



## Council Memorandum

**To:** City Council  
**From:** Jeff Hansen, Finance Director   
**Through:** Jason Slowinski, City Manager  
**Date:** February 3, 2017  
**Re:** 2016 Year End Sales Tax Report

---

Attached are the final 2016 sales and use tax reports, including December sales (collected in January). Sales tax collections were up 4.5% (+\$76,636) for the month compared to 2015. For the year, sales tax revenues were up 6.3% over 2015 and up 3.8% compared to the 2016 budget. In dollars, 2016 revenues exceeded 2015 by \$891,587 and the 2016 Budget by \$557,185.

All geographic areas had an increase for the year. In terms of dollars, the largest revenue increases for the year were from Golden Road, Corporate Center, and the Central area. Restaurants, General Merchandise, Manufacturing, and Business Supplies/Services showed the largest increases in 2016. Utilities had a slight decline for the year. Sales from businesses outside the City limits ended the year up \$388,445 (+12.23%).

Use tax collections were up \$13,720 (+3.7%) for December, and finished the year down \$388,120 (-11.2%). Compared to the 2016 Budget, use tax revenues were down \$799,220 (-20.6%). For 2016, Utilities and Automotive had the biggest increases. Manufacturing had the largest decrease.

Total audit revenue collected in 2016 was \$962,454, up \$272,612 compared to 2015. \$100,042 was issued in refunds. These amounts are shown separately on the attached collection reports.

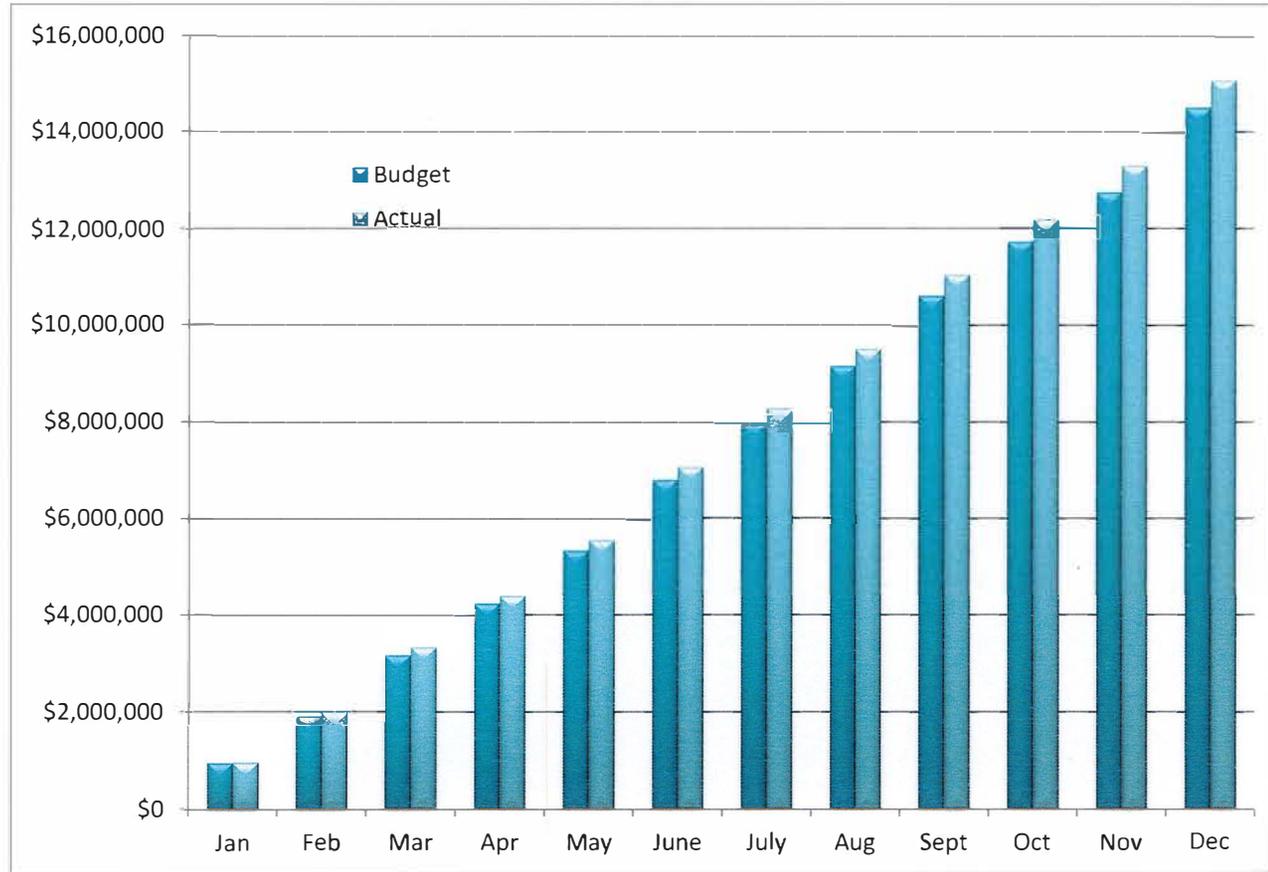
For 2017, sales tax revenue is budgeted at \$15,400,650, which is an increase of \$333,722 (+2.2%) over the 2016 actual revenue. (The 2017 Budget was an increase of 3.0% over the 2016 Projection at that time.) Use Tax is budgeted at \$3,090,000, an increase of \$7,970 (+0.26%) from 2016 collections. The 2017 sales tax budget is very conservative compared to 2016 final revenues, while the use tax budget may be low as the City still anticipates significant use tax in the 1<sup>st</sup> quarter of 2017 from one of the manufacturers.

