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**OCTOBER SALES AND USE TAX COLLECTIONS**

(October sales tax collections are based on retail sales that occurred in September)

**Total Sales Tax:** - 1.3%  
**Total Use Tax:** - 22.8%  
**Total Combined Collections:** - 4.7%

**Retail Sales Summary.** In September 2008, net taxable retail sales in Fort Collins decreased 4.6% over September 2007 (October sales taxes are based on September retail sales). Net taxable retail sales totaled \$188.7 million compared to \$197.7 million a year ago.

**October Sales Tax Summary.** Actual sales tax collections of \$5,566,487 decreased by 1.3% compared to October 2007. The October collections are \$52,966 higher than the amount expected according to the sales tax seasonal patterns.

October 2008 Sales Tax Categories	
<p><b>STRENGTHS:</b></p> <ul style="list-style-type: none"> <li>• Nine of the 16 retail categories were positive, and five reached a double-digit growth level.</li> <li>• Building &amp; Construction went up 9.1%.</li> <li>• Miscellaneous retail rose 6.3%.</li> <li>• Eating &amp; Drinking Places increased 3.6%.</li> </ul>	<p><b>WEAKNESSES:</b></p> <ul style="list-style-type: none"> <li>• Monthly collections were down in seven categories.</li> <li>• Auto Dealers &amp; Service Stations decreased 10.6%.</li> <li>• Manufacturing &amp; Wholesale Trade fell 9.3%.</li> <li>• Apparel &amp; Accessory Stores went down 5.2%</li> </ul>

**October Use Tax Summary.** Use Tax receipts totaled \$830,548 in October. The growth rate decreased compared to last October, down 22.8%. Car tax receipts decreased 10.9%. Building Permits receipts decreased 58.3%. Return Tax decreased 5.6% from 2007. The City is behind budget projections for the month by \$170,424 when compared to historical data.

**Total Sales and Use Tax Collections.** Total collections (based on the 3.0% tax rate) of \$6,397,035 were 4.7% lower than last October. Based on the combined sales and use tax trends, the City is behind total collections by \$117,458 for the month.

**Taxes for General Government Use.** In October, the total sales and use taxes for general government use, \$4,852,357 were down 5.4%, with sales tax decreasing 2.2% and use tax decreasing 22.8%. Collections are behind the combination of historic trends by \$154,762.

**Retail Sales in the City's Downtown Area.** The net taxable retail sales collected in October in the downtown area decreased 6.9% from the same period in 2007.

**Dedicated Sales and Use Taxes.** In October, each of the three dedicated quarter-cent taxes received \$469,010, a decrease of 5.0%.

Proceeds from the vendor fee savings to general purposes were \$100,783 compared to \$69,739 last October. The City received \$36,864 from vendor fee savings to economic vitality.

**Lodging Tax Receipts.** The City collected \$70,623 in lodging taxes in October. This was a decrease of 30.9% from October 2007.

**Spotlight on Retail Sales.** At the national level, September retail sales (as reported on October 15th) declined 1.4% compared to the decrease in Fort Collins' sales of 1.3%. September sales are the basis for the City's October sales tax collections (which are included in this report). Comparisons for the nation and Fort Collins for selected retail sectors are as follows:

Retail Sales Category	% Change from September 2007 United States	% Change from September 2007 Fort Collins
<b>Durable Goods:</b>		
Building Materials	- 2.8	+ 9.1
Auto Dealers	- 18.5	- 10.6
Furniture	- 10.7	+ 21.7
<b>Non-Durable Goods:</b>		
General Merchandise	+ 3.4	- 7.4
Food Stores	+ 5.1	- 13.2
Apparel	- 0.4	- 5.2
Restaurants	+ 2.2	+ 3.6

**Building and Construction.** Building Permit use tax receipts were down in October, 58.3% below 2007. The Neighborhood & Building Services Department reported the following summary of activity for select permit types in October:

Type of Permit	Issued in October 2008	Valuation	Issued in October 2007	Valuation
Single Family Detached	30	\$6,805,738	28	\$5,840,295
Single Family Attached	2	239,919	6	484,860
Multi-Family # of Units	1 4	425,625	2 26	3,188,874
Residential Remodel	53	1,153,516	77	1,931,935
Office/Bank/Professional	0	0	0	0
Mercantile/Retail	0	0	4	11,517,575
Commercial Remodel/Addition	19	1,915,674	17	2,033,116

**Sales Tax Licenses.** The City received 80 applications for sales tax licenses for new businesses and 7 businesses terminated their licenses in October.

