

City of Boulder

Sales & Use Tax Revenue Report

February 2009

Issued April 10, 2009

This report provides information related to sales and use tax collections for fiscal year through February of 2009. Any questions should be directed to Bob Eichen, Finance Director, at (303) 441-1819.

This report is presented in a summary format and only at a very high level. A more detailed analysis will be included in the March report which should be available by the end of the second week of May and will include information related to the first quarter of the year. The table below compares the major sales and use tax categories through February of 2009 to what occurred through February of 2008.

REVENUE COMPARISONS

In the table below:

- The column named “Actual Change in Revenue” with a negative total of \$588,848 represents the actual dollar change in collections from 2008 to 2009 for all sales and use tax collections through the month of February.
- The column “% Change in Collections 2009 to 2008” shows the percentage of difference in the major sales and use tax categories when comparing the two years.
 - **Retail Sales Tax** (the first row with numbers) is watched very closely at all times. It is receiving even closer scrutiny during this economic downturn. These revenues are a primary source for funding many of the ongoing services and programs in the city. Collections through February of 2009 decreased by 7.02% when compared to 2008. The decrease in this category has a skew due to a timing difference of receipts that occurred in 2008. When the skew is removed retail sales tax is down 4.88% and is found in the column entitled **Adjusted for Timing Difference**. This is the sixth month in a row that collections in retail sales tax have been lower than the prior year.
 - The large increase in **Construction Use Tax** was due to a large construction project payment that occurred in January of 2009 and will not reoccur on a monthly basis.
 - **Business Use Tax** went into negative comparison territory for the first time in over a year. This decrease has been expected due to the impact of the downturn in the economy.

- Without adjusting for the skew noted above, **Total Sales and Use Tax** was down 4.60% through February. When the impact of the skew is taken into account collections were down 3.54%. The latter number is the correct percentage to track and is in line with revised revenue projections for 2009 sales and use tax.
- When original projections for sales and use tax were made for 2009, in April of 2008, it was projected sales and use tax would increase by 3.9%. Due to the economic downturn projections for sales and use tax have already been reduced by 4% and the city has prepared for the possibility of needing to reduce by at least another 2% (for a total reduction of 6% in sales and use tax from original projections). Based on what is known at this time, it is expected that 2009 collections will range from being nearly even with 2008 collections or as much as 2% less.
- To keep the budget in balance for 2009 expenditures have been identified and reduced by the projected shortfall in sales and use tax projections (\$3.6 to \$5.4 million). More specific information on the 2009 reductions can be found in agenda item 6 A in the city council agenda packet for April 7, 2009 at:
<http://www.bouldercolorado.gov/files/Clerk/Agendas/2009/04-07-09/6a.pdf>
- The “% of Total” column represents how much each type of tax contributes to the total collection of sales and use tax in the city of Boulder.

FEBRUARY YTD COMPARISONS – 2009 VERSUS 2008				
TAX CATEGORY	ACTUAL CHANGE in REVENUE	% CHANGE in COLLECTIONS 2009 to 2008	ADJUSTED FOR TIMING DIFFERENCE	% of TOTAL
Retail Sales Tax	(\$723,307)	(7.02%)	(4.88%)	78.53%
Business Use Tax	(136,385)	(9.44%)	(9.44%)	10.72%
Construction Use Tax	379,513	56.03%	56.03%	8.66%
Motor vehicle	(106,312)	(29.13%)	(29.13%)	2.12%
Refunds	(2,357)	(241.03)	(241.03)	(0.03%)
Total Sales and Use Tax	(\$588,848)	(3.54%)	(3.54%)	100.00%

Total Net Sales/Use Tax Receipts by Tax Category	FEBRUARY YTD Actual			
	2008	2009	% Change	% of Total
Sales Tax	10,302,509	9,579,202	-7.02%	78.52%
Business Use Tax	1,444,558	1,308,173	-9.44%	10.72%
Construction Use Tax	677,299	1,056,812	56.03%	8.66%
Motor vehicle	364,947	258,635	-29.13%	2.12%
Refunds	-978	-3,335	241.03%	-0.03%
Total Sales and Use Tax	12,788,335	12,199,487	-4.60%	100.00%

