



City of
Golden

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Council Memorandum

To: City Council
From: Jeff Hansen, Finance Director
Through: Jason Slowinski, City Manager
Date: April 6, 2016
Re: Sales Tax Report

Attached are the sales and use tax reports for February sales (collected in March). Sales tax collections were up \$64,784 (+6.8%) for the month. Overall, revenue is up \$94,582 (+5.0%) year-to-date compared to 2015. When adjusted for seasonality, sales tax revenues exceed the 2016 Budget by 4.4%.

Overall, sales tax from businesses within the City limits (including Utilities) is up \$18,082 compared to 2015. In terms of dollars, revenues have increased the most from Corporate Center, South Golden, and North Golden. Downtown and Heritage Square are showing decreases compared to last year. By business type, General Merchandise, Restaurants and Business Supplies/Services show the largest increases. Grocery and Utilities are down so far for the year. Sales tax from businesses outside the City limits, which includes big ticket items that are delivered into the City, is up \$76,500 (+20.59%) for the year.

Use tax collections were down \$80,294 (-25.3%) for February, but February 2015 was an unusually large month. For the year, use tax is down \$128,610 (-19.9%) compared to 2015, but is up over \$160,000 compared to 2013 and 2014. Automotive and Grocery have the largest increases for the year, with Manufacturing showing the largest decrease, although it is more than doubled compared to 2014. 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, which the manufacturing industry has clearly done this year, and can also be a result of the opening of new businesses.

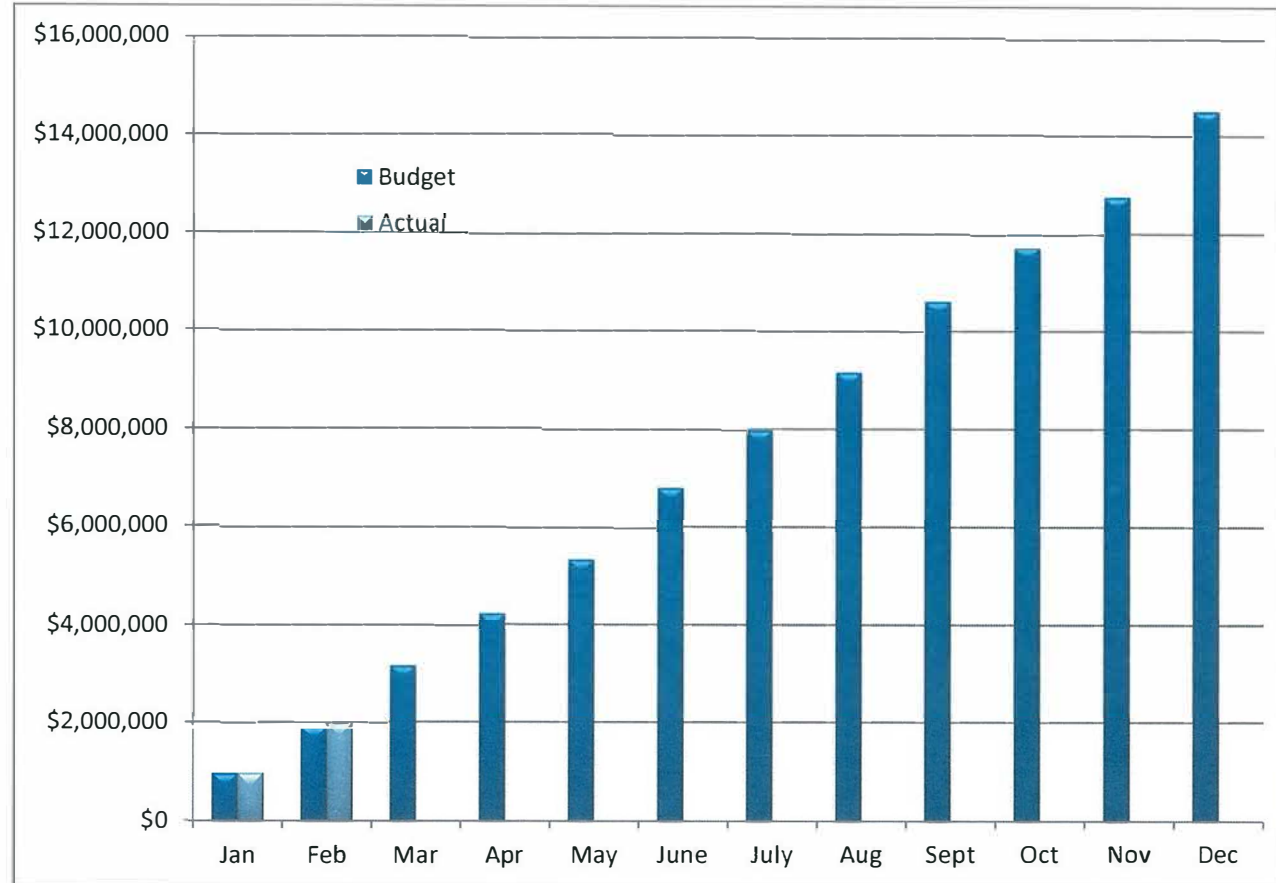
In the area of audit revenue, \$51,779 was collected in March. Including building use tax audits, the total audit revenue collected so far in 2016 is \$197,085. (Please note that there was an error in last month's report on audit revenue.) Also, the City continues to have audits in progress and additional audit revenue has been assessed, with collection anticipated over the next few months. \$5,314 has been issued in refunds for the year. These amounts are shown separately on the attached collection reports.

