

To: Aspen City Council
From: Anthony Lewin, Senior Tax Auditor
Date: March 12, 2020
Re: January 2021 Consumption Tax Report

Attached is the City of Aspen's monthly report for consumption-based tax collections. This includes analysis of the City's sales tax and lodging tax collections for January 2021, Aspen's portion of Pitkin County's 3.6% sales tax collections for December 2020, and real estate transfer tax (RETT) collections for February 2021.

Taxable Sales:

Despite continued rollout of vaccinations, Aspen's local economy continues to be hit hard by Covid-19. With tight restrictions deterring tourism through January, the economy experienced a 33.7% reduction in total taxable sales. Lodging and restaurants continue to be the hardest hit, with lodging down 58.9% and restaurants seeing a 47.9% dip in comparison to the same timeframe last year. Other industries are not unaffected though, as retail spend is down throughout town overall.

A few industries have seen an increase over last year, most notably automobile sales which were up 20.8% and liquor sales which increased 11.6%.

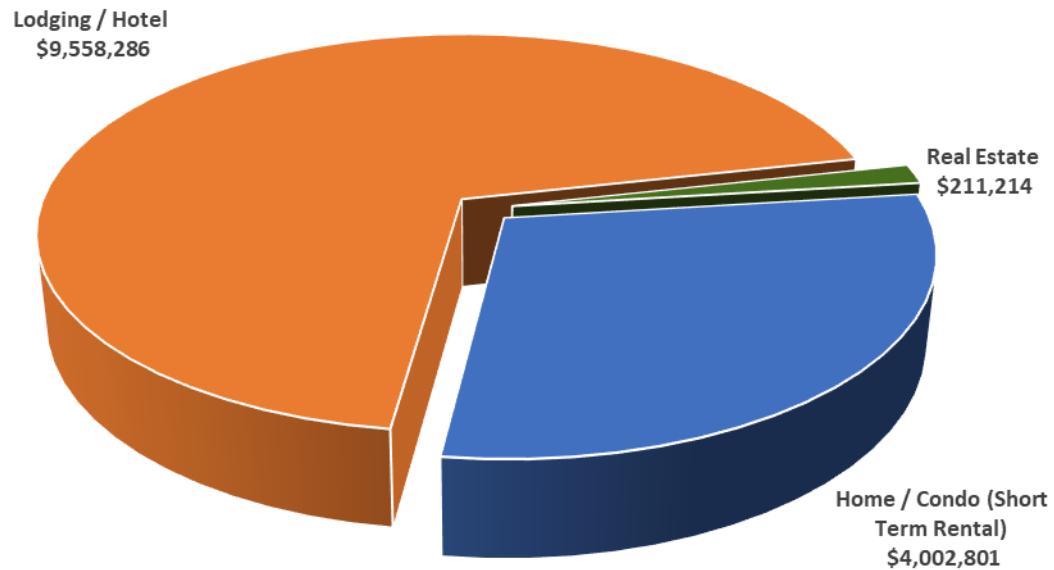
Actual Sales and Lodging Tax:

Overall, January's sales tax collections were down 29.9%, respectively from the same period last year. Lodging tax collections were down substantially more, 60.2% in contrast to last year's monthly revenues.

As in last month's report, these numbers reflect how the accommodations industry has struggled during the pandemic. However, in discussions with members of the lodging industry, many seem hopeful as summer months are already booking out. We expect to see marked improvement in tax collections over last year's monthly totals as we enter the summer season.

Trends for travelers wanting their own space continues, as we see an increase in Home/Condo short-term rentals through January. These trends also reflect greater compliance in this subgroup due to municipal code changes and the requirement to remit tax.

Accommodations Taxable Sales Breakdown January 2021



City Share of County Sales Tax:

Aspen's portion of Pitkin County's sales tax collections (one month behind City collection statistics because they are collected at the State level) for December were down 5.8%. On a year-to-date basis, Aspen's portion of Pitkin County's sales tax finished down 2.0% from 2019 collection levels.

Real Estate Transfer Taxes:

Housing real estate transfer tax collections for February were up 60.4% and 50.4% on the year. Wheeler real estate transfer tax collections for February were up 57.4% and 50.0% on the year. Elevated market activity continues despite the record setting 2020 year.

