



City of
Golden

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Council Memorandum

To: City Council
From: Jeff Hansen, Finance Director
Date: August 5, 2020
Re: Sales Tax Report

Attached are the sales and use tax reports for June sales (collected in July). As expected, sales tax collections continued to show some improvement from March-May sales, but were still down for the month due to the impacts of COVID-19. Collections were down \$64,741 (-3.8%) for the month. Overall, revenue is down \$539,208 (-6.7%) year-to-date compared to 2019. When adjusted for seasonality, sales tax revenues are down (-8.0%) compared to the 2020 Budget. In an effort to assist local businesses during this pandemic, a total of \$42,549.63 in sales taxes owed the City was deferred, but has been paid in full.

Not surprisingly, restaurants and accommodations continue to incur the biggest hit to revenues, down 26.7% and 52.7% YTD respectively. Also, as expected, Grocery has increased significantly, up 9.4%, with King Soopers, Safeway, and Natural Grocers all up compared to last year. In General Merchandise, among local retailers, Bent Gate has rebounded, with Kohl's and Duluth Trading Company still down, but starting to show some improvement. Home Depot and online retailers (Amazon, Wayfair, etc.) are up significantly to help offset the loss from the local brick and mortar stores.

Use tax collections were up \$3,179 (+1.0%) for June. For the year, use tax is up \$25,950 (+1.5%) compared to 2019. 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. We can expect some declines in use tax as most businesses will hold off on reinvesting in their businesses for the foreseeable future. Some of the larger businesses not negatively impacted by the virus will probably continue with current expansions and reinvesting plans. What remains to be seen over the next few months, is the impact in automotive with dealerships offering discounts and 0% financing on new vehicles. The July collections will start to give us an indication of that impact.

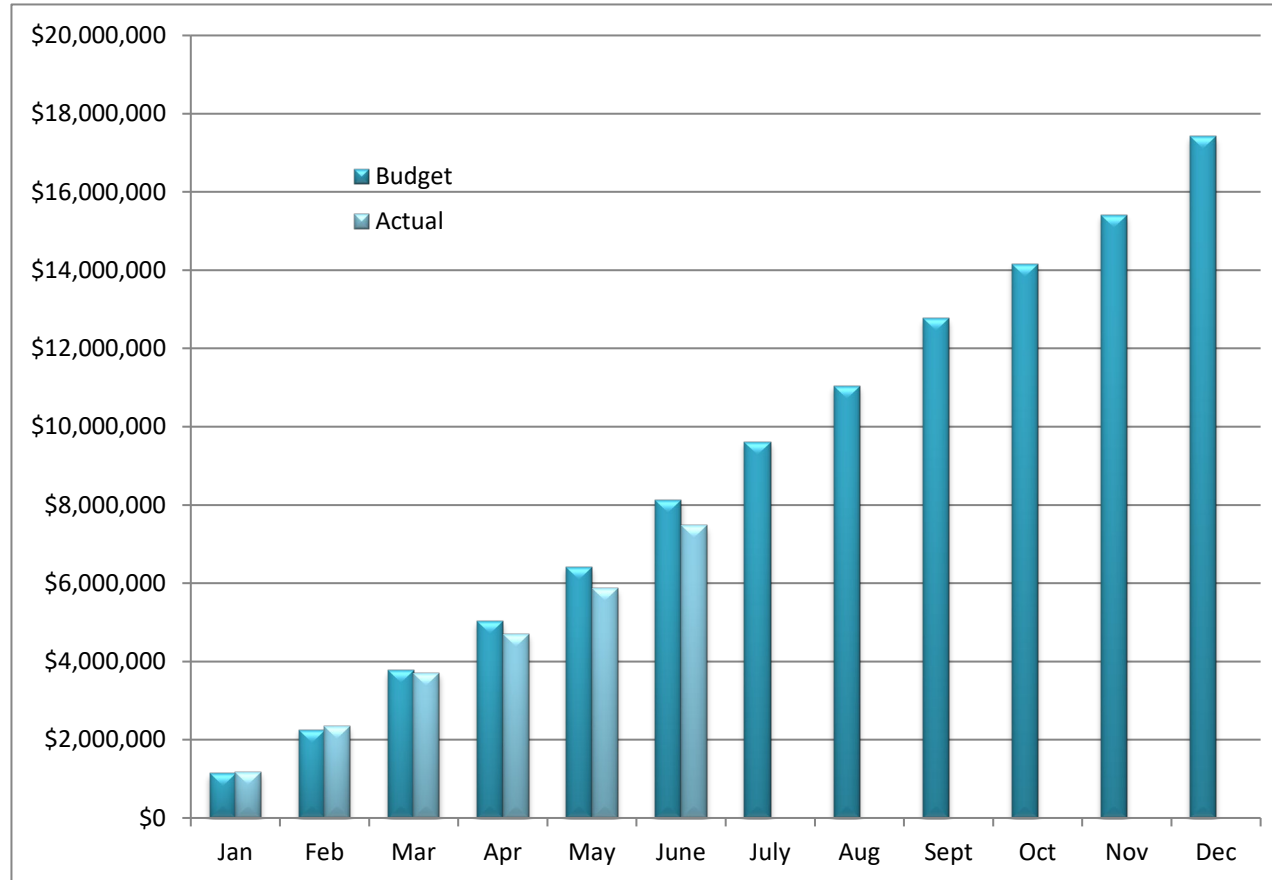
In the area of audit revenue, \$4,283 was collected in July. Including building use tax audits, the total audit revenue collected for 2020 is \$410,002, with an additional \$26,413 collected in building permit and plan check fees. Also, the City continues to have audits in progress and additional audit revenue has been assessed, with collection anticipated over the next few months. \$12,314 has been issued in refunds for the year. These amounts are shown separately on the attached collection reports.