Total Net Sales/Use Tax Receipts by Industry Type	FEBRUARY YTD Actual			
	2008	2009	% Change	% of Total
Food Stores	1,644,880	1,497,324	-8.97%	12.27%
Eating Places	1,674,394	1,559,200	-6.88%	12.78%
Apparel Stores	339,588	317,514	-6.50%	2.60%
Home Furnishings	389,946	300,794	-22.86%	2.47%
General Retail	2,652,735	2,568,454	-3.18%	21.05%
Transportation/Utilities	1,433,836	1,342,658	-6.36%	11.01%
Automotive Trade	851,357	689,087	-19.06%	5.65%
Building Material-Retail	399,127	353,650	-11.39%	2.90%
Construction Use Tax	632,216	949,999	50.26%	7.79%
Construction Sales Tax	39,502	36,510	-7.57%	0.30%
Consumer Electronics	388,073	300,186	-22.65%	2.46%
Computer Related Business Sector	986,659	924,319	-6.32%	7.58%
All Other	1,356,999	1,363,127	0.45%	11.17%
Refunds	-978	-3,335	241.03%	-0.03%
Total Sales and Use Tax	12,788,335	12,199,487	-4.60%	100.00%

Total Net Sales/Use Tax Receipts by Geographic Area	FEBRUARY YTD Actual			
	2008	2009	% Change	% of Total
North Broadway	159,796	157,131	-1.67%	1.29%
Downtown	913,545	698,327	-23.56%	5.72%
Downtown Extension	67,359	71,804	6.60%	0.59%
UHGID (the "hill")	195,547	189,118	-3.29%	1.55%
East Downtown	117,016	68,230	-41.69%	0.56%
N. 28th St. Commercial	721,856	542,708	-24.82%	4.45%
N. Broadway Annex	83,612	58,682	-29.82%	0.48%
University of Colorado	247,201	260,037	5.19%	2.13%
Basemar	191,655	197,541	3.07%	1.62%
BVRC-Boulder Valley Regional Center	2,502,931	2,244,541	-10.32%	18.40%
29th Street	903,322	929,448	2.89%	7.62%
Table Mesa	349,239	346,073	-0.91%	2.84%
The Meadows	172,645	114,350	-33.77%	0.94%
All Other Boulder	587,539	454,449	-22.65%	3.73%
Boulder County	172,529	99,822	-42.14%	0.82%
Metro Denver	422,004	1,026,151	143.16%	8.41%
Colorado All Other	7,495	17,730	136.56%	0.15%
Out of State	1,118,360	1,246,548	11.46%	10.22%
Airport	686	710	3.49%	0.01%
Gunbarrel Industrial	1,011,119	815,353	-19.36%	6.68%
Gunbarrel Commercial	158,499	159,899	0.88%	1.31%
Pearl Street Mall	296,714	292,427	-1.44%	2.40%
Boulder Industrial	919,610	888,763	-3.35%	7.29%
Unlicensed Receipts	72,934	136,017	86.49%	1.11%
County Clerk	364,947	258,635	-29.13%	2.12%
Public Utilities	1,031,154	928,328	-9.97%	7.61%
Refunds	-978	-3,335	241.03%	-0.03%
Total Sales and Use Tax	12,788,335	12,199,487	-4.60%	100.00%

Miscellaneous Tax Statistics	FEBRUARY YTD Actual		
	2008	2009	% Change in Taxable Sales
Total Food Service Tax	78,118	70,358	-9.93%
Accommodations Tax	406,928	345,665	-15.06%
Admissions Tax	86,511	90,216	4.28%
License Fees	4,475	3,575	-20.11%
Trash Tax	301,885	312,447	3.50%

USE >> SALES

COMPARISON OF YEAR-TO-DATE ACTUAL REVENUE FOR THE YEAR 2009 TO COMPARABLE PERIOD I

USE TAX BY CATEGORY

SALES TAX BY CATEGORY

FEBRUARY YTD Actual			Standard Industrial Code	FEBRUARY YTD Actual		
2008	2009	% Change		2008	2009	% Change
10,108	4,435	-56.12%	Food Stores	1,634,773	1,492,888	-8.68%
28,457	19,289	-32.22%	Eating Places	1,645,937	1,539,911	-6.44%
1,364	1,755	28.66%	Apparel Stores	338,224	315,759	-6.64%
893	1,793	100.81%	Home Furnishings	389,053	299,000	-23.15%
187,623	172,194	-8.22%	General Retail	2,465,112	2,396,260	-2.79%
42,518	71,295	67.68%	Transportation/Utilities	1,391,318	1,271,363	-8.62%
370,013	262,213	-29.13%	Automotive Trade	481,344	426,874	-11.32%
3,221	1,466	-54.49%	Building Material-Retail	395,905	352,184	-11.04%
632,216	949,999	50.26%	Construction Use Tax	0	0	na
0	0	na	Construction Sales Tax	39,502	36,510	-7.57%
11,195	12,034	7.49%	Consumer Electronics	376,878	288,152	-23.54%
746,712	595,323	-20.27%	Computer Related Business	239,947	328,996	37.11%
452,484	531,824	17.53%	All Other	904,516	831,304	-8.09%
2,486,804	2,623,620	5.50%	Total Sales and Use Tax	10,302,509	9,579,202	-7.02%

