



City of
Golden

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Council Memorandum

To: City Council
From: Jeff Hansen, Finance Director
Date: November 3, 2017
Re: Sales Tax Report

Attached are the sales and use tax reports for September sales (collected in October). Sales tax collections were up \$78,941 (5.1%) for the month. Almost $\frac{3}{4}$'s of the increase for the month came from businesses outside the City. Revenue from within the City was just over 1%. Overall, revenue is up \$540,226 (+4.9%) year-to-date compared to 2016. When adjusted for seasonality, sales tax revenues exceed the 2017 Budget by 2.8%.

Overall, sales tax from businesses within the City limits (including Utilities) is up \$383,212 compared to 2016. In terms of dollars, revenues have increased the most from Golden Road, Coors Tech Center, and Corporate Center. The Golden Heights area shows the largest decrease compared to last year. By business type, General Merchandise, Restaurants, and Grocery show the largest increases. Manufacturing has the largest 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 \$157,014 (6.15%) 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 \$25,314 (9.7%) for September. Most of the increase for the month came from taxes associated with one of our manufacturing businesses. For the year, use tax is up \$161,193 (7.3%) compared to 2016. Automotive, Business Services/Supplies, and Accommodations have the largest increases so far this year, with Manufacturing still 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.

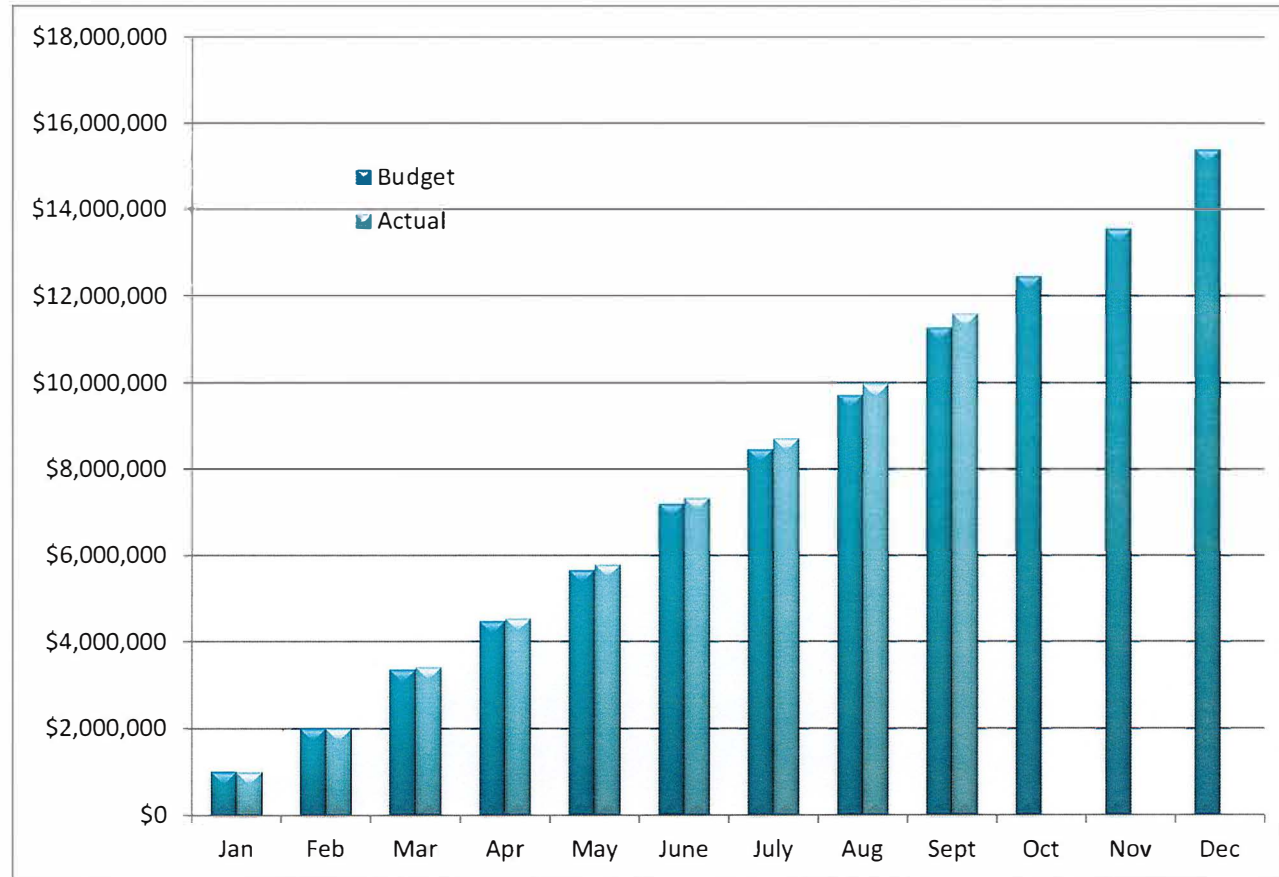
In the area of audit revenue, \$19,192 was collected in October. Including building use tax audits, the total audit revenue collected so far in 2017 is \$613,441. Also, the City continues to have audits in progress and additional audit revenue has been assessed, with collection anticipated over the next few months. \$42,722 have been issued in refunds for the year. These amounts are shown separately on the attached collection reports.

