City of Golden

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Council Memorandum

To: City Council

From: Jeff Hansen, Finance Director

Through: Jason Slowinski, City Manager

Date: February 6, 2020

Re: 2019 Year End Sales Tax Report

Attached are the final 2019 sales and use tax reports, including December sales (collected in January). Sales tax collections were up 0.8% (+$15,678) for the month compared to 2018. For comparison, 2018 was up the same 0.8% over 2017. This may be an indication of a change in spending patterns during the holidays. For the year, sales tax revenues were up 3.9% over 2018, but down 1.4% compared to the 2019 budget. In dollars, 2019 revenues exceeded 2018 by $649,940 and was under the 2019 Budget by $238,585.

Overall, sales tax from businesses within the City limits (including Utilities) was up $489,277 compared to 2018. In terms of dollars, the largest revenue increases for the year were from Heritage/Gateway Village, Downtown, and Corporate Center. Golden Road, Central and Golden Heights all decreased for the year. Business Supplies/Services, Restaurants and Accommodations showed the largest increases in 2019. Manufacturing was the only business type with a decrease for the year. Sales from businesses outside the City limits ended the year up $160,663 (+3.87%).

Use tax collections were down $18,946 (-4.9%) for December, but finished the year up $492,088 (+14.7%). Compared to the 2019 Budget, use tax revenues were up $442,266 (+13.0%). For 2019, Utilities and Manufacturing had the biggest increases. Automotive and General Merchandise had the largest decreases.

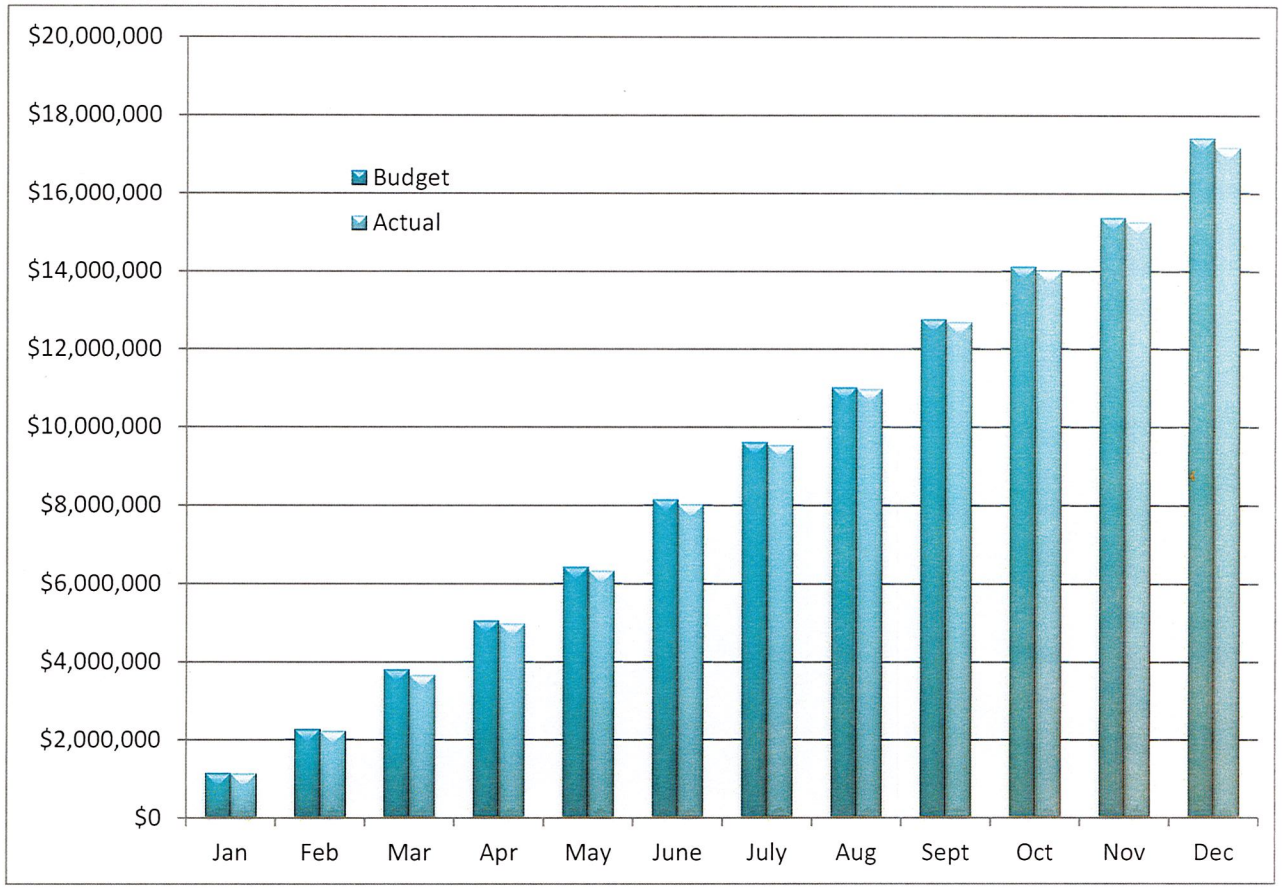
Total audit revenue collected in 2019 was $3,242,083 up significantly compared to 2018. An additional $132,502 was collected in building permit and plan check fees from the audits of construction projects. The City has several other audits in progress. $921,104 was issued in refunds for the year. These amounts are shown separately on the attached collection reports.

