



City of  
Golden

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## Council Memorandum

**To:** City Council  
**From:** Jeff Hansen, Finance Director  
**Date:** April 6, 2020  
**Re:** Sales Tax Report

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Attached are the sales and use tax reports for February sales (collected in March). Sales tax collections were up \$92,433 (+6.6%) for the month. We received a very large, one-time payment from a technology company that accounts for about 2/3rds of the increase. In addition, there are several local businesses that haven't filed their February return and approximately \$30,000 of sales tax due the City from businesses that have requested deferred payments due to the impacts of Covid-19. Those taxes are not included in the attached graphs. Overall, revenue is up \$133,004 (+6.0%) year-to-date compared to 2019. When adjusted for seasonality, sales tax revenues are up (+4.5%) compared to the 2020 Budget.

Overall, sales tax from businesses within the City limits (including Utilities) is up \$36,239 compared to 2019. In terms of dollars, revenues have increased the most from Downtown and Golden Road. The Central area and Corporate Center have the largest decreases compared to last year. By business type, Business Supplies/Services, and Grocery show the largest increases. Manufacturing, Accommodations and Utilities all have small decreases year-to-date. Sales tax from businesses outside the City limits, which includes on-line retailers and big-ticket items that are delivered into the City, is now up \$96,765 (+20.28) for the year.

Use tax collections were up \$97,865 (+34.5%) for February. For the year, use tax is up \$138,902 (+22.9%) compared to 2019. We received two large use tax payments from a manufacturer and utility company to account for the bulk of the increase. Accommodations, Utilities and General Merchandise have the largest increases so far this year, with Manufacturing and Automotive showing the largest decreases. 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.

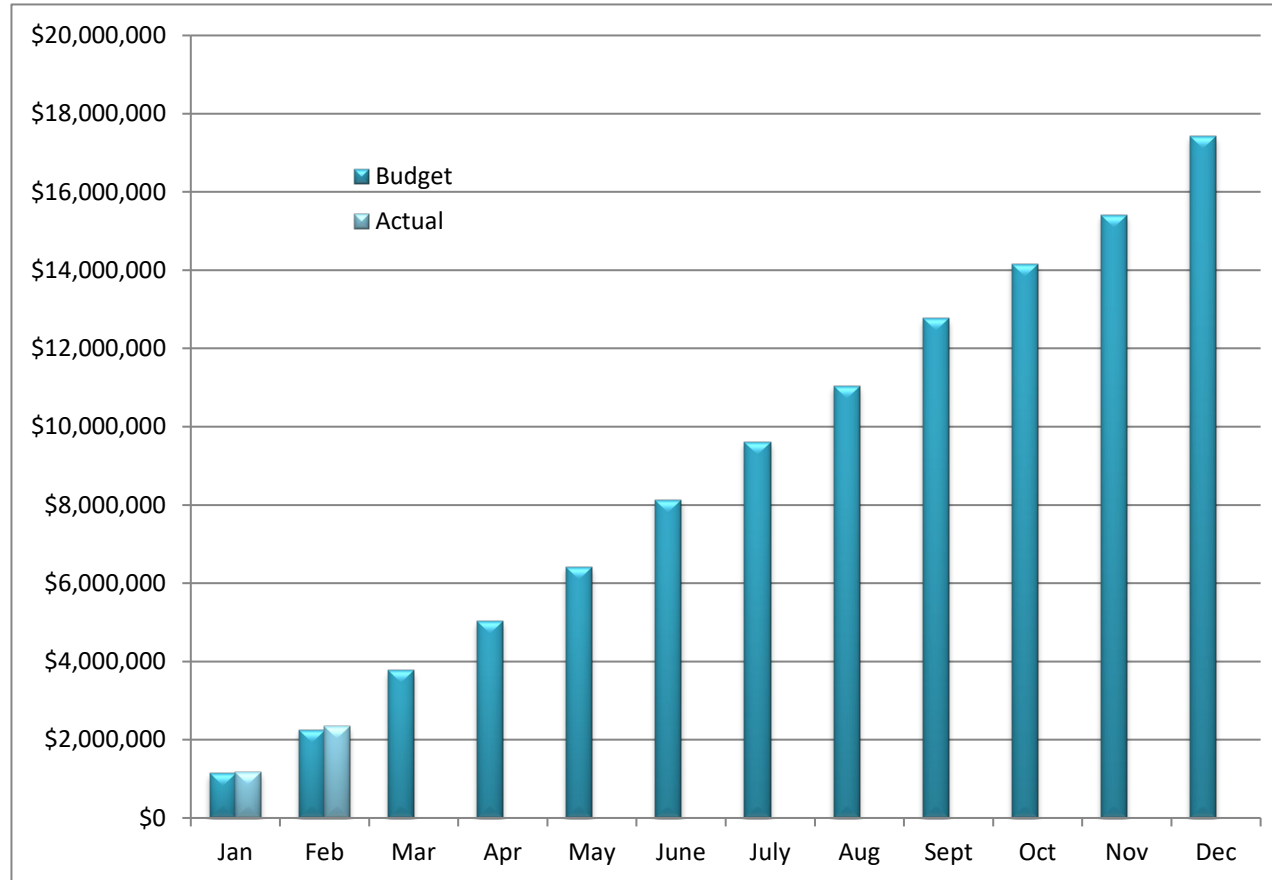
In the area of audit revenue, \$47,398 was collected in March. Including building use tax audits, the total audit revenue collected for 2020 is \$53,443, with an additional \$2,991 collected in building permit and plan check fees. Also, the City continues to have audits in progress and additional audit revenue has been assessed, with collection anticipated over the next few months. \$2,301 has been issued in refunds for the year. These amounts are shown separately on the attached collection reports.