Given the lifting of some restrictions in June, the numbers are encouraging. Barring a setback and the implementation of more restrictions, we expect to continue to see small improvements on a monthly basis. But, these are uncharted times and it's difficult to predict the full extent of the impacts of Covid, especially long-term. That being said, we continue to be cautiously optimistic that Golden will recover faster than most of the State and the Country.

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

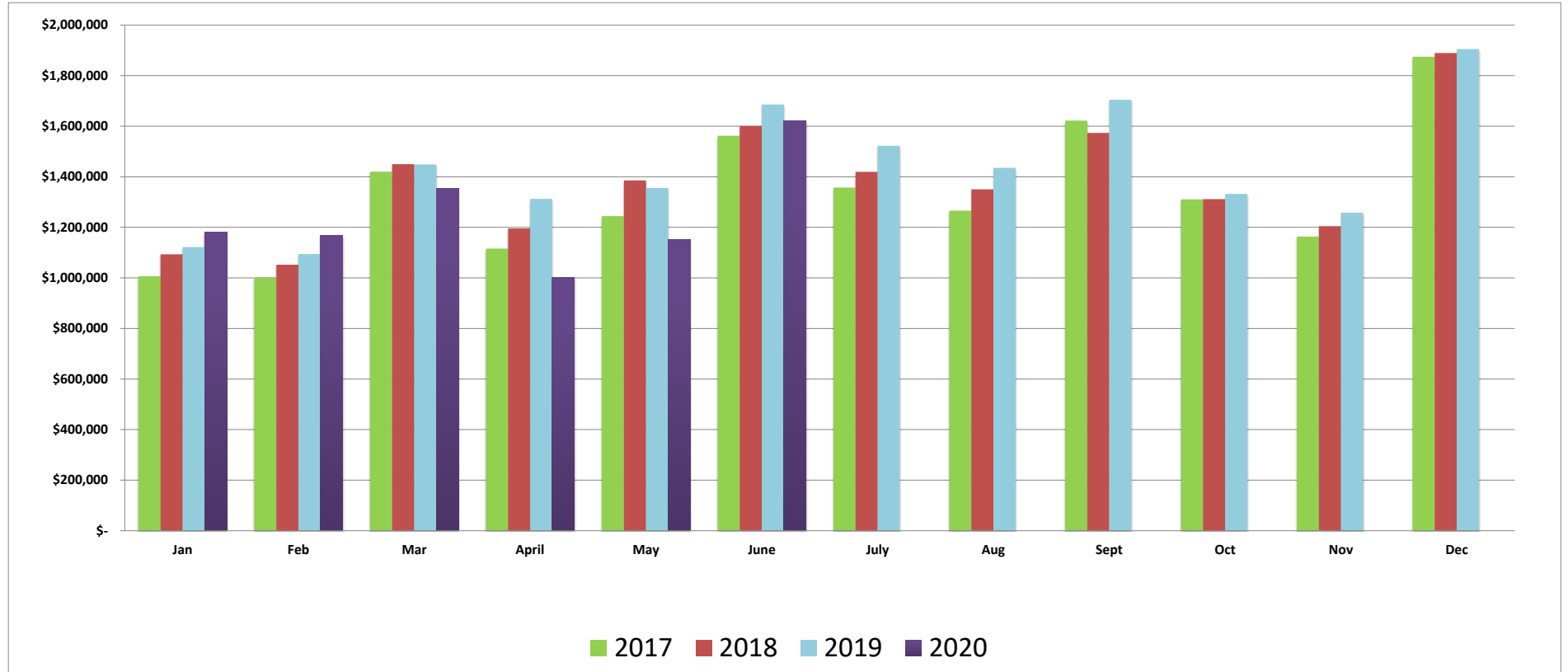
CITY OF GOLDEN
Budget to Actual Comparison
(adjusted for seasonality)
2020 Sales Tax Revenue