Based on the business activity in 2016 and the continued increase in sales tax revenues the last half of the year, staff is optimistic that sales tax could increase 3.5 - 4% in 2017.

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

**CITY OF GOLDEN**  
**Budget to Actual Comparison**  
**(adjusted for seasonality)**  
**2016 Sales Tax Revenue**

<u>Month</u>	<u>YTD Budget</u>	<u>YTD Actual</u>
Jan	\$966,138	\$970,666
Feb	1,902,761	1,986,493
Mar	3,170,124	3,333,698
Apr	4,234,109	4,391,362
May	5,335,003	5,547,407
June	6,791,315	7,061,751
July	7,976,769	8,283,396
Aug	9,164,670	9,511,124
Sept	10,610,999	11,054,351
Oct	11,724,539	12,191,645
Nov	12,749,407	13,301,343
Dec	14,509,743	15,066,928



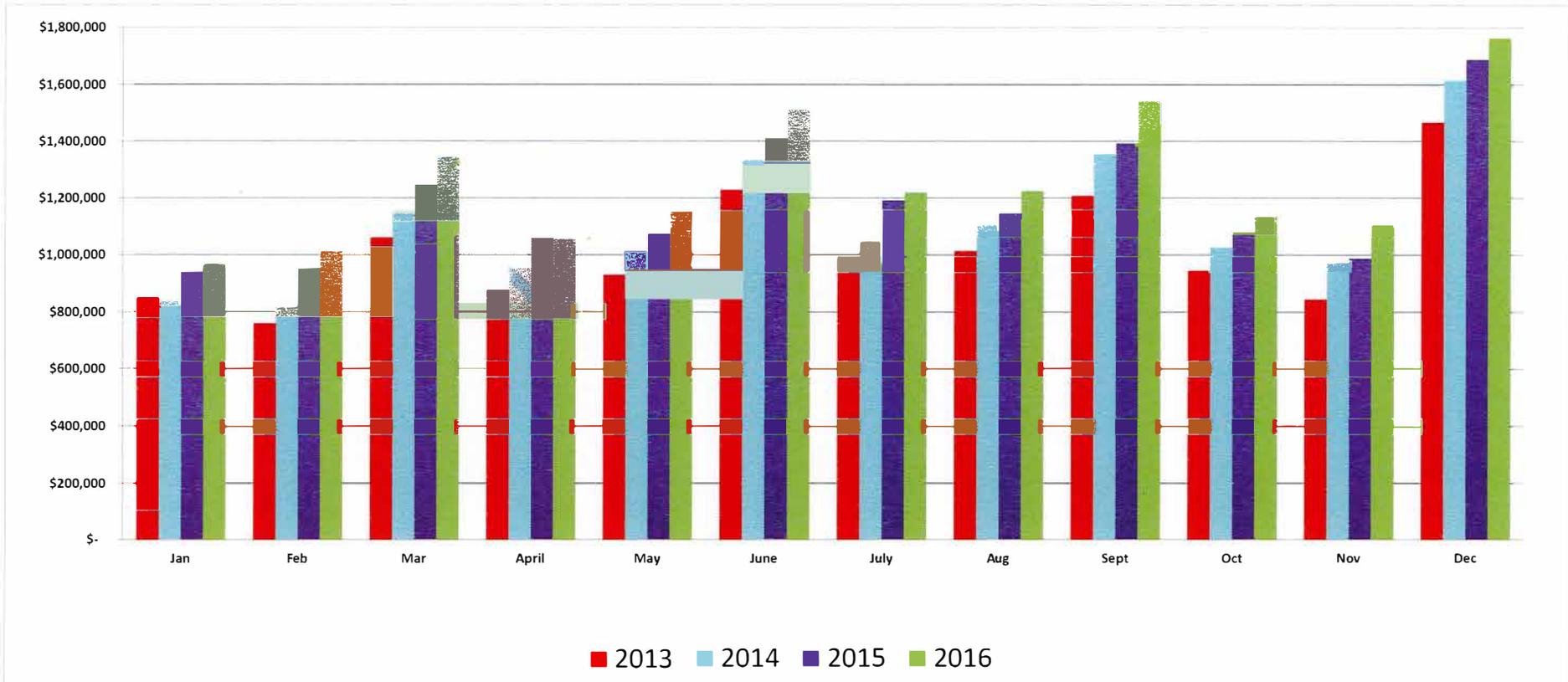
City of Golden  
Sales Tax Trends  
Month of December (January)  
2013-2016

