



City of
Golden

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Council Memorandum

To: City Council
From: Jeff Hansen, Finance Director
Date: January 9, 2018
Re: Sales Tax Report

Attached are the sales and use tax reports for November sales (collected in December). Sales tax collections were up \$53,607 (4.8%) for the month. The bulk of the increase came from businesses outside of Golden, including Amazon. Overall, revenue is up \$767,241 (+5.8%) year-to-date compared to 2016. When adjusted for seasonality, sales tax revenues exceed the 2017 Budget by 3.8%.

Overall, sales tax from businesses within the City limits (including Utilities) is up \$492,737 compared to 2016. In terms of dollars, revenues have increased the most from Golden Road, Coors Tech Center, and North Golden. The Heritage/Gateway Village area shows the largest decrease compared to last year. By business type, General Merchandise, Restaurants, and Grocery show the largest increases. Business Services/Supplies is the only business type with a decrease for the year. Sales tax from businesses outside the City limits, which includes big ticket items that are delivered into the City, is up \$274,504 (9.28%) for the year. A large portion of this increase is coming from Amazon. This is a strong indicator of the amount of online purchasing that occurs in today's society.

Use tax collections were up \$1,480 (0.6%) for November. For the year, use tax is up \$308,959 (11.5%) compared to 2016. Automotive, Business Services, and Utilities have the largest increases so far this year, with General Merchandise now showing the largest decrease. 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.

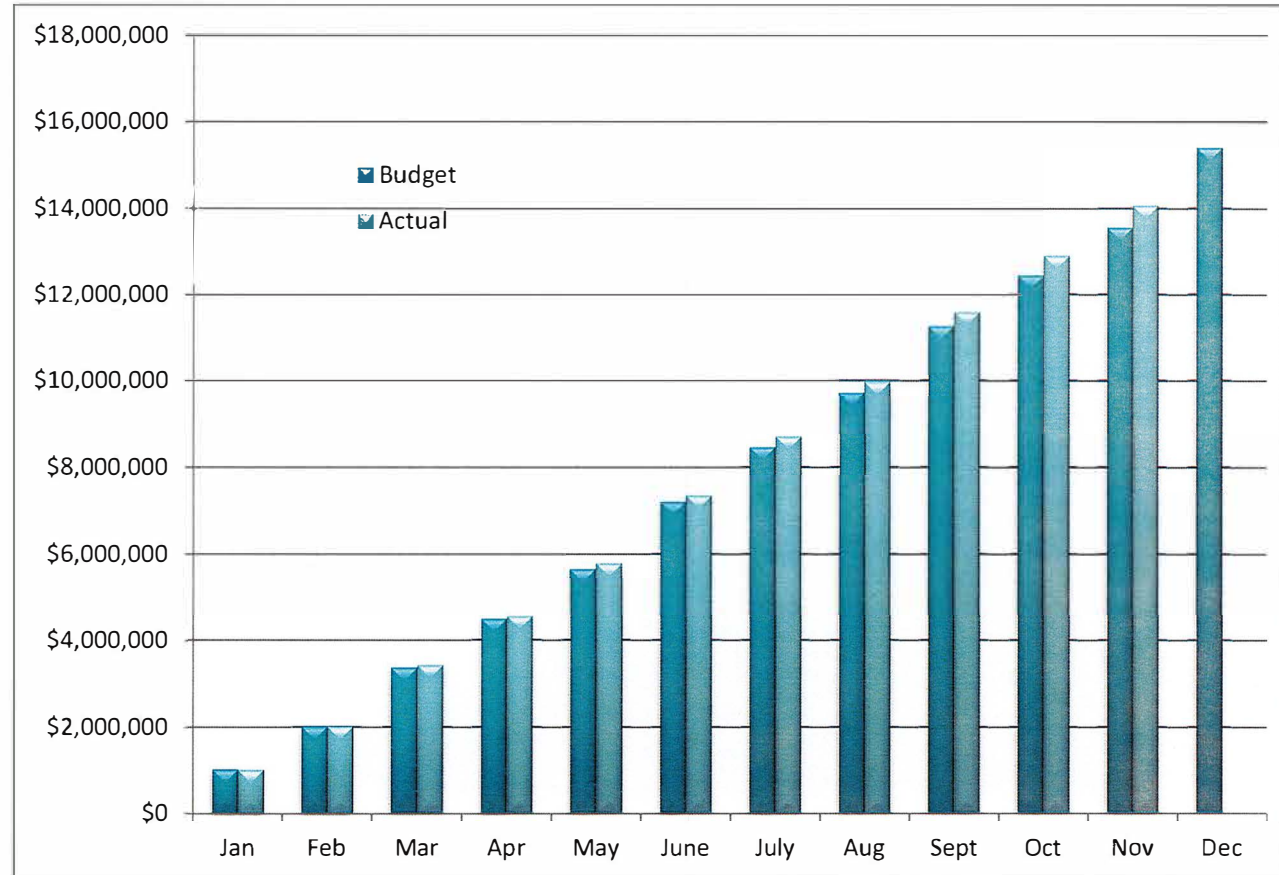
In the area of audit revenue, \$10,912 was collected in November. Including building use tax audits, the total audit revenue collected so far in 2017 is \$625,053. Also, the City continues to have audits in progress and additional audit revenue has been assessed, with collection anticipated over the next few months. \$45,770 have been issued in refunds for the year. These amounts are shown separately on the attached collection reports.

