



## MEMORANDUM

**To:** Mayor and Town Council  
**From:** Jennifer Campbell, Finance Manager  
**Through:** Michelle Kivela, Town Administrator  
**Subject:** Sales Tax Reports  
**Date:** March 8, 2021

Attached are the sales tax reports for December 2020 (January 2021 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 no sales tax amounts to report at this time) and four additional categories that are not location specific. The eight districts each include several neighborhood centers.

### Sales Tax Highlights

- Robust sales tax revenues in December closed out a strong year overall, despite the impact of COVID-19 on some sectors. Gains were led by double-digit growth in General Merchandise, Grocery and Business Services Support. Total revenue is \$48.5 million.
- December 2020 total sales tax revenues were \$5.5 million, up 11.3% over December 2019.
- E-commerce businesses remitted \$204,251 in December, a 56% increase over November. The businesses in this category consist of those businesses without a “brick and mortar” presence in the Town. For businesses such as Kohls, who maintain a physical presence in Town, e-commerce sales are included in their overall sales.

### Highlights by Sales Tax District

- All physical areas of the Town show positive annual growth, except for Parker Other, which includes homebased and other businesses outside of a defined area. Parker Other experienced negative growth of 9% over 2019 but accounts for less than 1% of total revenue.
- The largest dollar amount of collections is occurring in the South Central district, which includes Mainstreet south to Hess and either side of Parker Road. South Central together with North Central provide contain the core retail area of the Town. These two districts contribute 40.5% of the Town’s sales tax, and both have experienced positive revenue growth over 2019.

- The “Outside” district comprises those companies doing business in the Town while 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 makes up approximately 22.8% of the total sales tax was second largest in in terms of absolute dollars for 2020. The share of taxes from outside businesses has been increasing since the Town broadened the e-commerce tax base in October.
- Parker Road Corridor North was the third largest contributor at 22.2% of total sales tax. Parker Road Corridor North includes the Cottonwood and Crown Point neighborhood centers.
- The greatest annual growth is in the Northwest district at 25.3%. The Northwest district includes the area north of E-470 and West of Chambers Road. The second greatest growth is Parker Road Corridor South at 16.5%. This area is south of Hess Road along both sides of Parker Road.

#### **Highlights by NAICS**

- This report shows some shifts in spending categories due to the virus and business closures.
- Auto use tax is down 3.4% from 2019. Professional Services and Entertainment is down 1.5%.
- Both General Merchandise and Grocery saw strong growth of 12.95 and 12%, respectively. These two categories are the largest in terms of absolute dollars, and they offset losses in categories that were more heavily impacted by COVID-19.
- The Town’s restaurants are holding steady from the summer, with incremental gains bringing revenues back to the 2019 level.

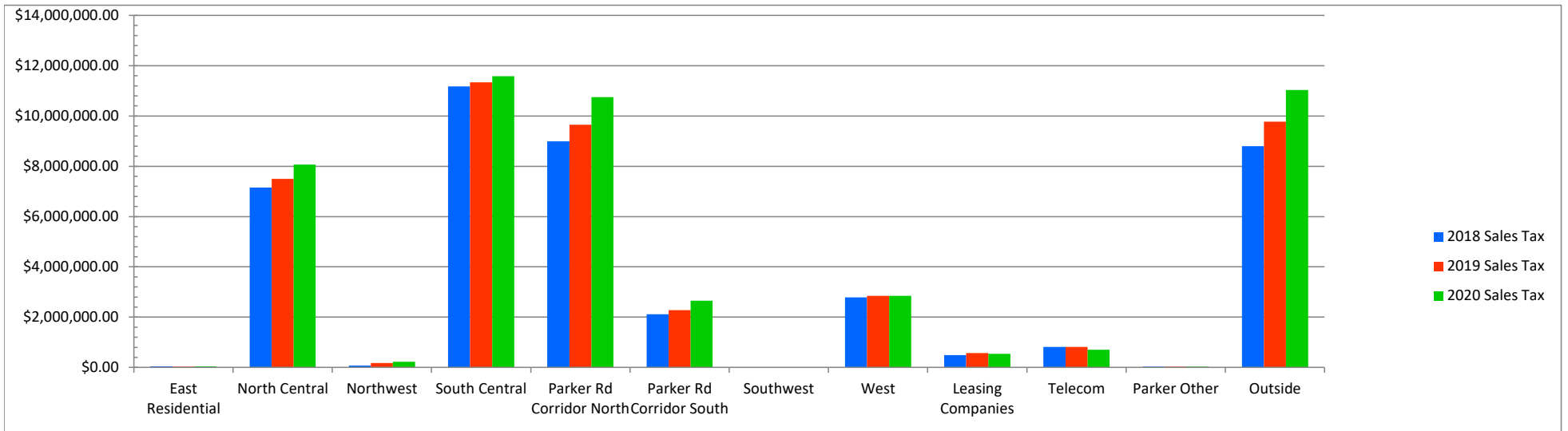
#### **Year End Summary**

Sales tax collections for November and December were very strong. Annual growth of sales tax revenues was 7.6% in 2020, over 6% growth in 2019. In the General Fund, revenues were \$40.4 million, which exceeded the original budget of \$36.9 million. As businesses open and people return to work in 2021, there is likely to be some shift in spending between categories that could impact the growth rate for 2021.