USE TAX BY CATEGORY

SALES TAX BY CATEGORY

FEBRUARY YTD Actual			Geographic Code	FEBRUARY YTD Actual		
2008	2009	% Change		2008	2009	% Change
8,901	3,431	-61.45%	North Broadway	150,894	153,700	1.86%
141,695	27,581	-80.53%	Downtown	771,849	670,746	-13.10%
3,115	3,789	21.66%	Downtown Extension	64,244	68,015	5.87%
468	2,090	346.72%	UHGD (the "hill")	195,080	187,029	-4.13%
19,488	1,569	-91.95%	East Downtown	97,528	66,661	-31.65%
7,060	22,729	221.95%	N. 28th St. Commercial	714,796	519,979	-27.25%
35,344	192	-99.46%	N. Broadway Annex	48,268	58,490	21.18%
1,384	5,661	309.11%	University of Colorado	245,817	254,376	3.48%
1,009	9,235	815.32%	Basemar	190,646	188,305	-1.23%
95,300	45,001	-52.78%	BVRC	2,407,631	2,199,539	-8.64%
25,124	17,064	-32.08%	29th Street	878,198	912,384	3.89%
830	2,813	239.08%	Table Mesa	348,409	343,260	-1.48%
1,172	837	-28.58%	The Meadows	171,472	113,513	-33.80%
325,391	178,459	-45.16%	All Other Boulder	262,148	275,990	5.28%
83,211	16,379	-80.32%	Boulder County	89,318	83,443	-6.58%
32,498	714,057	2097.23%	Metro Denver	389,506	312,095	-19.87%
492	7,598	1443.51%	Colorado All Other	7,003	10,132	44.69%
33,820	125,859	272.14%	Out of State	1,084,539	1,120,689	3.33%
0	10	#DIV/0!	Airport	686	700	2.03%
919,831	691,826	-24.79%	Gunbarrel Industrial	91,288	123,527	35.32%
166	6	-96.12%	Gunbarrel Commercial	158,333	159,892	0.99%
1,925	2,036	5.77%	Pearl Street Mall	294,788	290,391	-1.49%
301,766	337,016	11.68%	Boulder Industrial	617,844	551,747	-10.70%
49,800	115,862	132.66%	Unlicensed Receipts	23,134	20,155	-12.88%
364,947	258,635	-29.13%	County Clerk	0	0	na
32,066	33,883	5.67%	Public Utilities	999,089	894,445	-10.47%
2,486,804	2,623,620	5.50%	Total Sales and Use Tax	10,302,509	9,579,202	-7.02%