While it's still too early in the year to draw strong conclusions, the tax revenues look good so far in 2016. Sales tax is up more than expected and use tax numbers are good. The next 2-3 months will give us a better indication of what to expect for the year as a whole.

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	
Apr	4,234,109	
May	5,335,003	
June	6,791,315	
July	7,976,769	
Aug	9,164,670	
Sept	10,610,999	
Oct	11,724,539	
Nov	12,749,407	
Dec	14,509,743	



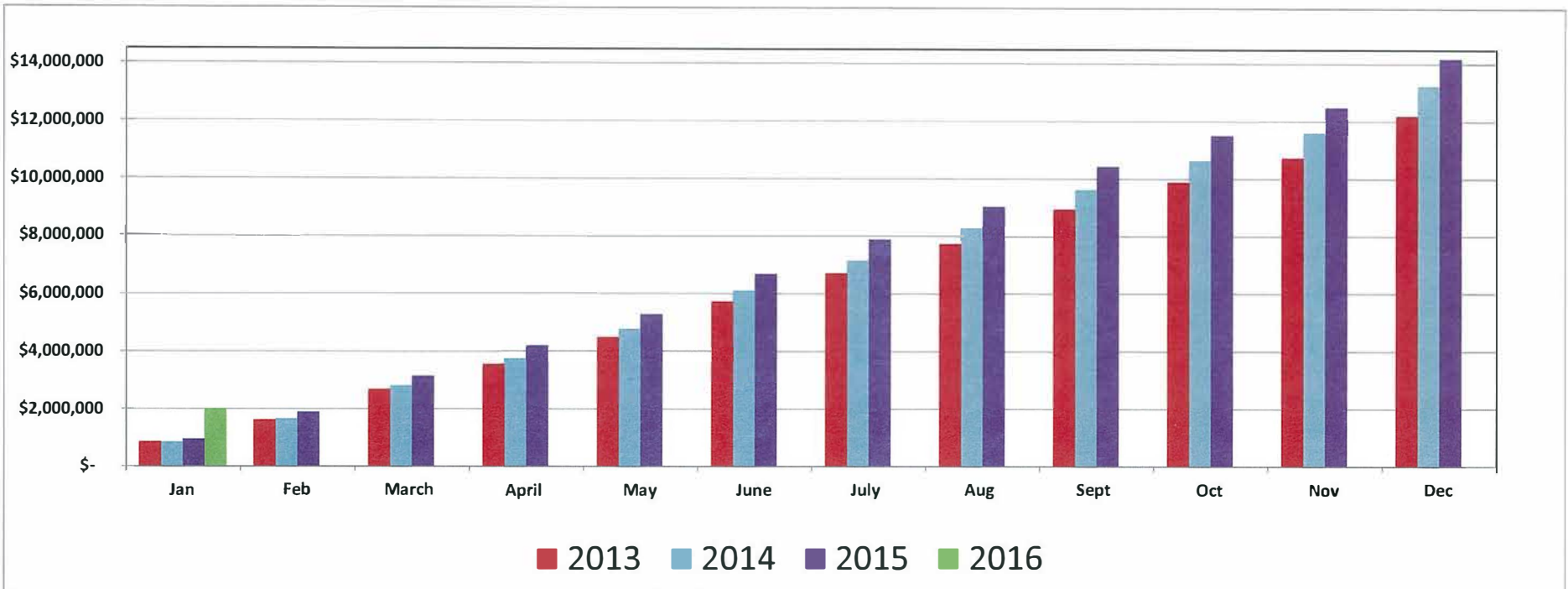
City of Golden
Sales Tax Trends
Month of February (March)
2013-2016