<u>Month</u>	<u>YTD Budget</u>	<u>YTD Actual</u>
Jan	\$1,128,137	\$1,182,299
Feb	2,248,651	2,348,815
Mar	3,773,336	3,702,886
Apr	5,033,195	4,705,354
May	6,416,784	5,857,712
June	8,129,186	7,478,473
July	9,614,980	
Aug	11,035,621	
Sept	12,769,577	
Oct	14,139,776	
Nov	15,414,279	
Dec	17,415,000	



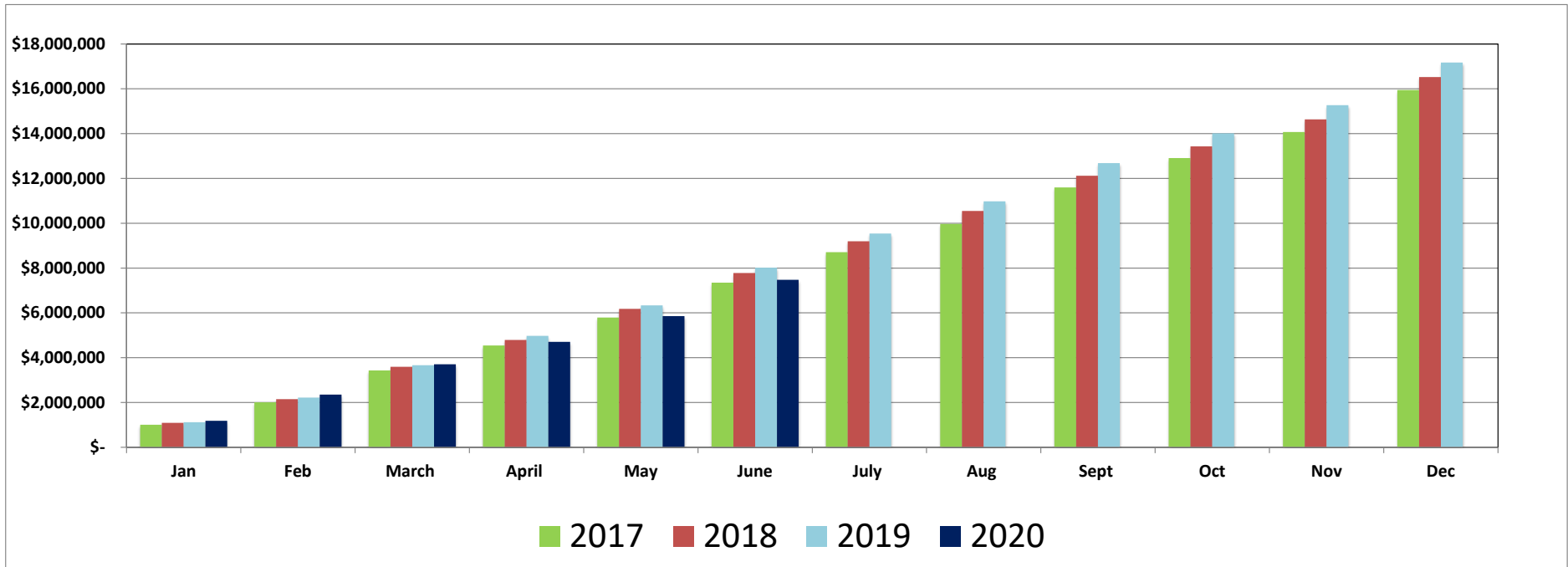
City of Golden
Sales Tax Trends
June (July)
2017-2020

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2020	\$ 1,182,299	\$ 1,166,516	\$ 1,354,071	\$ 1,002,468	\$ 1,152,358	\$ 1,620,761							\$ 7,478,473	-3.8%
2019	\$ 1,121,727	\$ 1,094,083	\$ 1,448,377	\$ 1,312,449	\$ 1,355,543	\$ 1,685,502	\$ 1,522,621	\$ 1,435,278	\$ 1,704,379	\$ 1,332,056	\$ 1,258,172	\$ 1,904,877	\$ 17,175,065	5.3%
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	\$ 1,889,199	\$ 16,525,125	2.5%
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	\$ 1,874,575	\$ 15,943,159	3.2%
<div> <div> MTD Sales Tax Audit Revenue \$ 1,388 Less: MTD Sales Tax Refunds \$ - Net Sales Tax Revenue \$ 1,388 </div> <div> MTD Audit Permit Fees \$ 1,910 MTD Audit Plan Check Fees \$ 1,242 Net Fees Collected \$ 3,152 </div> <div> * Percentage Change is for current month only (highlighted) </div> </div>														