For 2020, sales tax revenue is budgeted at $17,415,000, which is an increase of $239,935 (+1.4%) over the 2019 actual revenue. (The 2020 Budget was an increase of 2.5% over the 2019 Projection at that time.) Use Tax is budgeted at $3,483,975, a decrease of $357,291 (-9.3%) from 2019 collections. The 2020 sales tax budget is very reasonable compared to 2019 final revenues. The 2020 use tax budget looks to be realistic, given that 2019 was an unusually strong year and similar results in 2020 are doubtful. Based on the business activity in 2019, with generally strong increases throughout the summer and fall, realistic expectations are that sales tax could increase 2.5-3.0% in 2020.

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

CITY OF GOLDEN
Budget to Actual Comparison
(adjusted for seasonality)
2019 Sales Tax Revenue

Month	YTD Budget	YTD Actual
Jan	$1,131,848	$1,121,727
Feb	2,266,376	2,215,811
Mar	3,808,245	3,664,188
Apr	5,057,875	4,976,636
May	6,429,488	6,332,180
June	8,147,499	8,017,681
July	9,612,157	9,540,303
Aug	11,020,457	10,975,580
Sept	12,750,372	12,679,960
Oct	14,116,695	14,012,015
Nov	15,376,768	15,270,188
Dec	17,413,650	17,175,065



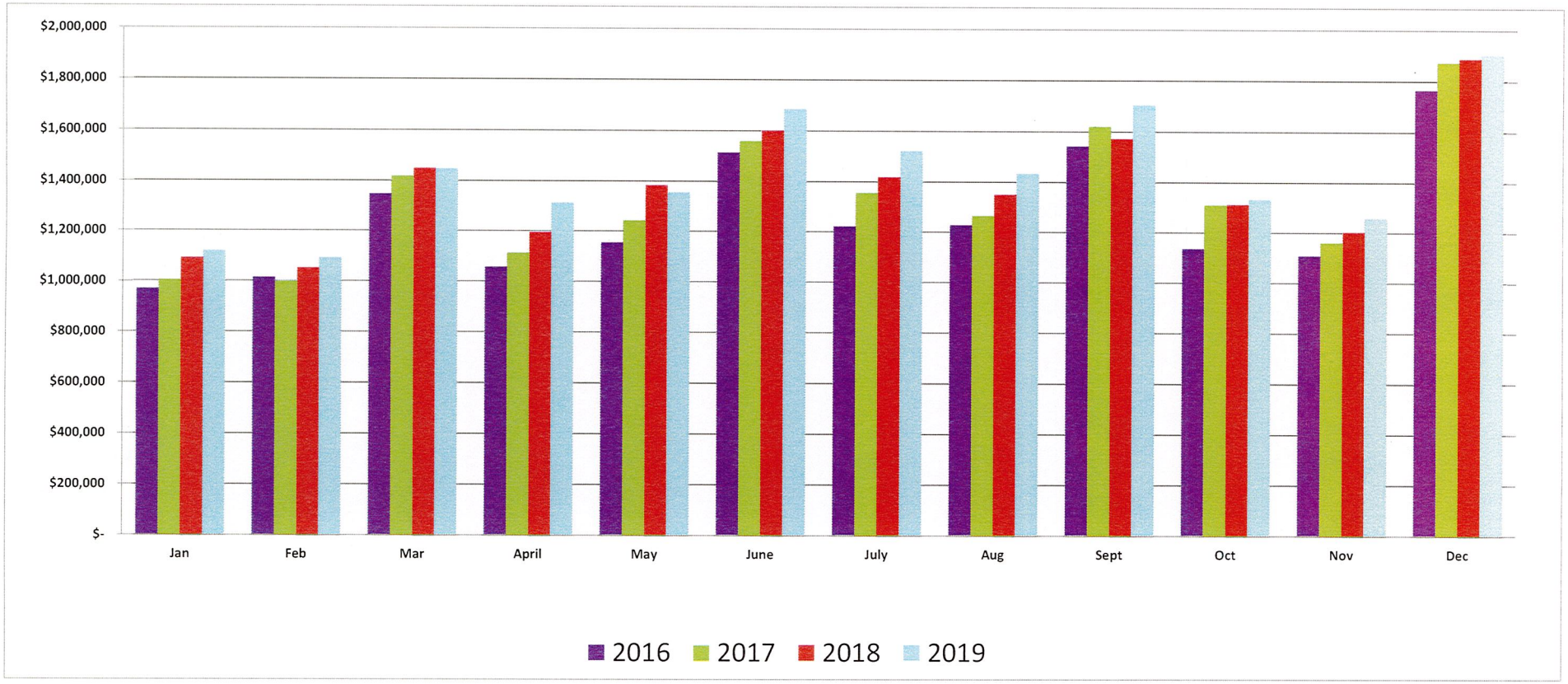
City of Golden
Sales Tax Trends
December (January)
2016-2019

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2019	$ 1,121,727	$ 1,094,083	$ 1,448,377	$ 1,312,449	$ 1,355,543	$ 1,685,502	$ 1,522,621	$ 1,435,278	$ 1,704,379	$ 1,332,056	$ 1,258,172	$ 1,904,877	$ 17,175,065	0.8%
2018	$ 1,093,179	$ 1,051,962	$ 1,449,975	$ 1,195,615	$ 1,385,438	$ 1,600,985	$ 1,419,564	$ 1,350,087	$ 1,573,223	$ 1,311,303	$ 1,204,594	$ 1,889,199	$ 16,525,125	0.8%
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	$ 1,622,168	$ 1,310,702	$ 1,163,305	$ 1,874,575	$ 15,943,159	6.2%
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	4.5%

