




Council Memorandum

To: City Council
From: Jeff Hansen, Finance Director 
Date: January 4, 2019
Re: Sales Tax Report

Attached are the sales and use tax reports for November sales (collected in December). Sales tax collections were up \$41,289 (+3.5%) for the month. There was not any one factor contributing to the increase, just a good month in general. Overall, revenue is up \$567,339 (+4.0%) year-to-date compared to 2017. When adjusted for seasonality, sales tax revenues are up slightly (+0.2%) compared to the 2018 Budget.

Overall, sales tax from businesses within the City limits (including Utilities) is up \$319,530 compared to 2017. In terms of dollars, revenues have increased the most from Heritage/Gateway Village, Downtown, and Golden Road. Coors Tech Center and North Golden have small decreases compared to last year. By business type, General Merchandise, Manufacturing, Grocery, and Restaurants show the largest increases. Utilities is the only business type with a decrease. Sales tax from businesses outside the City limits, which includes on-line retailers and big ticket items that are delivered into the City, was down slightly for the month compared to 2017, but is still up \$247,809 (+7.67%) for the year.

Use tax collections were up \$9,050 (+3.5%) for November. For the year, use tax is now down \$45,111 (-1.5%) compared to 2017. Manufacturing and Utilities have the largest increases so far this year, with Automotive 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.

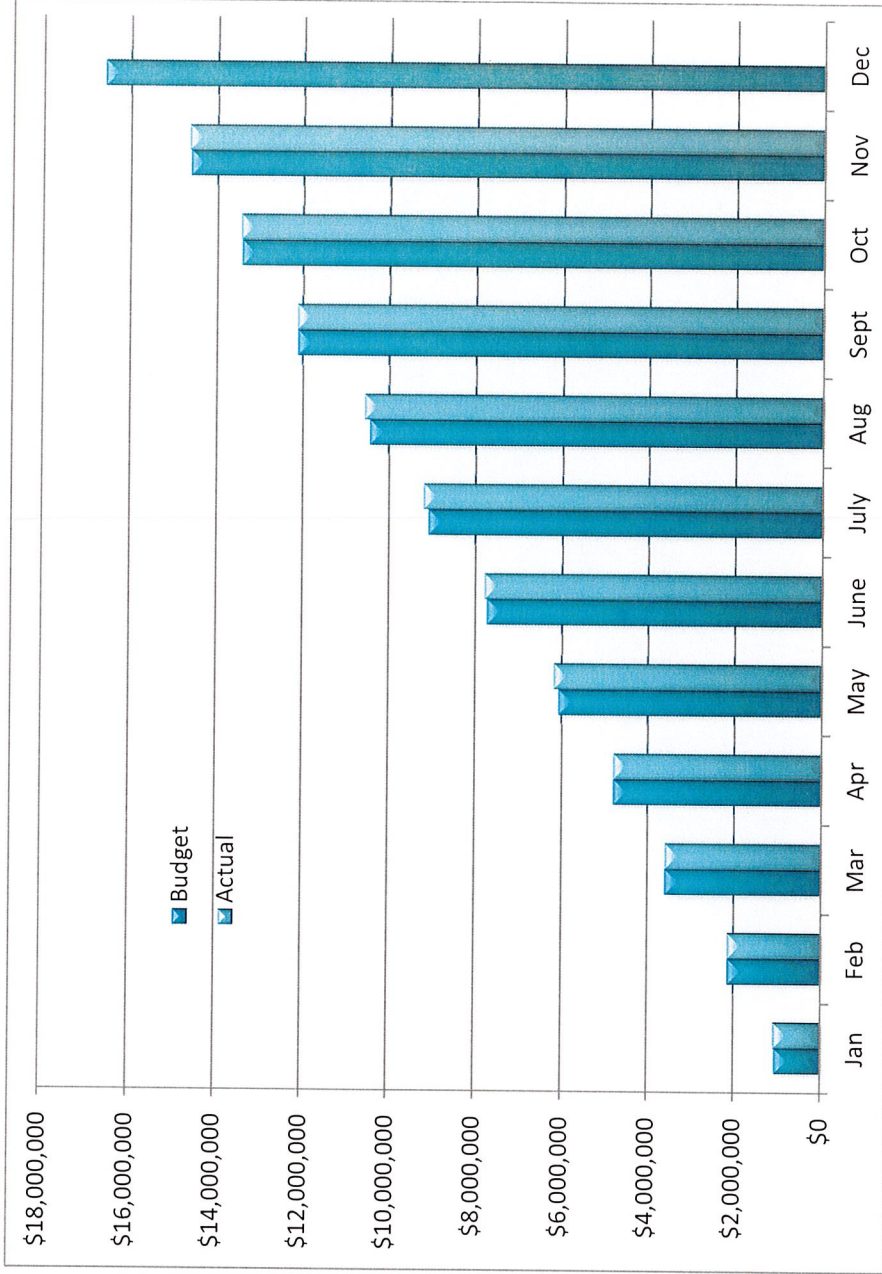
In the area of audit revenue, \$83,110 was collected in December. Including building use tax audits, the total audit revenue collected for 2018 is \$431,860, with an additional \$100,905 collected in building permit and plan check fees. Also, the City continues to have audits in progress and additional audit revenue has been assessed, with collection anticipated over the next few months. \$312,934 have been issued in refunds for the year. These amounts are shown separately on the attached collection reports.