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2016	\$ 970,666	\$ 1,015,827											\$ 1,986,493	6.8%
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	16.4%
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	7.3%
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	-0.8%
<div> <div>MTD Sales Tax Audit Revenue</div> <div>Less: MTD Sales Tax Refunds</div> <div>Net Sales Tax Revenue</div> </div> <div> <div>\$5,379</div> <div>(\$45)</div> <div>\$5,334</div> </div>														
* Percentage Change is for current month only (highlighted)														



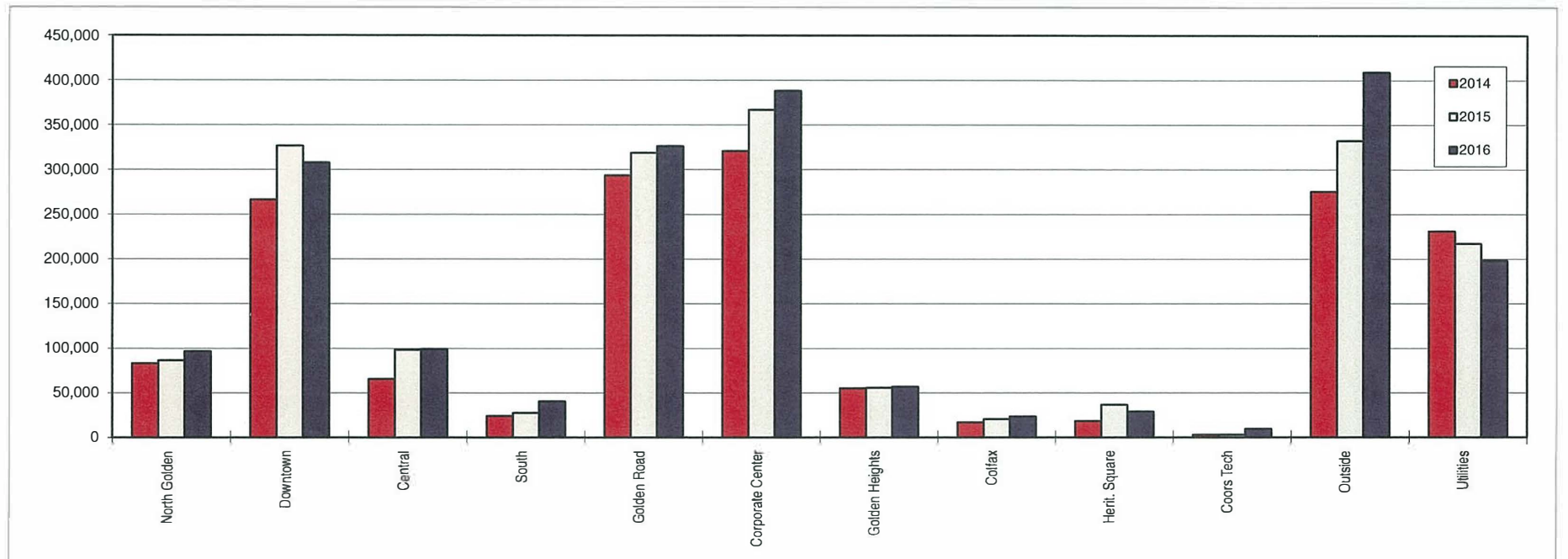
City of Golden
Sales Tax Trends
YTD February (March)
2013-2016

