



MEMORANDUM

To: Mayor and Town Council

From: Jennifer Campbell, Finance Manager

Through: Michelle Kivela, Town Administrator

Subject: Sales Tax Reports

Date: Septemeber 6, 2022

Attached are the sales tax reports for May 2022 (May sales/June tax collection).

The information is provided in aggregate by both month and year-to-date (YTD), area (sales tax districts) and NAICS category. Below are highlights with all numbers and percentages based on YTD data unless specifically identified as a different time period.

The Town is divided into eight districts (one is not showing on the report as there are currently no sales tax amounts to report) and four additional categories that are not location specific. The eight districts each include several neighborhood centers.

Sales Tax Highlights

- Sales tax growth remains strong at 14% growth over YTD 2021 and 9% over last May.
- The rate of growth has slowed from 18% at the end of 2021 and 15% in April.

Highlights by Sales Tax District

- South Central, which includes Mainstreet south to Hess on either side of Parker Road, and Parker Road Corridor North, which includes the Cottonwood and Crown Point neighborhoods, are core retail areas that represent 42% of the Town's sales tax collections. Growth ended the quarter at 6-11% over YTD 2021. Parker Road Corridor North has recently added significant new business.
- North Central is still the third largest physical district in absolute dollars. It makes up 16% of sales tax collections, and it grew 13%.
- Parker Road Corridor South, which includes the Stroh Ranch area south of Hess, has seen 26% growth as new businesses open on the east side of Parker Road. The Northwest district is up 56% due to new construction equipment sales in the area.
- The "Outside" district is comprised of those companies doing business in the Town and physically located outside of Parker, such as e-commerce businesses. The Douglas County auto use tax and utility related sales taxes also fall in this category. This district now makes up 29% of the total sales tax.

- The current e-commerce businesses remitted \$1.6 million YTD in 2022 sales tax revenue, which is over twice the \$.7 million remitted YTD in 2021.

Highlights by NAICS

- Auto use tax is down 5% from YTD 2021. Sustained high vehicle prices and inventory shortages are likely impacting sales along with high gas prices and inflation in other consumer goods.
- Grocery tax collections for YTD 2022 are up 5% from YTD 2021, while collections on general merchandise are still up 20%. E-commerce sales are driving this increase, as is inflation.
- Restaurant collections grew 16% over YTD 2021. Parker continues to see new restaurants opening around town, and prices are generally increasing.

