




Council Memorandum

To: City Council
From: Jeff Hansen, Finance Director 
Date: December 6, 2018
Re: Sales Tax Report

Attached are the sales and use tax reports for October sales (collected in November). Sales tax collections were up \$601 (+0.05%) for the month. Revenue from businesses within the City limits was up \$29,768 (+2.3%). Overall, revenue is up \$526,053 (+4.1%) 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 \$245,654 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 for the month compared to 2017, but is still up \$250,631 (+8.45%) for the year.

While use tax collections were down \$90,683 (-24.0%) for October, the decline is due to the October 2017 amount being exceptionally high. For the year, use tax is now down \$54,161 (-2.0%) 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.

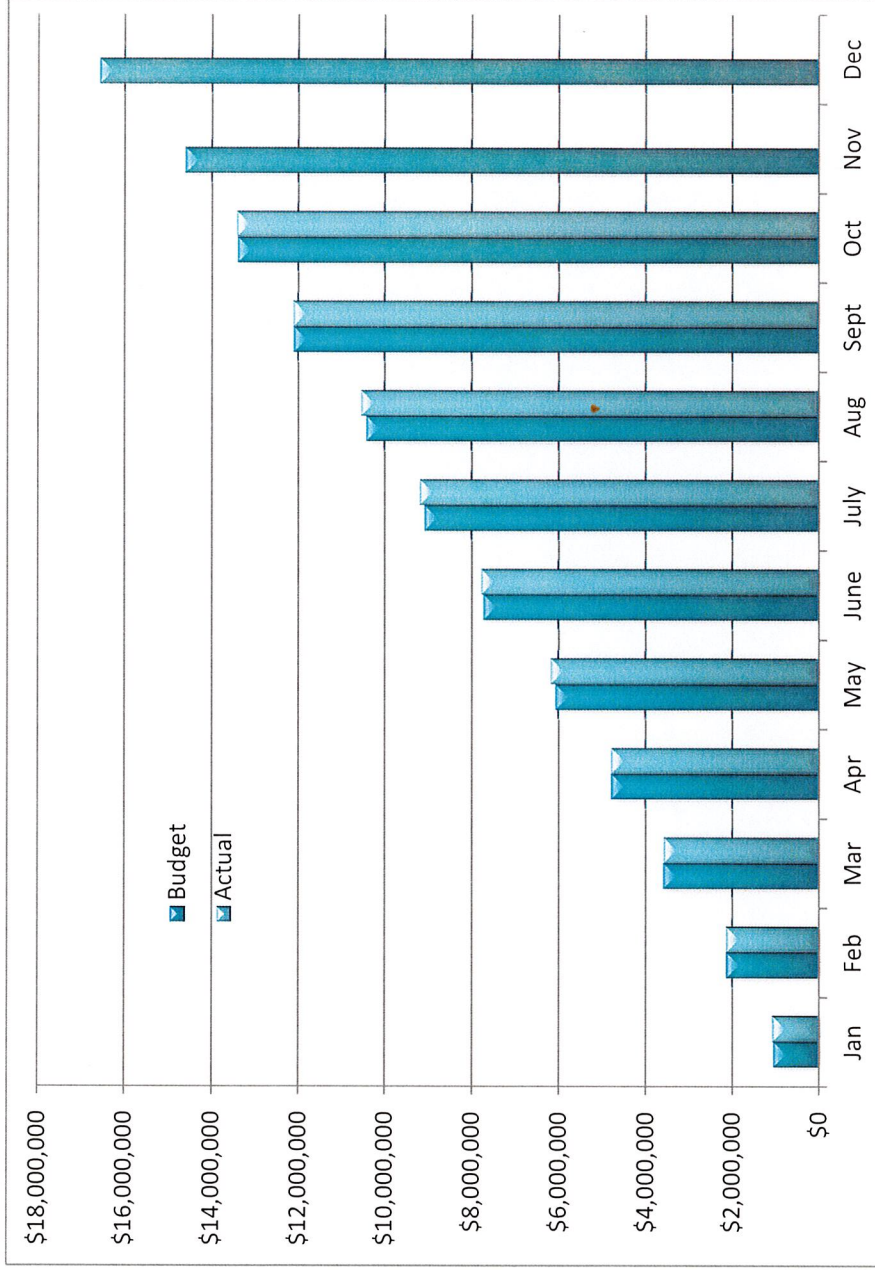
In the area of audit revenue, \$160,053 was collected in November. Including building use tax audits, the total audit revenue collected so far in 2018 is \$348,750, with an additional \$100,537 collected in building permit and plan check fees. Also, the City continues to have audits in progress and additional audit revenue has been assessed, with collection anticipated over the next few months. \$310,164 have been issued in refunds for the year. These amounts are shown separately on the attached collection reports.

October 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 should help what we hope to be a successful holiday shopping season.