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
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%
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	4.5%
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	10.1%
2013	\$ 851,824	\$ 761,580	\$ 1,061,683	\$ 878,588	\$ 931,539	\$ 1,230,101	\$ 994,523	\$ 1,014,019	\$ 1,208,554	\$ 946,744	\$ 846,028	\$ 1,468,477	\$ 12,193,660	0.6%

MTD Sales Tax Audit Revenue	\$2,380	
Less: MTD Sales Tax Refunds	\$0	
Net Sales Tax Revenue	\$2,380	

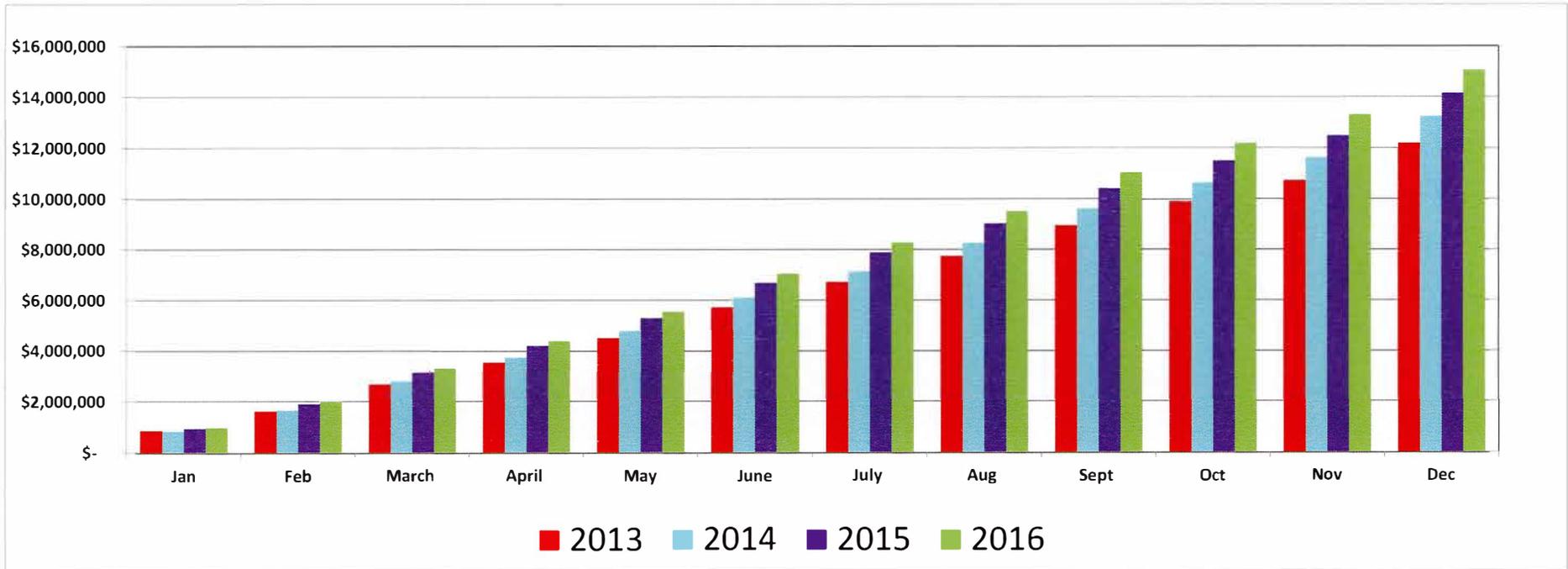
\* Percentage Change is for current month only (highlighted)