MTD Sales Tax Audit Revenue	$ 9,896
Less: MTD Sales Tax Refunds	$ (151)
Net Sales Tax Revenue	$ 9,745

MTD Audit Permit Fees	$ 1,151
MTD Audit Plan Check Fees	$ 781
Net Fees Collected	$ 1,932

* Percentage Change is for current month only (highlighted)



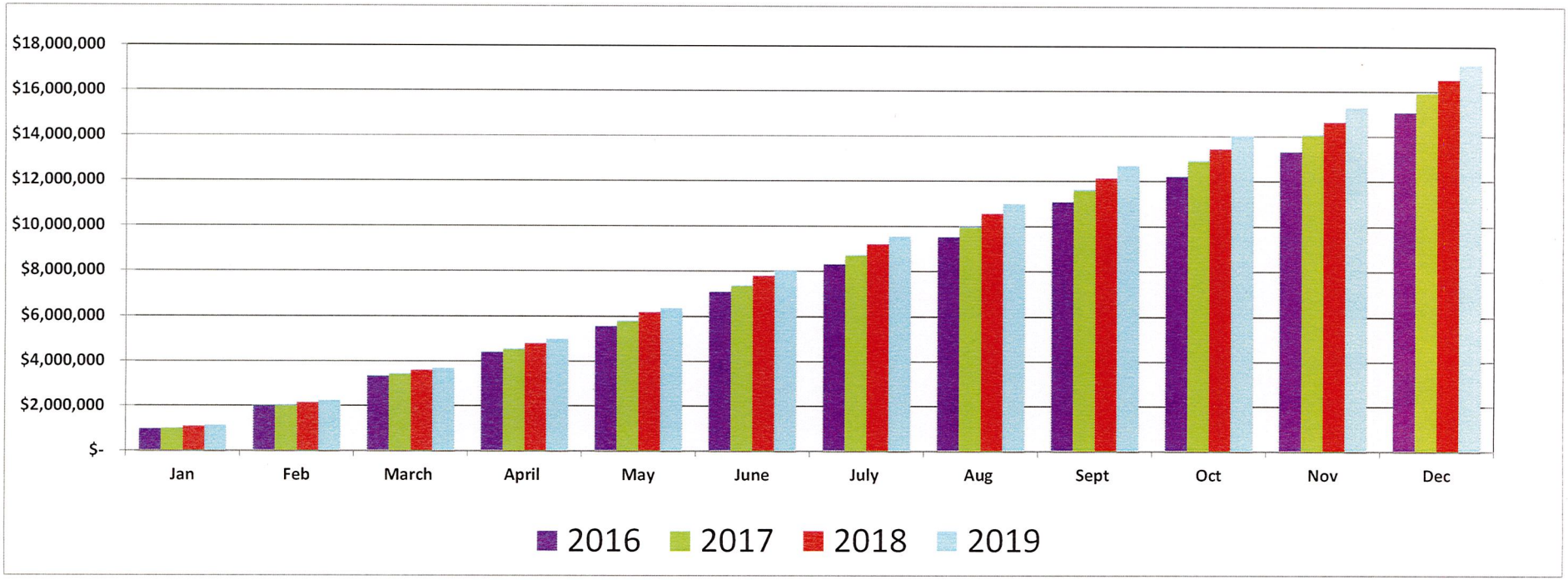
Amounts reported are net of revenues earmarked for community marketing.

City of Golden
Sales Tax Trends
YTD December (January)
2016-2019

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2019	$ 1,121,727	$ 2,215,811	$ 3,664,188	$ 4,976,636	$ 6,332,180	$ 8,017,681	$ 9,540,303	$ 10,975,580	$ 12,679,960	$ 14,012,015	$ 15,270,188	$ 17,175,065	$ 17,175,065	3.9%
2018	$ 1,093,179	$ 2,145,142	$ 3,595,117	$ 4,790,732	$ 6,176,170	$ 7,777,155	$ 9,196,719	$ 10,546,807	$ 12,120,029	$ 13,431,332	$ 14,635,926	$ 16,525,125	$ 16,525,125	3.7%
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	$ 11,594,577	$ 12,905,279	$ 14,068,587	$ 15,943,159	$ 15,943,159	5.8%
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	6.3%

YTD Sales Tax Audit Revenue	$208,065	YTD Audit Permit Fees	$ 94,856
Less: YTD Sales Tax Refunds	$ (884,288)	YTD Audit Plan Check Fees	$ 37,646
Other Sales Tax Revenue	($676,223)	Net Fees Collected	$ 132,502