The local economy continues to look really good. The strong numbers for Restaurants (sales tax) and Automotive (use tax) are positive signs in regards to discretionary spending. November sales tax within the city limits was relatively stagnant compared to 2016. December (Christmas) sales should be a good indicator of the status of the local economy heading into 2018.

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

CITY OF GOLDEN
Budget to Actual Comparison
(adjusted for seasonality)
2017 Sales Tax Revenue

<u>Month</u>	<u>YTD Budget</u>	<u>YTD Actual</u>
Jan	\$1,014,831	\$1,006,334
Feb	2,013,664	2,008,044
Mar	3,366,552	3,427,875
Apr	4,479,702	4,543,508
May	5,655,075	5,787,588
June	7,201,833	7,349,666
July	8,457,624	8,706,714
Aug	9,724,363	9,972,409
Sept	11,273,432	11,594,577
Oct	12,454,670	12,905,279
Nov	13,558,336	14,068,584
Dec	15,400,650	

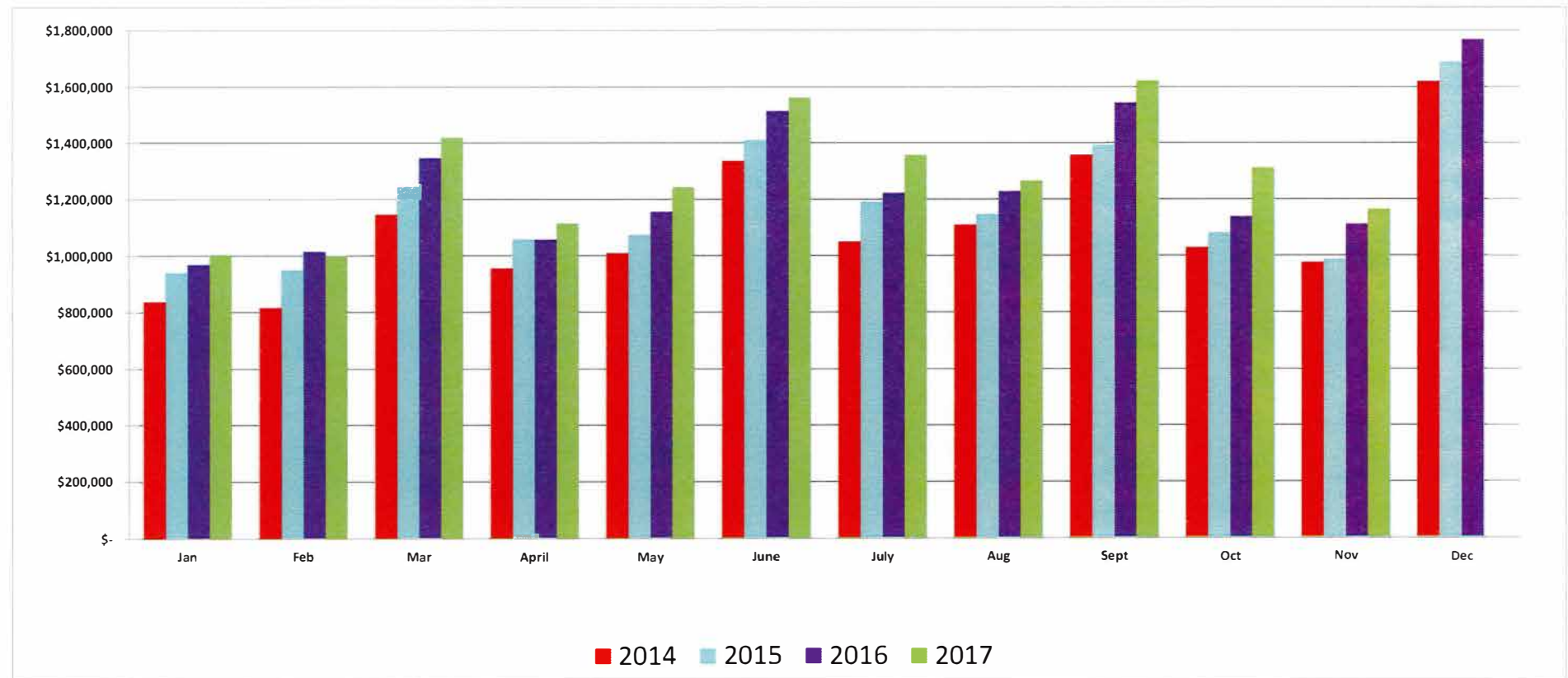


City of Golden
Sales Tax Trends
Month of November (December)
2014-2017

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
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		\$ 14,068,584	4.8%
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	12.3%
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	1.4%
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	15.1%

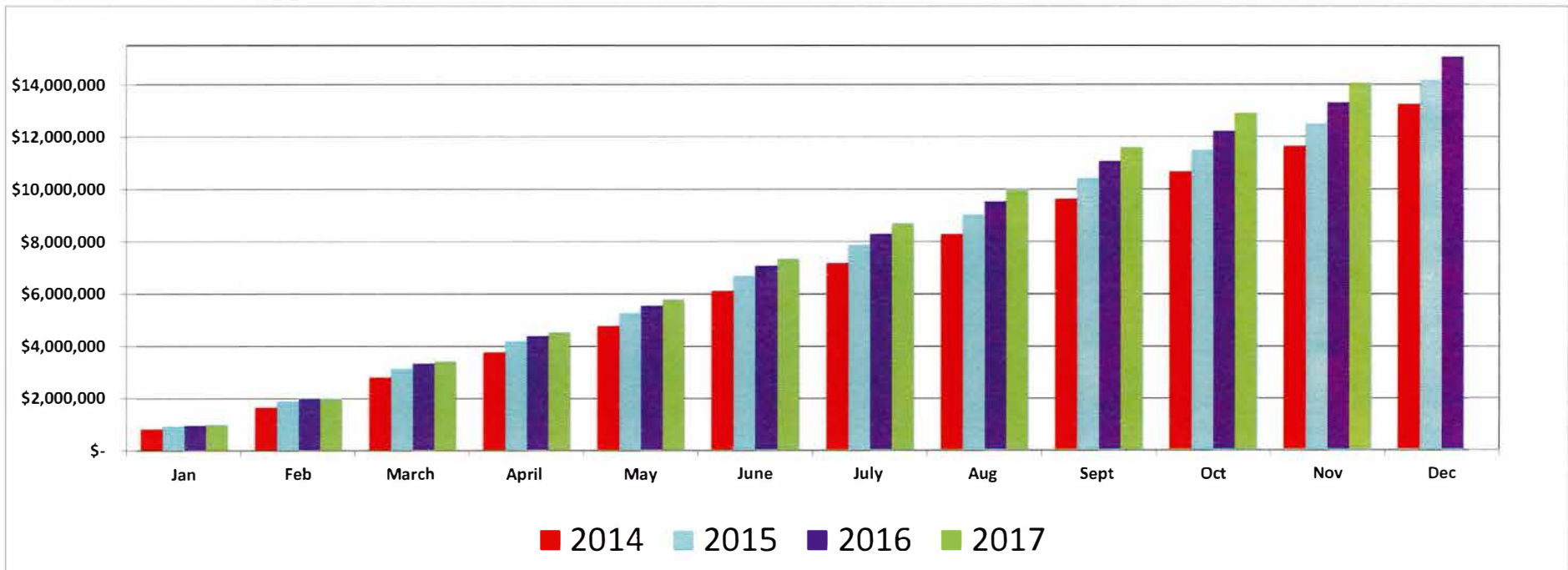
MTD Sales Tax Audit Revenue	\$7,059	
Less: MTD Sales Tax Refunds	(\$65)	
Net Sales Tax Revenue	\$6,994	

* Percentage Change is for current month only (highlighted)