November sales tax revenues confirm an outlook of guarded optimism. Revenue from businesses outside the City limits appears to be more variable and somewhat volatile. The local economy has slowed, but remains strong. Additional revenues coming in from the Duluth Trading Company, Origin hotel and other businesses at Gateway Village have helped keep the local revenues in good shape.

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

CITY OF GOLDEN
Budget to Actual Comparison
(adjusted for seasonality)
2018 Sales Tax Revenue

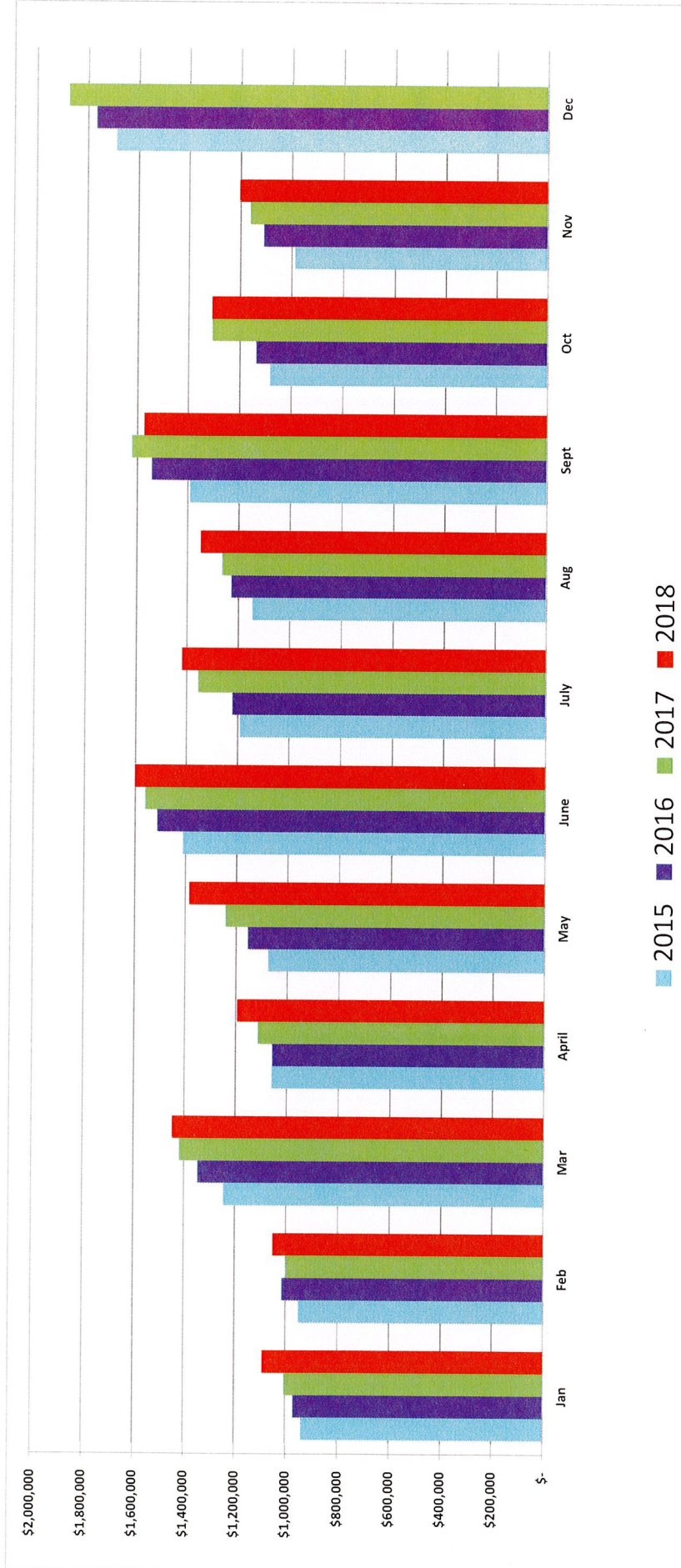
<u>Month</u>	<u>YTD Budget</u>	<u>YTD Actual</u>
Jan	\$1,065,950	\$1,093,179
Feb	2,140,082	2,145,142
Mar	3,604,295	3,595,117
Apr	4,792,688	4,790,732
May	6,065,173	6,176,170
June	7,717,220	7,777,155
July	9,084,882	9,196,719
Aug	10,432,118	10,546,807
Sept	12,109,657	12,120,029
Oct	13,402,638	13,431,332
Nov	14,604,245	14,635,926
Dec	16,575,000	