City of Golden  
Sales Tax Trends  
YTD December (January)  
2013-2016

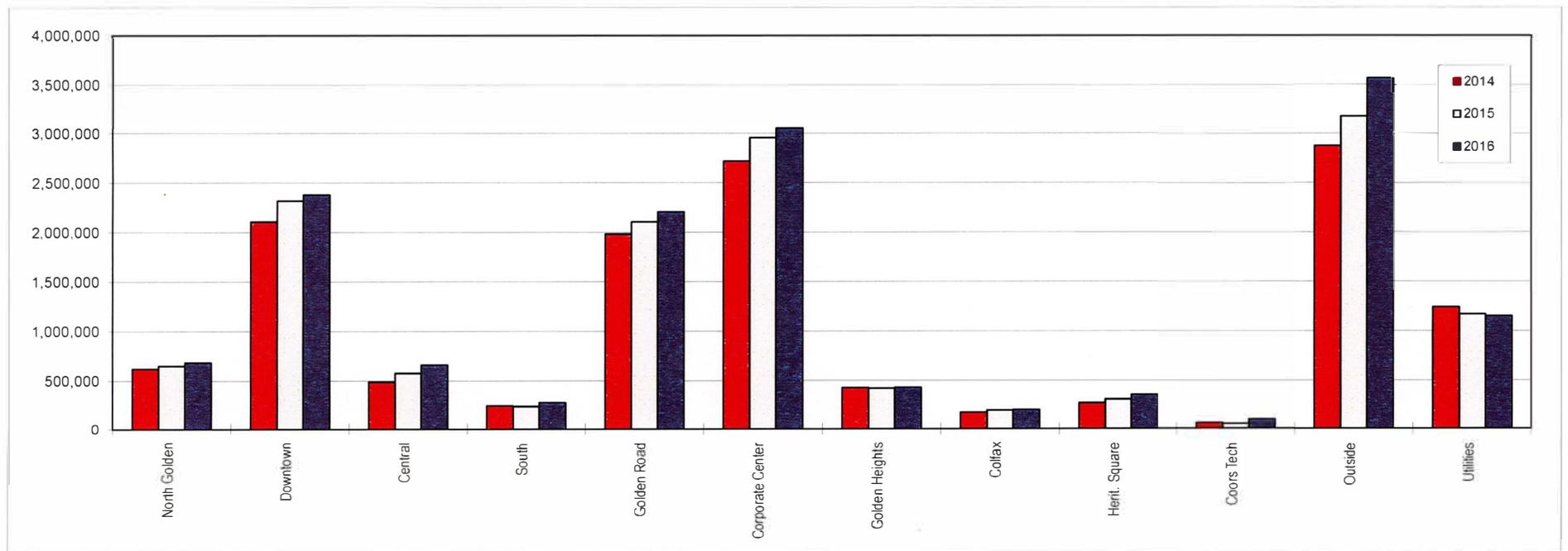
	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2016	\$ 970,666	\$ 1,986,493	\$ 3,333,698	\$ 4,391,362	\$ 5,547,407	\$ 7,061,751	\$ 8,283,396	\$ 9,511,124	\$ 11,054,351	\$ 12,191,645	\$ 13,301,343	\$ 15,066,928	\$ 15,066,928	6.3%
2015	\$ 940,868	\$ 1,891,911	\$ 3,138,983	\$ 4,198,513	\$ 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	7.2%
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	8.5%
2013	\$ 851,824	\$ 1,613,404	\$ 2,675,087	\$ 3,553,675	\$ 4,485,214	\$ 5,715,315	\$ 6,709,838	\$ 7,723,857	\$ 8,932,411	\$ 9,879,155	\$ 10,725,183	\$ 12,193,660	\$ 12,193,660	3.5%
YTD Sales Tax Audit Revenue				\$439,332										
Less: YTD Sales Tax Refunds				(\$37,663)										
Other Sales Tax Revenue				\$401,670										

\* Percentage Change - YTD percentage change



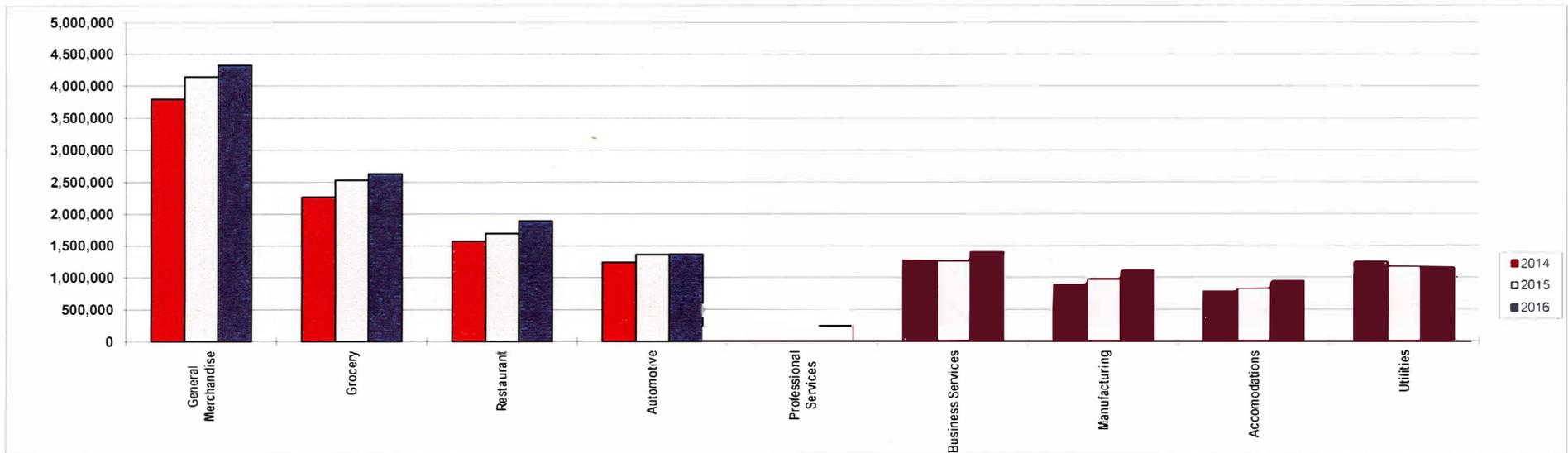
**City of Golden**  
**Sales Tax Revenue By Location**  
**YTD -December (January)**  
**2014/2015/2016**

