



Sales and Use Tax Collection Report – November 2016

Issued December 12, 2016

This report reflects Sales and Use Tax collected in November 2016 for economic activity that occurred in October 2016. Please note the sales and use tax collected in November is predominately from October sales but also includes delinquent collections from prior periods.

NOVEMBER SUMMARY OVER PRIOR YEAR

	Month	Year to Date
Sales Tax Collected:	2.3%	4.5%
Use Tax Collected Excluding Rebates:	-34.1%	-6.0%
Sales and Use Tax Collected Excluding Rebates:	-8.4%	2.2%

Year to date, sales and use tax collections excluding rebates are up 2.2% and total \$125.4 million.

NOVEMBER SUMMARY OVER FORECAST

	Month	Year to Date
Sales Tax Collected:	-1.9%	-0.1%
Use Tax Collected Excluding Rebates:	13.6%	9.7%
Sales and Use Tax Collected Excluding Rebates:	1.0%	1.7%

Year-to-date, the City has collected 1.7% more sales and use tax revenue, totaling \$2.1M over forecast.

Figure 1. Forecast to Actual - Sales and Use Tax Collected Excluding Rebates

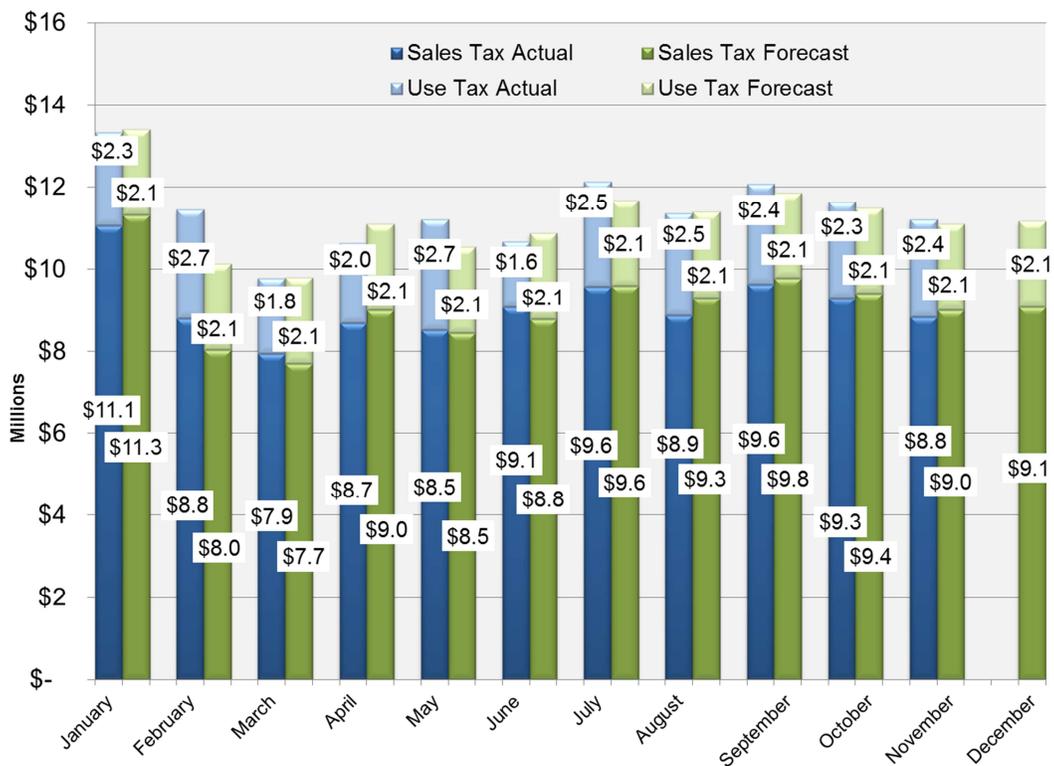


Figure 2. Sales and Use Tax Collected

	November			Year to Date		
	Actual 2015	Actual 2016	% Change	Actual 2015	Actual 2016	% Change
SALES TAX COLLECTIONS						
Grocery, Convenience, Liquor	\$1,186,709	\$1,204,875	1.5%	\$13,342,476	\$13,876,924	4.0%
Restaurants, Caterers and Bars	1,374,627	1,426,467	3.8%	14,533,570	15,150,961	4.2%
General Merchandise	841,930	789,801	-6.2%	9,406,261	9,244,999	-1.7%
Vehicle Sales, Parts and Repairs	857,278	735,592	-14.2%	8,092,558	8,062,996	-0.4%
Building Materials, Garden Equipment & Supplies	705,885	772,109	9.4%	8,076,242	8,976,355	11.1%
Sporting, Hobby, Book, Music	405,730	366,481	-9.7%	5,300,363	5,178,591	-2.3%
Broadcasting and Telecommunications	361,403	403,235	11.6%	4,068,128	4,352,965	7.0%
Electronics and Appliances	481,136	423,900	-11.9%	5,726,404	5,594,152	-2.3%
Miscellaneous Retailers	477,322	598,259	25.3%	5,129,050	5,865,982	14.4%
Utilities	301,660	305,158	1.2%	4,240,314	4,262,985	0.5%
Clothing and Accessories	269,718	334,030	23.8%	2,736,057	3,636,392	32.9%
Pharmacy, Salon and Laundry	295,420	331,237	12.1%	2,929,797	3,486,627	19.0%
Other	205,586	208,134	1.2%	2,302,123	2,486,914	8.0%
Rental and Leasing Services	190,764	219,500	15.1%	2,110,499	2,342,860	11.0%
Furniture and Home Furnishings	198,348	210,947	6.4%	2,275,084	2,382,351	4.7%
Wholesale Trade	123,263	126,508	2.6%	1,841,503	1,661,251	-9.8%