If you have any questions, please call me at 303.805.3254.

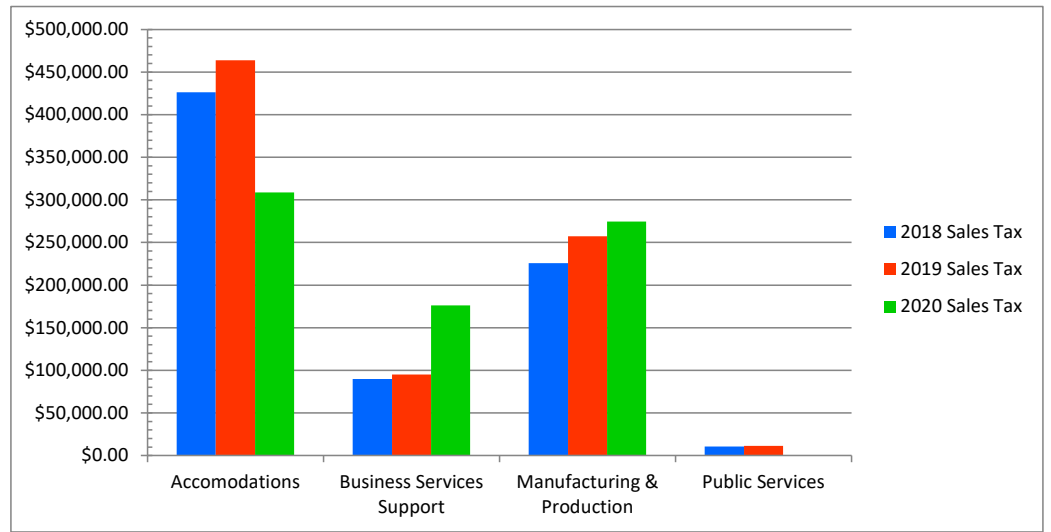
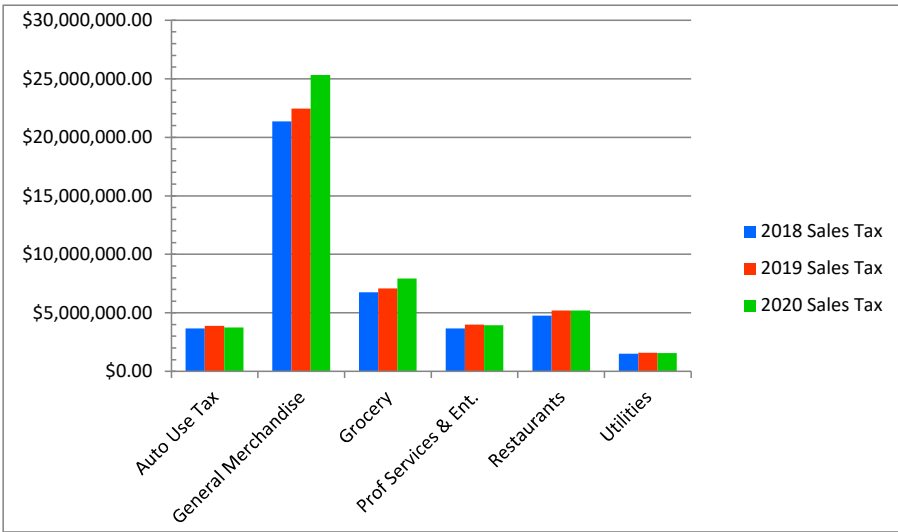
**Town of Parker**  
**Sales Tax Revenue by Location**  
**YTD - December 2020 (January 2021)**  
**2018/2019/2020**