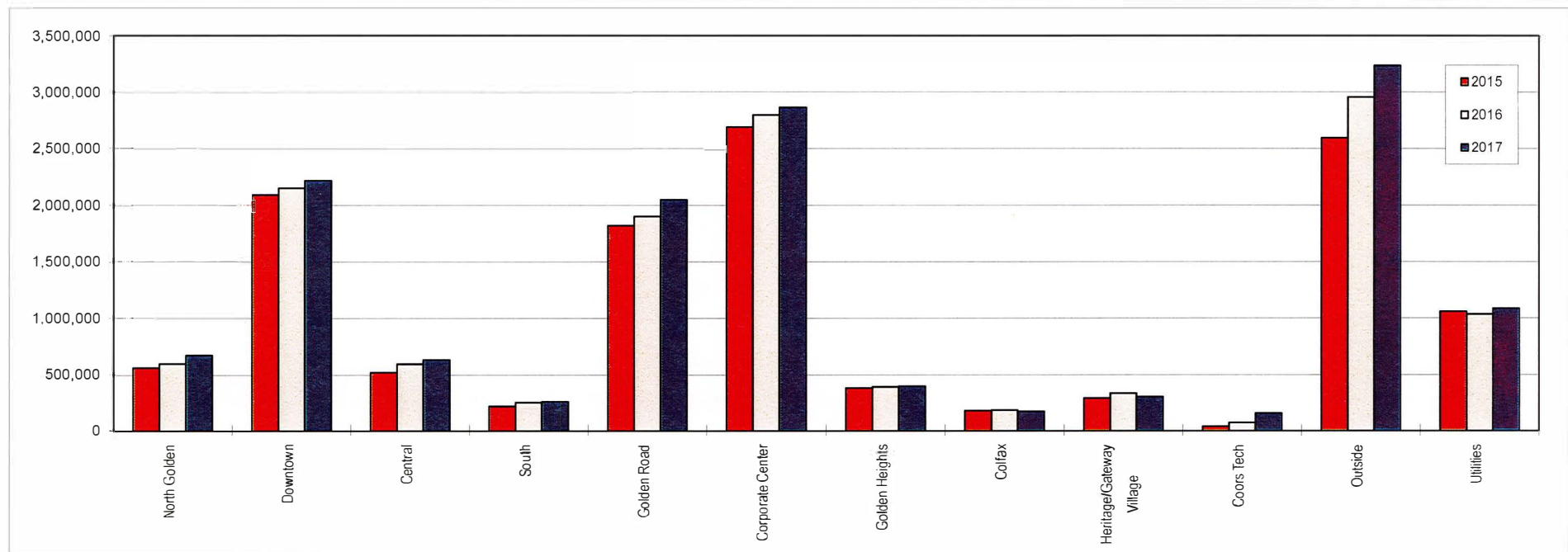
**City of Golden
Sales Tax Trends
YTD November (December)
2014-2017**

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
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	\$ 14,068,584		\$ 14,068,584	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	6.5%
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	7.5%
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	8.3%
<div> YTD Sales Tax Audit Revenue <div>\$278,245</div> Less: YTD Sales Tax Refunds <div>(\$1,081)</div> Other Sales Tax Revenue <div>\$277,165</div> </div> <div>* Percentage Change - YTD percentage change</div>														



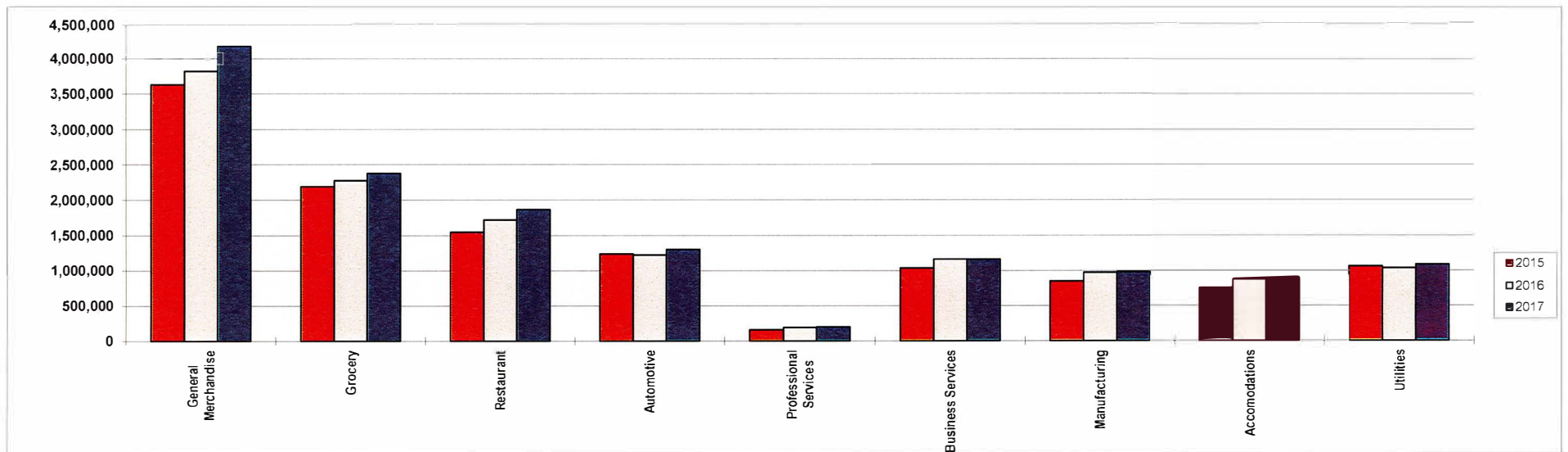
City of Golden
Sales Tax Revenue By Location
YTD November (December)
2015/2016/2017