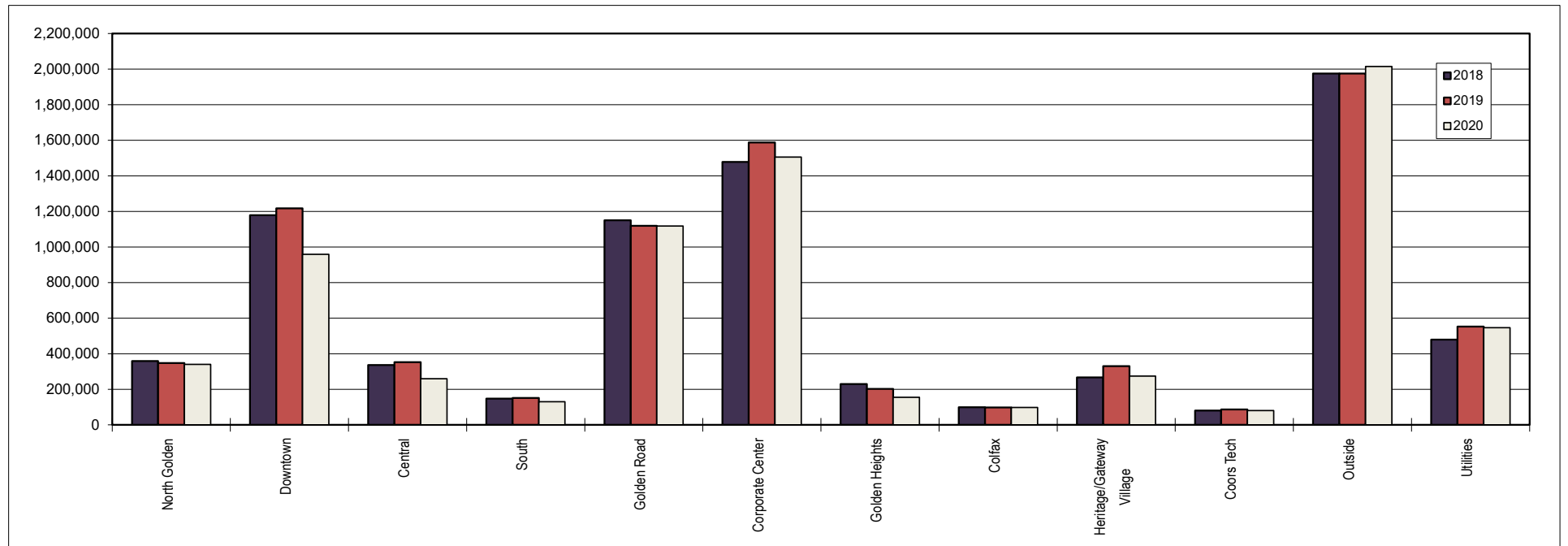
**City of Golden
Sales Tax Trends
YTD June (July)
2017-2020**

	Jan	Feb	March	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2020	\$ 1,182,299	\$ 2,348,815	\$ 3,702,886	\$ 4,705,354	\$ 5,857,712	\$ 7,478,473							\$ 7,478,473	-6.7%
2019	\$ 1,121,727	\$ 2,215,811	\$ 3,664,188	\$ 4,976,636	\$ 6,332,180	\$ 8,017,681	\$ 9,540,303	\$ 10,975,580	\$ 12,679,960	\$ 14,012,015	\$ 15,270,188	\$ 17,175,065	\$ 17,175,065	3.1%
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	\$ 16,525,125	\$ 16,525,125	5.8%
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	4.1%
YTD Sales Tax Audit Revenue \$333,858														
Less: YTD Sales Tax Refunds \$ (8,661)														
Other Sales Tax Revenue \$325,197														
YTD Audit Permit Fees \$ 16,530														
YTD Audit Plan Check Fees \$ 9,883														
Net Fees Collected \$ 26,413														
* Percentage Change - YTD percentage change														