Area	2014 Sales Tax	% of total Sales Tax	2015 Sales Tax	% of total Sales Tax	2015-2014 % Change	2016 Sales Tax	% of total Sales Tax	2016-2015 % Change
North Golden	\$ 620,485	4.69%	\$ 649,337	4.58%	4.65%	\$ 683,132	4.53%	5.20%
Downtown	\$ 2,106,989	15.93%	\$ 2,318,299	16.35%	10.03%	\$ 2,377,570	15.78%	2.56%
Central	\$ 487,473	3.69%	\$ 575,070	4.06%	17.97%	\$ 659,168	4.37%	14.62%
South	\$ 247,066	1.87%	\$ 240,280	1.70%	-2.75%	\$ 280,154	1.86%	16.59%
Golden Road	\$ 1,982,153	14.98%	\$ 2,105,628	14.85%	6.23%	\$ 2,205,456	14.64%	4.74%
Corporate Center	\$ 2,720,369	20.56%	\$ 2,956,387	20.86%	8.68%	\$ 3,050,826	20.25%	3.19%
Golden Heights	\$ 428,669	3.24%	\$ 422,191	2.98%	-1.51%	\$ 430,784	2.86%	2.04%
Colfax	\$ 178,375	1.35%	\$ 198,362	1.40%	11.21%	\$ 204,648	1.36%	3.17%
Heritage Square	\$ 272,060	2.06%	\$ 308,966	2.18%	13.57%	\$ 356,634	2.37%	15.43%
Coors Technology	\$ 61,920	0.47%	\$ 53,621	0.38%	-13.40%	\$ 101,590	0.67%	89.46%
Outside	\$ 2,878,817	21.76%	\$ 3,174,927	22.40%	10.29%	\$ 3,563,372	23.65%	12.23%
Utilities	\$ 1,244,039	9.40%	\$ 1,172,272	8.27%	-5.77%	\$ 1,153,595	7.66%	-1.59%
<b>Totals</b>	<b>\$ 13,228,414</b>	<b>100%</b>	<b>\$ 14,175,341</b>	<b>100%</b>	<b>7.16%</b>	<b>\$ 15,066,928</b>	<b>100%</b>	<b>6.29%</b>



City of Golden  
Sales Tax Revenue By Type  
YTD December (January)  
2014/2015/2016

Type	2014 Sales Tax	% of total Sales Tax	2015 Sales Tax	% of total Sales Tax	2015-2014 % Change	2016 Sales Tax	% of total Sales Tax	2016-2015 % Change
General Merchandise	\$ 3,795,788	28.69%	\$ 4,147,128	29.26%	9.26%	\$ 4,330,779	28.74%	4.43%
Grocery	\$ 2,272,817	17.18%	\$ 2,533,533	17.87%	11.47%	\$ 2,632,834	17.47%	3.92%
Restaurants	\$ 1,573,077	11.89%	\$ 1,696,645	11.97%	7.86%	\$ 1,891,948	12.56%	11.51%
Automotive	\$ 1,239,763	9.37%	\$ 1,363,136	9.62%	9.95%	\$ 1,368,795	9.08%	0.42%
Prof Services\Entertainment	\$ 185,923	1.41%	\$ 209,259	1.48%	12.55%	\$ 244,314	1.62%	16.75%
Bus ServicesSupp.	\$ 1,262,818	9.55%	\$ 1,257,879	8.87%	-0.39%	\$ 1,396,706	9.27%	11.04%
Manufacturing - Production	\$ 879,102	6.65%	\$ 970,569	6.85%	10.40%	\$ 1,108,942	7.36%	14.26%
Accommodations	\$ 775,087	5.86%	\$ 824,919	5.82%	6.43%	\$ 939,014	6.23%	13.83%
Utilities	\$ 1,244,039	9.40%	\$ 1,172,272	8.27%	-5.77%	\$ 1,153,595	7.66%	-1.59%
<b>Totals</b>	<b>\$ 13,228,414</b>	<b>100.00%</b>	<b>\$ 14,175,341</b>	<b>100.00%</b>	<b>7.16%</b>	<b>\$ 15,066,928</b>	<b>100.00%</b>	<b>6.29%</b>