City of Golden
Sales Tax Trends
YTD November (December)
2015-2018

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
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	\$ 1,874,575	\$ 14,635,926	3.5%
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	\$ 1,765,585	\$ 15,943,159	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%
MTD Sales Tax Audit Revenue \$58,893 Less: MTD Sales Tax Refunds (\$2,770) Net Sales Tax Revenue \$56,123														
MTD Audit Permit Fees \$ 369 MTD Audit Plan Check Fees \$ - Net Fees Collected \$ 369														

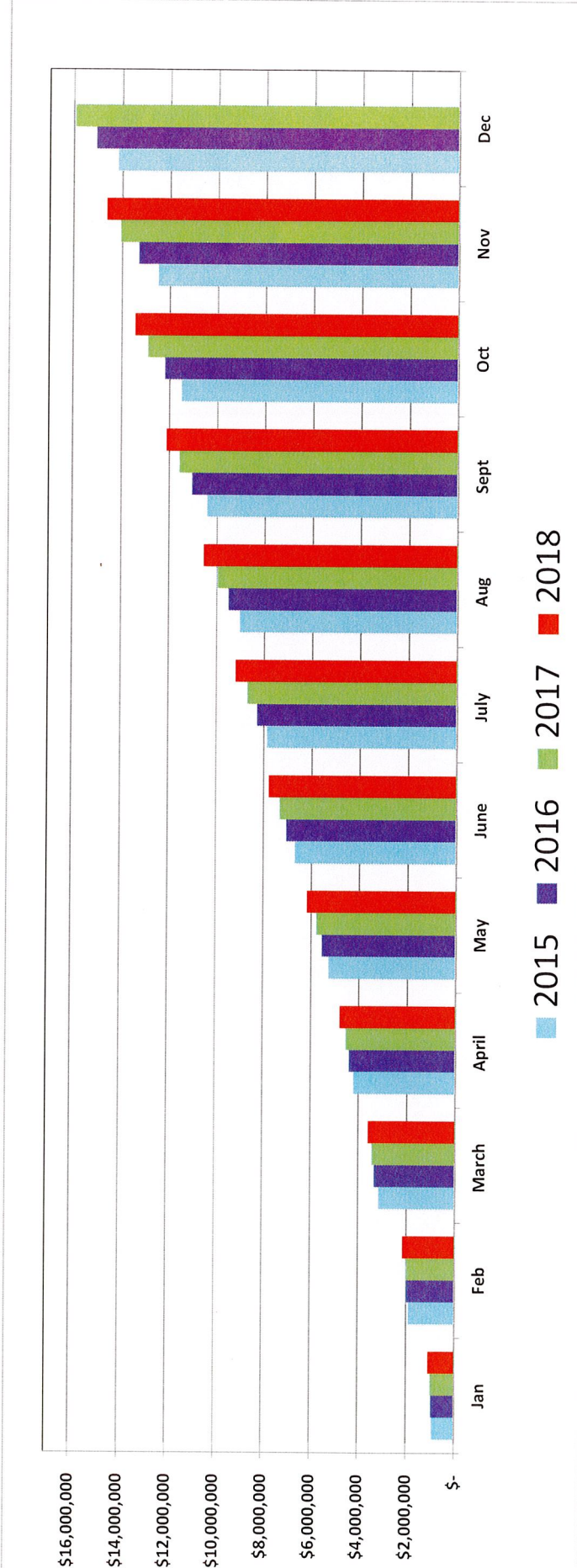
* Percentage Change is for current month only (highlighted)