While sales tax revenues look good with this report, that will certainly change with the impact of Covid-19. With the duration of business closures and reduced services unknown at this time, it is difficult to project the extent of that impact. Optimistic projections, with restrictions being lifted by the end of May, show a decline in sales tax revenue of 7% for 2020 compared to 2019. Let's all hope the restrictions don't extend further than that.

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

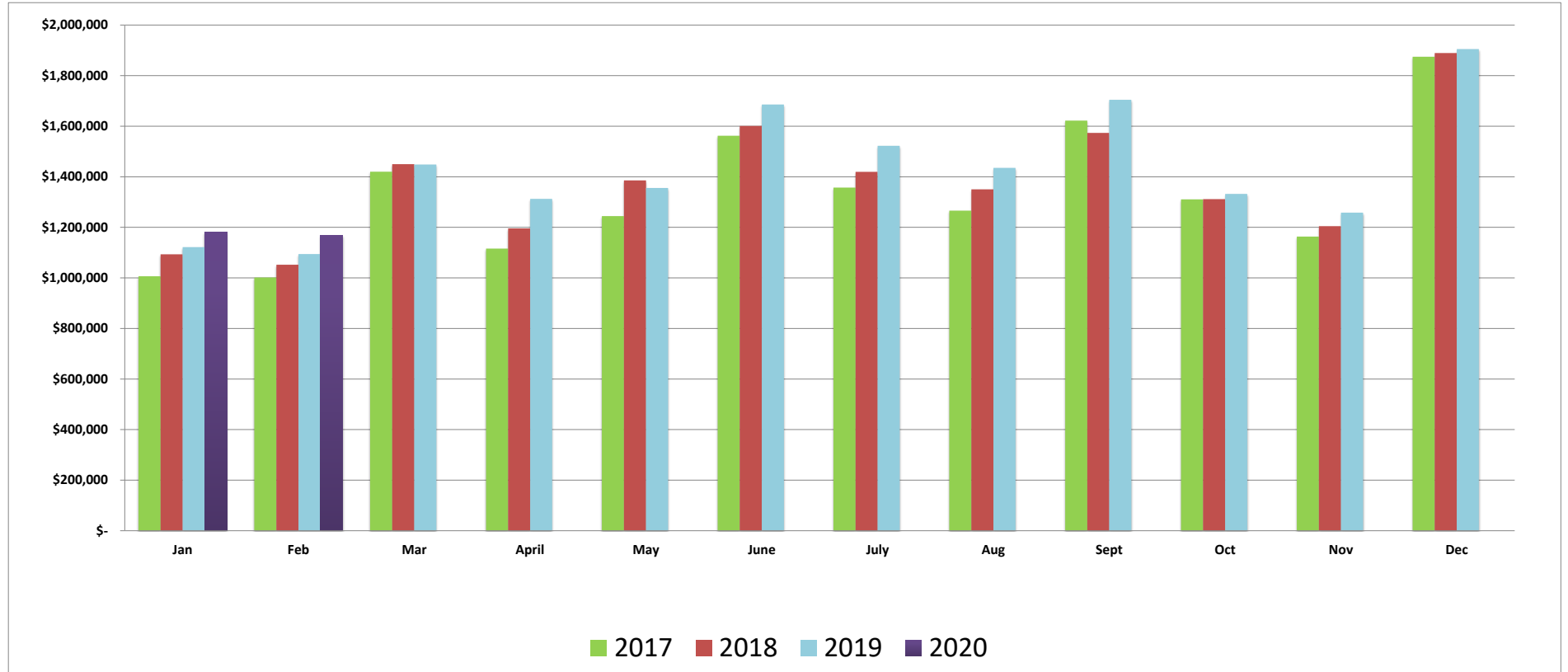
**CITY OF GOLDEN**  
**Budget to Actual Comparison**  
**(adjusted for seasonality)**  
**2020 Sales Tax Revenue**