TOTAL CITY SALES AND USE TAX COLLECTIONS

REVENUE CATEGORY	YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	% Change in Taxable Sales
RETAIL SALES TAX	2002	4,538,744	3,903,954	4,958,202	4,544,590	4,682,370	5,663,454	4,381,120	4,725,305	5,570,049	4,168,969	4,315,542	6,272,808	57,725,107	-7.89%
	2003	3,872,314	3,874,955	5,055,136	4,093,068	4,264,729	5,232,316	4,167,686	4,663,992	5,171,981	4,288,213	4,246,924	5,940,175	54,871,489	-4.94%
Rate Chg 3.26%>3.41%	2004	4,394,136	4,170,467	5,327,051	4,339,594	4,461,055	5,340,555	4,333,128	4,749,658	5,542,805	4,450,731	4,518,629	6,602,036	58,229,844	1.45%
Rate 3.41%	2005	4,255,041	4,453,370	5,232,389	4,353,026	4,576,864	5,535,196	4,494,079	5,013,379	5,550,916	4,541,790	4,769,700	6,932,929	59,708,680	2.54%
	2006	4,734,249	4,645,436	5,537,253	4,659,458	4,882,331	6,129,363	4,737,773	5,237,757	6,156,056	4,950,305	4,387,847	7,891,618	63,949,446	7.10%
Rate Chg 3.41%>3.56%	2007	5,118,353	5,014,615	6,918,421	4,965,981	5,500,701	6,712,841	5,565,371	6,393,028	6,954,377	5,747,963	5,695,703	8,411,484	72,998,838	9.34%
Rate Chg 3.56%>3.41%	2008	5,197,400	5,105,109	6,005,946	5,331,447	5,488,450	6,572,335	5,508,796	6,258,640	6,620,535	5,382,779	5,255,155	7,443,455	70,170,045	0.35%
Rate3.41%	2009	4,919,570	4,659,632											9,579,202	-86.35%
Change from prior year (Month)		-5.35%	-8.73%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%		
Change from prior year (YTD)		-5.35%	-7.02%	-41.26%	-55.73%	-64.69%	-71.58%	-75.57%	-78.93%	-81.61%	-83.33%	-84.73%	-86.35%		
CONSUMER USE TAX	2002	716,462	565,976	1,293,800	783,956	497,237	1,091,779	808,999	671,088	648,455	767,543	628,926	1,153,296	9,627,516	-27.39%
	2003	798,157	517,559	836,398	877,962	786,286	962,785	656,799	819,164	914,869	635,455	1,045,632	1,052,566	9,903,632	2.87%
Rate Chg 3.26%>3.41%	2004	980,229	665,018	899,453	742,692	724,614	866,974	810,874	922,401	941,990	728,634	750,971	1,181,776	10,215,625	-1.39%
Rate3.41%	2005	827,887	507,036	951,085	1,016,614	1,103,592	1,001,048	864,720	788,465	1,094,030	758,937	968,467	1,248,300	11,130,180	8.95%
	2006	686,686	517,101	1,277,146	577,144	964,529	781,362	895,403	776,258	1,054,696	727,776	1,092,224	1,287,157	10,637,482	-4.43%
Rate Chg 3.41%>3.56%	2007	763,650	574,006	975,178	888,726	733,196	858,072	975,456	652,501	923,667	732,463	716,317	1,575,908	10,369,140	-6.63%
RateChg3.56%>3.41%	2008	818,034	991,472	1,109,160	669,214	736,901	1,067,769	732,334	596,399	899,934	989,683	599,876	1,253,267	10,464,043	5.35%
Rate3.41%	2009	909,558	657,250											1,566,808	-85.03%
Change from prior year (Month)		11.19%	-33.71%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%		
Change from prior year (YTD)		11.19%	-13.41%	-46.32%	-56.33%	-63.77%	-70.94%	-74.42%	-76.69%	-79.44%	-81.80%	-82.99%	-85.03%		
CONSTRUCTION USE TAX	2002	214,010	565,519	282,392	442,587	215,384	1,181,606	195,374	197,745	158,413	167,213	167,464	384,065	4,171,773	41.81%
	2003	104,449	121,585	138,559	238,246	415,756	675,308	220,413	259,946	239,337	161,913	292,983	388,157	3,256,653	-21.94%
Rate Chg 3.26%>3.41%	2004	210,383	336,148	387,487	490,426	229,416	181,732	204,851	155,409	212,299	119,283	238,459	283,087	3,048,978	-10.50%
Rate 3.41%	2005	912,585	782,540	287,865	461,878	456,073	913,197	186,408	235,308	282,503	276,247	288,104	514,975	5,597,684	83.59%
	2006	197,263	331,341	420,749	294,094	337,237	774,420	352,533	261,409	343,749	559,975	410,958	1,018,272	5,302,000	-5.28%
Rate Chg 3.41%>3.56%	2007	293,078	347,860	112,016	293,061	621,413	430,207	1,119,425	259,226	421,376	286,524	376,978	253,590	4,814,755	-13.02%
