,670	
Nov	13,558,336	
Dec	15,400,650	

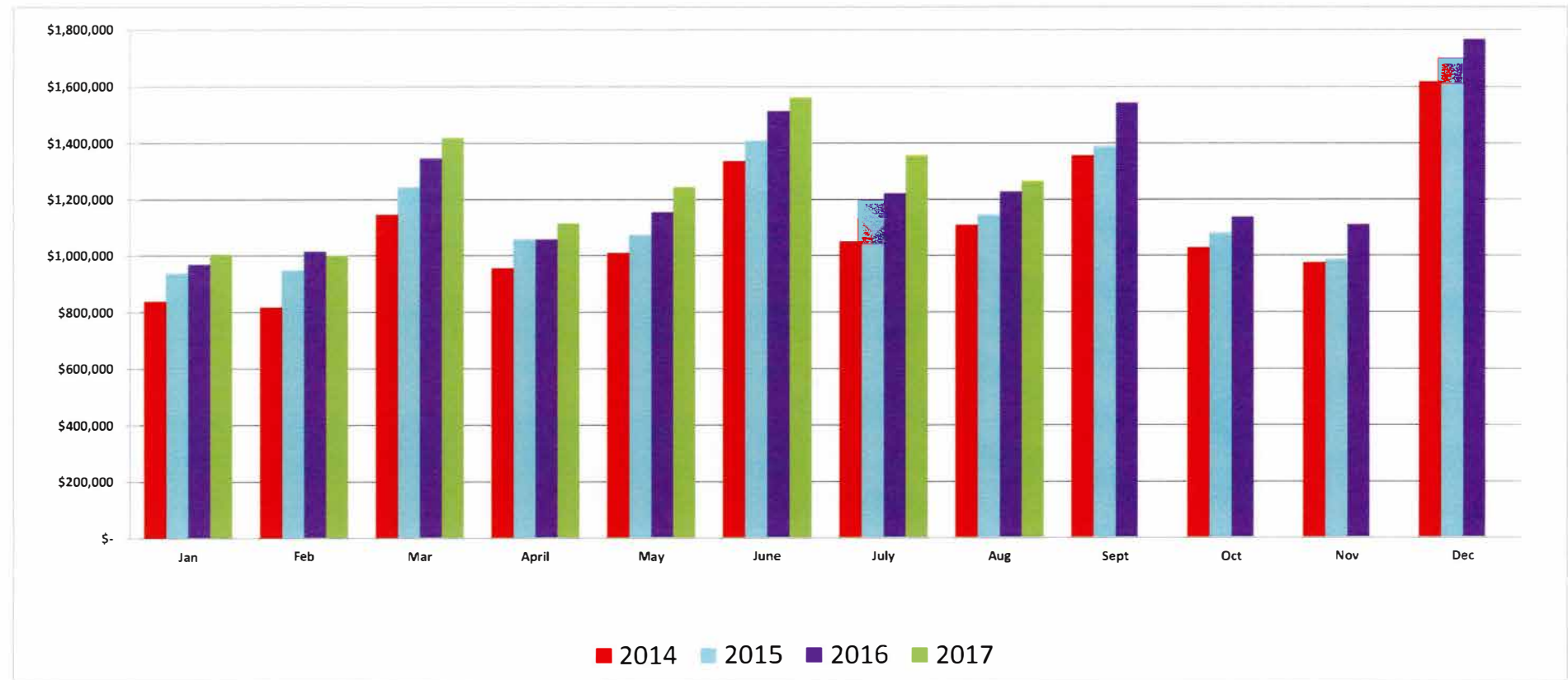


City of Golden
Sales Tax Trends
Month of August (September)
2014-2017

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2017	\$ 1,006,334	\$ 1,001,710	\$ 1,419,831	\$ 1,115,633	\$ 1,244,080	\$ 1,562,078	\$ 1,357,048	\$ 1,265,695					\$ 9,972,409	3.1%
2016	\$ 970,666	\$ 1,015,827	\$ 1,347,205	\$ 1,057,664	\$ 1,156,045	\$ 1,514,344	\$ 1,221,645	\$ 1,227,728	\$ 1,543,227	\$ 1,137,294	\$ 1,109,698	\$ 1,765,585	\$ 15,066,928	7.0%