<u>Month</u>	<u>YTD Budget</u>	<u>YTD Actual</u>
Jan	\$1,128,137	\$1,182,299
Feb	2,248,651	2,348,815
Mar	3,773,336	
Apr	5,033,195	
May	6,416,784	
June	8,129,186	
July	9,614,980	
Aug	11,035,621	
Sept	12,769,577	
Oct	14,139,776	
Nov	15,414,279	
Dec	17,415,000	



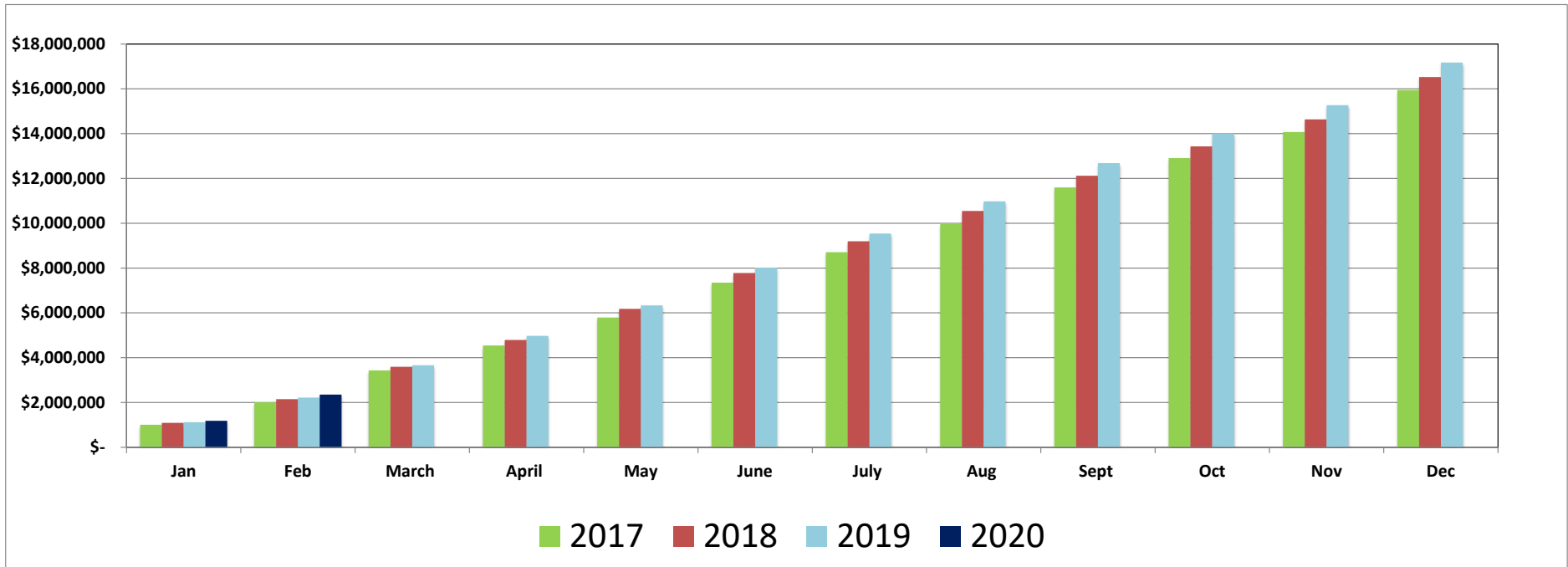
City of Golden  
Sales Tax Trends  
February (March)  
2017-2020

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2020	\$ 1,182,299	\$ 1,166,516											\$ 2,348,815	6.6%
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	4.0%
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	5.0%
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	-1.4%
<div> <div> MTD Sales Tax Audit Revenue \$ 27,535  Less: MTD Sales Tax Refunds \$ -  Net Sales Tax Revenue \$ 27,535 </div> <div> MTD Audit Permit Fees \$ 591  MTD Audit Plan Check Fees \$ 384  Net Fees Collected \$ 976 </div> <div> * Percentage Change is for current month only (highlighted) </div> </div>														