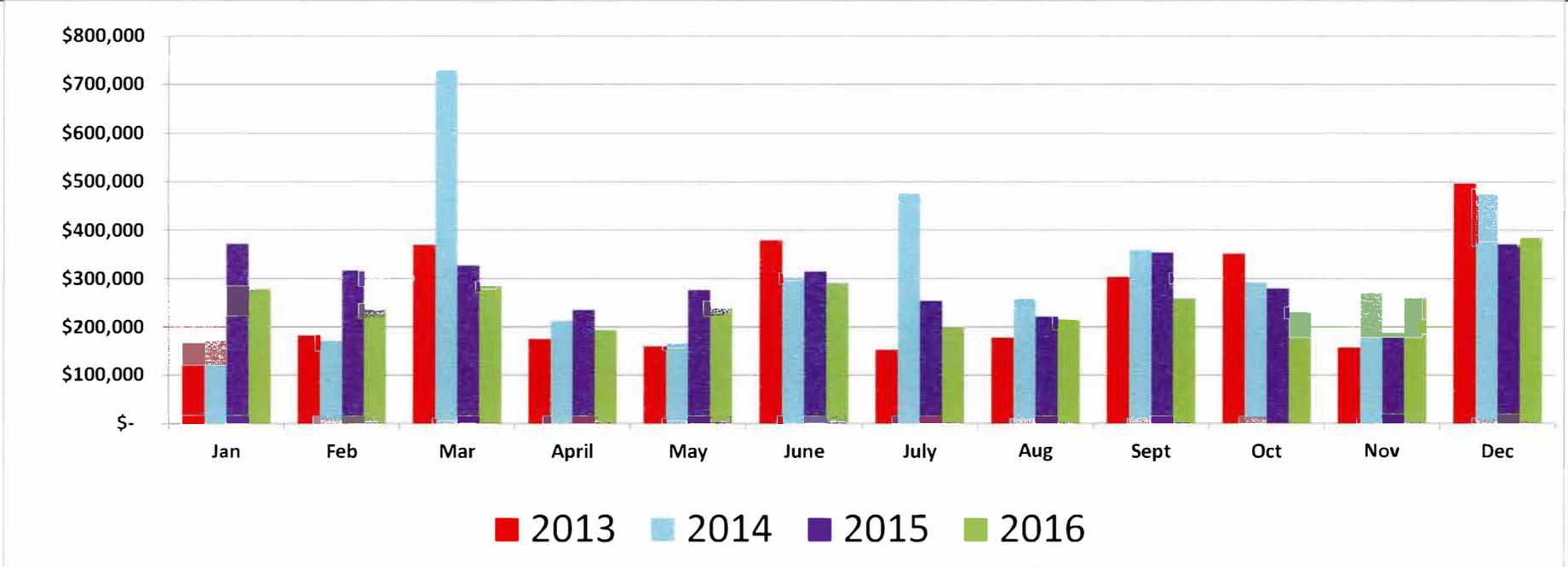


City of Golden  
Use Tax Trends  
Month of December (January)  
2013-2016

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
<b>2016</b>	\$ 278,990	\$ 237,225	\$ 285,559	\$ 194,318	\$ 240,102	\$ 292,505	\$ 200,678	\$ 215,156	\$ 259,981	\$ 230,883	\$ 260,773	<b>\$ 385,860</b>	\$ 3,082,030	<b>3.7%</b>
<b>2015</b>	\$ 372,306	\$ 317,519	\$ 327,607	\$ 235,186	\$ 276,860	\$ 314,794	\$ 254,336	\$ 221,729	\$ 354,706	\$ 280,238	\$ 187,729	<b>\$ 372,140</b>	\$ 3,470,150	<b>-21.7%</b>
<b>2014</b>	\$ 171,612	\$ 171,243	\$ 728,393	\$ 212,635	\$ 166,412	\$ 302,449	\$ 477,511	\$ 258,124	\$ 359,641	\$ 293,257	\$ 271,497	<b>\$ 475,522</b>	\$ 3,888,296	<b>-4.5%</b>
<b>2013</b>	\$ 167,338	\$ 182,374	\$ 370,818	\$ 175,320	\$ 160,343	\$ 379,219	\$ 153,125	\$ 178,004	\$ 303,820	\$ 352,901	\$ 158,248	<b>\$ 498,002</b>	\$ 3,079,512	<b>-7.9%</b>

MTD Use Tax Audit Revenue \$637 <<<< includes building use tax audit revenue  
Less: MTD Use Tax Refunds (\$339)  
Other Use Tax Revenue \$298