City of Golden
Sales Tax Trends
YTD November (December)
2015-2018

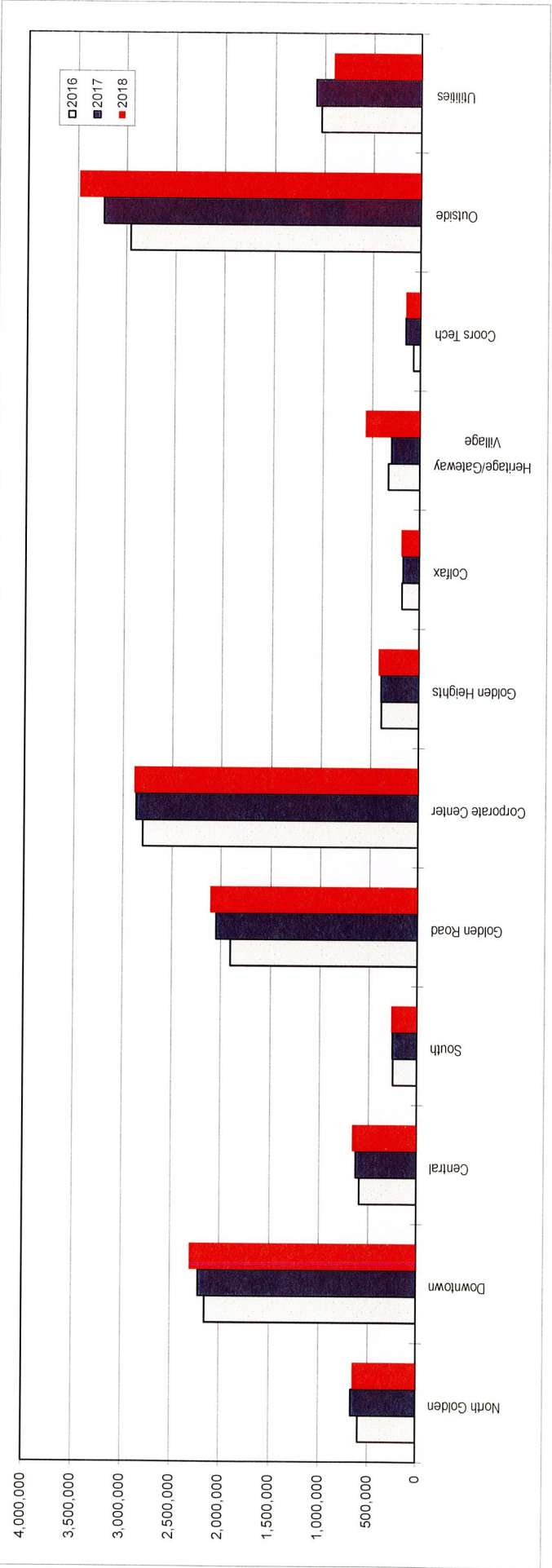
	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2018	\$ 1,093,179	\$ 2,145,142	\$ 3,595,117	\$ 4,790,732	\$ 6,176,170	\$ 7,777,155	\$ 9,196,719	\$ 10,546,807	\$ 12,120,029	\$ 13,431,332	\$ 14,635,926	\$ 15,943,159	\$ 14,635,926	4.0%
2017	\$ 1,006,334	\$ 2,008,044	\$ 3,427,875	\$ 4,543,508	\$ 5,787,588	\$ 7,349,666	\$ 8,706,714	\$ 9,972,409	\$ 11,594,577	\$ 12,905,279	\$ 14,068,587	\$ 15,943,159	\$ 15,943,159	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	\$ 4,188,513	\$ 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%
YTD Sales Tax Audit Revenue			\$168,342				YTD Audit Permit Fees \$ 61,471							
Less: YTD Sales Tax Refunds			(\$208,310)				YTD Audit Plan Check Fees \$ 39,434							
Other Sales Tax Revenue			(\$39,968)				Net Fees Collected \$ 100,905							

* Percentage Change - YTD percentage change



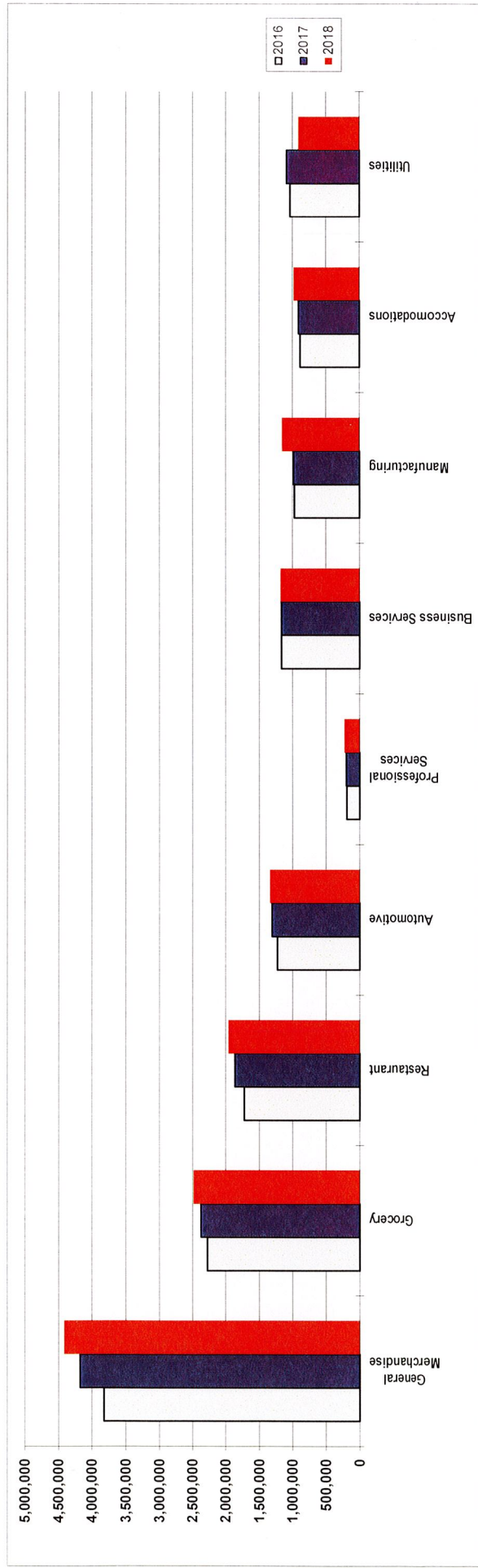
City of Golden
Sales Tax Revenue By Location
YTD November (December)
2016/2017/2018