The local economy continues to look very good. The strong numbers for Restaurants (sales tax) and Automotive (use tax) are positive signs in regards to discretionary spending. September sales tax showed a slight improvement over August numbers. Use tax has picked up nicely over the last few months, with more manufacturing use tax still to come. At this point, the outlook for the balance of 2017 remains very good.

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	
Nov	13,558,336	
Dec	15,400,650	

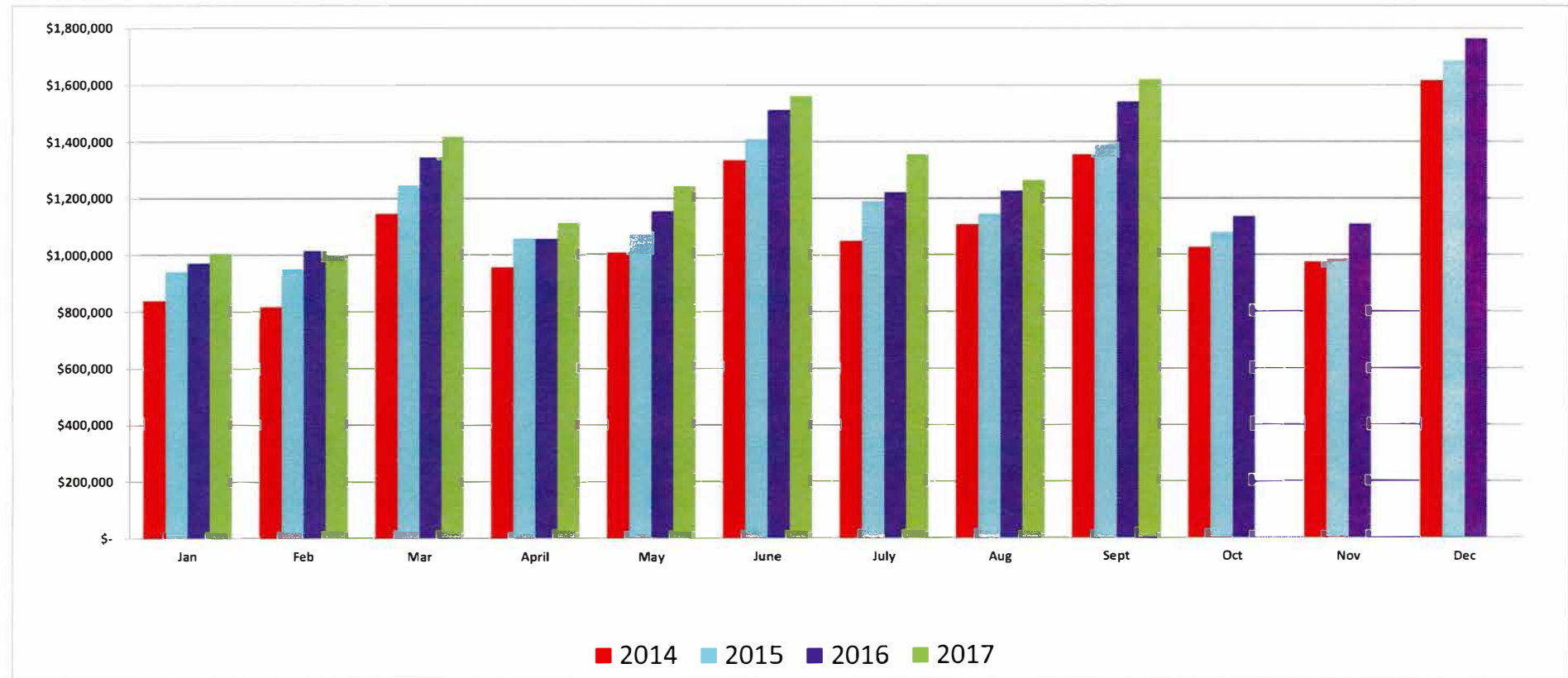