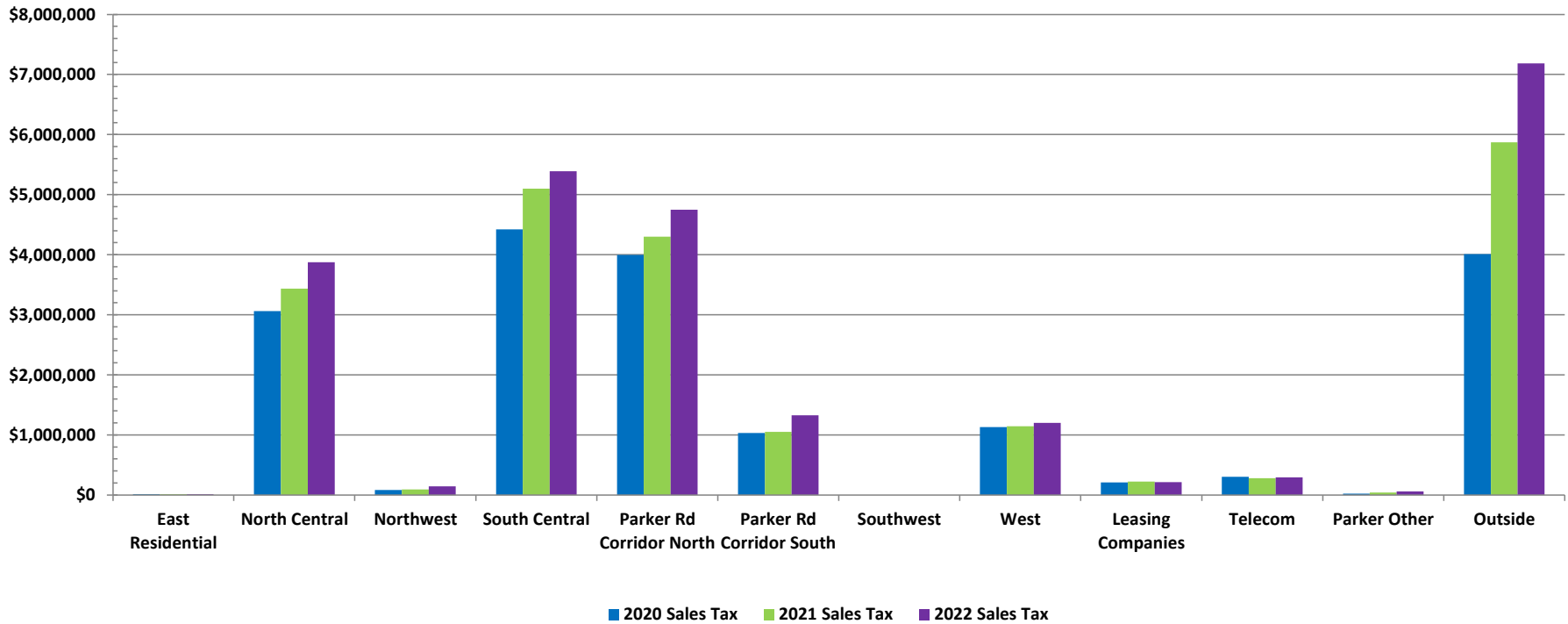
June Outlook

The collection period for June is closed with \$4.7 million in General Fund collections. Total budgeted sales tax revenues for the General Fund are \$48 million. Sales tax revenue growth is trending down from a high of 15% growth in April, which was expected as high prices are beginning to impact consumer spending.

If you have any questions, please call me at (303) 805-3254.

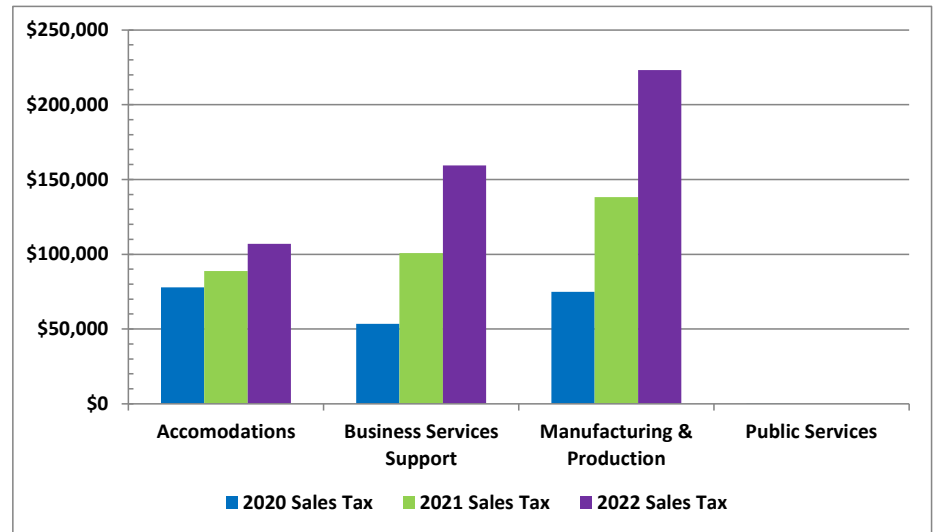
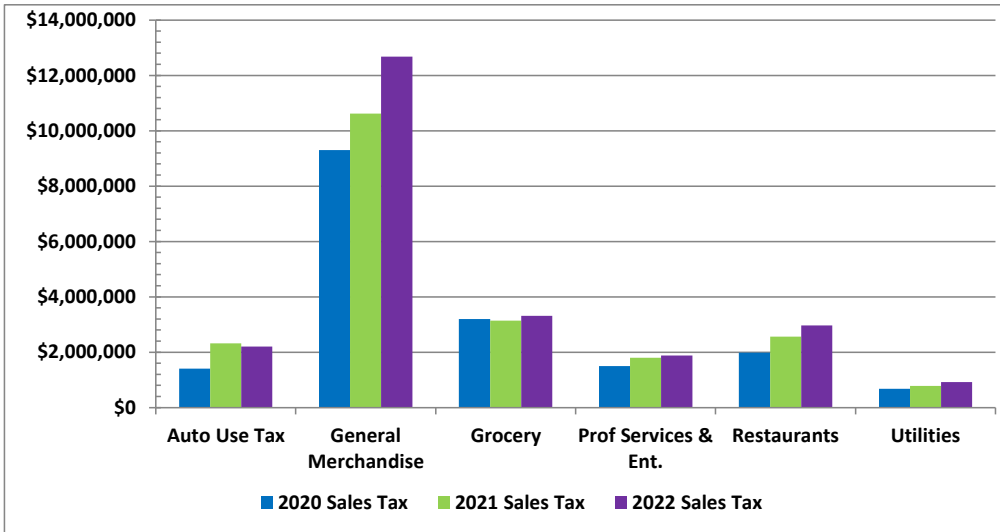
Town of Parker
Sales Tax Revenue by Location
YTD - May 2022 (June 2022)
2020/2021/2022