2015	\$ 940,868	\$ 951,043	\$ 1,247,072	\$ 1,059,530	\$ 1,075,165	\$ 1,410,884	\$ 1,192,205	\$ 1,147,227	\$ 1,391,863	\$ 1,082,678	\$ 987,857	\$ 1,688,949	\$ 14,175,341	3.6%
2014	\$ 838,767	\$ 816,891	\$ 1,146,091	\$ 955,325	\$ 1,009,219	\$ 1,334,861	\$ 1,049,035	\$ 1,107,295	\$ 1,354,749	\$ 1,026,067	\$ 973,861	\$ 1,616,252	\$ 13,228,413	9.2%

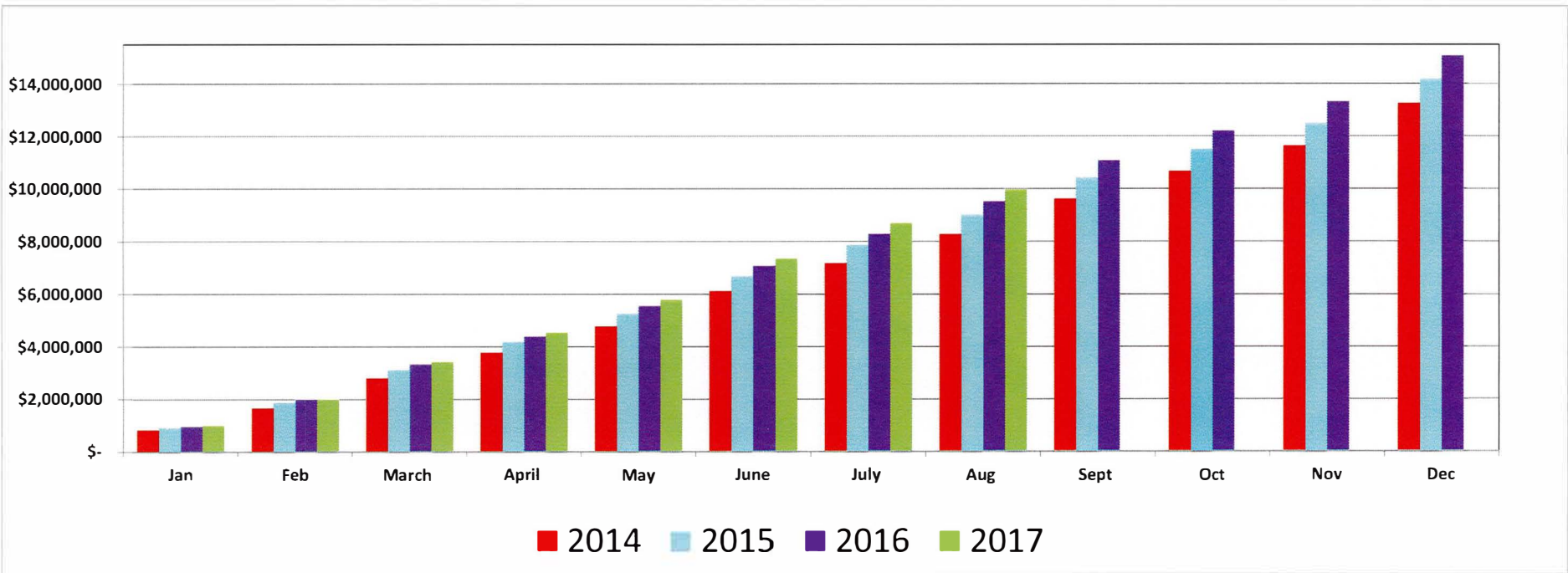
MTD Sales Tax Audit Revenue	\$74,340	
Less: MTD Sales Tax Refunds	\$0	
Net Sales Tax Revenue	\$74,340	

* Percentage Change is for current month only (highlighted)