Area	2015 Sales Tax	% of total Sales Tax	2016 Sales Tax	% of total Sales Tax	2016-2015 % Change	2017 Sales Tax	% of total Sales Tax	2017-2016 % Change
North Golden	\$ 565,826	4.53%	\$ 601,696	4.52%	6.34%	\$ 674,696	4.80%	12.13%
Downtown	\$ 2,092,928	16.76%	\$ 2,150,644	16.17%	2.76%	\$ 2,215,558	15.75%	3.02%
Central	\$ 523,685	4.19%	\$ 598,072	4.50%	14.20%	\$ 632,744	4.50%	5.80%
South	\$ 225,162	1.80%	\$ 259,215	1.95%	15.12%	\$ 264,596	1.88%	2.08%
Golden Road	\$ 1,820,151	14.58%	\$ 1,901,160	14.29%	4.45%	\$ 2,050,373	14.57%	7.85%
Corporate Center	\$ 2,693,553	21.57%	\$ 2,797,884	21.03%	3.87%	\$ 2,862,486	20.35%	2.31%
Golden Heights	\$ 385,376	3.09%	\$ 395,095	2.97%	2.52%	\$ 400,192	2.84%	1.29%
Colfax	\$ 185,712	1.49%	\$ 190,817	1.43%	2.75%	\$ 179,730	1.28%	-5.81%
Heritage /Gateway Village	\$ 295,728	2.37%	\$ 338,591	2.55%	14.49%	\$ 306,551	2.18%	-9.46%
Coors Technology	\$ 42,663	0.34%	\$ 77,310	0.58%	81.21%	\$ 162,642	1.16%	110.37%
Outside	\$ 2,596,763	20.80%	\$ 2,956,849	22.23%	13.87%	\$ 3,231,353	22.97%	9.28%
Utilities	\$ 1,058,844	8.48%	\$ 1,034,009	7.77%	-2.35%	\$ 1,087,665	7.73%	5.19%
Totals	\$ 12,486,392	100%	\$ 13,301,343	100%	6.53%	\$ 14,068,584	100%	5.77%



City of Golden
Sales Tax Revenue By Type
YTD November (December)
2015/2016/2017

Type	2015 Sales Tax	% of total Sales Tax	2016 Sales Tax	% of total Sales Tax	2016-2015 % Change	2017 Sales Tax	% of total Sales Tax	2017-2016 % Change
General Merchandise	\$ 3,631,320	29.08%	\$ 3,823,092	28.74%	5.28%	\$ 4,175,120	29.68%	9.21%
Grocery	\$ 2,192,562	17.56%	\$ 2,276,733	17.12%	3.84%	\$ 2,375,353	16.88%	4.33%
Restaurants	\$ 1,546,907	12.39%	\$ 1,722,645	12.95%	11.36%	\$ 1,865,297	13.26%	8.28%
Automotive	\$ 1,240,376	9.93%	\$ 1,226,681	9.22%	-1.10%	\$ 1,306,366	9.29%	6.50%
Prof Services\Entertainment	\$ 161,803	1.30%	\$ 193,851	1.46%	19.81%	\$ 200,373	1.42%	3.36%
Bus ServicesSupp.	\$ 1,038,327	8.32%	\$ 1,165,026	8.76%	12.20%	\$ 1,163,495	8.27%	-0.13%
Manufacturing - Production	\$ 851,766	6.82%	\$ 973,761	7.32%	14.32%	\$ 981,970	6.98%	0.84%
Accommodations	\$ 764,487	6.12%	\$ 885,545	6.66%	15.84%	\$ 912,946	6.49%	3.09%
Utilities	\$ 1,058,844	8.48%	\$ 1,034,009	7.77%	-2.35%	\$ 1,087,665	7.73%	5.19%
Totals	\$ 12,486,392	100%	\$ 13,301,343	100.00%	6.53%	\$ 14,068,584	100.00%	5.77%