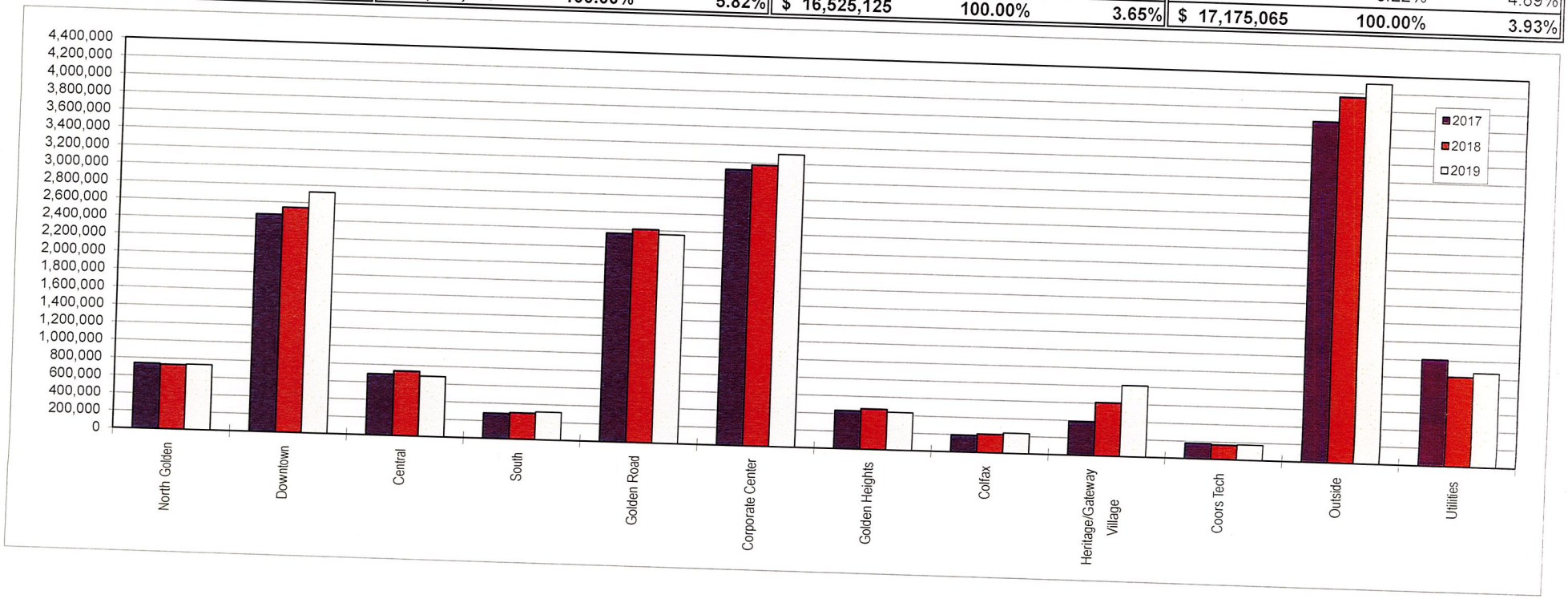
* Percentage Change - YTD percentage change



Amounts reported are net of revenues earmarked for community marketing.

City of Golden
Sales Tax Revenue By Location
YTD December (January)
2017/2018/2019

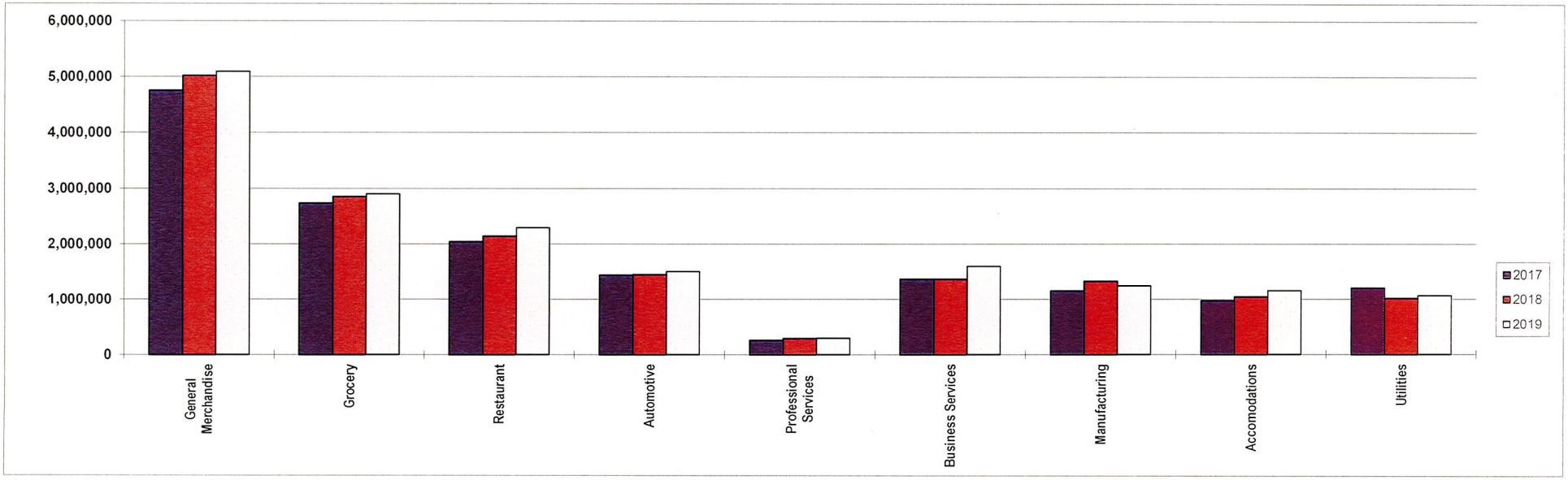
Area	2017 Sales Tax	% of total Sales Tax	2017-2016 % Change	2018 Sales Tax	% of total Sales Tax	2018-2017 % Change	2019 Sales Tax	% of total Sales Tax	2019-2018 % Change
North Golden	$ 740,899	4.65%	8.46%	$ 731,480	4.43%	-1.27%	$ 740,902	4.31%	1.29%
Downtown	$ 2,455,504	15.40%	3.28%	$ 2,540,353	15.37%	3.46%	$ 2,722,055	15.85%	7.15%
Central	$ 694,309	4.35%	5.33%	$ 733,574	4.44%	5.66%	$ 684,561	3.99%	-6.68%
South	$ 288,307	1.81%	2.91%	$ 300,292	1.82%	4.16%	$ 317,471	1.85%	5.72%
Golden Road	$ 2,358,767	14.79%	6.95%	$ 2,413,068	14.60%	2.30%	$ 2,359,049	13.74%	-2.24%
Corporate Center	$ 3,123,029	19.59%	2.37%	$ 3,178,845	19.24%	1.79%	$ 3,309,831	19.27%	4.12%
Golden Heights	$ 435,750	2.73%	1.15%	$ 461,610	2.79%	5.93%	$ 432,280	2.52%	-6.35%
Colfax	$ 197,565	1.24%	-3.46%	$ 216,182	1.31%	9.42%	$ 236,242	1.38%	9.28%
Heritage /Gateway Village	$ 391,213	2.45%	9.70%	$ 609,946	3.69%	55.91%	$ 814,406	4.74%	33.52%
Coors Technology	$ 181,938	1.14%	79.09%	$ 170,347	1.03%	-6.37%	$ 178,412	1.04%	4.73%
Outside	$ 3,866,928	24.25%	8.52%	$ 4,151,056	25.12%	7.35%	$ 4,311,719	25.10%	3.87%
Utilities	$ 1,208,948	7.58%	4.80%	$ 1,018,371	6.16%	-15.76%	$ 1,068,137	6.22%	4.89%
Totals	**$ 15,943,159**	**100.00%**	**5.82%**	**$ 16,525,125**	**100.00%**	**3.65%**	**$ 17,175,065**	**100.00%**	**3.93%**