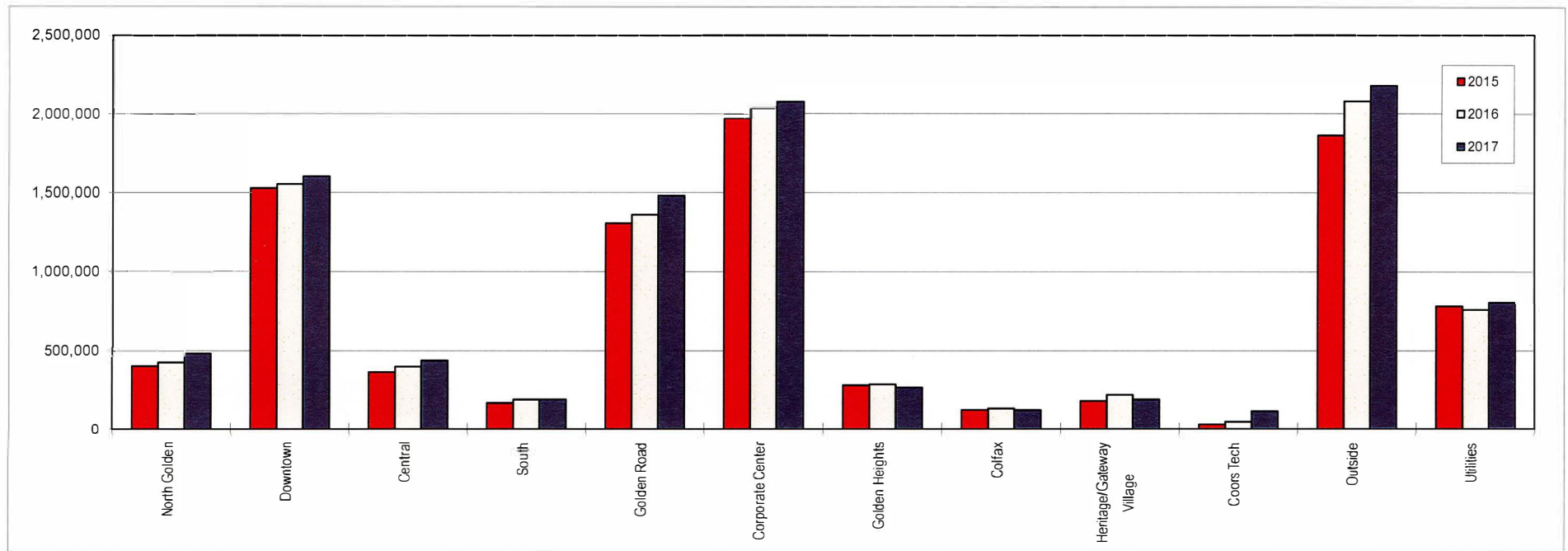
**City of Golden
Sales Tax Trends
YTD August (September)
2014-2017**

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2017	\$ 1,006,334	\$ 2,008,044	\$ 3,427,875	\$ 4,543,508	\$ 5,787,588	\$ 7,349,666	\$ 8,706,714	\$ 9,972,409					\$ 9,972,409	4.8%
2016	\$ 970,666	\$ 1,986,493	\$ 3,333,698	\$ 4,391,362	\$ 5,547,407	\$ 7,061,751	\$ 8,283,396	\$ 9,511,124	\$ 11,054,351	\$ 12,191,645	\$ 13,301,343	\$ 15,066,928	\$ 15,066,928	5.4%
2015	\$ 940,868	\$ 1,891,911	\$ 3,138,983	\$ 4,198,513	\$ 5,273,678	\$ 6,684,562	\$ 7,876,767	\$ 9,023,994	\$ 10,415,857	\$ 11,498,535	\$ 12,486,392	\$ 14,175,341	\$ 14,175,341	9.3%
2014	\$ 838,767	\$ 1,655,658	\$ 2,801,749	\$ 3,757,074	\$ 4,766,293	\$ 6,101,154	\$ 7,150,190	\$ 8,257,485	\$ 9,612,234	\$ 10,638,301	\$ 11,612,162	\$ 13,228,414	\$ 13,228,414	6.9%
<div> <div>YTD Sales Tax Audit Revenue</div> <div>\$267,319</div> </div> <div> <div>Less: YTD Sales Tax Refunds</div> <div>(\$1,016)</div> </div> <div> <div>Other Sales Tax Revenue</div> <div>\$266,303</div> </div> <div>* Percentage Change - YTD percentage change</div>														