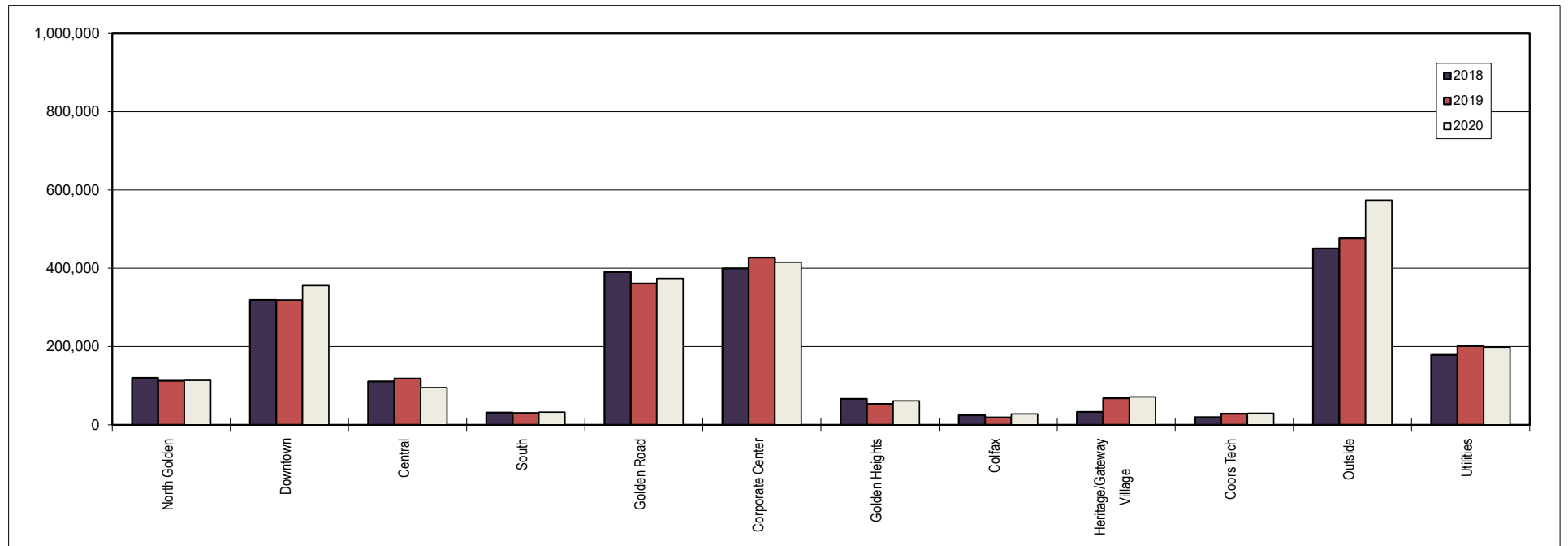
**City of Golden  
Sales Tax Trends  
YTD February (March)  
2017-2020**

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
<b>2020</b>	\$ 1,182,299	\$ 2,348,815											\$ 2,348,815	<b>6.0%</b>
<b>2019</b>	\$ 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	<b>3.3%</b>
<b>2018</b>	\$ 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	<b>6.8%</b>
<b>2017</b>	\$ 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	<b>1.1%</b>
* Percentage Change - YTD percentage change														
YTD Sales Tax Audit Revenue			\$28,935				YTD Audit Permit Fees	\$ 2,991						
Less: YTD Sales Tax Refunds			\$ (291)				YTD Audit Plan Check Fees	\$ 1,844						
Other Sales Tax Revenue			\$28,643				Net Fees Collected	\$ 2,991						



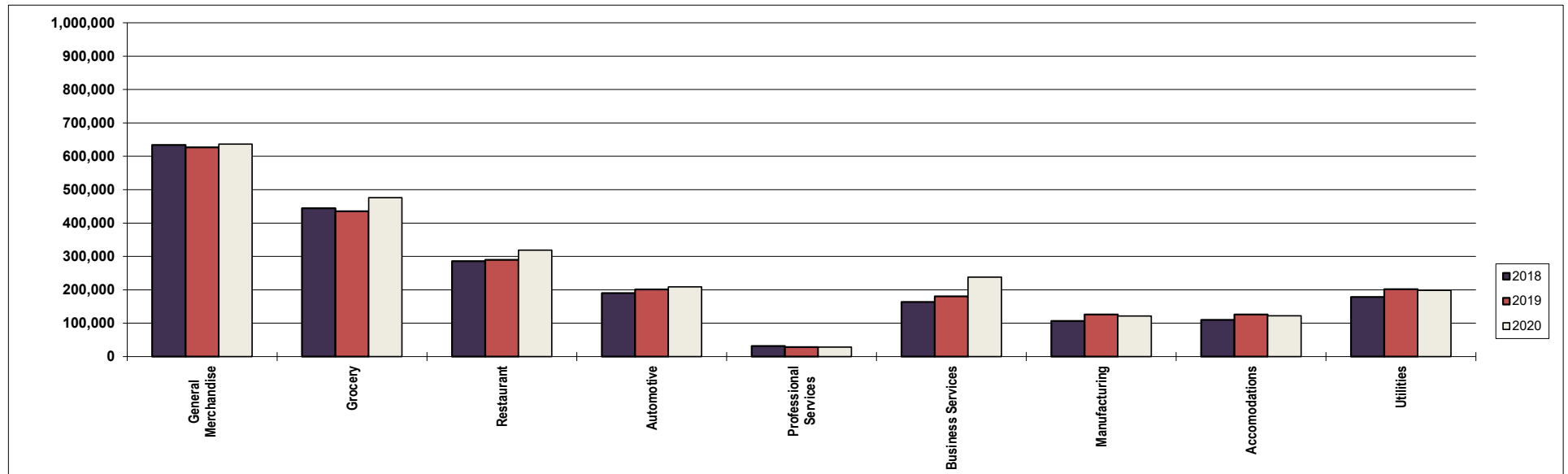
**City of Golden**  
**Sales Tax Revenue By Location**  
**YTD February (March)**  
**2018/2019/2020**