Area	2016		2016-2015		2017		2017-2016		2018		2018-2017	
	Sales Tax	% of total	Sales Tax	% Change	Sales Tax	% of total	Sales Tax	% Change	Sales Tax	% of total	Sales Tax	% Change
North Golden	\$ 601,696	4.52%	\$ 674,696	12.13%	\$ 659,774	4.51%	\$ 659,774	12.13%	\$ 659,774	4.51%	\$ 659,774	-2.21%
Downtown	\$ 2,150,644	16.17%	\$ 2,215,558	3.02%	\$ 2,304,484	15.75%	\$ 2,304,484	3.02%	\$ 2,304,484	15.75%	\$ 2,304,484	4.01%
Central	\$ 598,072	4.50%	\$ 632,744	5.80%	\$ 668,798	4.57%	\$ 668,798	5.80%	\$ 668,798	4.57%	\$ 668,798	5.70%
South	\$ 259,215	1.95%	\$ 264,596	2.08%	\$ 276,213	1.89%	\$ 276,213	2.08%	\$ 276,213	1.89%	\$ 276,213	4.39%
Golden Road	\$ 1,901,160	14.29%	\$ 2,050,373	7.85%	\$ 2,109,056	14.41%	\$ 2,109,056	7.85%	\$ 2,109,056	14.41%	\$ 2,109,056	2.86%
Corporate Center	\$ 2,797,884	21.03%	\$ 2,862,486	2.31%	\$ 2,881,569	19.69%	\$ 2,881,569	2.31%	\$ 2,881,569	19.69%	\$ 2,881,569	0.67%
Golden Heights	\$ 395,095	2.97%	\$ 400,192	1.29%	\$ 424,612	2.90%	\$ 424,612	1.29%	\$ 424,612	2.90%	\$ 424,612	6.10%
Colfax	\$ 190,817	1.43%	\$ 179,730	-5.81%	\$ 195,605	1.34%	\$ 195,605	-5.81%	\$ 195,605	1.34%	\$ 195,605	8.83%
Heritage /Gateway Village	\$ 338,591	2.55%	\$ 306,551	-9.46%	\$ 568,058	3.88%	\$ 568,058	-9.46%	\$ 568,058	3.88%	\$ 568,058	85.31%
Coors Technology	\$ 77,310	0.58%	\$ 162,642	110.37%	\$ 160,478	1.10%	\$ 160,478	110.37%	\$ 160,478	1.10%	\$ 160,478	-1.33%
Outside	\$ 2,956,849	22.23%	\$ 3,231,353	9.28%	\$ 3,479,162	23.77%	\$ 3,479,162	9.28%	\$ 3,479,162	23.77%	\$ 3,479,162	7.67%
Utilities	\$ 1,034,009	7.77%	\$ 1,087,665	5.19%	\$ 908,117	6.20%	\$ 908,117	5.19%	\$ 908,117	6.20%	\$ 908,117	-16.51%
Totals	\$ 13,301,343	100%	\$ 14,068,584	5.77%	\$ 14,635,926	100%	\$ 14,635,926	5.77%	\$ 14,635,926	100%	\$ 14,635,926	4.03%



City of Golden
Sales Tax Revenue By Type
YTD November (December)
2016/2017/2018

Type	2016		2016-2015		2017		2017-2016		2018		2018-2017	
	Sales Tax	% of total	Sales Tax	% Change	Sales Tax	% of total	Sales Tax	% Change	Sales Tax	% of total	Sales Tax	% Change
General Merchandise	\$ 3,823,092	28.74%	\$ 4,175,120	5.28%	\$ 4,416,179	29.68%	\$ 4,416,179	9.21%	\$ 4,416,179	30.17%	\$ 4,416,179	5.77%
Grocery	\$ 2,276,733	17.12%	\$ 2,375,353	3.84%	\$ 2,487,505	16.88%	\$ 2,487,505	4.33%	\$ 2,487,505	17.00%	\$ 2,487,505	4.72%
Restaurants	\$ 1,722,645	12.95%	\$ 1,865,297	11.36%	\$ 1,959,486	13.26%	\$ 1,959,486	8.28%	\$ 1,959,486	13.39%	\$ 1,959,486	5.05%
Automotive	\$ 1,226,681	9.22%	\$ 1,306,366	-1.10%	\$ 1,336,422	9.29%	\$ 1,336,422	6.50%	\$ 1,336,422	9.13%	\$ 1,336,422	2.30%
Prof Services\Entertainment	\$ 193,851	1.46%	\$ 200,373	19.81%	\$ 225,592	1.42%	\$ 225,592	3.36%	\$ 225,592	1.54%	\$ 225,592	12.59%
Bus ServicesSupp.	\$ 1,165,026	8.76%	\$ 1,163,495	12.20%	\$ 1,173,932	8.27%	\$ 1,173,932	-0.13%	\$ 1,173,932	8.02%	\$ 1,173,932	0.90%
Manufacturing - Production	\$ 973,761	7.32%	\$ 981,970	14.32%	\$ 1,152,103	6.98%	\$ 1,152,103	0.84%	\$ 1,152,103	7.87%	\$ 1,152,103	17.33%
Accommodations	\$ 885,545	6.66%	\$ 912,946	15.84%	\$ 976,589	6.49%	\$ 976,589	3.09%	\$ 976,589	6.67%	\$ 976,589	6.97%
Utilities	\$ 1,034,009	7.77%	\$ 1,087,665	-2.35%	\$ 908,117	7.73%	\$ 908,117	5.19%	\$ 908,117	6.20%	\$ 908,117	-16.51%
Totals	\$ 13,301,343	100.00%	\$ 14,068,584	6.53%	\$ 14,635,926	100.00%	\$ 14,635,926	5.77%	\$ 14,635,926	100.00%	\$ 14,635,926	4.03%