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

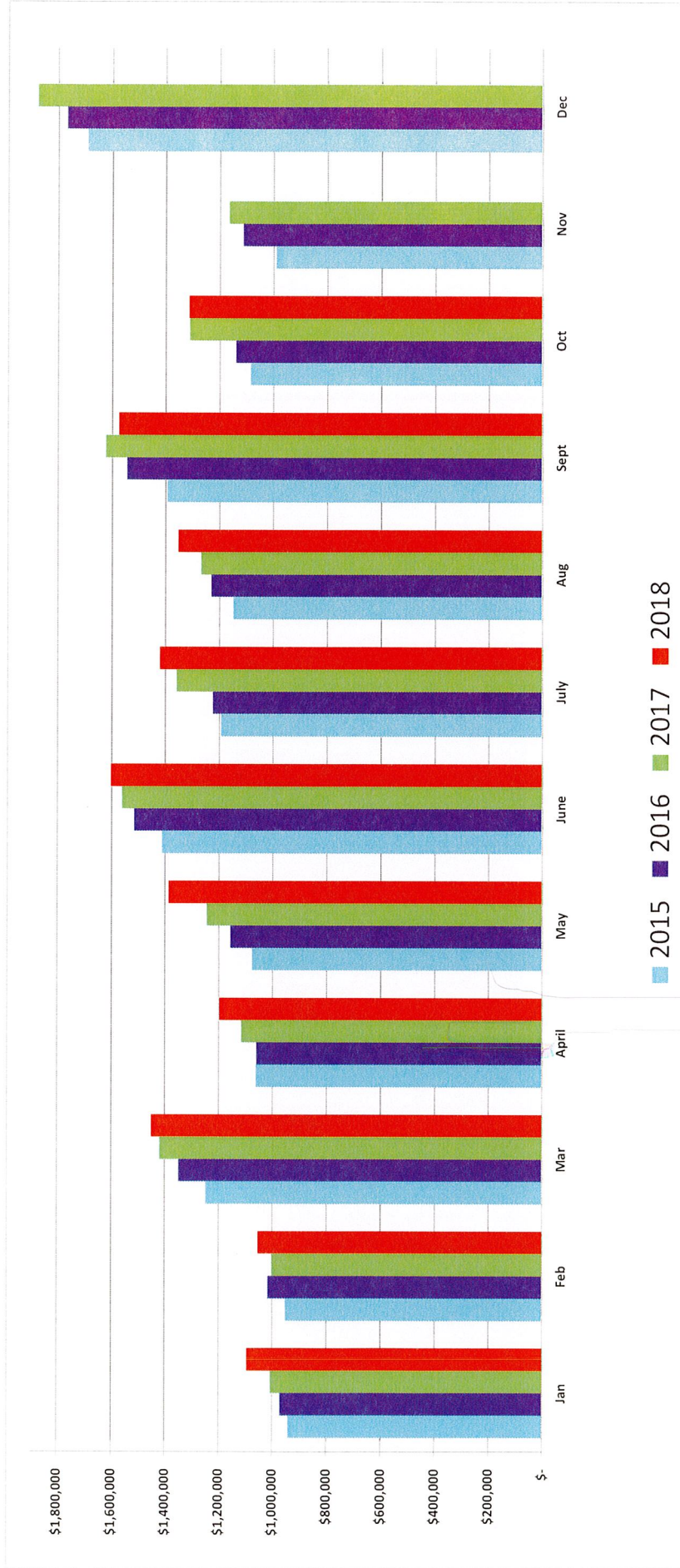
<u>Month</u>	<u>YTD Budget</u>	<u>YTD Actual</u>
Jan	\$1,065,950	\$1,093,179
Feb	2,140,082	2,145,142
Mar	3,604,295	3,595,117
Apr	4,792,688	4,790,732
May	6,065,173	6,176,170
June	7,717,220	7,777,155
July	9,084,882	9,196,719
Aug	10,432,118	10,546,807
Sept	12,109,657	12,120,029
Oct	13,402,638	13,431,332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



City of Golden
Sales Tax Trends
YTD October (November)
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	\$ 1,163,305	\$ 1,874,575	\$ 13,431,332	0.0%
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	\$ 1,109,698	\$ 1,765,585	\$ 15,943,159	15.2%
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	\$ 987,857	\$ 1,688,949	\$ 15,066,928	5.0%
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	5.5%
MTD Sales Tax Audit Revenue \$74,643 MTD Audit Permit Fees \$ 20,853 Less: MTD Sales Tax Refunds (\$157) MTD Audit Plan Check Fees \$ 13,471 Net Sales Tax Revenue \$74,487 Net Fees Collected \$ 34,324														