Amounts reported are net of revenues earmarked for community marketing

City of Golden
Sales Tax Revenue By Type
YTD December (January)
2017/2018/2019

Type	2017 Sales Tax	% of total Sales Tax	2017-2016 % Change	2018 Sales Tax	% of total Sales Tax	2018-2017 % Change	2019 Sales Tax	% of total Sales Tax	2019-2018 % Change
General Merchandise	$ 4,751,995	29.81%	9.73%	$ 5,018,875	30.37%	5.62%	$ 5,091,466	29.64%	1.45%
Grocery	$ 2,738,975	17.18%	4.03%	$ 2,857,098	17.29%	4.31%	$ 2,903,716	16.91%	1.63%
Restaurants	$ 2,038,843	12.79%	7.76%	$ 2,136,086	12.93%	4.77%	$ 2,293,319	13.35%	7.36%
Automotive	$ 1,441,822	9.04%	5.34%	$ 1,452,751	8.79%	0.76%	$ 1,507,227	8.78%	3.75%
Prof Services\Entertainment	$ 257,774	1.62%	5.51%	$ 288,752	1.75%	12.02%	$ 294,708	1.72%	2.06%
Bus ServicesSupp.	$ 1,372,446	8.61%	-1.74%	$ 1,374,704	8.32%	0.16%	$ 1,601,241	9.32%	16.48%
Manufacturing - Production	$ 1,157,438	7.26%	4.37%	$ 1,333,256	8.07%	15.19%	$ 1,254,749	7.31%	-5.89%
Accommodations	$ 974,916	6.11%	3.82%	$ 1,045,231	6.33%	7.21%	$ 1,160,502	6.76%	11.03%
Utilities	$ 1,208,948	7.58%	4.80%	$ 1,018,371	6.16%	-15.76%	$ 1,068,137	6.22%	4.89%
Totals	**$ 15,943,159**	**100.00%**	**5.82%**	**$ 16,525,125**	**100.00%**	**3.65%**	**$ 17,175,065**	**100.00%**	**3.93%**



