

To: Aspen City Council
From: Pete Strecker, Finance Director
Date: January 14, 2020
Re: November 2021 Consumption Tax Report

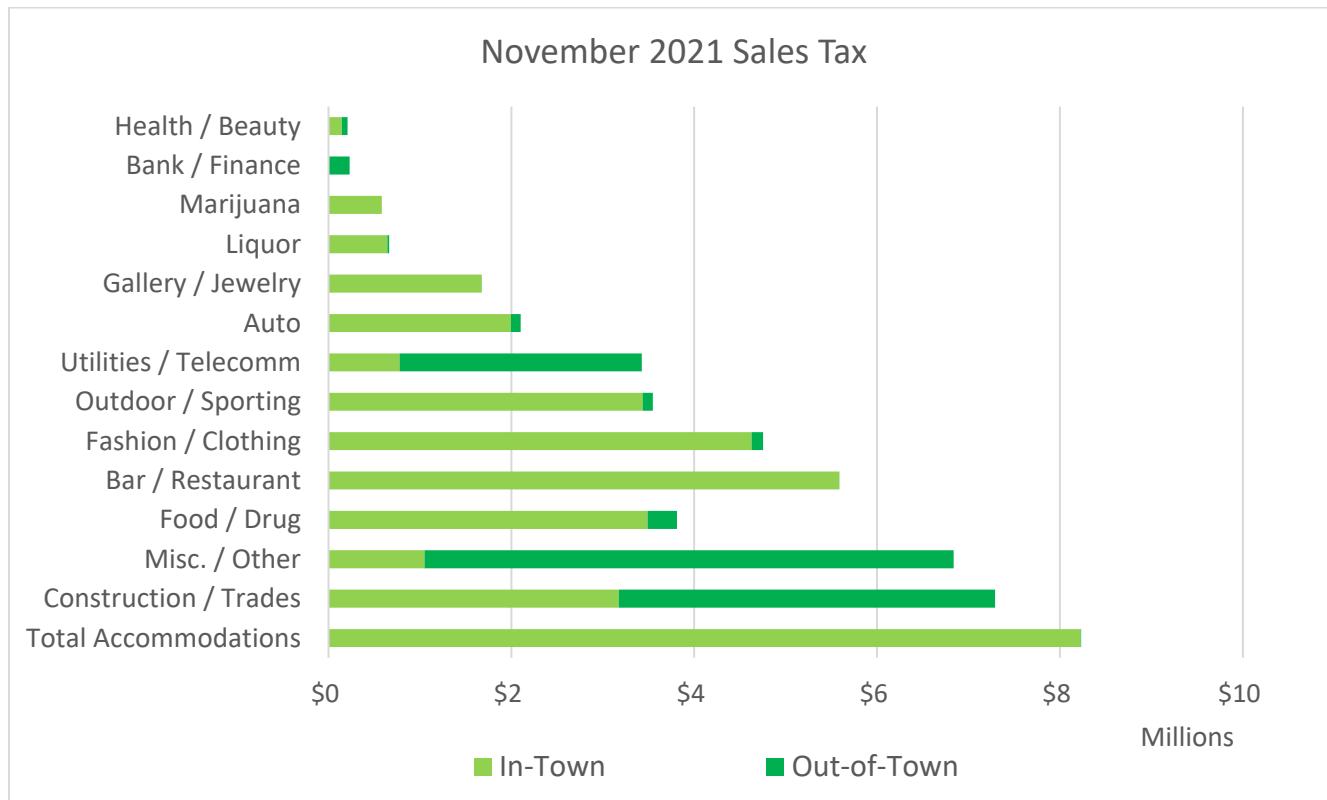


Aggregate Taxable Sales & Industry Highlights:

Taxable sales for the month of November were up 23% relative to 2020 and 51% relative to 2019. While strong collections relative to the same period in recent years, November largely did not sway the year-to-date pacing as it is a light tourist period, and after eleven months of the year, collections remain 30% above 2020 collections and 24% above 2019.

November collections reflect a robust level of economic activity in aggregate, but this high-level view needs a caveat in that four sectors did see some weaker figures relative to the same period in 2020, those being Food and Drug, Automobiles, Marijuana and Bank / Finance. Two of these industries - Automobile and Food & Drug - are likely still feeling the effects of supply chain issues with bottlenecks at various distribution points and material availability like computer chip shortages, all being exacerbated by a prolonged labor shortage. Despite the monthly softness, these same four industries, and in fact all industries, have experienced higher annual taxable sales when compared to 2020.

Finally, roughly 72% of November sales were generated within the City's brick and mortar establishments vs. 28% from online/external businesses. As is expected, the areas of greatest concentration for out-of-City sales is in three main sectors: construction, utilities and telecom, and miscellaneous.



Sales and Lodging Tax:

Actual tax collections for the month of November were up 18% relative to 2020 and 45% relative to 2019. November is typically a less robust month in terms of economic activity (averaging perhaps just 4% - 5% of annual collections), with tourism really pushing up mostly in the last week of the year around Thanksgiving break. Looking at year-to-date collections, 2021 remains roughly 31% above 2020 and 25% above 2019 collections through eleven months.