Lodging	213,544	182,691	-14.4%	2,006,811	1,949,288	-2.9%
Manufacturing	148,006	202,099	36.5%	1,834,733	1,766,998	-3.7%
TOTAL SALES TAX	8,638,329	8,841,023	2.3%	95,951,973	100,279,591	4.5%
Less Mall Sales Tax Remittance*	0	0	0.0%	0	0	0.0%
NET SALES TAX	8,638,329	8,841,023	2.3%	95,951,973	100,279,591	4.5%
USE TAX COLLECTIONS						
Building Permits	1,227,436	956,210	-22.1%	8,198,158	8,588,352	4.8%
Car Tax	537,813	559,605	4.1%	5,079,358	5,387,195	6.1%
Return Tax	1,824,881	852,677	-53.3%	13,726,440	11,313,414	-17.6%
TOTAL USE TAX	3,590,130	2,368,492	-34.0%	27,003,956	25,288,961	-6.4%
Less Economic Rebates	(842)	(3,290)	290.7%	(263,957)	(150,621)	-42.9%
NET USE TAX	3,589,288	2,365,202	-34.1%	26,739,999	25,138,340	-6.0%
SALES & USE TAX COLLECTIONS						
Total Sales & Use Tax	12,228,459	11,209,515	-8.3%	122,955,929	125,568,552	2.1%
Less Economic Rebates	(842)	(3,290)	290.7%	(263,957)	(150,621)	-42.9%
NET SALES & USE TAX	12,227,617	11,206,225	-8.4%	122,691,972	125,417,931	2.2%
SALES & USE TAX DISTRIBUTION						
Streets and Transportation (.25%)	744,355	678,520	-8.8%	7,471,408	7,565,946	1.3%
Building on Basics Projects (.25%)	744,355	0	-100.0%	7,471,408	874,622	-88.3%
Community Capital Improvement Program (.25%)	0	678,520	100.0%	0	6,691,324	100.0%
Natural Areas (.25%)	744,355	678,520	-8.8%	7,471,408	7,565,946	1.3%
Keep Fort Collins Great (.85%)	2,450,349	2,283,811	-6.8%	24,463,787	25,296,922	3.4%
General Fund (2.25%)	7,545,045	6,890,144	-8.7%	76,077,918	77,573,792	2.0%
Less General Fund Economic Rebates	(842)	(3,290)	290.7%	(263,957)	(150,621)	-42.9%
NET SALES & USE TAX	\$12,227,617	\$11,206,225	-8.4%	\$122,691,972	\$125,417,931	2.2%

* Per the Mall Redevelopment Agreement, a portion of the sales tax generated at the Mall is remitted monthly to support the Metro District Debt Service

November Sales Tax Collected. In November 2016, sales tax collected in Fort Collins increased 2.3% over November 2015. Sales tax collected totaled \$8.8 million compared to \$8.6 million in 2015.

November Use Tax Collected. The total use tax collected in November was \$2.4 million, a decrease of 34.0% compared to last November. The estimated use tax collected in November related to economic incentive agreements was \$3K as illustrated on Figure 2. This amount will be rebated in the succeeding calendar year. The net use tax collections for November totaled \$2.4 million for a net 34.1% decrease.