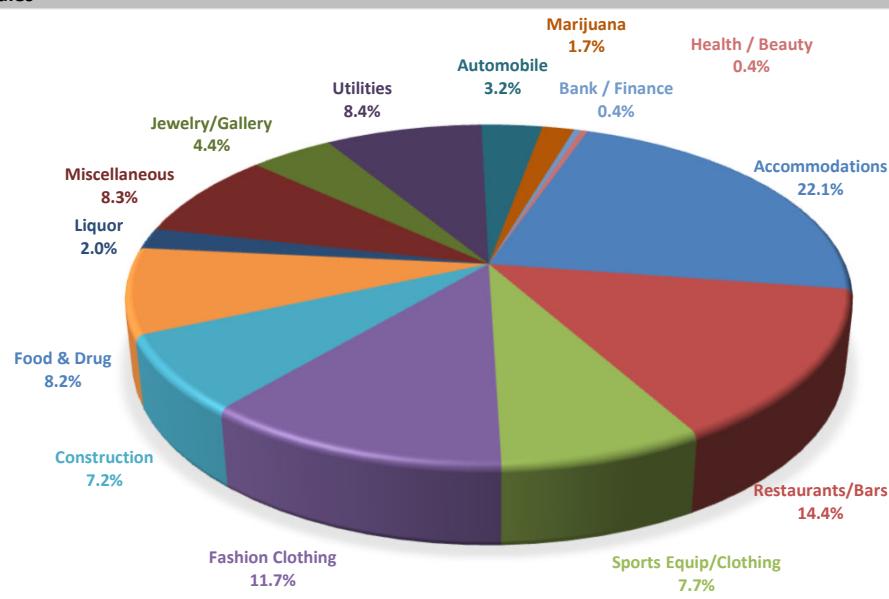
| Category | In-Town | Out-of-Town | Grand Total |
|-----------------------|---------------------|---------------------|---------------------|
| Total Accommodations | \$13,509,184 | \$263,117 | \$13,772,301 |
| Construction / Trades | \$2,209,206 | \$2,265,956 | \$4,475,163 |
| Misc. / Other | \$1,553,952 | \$3,612,717 | \$5,166,669 |
| Food / Drug | \$4,914,591 | \$178,883 | \$5,093,474 |
| Bar / Restaurant | \$8,995,481 | \$0 | \$8,995,481 |
| Fashion / Clothing | \$6,893,038 | \$388,479 | \$7,281,517 |
| Outdoor / Sporting | \$4,795,038 | \$20,387 | \$4,815,425 |
| Utilities / Telecomm | \$1,485,314 | \$3,720,483 | \$5,205,797 |
| Auto | \$2,016,603 | \$0 | \$2,016,603 |
| Gallery / Jewelry | \$2,170,001 | \$585,668 | \$2,755,670 |
| Liquor | \$1,216,287 | \$24,556 | \$1,240,843 |
| Marijuana | \$1,063,274 | \$0 | \$1,063,274 |
| Bank / Finance | \$0 | \$227,177 | \$227,177 |
| Health / Beauty | \$166,075 | \$54,815 | \$220,889 |
| Grand Total | \$50,988,046 | \$11,342,238 | \$62,330,284 |
| Percentage | | 81.8% | 18.2% |