RateChg3.56%>3.41%	2008	330,080	347,219	748,549	454,797	327,855	241,649	100,759	442,652	347,954	217,885	107,831	381,753	4,048,982	-12.21%
Rate3.41%	2009	944,905	111,907											1,056,812	-73.90%
Change from prior year (Month)		186.27%	-67.77%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%		
Change from prior year (YTD)		186.27%	56.03%	-25.88%	-43.81%	-52.15%	-56.87%	-58.57%	-64.70%	-68.37%	-70.31%	-71.18%	-73.90%		
TOTAL FOR MONTH & CHANGE FROM PREVIOUS YEAR (MONTH & YTD)	2002	5,469,216	5,035,449	6,534,394	5,771,133	5,394,991	7,936,839	5,385,493	5,594,139	6,376,917	5,103,725	5,111,931	7,810,169	71,524,396	-9.31%
	2003	4,774,920	4,514,099	6,030,093	5,209,277	5,466,771	6,870,410	5,044,897	5,743,101	6,326,188	5,085,581	5,585,538	7,380,897	68,031,774	-4.88%
Rate Chg 3.26%>3.41%	2004	5,584,748	5,171,633	6,613,991	5,572,712	5,415,085	6,389,261	5,348,853	5,827,468	6,697,093	5,298,647	5,508,059	8,066,899	71,494,448	0.47%
Rate 3.41%	2005	5,995,513	5,742,946	6,471,340	5,831,518	6,136,529	7,449,441	5,545,207	6,037,152	6,927,449	5,576,974	6,026,271	8,696,204	76,436,545	6.91%
	2006	5,618,198	5,493,878	7,235,148	5,530,696	6,184,096	7,685,145	5,985,709	6,275,424	7,554,500	6,238,056	5,891,030	10,197,046	79,888,928	4.52%
Rate Chg 3.41%>3.56%	2007	6,175,081	5,936,481	8,005,615	6,147,768	6,855,311	8,001,120	7,660,252	7,304,754	8,299,420	6,766,951	6,788,999	10,240,982	88,182,732	5.73%
Ratechg3.56%>3.41%	2008	6,345,513	6,443,800	7,863,654	6,455,459	6,553,206	7,881,753	6,341,889	7,297,691	7,868,423	6,590,347	5,962,862	9,078,475	84,683,070	0.26%
Rzte3.41%	2009	6,774,033	5,428,789	0	0	0	0	0	0	0	0	0	0	12,202,822	-85.59%
Less Refunds	2002	-1,154	-230	-13,136	0	-3,239	-13,993	-527	-10,222	-121,204	-21,896	-1,548	-10,065	-197,215	
Less Refunds	2003	-34,330	-8,827	-7,078	-134,798	-41,772	-76,328	-422	-596	-69,164	-3,779	-579	-46,599	-424,272	
	2004	-1,343	-10,505	-636	-872	-5,963	-151	-1,299	-4,643	-244	-27,318	-5,758	-4,330	-63,061	
	2005	-246	-66,044	-909	-2,666	-1,647	-10,080	-3,062	-4,207	-846	-1,586	0	-4,757	-96,051	
	2006	-40,302	-5,272	-22,761	-363	-5,099	0	0	-7,568	-806	-5,947	-406	-16,773	-105,296	
	2007	0	-38,291	-2,013	-729	-9,326	-14,547	-14,440	-677	0	-5,963	0	-5,015	-91,001	
	2008	-978	0	-46,974	-1,409	0	-2,375	-445	-9,493	-1,429	0	-48,521	-500	-112,123	
Less Refunds	2009	-3,335	0											-3,335	
Adjusted total	2002	5,468,062	5,035,219	6,521,258	5,771,133	5,391,752	7,922,846	5,384,967	5,583,917	6,255,713	5,081,828	5,110,383	7,800,105	71,327,181	-9.38%
	2003	4,740,591	4,505,272	6,023,015	5,074,479	5,424,999	6,794,082	5,044,475	5,742,505	6,257,023	5,081,802	5,584,959	7,334,298	67,607,502	-5.21%
Rate Chg 3.26%>3.41%	2004	5,583,406	5,161,128	6,613,354	5,571,840	5,409,121	6,389,110	5,347,554	5,822,825	6,696,849	5,271,329	5,502,301	8,062,599	71,431,386	1.01%
Rate 3.41%	2005	5,995,266	5,676,902	6,470,431	5,828,852	6,134,882	7,439,361	5,542,145	6,032,946	6,926,603	5,575,388	6,026,271	8,691,446	76,340,493	6.87%
	2006	5,577,896	5,488,606	7,212,388	5,530,333	6,178,998	7,685,145	5,985,709	6,267,856	7,553,694	6,232,110	5,890,624	10,180,273	79,783,631	4.51%
Rate Chg 3.41%>3.56%	2007	6,175,081	5,898,190	8,003,602	6,147,039	6,845,984	7,986,572	7,645,812	7,304,077	8,299,420	6,760,988	6,788,999	10,235,967	88,091,731	5.76%
	2008	6,344,536	6,443,800	7,816,680	6,454,050	6,553,206	7,879,378	6,341,444	7,288,198	7,866,995	6,590,347	5,914,341	9,077,975	84,570,947	0.23%
Rate3.41%	2009	6,770,698	5,428,789	0	0	0	0	0	0	0	0	0	0	12,199,487	-85.57%
% Change (month)		6.72%	-15.75%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%	-100.00%		
% Change (YTD)		6.72%	-4.60%	-40.79%	-54.92%	-63.71%	-70.60%	-74.50%	-77.87%	-80.63%	-82.47%	-83.84%	-85.57%		