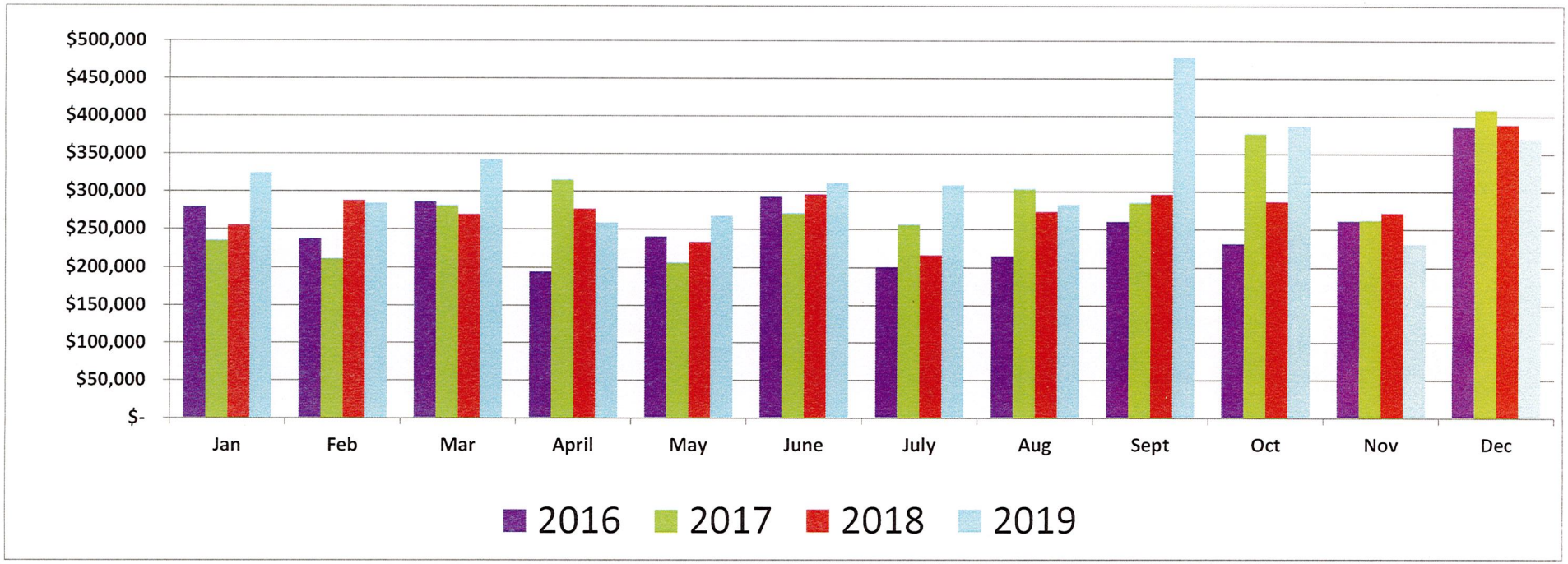
Amounts reported are net of revenues earmarked for community marketing.

City of Golden
Use Tax Trends
December (January)
2016-2019

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2019	$ 324,439	$ 283,332	$ 341,801	$ 258,206	$ 266,694	$ 310,824	$ 308,040	$ 281,929	$ 478,976	$ 386,512	$ 230,299	$ 370,214	$ 3,841,266	-4.9%
2018	$ 255,325	$ 287,767	$ 268,990	$ 276,136	$ 232,993	$ 295,892	$ 216,051	$ 272,718	$ 296,358	$ 286,486	$ 271,303	$ 389,160	$ 3,349,178	-5.0%
2017	$ 235,196	$ 211,570	$ 280,802	$ 315,407	$ 206,861	$ 270,677	$ 256,138	$ 303,761	$ 285,295	$ 377,169	$ 262,253	$ 409,490	$ 3,414,619	6.1%
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	3.7%

MTD Use Tax Audit Revenue	$ 2,735,639	<<<< includes building use tax audit revenue
Less: MTD Use Tax Refunds	$ (92)	
Other Use Tax Revenue	$ 2,735,546	

* Percentage Change is for current month only (highlighted)