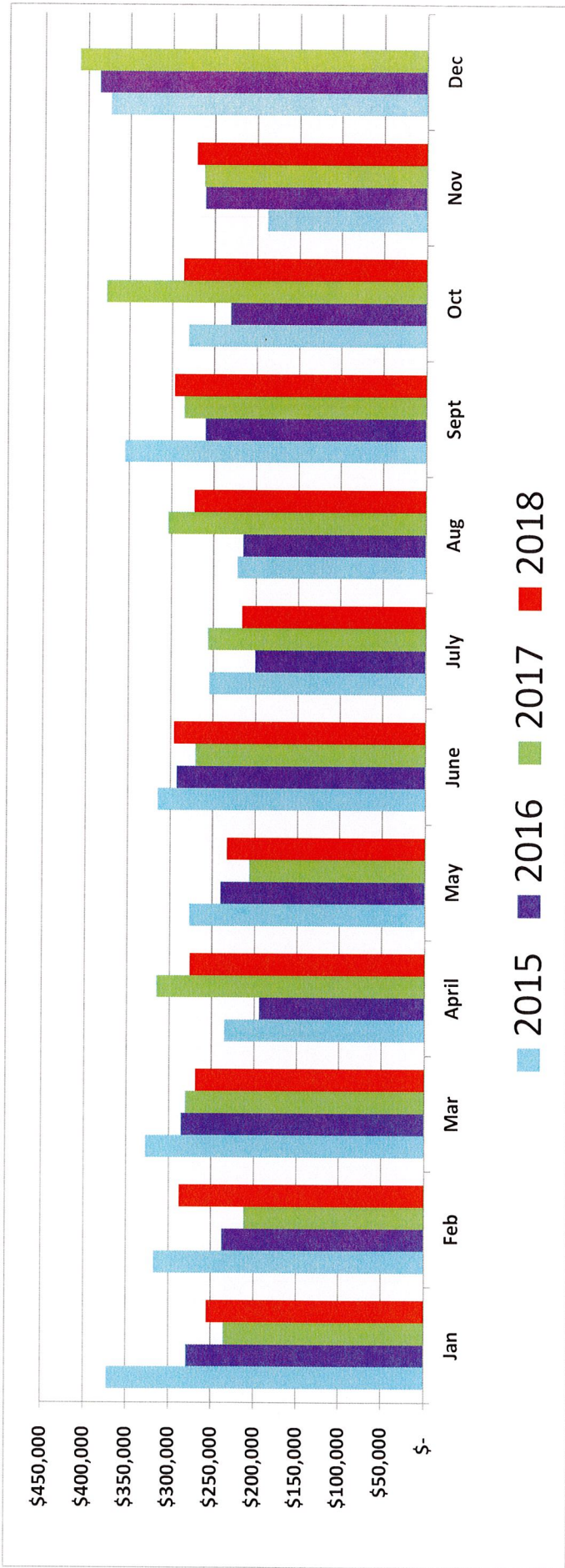


City of Golden
Use Tax Trends
YTD November (December)
2015-2018

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2018	\$ 255,325	\$ 287,767	\$ 268,990	\$ 276,136	\$ 232,993	\$ 295,892	\$ 216,051	\$ 272,718	\$ 296,358	\$ 286,486	\$ 271,303	\$ 409,490	\$ 2,960,018	3.5%
2017	\$ 235,196	\$ 211,570	\$ 280,802	\$ 315,407	\$ 206,861	\$ 270,677	\$ 256,138	\$ 303,761	\$ 285,295	\$ 377,169	\$ 262,253	\$ 385,860	\$ 3,414,619	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	\$ 372,140	\$ 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%

MTD Use Tax Audit Revenue	\$24,217	<<<< includes building use tax audit revenue
Less: MTD Use Tax Refunds	\$0	
Other Use Tax Revenue	\$24,217	

* Percentage Change is for current month only (highlighted)