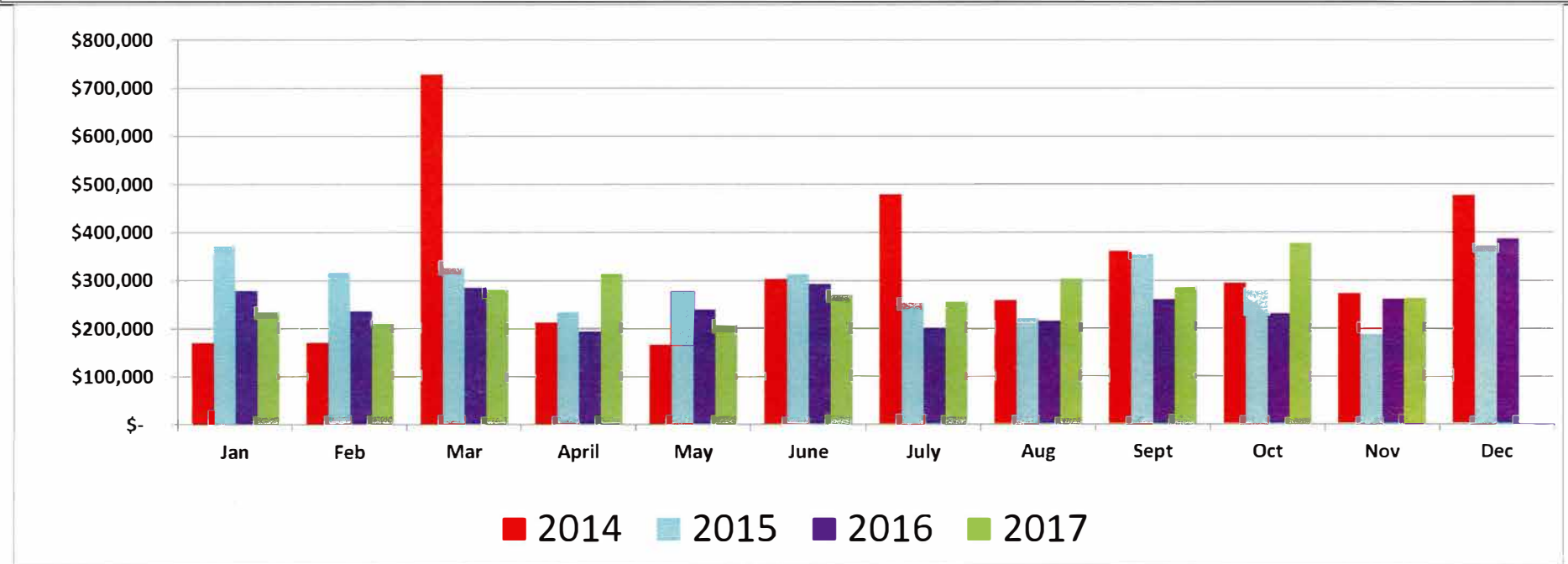


City of Golden
Use Tax Trends
Month of November (December)
2014-2017

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2017	\$ 235,196	\$ 211,570	\$ 280,802	\$ 315,407	\$ 206,861	\$ 270,677	\$ 256,138	\$ 303,761	\$ 285,295	\$ 377,169	\$ 262,253		\$ 3,005,129	0.6%
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	38.9%
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	-30.9%
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	71.6%

MTD Use Tax Audit Revenue \$3,853 <<<< includes building use tax audit revenue
Less: MTD Use Tax Refunds (\$785)
Other Use Tax Revenue \$3,068