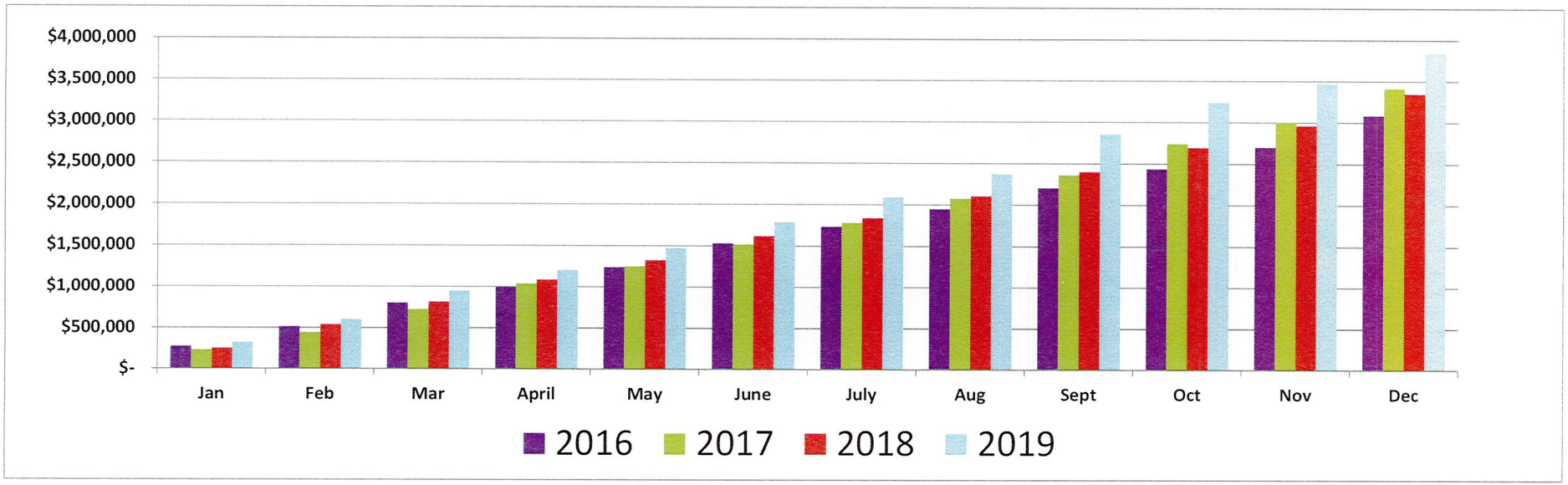
*Amounts reported on the cash basis

City of Golden
Use Tax Trends
YTD December (January)
2016-2019

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	YTD % Chng
2019	$ 324,439	$ 607,771	$ 949,572	$ 1,207,779	$ 1,474,473	$ 1,785,296	$ 2,093,336	$ 2,375,266	$ 2,854,424	$ 3,240,753	$ 3,471,052	$ 3,841,266	$ 3,841,266	**14.7%**
2018	$ 255,325	$ 543,092	$ 812,082	$ 1,088,218	$ 1,321,210	$ 1,617,103	$ 1,833,153	$ 2,105,871	$ 2,402,229	$ 2,688,715	$ 2,960,018	$ 3,349,178	$ 3,349,178	**-1.9%**
2017	$ 235,196	$ 446,766	$ 727,568	$ 1,042,975	$ 1,249,836	$ 1,520,513	$ 1,776,651	$ 2,080,412	$ 2,365,707	$ 2,742,876	$ 3,005,129	$ 3,414,619	$ 3,414,619	**10.8%**
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	**-11.2%**

YTD Use Tax Audit Revenue	$ 3,034,018	<<<< includes building use tax audit revenue
Less: YTD Use Tax Refunds	$ (36,816)	
Other Use Tax Revenue	$ 2,997,202	

** Percentage Change is YTD %



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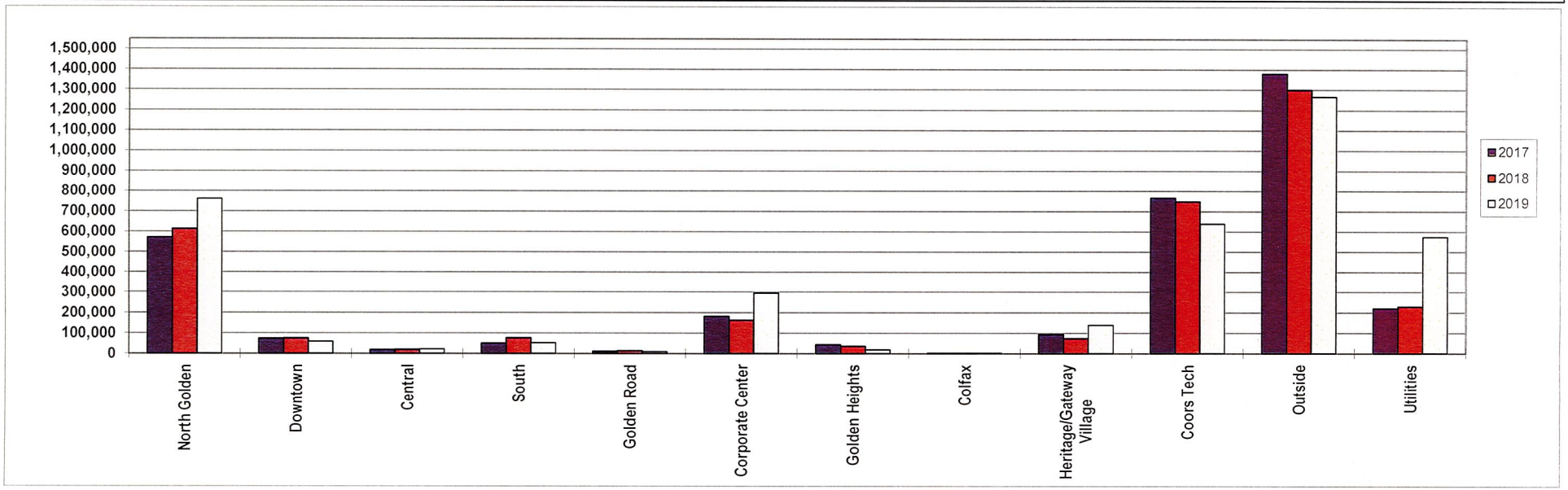
City of Golden
Use Tax Revenue By Location
YTD December (January)
2017/2018/2019

Area	2017 Use Tax	% of total Use Tax	2017-2016 % Change	2018 Use Tax	% of total Use Tax	2018-2017 % Change	2019 Use Tax	% of total Use Tax	2019-2018 % Change
North Golden	$ 571,770	16.74%	14.32%	$ 613,575	18.32%	7.31%	$ 761,027	19.81%	24.03%
Downtown	$ 73,679	2.16%	-28.24%	$ 75,214	2.25%	2.08%	$ 59,816	1.56%	-20.47%
Central	$ 18,582	0.54%	-30.46%	$ 19,336	0.58%	4.06%	$ 22,835	0.59%	18.10%
South	$ 51,210	1.50%	13.49%	$ 76,049	2.27%	48.51%	$ 53,592	1.40%	-29.53%
Golden Road	$ 11,044	0.32%	-22.69%	$ 14,089	0.42%	27.57%	$ 9,963	0.26%	-29.28%
Corporate Center	$ 181,775	5.32%	5.55%	$ 162,193	4.84%	-10.77%	$ 295,294	7.69%	82.06%
Golden Heights	$ 44,687	1.31%	-12.98%	$ 36,027	1.08%	-19.38%	$ 19,212	0.50%	-46.67%
Colfax	$ 1,817	0.05%	-15.28%	$ 1,763	0.05%	-2.93%	$ 2,863	0.07%	62.38%
Heritage/Gateway Village	$ 93,574	2.74%	-23.71%	$ 74,013	2.21%	-20.90%	$ 137,423	3.58%	85.67%
Coors Technology	$ 765,476	22.42%	9.43%	$ 747,911	22.33%	-2.29%	$ 638,915	16.63%	-14.57%
Outside	$ 1,379,730	40.41%	17.05%	$ 1,298,852	38.78%	-5.86%	$ 1,265,584	32.95%	-2.56%
Utilities	$ 221,276	6.48%	32.93%	$ 230,156	6.87%	4.01%	$ 574,743	14.96%	149.72%
Totals	**$ 3,414,619**	**100.00%**	**10.79%**	**$ 3,349,178**	**100.00%**	**-1.92%**	**$ 3,841,266**	**100.00%**	**14.69%**