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2016	\$ 970,666	\$ 1,986,493											\$ 1,986,493	5.0%
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	14.3%
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	2.6%
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	3.6%
<div> YTD Sales Tax Audit Revenue <div>\$9,901</div> Less: YTD Sales Tax Refunds <div>(\$4,940)</div> Other Sales Tax Revenue <div>\$4,961</div> </div> <div>* Percentage Change - YTD percentage change</div>														



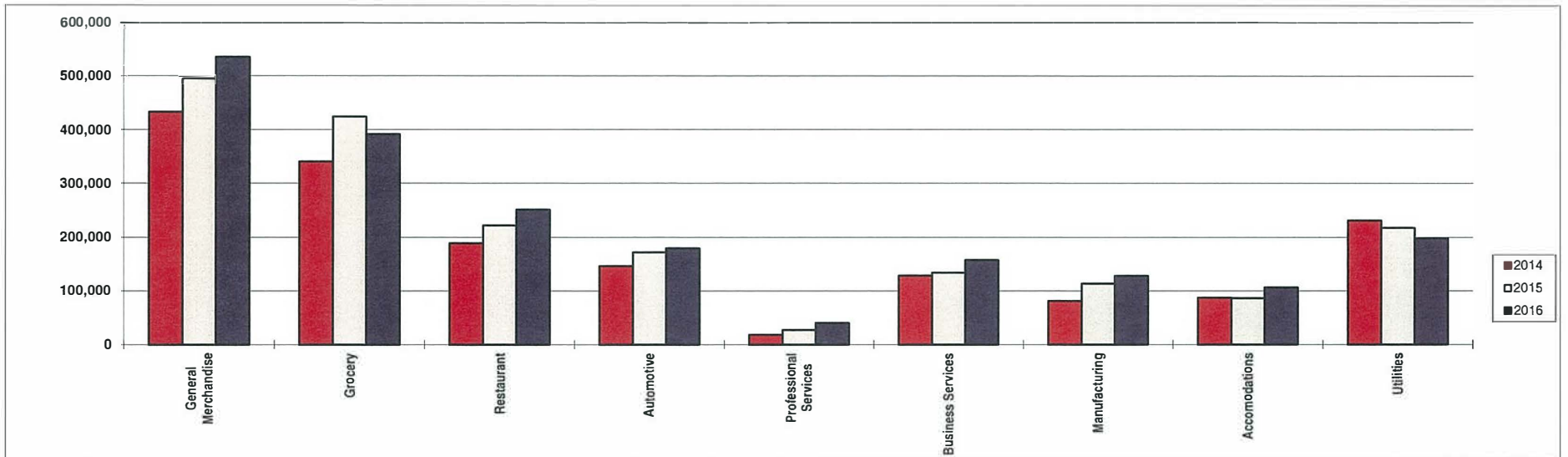
City of Golden
Sales Tax Revenue By Location
YTD - February (March)
2014/2015/2016