Total Sales and Use Tax Collected. Total tax collected of \$11.2M was 8.3% lower than last November.

Figure 3. Forecast to Actual - Sales Tax Collected

Month	Actual	Forecast	%		Year to Date Actual	Annual Forecast	Year to Date % Over/(Under) Annual Forecast
			Over/(Under) Forecast	Over/(Under) Forecast			
January	\$ 11,053,023	11,318,691	\$ (265,668)	-2.3%	\$ 11,053,023	\$ 11,318,691	-2.3%
February	8,794,650	8,045,682	748,968	9.3%	19,847,673	19,364,373	2.5%
March	7,945,983	7,706,344	239,639	3.1%	27,793,656	27,070,717	2.7%
April	8,677,776	9,008,975	(331,199)	-3.7%	36,471,432	36,079,692	1.1%
May	8,526,940	8,450,703	76,237	0.9%	44,998,372	44,530,395	1.1%
June	9,072,906	8,779,099	293,807	3.3%	54,071,278	53,309,494	1.4%
July	9,569,859	9,589,140	(19,281)	-0.2%	63,641,137	62,898,634	1.2%
August	8,872,075	9,304,533	(432,458)	-4.6%	72,513,212	72,203,167	0.4%
September	9,634,263	9,775,232	(140,969)	-1.4%	82,147,475	81,978,399	0.2%
October	9,291,093	9,403,047	(111,954)	-1.2%	91,438,568	91,381,446	0.1%
November	8,841,023	9,008,975	(167,952)	-1.9%	100,279,591	100,390,421	-0.1%
December	-	-	-	0.0%	-	109,465,072	0.0%
	\$ 100,279,591	\$ 100,390,421	\$ (110,830)				

Figure 4. Forecast to Actual – Use Tax Collected

Month	Actual	Forecast	%		Year to Date Actual	Annual Forecast	Year to Date % Over/(Under) Annual Forecast
			Over/(Under) Forecast	Over/(Under) Forecast			
January	\$ 2,278,477	\$ 2,082,768	\$ 195,709	9.4%	\$ 2,278,477	\$ 2,082,768	9.4%
February	2,651,140	2,082,768	568,372	27.3%	4,929,617	4,165,536	18.3%
March	1,833,671	2,082,768	(249,097)	-12.0%	6,763,288	6,248,304	8.2%
April	1,950,361	2,082,768	(132,407)	-6.4%	8,713,649	8,331,072	4.6%
May	2,675,594	2,082,768	592,826	28.5%	11,389,243	10,413,840	9.4%
June	1,589,936	2,082,768	(492,832)	-23.7%	12,979,179	12,496,608	3.9%
July	2,549,217	2,082,768	466,449	22.4%	15,528,396	14,579,376	6.5%
August	2,480,421	2,082,768	397,653	19.1%	18,008,817	16,662,144	8.1%
September	2,432,503	2,082,768	349,735	16.8%	20,441,320	18,744,912	9.0%
October	2,331,818	2,082,768	249,050	12.0%	22,773,138	20,827,680	9.3%
November	2,365,202	2,082,768	282,434	13.6%	25,138,340	22,910,448	9.7%
December	-	-	-	0.0%	-	25,000,000	0.0%
Net Collections	25,138,340	22,910,448	2,227,892	9.7%			
YTD Rebates	150,621	0	150,621				
Total Collections	\$ 25,288,961	\$ 22,910,448	\$ 2,378,513	10.4%		\$ 25,000,000	

Figure 5. Forecast to Actual – Sales and Use Tax Distribution

Fund	Actual	Forecast	Over/(Under)	%
	Nov YTD	Nov YTD	Forecast Nov YTD	Over/(Under) Forecast
Streets and Transportation (.25%)	7,565,946	7,526,734	39,212	0.5%
Building on Basics Projects (.25%)	874,622	816,127	58,495	7.2%
Community Capital Improvement Program (.25%)	6,691,324	6,710,607	(19,283)	-0.3%
Natural Areas and Parks (.25%)	7,565,946	7,526,734	39,212	0.5%
Keep Fort Collins Great (.85%)	25,296,922	25,590,904	(293,982)	-1.1%
General Fund (2.25%) (net of rebates)	77,423,171	75,129,775	2,293,396	3.1%
General Fund Economic Rebates	150,621	0	150,621	100.0%
Total Collections	\$ 125,568,552	\$ 123,300,881	\$ 2,267,671	

November Sales Tax Forecast to Actual In November 2016, sales tax collected in Fort Collins was \$168K less than the forecast. Year to date, the City has collected 0.1% less sales tax revenue than forecast, for a net loss of \$111K.