City of Golden
Sales Tax Trends
Month of September (October)
2014-2017

	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				\$ 11,594,577	5.1%
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	10.9%
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	2.7%
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	12.1%

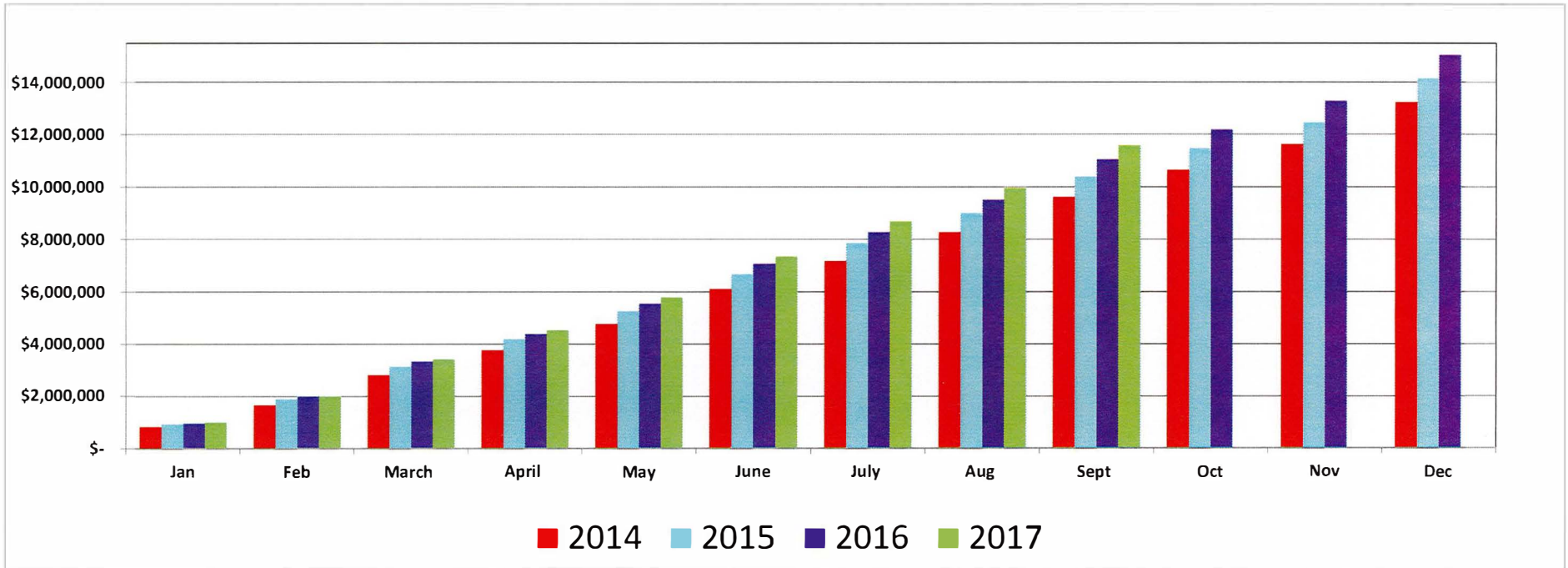
MTD Sales Tax Audit Revenue	\$3,167	
Less: MTD Sales Tax Refunds	\$0	
Net Sales Tax Revenue	\$3,167	

* Percentage Change is for current month only (highlighted)