Area	2018 Sales Tax	% of total Sales Tax	2019 Sales Tax	% of total Sales Tax	2019-2018 % Change	2020	% of total Sales Tax	2020-2019 % Change
East Residential	39,912.01	0.09%	38,198.54	0.08%	-4.29%	38,307.69	0.08%	0.29%
North Central	7,149,931.97	16.83%	7,501,658.87	16.66%	4.92%	8,069,284.87	16.65%	7.57%
Northwest	70,571.97	0.17%	180,413.00	0.40%	155.64%	226,108.90	0.47%	25.33%
South Central	11,173,235.67	26.31%	11,338,796.17	25.18%	1.48%	11,582,413.52	23.89%	2.15%
Parker Road Corridor North	8,994,745.62	21.18%	9,648,372.62	21.42%	7.27%	10,746,034.41	22.17%	11.38%
Parker Road Corridor South	2,115,684.98	4.98%	2,273,231.51	5.05%	7.45%	2,649,128.77	5.47%	16.54%
West	2,785,129.18	6.56%	2,850,132.35	6.33%	2.33%	2,849,500.02	5.88%	-0.02%
Leasing Companies	493,359.61	1.16%	574,130.49	1.27%	16.37%	542,858.56	1.12%	-5.45%
Telecommunications	810,813.37	1.91%	818,761.70	1.82%	0.98%	700,748.60	1.45%	-14.41%
Parker Other	34,423.00	0.08%	34,767.89	0.08%	1.00%	31,645.82	0.07%	-8.98%
Outside	8,803,347.42	20.73%	9,777,818.38	21.71%	11.07%	11,037,843.49	22.77%	12.89%
<b>Totals</b>	<b>42,471,154.80</b>	<b>100.00%</b>	<b>45,036,281.52</b>	<b>100.00%</b>	<b>6.04%</b>	<b>48,473,874.65</b>	<b>100.00%</b>	<b>7.63%</b>



**Town of Parker**  
**Sales Tax Revenue by NAICS**  
**YTD - December 2020 (January 2021)**  
**2018/2019/2020**

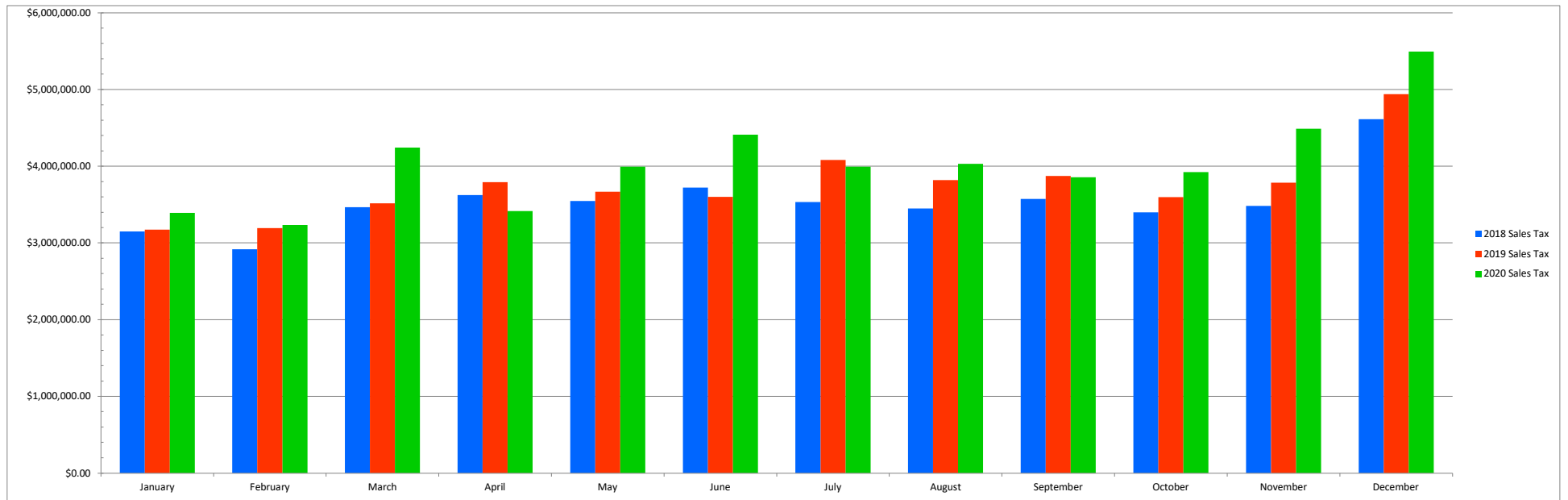
Area	2018 Sales Tax	% of total Sales Tax	2019 Sales Tax	% of total Sales Tax	2019-2018 % Change	2020 Sales Tax	% of total Sales Tax	2020-2019 % Change
Auto Use Tax	3,657,666.44	8.61%	3,885,904.22	8.63%	6.24%	3,752,239.24	7.74%	-3.44%
General Merchandise	21,360,799.68	50.29%	22,447,120.79	49.84%	5.09%	25,310,210.97	52.21%	12.75%
Grocery	6,762,532.26	15.92%	7,087,237.84	15.74%	4.80%	7,928,777.27	16.36%	11.87%
Prof Services & Ent.	3,663,570.48	8.63%	4,003,131.78	8.89%	9.27%	3,940,028.70	8.13%	-1.58%
Restaurants	4,753,647.37	11.19%	5,200,900.41	11.55%	9.41%	5,206,115.43	10.74%	0.10%
Utilities	1,520,283.19	3.58%	1,584,234.71	3.52%	4.21%	1,576,941.06	3.25%	-0.46%
Accommodations	426,229.83	1.00%	463,624.11	1.03%	8.77%	308,835.70	0.64%	-33.39%
Business Services Support	89,728.64	0.21%	95,216.97	0.21%	6.12%	176,323.58	0.36%	85.18%
Manufacturing & Production	225,913.01	0.53%	257,418.44	0.57%	13.95%	274,398.21	0.57%	6.60%
Public Services	10,783.91	0.03%	11,492.25	0.03%	6.57%	4.49	0.00%	-99.96%
<b>Totals</b>	<b>42,471,154.80</b>	<b>100.00%</b>	<b>45,036,281.52</b>	<b>100.00%</b>	<b>6.04%</b>	<b>48,473,874.65</b>	<b>100.00%</b>	<b>7.63%</b>