November Use Tax Forecast to Actual Excluding Rebates. In November 2016, use tax collected in Fort Collins was \$282K more than the forecast. Year to date, the City has collected 9.7% more use tax revenue than forecasted for a net gain of \$2.2M.

Figure 6. Sales Tax Budget to Actual

Month	Actual	Budget	% Over/(Under)		Year to Date Actual	Annual Budget	Year to Date % Over/(Under) Annual Budget
			Over/(Under) Budget	Over/(Under) Budget			
January	\$ 11,053,023	11,318,691	\$ (265,668)	-2.3%	\$ 11,053,023	\$ 11,318,691	-2.3%
February	8,794,650	8,045,682	748,968	9.3%	19,847,673	19,364,373	2.5%
March	7,945,983	7,706,344	239,639	3.1%	27,793,656	27,070,717	2.7%
April	8,677,776	9,008,975	(331,199)	-3.7%	36,471,432	36,079,692	1.1%
May	8,526,940	8,450,703	76,237	0.9%	44,998,372	44,530,395	1.1%
June	9,072,906	8,779,099	293,807	3.3%	54,071,278	53,309,494	1.4%
July	9,569,859	9,589,140	(19,281)	-0.2%	63,641,137	62,898,634	1.2%
August	8,872,075	9,304,533	(432,458)	-4.6%	72,513,212	72,203,167	0.4%
September	9,634,263	9,775,232	(140,969)	-1.4%	82,147,475	81,978,399	0.2%
October	9,291,093	9,403,047	(111,954)	-1.2%	91,438,568	91,381,446	0.1%
November	8,841,023	9,008,975	(167,952)	-1.9%	100,279,591	100,390,421	-0.1%
December	-	-	-	0.0%	-	109,465,072	0.0%
	\$ 100,279,591	\$ 100,390,421	\$ (110,830)				

Figure 7. Use Tax Budget to Actual

Month	Actual	Budget	% Over/(Under)		Year to Date Actual	Annual Budget	Year to Date % Over/(Under) Annual Budget
			Over/(Under) Budget	Over/(Under) Budget			
January	\$ 2,278,477	\$ 1,416,667	\$ 861,810	60.8%	\$ 2,278,477	\$ 1,416,667	60.8%
February	2,651,140	1,416,667	1,234,473	87.1%	4,929,617	2,833,333	74.0%
March	1,833,671	1,416,667	417,004	29.4%	6,763,288	4,250,000	59.1%
April	1,950,361	1,416,667	533,694	37.7%	8,713,649	5,666,667	53.8%
May	2,675,594	1,416,667	1,258,927	88.9%	11,389,243	7,083,333	60.8%
June	1,589,936	1,416,667	173,269	12.2%	12,979,179	8,500,000	52.7%
July	2,549,217	1,416,667	1,132,550	79.9%	15,528,396	9,916,667	56.6%
August	2,480,421	1,416,667	1,063,754	75.1%	18,008,817	11,333,333	58.9%
September	2,432,503	1,416,667	1,015,836	71.7%	20,441,320	12,750,000	60.3%
October	2,331,818	1,416,667	915,151	64.6%	22,773,138	14,166,667	60.8%
November	2,365,202	1,416,667	948,535	67.0%	25,138,340	15,583,333	61.3%
December	-	-	-	0.0%	-	17,000,000	0.0%
Net Collections	25,138,340	15,583,333	9,555,007	61.3%			
YTD Rebates	150,621	0	150,621			-	
Total Collections	\$ 25,288,961	\$ 15,583,333	\$ 9,705,628	62.3%		\$ 17,000,000	