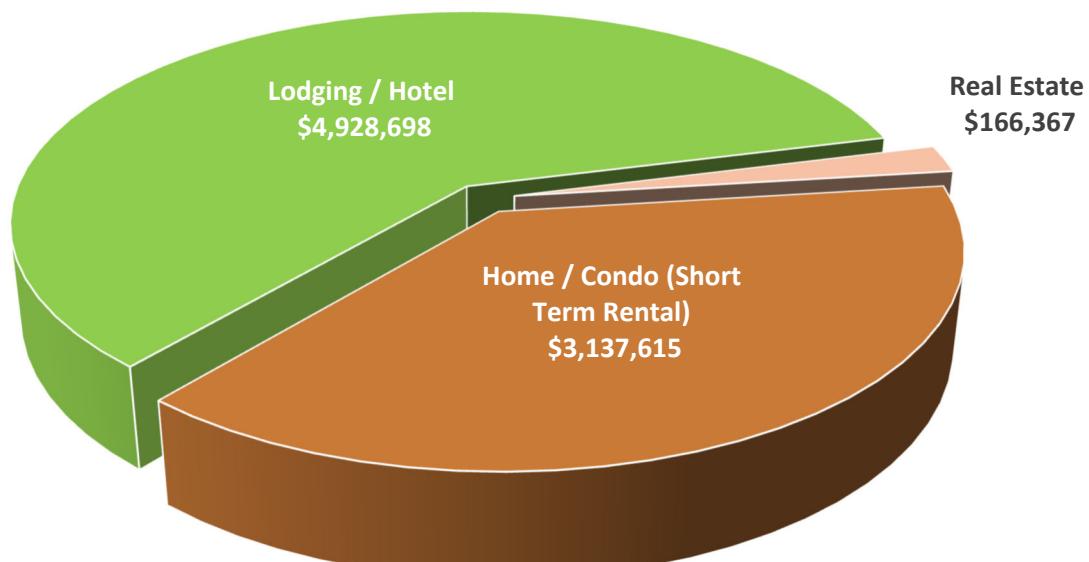
Isolating the discussion to the separate and dedicated City 2.0% lodging tax, November collections were up 25% relative to 2020 and 64% relative to 2019 remittances; and on a year-to-date basis, collections are pacing 23% over 2020 and are now even with 2019 levels.

Short-Term Rentals

As noted last month, the short-term rental (STR) market in Aspen will not see expansion beyond the current number of license and permit holders allowed to operate, following the City Council's adoption of Ordinance #27 on December 8th. This action included a moratorium on land use applications for new STRs in the community, effective immediately. With this pause, the Council and the Community plan to take the next number of months to discuss the impact these businesses have on the neighborhoods where they are located; the transit, utility and other infrastructure needs to accommodate these operations and guests; and the environmental impacts they bring around waste, noise, etc.

With this in mind, taxable sales from short-term rentals for November made up 38% of the overall lodging industry total. This is a larger portion of the monthly lodging total but is somewhat expected given November's lower price point for traditional lodge rooms in a shoulder season period. As demand elevates in the coming months, prices are anticipated to follow and will adjust the percentage of room sales originating by these different lodge offerings, and should shift the mix.

Accommodations Taxable Sales Breakdown
November 2021



City Share of County Sales Tax:

The City of Aspen is allocated a portion of Pitkin County's 2.0% sales tax, with its share established based on a formulaic allocation for all municipalities generating economic activity within the County boundaries. Because the County tax collection process is performed at the State level, the County's collections lag by an additional month relative to the City's own collection process.

Pitkin County's year-to-date collections are pacing roughly 25% ahead of both 2020 and 2019 levels and appear largely in lock step with the City of Aspen's own growth in tax collections.

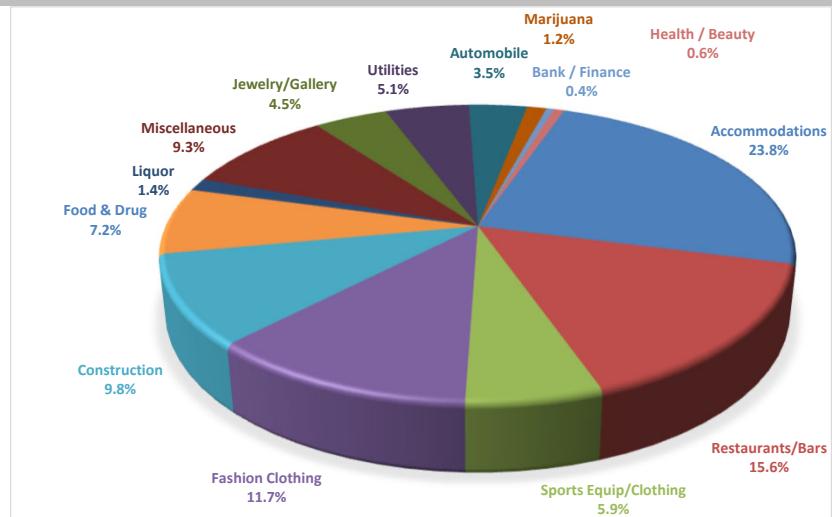
Real Estate Transfer Taxes:

December collections for the Housing and Wheeler Real Estate Transfer Taxes (RETT) have further established 2021 as the new highwater mark for RETT collections. The dedicated affordable housing collections came in 20% above last year's previous record; the dedicated arts collections were equally impressive but demonstrated slightly less growth at 14% over 2020 figures. How these back-to-back record sales periods and low inventory, plus the December 8th moratorium, impact future real estate sales now becomes the new consideration as we venture into 2022.