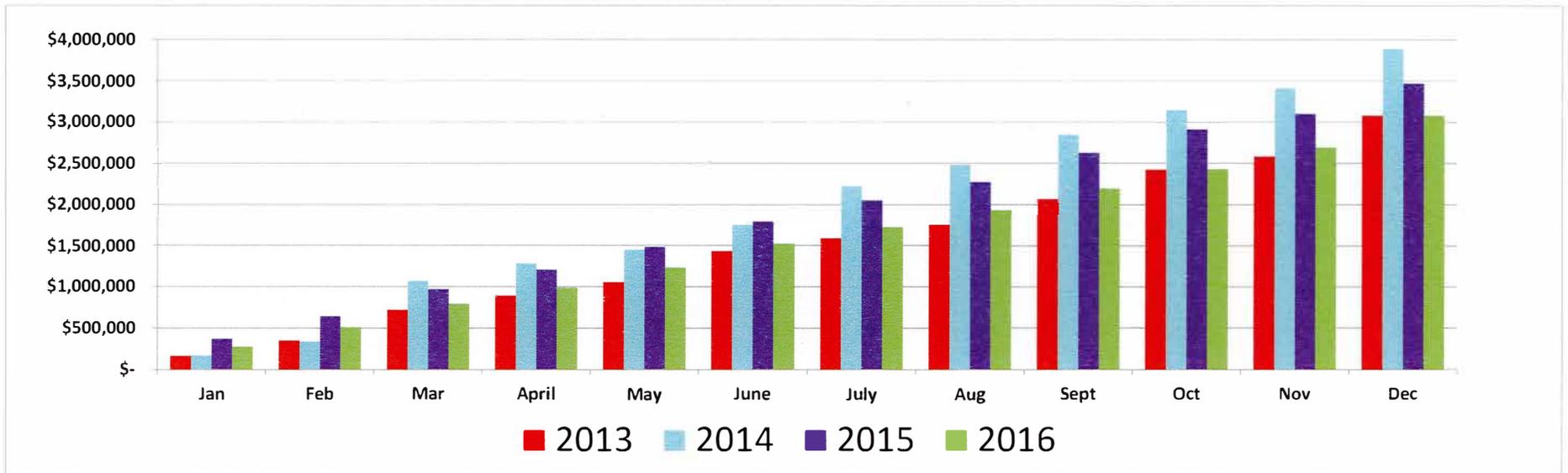
\* Percentage Change is for current month only (highlighted)



\*Amounts reported on the cash basis

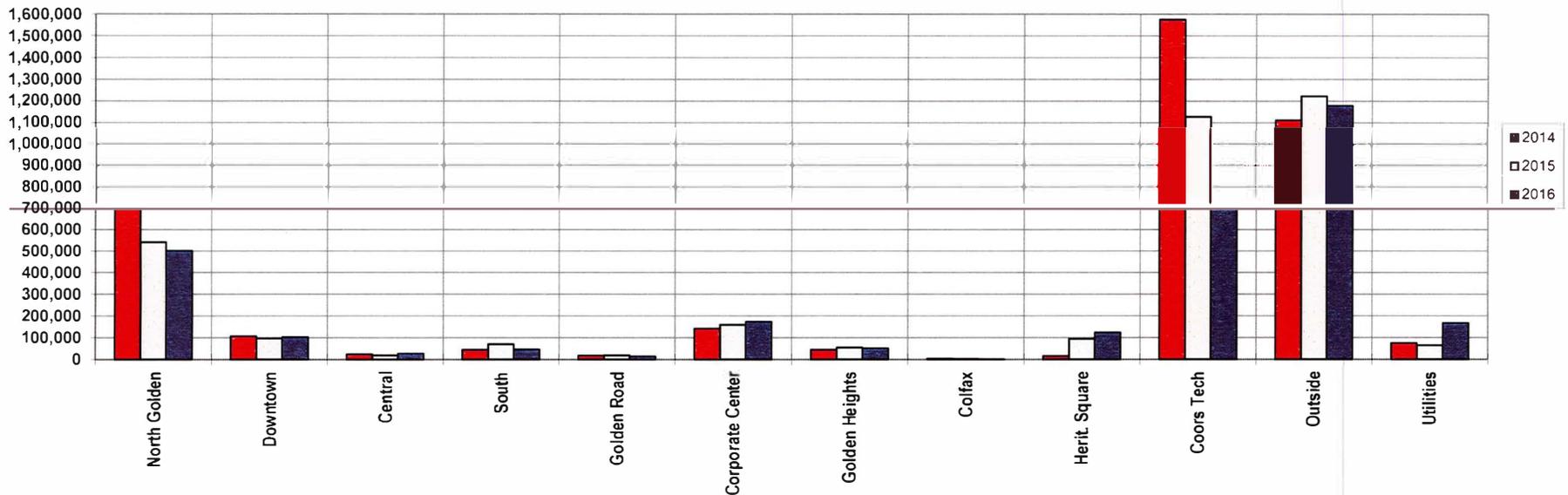
**City of Golden  
Use Tax Trends  
YTD December (January)  
2013-2016**