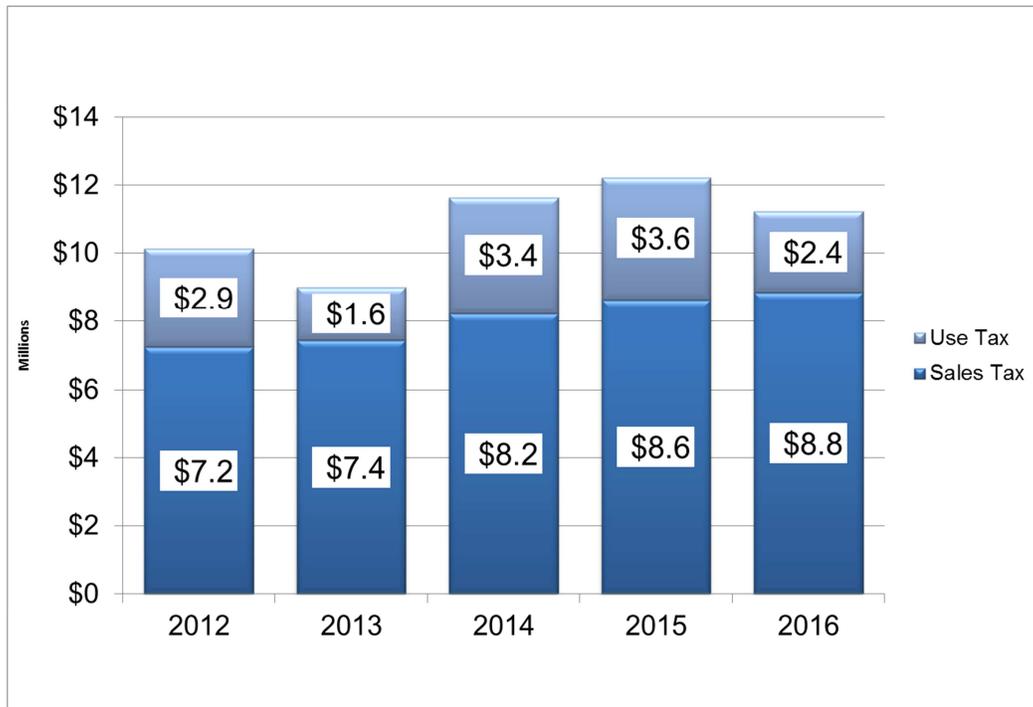
Figure 8. Budget to Actual – Sales and Use Tax Distribution

Fund	Actual		Over/(Under)		% Over/(Under) Budget
	Nov YTD	Budget Nov YTD	Budget Nov YTD	Over/(Under) Budget	
Streets and Transportation (.25%)	7,565,946	7,050,940	515,006	7.3%	
Building on Basics Projects (.25%)	874,622	772,873	101,749	13.2%	
Community Capital Improvement Program (.25%)	6,691,324	6,278,067	413,257	6.6%	
Natural Areas and Parks (.25%)	7,565,946	7,050,940	515,006	7.3%	
Keep Fort Collins Great (.85%)	25,296,922	23,973,206	1,323,716	5.5%	
General Fund (2.25%) (net of rebates)	77,423,171	70,847,718	6,575,453	9.3%	
General Fund Economic Rebates	150,621	0	150,621	100.0%	
Total Collections	\$ 125,568,552	\$ 115,973,744	\$ 9,594,808		

November Sales Tax Budget to Actual. In November 2016, sales tax collected in Fort Collins was \$167K less than budget. Year to date, the City has collected 0.1% less sales tax revenue than budgeted, for a net loss of \$111K.

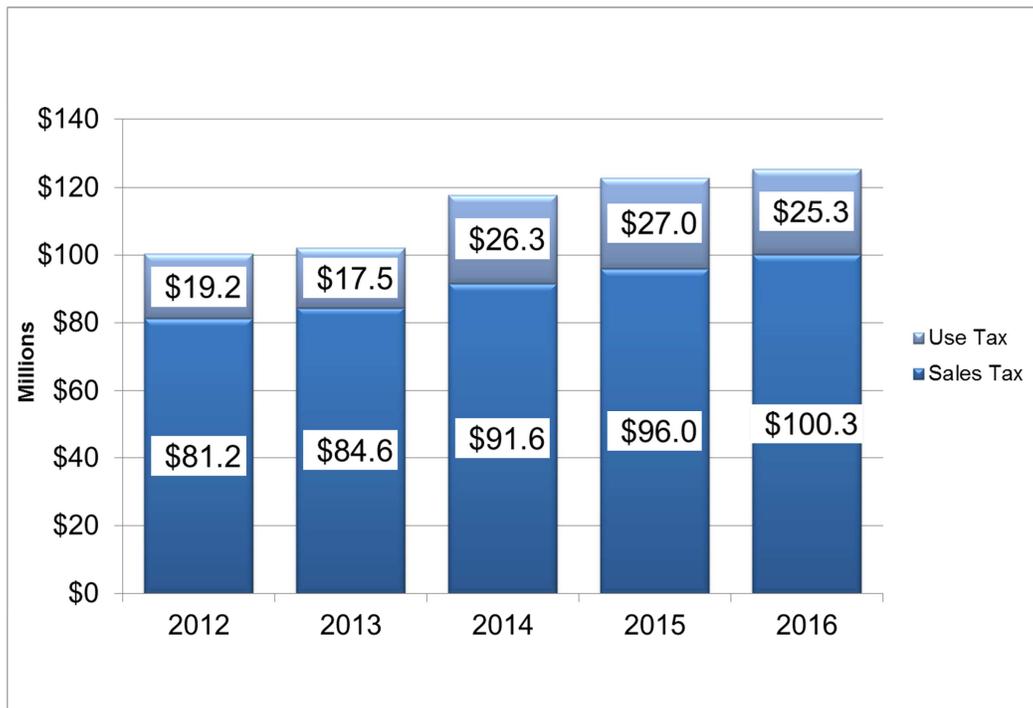
November Use Tax Budget to Actual Excluding Rebates. In November 2016, use tax collected in Fort Collins was \$949K over budget. Year to date, the City has collected 61.3% more use tax revenue than budgeted, for a net gain of \$9.7M.