City of Aspen Retail Sales by Industry
January 2021

Year To Date Retail Sales

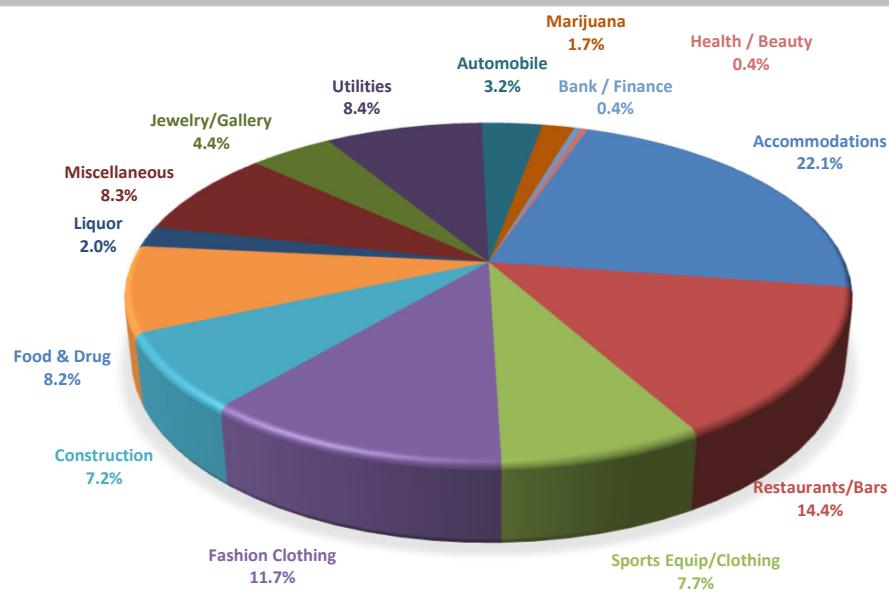
| Category | YTD Retail Sales | % Change Prior Year | % YTD Retail Sales |
|-----------------------|---------------------|---------------------|--------------------|
| Accommodations | \$13,772,301 | (58.9%) | 22.1% |
| Restaurants/Bars | \$8,995,481 | (47.9%) | 14.4% |
| Sports Equip/Clothing | \$4,815,425 | (42.6%) | 7.7% |
| Fashion Clothing | \$7,281,517 | 14.8% | 11.7% |
| Construction | \$4,475,163 | (4.1%) | 7.2% |
| Food & Drug | \$5,093,474 | (2.6%) | 8.2% |
| Liquor | \$1,240,843 | 11.6% | 2.0% |
| Miscellaneous | \$5,166,669 | (5.1%) | 8.3% |
| Jewelry/Gallery | \$2,755,670 | (33.8%) | 4.4% |
| Utilities | \$5,205,797 | 5.0% | 8.4% |
| Automobile | \$2,016,603 | 20.8% | 3.2% |
| Marijuana | \$1,063,274 | (13.1%) | 1.7% |
| Bank / Finance | \$227,177 | #DIV/0! | 0.4% |
| Health / Beauty | \$220,889 | #DIV/0! | 0.4% |
| Total | \$62,330,284 | (33.7%) | 100.0% |



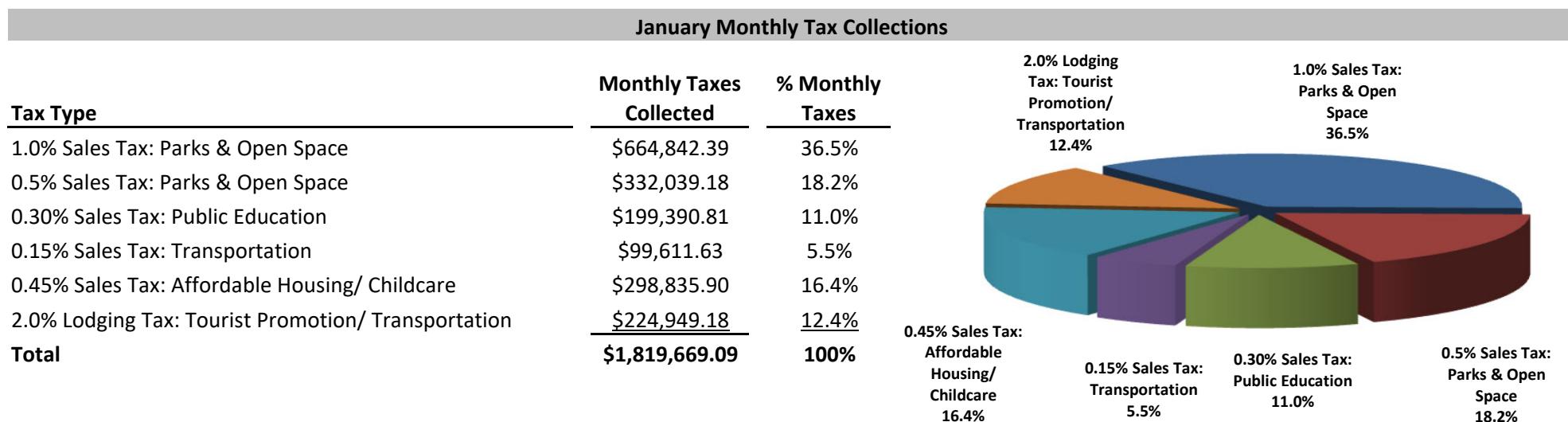
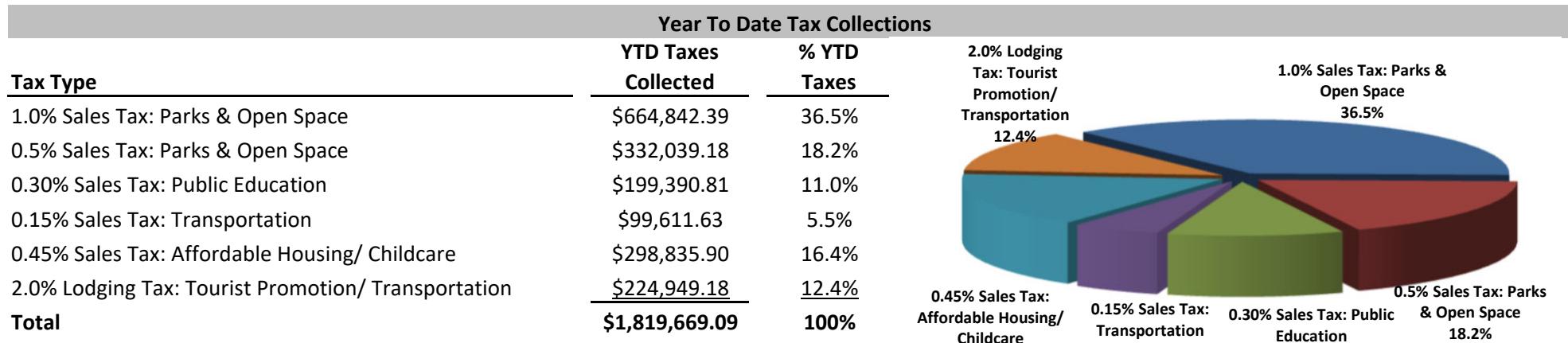
Beginning October 2020, industries were assessed and revised. This includes Luxury Goods which no longer reflects high end clothing which now is captured within Clothing. Additionally, two new categories (Bank / Finance and Health / Beauty) were added to reflect items previously reported within Miscellaneous. 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 a full year's worth of data has been compiled with the new categorizations.