**Town of Parker  
Sales Tax Trends  
Month of December 2020 (January 2021)  
2018 - 2020**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan - Current Total	% CHNG*
<b>2020</b>	\$ 3,392,342.60	\$ 3,233,880.16	\$ 4,244,168.12	\$ 3,413,571.28	\$ 3,992,501.04	\$ 4,410,757.25	\$ 3,994,398.18	\$ 4,029,282.83	\$ 3,856,676.73	\$ 3,924,534.25	\$ 4,487,458.36	\$ 5,494,303.85	\$ 48,473,874.65	11.28%
<b>2019</b>	\$ 3,173,213.52	\$ 3,192,450.36	\$ 3,517,632.08	\$ 3,792,742.58	\$ 3,667,457.42	\$ 3,598,971.22	\$ 4,082,309.27	\$ 3,819,855.10	\$ 3,872,196.31	\$ 3,596,698.02	\$ 3,785,339.65	\$ 4,937,415.99	\$ 45,036,281.52	7.01%
<b>2018</b>	\$ 3,147,815.61	\$ 2,917,360.28	\$ 3,464,809.55	\$ 3,622,642.23	\$ 3,545,160.16	\$ 3,722,294.70	\$ 3,532,083.03	\$ 3,449,789.42	\$ 3,574,851.20	\$ 3,397,106.38	\$ 3,483,404.30	\$ 4,613,837.94	\$ 42,471,154.80	
											<b>MTD Audit Revenue</b>	58,966.67		
											<b>Less: MTD Audit Refunds (Building Use Tax)</b>	-		
											<b>Net Audit Revenue</b>	\$ 58,966.67		

\*Percent change is for current month only (highlighted)



**Town of Parker  
Sales Tax Trends  
YTD - December 2020 (January 2021)  
2018 - 2020**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan - Current Total	% CHNG*
<b>2020</b>	\$ 3,392,342.60	\$ 6,626,222.76	\$ 10,870,390.88	\$ 14,283,962.16	\$ 18,276,463.20	\$ 22,687,220.45	\$ 26,681,618.63	\$ 30,710,901.46	\$ 34,567,578.19	\$ 38,492,112.44	\$ 42,979,570.80	\$ 48,473,874.65	\$ 48,473,874.65	7.63%
<b>2019</b>	\$ 3,173,213.52	\$ 6,365,663.88	\$ 9,883,295.96	\$ 13,676,038.54	\$ 17,343,495.96	\$ 20,942,467.18	\$ 25,024,776.45	\$ 28,844,631.55	\$ 32,716,827.86	\$ 36,313,525.88	\$ 40,098,865.53	\$ 45,036,281.52	\$ 45,036,281.52	6.04%
<b>2018</b>	\$ 3,147,815.61	\$ 6,065,175.89	\$ 9,529,985.44	\$ 13,152,627.67	\$ 16,697,787.83	\$ 20,420,082.53	\$ 23,952,165.56	\$ 27,401,954.98	\$ 30,976,806.18	\$ 34,373,912.56	\$ 37,857,316.86	\$ 42,471,154.80	\$ 42,471,154.80	N/A
<b>YTD Audit Revenue</b>								\$ 456,902.44						
<b>Less: YTD Audit Refunds (Building Use Tax)</b>								\$ 147,607.52						
<b>Net Audit Revenue</b>								\$ 604,509.96						

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