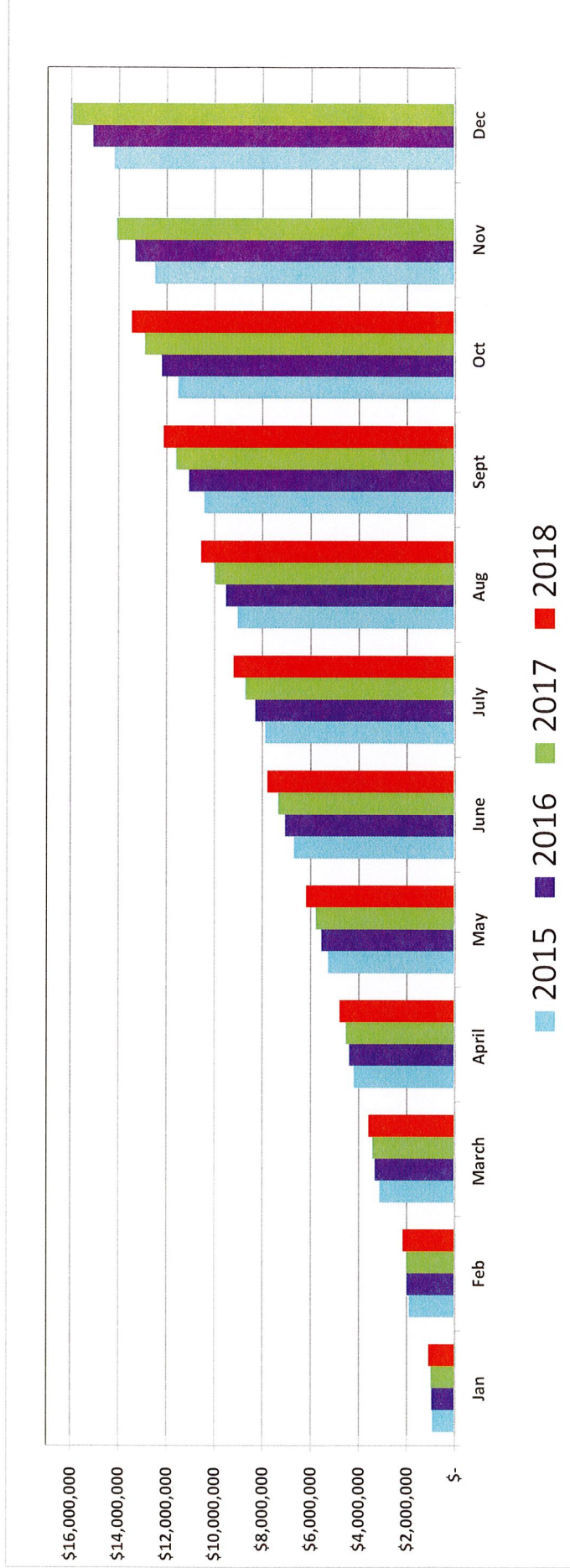
* Percentage Change is for current month only (highlighted)



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

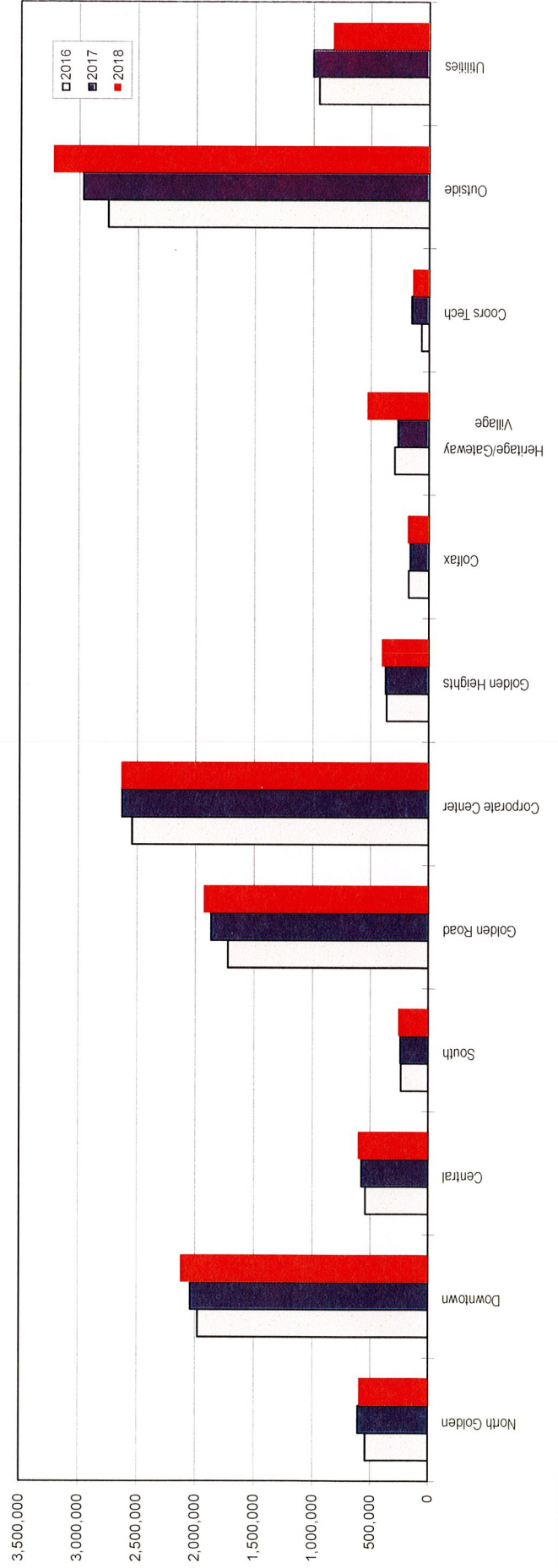
	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2018	\$ 1,093,179	\$ 2,145,142	\$ 3,595,117	\$ 4,790,732	\$ 6,176,170	\$ 7,777,155	\$ 9,196,719	\$ 10,546,807	\$ 12,120,029	\$ 13,431,332	\$ 14,068,587	\$ 15,943,159	\$ 13,431,332	4.1%
2017	\$ 1,006,334	\$ 2,008,044	\$ 3,427,875	\$ 4,543,508	\$ 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	5.9%
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	6.0%
2015	\$ 940,868	\$ 1,891,911	\$ 3,138,963	\$ 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	8.1%
YTD Sales Tax Audit Revenue			\$109,449				YTD Audit Permit Fees \$ 61,102							
Less: YTD Sales Tax Refunds			(\$205,540)				YTD Audit Plan Check Fees \$ 39,434							
Other Sales Tax Revenue			(\$96,091)				Net Fees Collected \$ 100,537							