City of Aspen Retail Sales by Industry
November 2021

Year To Date Retail Sales

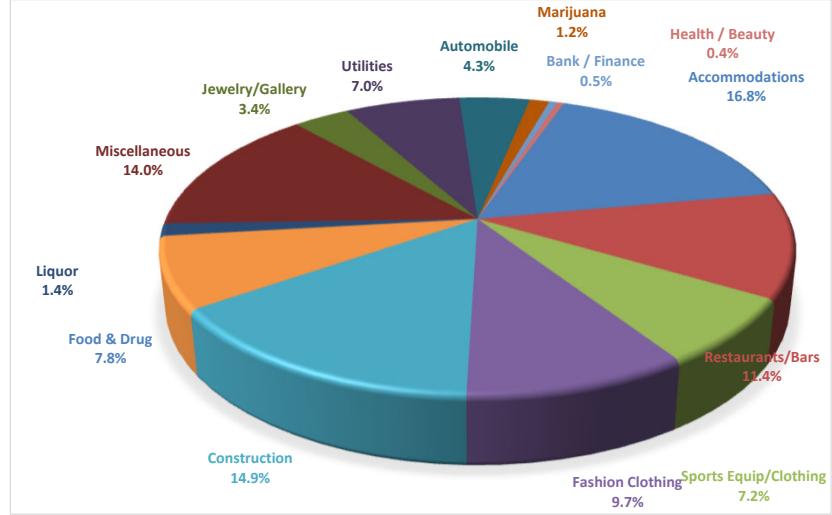
Category	YTD Retail Sales	% YTD Retail Sales	% Change to 2020	% Change to 2019
Accommodations	\$207,353,916	23.8%	32.5%	3.4%
Restaurants/Bars	\$136,190,959	15.6%	21.5%	10.7%
Sports Equip/Clothing	\$51,605,376	5.9%	17.0%	24.3%
Fashion Clothing	\$102,328,131	11.7%	97.0%	87.8%
Construction	\$85,214,686	9.8%	36.7%	41.8%
Food & Drug	\$63,242,411	7.2%	22.4%	23.3%
Liquor	\$11,919,398	1.4%	3.3%	27.6%
Miscellaneous	\$80,806,768	9.3%	7.0%	32.6%
Jewelry/Gallery	\$39,086,976	4.5%	16.1%	27.2%
Utilities	\$44,418,085	5.1%	12.3%	9.4%
Automobile	\$30,958,450	3.5%	45.2%	69.3%
Marijuana	\$10,363,554	1.2%	0.9%	(4.5%)
Bank / Finance	\$3,923,518	0.4%	643.5%	N/A
Health / Beauty	\$5,635,208	0.6%	1,104.9%	N/A
Total	\$873,047,438	100.0%	24.4%	24.4%



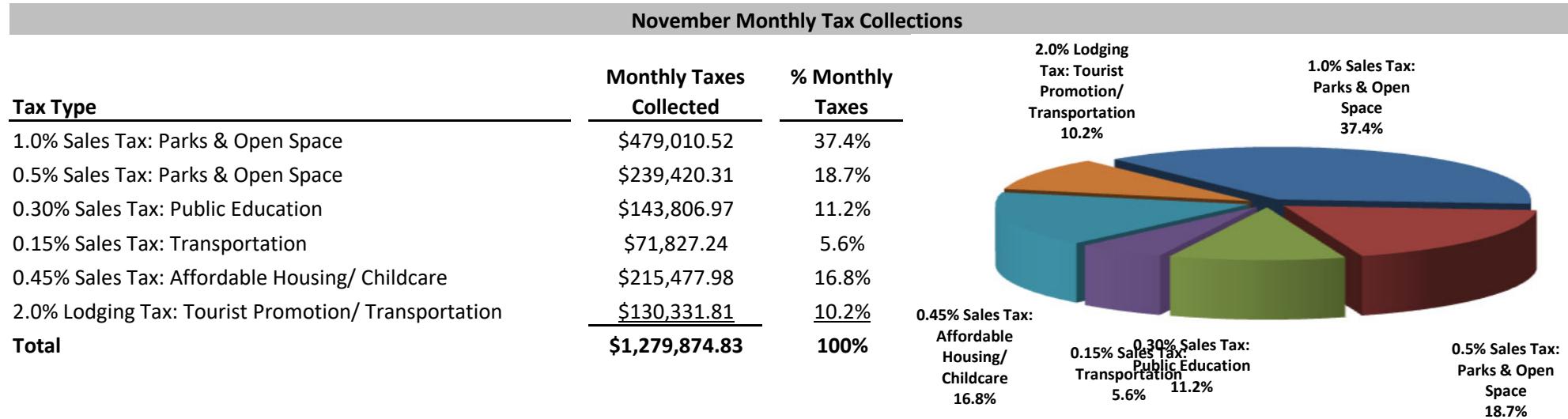
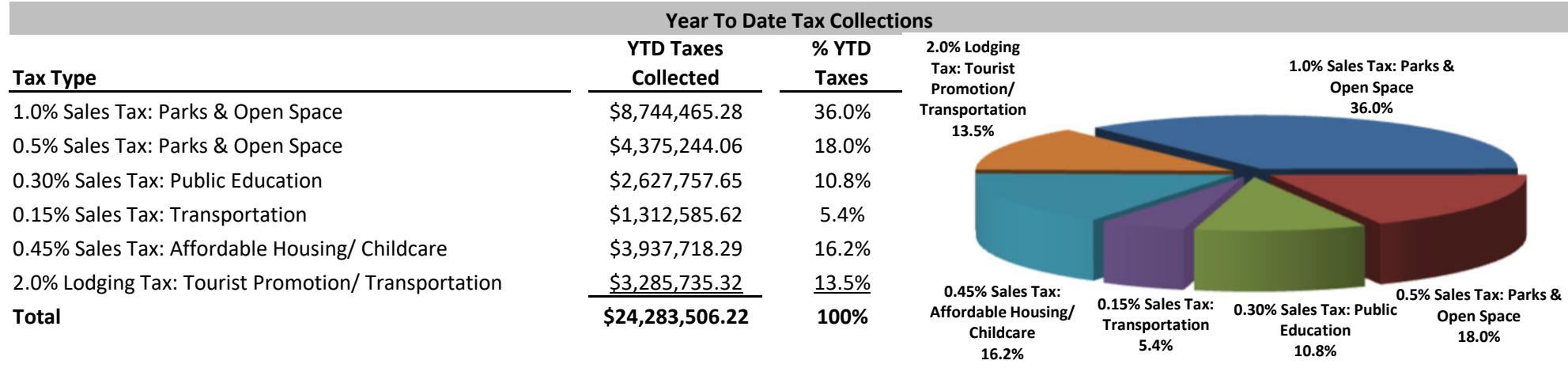
Beginning October 2020, two new categories (Bank / Finance and Health / Beauty) were added to reflect items previously reported within Miscellaneous. These adjustments will ultimately skew the annual percentage change in these industries and is therefore important to note - industry contraction or expansion cannot be gauged by these percentages until 2022, when a full year's worth of data has been compiled with the new categorizations.