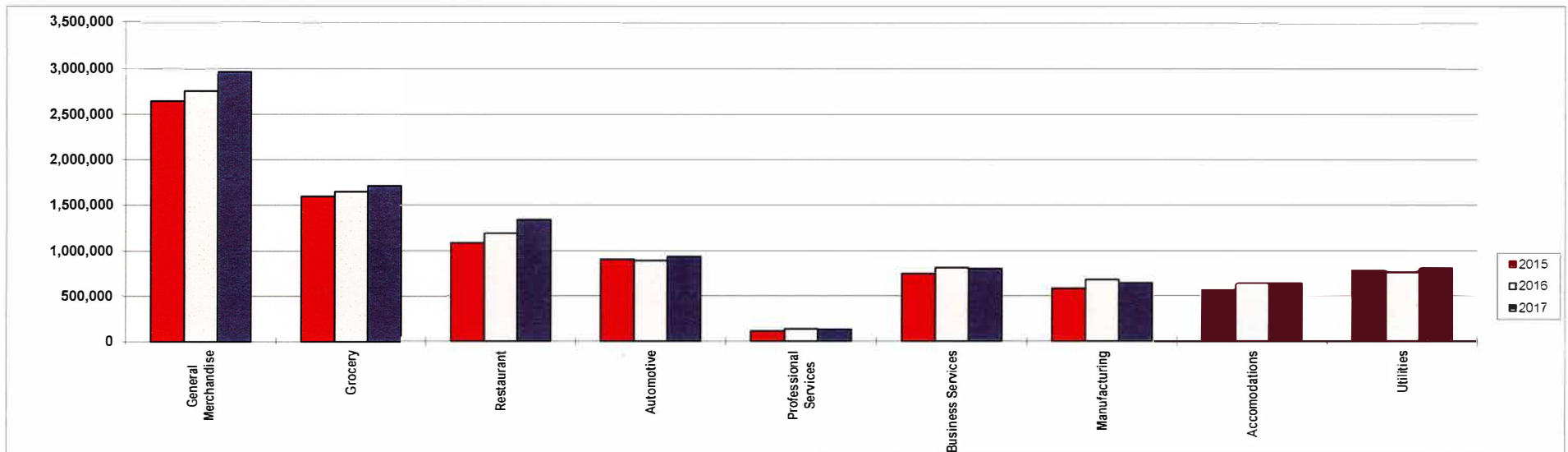
City of Golden
Sales Tax Revenue By Location
YTD August (September)
2015/2016/2017

Area	2015 Sales Tax	% of total Sales Tax	2016 Sales Tax	% of total Sales Tax	2016-2015 % Change	2017 Sales Tax	% of total Sales Tax	2017-2016 % Change
North Golden	\$ 406,478	4.50%	\$ 427,947	4.50%	5.28%	\$ 484,584	4.86%	13.23%
Downtown	\$ 1,527,823	16.93%	\$ 1,553,842	16.34%	1.70%	\$ 1,601,617	16.06%	3.07%
Central	\$ 367,587	4.07%	\$ 402,019	4.23%	9.37%	\$ 439,481	4.41%	9.32%
South	\$ 171,346	1.90%	\$ 193,778	2.04%	13.09%	\$ 195,125	1.96%	0.69%
Golden Road	\$ 1,305,090	14.46%	\$ 1,359,299	14.29%	4.15%	\$ 1,480,330	14.84%	8.90%
Corporate Center	\$ 1,970,821	21.84%	\$ 2,037,114	21.42%	3.36%	\$ 2,076,800	20.83%	1.95%
Golden Heights	\$ 282,907	3.14%	\$ 288,820	3.04%	2.09%	\$ 268,426	2.69%	-7.06%
Colfax	\$ 128,843	1.43%	\$ 137,515	1.45%	6.73%	\$ 126,863	1.27%	-7.75%
Heritage /Gateway Village	\$ 185,096	2.05%	\$ 222,923	2.34%	20.44%	\$ 192,965	1.93%	-13.44%
Coors Technology	\$ 31,651	0.35%	\$ 48,140	0.51%	52.10%	\$ 119,519	1.20%	148.27%
Outside	\$ 1,864,170	20.66%	\$ 2,080,194	21.87%	11.59%	\$ 2,180,432	21.86%	4.82%
Utilities	\$ 782,182	8.67%	\$ 759,532	7.99%	-2.90%	\$ 806,269	8.08%	6.15%
Totals	\$ 9,023,994	100%	\$ 9,511,124	100%	5.40%	\$ 9,972,409	100%	4.85%