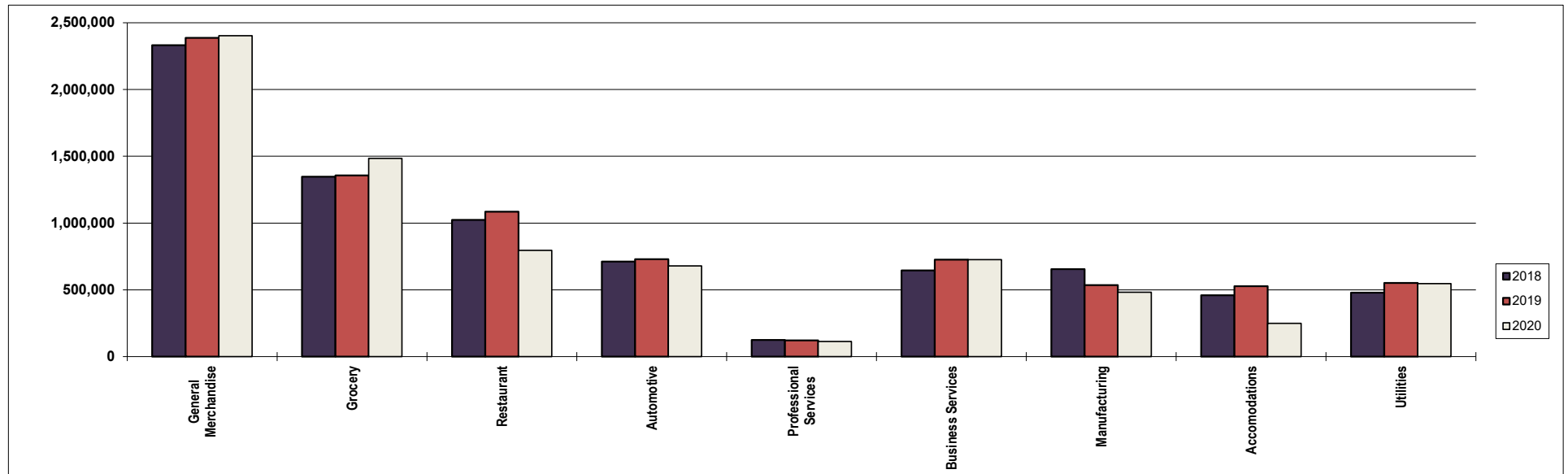
City of Golden
Sales Tax Revenue By Location
YTD June (July)
2018/2019/2020

Area	2018 Sales Tax	% of total Sales Tax	2018-2017 % Change	2019 Sales Tax	% of total Sales Tax	2019-2018 % Change	2020 Sales Tax	% of total Sales Tax	2020-2019 % Change
North Golden	\$ 358,289	4.61%	1.48%	\$ 347,845	4.34%	-2.91%	\$ 339,482	4.54%	-2.40%
Downtown	\$ 1,178,590	15.15%	2.35%	\$ 1,217,096	15.18%	3.27%	\$ 958,908	12.82%	-21.21%
Central	\$ 336,325	4.32%	3.39%	\$ 352,567	4.40%	4.83%	\$ 259,586	3.47%	-26.37%
South	\$ 147,693	1.90%	7.48%	\$ 151,380	1.89%	2.50%	\$ 129,744	1.73%	-14.29%
Golden Road	\$ 1,149,500	14.78%	3.67%	\$ 1,119,114	13.96%	-2.64%	\$ 1,118,161	14.95%	-0.09%
Corporate Center	\$ 1,477,978	19.00%	-0.79%	\$ 1,587,471	19.80%	7.41%	\$ 1,505,007	20.12%	-5.19%
Golden Heights	\$ 228,912	2.94%	11.29%	\$ 202,038	2.52%	-11.74%	\$ 154,599	2.07%	-23.48%
Colfax	\$ 99,336	1.28%	14.28%	\$ 97,774	1.22%	-1.57%	\$ 97,788	1.31%	0.01%
Heritage /Gateway Village	\$ 266,986	3.43%	124.80%	\$ 329,577	4.11%	23.44%	\$ 273,684	3.66%	-16.96%
Coors Technology	\$ 80,084	1.03%	1.35%	\$ 86,183	1.07%	7.62%	\$ 80,227	1.07%	-6.91%
Outside	\$ 1,975,043	25.40%	17.53%	\$ 1,974,593	24.63%	-0.02%	\$ 2,014,890	26.94%	2.04%
Utilities	\$ 478,418	6.15%	-21.96%	\$ 552,043	6.89%	15.39%	\$ 546,397	7.31%	-1.02%
Totals	\$ 7,777,155	100.00%	5.82%	\$ 8,017,681	100.00%	3.09%	\$ 7,478,473	100.00%	-6.73%