November Monthly Retail Sales

Category	Monthly Retail Sales	% Monthly Retail Sales	% Change to 2020	% Change to 2019
Accommodations	\$8,232,680	16.8%	16.6%	78.1%
Restaurants/Bars	\$5,586,399	11.4%	42.7%	36.0%
Sports Equip/Clothing	\$3,548,477	7.2%	26.4%	87.3%
Fashion Clothing	\$4,753,759	9.7%	44.6%	146.0%
Construction	\$7,290,386	14.9%	12.5%	61.2%
Food & Drug	\$3,812,059	7.8%	(4.7%)	31.5%
Liquor	\$663,495	1.4%	2.4%	26.4%
Miscellaneous	\$6,838,154	14.0%	44.7%	59.4%
Jewelry/Gallery	\$1,674,624	3.4%	113.4%	(27.4%)
Utilities	\$3,427,175	7.0%	32.4%	(6.3%)
Automobile	\$2,101,599	4.3%	(9.3%)	74.2%
Marijuana	\$582,857	1.2%	(3.9%)	18.7%
Bank / Finance	\$231,228	0.5%	(6.5%)	N/A
Health / Beauty	\$209,007	0.4%	14.1%	N/A
Total	\$48,951,896	100.0%	50.8%	50.8%



City of Aspen Sales and Lodging Tax
November 2021

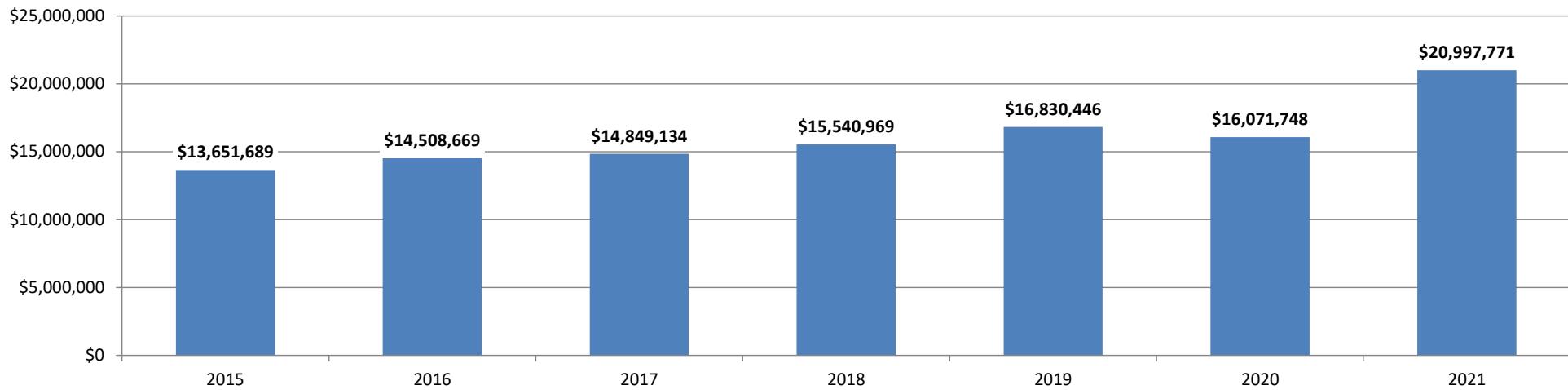


City of Aspen Sales Tax 2.4%
November 2021

Current Month Revenues are **18.1%** **above last year's Monthly Revenues.**
Year To Date Revenues are **46.3%** **above Year To Date Budgeted Revenues.**
Year To Date Revenues are **30.7%** **above last year's Actual Year To Date Revenues.**