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	\$ 83,219	5.03%	\$ 86,789	4.59%	4.29%	\$ 96,932	4.88%	11.69%
Downtown	\$ 266,613	16.10%	\$ 326,810	17.27%	22.58%	\$ 307,917	15.50%	-5.78%
Central	\$ 65,864	3.98%	\$ 98,573	5.21%	49.66%	\$ 99,378	5.00%	0.82%
South	\$ 24,439	1.48%	\$ 27,664	1.46%	13.20%	\$ 40,779	2.05%	47.41%
Golden Road	\$ 293,692	17.74%	\$ 318,939	16.86%	8.60%	\$ 326,537	16.44%	2.38%
Corporate Center	\$ 320,997	19.39%	\$ 367,096	19.40%	14.36%	\$ 388,060	19.53%	5.71%
Golden Heights	\$ 55,105	3.33%	\$ 55,889	2.95%	1.42%	\$ 57,136	2.88%	2.23%
Colfax	\$ 17,097	1.03%	\$ 20,691	1.09%	21.02%	\$ 23,621	1.19%	14.16%
Heritage Square	\$ 18,721	1.13%	\$ 36,791	1.94%	96.52%	\$ 29,253	1.47%	-20.49%
Coors Technology	\$ 3,256	0.20%	\$ 3,022	0.16%	-7.19%	\$ 9,795	0.49%	224.11%
Outside	\$ 275,677	16.65%	\$ 332,460	17.57%	20.60%	\$ 408,960	20.59%	23.01%
Utilities	\$ 230,976	13.95%	\$ 217,187	11.48%	-5.97%	\$ 198,126	9.97%	-8.78%
Totals	\$ 1,655,658	100%	\$ 1,891,911	100%	14.27%	\$ 1,986,493	100%	5.00%



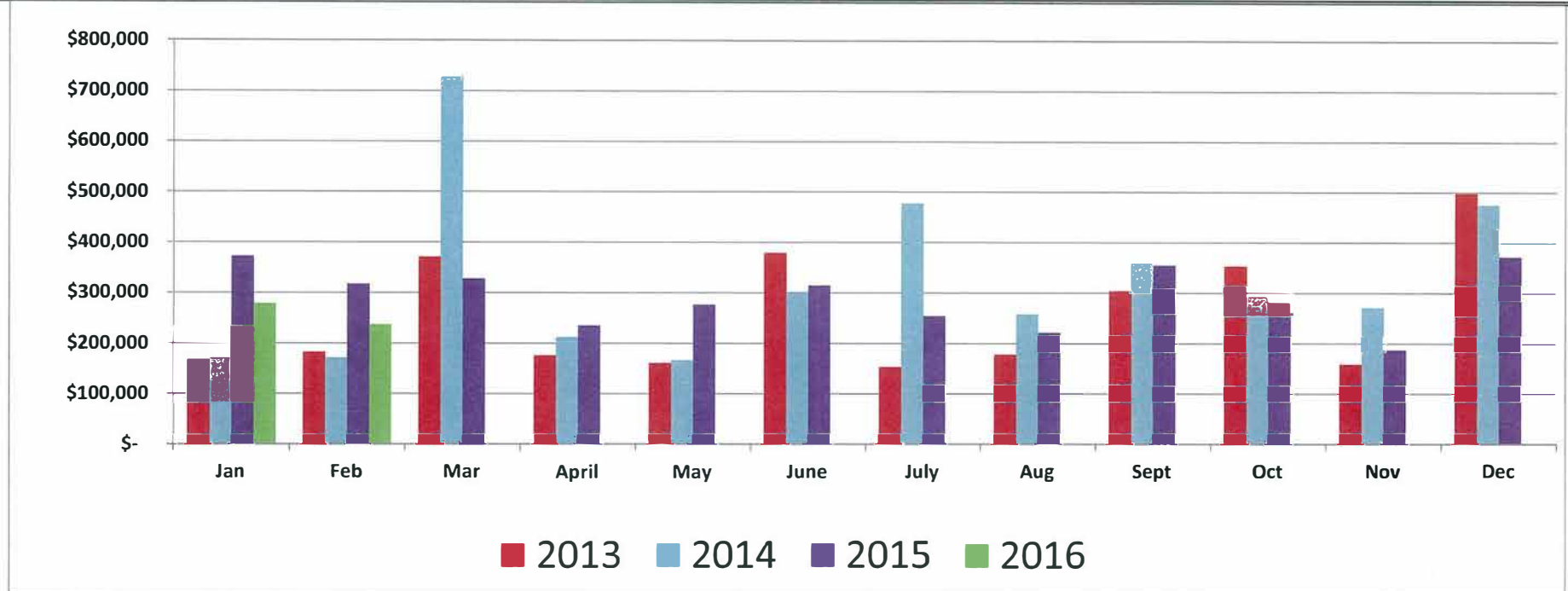
City of Golden
Sales Tax Revenue By Type
YTD February (March)
2014/2015/2016

