



City of
Golden

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Council Memorandum

To: City Council
From: Jeff Hansen, Finance Director
Through: Jason Slowinski, City Manager
Date: September 2, 2016
Re: Sales Tax Report

Attached are the sales and use tax reports for July sales (collected in August). Sales tax collections were up \$29,440 (+2.5%) for the month. While the increase is lower than previous months, it is still a good amount – especially considering that July 2015 was up 13.6% over 2014. So, for the two years combined, the average annual increase is 8.2%. Overall, revenue is up \$406,629 (+5.2%) year-to-date compared to 2015. When adjusted for seasonality, sales tax revenues exceed the 2016 Budget by 3.8%.

Overall, sales tax from businesses within the City limits (including Utilities) is up \$214,643 compared to 2015. In terms of dollars, revenues have increased the most from Golden Road, Corporate Center, and Central Golden. Downtown remains up slightly and no areas are showing a decrease compared to last year. By business type, Restaurants, General Merchandise, and Manufacturing show the largest increases. Utilities and Automotive remain down for the year. Sales tax from businesses outside the City limits, which includes big ticket items that are delivered into the City, is up \$191,986 (+11.4%) for the year.

Use tax collections were down \$53,658 (-21.1%) for July. For the year, use tax is down \$324,231 (-15.8%) compared to 2015. Automotive, Restaurants, and Accommodations are the only areas with an increase for the year, with Manufacturing showing the largest decrease. Through July, total use tax is at 44.6% of the 2016 annual budget. 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.

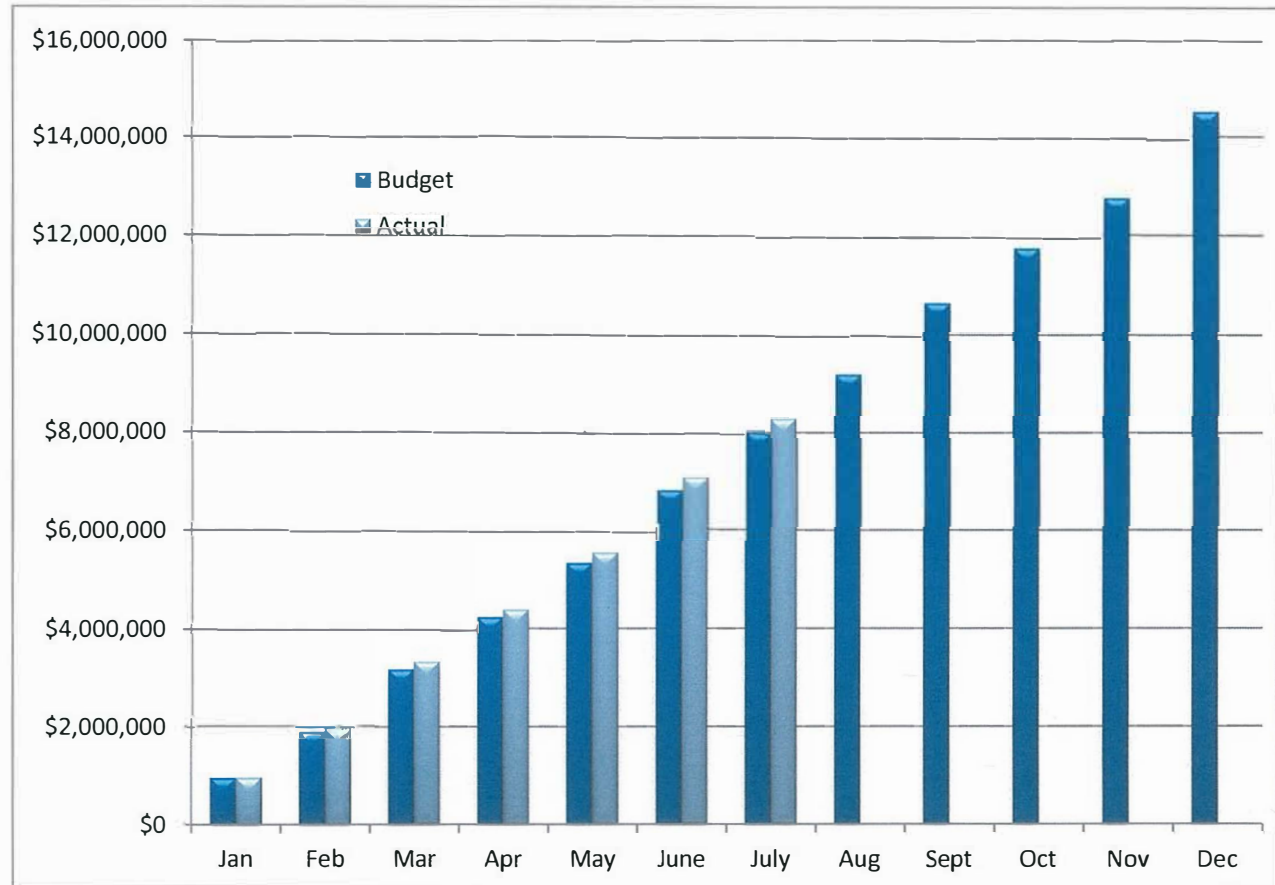
In the area of audit revenue, \$49,312 was collected in August. Including building use tax audits, the total audit revenue collected so far in 2016 is \$900,065. Also, the City continues to have audits in progress and additional audit revenue has been assessed, with collection anticipated over the next few months. \$83,160 has been issued in refunds for the year. These amounts are shown separately on the attached collection reports.