Area	2020 Sales Tax	% of total Sales Tax	2021 Sales Tax	% of total Sales Tax	2021-2020 % Change	2022 Sales Tax	% of total Sales Tax	2022-2021 % Change
East Residential	12,279	0.07%	13,392	0.06%	9.07%	13,466	0.06%	0.55%
North Central	3,059,373	16.74%	3,437,220	15.95%	12.35%	3,875,927	15.85%	12.76%
Northwest	83,786	0.46%	92,236	0.43%	10.09%	144,219	0.59%	56.36%
South Central	4,423,005	24.20%	5,099,388	23.66%	15.29%	5,388,532	22.04%	5.67%
Parker Road Corridor North	3,994,166	21.85%	4,299,003	19.95%	7.63%	4,750,191	19.43%	10.50%
Parker Road Corridor South	1,033,187	5.65%	1,049,629	4.87%	1.59%	1,325,888	5.42%	26.32%
West	1,131,757	6.19%	1,144,960	5.31%	1.17%	1,199,311	4.90%	4.75%
Leasing Companies	208,055	1.14%	222,057	1.03%	6.73%	214,686	0.88%	-3.32%
Telecommunications	300,917	1.65%	281,934	1.31%	-6.31%	295,752	1.21%	4.90%
Parker Other	20,416	0.11%	41,237	0.19%	101.99%	59,471	0.24%	44.22%
Outside	4,009,522	21.94%	5,868,553	27.23%	46.37%	7,185,406	29.38%	22.44%
Totals	18,276,463	100.00%	21,549,610	100.00%	17.91%	24,452,848	100.00%	13.47%



Town of Parker
Sales Tax Revenue by NAICS
YTD - May 2022 (June 2022)
2020/2021/2022