City of Golden
Sales Tax Revenue By Type
YTD August (September)
2015/2016/2017

Type	2015 Sales Tax	% of total Sales Tax	2016 Sales Tax	% of total Sales Tax	2016-2015 % Change	2017 Sales Tax	% of total Sales Tax	2017-2016 % Change
General Merchandise	\$ 2,643,447	29.29%	\$ 2,750,405	28.92%	4.05%	\$ 2,963,889	29.72%	7.76%
Grocery	\$ 1,597,408	17.70%	\$ 1,650,481	17.35%	3.32%	\$ 1,712,297	17.17%	3.75%
Restaurants	\$ 1,091,336	12.09%	\$ 1,193,581	12.55%	9.37%	\$ 1,339,558	13.43%	12.23%
Automotive	\$ 903,037	10.01%	\$ 889,292	9.35%	-1.52%	\$ 936,298	9.39%	5.29%
Prof Services\Entertainment	\$ 114,386	1.27%	\$ 136,898	1.44%	19.68%	\$ 131,811	1.32%	-3.72%
Bus ServicesSupp.	\$ 748,963	8.30%	\$ 812,739	8.55%	8.52%	\$ 802,397	8.05%	-1.27%
Manufacturing - Production	\$ 583,705	6.47%	\$ 678,807	7.14%	16.29%	\$ 643,612	6.45%	-5.18%
Accommodations	\$ 559,531	6.20%	\$ 639,389	6.72%	14.27%	\$ 636,279	6.38%	-0.49%
Utilities	\$ 782,182	8.67%	\$ 759,532	7.99%	-2.90%	\$ 806,269	8.08%	6.15%
Totals	\$ 9,023,994	100%	\$ 9,511,124	100.00%	5.40%	\$ 9,972,409	100.00%	4.85%



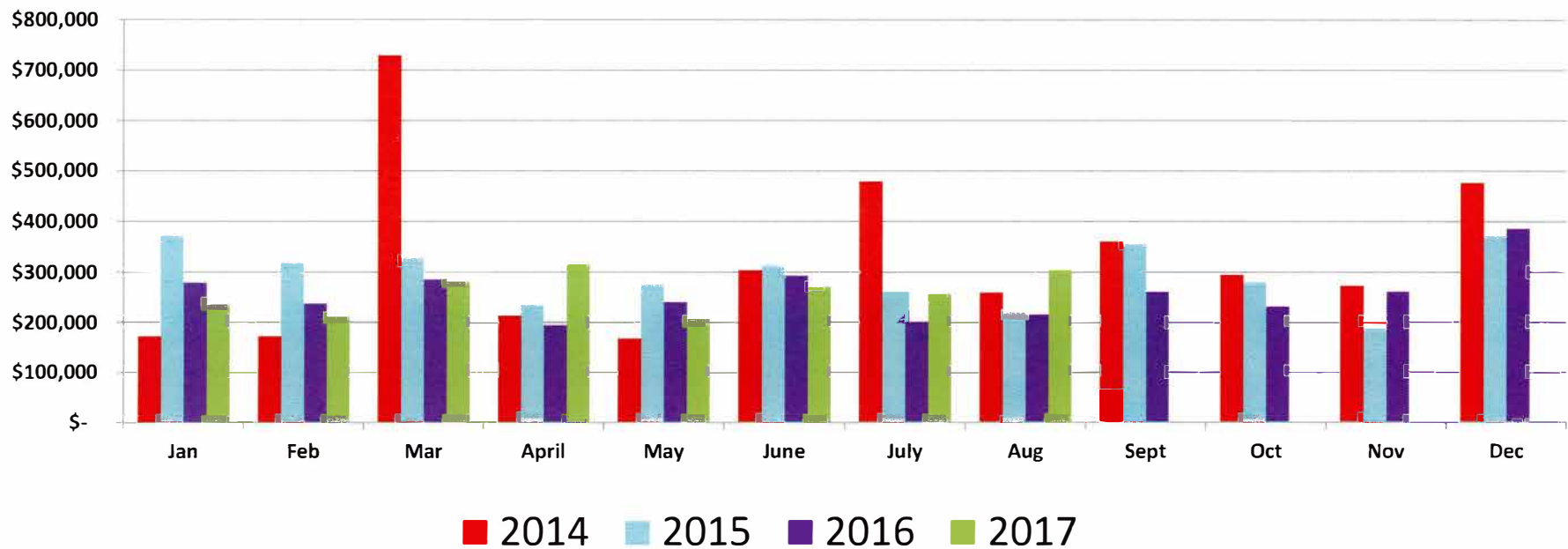
City of Golden
Use Tax Trends
Month of August (September)
2014-2017