**Collections for 2008 Compared to Prior Years.**

October Data Monthly	<u>Sales Tax Receipts</u>		<u>Use Tax Receipts</u>		<u>Combined Tax Receipts</u>	
	Monthly Amount Collected	Compared	Monthly Amount Collected	Compared	Monthly Amount Collected	Compared
		to Same Month of Prior Year		to Same Month of Prior Year		to Same Month of Prior Year
Year						
2008	5,566,487	-1.3%	830,548	-22.8%	6,397,035	-4.7%
2007	5,638,142	4.1%	1,075,560	-18.5%	6,713,702	-0.3%
2006	5,416,904	3.4%	1,319,963	35.6%	6,736,867	8.5%
2005	5,238,027	5.5%	973,509	-17.9%	6,211,536	1.0%
2004	4,963,305	1.7%	1,186,421	31.4%	6,149,726	6.4%
2003	4,879,570	3.6%	902,901	-7.4%	5,782,472	1.7%
2002	4,711,409	-1.8%	975,140	-17.7%	5,686,550	-5.0%
2001	4,800,083		1,184,196		5,984,279	

October Data Year-to-Date	<u>Sales Tax Receipts</u>		<u>Use Tax Receipts</u>		<u>Combined Tax Receipts</u>	
	Year-to-Date Amount Collected	Compared	Year-to-Date Amount Collected	Compared	Year-to-Date Amount Collected	Compared
		to Same Period of Prior Year		to Same Period of Prior Year		to Same Period of Prior Year
Year						
2008	54,600,390	0.7%	9,258,648	-17.4%	63,859,039	-2.4%
2007	54,226,209	0.7%	11,214,365	22.5%	65,440,574	3.8%
2006	53,860,679	6.9%	9,154,255	-18.4%	63,014,933	2.3%
2005	50,378,068	2.9%	11,222,489	4.0%	61,600,557	3.1%
2004	48,974,614	3.7%	10,790,541	8.9%	59,765,154	4.6%
2003	47,210,211	-1.0%	9,906,317	-1.1%	57,116,528	-1.0%
2002	47,668,015	-0.1%	10,012,600	-20.6%	57,680,615	-4.4%
2001	47,696,218		12,613,331		60,309,549	

**Sales and Use Tax Growth Rate Comparisons with Other Colorado Cities.** The following chart illustrates the sales and use tax growth comparisons between Colorado municipalities for collections in the first three quarters of 2008.

City	Combined Sales & Use Tax		Total Sales Tax Receipts		Total Use Tax Receipts	
	September Collections	YTD Collections	September Collections	YTD Collections	September Collections	YTD Collections
City of Fort Collins	3.0	-2.2	5.2	0.9	-11.3	-16.9
Arvada	7.2	0.5	7.3	1.4	6.7	-3.9
Boulder	-7.1	-4.4	-4.8	-2.3	-19.2	-14.3
Broomfield	6.5	4.6	7.0	5.1	3.9	2.3
Colorado Springs	-5.7	-2.5	-5.8	-3.2	-3.9	5.3
Greeley	34.2	2.3	17.4	1.6	316.5	8.7
Lakewood	30.2	5.1	1.8	1.5	743.3	60.0
Longmont	2.2	1.1	6.0	2.4	-14.5	-5.3
Loveland	-3.0	0.0	13.3	8.3	-48.0	-39.6
Thornton	-10.4	0.1	-0.4	2.6	-48.2	-9.6
Westminster	0.3	2.8	5.7	3.6	-20.6	-0.8
State of Colorado	-1.4	-1.6	-1.7	-1.9	1.9	1.8