* Percentage Change - YTD percentage change



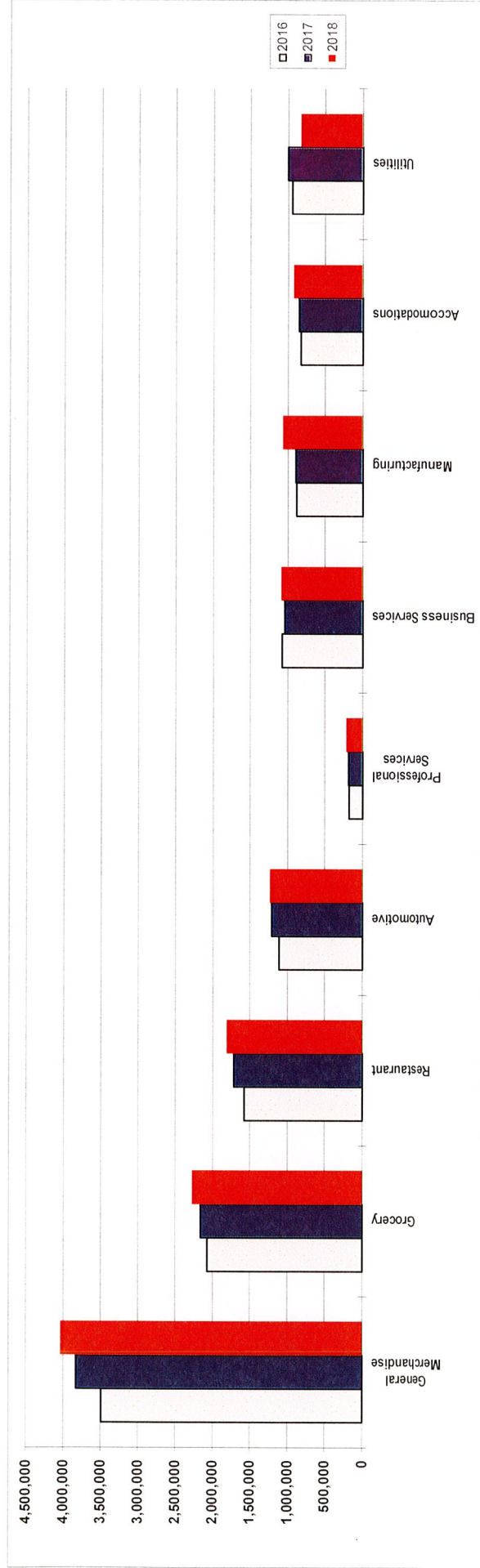
City of Golden
Sales Tax Revenue By Location
YTD October (November)
2016/2017/2018