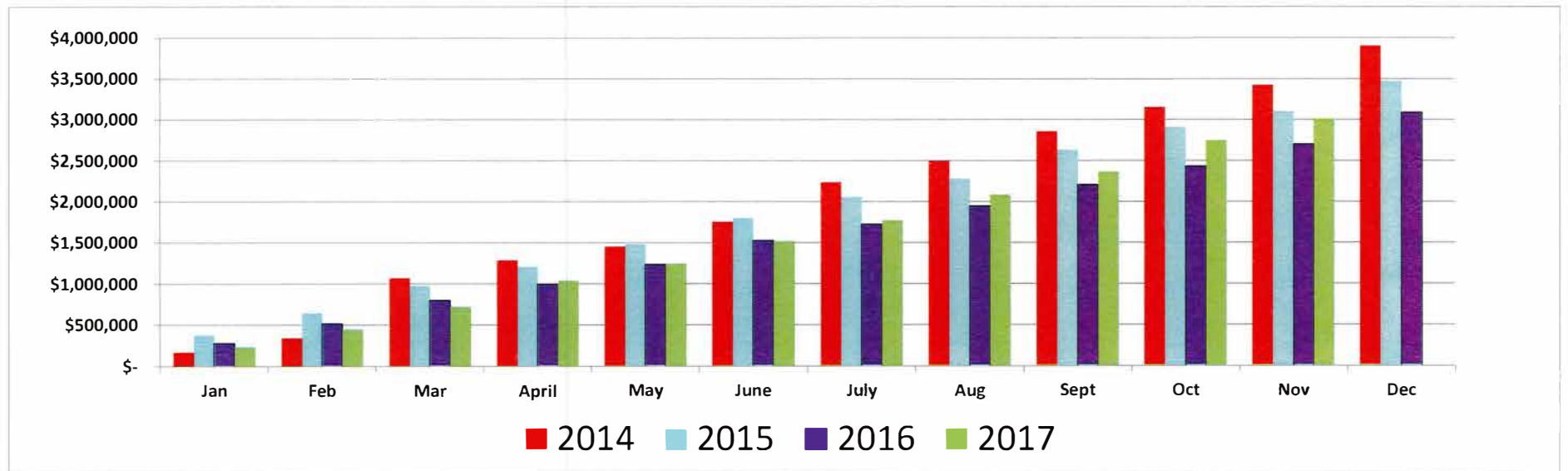
* Percentage Change is for current month only (highlighted)



*Amounts reported on the cash basis

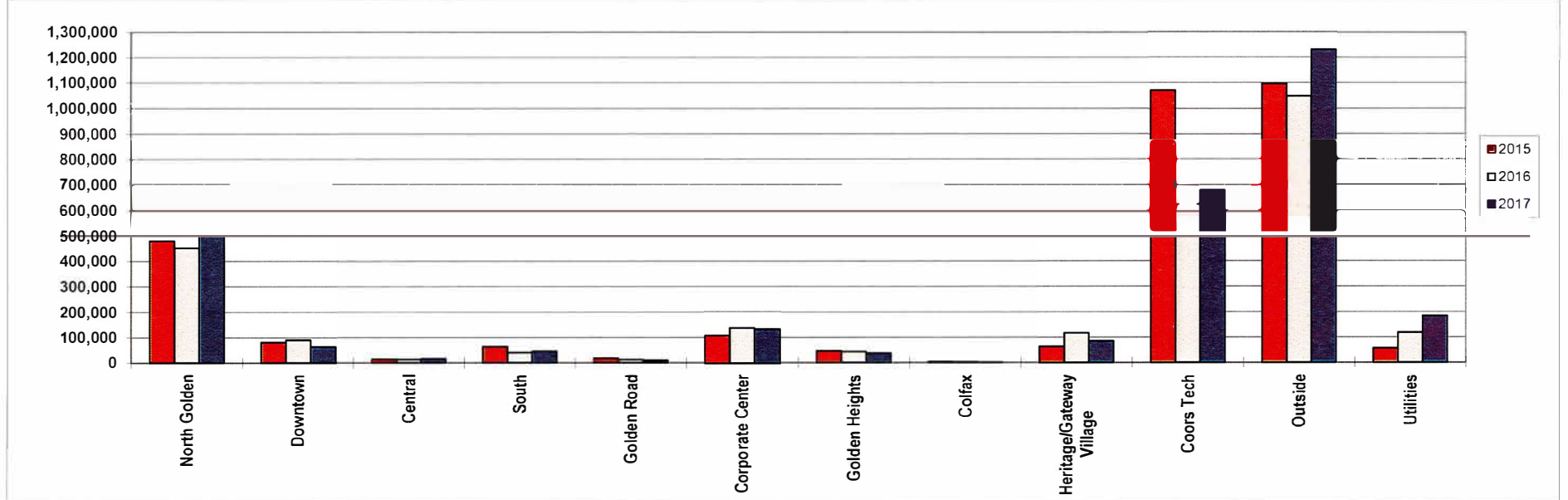
City of Golden
Use Tax Trends
YTD November (December)
2014-2017