2021 Monthly Budget vs. 2021 Actual				2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
Month	Budget	Actual	Variance	Budget	Actual	Variance	2020 Monthly	Variance	2020 YTD	Variance
Jan	\$1,595,006	\$1,594,720	(0.0%)	\$1,595,006	\$1,594,720	(0.0%)	\$2,276,217	(29.9%)	\$2,276,217	(29.9%)
Feb	\$1,486,326	\$1,673,483	12.6%	\$3,081,332	\$3,268,203	6.1%	\$2,122,818	(21.2%)	\$4,399,035	(25.7%)
Mar	\$1,888,591	\$2,645,788	40.1%	\$4,969,923	\$5,913,991	19.0%	\$1,243,377	112.8%	\$5,642,412	4.8%
Apr	\$777,333	\$1,117,415	43.7%	\$5,747,255	\$7,031,407	22.3%	\$524,409	113.1%	\$6,166,820	14.0%
May	\$609,455	\$964,724	58.3%	\$6,356,711	\$7,996,131	25.8%	\$567,114	70.1%	\$6,733,934	18.7%
June	\$1,451,356	\$2,213,718	52.5%	\$7,808,067	\$10,209,848	30.8%	\$1,315,505	68.3%	\$8,049,440	26.8%
July	\$1,922,418	\$3,058,702	59.1%	\$9,730,485	\$13,268,550	36.4%	\$1,984,791	54.1%	\$10,034,230	32.2%
Aug	\$1,631,118	\$2,493,158	52.8%	\$11,361,603	\$15,761,708	38.7%	\$1,783,192	39.8%	\$11,817,422	33.4%
Sept	\$1,413,986	\$2,536,858	79.4%	\$12,775,590	\$18,298,565	43.2%	\$2,214,205	14.6%	\$14,031,628	30.4%
Oct	\$855,843	\$1,549,662	81.1%	\$13,631,433	\$19,848,228	45.6%	\$1,067,153	45.2%	\$15,098,781	31.5%
Nov	\$719,393	\$1,149,543	59.8%	\$14,350,825	\$20,997,771	46.3%	\$972,967	18.1%	\$16,071,748	30.7%
Dec	\$2,635,754			\$16,986,579			\$2,286,874		\$18,358,622	

Actual Collections Year To Date Through November



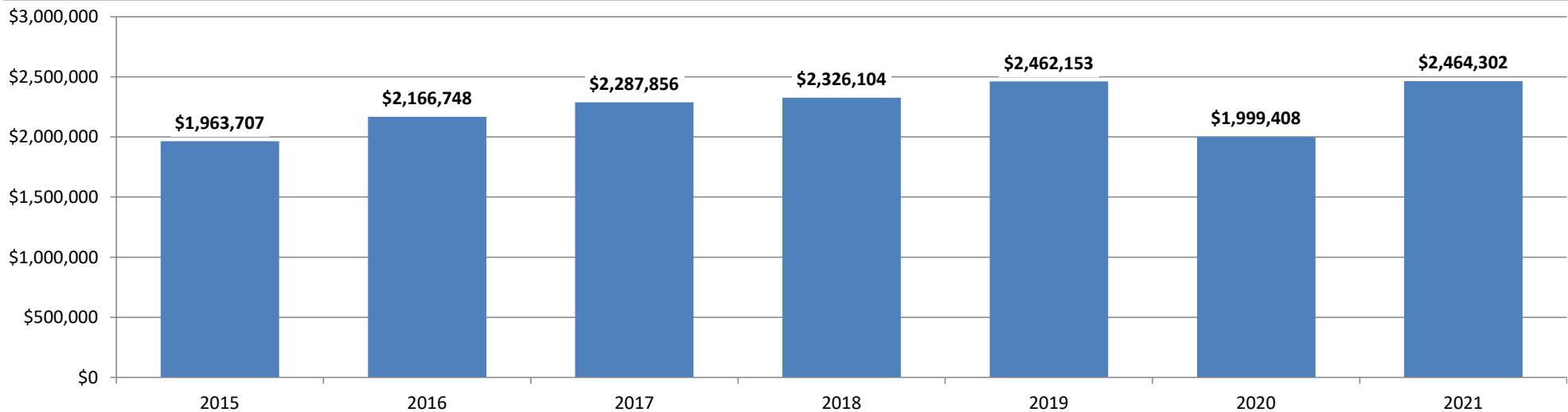
City of Aspen Tourist Promotion 1.5% Lodging Tax (0.5% Rate for 2010 and Prior)

November 2021

Current Month Revenues are **25.3%** **above last year's Monthly Revenues.**
Year To Date Revenues are **22.8%** **above Year To Date Budgeted Revenues.**
Year To Date Revenues are **23.3%** **above last year's Actual Year To Date Revenues.**

Month	2021 Monthly Budget vs. 2021 Actual			2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
	Budget	Actual	Variance	Budget	Actual	Variance	2020 Monthly	Variance	2020 YTD	Variance
Jan	\$304,500	\$168,712	(44.6%)	\$304,500	\$168,712	(44.6%)	\$423,412	(60.2%)	\$423,412	(60.2%)
Feb	\$270,000	\$208,731	(22.7%)	\$574,500	\$377,443	(34.3%)	\$417,502	(50.0%)	\$840,914	(55.1%)
Mar	\$353,250	\$369,554	4.6%	\$927,750	\$746,997	(19.5%)	\$197,251	87.4%	\$1,038,165	(28.0%)
Apr	\$64,500	\$88,271	36.9%	\$992,250	\$835,268	(15.8%)	\$5,581	1,481.7%	\$1,043,746	(20.0%)
May	\$49,500	\$50,893	2.8%	\$1,041,750	\$886,160	(14.9%)	\$8,770	480.3%	\$1,052,516	(15.8%)
June	\$186,750	\$231,840	24.1%	\$1,228,500	\$1,118,001	(9.0%)	\$99,543	132.9%	\$1,152,059	(3.0%)
July	\$280,500	\$429,454	53.1%	\$1,509,000	\$1,547,455	2.5%	\$263,959	62.7%	\$1,416,018	9.3%
Aug	\$213,000	\$328,132	54.1%	\$1,722,000	\$1,875,586	8.9%	\$227,695	44.1%	\$1,643,713	14.1%
Sept	\$151,500	\$324,107	113.9%	\$1,873,500	\$2,199,693	17.4%	\$206,067	57.3%	\$1,849,780	18.9%
Oct	\$78,750	\$166,860	111.9%	\$1,952,250	\$2,366,553	21.2%	\$71,598	133.0%	\$1,921,378	23.2%
Nov	\$54,000	\$97,749	81.0%	\$2,006,250	\$2,464,302	22.8%	\$78,030	25.3%	\$1,999,408	23.3%
Dec	\$406,500			\$2,412,750			\$268,092		\$2,267,501	