Area	2016		2016-2015		2017		2017-2016		2018		2018-2017	
	Sales Tax	% of total Sales Tax	Sales Tax	% Change	Sales Tax	% of total Sales Tax	Sales Tax	% Change	Sales Tax	% of total Sales Tax	Sales Tax	% Change
North Golden	\$ 545,267	4.47%	\$ 545,267	5.99%	\$ 610,614	4.73%	\$ 598,561	11.98%	\$ 598,561	4.46%	\$ 598,561	-1.97%
Downtown	\$ 1,980,265	16.24%	\$ 1,980,265	2.60%	\$ 2,041,492	15.82%	\$ 2,123,856	3.09%	\$ 2,123,856	15.81%	\$ 2,123,856	4.03%
Central	\$ 542,323	4.45%	\$ 542,323	13.85%	\$ 577,625	4.48%	\$ 602,949	6.51%	\$ 602,949	4.49%	\$ 602,949	4.38%
South	\$ 239,958	1.97%	\$ 239,958	12.72%	\$ 247,242	1.92%	\$ 259,799	3.04%	\$ 259,799	1.93%	\$ 259,799	5.08%
Golden Road	\$ 1,723,319	14.14%	\$ 1,723,319	4.40%	\$ 1,867,108	14.47%	\$ 1,926,189	8.34%	\$ 1,926,189	14.34%	\$ 1,926,189	3.16%
Corporate Center	\$ 2,543,639	20.86%	\$ 2,543,639	3.06%	\$ 2,628,979	20.37%	\$ 2,631,021	3.36%	\$ 2,631,021	19.59%	\$ 2,631,021	0.08%
Golden Heights	\$ 366,535	3.01%	\$ 366,535	1.88%	\$ 375,231	2.91%	\$ 401,092	2.37%	\$ 401,092	2.99%	\$ 401,092	6.89%
Colfax	\$ 179,144	1.47%	\$ 179,144	6.89%	\$ 164,732	1.28%	\$ 181,527	-8.05%	\$ 181,527	1.35%	\$ 181,527	10.20%
Heritage /Gateway Village	\$ 298,396	2.45%	\$ 298,396	7.27%	\$ 269,744	2.09%	\$ 526,886	-9.60%	\$ 526,886	3.92%	\$ 526,886	95.33%
Coors Technology	\$ 68,454	0.56%	\$ 68,454	70.14%	\$ 152,401	1.18%	\$ 138,128	122.63%	\$ 138,128	1.03%	\$ 138,128	-9.37%
Outside	\$ 2,754,419	22.59%	\$ 2,754,419	13.32%	\$ 2,967,272	22.99%	\$ 3,217,903	7.73%	\$ 3,217,903	23.96%	\$ 3,217,903	8.45%
Utilities	\$ 949,925	7.79%	\$ 949,925	-2.02%	\$ 1,002,840	7.77%	\$ 823,421	5.57%	\$ 823,421	6.13%	\$ 823,421	-17.89%
Totals	\$ 12,191,645	100%	\$ 12,191,645	6.03%	\$ 12,905,279	100.00%	\$ 13,431,332	5.85%	\$ 13,431,332	100%	\$ 13,431,332	4.08%



City of Golden
Sales Tax Revenue By Type
YTD October (November)
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	\$ 3,494,492	28.66%	\$ 3,827,990	4.48%	\$ 4,034,550	29.66%	\$ 4,034,550	9.54%	\$ 4,034,550	30.04%	\$ 4,034,550	5.40%
Grocery	\$ 2,074,222	17.01%	\$ 2,161,578	3.78%	\$ 2,268,458	16.75%	\$ 2,268,458	4.21%	\$ 2,268,458	16.89%	\$ 2,268,458	4.94%
Restaurants	\$ 1,578,299	12.95%	\$ 1,717,501	11.26%	\$ 1,807,037	13.31%	\$ 1,807,037	8.82%	\$ 1,807,037	13.45%	\$ 1,807,037	5.21%
Automotive	\$ 1,114,805	9.14%	\$ 1,209,303	-1.78%	\$ 1,228,488	9.37%	\$ 1,228,488	8.48%	\$ 1,228,488	9.15%	\$ 1,228,488	1.59%
Prof Services\Entertainment	\$ 181,311	1.49%	\$ 186,241	18.83%	\$ 209,326	1.44%	\$ 209,326	2.72%	\$ 209,326	1.56%	\$ 209,326	12.40%
Bus ServicesSupp.	\$ 1,078,873	8.85%	\$ 1,044,863	11.25%	\$ 1,080,118	8.10%	\$ 1,080,118	-3.15%	\$ 1,080,118	8.04%	\$ 1,080,118	3.37%
Manufacturing - Production	\$ 888,818	7.29%	\$ 897,854	13.19%	\$ 1,060,509	6.96%	\$ 1,060,509	1.02%	\$ 1,060,509	7.90%	\$ 1,060,509	18.12%
Accommodations	\$ 830,900	6.82%	\$ 857,109	14.72%	\$ 919,425	6.64%	\$ 919,425	3.15%	\$ 919,425	6.85%	\$ 919,425	7.27%
Utilities	\$ 949,925	7.79%	\$ 1,002,840	-2.02%	\$ 823,421	7.77%	\$ 823,421	5.57%	\$ 823,421	6.13%	\$ 823,421	-17.89%
Totals	\$ 12,191,645	100.00%	\$ 12,905,279	6.03%	\$ 13,431,332	100.00%	\$ 13,431,332	5.85%	\$ 13,431,332	100.00%	\$ 13,431,332	4.08%

