



CITY MANAGER'S OFFICE

Memorandum

TO: Members of City Council
FROM: Greg Caton, City Manager
Jodi Welch, Finance Director
DATE: June 17, 2022
SUBJECT: Tax Revenue May 2022 Collections

Please find attached the May revenue report representing April 2022 retail activity. The City's share of the Mesa County Public Safety Tax (which began in 2019) and the First Responder Tax (which began in 2020) are restricted revenues, and are shown separate from the City 2.75% sales tax at the bottom of the Sales and Use Tax Reports.

The year started strong with revenues coming in modestly over budget and beginning last month trending more in line with budget. Year-to-date for five months of collections, the City's 2.75% is 11.9% above the same time period last year and 3.7% above budget.

For the month of May, the City's 2.75% sales tax revenue showed a 6.9% increase over the same month last year and 3.7% above budget for this month. Based on the categories of businesses where the majority of the revenue is generated, most continue to show increases over 2021, although it does appear as though consumer spending is slowing. The industries with the strongest growth this month are construction followed by hotels.

The State of Colorado collects sales tax on behalf of Mesa County and disburses it back to the county a month later. As a result, the City's share of the Mesa County Sales Tax (including the Public Safety Tax) is the previous month's activity and this is why the percentage comparison to last year is different from the City's 2.75% sales tax.

Lodging activities continue to show strength with year-to-date revenues at 57% higher than last year and 26% above budget. The majority of lodging tax revenues are generated from April through October during the high tourism and special event season.

The Lodging Tax Increase (passed in 2019) that is restricted to be used by Visit Grand Junction, the Air Alliance, and the Sports Commission is presented at the bottom of the Lodging Tax Report with a listing showing how these revenues are shared with those partners. This revenue also shows a corresponding increase from the same month last year.

Attachment: May 2022 Tax Revenue Report

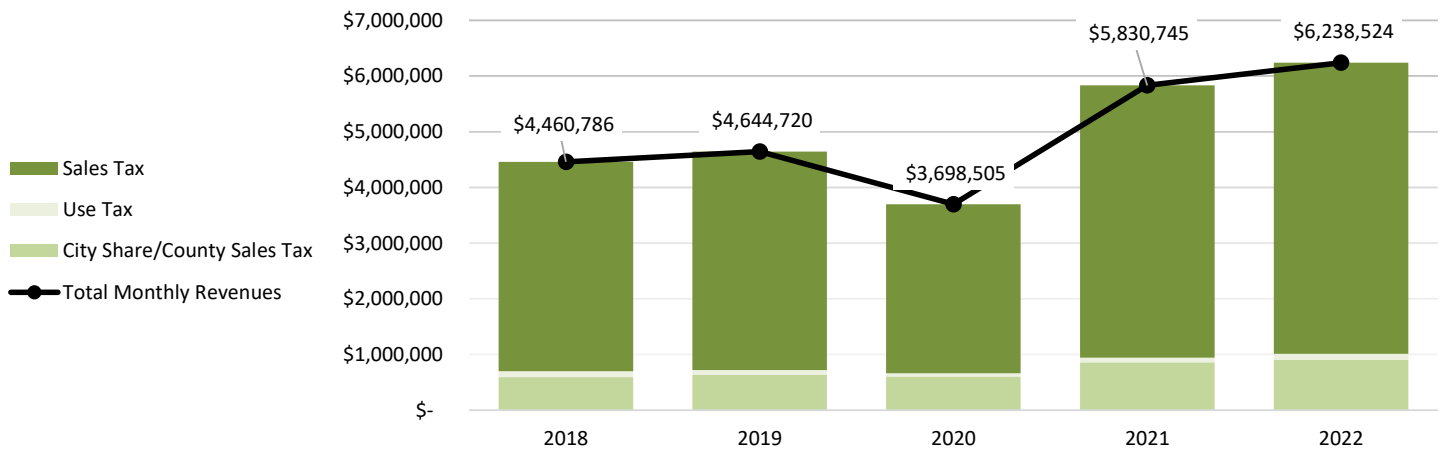
C: Department Directors

City of Grand Junction
Tax Revenue Report
May 2022 Report
Issued: June 16, 2022

Monthly Sales and Use Tax Revenues					
	Revenues		Budget		Prior Year
	May-22		May-22		May-21
Sales Tax	\$	5,225,502	\$	5,038,893	\$ 4,889,977
Use Tax	\$	107,113	\$	58,347	\$ 81,474
City Share/County Sales Tax	\$	905,909	\$	784,561	\$ 859,294
Total	\$	6,238,524	\$	5,881,801	\$ 5,830,745

Revenues Compared To:		Budget		Prior	
Sales Tax	\$	186,609	3.7%	\$ 335,525	6.9%
Use Tax	\$	48,766	83.6%	\$ 25,639	31.5%
City Share/County Sales Tax	\$	121,348	15.5%	\$ 46,615	5.4%
Total	\$	356,723	6.1%	\$ 407,779	7.0%