Actual Collections Year To Date Through November

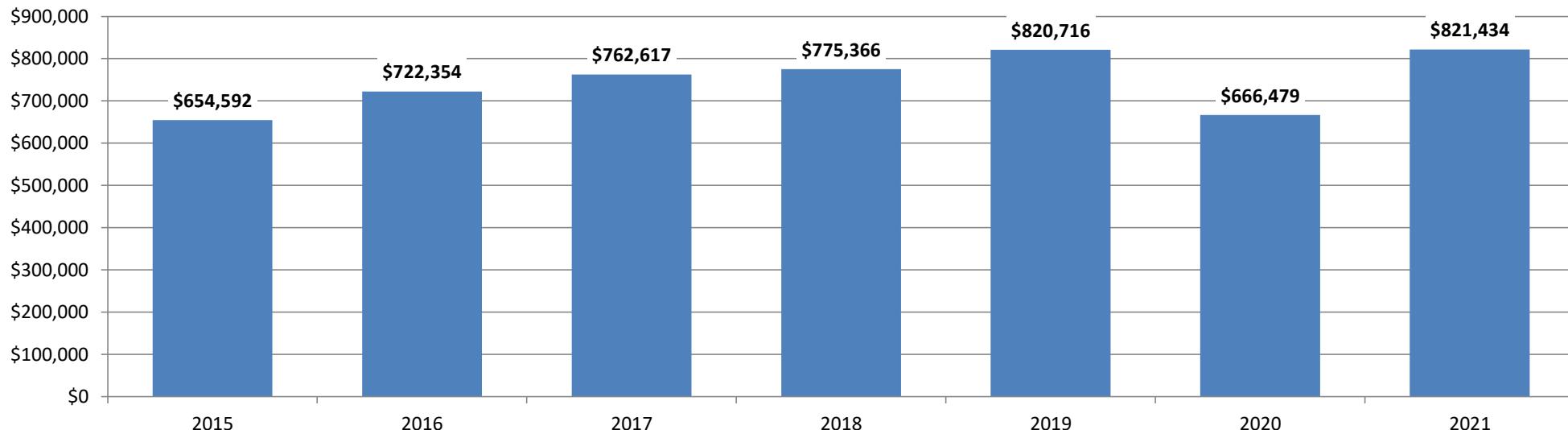


City of Aspen Transportation 0.5% Lodging Tax
November 2021

Current Month Revenues are 25.3% above last year's Monthly Revenues.
Year To Date Revenues are 22.8% above Year To Date Budgeted Revenues.
Year To Date Revenues are 23.2% above last year's Actual Year To Date Revenues.

Month	2021 Monthly Budget vs. 2021 Actual			2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
	Budget	Actual	Variance	Budget	Actual	Variance	2020 Monthly	Variance	2020 YTD	Variance
Jan	\$101,500	\$56,237	(44.6%)	\$101,500	\$56,237	(44.6%)	\$141,137	(60.2%)	\$141,137	(60.2%)
Feb	\$90,000	\$69,577	(22.7%)	\$191,500	\$125,813	(34.3%)	\$139,167	(50.0%)	\$280,304	(55.1%)
Mar	\$117,750	\$123,184	4.6%	\$309,250	\$248,998	(19.5%)	\$65,750	87.4%	\$346,054	(28.0%)
Apr	\$21,500	\$29,424	36.9%	\$330,750	\$278,421	(15.8%)	\$1,860	1,481.7%	\$347,915	(20.0%)
May	\$16,500	\$16,964	2.8%	\$347,250	\$295,386	(14.9%)	\$2,923	480.3%	\$350,838	(15.8%)
June	\$62,250	\$77,280	24.1%	\$409,500	\$372,666	(9.0%)	\$33,181	132.9%	\$384,019	(3.0%)
July	\$93,500	\$143,151	53.1%	\$503,000	\$515,817	2.5%	\$87,986	62.7%	\$472,005	9.3%
Aug	\$71,000	\$109,377	54.1%	\$574,000	\$625,195	8.9%	\$75,898	44.1%	\$547,903	14.1%
Sept	\$50,500	\$108,036	113.9%	\$624,500	\$733,231	17.4%	\$68,700	57.3%	\$616,603	18.9%
Oct	\$26,250	\$55,620	111.9%	\$650,750	\$788,851	21.2%	\$23,866	133.1%	\$640,469	23.2%
Nov	\$18,000	\$32,583	81.0%	\$668,750	\$821,434	22.8%	\$26,010	25.3%	\$666,479	23.2%
Dec	\$135,500			\$804,250			\$89,364		\$755,842	