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	\$ 432,883	26.15%	\$ 495,962	26.21%	14.57%	\$ 534,708	26.92%	7.81%
Grocery	\$ 340,747	20.58%	\$ 423,863	22.40%	24.39%	\$ 391,362	19.70%	-7.67%
Restaurants	\$ 188,598	11.39%	\$ 221,731	11.72%	17.57%	\$ 251,168	12.64%	13.28%
Automotive	\$ 146,499	8.85%	\$ 171,977	9.09%	17.39%	\$ 179,076	9.01%	4.13%
Prof Services\Entertainment	\$ 18,569	1.12%	\$ 27,577	1.46%	48.51%	\$ 40,479	2.04%	46.78%
Bus ServicesSupp.	\$ 128,527	7.76%	\$ 133,960	7.08%	4.23%	\$ 157,425	7.92%	17.52%
Manufacturing - Production	\$ 81,234	4.91%	\$ 113,404	5.99%	39.60%	\$ 127,970	6.44%	12.84%
Accommodations	\$ 87,624	5.29%	\$ 86,249	4.56%	-1.57%	\$ 106,181	5.35%	23.11%
Utilities	\$ 230,976	13.95%	\$ 217,187	11.48%	-5.97%	\$ 198,126	9.97%	-8.78%
Totals	\$ 1,655,658	100.00%	\$ 1,891,911	100.00%	14.27%	\$ 1,986,493	100.00%	5.00%



**City of Golden
Use Tax Trends
Month of February (March)
2013-2016**

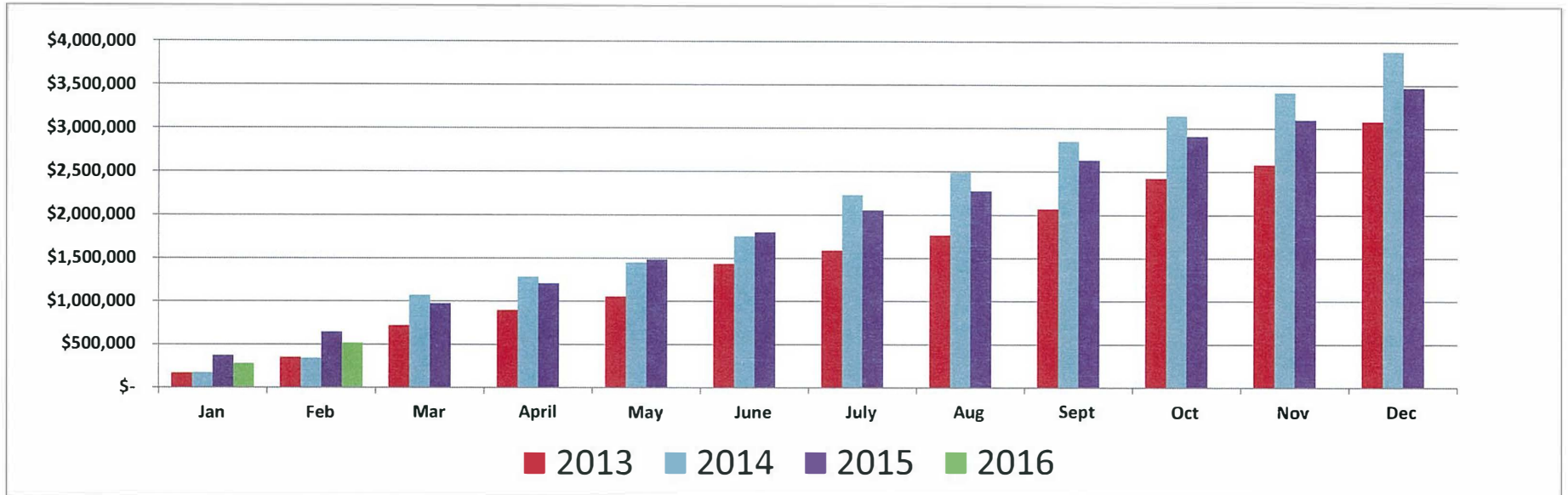
	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2016	\$ 278,990	\$ 237,225											\$ 516,215	-25.3%
2015	\$ 372,306	\$ 317,519	\$ 327,607	\$ 235,186	\$ 276,860	\$ 314,794	\$ 254,336	\$ 221,729	\$ 354,706	\$ 280,238	\$ 187,729	\$ 372,140	\$ 3,470,150	85.4%
2014	\$ 171,612	\$ 171,243	\$ 728,393	\$ 212,635	\$ 166,412	\$ 302,449	\$ 477,511	\$ 258,124	\$ 359,641	\$ 293,257	\$ 271,497	\$ 475,522	\$ 3,888,296	-6.1%
2013	\$ 167,338	\$ 182,374	\$ 370,818	\$ 175,320	\$ 160,343	\$ 379,219	\$ 153,125	\$ 178,004	\$ 303,820	\$ 352,901	\$ 158,248	\$ 498,002	\$ 3,079,512	-4.0%
<div> <div>MTD Use Tax Audit Revenue</div> <div>Less: MTD Use Tax Refunds</div> <div>Other Use Tax Revenue</div> </div> <div> <div>\$46,400</div> <div>(\$281)</div> <div>\$46,119</div> </div> <div> <div><<<< includes building use tax audit revenue</div> <div>* Percentage Change is for current month only (highlighted)</div> </div>														