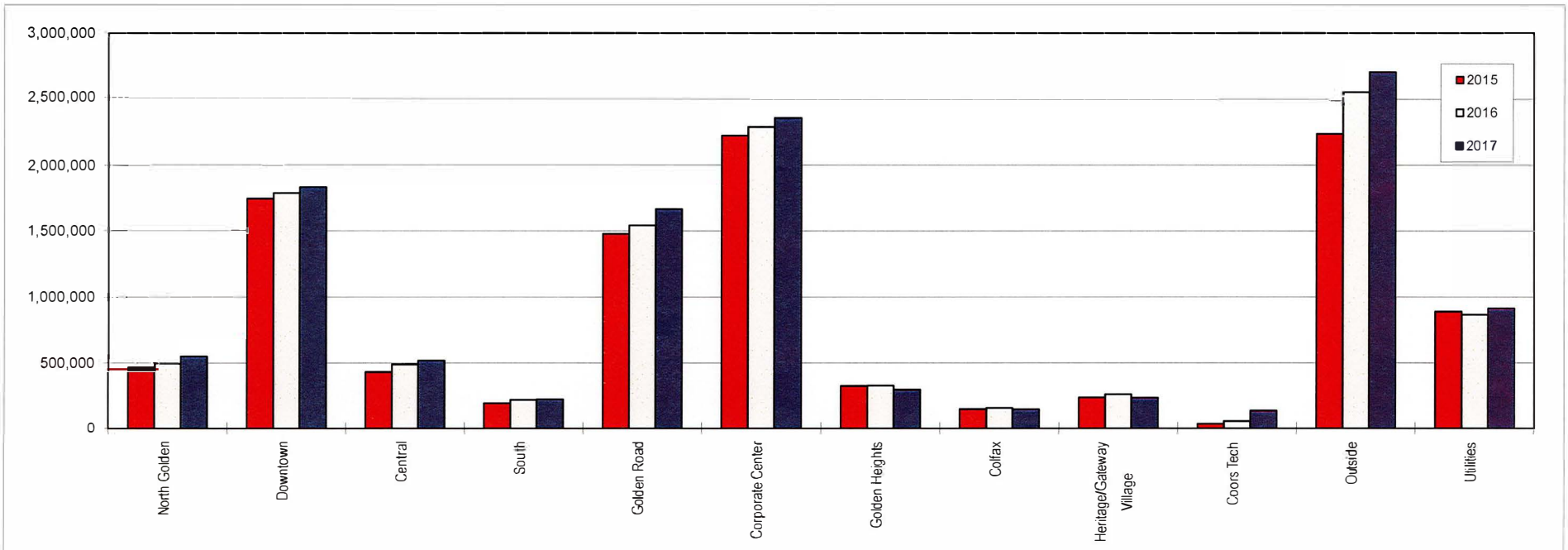
**City of Golden
Sales Tax Trends
YTD September (October)
2014-2017**

	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				\$ 9,972,409	4.9%
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	6.1%
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	8.4%
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	7.6%
<div> YTD Sales Tax Audit Revenue \$270,486 </div> <div> Less: YTD Sales Tax Refunds (\$1,016) </div> <div> Other Sales Tax Revenue \$269,470 </div> <div> * Percentage Change - YTD percentage change </div>														



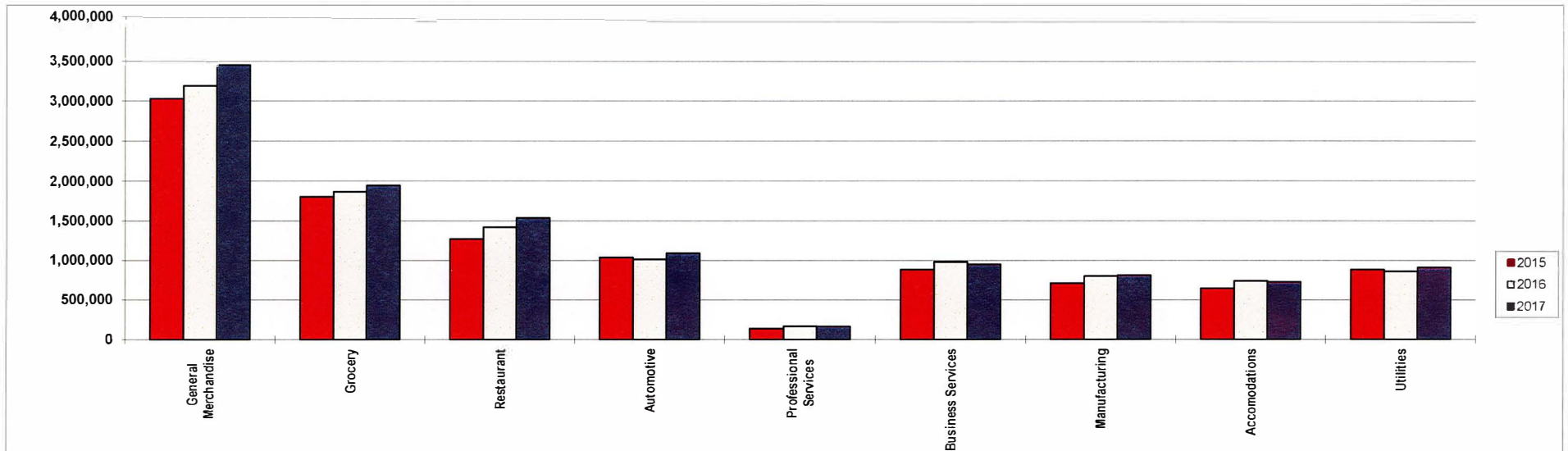
City of Golden
Sales Tax Revenue By Location
YTD September (October)
2015/2016/2017