Actual Collections Year To Date Through November

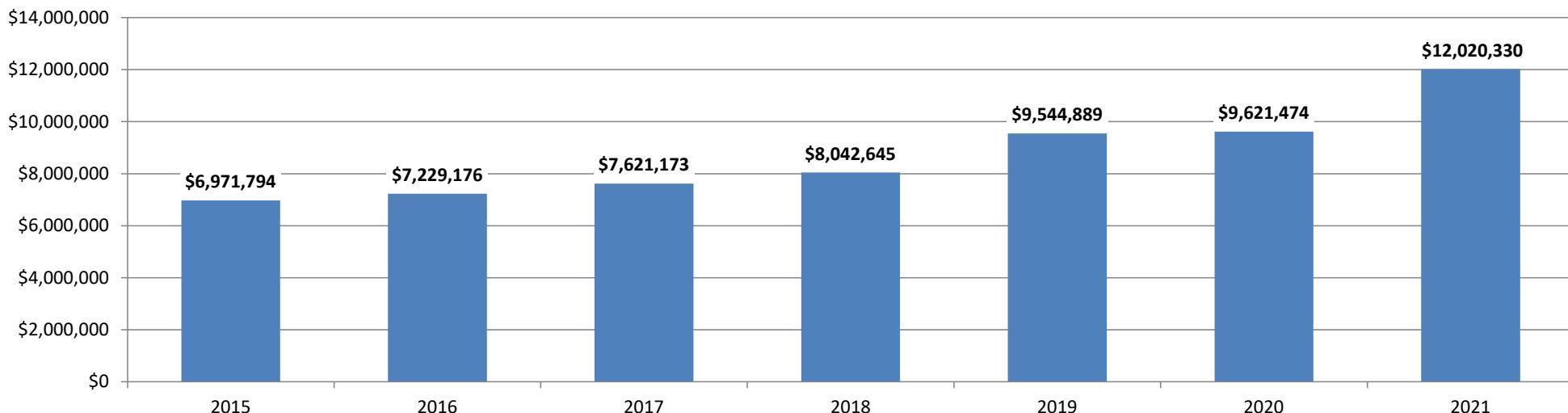


City of Aspen Portion of Pitkin County 3.6% Sales Tax
October 2021

Current Month Revenues are 18.9% above last year's Monthly Revenues.
Year To Date Revenues are 34.4% above Year To Date Budgeted Revenues.
Year To Date Revenues are 24.9% above last year's Actual Year To Date Revenues.

2021 Monthly Budget vs. 2021 Actual				2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
Month	Budget	Actual	Variance	Budget	Actual	Variance	2020 Monthly	Variance	2020 YTD	Variance
Jan	\$1,357,000	\$1,092,020	(19.5%)	\$1,357,000	\$1,092,020	(19.5%)	\$1,512,709	(27.8%)	\$ 1,512,709	(27.8%)
Feb	\$1,277,000	\$1,183,150	(7.3%)	\$2,634,000	\$2,275,171	(13.6%)	\$1,449,548	(18.4%)	\$ 2,962,257	(23.2%)
Mar	\$1,293,000	\$1,515,832	17.2%	\$3,927,000	\$3,791,002	(3.5%)	\$708,210	114.0%	\$ 3,670,467	3.3%
Apr	\$484,000	\$817,669	68.9%	\$4,411,000	\$4,608,671	4.5%	\$498,211	64.1%	\$ 4,168,678	10.6%
May	\$398,000	\$744,578	87.1%	\$4,809,000	\$5,353,249	11.3%	\$430,729	72.9%	\$ 4,599,408	16.4%
June	\$822,000	\$1,218,669	48.3%	\$5,631,000	\$6,571,918	16.7%	\$713,217	70.9%	\$ 5,312,624	23.7%
July	\$1,097,000	\$1,694,768	54.5%	\$6,728,000	\$8,266,686	22.9%	\$1,164,095	45.6%	\$ 6,476,719	27.6%
Aug	\$917,000	\$1,427,495	55.7%	\$7,645,000	\$9,694,181	26.8%	\$1,117,891	27.7%	\$ 7,594,610	27.6%
Sept	\$801,000	\$1,321,660	65.0%	\$8,446,000	\$11,015,840	30.4%	\$1,181,742	11.8%	\$ 8,776,352	25.5%
Oct	\$498,000	\$1,004,489	101.7%	\$8,944,000	\$12,020,330	34.4%	\$845,122	18.9%	\$ 9,621,474	24.9%
Nov	\$484,000			\$9,428,000			\$688,722		\$ 10,310,196	
Dec	\$1,461,000			\$10,889,000			\$1,533,844		\$ 11,844,040	

Actual Collections Year To Date Through October

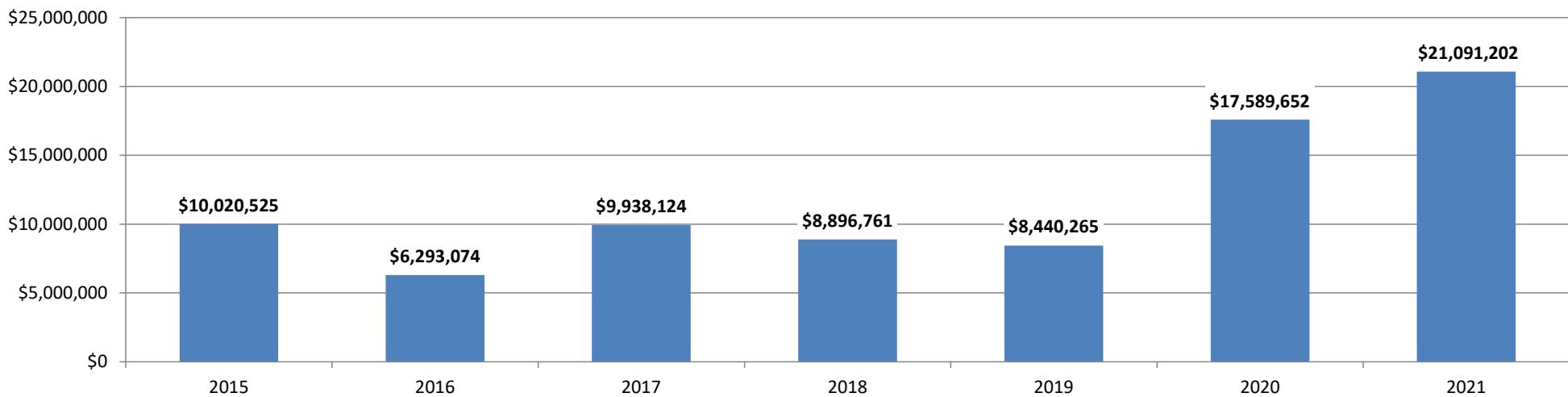


Housing Real Estate Transfer Tax
December 2021

Current Month Revenues are 51.4% above last year's Monthly Revenues.
Year To Date Revenues are 240.2% above Year To Date Budgeted Revenues.
Year To Date Revenues are 19.9% above last year's Actual Year To Date Revenues.