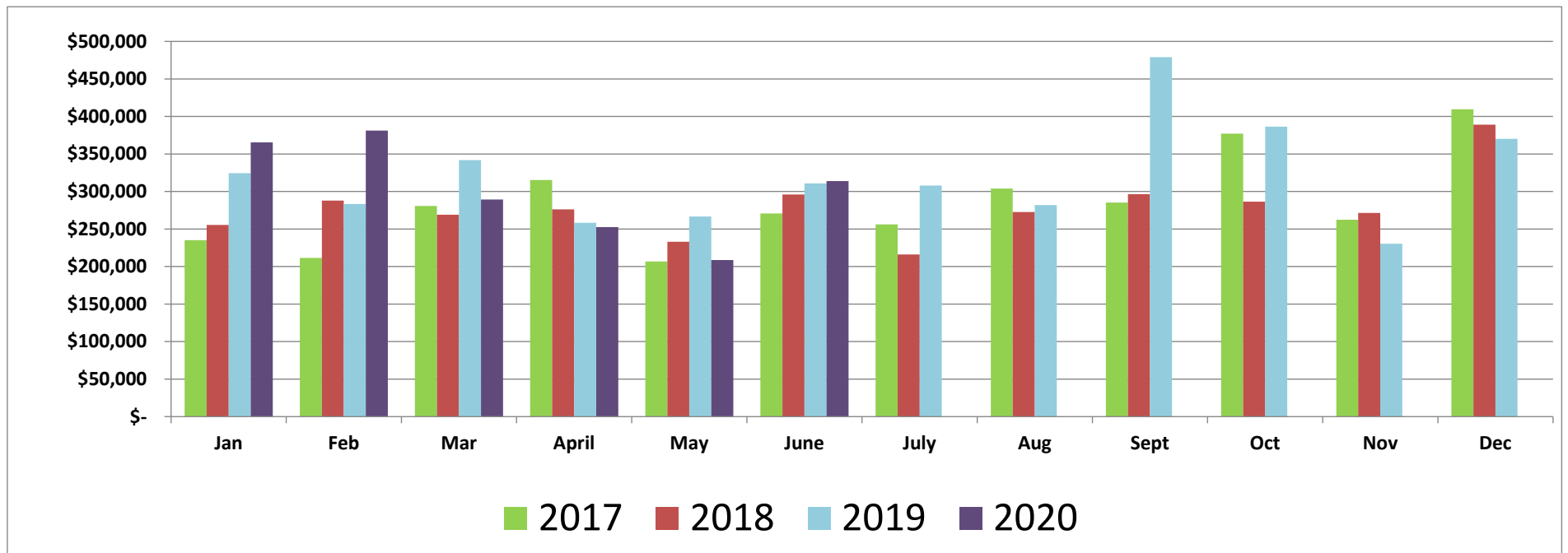
City of Golden
Sales Tax Revenue By Type
YTD June (July)
2018/2019/2020

Type	2018 Sales Tax	% of total Sales Tax	2018-2017 % Change	2019 Sales Tax	% of total Sales Tax	2019-2018 % Change	2020 Sales Tax	% of total Sales Tax	2020-2019 % Change
General Merchandise	\$ 2,332,246	29.99%	7.86%	\$ 2,386,854	29.77%	2.34%	\$ 2,403,887	32.14%	0.71%
Grocery	\$ 1,346,975	17.32%	6.56%	\$ 1,356,091	16.91%	0.68%	\$ 1,483,884	19.84%	9.42%
Restaurants	\$ 1,023,883	13.17%	8.60%	\$ 1,085,249	13.54%	5.99%	\$ 795,896	10.64%	-26.66%
Automotive	\$ 711,650	9.15%	5.89%	\$ 729,169	9.09%	2.46%	\$ 679,090	9.08%	-6.87%
Prof Services\Entertainment	\$ 124,220	1.60%	16.79%	\$ 121,480	1.52%	-2.21%	\$ 113,217	1.51%	-6.80%
Bus ServicesSupp.	\$ 645,165	8.30%	1.67%	\$ 725,386	9.05%	12.43%	\$ 725,933	9.71%	0.08%
Manufacturing - Production	\$ 655,208	8.42%	39.77%	\$ 534,876	6.67%	-18.37%	\$ 481,291	6.44%	-10.02%
Accommodations	\$ 459,389	5.91%	-5.43%	\$ 526,533	6.57%	14.62%	\$ 248,879	3.33%	-52.73%
Utilities	\$ 478,418	6.15%	-21.96%	\$ 552,043	6.89%	15.39%	\$ 546,397	7.31%	-1.02%
Totals	\$ 7,777,155	100.00%	5.82%	\$ 8,017,681	100.00%	3.09%	\$ 7,478,473	100.00%	-6.73%