Sales tax continues to grow at a very strong rate and the summer tourism season, while not as strong as last year, is off to a good start. A large chunk of manufacturing use tax is anticipated to be received later this year or early in 2017. Including audit revenue, total sales and use tax is up compared to 2015.

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

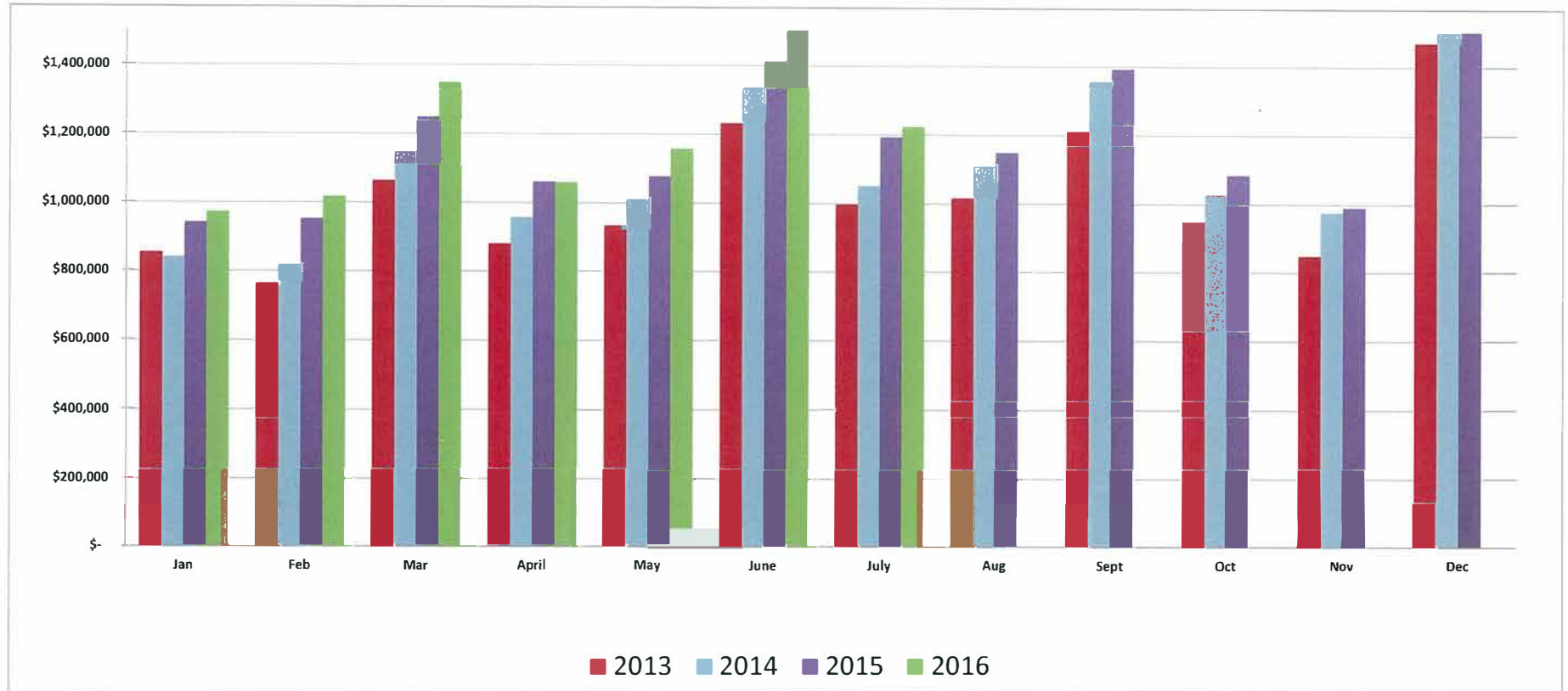
<u>Month</u>	<u>YTD Budget</u>	<u>YTD Actual</u>
Jan	\$966,138	\$970,666
Feb	1,902,761	1,986,493
Mar	3,170,124	3,333,698
Apr	4,234,109	4,391,362
May	5,335,003	5,547,407
June	6,791,315	7,061,751
July	7,976,769	8,283,396
Aug	9,164,670	
Sept	10,610,999	
Oct	11,724,539	
Nov	12,749,407	
Dec	14,509,743	