Area	2018 Sales Tax	% of total Sales Tax	2018-2017 % Change	2019 Sales Tax	% of total Sales Tax	2019-2018 % Change	2020 Sales Tax	% of total Sales Tax	2020-2019 % Change
North Golden	\$ 119,746	5.58%	0.79%	\$ 112,653	5.08%	-5.92%	\$ 113,908	4.85%	1.11%
Downtown	\$ 319,467	14.89%	6.93%	\$ 318,945	14.39%	-0.16%	\$ 356,307	15.17%	11.71%
Central	\$ 111,137	5.18%	7.14%	\$ 118,599	5.35%	6.71%	\$ 95,071	4.05%	-19.84%
South	\$ 31,360	1.46%	-4.27%	\$ 30,010	1.35%	-4.30%	\$ 32,219	1.37%	7.36%
Golden Road	\$ 390,429	18.20%	10.12%	\$ 361,217	16.30%	-7.48%	\$ 374,008	15.92%	3.54%
Corporate Center	\$ 399,862	18.64%	-1.40%	\$ 427,055	19.27%	6.80%	\$ 415,323	17.68%	-2.75%
Golden Heights	\$ 66,600	3.10%	14.17%	\$ 53,272	2.40%	-20.01%	\$ 61,143	2.60%	14.77%
Colfax	\$ 24,382	1.14%	13.78%	\$ 18,907	0.85%	-22.45%	\$ 27,983	1.19%	48.00%
Heritage /Gateway Village	\$ 33,274	1.55%	133.84%	\$ 67,913	3.06%	104.10%	\$ 71,181	3.03%	4.81%
Coors Technology	\$ 19,714	0.92%	-5.59%	\$ 28,477	1.29%	44.45%	\$ 29,422	1.25%	3.32%
Outside	\$ 450,425	21.00%	22.36%	\$ 477,205	21.54%	5.95%	\$ 573,970	24.44%	20.28%
Utilities	\$ 178,745	8.33%	-15.24%	\$ 201,557	9.10%	12.76%	\$ 198,281	8.44%	-1.63%
<b>Totals</b>	<b>\$ 2,145,142</b>	<b>100.00%</b>	<b>6.83%</b>	<b>\$ 2,215,811</b>	<b>100.00%</b>	<b>3.29%</b>	<b>\$ 2,348,815</b>	<b>100.00%</b>	<b>6.00%</b>



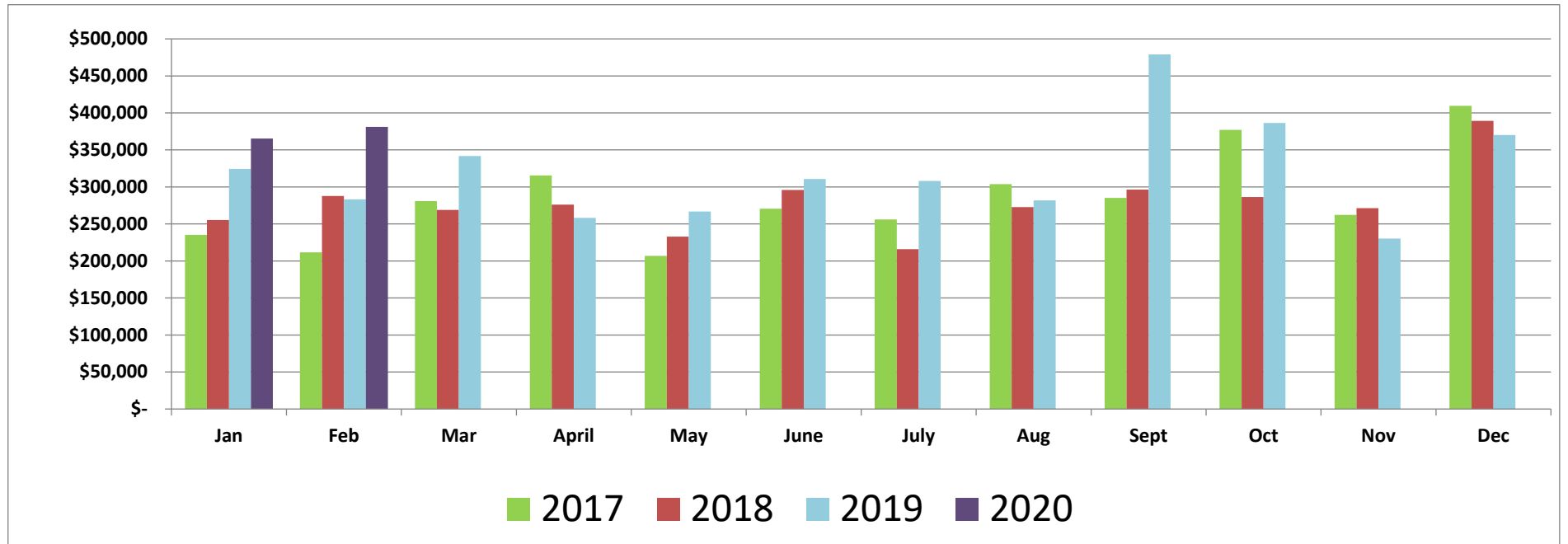
**City of Golden**  
**Sales Tax Revenue By Type**  
**YTD February (March)**  
**2018/2019/2020**