A Historical Perspective of Monthly Sales and Use Tax Revenues



	2018	2019	2020	2021	2022
Sales Tax	\$ 3,762,365	\$ 3,924,195	\$ 3,033,952	\$ 4,889,977	\$ 5,225,502
Use Tax	\$ 104,768	\$ 83,788	\$ 60,217	\$ 81,474	\$ 107,113
City Share/County Sales Tax	\$ 593,653	\$ 636,737	\$ 604,336	\$ 859,294	\$ 905,909
Total Monthly Revenues	\$ 4,460,786	\$ 4,644,720	\$ 3,698,505	\$ 5,830,745	\$ 6,238,524

Monthly <i>Restricted</i> Sales Tax Revenue					
	Revenues		Budget		Prior Year
	May-22		May-22		May-21
City Share/Public Safety Tax	\$	72,687	\$	62,784	\$ 70,583
First Responder Sales Tax	\$	950,091	\$	856,648	\$ 886,685
First Responder Use Tax	\$	19,475	\$	10,365	\$ 14,813

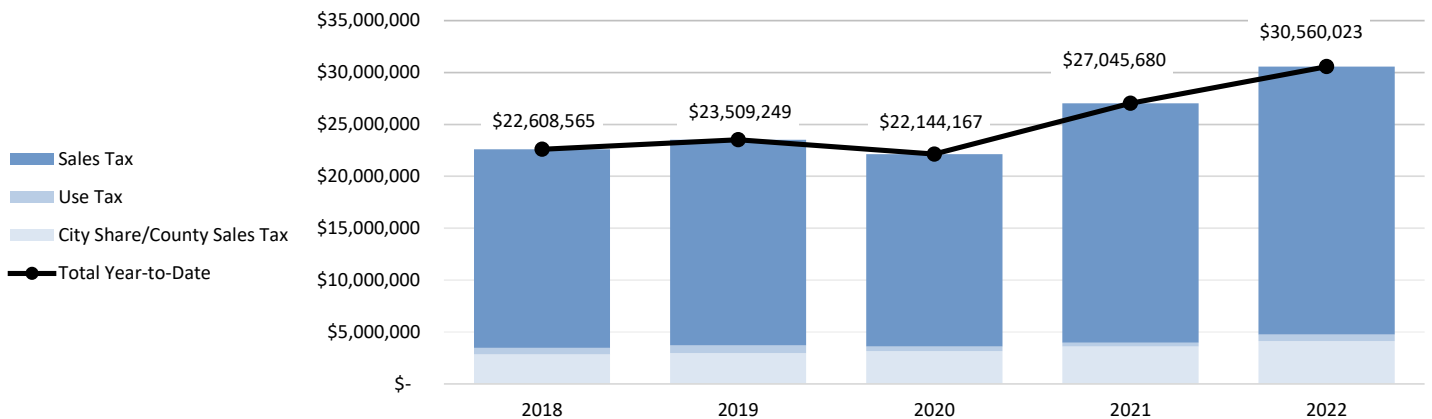
Revenues Compared To:		Budget		Prior	
City Share/Public Safety Tax	\$	9,903	15.8%	\$ 2,104	3.0%
First Responder Sales Tax	\$	93,443	10.9%	\$ 63,406	7.2%
First Responder Use Tax	\$	9,110	87.9%	\$ 4,662	31.5%

**City of Grand Junction
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Year-to-Date Sales and Use Tax Revenues					
	Revenues		Budget		Prior Year
	YTD 2022		YTD 2022		YTD 2021
Sales Tax	\$	25,807,055	\$	24,886,842	\$ 23,062,923
Use Tax	\$	614,239	\$	378,226	\$ 370,229
City Share/County Sales Tax	\$	4,138,729	\$	3,667,998	\$ 3,612,528
Total	\$	30,560,023	\$	28,933,066	\$ 27,045,680

Revenues Compared To:		Budget		Prior	
Sales Tax	\$	920,213	3.7%	\$ 2,744,132	11.9%
Use Tax	\$	236,013	62.4%	\$ 244,010	65.9%
City Share/County Sales Tax	\$	470,731	12.8%	\$ 526,201	14.6%
Total	\$	1,626,957	5.6%	\$ 3,514,343	13.0%

A Historical Perspective of Year-to-Date Sales and Use Tax Revenues



	2018	2019	2020	2021	2022
Sales Tax	\$ 19,137,764	\$ 19,808,560	\$ 18,548,037	\$ 23,062,923	\$ 25,807,055
Use Tax	\$ 632,800	\$ 730,033	\$ 439,177	\$ 370,229	\$ 614,239
City Share/County Sales Tax	\$ 2,838,001	\$ 2,970,656	\$ 3,156,953	\$ 3,612,528	\$ 4,138,729
Total Year-to-Date	\$ 22,608,565	\$ 23,509,249	\$ 22,144,167	\$ 27,045,680	\$ 30,560,023