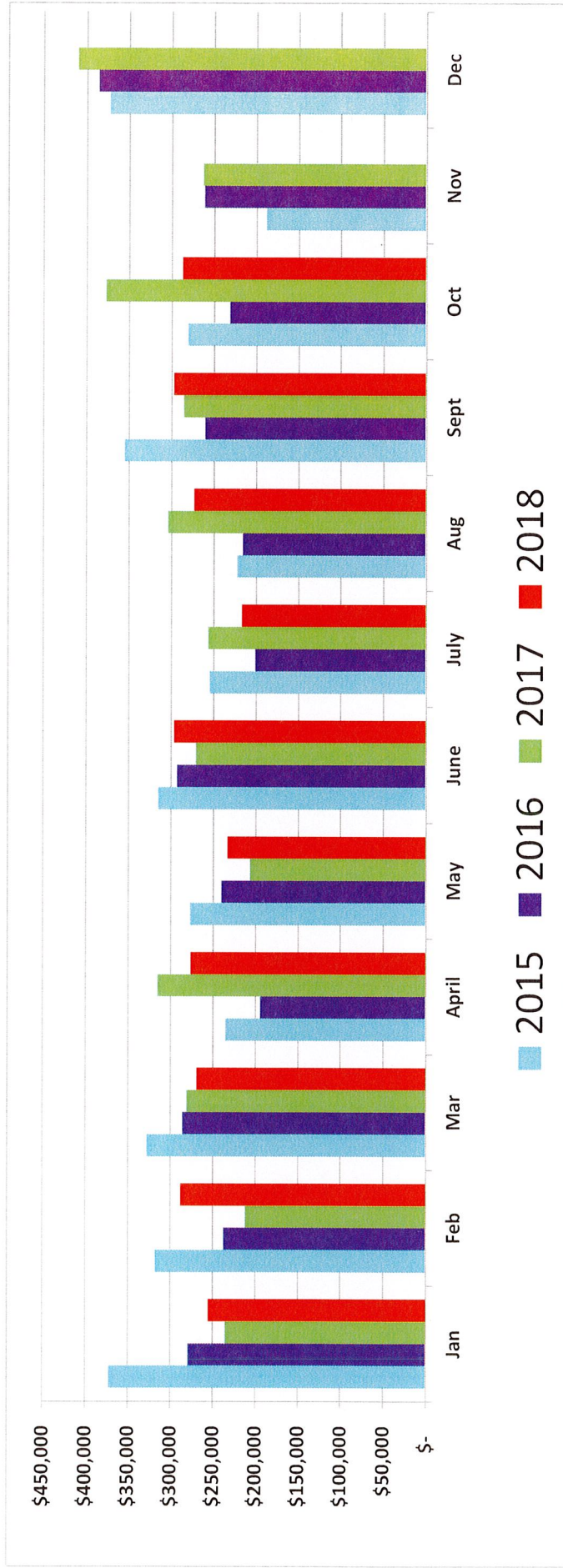


City of Golden
Use Tax Trends
YTD October (November)
2015-2018

	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	\$ 262,253	\$ 409,490	\$ 2,688,715	-24.0%
2017	\$ 235,196	\$ 211,570	\$ 280,802	\$ 315,407	\$ 206,861	\$ 270,677	\$ 256,138	\$ 303,761	\$ 285,295	\$ 377,169	\$ 260,773	\$ 385,860	\$ 3,414,619	63.4%
2016	\$ 278,990	\$ 237,225	\$ 285,559	\$ 194,318	\$ 240,102	\$ 292,505	\$ 200,678	\$ 215,156	\$ 259,981	\$ 230,883	\$ 187,729	\$ 372,140	\$ 3,082,030	-17.6%
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	-4.4%
MTD Use Tax Audit Revenue			\$85,410											
Less: MTD Use Tax Refunds			(\$56,684)											
Other Use Tax Revenue			\$28,726											