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2017	\$ 235,196	\$ 211,570	\$ 280,802	\$ 315,407	\$ 206,861	\$ 270,677	\$ 256,138	\$ 303,761					\$ 2,080,412	41.2%
2016	\$ 278,990	\$ 237,225	\$ 285,559	\$ 194,318	\$ 240,102	\$ 292,505	\$ 200,678	\$ 215,156	\$ 259,981	\$ 230,883	\$ 260,773	\$ 385,860	\$ 3,082,030	-3.0%
2015	\$ 372,306	\$ 317,519	\$ 327,607	\$ 235,186	\$ 276,860	\$ 314,794	\$ 254,336	\$ 221,729	\$ 354,706	\$ 280,238	\$ 187,729	\$ 372,140	\$ 3,470,150	-14.1%
2014	\$ 171,612	\$ 171,243	\$ 728,393	\$ 212,635	\$ 166,412	\$ 302,449	\$ 477,511	\$ 258,124	\$ 359,641	\$ 293,257	\$ 271,497	\$ 475,522	\$ 3,888,296	45.0%

MTD Use Tax Audit Revenue \$6,676
Less: MTD Use Tax Refunds (\$1,613)
Other Use Tax Revenue \$5,063

<<<< includes building use tax audit revenue

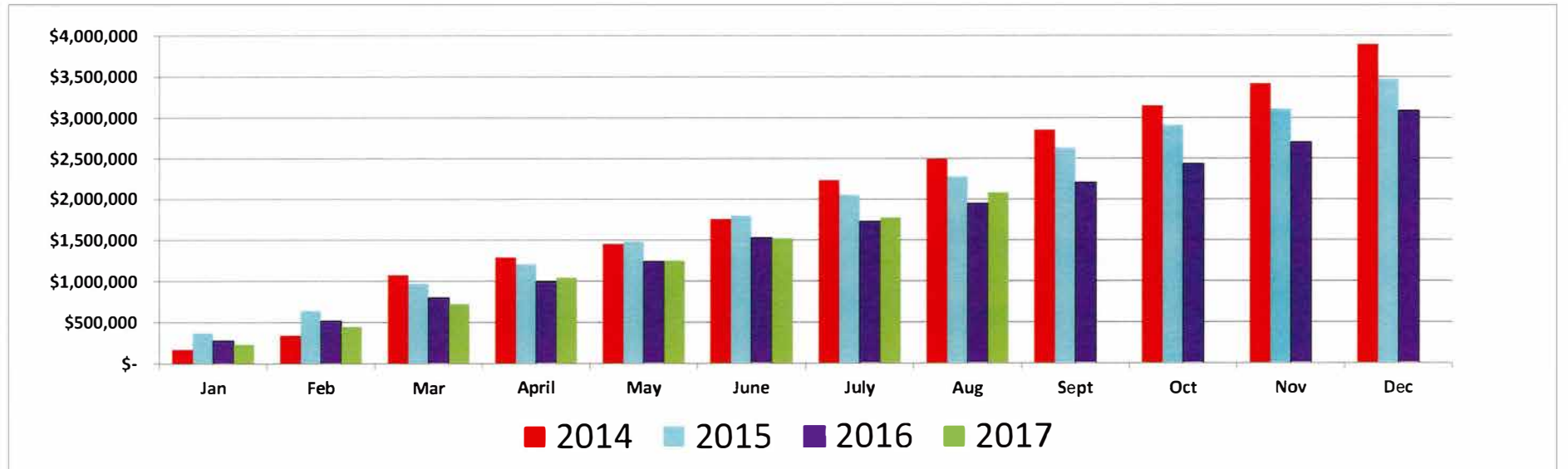
* Percentage Change is for current month only (highlighted)