Figure 9. November Collections*



*Total collections prior to rebates.

Figure 10. Year to Date Collections *



*Total collections prior to rebates.

Figure 11. Net Taxable

\$ in millions	November Sales			Year to Date		
	Actual	Actual	%	Actual	Actual	%
	2015	2016	Change	2015	2016	Change
SALES TAX						
Grocery, Convenience, Liquor	\$41.6	\$42.0	0.9%	\$471.4	\$488.7	3.7%
Restaurants, Caterers and Bars	35.7	37.1	4.0%	377.1	394.4	4.6%
General Merchandise	25.1	23.7	-5.6%	274.2	273.2	-0.4%
Vehicle Sales, Parts and Repairs	22.3	19.1	-14.2%	210.0	209.0	-0.5%
Building Materials, Garden Equipment & Supplies	18.7	20.0	7.3%	209.5	212.4	1.4%
Sporting, Hobby, Book, Music	10.6	9.5	-10.2%	137.7	134.6	-2.3%
Broadcasting and Telecommunications	9.4	10.5	11.6%	106.1	113.6	7.1%
Electronics and Appliances	12.5	11.1	-11.6%	148.6	145.3	-2.2%
Miscellaneous Retailers	12.0	15.7	30.3%	134.6	153.6	14.1%
Utilities	7.8	7.9	1.2%	110.0	110.7	0.6%
Clothing and Accessories	7.0	8.7	24.4%	71.0	94.5	33.1%
Pharmacy, Salon and Laundry	7.7	8.8	13.5%	77.1	92.2	19.6%
Other	5.3	5.4	2.6%	58.5	65.0	11.0%
Rental and Leasing Services	5.0	5.7	14.3%	54.8	60.8	10.9%
Furniture and Home Furnishings	5.2	5.4	5.4%	59.5	61.8	3.8%
Wholesale Trade	3.3	3.4	1.9%	50.6	46.3	-8.6%
Lodging	5.4	4.7	-12.4%	51.8	50.4	-2.8%
Manufacturing	3.9	5.3	35.2%	48.1	46.9	-2.4%
NET TAXABLE SUBJECT TO SALES TAX	238.5	244.0	2.3%	2,650.7	2,753.2	3.9%
USE TAX						
Building Permits	31.9	24.8	-22.1%	212.9	223.1	4.8%
Car Tax	14.0	14.5	4.1%	131.9	139.9	6.1%
Return Tax	47.4	22.1	-53.3%	356.5	298.4	-16.3%
NET TAXABLE SUBJECT TO USE TAX	93.3	61.5	-34.0%	701.4	661.4	-5.7%
TOTAL NET TAXABLE SUBJECT TO SALES & USE TAX	\$331.7	\$305.6	-7.9%	\$3,352.1	\$3,414.6	1.9%

Figure 12. Local Retail Compared to National Retail

Retail Sales Category	% Change from October 2015 United States	% Change from October 2015 Fort Collins
Grocery, Convenience, Liquor	3.7	0.9
Restaurants, Caterers & Bars	4.3	4.0
General Merchandise	-2.3	-5.6
Vehicle Sales, Parts & Repairs	5.4	-14.2
Building Materials, Garden Equipment & Supplies	6.5	7.3
Clothing & Accessories	2.3	24.4
Furniture & Home Furnishings	1.7	5.4
Total	4.3	2.3

At the national level, October 2016 retail sales (as reported on November 15, 2016) increased 4.3% compared to an increase in Fort Collins' sales of 2.3%. October 2016 sales are the basis for the City's November 2016 sales tax collections and net taxable amounts (which are included in this report).