**City of Fort Collins  
Sales and Use Tax Summary  
October 2008**

	October			Year-to-Date		
	Actual 2007	Actual 2008	Actual % Increase	Actual 2007	Actual 2008	Actual % Increase
<b>SALES TAX RECEIPTS</b>						
Miscellaneous Retail	629,571	669,021	6.3%	6,031,824	6,147,067	1.9%
General Merchandise Stores	854,494	791,059	-7.4%	8,046,037	7,351,619	-8.6%
Apparel & Accessory Stores	216,954	205,767	-5.2%	2,115,502	2,008,994	-5.0%
Food Stores	837,823	727,485	-13.2%	7,258,155	7,595,086	4.6%
Eating & Drinking Places	702,004	727,016	3.6%	6,678,871	7,055,924	5.6%
Hotel & Other Lodging Places	129,322	87,676	-32.2%	857,308	866,015	1.0%
Home Furnishings & Consumer Electronics	433,159	527,034	21.7%	4,376,552	4,405,407	0.7%
Building & Construction	340,354	371,427	9.1%	3,352,376	3,496,315	4.3%
Auto Dealers & Service Stations	370,620	331,508	-10.6%	3,870,909	3,692,075	-4.6%
Garages & Misc. Repairs	54,794	56,330	2.8%	541,543	521,804	-3.6%
Transportation & Public Utilities	485,798	458,746	-5.6%	5,410,033	5,553,420	2.7%
Manufacturing & Wholesale Trade	259,214	235,214	-9.3%	2,357,427	2,224,006	-5.7%
Business Services	218,914	243,294	11.1%	2,034,542	2,269,534	11.6%
Personal Services	37,057	42,566	14.9%	374,090	423,028	13.1%
Service Industries	61,984	83,021	33.9%	855,245	912,840	6.7%
Amusement & Recreation Services	6,082	9,323	53.3%	65,796	77,256	17.4%
<b>TOTAL SALES TAX</b>	<b>5,638,142</b>	<b>5,566,487</b>	<b>-1.3%</b>	<b>54,226,209</b>	<b>54,600,390</b>	<b>0.7%</b>
Less:						
Streets and Transportation	(404,060)	(399,798)	-1.1%	(3,930,951)	(3,912,478)	-0.5%
Building on Basics Projects	(404,060)	(399,798)	-1.1%	(3,930,951)	(3,912,478)	-0.5%
Natural Areas and Parks	(404,060)	(399,798)	-1.1%	(3,930,951)	(3,912,478)	-0.5%
Vendor Fee Savings for General Purposes	(69,739)	(100,783)	44.5%	(693,647)	(975,904)	40.7%
Vendor Fee Savings to Economic Vitality	(33,643)	(36,864)	9.6%	(328,077)	(371,174)	13.1%
<b>TOTAL GENERAL SALES TAX</b>	<b>4,322,581</b>	<b>4,229,447</b>	<b>-2.2%</b>	<b>41,411,632</b>	<b>41,515,879</b>	<b>0.3%</b>
<b>USE TAX RECEIPTS</b>						
Building Permits	324,721	135,389	-58.3%	2,829,825	2,294,096	-18.9%
Car Tax	260,193	231,762	-10.9%	2,344,586	2,176,709	-7.2%
Return Tax	490,646	463,396	-5.6%	6,039,954	4,787,843	-20.7%
<b>TOTAL USE TAX</b>	<b>1,075,560</b>	<b>830,548</b>	<b>-22.8%</b>	<b>11,214,365</b>	<b>9,258,648</b>	<b>-17.4%</b>
Less:						
Streets and Transportation	(89,630)	(69,212)	-22.8%	(934,530)	(771,554)	-17.4%
Building on Basics Projects	(89,630)	(69,212)	-22.8%	(934,530)	(771,554)	-17.4%
Natural Areas and Parks	(89,630)	(69,212)	-22.8%	(934,530)	(771,554)	-17.4%
<b>TOTAL GENERAL USE TAX</b>	<b>806,670</b>	<b>622,911</b>	<b>-22.8%</b>	<b>8,410,774</b>	<b>6,943,986</b>	<b>-17.4%</b>
<b>COMBINED RECEIPTS</b>						
SALES	5,638,142	5,566,487	-1.3%	54,226,209	54,600,390	0.7%
USE	1,075,560	830,548	-22.8%	11,214,365	9,258,648	-17.4%
<b>COMBINED TOTAL</b>	<b>6,713,702</b>	<b>6,397,035</b>	<b>-4.7%</b>	<b>65,440,574</b>	<b>63,859,039</b>	<b>-2.4%</b>
Less:						
Streets and Transportation	(493,690)	(469,010)	-5.0%	(4,865,481)	(4,684,032)	-3.7%
Building on Basics Projects	(493,690)	(469,010)	-5.0%	(4,865,481)	(4,684,032)	-3.7%
Natural Areas and Parks	(493,690)	(469,010)	-5.0%	(4,865,481)	(4,684,032)	-3.7%
Vendor Fee Savings for General Purposes	(69,739)	(100,783)	44.5%	(693,647)	(975,904)	40.7%
Vendor Fee Savings to Economic Vitality	(33,643)	(36,864)	9.6%	(328,077)	(371,174)	13.1%
<b>TOTAL DEDUCTIONS</b>	<b>(1,584,451)</b>	<b>(1,544,677)</b>	<b>-2.5%</b>	<b>(15,618,168)</b>	<b>(15,399,174)</b>	<b>-1.4%</b>
<b>TOTAL GENERAL TAX</b>	<b>5,129,251</b>	<b>4,852,357</b>	<b>-5.4%</b>	<b>49,822,406</b>	<b>48,459,865</b>	<b>-2.7%</b>

**City of Fort Collins  
Total Sales and Use Tax Collections  
Summary**

**2008 Budget**                                 **\$ 74,006,940**  
**Projected Surplus/(Deficiency) based on**  
**Historical Collections:**   **\$ 2,156,319**

Month	Actual Receipts	Summary of Historical Collections	Over/(Under)	% of 2008 Amount Collected	Cumulative
January	\$ 7,750,457	\$ 7,761,280	\$ (10,824)	10.47%	10.47%
February	6,033,350	5,745,991	\$ 287,359	8.15%	18.63%
March	5,702,300	5,344,304	\$ 357,996	7.71%	26.33%
April	6,327,736	6,082,576	\$ 245,160	8.55%	34.88%
May	6,010,939	5,911,732	\$ 99,207	8.12%	43.00%
June	6,117,031	5,919,426	\$ 197,605	8.27%	51.27%
July	6,399,131	6,405,489	\$ (6,358)	8.65%	59.91%
August	6,558,710	6,002,088	\$ 556,622	8.86%	68.78%
September	6,562,351	6,374,674	\$ 187,678	8.87%	77.64%
October	6,397,035	6,514,492	\$ (117,458)	8.64%	86.29%
November	-	6,032,778	\$ -	0.00%	86.29%
December	-	5,912,110	\$ -	0.00%	86.29%
	<b>\$ 63,859,039</b>	<b>\$ 74,006,940</b>	<b>\$ 1,796,987</b>	<b>86.29%</b>	