City of Golden
Sales Tax Trends
Month of July (August)
2013-2016

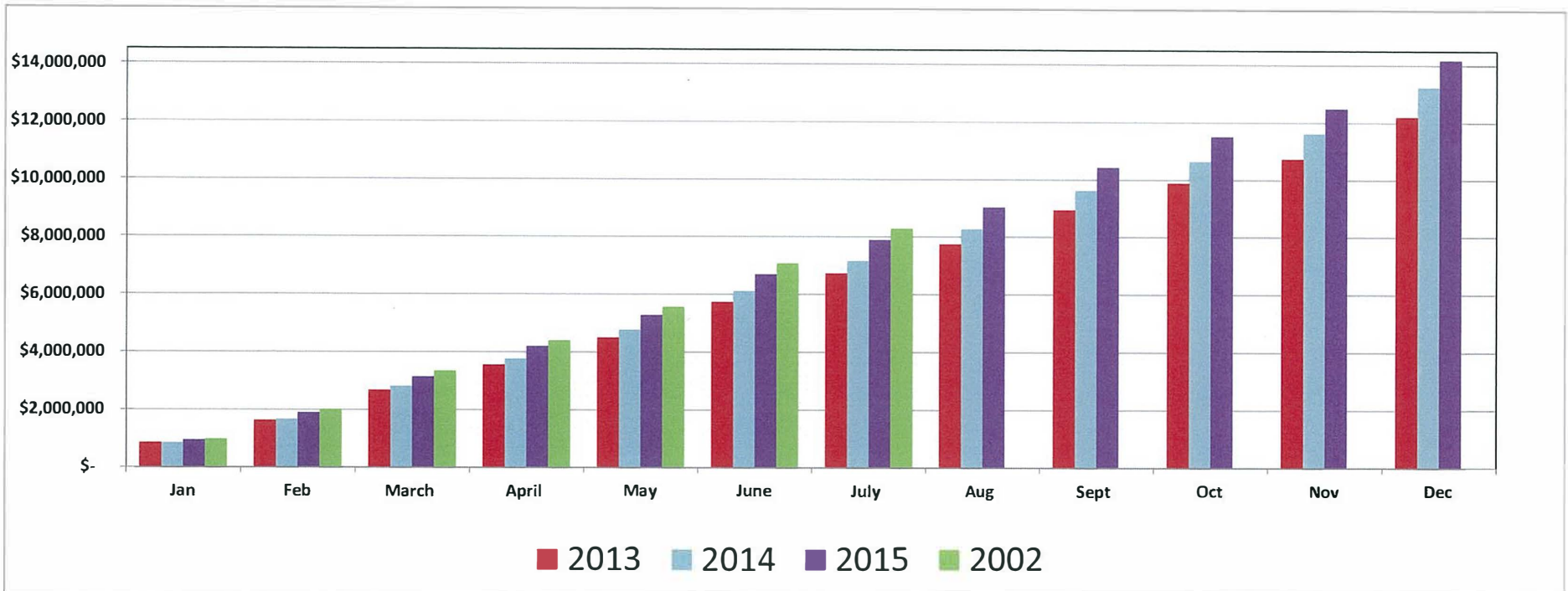
	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2016	\$ 970,666	\$ 1,015,827	\$ 1,347,205	\$ 1,057,664	\$ 1,156,045	\$ 1,514,344	\$ 1,221,645						\$ 8,283,396	2.5%
2015	\$ 940,868	\$ 951,043	\$ 1,247,072	\$ 1,059,530	\$ 1,075,165	\$ 1,410,884	\$ 1,192,205	\$ 1,147,227	\$ 1,391,863	\$ 1,082,678	\$ 987,857	\$ 1,688,949	\$ 14,175,341	13.6%
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	5.5%
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	3.4%
MTD Sales Tax Audit Revenue				\$12,696										
Less: MTD Sales Tax Refunds				(\$962)										
Net Sales Tax Revenue				\$11,734										