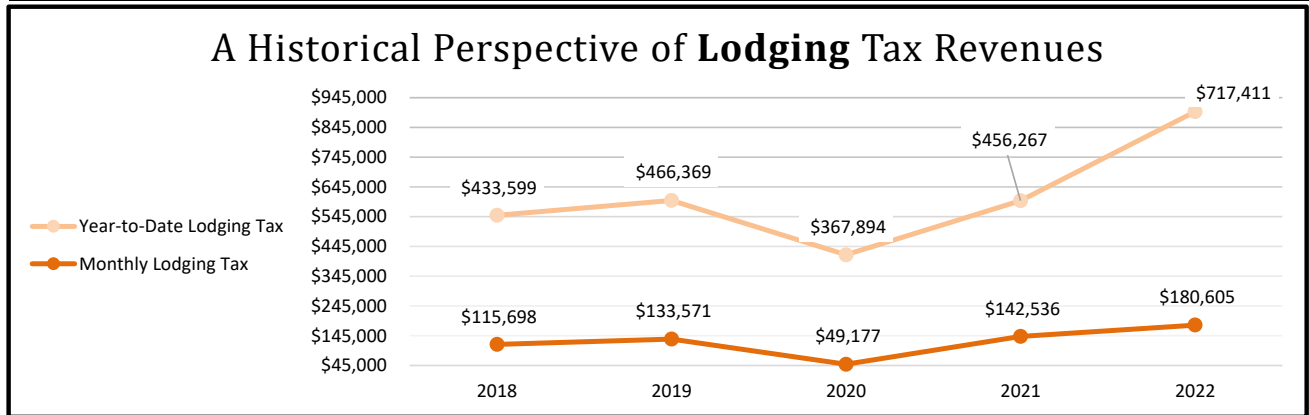
Year-to-Date <i>Restricted</i> Sales Tax Revenue					
	Revenues		Budget		Prior Year
	YTD 2022		YTD 2022		YTD 2021
City Share/Public Safety Tax	\$	332,326	\$	293,529	\$ 291,763
First Responder Sales Tax	\$	4,691,924	\$	4,381,614	\$ 4,190,437
First Responder Use Tax	\$	111,680	\$	67,189	\$ 67,314

Revenues Compared To:		Budget		Prior	
City Share/Public Safety Tax	\$	38,797	13.2%	\$ 40,563	13.9%
First Responder Sales Tax	\$	310,310	7.1%	\$ 501,487	12.0%
First Responder Use Tax	\$	44,491	66.2%	\$ 44,366	65.9%

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Monthly Lodging Tax Revenues					
	Revenues		Budget		Prior Year
	May-22		May-22		May-21
Lodging Tax	\$	180,605	\$	141,609	\$ 142,536
Revenues Compared To:		Budget		Prior	
Lodging Tax	\$	38,996	27.5%	\$ 38,069	26.7%

Year-to-Date Lodging Tax Revenues					
	Revenues		Budget		Prior Year
	YTD 2022		YTD 2022		YTD 2021
Lodging Tax	\$	717,411	\$	567,096	\$ 456,267
Revenues Compared To:		Budget		Prior	
Lodging Tax	\$	150,315	26.5%	\$ 261,144	57.2%



	2018	2019	2020	2021	2022
Year-to-Date Lodging Tax	\$ 433,599	\$ 466,369	\$ 367,894	\$ 456,267	\$ 717,411
Monthly Lodging Tax	\$ 115,698	\$ 133,571	\$ 49,177	\$ 142,536	\$ 180,605

Monthly Lodging Tax Increase Revenue					
	Revenues		Budget		Prior Year
	May-22		May-22		May-21
Lodging Tax Increase	\$	186,790	\$	145,721	\$ 147,434
Revenues Compared To:		Budget		Prior	
Lodging Tax Increase	\$	41,069	28.2%	\$ 39,356	26.7%

Year-to-Date Lodging Tax Increase Revenue					
	Revenues		Budget		Prior Year
	YTD 2022		YTD 2022		YTD 2021
Lodging Tax Increase	\$	741,987	\$	583,562	\$ 468,463
Revenues Compared To:		Budget		Prior	
Lodging Tax Increase	\$	158,425	27.1%	\$ 273,524	58.4%

Share of Lodging Tax Increase:

Partner	May-22	Year-To-Date
Visit Grand Junction	\$ 77,829	\$ 309,161
Air Alliance	62,263	247,329
Sports Commission	46,698	185,497
	<u>\$ 186,790</u>	<u>\$ 741,987</u>