*Amounts reported on the cash basis

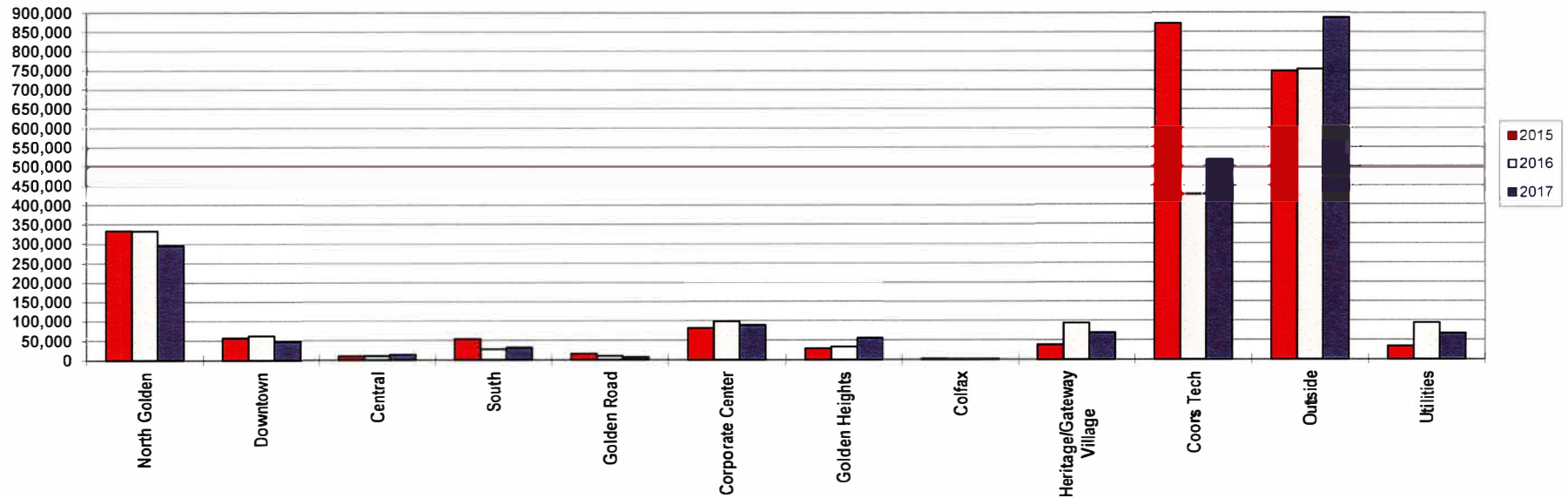
**City of Golden
Use Tax Trends
YTD August (September)
2014-2017**

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	YTD % Chng
2017	\$ 235,196	\$ 446,766	\$ 727,568	\$ 1,042,975	\$ 1,249,836	\$ 1,520,513	\$ 1,776,651	\$ 2,080,412					\$ 2,080,412	7.0%
2016	\$ 278,990	\$ 516,215	\$ 801,774	\$ 996,092	\$ 1,236,194	\$ 1,528,699	\$ 1,729,377	\$ 1,944,533	\$ 2,204,514	\$ 2,435,397	\$ 2,696,170	\$ 3,082,030	\$ 3,082,030	-14.5%
2015	\$ 372,306	\$ 644,825	\$ 972,432	\$ 1,207,618	\$ 1,484,478	\$ 1,799,272	\$ 2,053,608	\$ 2,275,337	\$ 2,630,043	\$ 2,910,281	\$ 3,098,010	\$ 3,470,150	\$ 3,470,150	-8.6%
2014	\$ 171,612	\$ 342,855	\$ 1,071,248	\$ 1,283,883	\$ 1,450,295	\$ 1,752,744	\$ 2,230,255	\$ 2,488,379	\$ 2,848,020	\$ 3,141,277	\$ 3,412,774	\$ 3,888,296	\$ 3,888,296	40.9%
<div> <div>YTD Use Tax Audit Revenue</div> <div>\$ 326,930</div> <div><<<< includes building use tax audit revenue</div> </div> <div> <div>Less: YTD Use Tax Refunds</div> <div>(\$41,504)</div> </div> <div> <div>Other Use Tax Revenue</div> <div>\$ 285,426</div> </div> <div>** Percentage Change is YTD %</div>														