* Percentage Change is for current month only (highlighted)



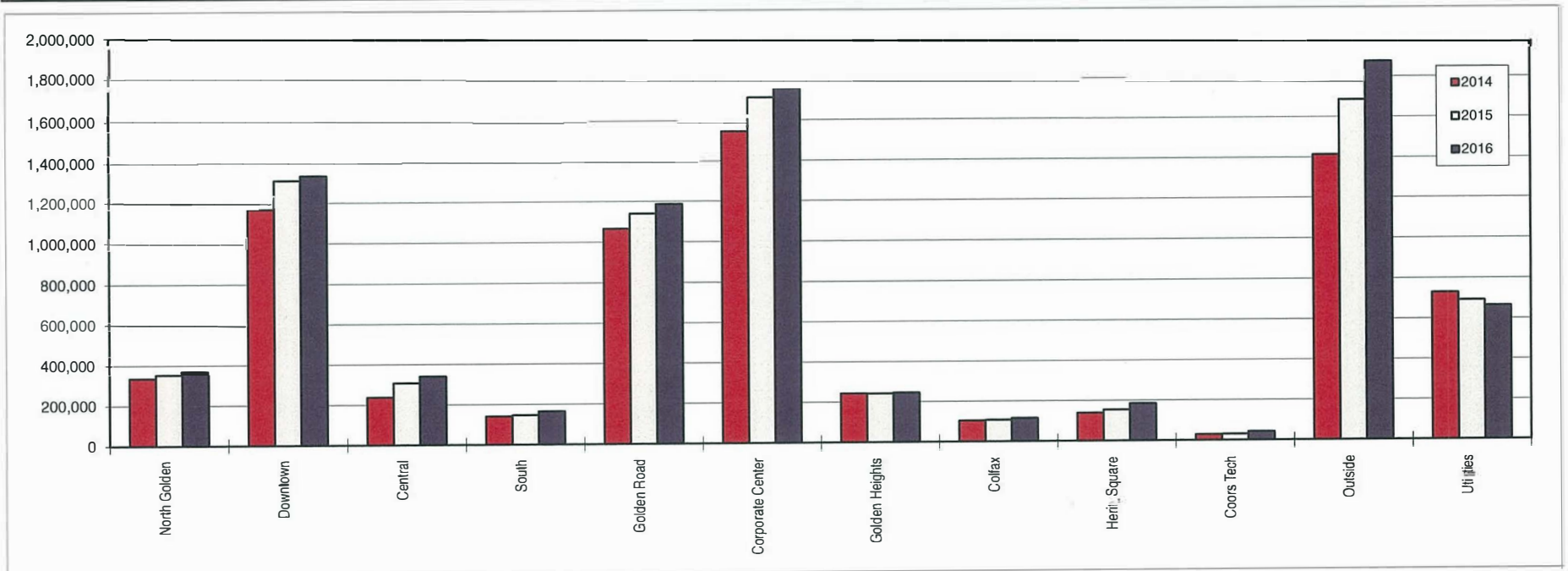
City of Golden
Sales Tax Trends
YTD July (August)
2013-2016

	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						\$ 8,283,396	5.2%
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	10.2%
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	6.6%
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	3.0%
YTD Sales Tax Audit Revenue \$408,383														
Less: YTD Sales Tax Refunds (\$29,460)														
Other Sales Tax Revenue \$378,922														
* Percentage Change - YTD percentage change														