Type	2018 Sales Tax	% of total Sales Tax	2018-2017 % Change	2019 Sales Tax	% of total Sales Tax	2019-2018 % Change	2020 Sales Tax	% of total Sales Tax	2020-2019 % Change
General Merchandise	\$ 634,064	29.56%	8.66%	\$ 626,873	28.29%	-1.13%	\$ 636,469	27.10%	1.53%
Grocery	\$ 444,304	20.71%	10.79%	\$ 435,126	19.64%	-2.07%	\$ 475,932	20.26%	9.38%
Restaurants	\$ 285,892	13.33%	9.97%	\$ 289,726	13.08%	1.34%	\$ 318,969	13.58%	10.09%
Automotive	\$ 189,876	8.85%	-0.17%	\$ 201,444	9.09%	6.09%	\$ 209,002	8.90%	3.75%
Prof Services\Entertainment	\$ 32,002	1.49%	33.43%	\$ 28,446	1.28%	-11.11%	\$ 28,740	1.22%	1.04%
Bus ServicesSupp.	\$ 163,927	7.64%	9.82%	\$ 180,688	8.15%	10.22%	\$ 237,970	10.13%	31.70%
Manufacturing - Production	\$ 106,696	4.97%	18.22%	\$ 125,914	5.68%	18.01%	\$ 121,304	5.16%	-3.66%
Accommodations	\$ 109,636	5.11%	10.81%	\$ 126,036	5.69%	14.96%	\$ 122,149	5.20%	-3.08%
Utilities	\$ 178,745	8.33%	-15.24%	\$ 201,557	9.10%	12.76%	\$ 198,281	8.44%	-1.63%
<b>Totals</b>	<b>\$ 2,145,142</b>	<b>100.00%</b>	<b>6.83%</b>	<b>\$ 2,215,811</b>	<b>100.00%</b>	<b>3.29%</b>	<b>\$ 2,348,815</b>	<b>100.00%</b>	<b>6.00%</b>



**City of Golden  
Use Tax Trends  
February (March)  
2017-2020**

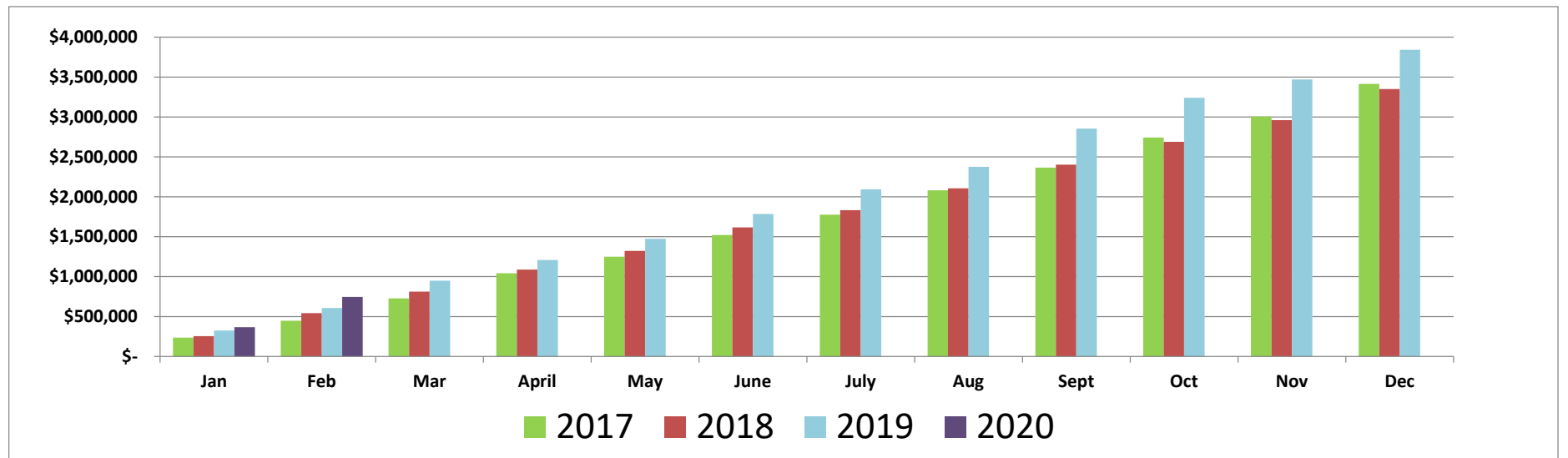
	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
<b>2020</b>	\$ 365,476	\$ 381,197											\$ 746,673	<b>34.5%</b>
<b>2019</b>	\$ 324,439	\$ 283,332	\$ 341,801	\$ 258,206	\$ 266,694	\$ 310,824	\$ 308,040	\$ 281,929	\$ 478,976	\$ 386,512	\$ 230,299	\$ 370,214	\$ 3,841,266	<b>-1.5%</b>
<b>2018</b>	\$ 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	<b>36.0%</b>
<b>2017</b>	\$ 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	<b>-10.8%</b>
MTD Use Tax Audit Revenue \$ 19,863 <<<< includes building use tax audit revenue														
Less: MTD Use Tax Refunds \$ (1,391)														
Other Use Tax Revenue \$ 18,473														
* Percentage Change is for current month only (highlighted)														