City of Golden
Use Tax Revenue By Location
YTD August (September)
2015/2016/2017

Area	2015 Use Tax	% of total Use Tax	2016 Use Tax	% of total Use Tax	2016-2015 % Change	2017 Use Tax	% of total Use Tax	2017-2016 % Change
North Golden	\$ 333,424	14.65%	\$ 332,800	17.11%	-0.19%	\$ 295,067	14.18%	-11.34%
Downtown	\$ 57,007	2.51%	\$ 62,127	3.19%	8.98%	\$ 47,421	2.28%	-23.67%
Central	\$ 10,035	0.44%	\$ 10,849	0.56%	8.11%	\$ 14,328	0.69%	32.06%
South	\$ 53,507	2.35%	\$ 27,316	1.40%	-48.95%	\$ 31,735	1.53%	16.18%
Golden Road	\$ 15,704	0.69%	\$ 9,822	0.51%	-37.46%	\$ 7,619	0.37%	-22.43%
Corporate Center	\$ 80,909	3.56%	\$ 98,055	5.04%	21.19%	\$ 88,567	4.26%	-9.68%
Golden Heights	\$ 29,122	1.28%	\$ 33,334	1.71%	14.47%	\$ 55,514	2.67%	66.54%
Colfax	\$ 2,253	0.10%	\$ 1,497	0.08%	-33.57%	\$ 1,509	0.07%	0.77%
Heritage/Gateway Village	\$ 38,293	1.68%	\$ 93,645	4.82%	144.55%	\$ 68,371	3.29%	173.01%
Coors Technology	\$ 871,681	38.31%	\$ 427,654	21.99%	-50.94%	\$ 516,889	24.85%	20.87%
Outside	\$ 749,096	32.92%	\$ 753,868	38.77%	0.64%	\$ 886,871	42.63%	17.64%
Utilities	\$ 34,306	1.51%	\$ 93,566	4.81%	172.74%	\$ 66,522	3.20%	-28.90%
Totals	\$ 2,275,337	100%	\$ 1,944,533	100%	-14.54%	\$ 2,080,412	100%	6.99%



City of Golden
Use Tax Revenue By Type
YTD August (September)
2015/2016/2017

Type	2015 Use Tax	% of total Use Tax	2016 Use Tax	% of total Use Tax	2016-2014 % Change	2017 Use Tax	% of total Use Tax	2016-2017 % Change
General Merchandise	\$ 191,202	8.40%	\$ 139,254	7.16%	-27.17%	\$ 120,902	5.81%	-13.18%
Grocery	\$ 49,348	2.17%	\$ 51,729	2.66%	4.83%	\$ 52,996	2.55%	2.45%
Restaurants	\$ 19,809	0.87%	\$ 21,337	1.10%	7.71%	\$ 11,102	0.53%	-47.97%
Automotive	\$ 661,816	29.09%	\$ 702,672	36.14%	6.17%	\$ 813,213	39.09%	15.73%
Prof Services\Entertainment	\$ 76,929	3.38%	\$ 75,585	3.89%	-1.75%	\$ 96,311	4.63%	27.42%
Bus Services	\$ 70,299	3.09%	\$ 71,500	3.68%	1.71%	\$ 139,698	6.71%	95.38%
Manufacturing - Production	\$ 1,156,381	50.82%	\$ 773,793	39.79%	-33.08%	\$ 738,467	35.50%	-4.57%
Accommodations	\$ 15,247	0.67%	\$ 15,097	0.78%	-0.98%	\$ 41,199	1.98%	172.89%
Utilities	\$ 34,306	1.51%	\$ 93,566	4.81%	172.74%	\$ 66,522	3.20%	-28.90%
Totals	\$ 2,275,337	100%	\$ 1,944,533	100%	-14.54%	\$ 2,080,412	100%	6.99%