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	YTD % Chng
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		\$ 3,005,129	11.5%
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	-13.0%
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	-9.2%
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	32.2%
YTD Use Tax Audit Revenue				\$ 346,808	<<<< includes building use tax audit revenue							** Percentage Change is YTD %		
Less: YTD Use Tax Refunds				<u>(\$44,689)</u>										
Other Use Tax Revenue				\$ 302,120										



City of Golden
Use Tax Revenue By Location
YTD November (December)
2015/2016/2017

Area	2015 Use Tax	% of total Use Tax	2016 Use Tax	% of total Use Tax	2016-2015 % Change	2017 Use Tax	% of total Use Tax	2017-2016 % Change
North Golden	\$ 479,407	15.47%	\$ 452,066	16.77%	-5.70%	\$ 525,136	17.47%	16.16%
Downtown	\$ 81,061	2.62%	\$ 90,906	3.37%	12.15%	\$ 63,220	2.10%	-30.46%
Central	\$ 13,594	0.44%	\$ 12,467	0.46%	-8.29%	\$ 15,706	0.52%	25.98%
South	\$ 63,171	2.04%	\$ 39,489	1.46%	-37.49%	\$ 44,939	1.50%	13.80%
Golden Road	\$ 17,844	0.58%	\$ 12,208	0.45%	-31.59%	\$ 9,495	0.32%	-22.22%
Corporate Center	\$ 107,763	3.48%	\$ 136,569	5.07%	26.73%	\$ 131,245	4.37%	-3.90%
Golden Heights	\$ 45,236	1.46%	\$ 43,059	1.60%	-4.81%	\$ 36,435	1.21%	-15.38%
Colfax	\$ 3,258	0.11%	\$ 2,031	0.08%	-37.67%	\$ 1,685	0.06%	-17.05%
Heritage/Gateway Village	\$ 63,538	2.05%	\$ 116,225	4.31%	82.92%	\$ 84,601	2.82%	-27.21%
Coors Technology	\$ 1,071,352	34.58%	\$ 622,641	23.09%	-41.88%	\$ 677,026	22.53%	8.73%
Outside	\$ 1,096,235	35.39%	\$ 1,049,838	38.94%	-4.23%	\$ 1,231,709	40.99%	17.32%
Utilities	\$ 55,553	1.79%	\$ 118,671	4.40%	113.62%	\$ 183,932	6.12%	54.99%
Totals	\$ 3,098,010	100%	\$ 2,696,170	100%	-12.97%	\$ 3,005,129	100%	11.46%



City of Golden
Use Tax Revenue By Type
YTD November (December)
2015/2016/2017

Type	2015 Use Tax	% of total Use Tax	2016 Use Tax	% of total Use Tax	2016-2014 % Change	2017 Use Tax	% of total Use Tax	2016-2017 % Change
General Merchandise	\$ 272,555	8.80%	\$ 194,942	7.23%	-28.48%	\$ 175,252	5.83%	-10.10%
Grocery	\$ 68,501	2.21%	\$ 76,001	2.82%	10.96%	\$ 66,656	2.22%	-12.30%
Restaurants	\$ 25,205	0.81%	\$ 26,569	0.99%	5.41%	\$ 23,982	0.80%	-9.74%
Automotive	\$ 935,885	30.21%	\$ 968,947	35.94%	3.53%	\$ 1,133,147	37.71%	16.95%
Prof Services\Entertainment	\$ 97,137	3.14%	\$ 113,191	4.20%	16.53%	\$ 128,064	4.26%	13.14%
Bus Services	\$ 111,311	3.59%	\$ 100,905	3.74%	-9.35%	\$ 171,931	5.72%	70.39%
Manufacturing - Production	\$ 1,511,891	48.80%	\$ 1,077,477	39.96%	-28.73%	\$ 1,105,739	36.80%	2.62%
Accommodations	\$ 19,972	0.64%	\$ 19,468	0.72%	-2.53%	\$ 16,427	0.55%	-15.62%
Utilities	\$ 55,553	1.79%	\$ 118,671	4.40%	113.62%	\$ 183,932	6.12%	54.99%
Totals	\$ 3,098,010	100%	\$ 2,696,170	100%	-12.97%	\$ 3,005,129	100%	11.46%