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	\$ 464,838	4.46%	\$ 495,147	4.48%	6.52%	\$ 550,305	4.75%	11.14%
Downtown	\$ 1,742,860	16.73%	\$ 1,787,683	16.17%	2.57%	\$ 1,831,588	15.80%	2.46%
Central	\$ 432,471	4.15%	\$ 489,708	4.43%	13.23%	\$ 518,379	4.47%	5.85%
South	\$ 195,368	1.88%	\$ 221,203	2.00%	13.22%	\$ 225,423	1.94%	1.91%
Golden Road	\$ 1,478,216	14.19%	\$ 1,544,248	13.97%	4.47%	\$ 1,667,459	14.38%	7.98%
Corporate Center	\$ 2,225,175	21.36%	\$ 2,289,016	20.71%	2.87%	\$ 2,357,195	20.33%	2.98%
Golden Heights	\$ 325,668	3.13%	\$ 330,135	2.99%	1.37%	\$ 298,657	2.58%	-9.53%
Colfax	\$ 150,430	1.44%	\$ 158,451	1.43%	5.33%	\$ 148,740	1.28%	-6.13%
Heritage /Gateway Village	\$ 239,336	2.30%	\$ 263,089	2.38%	9.92%	\$ 237,179	2.05%	-9.85%
Coors Technology	\$ 37,191	0.36%	\$ 58,426	0.53%	57.10%	\$ 138,729	1.20%	137.44%
Outside	\$ 2,237,936	21.49%	\$ 2,552,782	23.09%	14.07%	\$ 2,709,796	23.37%	6.15%
Utilities	\$ 886,369	8.51%	\$ 864,462	7.82%	-2.47%	\$ 911,126	7.86%	5.40%
Totals	\$ 10,415,857	100%	\$ 11,054,351	100%	6.13%	\$ 11,594,577	100%	4.89%