<<<< includes building use tax audit revenue

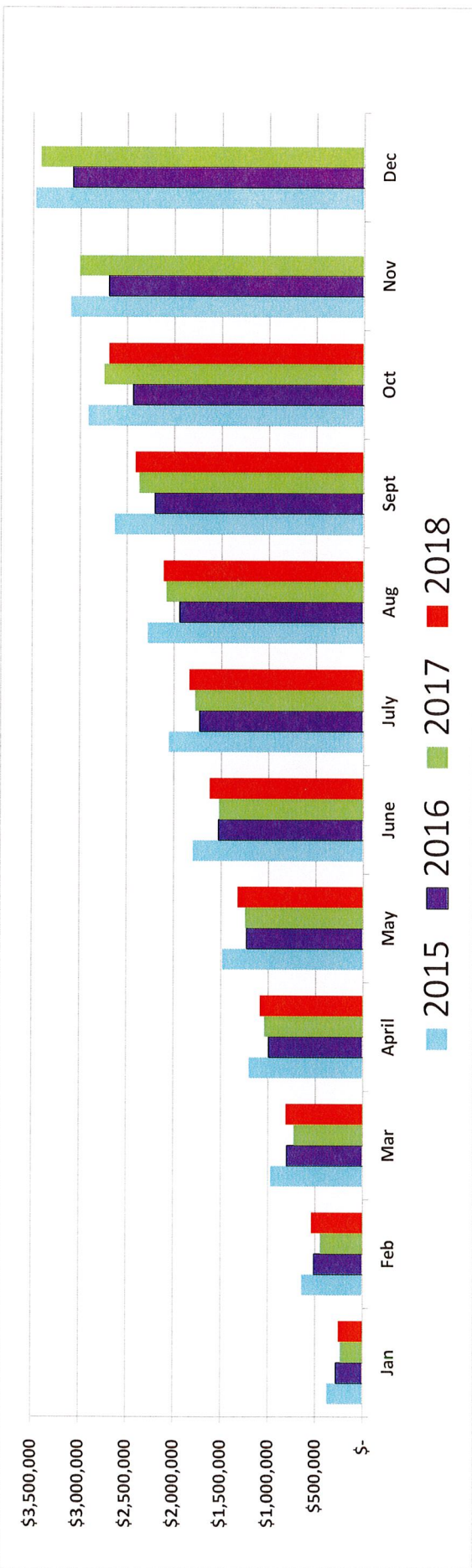
* Percentage Change is for current month only (highlighted)



*Amounts reported on the cash basis

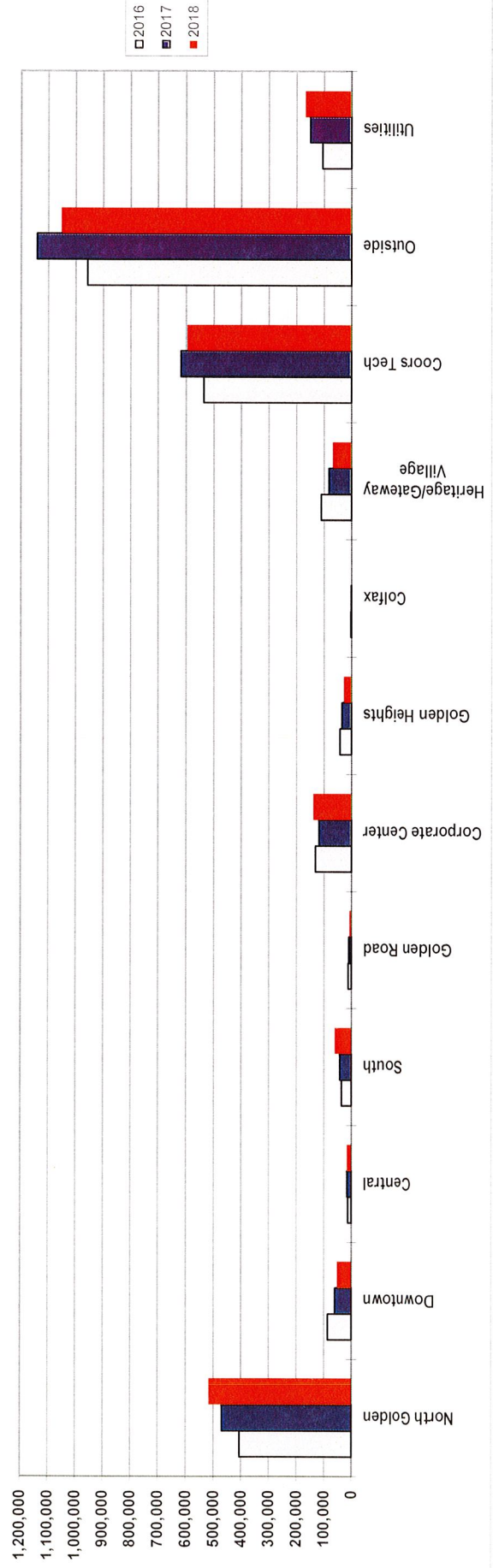
City of Golden
Use Tax Trends
YTD October (November)
2015-2018

	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	\$ 3,005,129	\$ 3,414,619	\$ 2,688,715	-2.0%
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	\$ 3,082,030	\$ 3,414,619	\$ 3,414,619	12.6%
2016	\$ 278,990	\$ 516,215	\$ 801,774	\$ 996,092	\$ 1,236,194	\$ 1,528,699	\$ 1,729,377	\$ 1,944,533	\$ 2,204,514	\$ 2,495,397	\$ 2,696,170	\$ 3,082,030	\$ 3,082,030	-16.3%
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	-7.4%
YTD Use Tax Audit Revenue				\$ 239,301	<<<<	<<<<	<<<<	<<<<	<<<<	<<<<	<<<<	<<<<	<<<<	** Percentage Change is YTD %
Less: YTD Use Tax Refunds														
Other Use Tax Revenue														