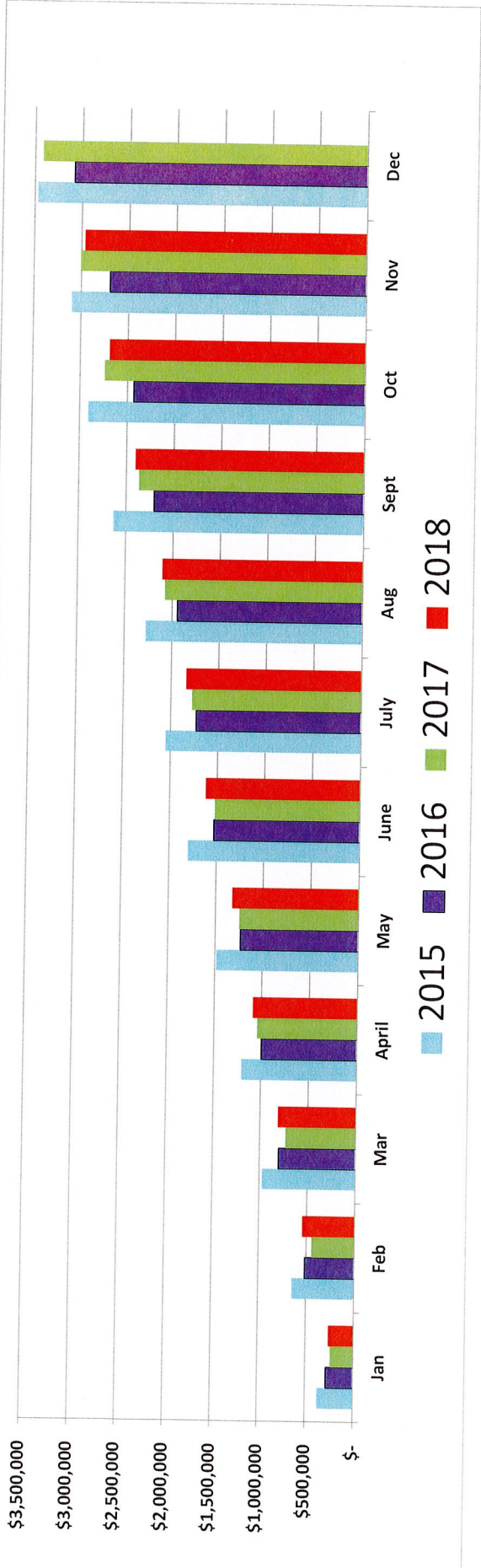
*Amounts reported on the cash basis

City of Golden
Use Tax Trends
YTD November (December)
2015-2018

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	YTD % Chng
2018	\$ 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	\$ 3,414,619	\$ 2,960,018	-1.5%
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	\$ 3,414,619	\$ 3,414,619	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%
YTD Use Tax Audit Revenue				\$ 263,518										
Less: YTD Use Tax Refunds														
Other Use Tax Revenue														

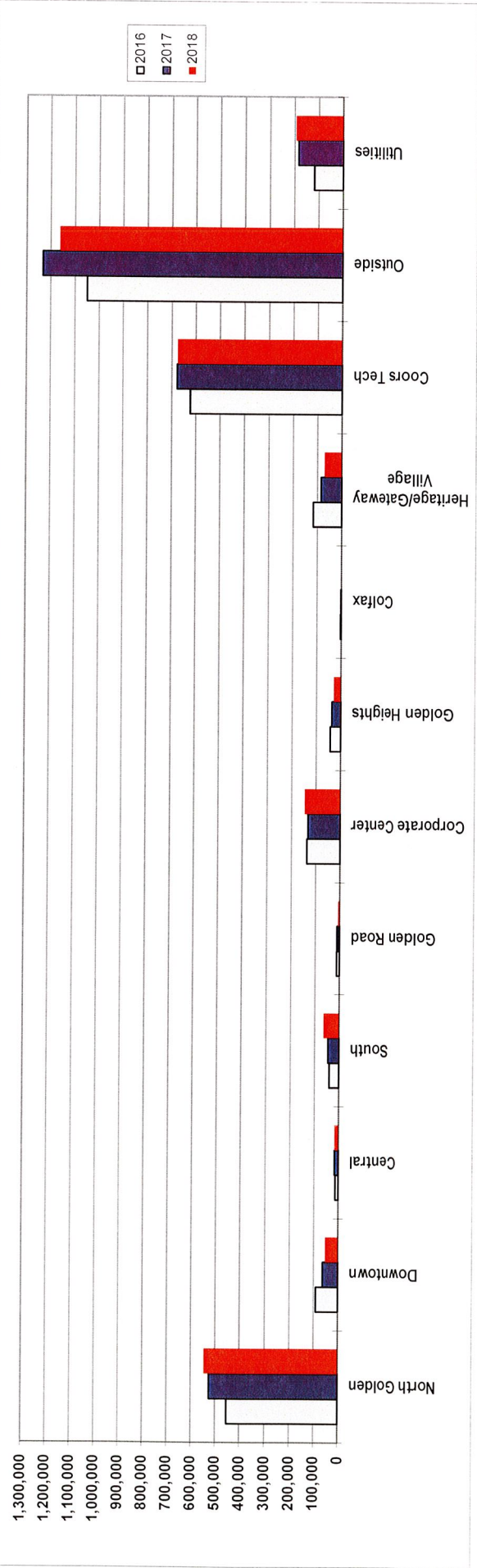
** Percentage Change is YTD %

<<<< includes building use tax audit revenue



City of Golden
Use Tax Revenue By Location
YTD November (December)
2016/2017/2018