January Monthly Retail Sales

| Category | Monthly Retail Sales | % Change Prior Year | % Monthly Retail Sales |
|-----------------------|----------------------|---------------------|------------------------|
| Accommodations | \$13,772,301 | (58.9%) | 22.1% |
| Restaurants/Bars | \$8,995,481 | (47.9%) | 14.4% |
| Sports Equip/Clothing | \$4,815,425 | (42.6%) | 7.7% |
| Fashion Clothing | \$7,281,517 | 14.8% | 11.7% |
| Construction | \$4,475,163 | (4.1%) | 7.2% |
| Food & Drug | \$5,093,474 | (2.6%) | 8.2% |
| Liquor | \$1,240,843 | 11.6% | 2.0% |
| Miscellaneous | \$5,166,669 | (5.1%) | 8.3% |
| Jewelry/Gallery | \$2,755,670 | (33.8%) | 4.4% |
| Utilities | \$5,205,797 | 5.0% | 8.4% |
| Automobile | \$2,016,603 | 20.8% | 3.2% |
| Marijuana | \$1,063,274 | (13.1%) | 1.7% |
| Bank / Finance | \$227,177 | #DIV/0! | 0.4% |
| Health / Beauty | \$220,889 | #DIV/0! | 0.4% |
| Total | \$62,330,284 | (33.7%) | 100.0% |