Figure 13. November - Net Taxable Sales Subject to Sales Tax

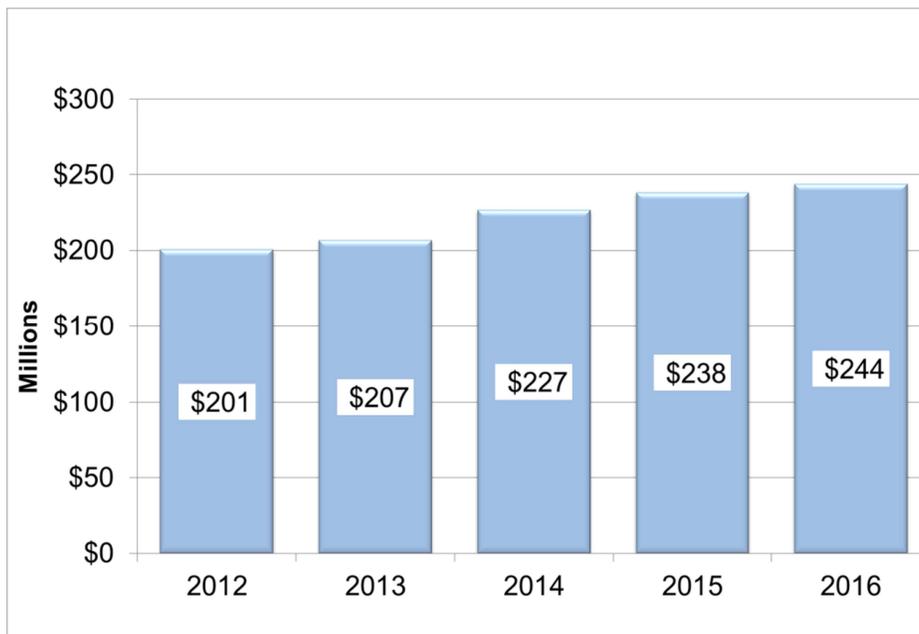


Figure 14. Year to Date - Net Taxable Sales Subject to Sales Tax

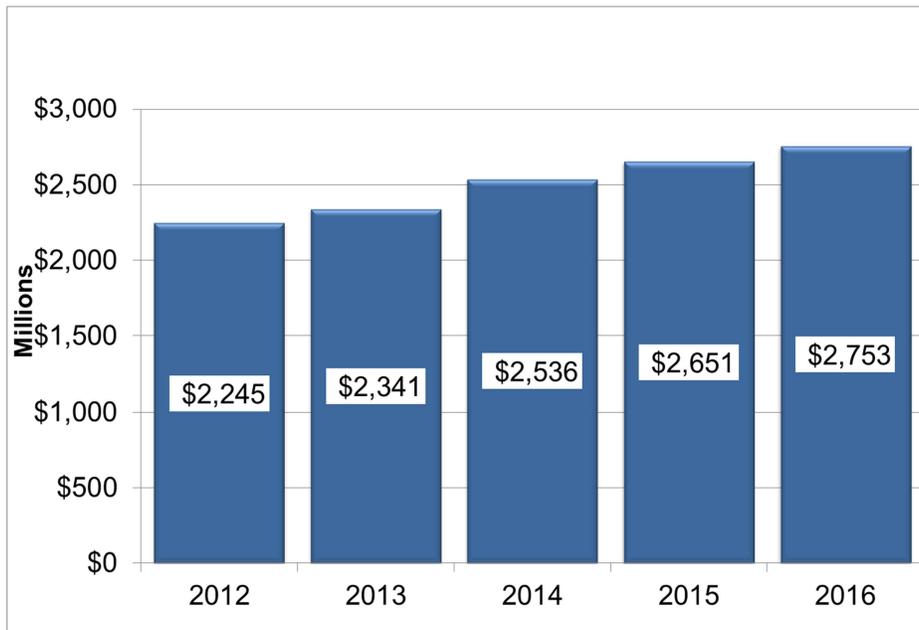
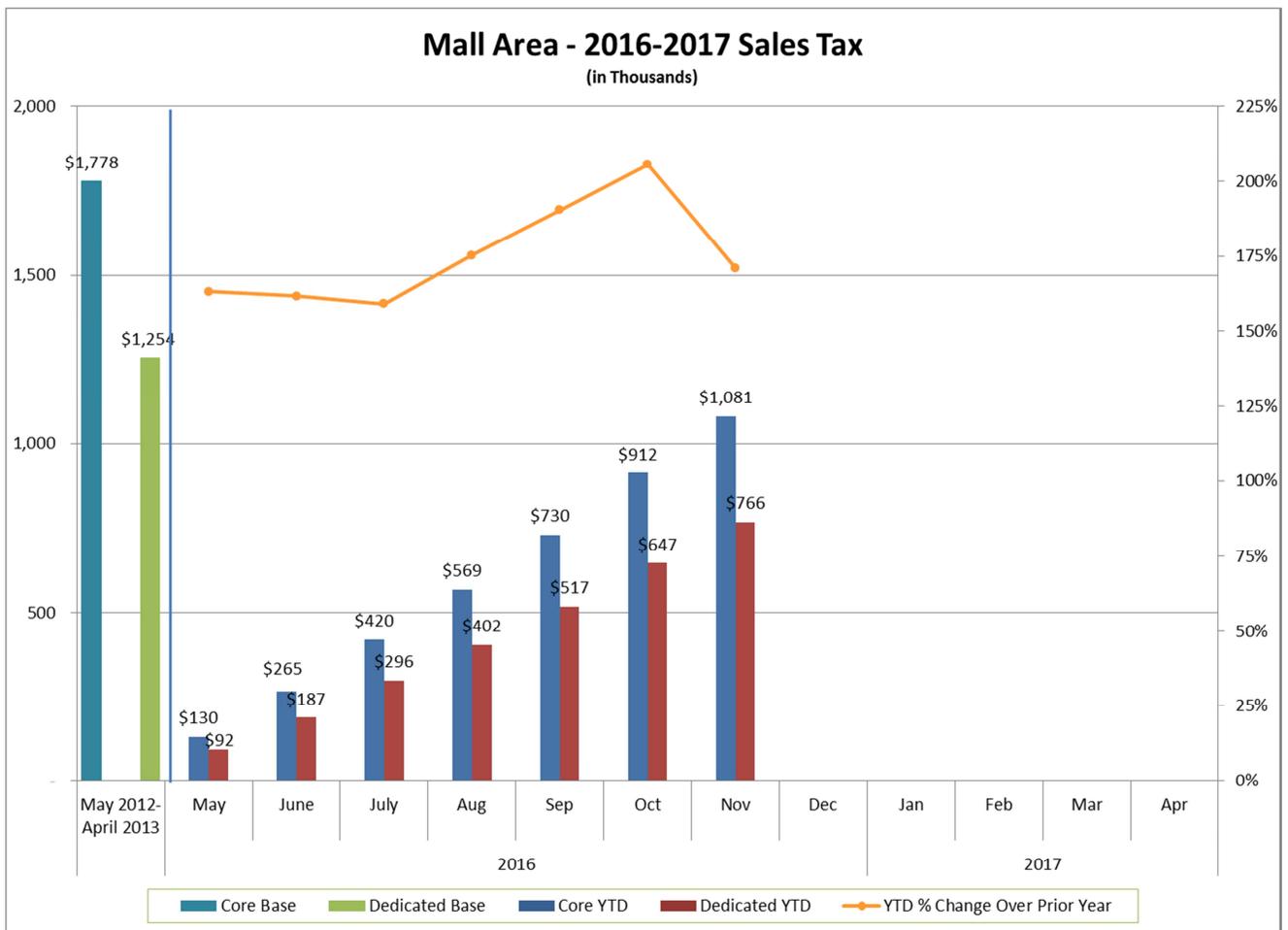


Figure 15. Metro District Reporting



The City's sales tax rate of 3.85% can be broken into two pieces:

- 2.25% comprises the Core Base rate and supports general fund activities
- 1.6% comprises the Dedicated Base and goes to four specific funds to support activities defined in the ballot language for that dedicated tax.

The Foothills Mall agreement outlines a base year of May 2012 to April 2013 to determine the core base sales tax (2.25%) received at \$1.8M. Anything remitted to the City above that core base amount will be returned to the Metro District to support debt service. The chart above tracks both Core and Dedicated tax receipts for the period of May to April. As of November 30, 2016, the core amount collected is \$1,081. No tax is remitted to the Metro District until the base of \$1.8M is reached.

Figure 16. Supplementary Information

Sales Tax in the City's Downtown Area. The sales tax collected in November for the downtown area increased 2.1% from the same period in 2015.

Lodging Tax Collections. The City collected \$124,066 in lodging taxes in November 2016. This was an decrease of 8.8% from November 2015.

Sales Tax Licenses. There were 11,420 active sales tax licenses at the end of November.