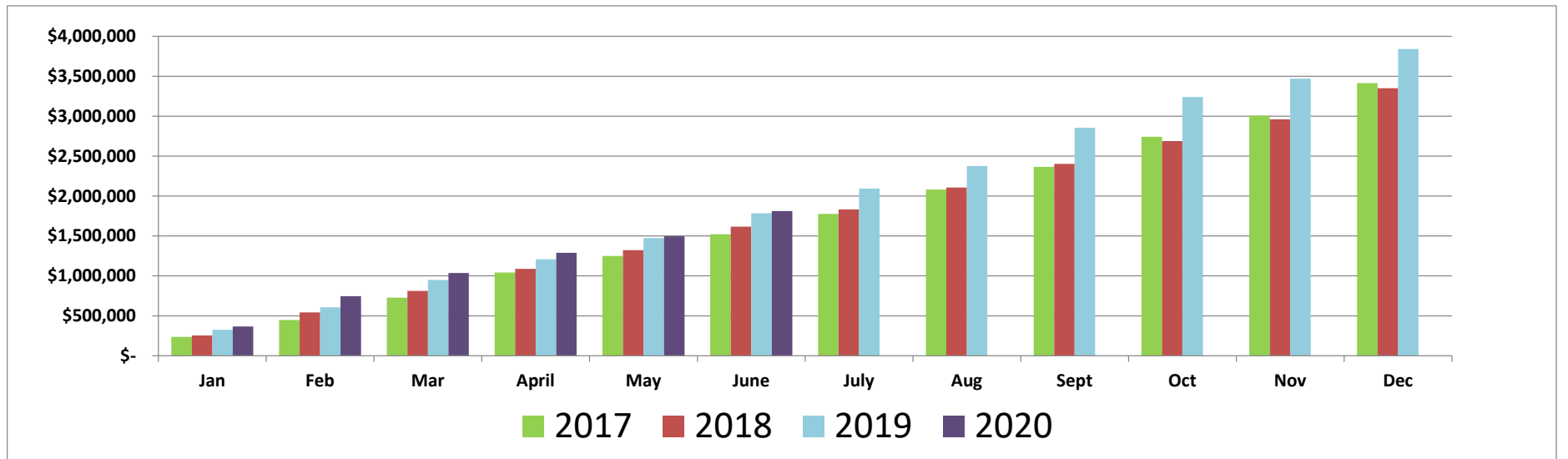
**City of Golden
Use Tax Trends
June (July)
2017-2020**

	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2020	\$ 365,476	\$ 381,197	\$ 289,246	\$ 252,612	\$ 208,712	\$ 314,003							\$ 1,811,246	1.0%
2019	\$ 324,439	\$ 283,332	\$ 341,801	\$ 258,206	\$ 266,694	\$ 310,824	\$ 308,040	\$ 281,929	\$ 478,976	\$ 386,512	\$ 230,299	\$ 370,214	\$ 3,841,266	5.0%
2018	\$ 255,325	\$ 287,767	\$ 268,990	\$ 276,136	\$ 232,993	\$ 295,892	\$ 216,051	\$ 272,718	\$ 296,358	\$ 286,486	\$ 271,303	\$ 389,160	\$ 3,349,178	9.3%
2017	\$ 235,196	\$ 211,570	\$ 280,802	\$ 315,407	\$ 206,861	\$ 270,677	\$ 256,138	\$ 303,761	\$ 285,295	\$ 377,169	\$ 262,253	\$ 409,490	\$ 3,414,619	-7.5%
MTD Use Tax Audit Revenue \$ 2,895 <<<< includes building use tax audit revenue * Percentage Change is for current month only (highlighted)														
Less: MTD Use Tax Refunds			\$ (521)											
Other Use Tax Revenue			\$ 2,374											



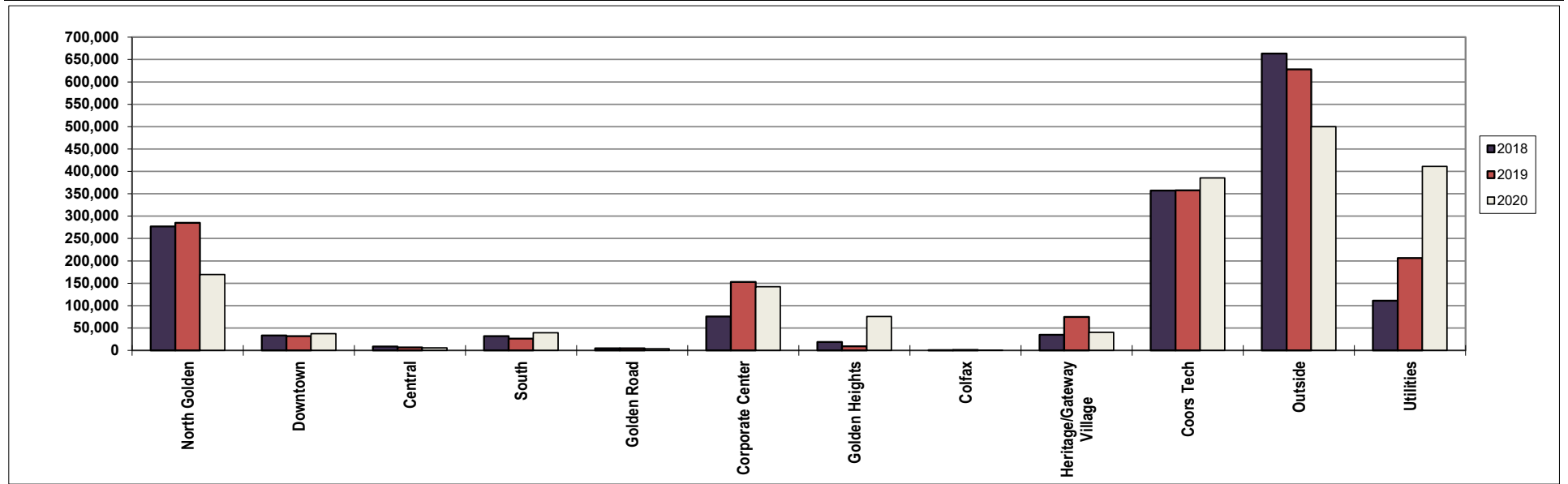
*Amounts reported on the cash basis

**City of Golden
Use Tax Trends
YTD June (July)
2017-2020**

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City of Golden
Use Tax Revenue By Location
YTD June (July)
2018/2019/2020