City of Aspen Sales and Lodging Tax
January 2021

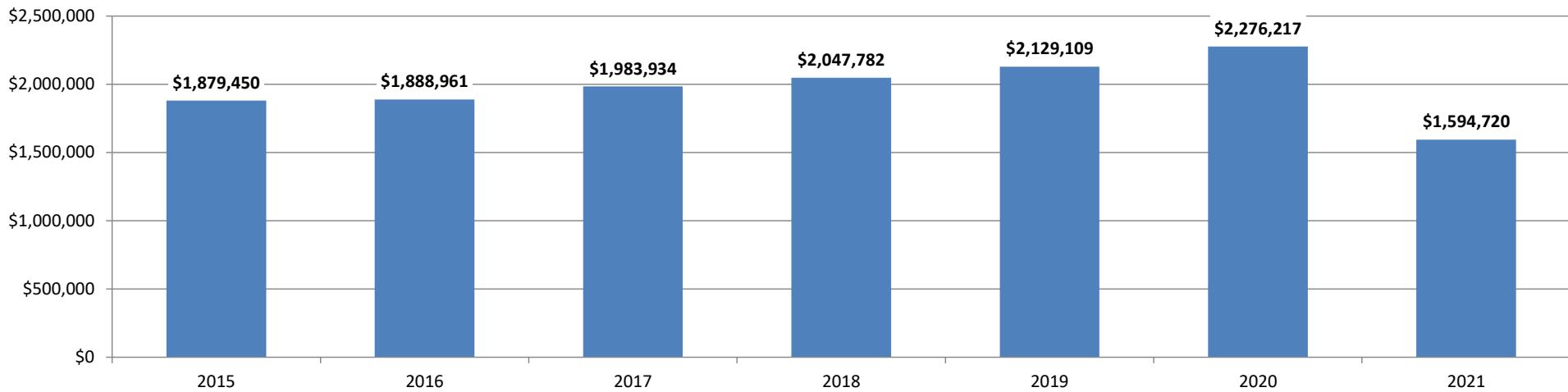


City of Aspen Sales Tax 2.4%
January 2021

Current Month Revenues are **(29.9%)** below last year's Monthly Revenues.
 Year To Date Revenues are **(0.0%)** below Year To Date Budgeted Revenues.
 Year To Date Revenues are **(29.9%)** below 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>Budget</u> | <u>Actual</u> | <u>Variance</u> | <u>2020 Monthly</u> | <u>Variance</u> | <u>2020 YTD</u> | <u>Variance</u> |
| Jan | \$1,595,006 | \$1,594,720 | \$1,595,006 | \$1,594,720 | (0.0%) | \$2,276,217 | (29.9%) | \$2,276,217 | |
| Feb | \$1,486,326 | | \$3,081,332 | | | \$2,122,818 | | \$4,399,035 | |
| Mar | \$1,888,591 | | \$4,969,923 | | | \$1,243,377 | | \$5,642,412 | |
| Apr | \$777,333 | | \$5,747,255 | | | \$524,409 | | \$6,166,820 | |
| May | \$609,455 | | \$6,356,711 | | | \$567,114 | | \$6,733,934 | |
| June | \$1,451,356 | | \$7,808,067 | | | \$1,315,505 | | \$8,049,440 | |
| July | \$1,922,418 | | \$9,730,485 | | | \$1,984,791 | | \$10,034,230 | |
| Aug | \$1,631,118 | | \$11,361,603 | | | \$1,783,192 | | \$11,817,422 | |
| Sept | \$1,413,986 | | \$12,775,590 | | | \$2,214,205 | | \$14,031,628 | |
| Oct | \$855,843 | | \$13,631,433 | | | \$1,067,153 | | \$15,098,781 | |
| Nov | \$719,393 | | \$14,350,825 | | | \$972,967 | | \$16,071,748 | |
| Dec | \$2,635,754 | | \$16,986,579 | | | \$2,286,874 | | \$18,358,622 | |

Actual Collections Year To Date Through January



City of Aspen Tourist Promotion 1.5% Lodging Tax (0.5% Rate for 2010 and Prior)
January 2021

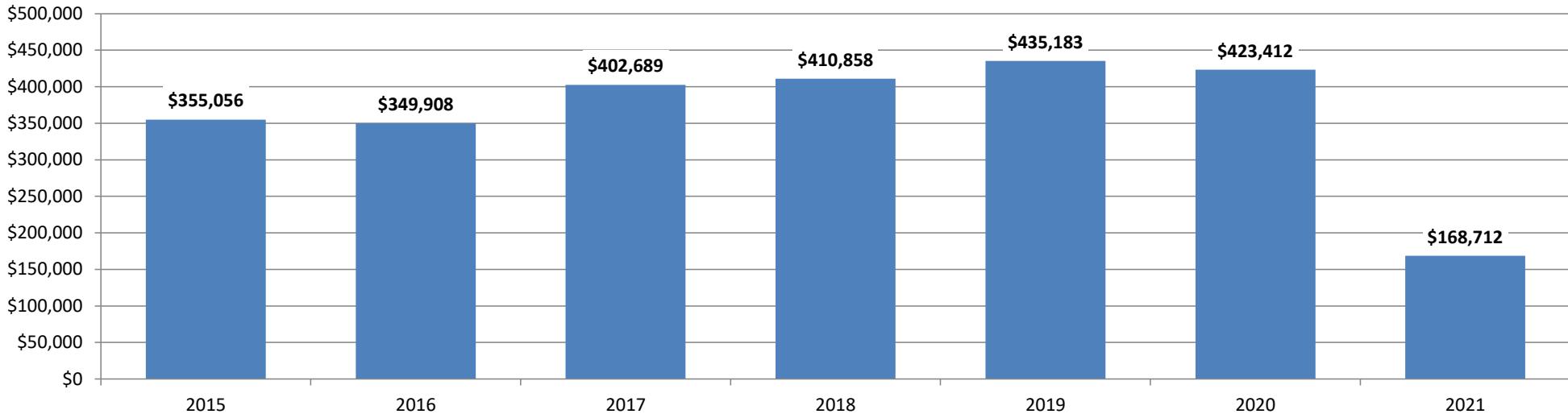
Current Month Revenues are (60.2%) below last year's Monthly Revenues adjusted for rate increase.