City of Golden
Use Tax Revenue By Location
YTD October (November)
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	\$ 404,938	16.63%	\$ 469,633	-7.84%	\$ 517,523	18.87%	\$ 517,523	15.98%	\$ 517,523	18.87%	\$ 517,523	10.20%
Downtown	\$ 86,049	3.53%	\$ 59,594	10.77%	\$ 50,326	2.17%	\$ 50,326	-30.74%	\$ 50,326	1.83%	\$ 50,326	-15.55%
Central	\$ 12,217	0.50%	\$ 15,307	-4.63%	\$ 15,104	0.56%	\$ 15,104	25.28%	\$ 15,104	0.55%	\$ 15,104	-1.32%
South	\$ 34,673	1.42%	\$ 41,204	-43.75%	\$ 59,122	1.50%	\$ 59,122	18.84%	\$ 59,122	2.16%	\$ 59,122	43.49%
Golden Road	\$ 11,491	0.47%	\$ 8,746	-32.38%	\$ 6,667	0.32%	\$ 6,667	-23.89%	\$ 6,667	0.24%	\$ 6,667	-23.76%
Corporate Center	\$ 132,038	5.42%	\$ 118,806	26.95%	\$ 137,857	4.33%	\$ 137,857	-10.02%	\$ 137,857	5.03%	\$ 137,857	16.04%
Golden Heights	\$ 40,661	1.67%	\$ 34,521	-3.86%	\$ 26,107	1.26%	\$ 26,107	-15.10%	\$ 26,107	0.95%	\$ 26,107	-24.37%
Colfax	\$ 1,905	0.08%	\$ 1,651	-38.79%	\$ 1,522	0.06%	\$ 1,522	-13.30%	\$ 1,522	0.06%	\$ 1,522	-7.86%
Heritage/Gateway Village	\$ 111,400	4.57%	\$ 81,827	95.77%	\$ 65,288	2.98%	\$ 65,288	-26.55%	\$ 65,288	2.38%	\$ 65,288	-20.21%
Coors Technology	\$ 536,608	22.03%	\$ 618,477	-47.62%	\$ 594,578	22.55%	\$ 594,578	15.26%	\$ 594,578	21.68%	\$ 594,578	-3.86%
Outside	\$ 957,519	39.32%	\$ 1,142,063	-6.48%	\$ 1,048,794	41.64%	\$ 1,048,794	19.27%	\$ 1,048,794	38.24%	\$ 1,048,794	-8.17%
Utilities	\$ 105,899	4.35%	\$ 151,046	124.78%	\$ 165,828	5.51%	\$ 165,828	42.63%	\$ 165,828	6.05%	\$ 165,828	9.79%
Totals	\$ 2,435,397	100%	\$ 2,742,876	-16.32%	\$ 2,688,715	100%	\$ 2,688,715	12.63%	\$ 2,688,715	98%	\$ 2,688,715	-1.97%



City of Golden
Use Tax Revenue By Type
YTD October (November)
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	\$ 167,509	6.88%	-35.15%	\$ 147,206	5.37%	-12.12%	\$ 125,664	4.67%	-14.63%
Grocery	\$ 64,860	2.66%	6.95%	\$ 61,203	2.23%	-5.64%	\$ 70,131	2.61%	14.59%
Restaurants	\$ 24,207	0.99%	0.67%	\$ 15,648	0.57%	-35.36%	\$ 22,205	0.83%	41.90%
Automotive	\$ 881,793	36.21%	1.64%	\$ 1,050,652	38.30%	19.15%	\$ 956,385	35.57%	-8.97%
Prof Services/Entertainment	\$ 104,417	4.29%	13.23%	\$ 119,740	4.37%	14.67%	\$ 113,037	4.20%	-5.60%
Bus Services	\$ 98,544	4.05%	-6.07%	\$ 163,158	5.95%	65.57%	\$ 96,261	3.58%	-41.00%
Manufacturing - Production	\$ 969,560	39.81%	-32.51%	\$ 1,018,750	37.14%	5.07%	\$ 1,118,998	41.62%	9.84%
Accommodations	\$ 18,607	0.76%	-0.67%	\$ 15,473	0.56%	-16.84%	\$ 20,206	0.75%	30.59%
Utilities	\$ 105,899	4.35%	124.78%	\$ 151,046	5.51%	42.63%	\$ 165,828	6.17%	9.79%
Totals	\$ 2,435,397	100%	-16.32%	\$ 2,742,876	100%	12.63%	\$ 2,688,715	100%	-1.97%