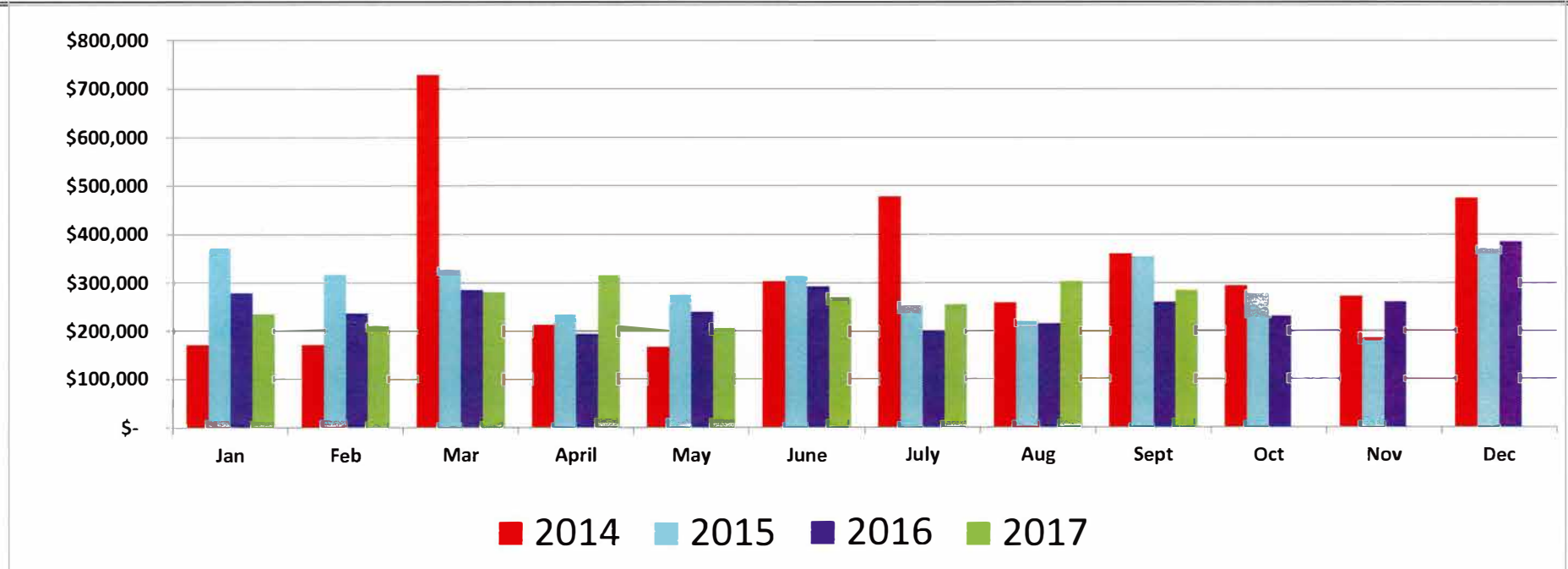
City of Golden
Sales Tax Revenue By Type
YTD September (October)
2015/2016/2017

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	\$ 3,029,738	29.09%	\$ 3,189,497	28.85%	5.27%	\$ 3,450,854	29.76%	8.19%
Grocery	\$ 1,804,341	17.32%	\$ 1,866,696	16.89%	3.46%	\$ 1,943,547	16.76%	4.12%
Restaurants	\$ 1,270,160	12.19%	\$ 1,420,740	12.85%	11.86%	\$ 1,538,198	13.27%	8.27%
Automotive	\$ 1,037,272	9.96%	\$ 1,013,839	9.17%	-2.26%	\$ 1,089,296	9.39%	7.44%
Prof Services\Entertainment	\$ 140,167	1.35%	\$ 170,542	1.54%	21.67%	\$ 166,456	1.44%	-2.40%
Bus ServicesSupp.	\$ 887,822	8.52%	\$ 981,676	8.88%	10.57%	\$ 951,745	8.21%	-3.05%
Manufacturing - Production	\$ 711,945	6.84%	\$ 804,355	7.28%	12.98%	\$ 815,412	7.03%	1.37%
Accommodations	\$ 648,043	6.22%	\$ 742,545	6.72%	14.58%	\$ 727,945	6.28%	-1.97%
Utilities	\$ 886,369	8.51%	\$ 864,462	7.82%	-2.47%	\$ 911,126	7.86%	5.40%
Totals	\$ 10,415,857	100%	\$ 11,054,351	100.00%	6.13%	\$ 11,594,577	100.00%	4.89%