\*Amounts reported on the cash basis

**City of Golden  
Use Tax Trends  
YTD February (March)  
2017-2020**

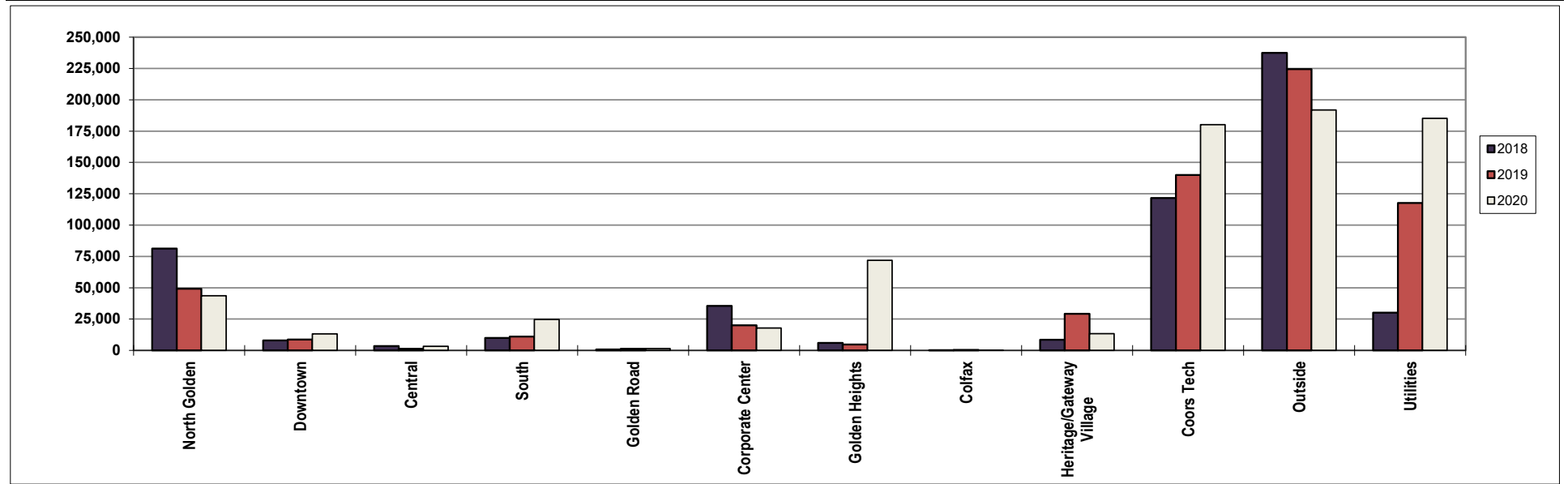
	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	YTD % Chng
<b>2020</b>	\$ 365,476	\$ 746,673											\$ 746,673	<b>22.9%</b>
<b>2019</b>	\$ 324,439	\$ 607,771	\$ 949,572	\$ 1,207,779	\$ 1,474,473	\$ 1,785,296	\$ 2,093,336	\$ 2,375,266	\$ 2,854,424	\$ 3,240,753	\$ 3,471,052	\$ 3,841,266	\$ 3,841,266	<b>11.9%</b>
<b>2018</b>	\$ 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	<b>21.6%</b>
<b>2017</b>	\$ 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	<b>-13.5%</b>
<div> <div>YTD Use Tax Audit Revenue</div> <div>Less: YTD Use Tax Refunds</div> <div>Other Use Tax Revenue</div> </div> <div> <div>\$ 24,508</div> <div>\$ (2,010)</div> <div>\$ 22,498</div> </div> <div>&lt;&lt;&lt;&lt; includes building use tax audit revenue</div> <div>** Percentage Change is YTD %</div>														