2021 Monthly Budget vs. 2021 Actual				2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
<u>Month</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>	<u>2020 Monthly</u>	<u>Variance</u>	<u>2020 YTD</u>	<u>Variance</u>
Jan	\$440,400	\$1,602,114	263.8%	\$440,400	\$1,602,114	263.8%	\$1,098,343	45.9%	\$1,098,343	45.9%
Feb	\$412,600	\$711,920	72.5%	\$853,000	\$2,314,034	171.3%	\$496,350	43.4%	\$1,594,693	45.1%
Mar	\$432,900	\$1,294,339	199.0%	\$1,285,900	\$3,608,373	180.6%	\$598,199	116.4%	\$2,192,893	64.5%
Apr	\$560,000	\$2,251,850	302.1%	\$1,845,900	\$5,860,223	217.5%	\$505,915	345.1%	\$2,698,808	117.1%
May	\$566,200	\$1,070,000	89.0%	\$2,412,100	\$6,930,223	187.3%	\$110,180	871.1%	\$2,808,988	146.7%
June	\$537,300	\$1,377,685	156.4%	\$2,949,400	\$8,307,908	181.7%	\$477,350	188.6%	\$3,286,338	152.8%
July	\$384,200	\$919,840	139.4%	\$3,333,600	\$9,227,748	176.8%	\$885,546	3.9%	\$4,171,884	121.2%
Aug	\$524,800	\$1,904,684	262.9%	\$3,858,400	\$11,132,432	188.5%	\$2,542,417	(25.1%)	\$6,714,301	65.8%
Sept	\$746,400	\$1,891,643	153.4%	\$4,604,800	\$13,024,074	182.8%	\$3,947,332	(52.1%)	\$10,661,632	22.2%
Oct	\$644,600	\$2,571,511	298.9%	\$5,249,400	\$15,595,585	197.1%	\$2,928,865	(12.2%)	\$13,590,497	14.8%
Nov	\$439,200	\$2,041,431	364.8%	\$5,688,600	\$17,637,016	210.0%	\$1,717,838	18.8%	\$15,308,335	15.2%
Dec	\$511,400	\$3,454,185	575.4%	\$6,200,000	\$21,091,202	240.2%	\$2,281,317	51.4%	\$17,589,652	19.9%

Actual Collections Year To Date Through December



Wheeler Opera House Real Estate Transfer Tax
December 2021

Current Month Revenues are 50.8% above last year's Monthly Revenues.
Year To Date Revenues are 235.6% above Year To Date Budgeted Revenues.
Year To Date Revenues are 14.4% above last year's Actual Year To Date Revenues.

2021 Monthly Budget vs. 2021 Actual				2021 YTD Budget vs. 2021 Actual			2021 vs. 2020			
Month	Budget	Actual	Variance	Budget	Actual	Variance	2020 Monthly	Variance	2020 YTD	Variance
Jan	\$235,400	\$828,882	252.1%	\$235,400	\$828,882	252.1%	\$565,600	46.5%	\$565,600	46.5%
Feb	\$213,800	\$370,913	73.5%	\$449,200	\$1,199,795	167.1%	\$262,833	41.1%	\$828,432	44.8%
Mar	\$221,500	\$672,890	203.8%	\$670,700	\$1,872,685	179.2%	\$567,936	18.5%	\$1,396,369	34.1%
Apr	\$291,700	\$1,152,214	295.0%	\$962,400	\$3,024,899	214.3%	\$448,184	157.1%	\$1,844,552	64.0%
May	\$298,400	\$559,092	87.4%	\$1,260,800	\$3,583,990	184.3%	\$58,875	849.6%	\$1,903,427	88.3%
June	\$228,300	\$707,695	210.0%	\$1,489,100	\$4,291,686	188.2%	\$248,150	185.2%	\$2,151,577	99.5%
July	\$185,600	\$480,929	159.1%	\$1,674,700	\$4,772,615	185.0%	\$464,915	3.4%	\$2,616,492	82.4%
Aug	\$272,200	\$982,807	261.1%	\$1,946,900	\$5,755,422	195.6%	\$1,298,686	(24.3%)	\$3,915,178	47.0%
Sept	\$411,300	\$970,454	135.9%	\$2,358,200	\$6,725,875	185.2%	\$2,027,283	(52.1%)	\$5,942,461	13.2%
Oct	\$355,100	\$1,321,834	272.2%	\$2,713,300	\$8,047,709	196.6%	\$1,495,710	(11.6%)	\$7,438,171	8.2%
Nov	\$230,300	\$1,050,147	356.0%	\$2,943,600	\$9,097,856	209.1%	\$882,569	19.0%	\$8,320,741	9.3%
Dec	\$289,400	\$1,751,029	505.1%	\$3,233,000	\$10,848,886	235.6%	\$1,161,524	50.8%	\$9,482,264	14.4%

Actual Collections Year To Date Through December