Area	2018 Use Tax	% of total Use Tax	2018-2017 % Change	2019 Use Tax	% of total Use Tax	2019-2018 % Change	2020 Use Tax	% of total Use Tax	2020-2019 % Change
North Golden	\$ 277,088	17.13%	22.56%	\$ 285,056	15.97%	2.88%	\$ 169,656	9.37%	-40.48%
Downtown	\$ 33,418	2.07%	-13.95%	\$ 31,902	1.79%	-4.54%	\$ 37,253	2.06%	16.77%
Central	\$ 8,566	0.53%	-32.77%	\$ 6,814	0.38%	-20.45%	\$ 5,855	0.32%	-14.07%
South	\$ 31,952	1.98%	32.84%	\$ 26,316	1.47%	-17.64%	\$ 39,355	2.17%	49.55%
Golden Road	\$ 4,599	0.28%	56.27%	\$ 4,853	0.27%	5.54%	\$ 3,406	0.19%	-29.82%
Corporate Center	\$ 75,505	4.67%	0.68%	\$ 153,009	8.57%	102.65%	\$ 142,272	7.85%	-7.02%
Golden Heights	\$ 18,939	1.17%	-21.52%	\$ 9,072	0.51%	-52.10%	\$ 75,899	4.19%	736.63%
Colfax	\$ 828	0.05%	-32.95%	\$ 1,127	0.06%	36.06%	\$ 734	0.04%	-34.84%
Heritage/Gateway Village	\$ 34,883	2.16%	-22.24%	\$ 74,799	4.19%	114.43%	\$ 40,357	2.23%	-46.05%
Coors Technology	\$ 356,987	22.08%	-14.00%	\$ 357,800	20.04%	0.23%	\$ 385,400	21.28%	7.71%
Outside	\$ 663,096	41.01%	9.90%	\$ 628,157	35.19%	-5.27%	\$ 499,764	27.59%	-20.44%
Utilities	\$ 111,244	6.88%	113.25%	\$ 206,390	11.56%	85.53%	\$ 411,295	22.71%	99.28%
Totals	\$ 1,617,103	100.00%	6.35%	\$ 1,785,296	100.00%	10.40%	\$ 1,811,246	100.00%	1.45%



City of Golden
Use Tax Revenue By Type
YTD June (July)
2018/2019/2020

Type	2018 Use Tax	% of total Use Tax	2018-2017 % Change	2019 Use Tax	% of total Use Tax	2019-2018 % Change	2020 Use Tax	% of total Use Tax	2020-2019 % Change
General Merchandise	\$ 146,064	9.03%	48.36%	\$ 68,811	3.85%	-52.89%	\$ 112,559	6.21%	63.58%
Grocery	\$ 43,225	2.67%	-1.83%	\$ 33,034	1.85%	-23.58%	\$ 42,817	2.36%	29.62%
Restaurants	\$ 14,684	0.91%	73.16%	\$ 7,376	0.41%	-49.77%	\$ 4,117	0.23%	-44.19%
Automotive	\$ 607,209	37.55%	7.12%	\$ 570,980	31.98%	-5.97%	\$ 451,617	24.93%	-20.90%
Prof Services\Entertainment	\$ 61,862	3.83%	-20.33%	\$ 63,400	3.55%	2.49%	\$ 75,545	4.17%	19.16%
Bus Services	\$ 69,544	4.30%	-28.57%	\$ 99,747	5.59%	43.43%	\$ 43,404	2.40%	-56.49%
Manufacturing - Production	\$ 554,853	34.31%	-2.25%	\$ 729,057	40.84%	31.40%	\$ 592,184	32.69%	-18.77%
Accommodations	\$ 8,416	0.52%	6.51%	\$ 6,502	0.36%	-22.75%	\$ 77,709	4.29%	1095.24%
Utilities	\$ 111,244	6.88%	113.25%	\$ 206,390	11.56%	85.53%	\$ 411,295	22.71%	99.28%
Totals	\$ 1,617,103	100.00%	6.35%	\$ 1,785,296	100.00%	10.40%	\$ 1,811,246	100.00%	1.45%