**City of Golden**  
**Use Tax Revenue By Location**  
**YTD February (March)**  
**2018/2019/2020**

Area	2018 Use Tax	% of total Use Tax	2018-2017 % Change	2019 Use Tax	% of total Use Tax	2019-2018 % Change	2020 Use Tax	% of total Use Tax	2020-2019 % Change
North Golden	\$ 81,333	14.98%	51.75%	\$ 49,198	8.09%	-39.51%	\$ 43,690	5.85%	-11.20%
Downtown	\$ 8,002	1.47%	-51.14%	\$ 8,594	1.41%	7.40%	\$ 13,154	1.76%	53.05%
Central	\$ 3,498	0.64%	12.13%	\$ 1,231	0.20%	-64.81%	\$ 3,276	0.44%	166.13%
South	\$ 9,965	1.83%	50.39%	\$ 11,081	1.82%	11.20%	\$ 24,620	3.30%	122.19%
Golden Road	\$ 799	0.15%	-14.35%	\$ 1,261	0.21%	57.77%	\$ 1,411	0.19%	11.93%
Corporate Center	\$ 35,595	6.55%	82.80%	\$ 20,047	3.30%	-43.68%	\$ 17,900	2.40%	-10.71%
Golden Heights	\$ 5,982	1.10%	-48.21%	\$ 4,797	0.79%	-19.80%	\$ 71,851	9.62%	1397.70%
Colfax	\$ 174	0.03%	-70.14%	\$ 365	0.06%	108.95%	\$ 214	0.03%	-41.22%
Heritage/Gateway Village	\$ 8,455	1.56%	-67.59%	\$ 29,177	4.80%	245.08%	\$ 13,430	1.80%	-53.97%
Coors Technology	\$ 121,652	22.40%	19.79%	\$ 139,982	23.03%	15.07%	\$ 180,113	24.12%	28.67%
Outside	\$ 237,491	43.73%	28.21%	\$ 224,406	36.92%	-5.51%	\$ 191,802	25.69%	-14.53%
Utilities	\$ 30,146	5.55%	39.35%	\$ 117,632	19.35%	290.21%	\$ 185,211	24.80%	57.45%
<b>Totals</b>	<b>\$ 543,092</b>	<b>100.00%</b>	<b>21.56%</b>	<b>\$ 607,771</b>	<b>100.00%</b>	<b>11.91%</b>	<b>\$ 746,673</b>	<b>100.00%</b>	<b>22.85%</b>



**City of Golden**  
**Use Tax Revenue By Type**  
**YTD February (March)**  
**2018/2019/2020**

Type	2018 Use Tax	% of total Use Tax	2018-2017 % Change	2019 Use Tax	% of total Use Tax	2019-2018 % Change	2020 Use Tax	% of total Use Tax	2020-2019 % Change
General Merchandise	\$ 48,221	8.88%	119.58%	\$ 19,128	3.15%	-60.33%	\$ 79,019	10.58%	313.11%
Grocery	\$ 13,353	2.46%	33.82%	\$ 9,100	1.50%	-31.85%	\$ 13,125	1.76%	44.23%
Restaurants	\$ 2,477	0.46%	64.81%	\$ 2,448	0.40%	-1.15%	\$ 1,642	0.22%	-32.92%
Automotive	\$ 244,834	45.08%	48.11%	\$ 214,226	35.25%	-12.50%	\$ 188,633	25.26%	-11.95%
Prof Services\Entertainment	\$ 23,790	4.38%	-17.93%	\$ 21,939	3.61%	-7.78%	\$ 36,813	4.93%	67.80%
Bus Services	\$ 17,955	3.31%	-61.01%	\$ 25,291	4.16%	40.86%	\$ 15,777	2.11%	-37.62%
Manufacturing - Production	\$ 160,065	29.47%	7.01%	\$ 195,677	32.20%	22.25%	\$ 152,198	20.38%	-22.22%
Accommodations	\$ 2,252	0.41%	28.04%	\$ 2,330	0.38%	3.47%	\$ 74,254	9.94%	3086.60%
Utilities	\$ 30,146	5.55%	39.35%	\$ 117,632	19.35%	290.21%	\$ 185,211	24.80%	57.45%
<b>Totals</b>	<b>\$ 543,092</b>	<b>100.00%</b>	<b>21.56%</b>	<b>\$ 607,771</b>	<b>100.00%</b>	<b>11.91%</b>	<b>\$ 746,673</b>	<b>100.00%</b>	<b>22.85%</b>