City of Golden
Use Tax Trends
Month of September (October)
2014-2017

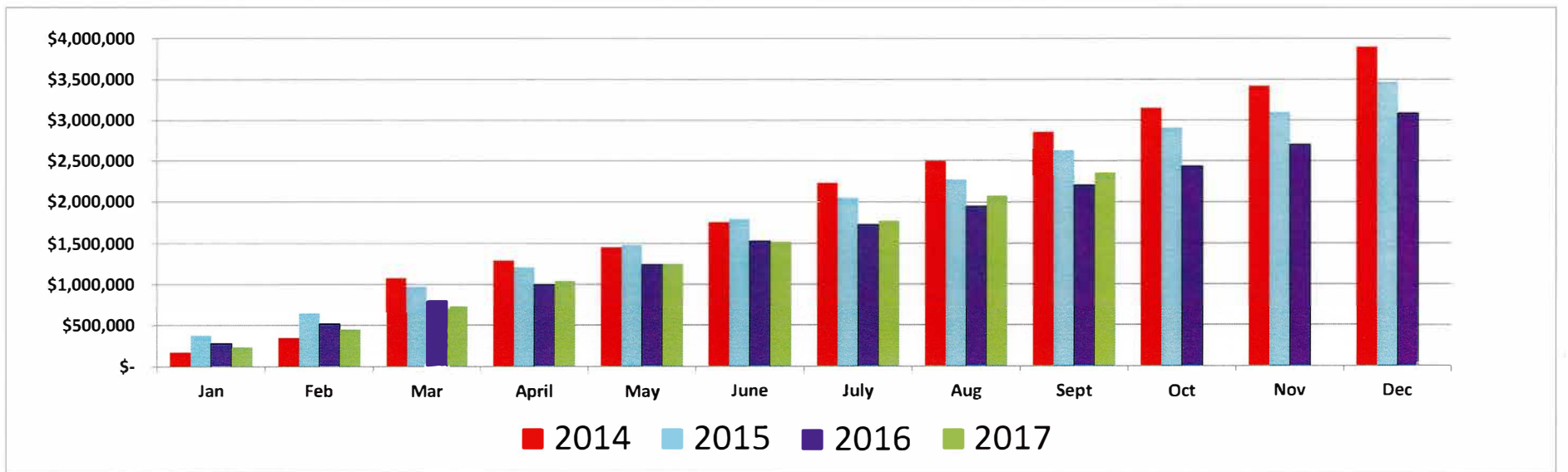
	Jan	Feb	Mar	April	May	June	July	Aug	Sept	Oct	Nov	Dec	Total	% CHNG
2017	\$ 235,196	\$ 211,570	\$ 280,802	\$ 315,407	\$ 206,861	\$ 270,677	\$ 256,138	\$ 303,761	\$ 285,295				\$ 2,365,707	9.7%
2016	\$ 278,990	\$ 237,225	\$ 285,559	\$ 194,318	\$ 240,102	\$ 292,505	\$ 200,678	\$ 215,156	\$ 259,981	\$ 230,883	\$ 260,773	\$ 385,860	\$ 3,082,030	-26.7%
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	-1.4%
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	18.4%
MTD Use Tax Audit Revenue			\$16,025	<<<< includes building use tax audit revenue					* Percentage Change is for current month only (highlighted)					
Less: MTD Use Tax Refunds			(\$202)											
Other Use Tax Revenue			\$15,823											



*Amounts reported on the cash basis

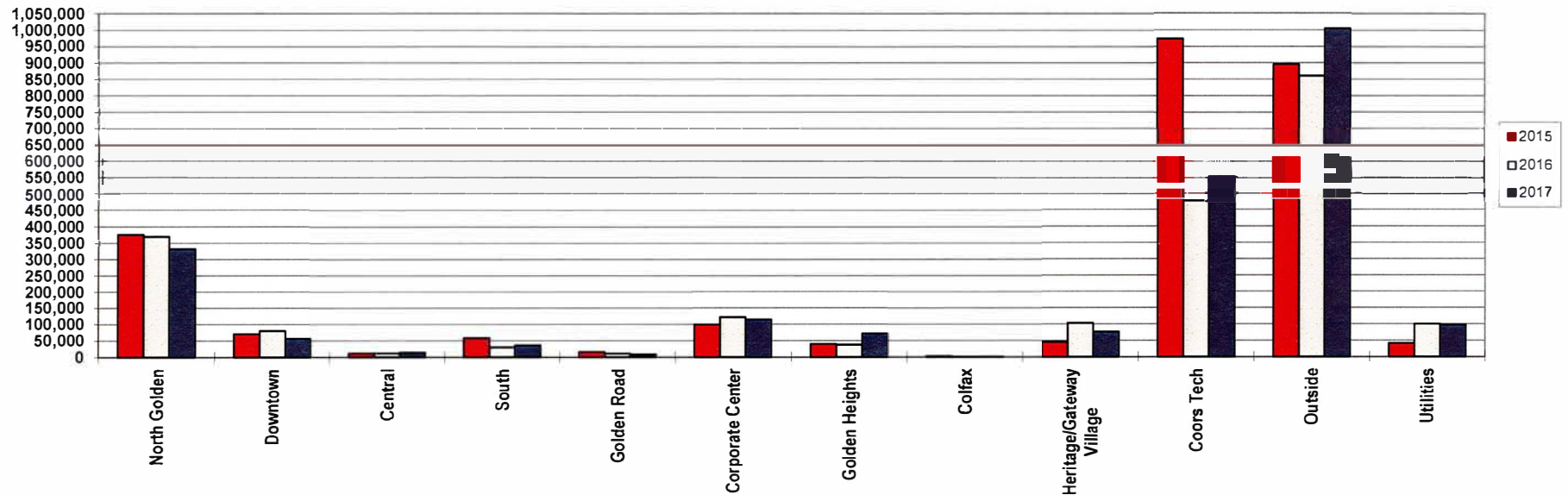
**City of Golden
Use Tax Trends
YTD September (October)
2014-2017**