*Amounts reported on the cash basis

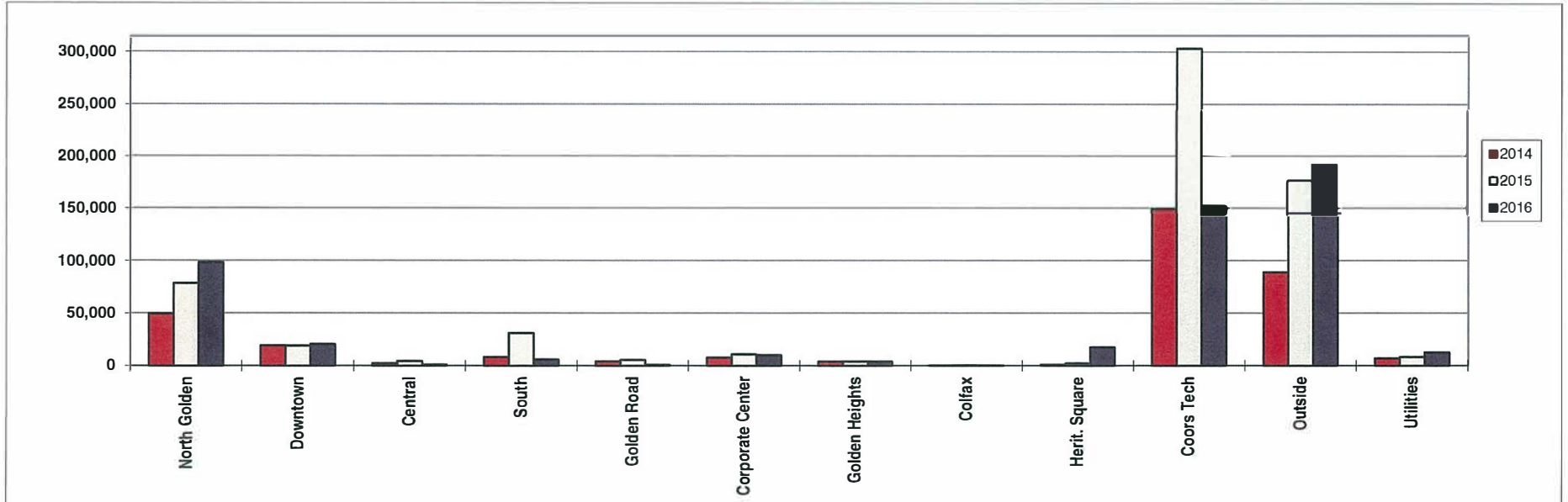
**City of Golden
Use Tax Trends
YTD February (March)
2013-2016**