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	YTD % Chng
<b>2016</b>	\$ 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	<b>-11.2%</b>
<b>2015</b>	\$ 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	<b>-10.8%</b>
<b>2014</b>	\$ 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	<b>26.3%</b>
<b>2013</b>	\$ 167,338	\$ 349,712	\$ 720,530	\$ 895,850	\$ 1,056,193	\$ 1,435,412	\$ 1,588,538	\$ 1,766,541	\$ 2,070,361	\$ 2,423,262	\$ 2,581,510	\$ 3,079,512	\$ 3,079,512	<b>4.7%</b>
YTD Use Tax Audit Revenue				\$ 523,122	<<<< includes building use tax audit revenue							** Percentage Change is YTD %		
Less: YTD Use Tax Refunds				(\$62,379)										
Other Use Tax Revenue				\$ 460,743										



City of Golden  
Use Tax Revenue By Location  
YTD December (January)  
2014/2015/2016

Area	2014 Use Tax	% of total Use Tax	2015 Use Tax	% of total Use Tax	2015-2014 % Change	2016 Use Tax	% of total Use Tax	2016-2015 % Change
North Golden	\$ 728,289	18.73%	\$ 540,781	15.58%	-25.75%	\$ 500,144	16.23%	-7.51%
Downtown	\$ 106,529	2.74%	\$ 96,132	2.77%	-9.76%	\$ 102,679	3.33%	6.81%
Central	\$ 23,645	0.61%	\$ 18,759	0.54%	-20.66%	\$ 26,721	0.87%	42.44%
South	\$ 44,056	1.13%	\$ 69,744	2.01%	58.31%	\$ 45,124	1.46%	-35.30%
Golden Road	\$ 18,532	0.48%	\$ 19,583	0.56%	5.67%	\$ 14,284	0.46%	-27.06%
Corporate Center	\$ 141,382	3.64%	\$ 158,136	4.56%	11.85%	\$ 172,221	5.59%	8.91%
Golden Heights	\$ 44,229	1.14%	\$ 55,189	1.59%	24.78%	\$ 51,351	1.67%	-6.96%
Colfax	\$ 4,629	0.12%	\$ 3,376	0.10%	-27.07%	\$ 2,144	0.07%	-36.48%
Heritage Square	\$ 16,134	0.41%	\$ 93,810	2.70%	481.44%	\$ 122,652	3.98%	230.75%
Coors Technology	\$ 1,575,399	40.52%	\$ 1,127,828	32.50%	-28.41%	\$ 699,504	22.70%	-37.98%
Outside	\$ 1,110,763	28.57%	\$ 1,222,844	35.24%	10.09%	\$ 1,178,743	38.25%	-3.61%
Utilities	\$ 74,709	1.92%	\$ 63,967	1.84%	-14.38%	\$ 166,462	5.40%	160.23%
<b>Totals</b>	<b>\$ 3,888,296</b>	<b>100%</b>	<b>\$ 3,470,150</b>	<b>100%</b>	<b>-10.75%</b>	<b>\$ 3,082,030</b>	<b>100%</b>	<b>-11.18%</b>



**City of Golden**  
**Use Tax Revenue By Type**  
**YTD December (January)**  
**2014/2015/2016**

Type	2014 Use Tax	% of total Use Tax	2015 Use Tax	% of total Use Tax	2014-2013 % Change	2016 Use Tax	% of total Use Tax	2015-2014 % Change
General Merchandise	\$ 224,577	5.78%	\$ 307,125	8.85%	36.76%	\$ 236,383	7.67%	-23.03%
Grocery	\$ 40,663	1.05%	\$ 75,767	2.18%	86.34%	\$ 81,789	2.65%	7.95%
Restaurants	\$ 25,300	0.65%	\$ 26,294	0.76%	3.93%	\$ 28,231	0.92%	7.37%
Automotive	\$ 933,505	24.01%	\$ 1,023,431	29.49%	9.63%	\$ 1,070,071	34.72%	4.56%
Prof Services\Entertainment	\$ 100,269	2.58%	\$ 118,984	3.43%	18.66%	\$ 146,858	4.76%	23.43%
Bus Services	\$ 153,983	3.96%	\$ 140,357	4.04%	-8.85%	\$ 141,946	4.61%	1.13%
Manufacturing - Production	\$ 2,313,460	59.50%	\$ 1,691,887	48.76%	-26.87%	\$ 1,188,720	38.57%	-29.74%
Accommodations	\$ 21,830	0.56%	\$ 22,338	0.64%	2.33%	\$ 21,570	0.70%	-3.44%
Utilities	\$ 74,709	1.92%	\$ 63,967	1.84%	-14.38%	\$ 166,462	5.40%	160.23%
<b>Totals</b>	<b>\$ 3,888,296</b>	<b>100%</b>	<b>\$ 3,470,150</b>	<b>100%</b>	<b>-10.75%</b>	<b>\$ 3,082,030</b>	<b>100%</b>	<b>-11.18%</b>