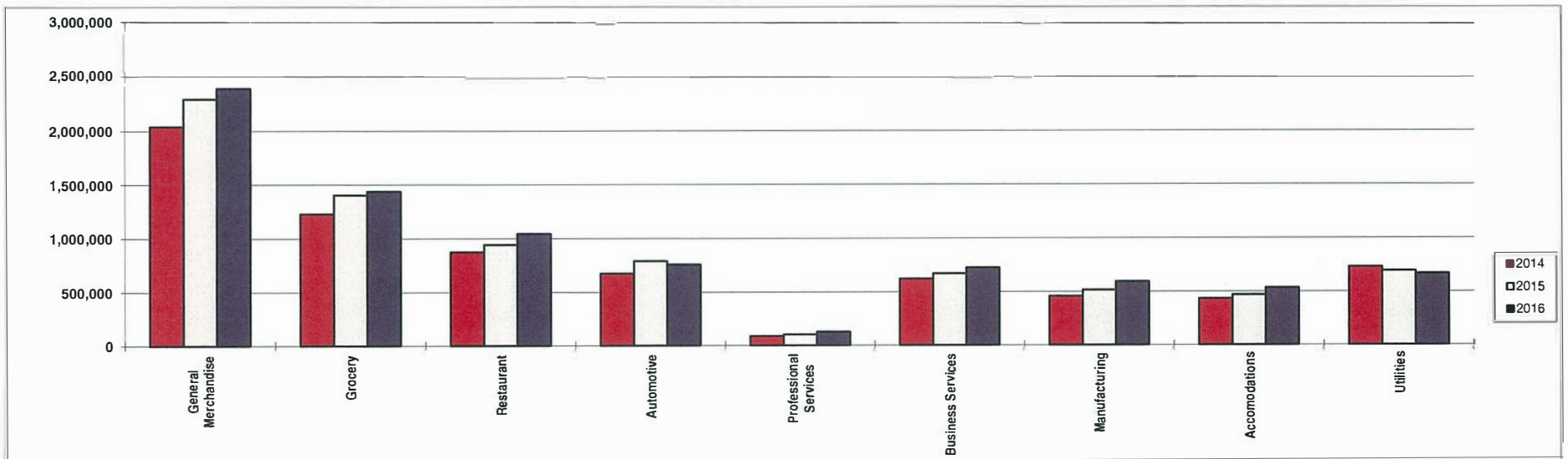
City of Golden
Sales Tax Revenue By Location
YTD - July (August)
2014/2015/2016

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	\$ 335,128	4.69%	\$ 352,959	4.48%	5.32%	\$ 372,502	4.50%	5.54%
Downtown	\$ 1,167,938	16.33%	\$ 1,311,265	16.65%	12.27%	\$ 1,334,347	16.11%	1.76%
Central	\$ 237,895	3.33%	\$ 307,215	3.90%	29.14%	\$ 340,867	4.12%	10.95%
South	\$ 140,849	1.97%	\$ 145,863	1.85%	3.56%	\$ 164,370	1.98%	12.69%
Golden Road	\$ 1,065,944	14.91%	\$ 1,139,475	14.47%	6.90%	\$ 1,187,592	14.34%	4.22%
Corporate Center	\$ 1,545,235	21.61%	\$ 1,712,430	21.74%	10.82%	\$ 1,755,606	21.19%	2.52%
Golden Heights	\$ 243,004	3.40%	\$ 240,918	3.06%	-0.86%	\$ 244,977	2.96%	1.68%
Colfax	\$ 103,476	1.45%	\$ 107,369	1.36%	3.76%	\$ 114,166	1.38%	6.33%
Heritage Square	\$ 138,406	1.94%	\$ 154,186	1.96%	11.40%	\$ 184,972	2.23%	19.97%
Coors Technology	\$ 29,272	0.41%	\$ 29,424	0.37%	0.52%	\$ 41,955	0.51%	42.59%
Outside	\$ 1,413,837	19.77%	\$ 1,684,299	21.38%	19.13%	\$ 1,876,285	22.65%	11.40%
Utilities	\$ 729,206	10.20%	\$ 691,365	8.78%	-5.19%	\$ 665,758	8.04%	-3.70%
Totals	\$ 7,150,189	100%	\$ 7,876,767	100%	10.16%	\$ 8,283,396	100%	5.16%



City of Golden
Sales Tax Revenue By Type
YTD July (August)
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	\$ 2,041,713	28.55%	\$ 2,298,299	29.18%	12.57%	\$ 2,397,769	28.95%	4.33%
Grocery	\$ 1,228,862	17.19%	\$ 1,403,110	17.81%	14.18%	\$ 1,437,468	17.35%	2.45%
Restaurants	\$ 873,180	12.21%	\$ 941,180	11.95%	7.79%	\$ 1,044,868	12.61%	11.02%
Automotive	\$ 675,223	9.44%	\$ 788,681	10.01%	16.80%	\$ 757,515	9.14%	-3.95%
Prof Services\Entertainment	\$ 87,327	1.22%	\$ 102,895	1.31%	17.83%	\$ 126,492	1.53%	22.93%
Bus ServicesSupp.	\$ 621,077	8.69%	\$ 668,671	8.49%	7.66%	\$ 723,176	8.73%	8.15%
Manufacturing - Production	\$ 458,389	6.41%	\$ 514,323	6.53%	12.20%	\$ 594,860	7.18%	15.66%
Accommodations	\$ 435,213	6.09%	\$ 468,244	5.94%	7.59%	\$ 535,489	6.46%	14.36%
Utilities	\$ 729,206	10.20%	\$ 691,365	8.78%	-5.19%	\$ 665,758	8.04%	-3.70%
Totals	\$ 7,150,190	100.00%	\$ 7,876,767	100.00%	10.16%	\$ 8,283,396	100.00%	5.16%