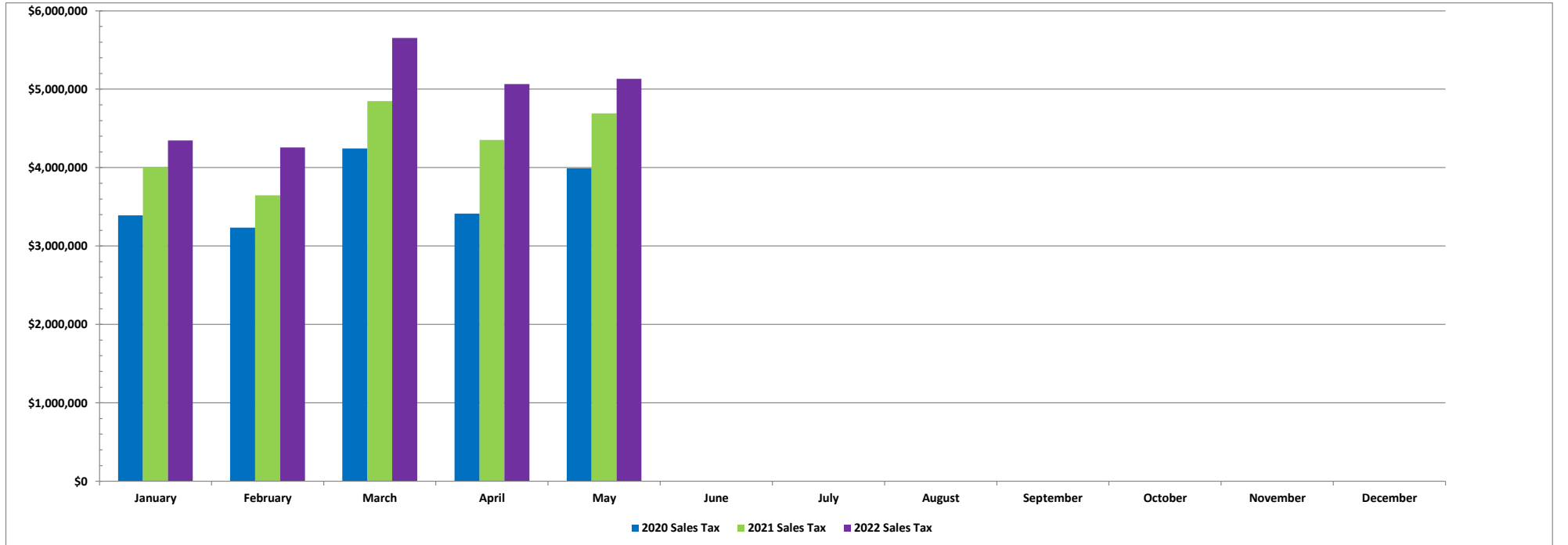
Area	2020 Sales Tax	% of total Sales Tax	2021 Sales Tax	% of total Sales Tax	2021-2020 % Change	2022 Sales Tax	% of total Sales Tax	2022-2021 % Change
Auto Use Tax	1,402,451	7.67%	2,316,245	10.75%	65.16%	2,209,750	9.04%	-4.60%
General Merchandise	9,299,732	50.88%	10,625,217	49.31%	14.25%	12,682,100	51.86%	19.36%
Grocery	3,202,710	17.52%	3,138,339	14.56%	-2.01%	3,309,028	13.53%	5.44%
Prof Services & Ent.	1,497,226	8.19%	1,796,313	8.34%	19.98%	1,878,100	7.68%	4.55%
Restaurants	1,985,683	10.86%	2,568,069	11.92%	29.33%	2,965,983	12.13%	15.49%
Utilities	682,352	3.73%	777,704	3.61%	13.97%	918,501	3.76%	18.10%
Accommodations	77,934	0.43%	88,686	0.41%	13.80%	106,985	0.44%	20.63%
Business Services Support	53,565	0.29%	100,744	0.47%	88.08%	159,364	0.65%	58.19%
Manufacturing & Production	74,806	0.41%	138,292	0.64%	84.87%	223,037	0.91%	61.28%
Public Services	3	0.00%	-	0.00%	0.00%	-	0.00%	0.00%
Totals	18,276,463	100.00%	21,549,610	100.00%	17.91%	24,452,848	100.00%	13.47%



**Town of Parker
Sales Tax Trends
YTD - May 2022 (June 2022)
2020/2021/2022**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan - Current Total	% CHNG*
2022	4,346,932	4,256,910	5,652,554	5,064,664	5,131,788	-	-	-	-	-	-	-	\$ 24,452,848	9.41%
2021	4,010,707	3,646,329	4,848,396	4,353,824	4,690,353	-	-	-	-	-	-	-	\$ 21,549,610	17.48%
2020	3,392,343	3,233,880	4,244,168	3,413,571	3,992,501	-	-	-	-	-	-	-	\$ 18,276,463	
Monthly Audit Revenue	\$ 1,755													
Less: Audit Refunds (Building Use Tax)	\$ -													
Net Monthly Audit Revenue	\$ 1,755													

*Percent change is for current month only (highlighted)



**Town of Parker
Sales Tax Trends
YTD - May 2022 (June 2022)
2020/2021/2022**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan - Current Total	% CHNG*
2022	\$ 4,346,932	\$ 8,603,842	\$ 14,256,396	\$ 19,321,060	\$ 24,452,848	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,452,848	13.47%
2021	\$ 4,010,707	\$ 7,657,036	\$ 12,505,433	\$ 16,859,256	\$ 21,549,610	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,549,610	17.91%
2020	\$ 3,392,343	\$ 6,626,223	\$ 10,870,391	\$ 14,283,962	\$ 18,276,463	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,276,463	N/A
YTD Audit Revenue	\$ 38,657													
Less: YTD Audit Refunds (Building Use Tax)	\$ -													
Net Audit Revenue	\$ 38,657													

*Percent change is for YTD through current month only (highlighted)