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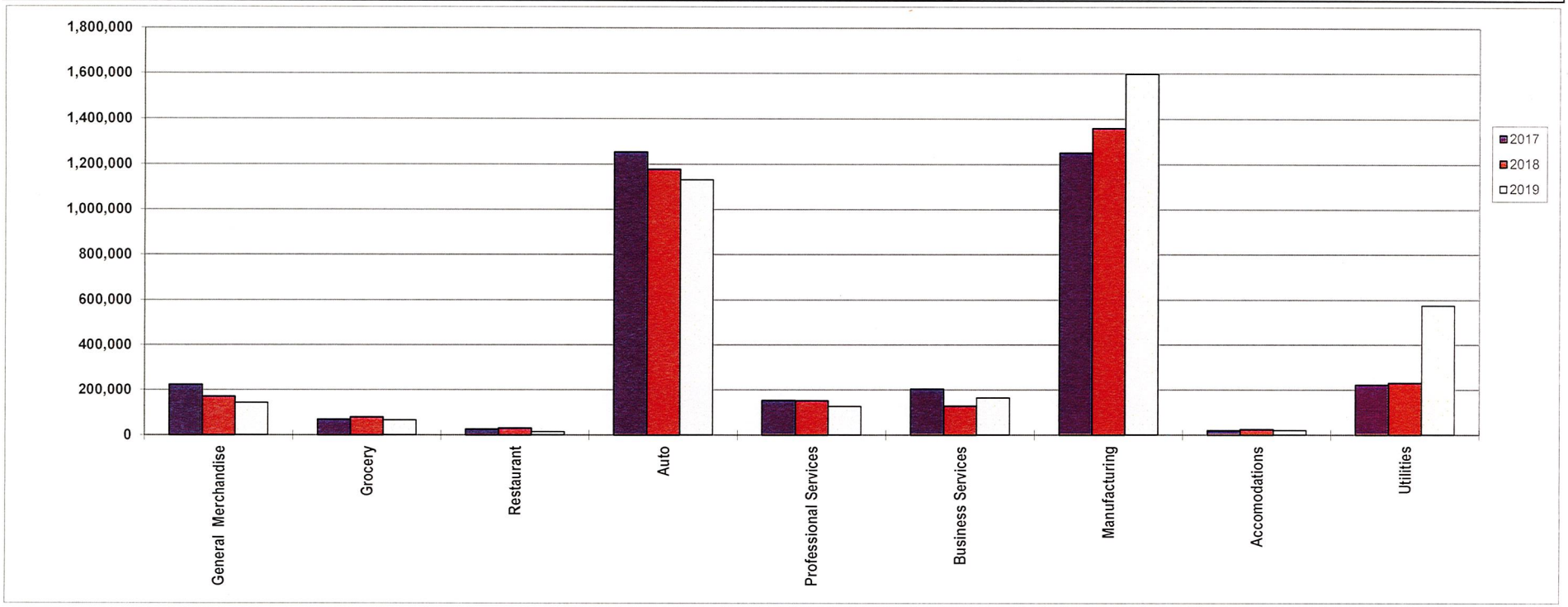
City of Golden
Use Tax Revenue By Type
YTD December (January)
2017/2018/2019

Type	2017 Use Tax	% of total Use Tax	2017-2016 % Change	2018 Use Tax	% of total Use Tax	2018-2017 % Change	2019 Use Tax	% of total Use Tax	2019-2018 % Change
General Merchandise	$ 222,970	6.53%	-5.67%	$ 170,139	5.08%	-23.69%	$ 144,114	3.75%	-15.30%
Grocery	$ 69,006	2.02%	-15.63%	$ 78,763	2.35%	14.14%	$ 66,343	1.73%	-15.77%
Restaurants	$ 24,940	0.73%	-11.66%	$ 29,607	0.88%	18.71%	$ 14,902	0.39%	-49.67%
Automotive	$ 1,251,710	36.66%	16.97%	$ 1,177,247	35.15%	-5.95%	$ 1,132,283	29.48%	-3.82%
Prof Services\Entertainment	$ 152,572	4.47%	3.89%	$ 151,445	4.52%	-0.74%	$ 127,150	3.31%	-16.04%
Bus Services	$ 202,693	5.94%	42.80%	$ 128,343	3.83%	-36.68%	$ 164,285	4.28%	28.00%
Manufacturing - Production	$ 1,250,068	36.61%	5.16%	$ 1,359,192	40.58%	8.73%	$ 1,596,819	41.57%	17.48%
Accommodations	$ 19,384	0.57%	-10.13%	$ 24,287	0.73%	25.29%	$ 20,627	0.54%	-15.07%
Utilities	$ 221,276	6.48%	32.93%	$ 230,156	6.87%	4.01%	$ 574,743	14.96%	149.72%
Totals	**$ 3,414,619**	**100.00%**	**10.79%**	**$ 3,349,178**	**100.00%**	**-1.92%**	**$ 3,841,266**	**100.00%**	**14.69%**



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