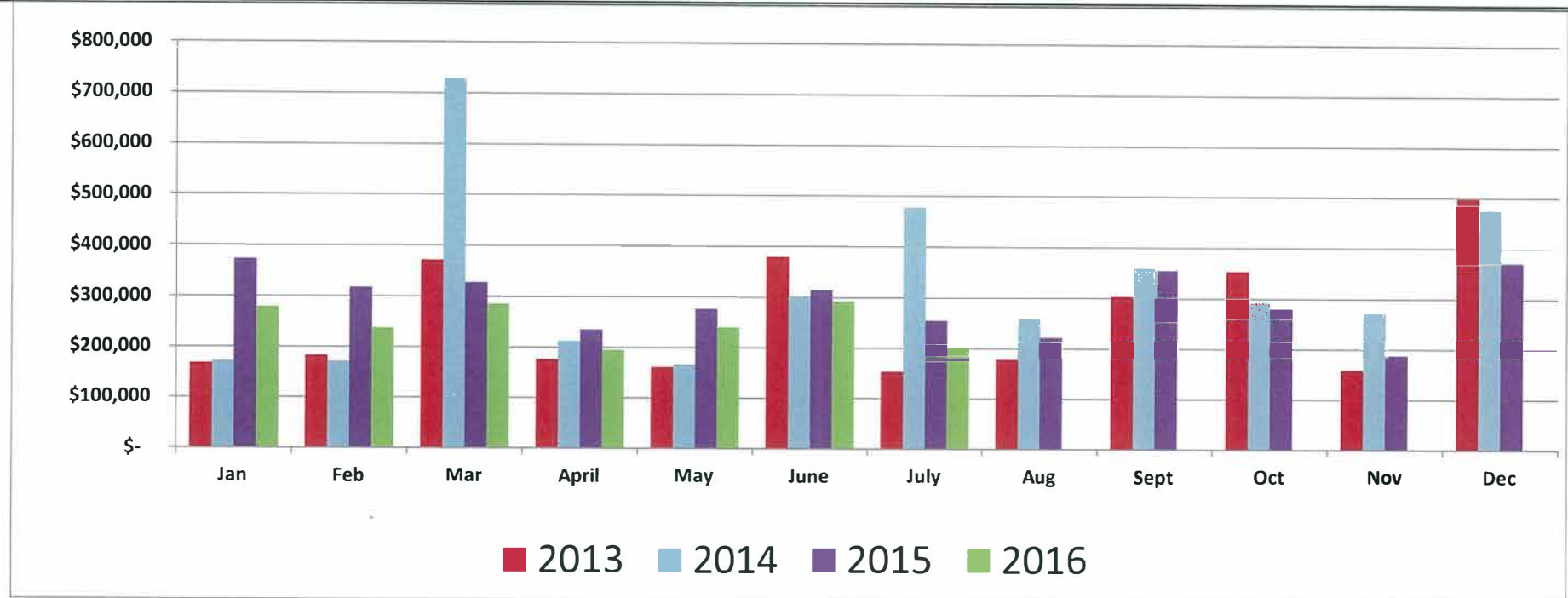


**City of Golden
Use Tax Trends
Month of July (August)
2013-2016**

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2016	\$ 278,990	\$ 237,225	\$ 285,559	\$ 194,318	\$ 240,102	\$ 292,505	\$ 200,678						\$ 1,729,377	-21.1%
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	-46.7%
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	211.8%
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	-16.3%

MTD Use Tax Audit Revenue \$36,616 <<<< includes building use tax audit revenue
Less: MTD Use Tax Refunds (\$610)
Other Use Tax Revenue \$36,006