	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				\$ 2,080,412	7.3%
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	-16.2%
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	-7.7%
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	37.6%
<div> <div>YTD Use Tax Audit Revenue</div> <div>Less: YTD Use Tax Refunds</div> <div>Other Use Tax Revenue</div> </div> <div> <div>\$ 342,955</div> <div>(\$41,706)</div> <div>\$ 301,249</div> </div> <div> <div><<<< includes building use tax audit revenue</div> <div></div> <div></div> </div> <div> <div></div> <div></div> <div></div> </div>														
** Percentage Change is YTD %														



City of Golden
Use Tax Revenue By Location
YTD September (October)
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	\$ 375,757	14.29%	\$ 369,706	16.77%	-1.61%	\$ 331,450	14.01%	-10.35%
Downtown	\$ 71,009	2.70%	\$ 80,372	3.65%	13.19%	\$ 56,735	2.40%	-29.41%
Central	\$ 11,721	0.45%	\$ 11,865	0.54%	1.23%	\$ 14,402	0.61%	21.38%
South	\$ 58,137	2.21%	\$ 29,866	1.35%	-48.63%	\$ 35,901	1.52%	20.21%
Golden Road	\$ 16,502	0.63%	\$ 10,777	0.49%	-34.69%	\$ 8,299	0.35%	-22.99%
Corporate Center	\$ 99,258	3.77%	\$ 121,533	5.51%	22.44%	\$ 114,780	4.85%	-5.56%
Golden Heights	\$ 39,582	1.50%	\$ 37,859	1.72%	-4.35%	\$ 71,434	3.02%	88.68%
Colfax	\$ 2,500	0.10%	\$ 1,602	0.07%	-35.93%	\$ 1,593	0.07%	-0.55%
Heritage/Gateway Village	\$ 45,236	1.72%	\$ 103,632	4.70%	129.10%	\$ 75,907	3.21%	-26.75%
Coors Technology	\$ 973,356	37.01%	\$ 476,430	21.61%	-51.05%	\$ 553,590	23.40%	16.20%
Outside	\$ 895,696	34.06%	\$ 860,791	39.05%	-3.90%	\$ 1,004,462	42.46%	16.69%
Utilities	\$ 41,289	1.57%	\$ 100,080	4.54%	142.39%	\$ 97,152	4.11%	-2.93%
Totals	\$ 2,630,043	100%	\$ 2,204,514	100%	-16.18%	\$ 2,365,707	100%	7.31%



City of Golden
Use Tax Revenue By Type
YTD September (October)
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	\$ 211,325	8.04%	\$ 157,409	7.14%	-25.51%	\$ 131,469	5.56%	-16.48%
Grocery	\$ 57,233	2.18%	\$ 58,939	2.67%	2.99%	\$ 56,870	2.40%	-3.51%
Restaurants	\$ 22,188	0.84%	\$ 23,014	1.04%	3.72%	\$ 12,253	0.52%	-46.76%
Automotive	\$ 757,558	28.80%	\$ 791,851	35.92%	4.53%	\$ 923,179	39.02%	16.58%
Prof Services\Entertainment	\$ 86,465	3.29%	\$ 96,746	4.39%	11.89%	\$ 110,267	4.66%	13.98%
Bus Services	\$ 100,670	3.83%	\$ 87,403	3.96%	-13.18%	\$ 155,185	6.56%	77.55%
Manufacturing - Production	\$ 1,336,220	50.81%	\$ 872,829	39.59%	-34.68%	\$ 824,355	34.85%	-5.55%
Accommodations	\$ 17,095	0.65%	\$ 16,242	0.74%	-4.99%	\$ 54,978	2.32%	238.49%
Utilities	\$ 41,289	1.57%	\$ 100,080	4.54%	142.39%	\$ 97,152	4.11%	-2.93%
Totals	\$ 2,630,043	100%	\$ 2,204,514	100%	-16.18%	\$ 2,365,707	100%	7.31%