Area	2016		2016-2015		2017		2017-2016		2018		2018-2017	
	Use Tax	% of total Use Tax	Use Tax	% Change	Use Tax	% of total Use Tax	Use Tax	% Change	Use Tax	% of total Use Tax	Use Tax	% Change
North Golden	\$ 452,066	16.77%	\$ 452,066	-5.70%	\$ 525,136	17.47%	\$ 525,136	16.16%	\$ 545,723	18.16%	\$ 545,723	3.92%
Downtown	\$ 90,906	3.37%	\$ 90,906	12.15%	\$ 63,220	2.10%	\$ 63,220	-30.46%	\$ 53,031	1.76%	\$ 53,031	-16.12%
Central	\$ 12,467	0.46%	\$ 12,467	-8.29%	\$ 15,706	0.52%	\$ 15,706	25.98%	\$ 16,355	0.54%	\$ 16,355	4.13%
South	\$ 39,489	1.46%	\$ 39,489	-37.49%	\$ 44,939	1.50%	\$ 44,939	13.80%	\$ 63,934	2.13%	\$ 63,934	42.27%
Golden Road	\$ 12,208	0.45%	\$ 12,208	-31.59%	\$ 9,495	0.32%	\$ 9,495	-22.22%	\$ 6,982	0.23%	\$ 6,982	-26.47%
Corporate Center	\$ 136,569	5.07%	\$ 136,569	26.73%	\$ 131,245	4.37%	\$ 131,245	-3.90%	\$ 145,126	4.83%	\$ 145,126	10.58%
Golden Heights	\$ 43,059	1.60%	\$ 43,059	-4.81%	\$ 36,435	1.21%	\$ 36,435	-15.38%	\$ 28,719	0.96%	\$ 28,719	-21.18%
Colfax	\$ 2,031	0.08%	\$ 2,031	-37.67%	\$ 1,685	0.06%	\$ 1,685	-17.05%	\$ 1,544	0.05%	\$ 1,544	-8.34%
Heritage/Gateway Village	\$ 116,225	4.31%	\$ 116,225	82.92%	\$ 84,601	2.82%	\$ 84,601	-27.21%	\$ 69,702	2.32%	\$ 69,702	-17.61%
Coors Technology	\$ 622,641	23.09%	\$ 622,641	-41.88%	\$ 677,026	22.53%	\$ 677,026	8.73%	\$ 675,253	22.47%	\$ 675,253	-0.26%
Outside	\$ 1,049,838	38.94%	\$ 1,049,838	-4.23%	\$ 1,231,709	40.99%	\$ 1,231,709	17.32%	\$ 1,160,639	38.62%	\$ 1,160,639	-5.77%
Utilities	\$ 118,671	4.40%	\$ 118,671	113.62%	\$ 183,932	6.12%	\$ 183,932	54.99%	\$ 193,009	6.42%	\$ 193,009	4.93%
Totals	\$ 2,696,170	100%	\$ 2,696,170	-12.97%	\$ 3,005,129	100%	\$ 3,005,129	11.46%	\$ 2,960,018	98%	\$ 2,960,018	-1.50%



City of Golden
Use Tax Revenue By Type
YTD November (December)
2016/2017/2018

Type	2016 Use Tax	% of total Use Tax	2016-2015 % Change	2017 Use Tax	% of total Use Tax	2017-2016 % Change	2018 Use Tax	% of total Use Tax	2018-2017 % Change
General Merchandise	\$ 194,942	7.23%	-28.48%	\$ 175,252	5.83%	-10.10%	\$ 139,575	4.72%	-20.36%
Grocery	\$ 76,001	2.82%	10.96%	\$ 66,656	2.22%	-12.30%	\$ 74,395	2.51%	11.61%
Restaurants	\$ 26,569	0.99%	5.41%	\$ 23,982	0.80%	-9.74%	\$ 23,043	0.78%	-3.92%
Automotive	\$ 968,947	35.94%	3.53%	\$ 1,133,147	37.71%	16.95%	\$ 1,057,015	35.71%	-6.72%
Prof Services/Entertainment	\$ 113,191	4.20%	16.53%	\$ 128,064	4.26%	13.14%	\$ 121,527	4.11%	-5.10%
Bus Services	\$ 100,905	3.74%	-9.35%	\$ 171,931	5.72%	70.39%	\$ 102,553	3.46%	-40.35%
Manufacturing - Production	\$ 1,077,477	39.96%	-28.73%	\$ 1,105,739	36.80%	2.62%	\$ 1,227,569	41.47%	11.02%
Accommodations	\$ 19,468	0.72%	-2.53%	\$ 16,427	0.55%	-15.62%	\$ 21,333	0.72%	29.87%
Utilities	\$ 118,671	4.40%	113.62%	\$ 183,932	6.12%	54.99%	\$ 193,009	6.52%	4.93%
Totals	\$ 2,696,170	100%	-12.97%	\$ 3,005,129	100%	11.46%	\$ 2,960,018	100%	-1.50%