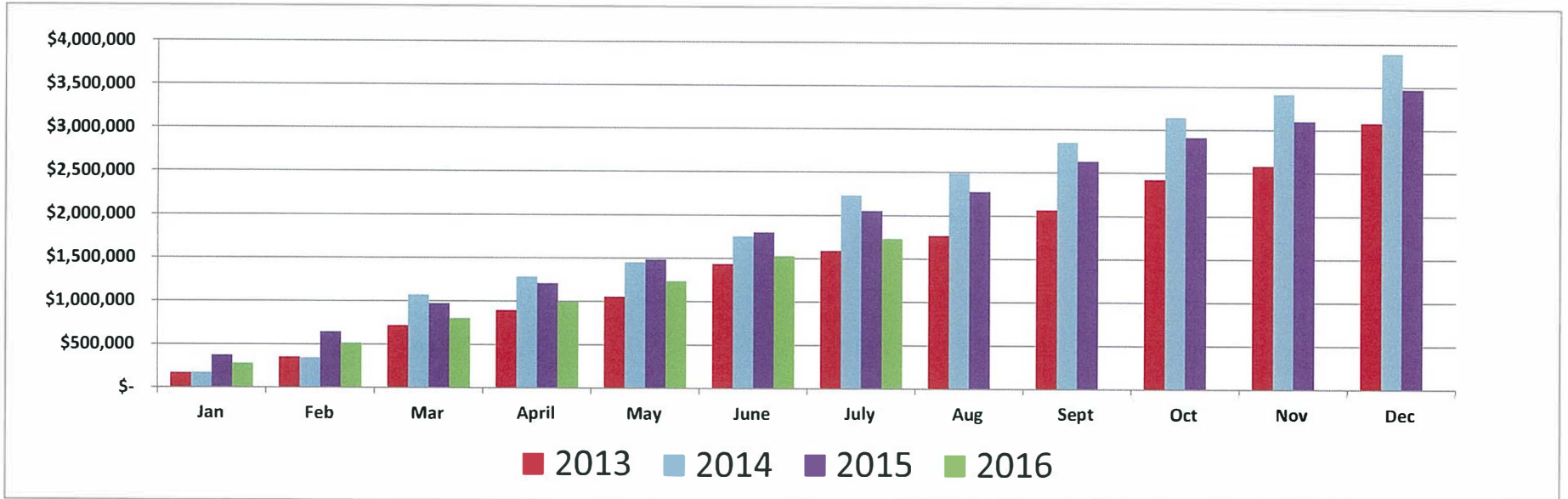
* Percentage Change is for current month only (highlighted)



*Amounts reported on the cash basis

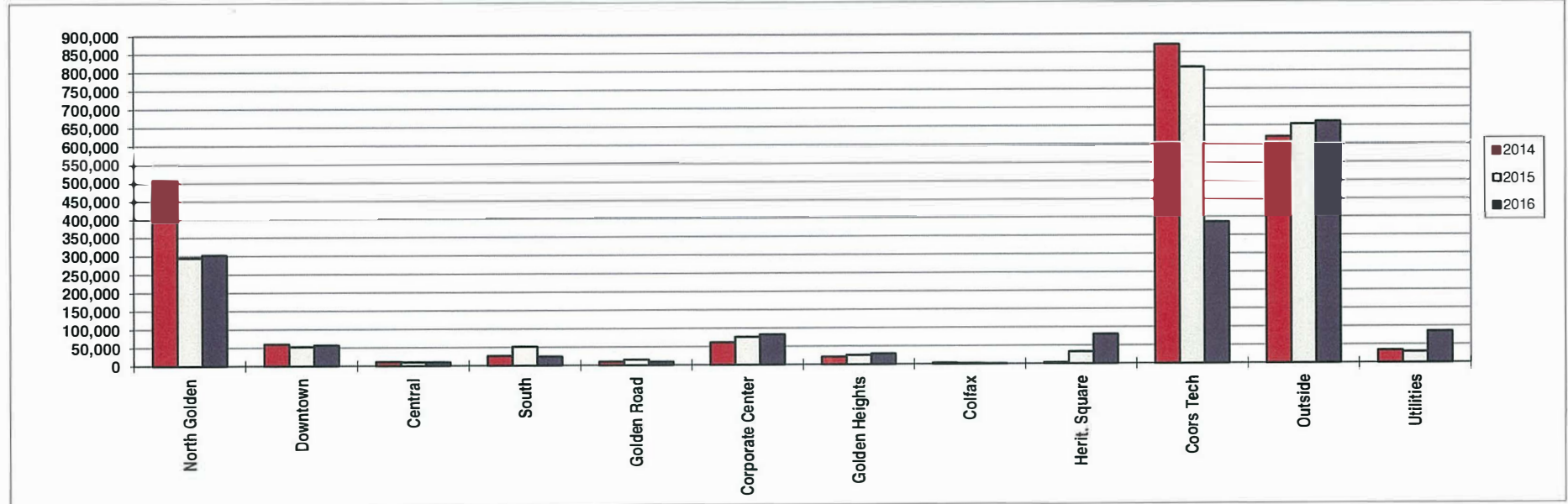
City of Golden
Use Tax Trends
YTD July (August)
2013-2016