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	YTD % Chng
2016	\$ 278,990	\$ 516,215											\$ 516,215	-19.9%
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	88.1%
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	-2.0%
2013	\$ 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	-10.0%
YTD Use Tax Audit Revenue \$ 187,184 <<<< includes building use tax audit revenue														
Less: YTD Use Tax Refunds (\$374)														
Other Use Tax Revenue \$ 186,811														
** Percentage Change is YTD %														



City of Golden
Use Tax Revenue By Location
YTD February (March)
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	\$ 49,907	14.56%	\$ 78,656	12.20%	57.61%	\$ 98,546	19.09%	25.29%
Downtown	\$ 19,477	5.68%	\$ 19,168	2.97%	-1.59%	\$ 20,646	4.00%	7.71%
Central	\$ 2,451	0.71%	\$ 4,518	0.70%	84.33%	\$ 1,168	0.23%	-74.15%
South	\$ 8,408	2.45%	\$ 31,177	4.83%	270.80%	\$ 6,053	1.17%	-80.58%
Golden Road	\$ 4,138	1.21%	\$ 5,609	0.87%	35.55%	\$ 974	0.19%	-82.63%
Corporate Center	\$ 7,933	2.31%	\$ 10,977	1.70%	38.37%	\$ 10,053	1.95%	-8.42%
Golden Heights	\$ 4,082	1.19%	\$ 3,932	0.61%	-3.67%	\$ 4,012	0.78%	2.03%
Colfax	\$ 178	0.05%	\$ 518	0.08%	191.01%	\$ 21	0.00%	-96.03%
Heritage Square	\$ 834	0.24%	\$ 2,231	0.35%	167.51%	\$ 17,544	3.40%	886.38%
Coors Technology	\$ 149,293	43.54%	\$ 303,277	47.03%	103.14%	\$ 152,492	29.54%	-49.72%
Outside	\$ 89,028	25.97%	\$ 176,396	27.36%	98.14%	\$ 191,951	37.18%	8.82%
Utilities	\$ 7,126	2.08%	\$ 8,366	1.30%	17.40%	\$ 12,756	2.47%	52.48%
Totals	\$ 342,855	100%	\$ 644,825	100%	88.08%	\$ 516,215	100%	-19.94%



City of Golden
Use Tax Revenue By Type
YTD February (March)
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	\$ 35,660	10.40%	\$ 39,880	6.18%	11.83%	\$ 27,364	5.30%	-31.38%
Grocery	\$ 9,170	2.67%	\$ 4,915	0.76%	-46.39%	\$ 15,478	3.00%	214.91%
Restaurants	\$ 5,034	1.47%	\$ 10,576	1.64%	110.09%	\$ 1,900	0.37%	-82.04%
Automotive	\$ 135,417	39.50%	\$ 167,408	25.96%	23.62%	\$ 184,697	35.78%	10.33%
Prof Services\Entertainment	\$ 17,538	5.12%	\$ 36,330	5.63%	107.15%	\$ 21,399	4.15%	-41.10%
Bus Services	\$ 15,084	4.40%	\$ 18,386	2.85%	21.89%	\$ 8,789	1.70%	-52.20%
Manufacturing - Production	\$ 114,005	33.25%	\$ 356,914	55.35%	213.07%	\$ 237,920	46.09%	-33.34%
Accommodations	\$ 3,820	1.11%	\$ 2,048	0.32%	-46.39%	\$ 5,913	1.15%	188.74%
Utilities	\$ 7,126	2.08%	\$ 8,366	1.30%	17.40%	\$ 12,756	2.47%	52.48%
Totals	\$ 342,855	100%	\$ 644,825	100%	88.08%	\$ 516,215	100%	-19.94%