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	YTD % Chng
2016	\$ 278,990	\$ 516,215	\$ 801,774	\$ 996,092	\$ 1,236,194	\$ 1,528,699	\$ 1,729,377						\$ 1,729,377	-15.8%
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	-7.9%
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	40.4%
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	5.2%
YTD Use Tax Audit Revenue \$ 491,682 <<<< includes building use tax audit revenue														
Less: YTD Use Tax Refunds (\$53,700)														
Other Use Tax Revenue \$ 437,982														
** Percentage Change is YTD %														



City of Golden
Use Tax Revenue By Location
YTD Junly (August)
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	\$ 508,032	22.78%	\$ 295,173	14.37%	-41.90%	\$ 302,781	17.51%	2.58%
Downtown	\$ 59,984	2.69%	\$ 52,346	2.55%	-12.73%	\$ 56,856	3.29%	8.62%
Central	\$ 11,560	0.52%	\$ 9,646	0.47%	-16.56%	\$ 10,096	0.58%	4.67%
South	\$ 27,035	1.21%	\$ 51,919	2.53%	92.04%	\$ 24,315	1.41%	-53.17%
Golden Road	\$ 10,221	0.46%	\$ 15,143	0.74%	48.16%	\$ 9,344	0.54%	-38.30%
Corporate Center	\$ 61,105	2.74%	\$ 76,038	3.70%	24.44%	\$ 82,822	4.79%	8.92%
Golden Heights	\$ 21,034	0.94%	\$ 25,128	1.22%	19.46%	\$ 28,830	1.67%	14.73%
Colfax	\$ 3,067	0.14%	\$ 2,024	0.10%	-34.01%	\$ 1,054	0.06%	-47.91%
Heritage Square	\$ 2,978	0.13%	\$ 32,709	1.59%	998.35%	\$ 80,732	4.67%	346.82%
Coors Technology	\$ 871,782	39.09%	\$ 809,936	39.44%	-7.09%	\$ 386,222	22.33%	-52.31%
Outside	\$ 619,172	27.76%	\$ 653,514	31.82%	5.55%	\$ 660,818	38.21%	1.12%
Utilities	\$ 34,285	1.54%	\$ 30,032	1.46%	-12.40%	\$ 85,508	4.94%	184.72%
Totals	\$ 2,230,255	100%	\$ 2,053,608	100%	-7.92%	\$ 1,729,377	100%	-15.79%



City of Golden
Use Tax Revenue By Type
YTD July (August)
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	\$ 127,104	5.70%	\$ 174,127	8.48%	37.00%	\$ 127,977	7.40%	-26.50%
Grocery	\$ 23,212	1.04%	\$ 46,181	2.25%	98.96%	\$ 45,549	2.63%	-1.37%
Restaurants	\$ 15,334	0.69%	\$ 18,298	0.89%	19.33%	\$ 19,785	1.14%	8.13%
Automotive	\$ 530,928	23.81%	\$ 575,008	28.00%	8.30%	\$ 614,192	35.52%	6.81%
Prof Services\Entertainment	\$ 54,441	2.44%	\$ 70,202	3.42%	28.95%	\$ 68,271	3.95%	-2.75%
Bus Services	\$ 84,233	3.78%	\$ 65,536	3.19%	-22.20%	\$ 63,423	3.67%	-3.22%
Manufacturing - Production	\$ 1,346,890	60.39%	\$ 1,060,814	51.66%	-21.24%	\$ 690,707	39.94%	-34.89%
Accommodations	\$ 13,828	0.62%	\$ 13,411	0.65%	-3.02%	\$ 13,964	0.81%	4.13%
Utilities	\$ 34,285	1.54%	\$ 30,032	1.46%	-12.40%	\$ 85,508	4.94%	184.72%
Totals	\$ 2,230,255	100%	\$ 2,053,608	100%	-7.92%	\$ 1,729,377	100%	-15.79%