Year To Date Revenues are (44.6%) below Year To Date Budgeted Revenues.

Year To Date Revenues are (60.2%) below last year's Actual Year To Date Revenues adjusted for rate increase.

| 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 | | | \$574,500 | | | \$417,502 | | \$840,914 | |
| Mar | \$353,250 | | | \$927,750 | | | \$197,251 | | \$1,038,165 | |
| Apr | \$64,500 | | | \$992,250 | | | \$5,581 | | \$1,043,746 | |
| May | \$49,500 | | | \$1,041,750 | | | \$8,770 | | \$1,052,516 | |
| June | \$186,750 | | | \$1,228,500 | | | \$99,543 | | \$1,152,059 | |
| July | \$280,500 | | | \$1,509,000 | | | \$263,959 | | \$1,416,018 | |
| Aug | \$213,000 | | | \$1,722,000 | | | \$227,695 | | \$1,643,713 | |
| Sept | \$151,500 | | | \$1,873,500 | | | \$206,067 | | \$1,849,780 | |
| Oct | \$78,750 | | | \$1,952,250 | | | \$71,598 | | \$1,921,378 | |
| Nov | \$54,000 | | | \$2,006,250 | | | \$78,030 | | \$1,999,408 | |
| Dec | \$406,500 | | | \$2,412,750 | | | \$268,092 | | \$2,267,501 | |

Actual Collections Year To Date Through January

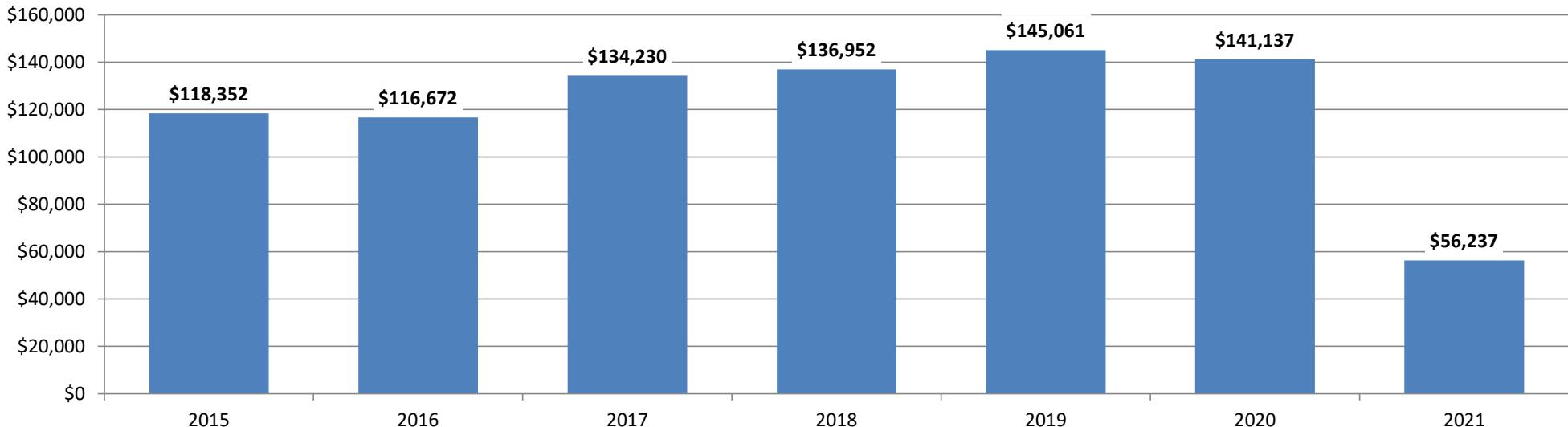


City of Aspen Transportation 0.5% Lodging Tax
January 2021

Current Month Revenues are (60.2%) below last year's Monthly Revenues
Year To Date Revenues are (44.6%) below Year To Date Budgeted Revenues.
Year To Date Revenues are (60.2%) below 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 | | | \$191,500 | | | \$139,167 | | \$280,304 | |
| Mar | \$117,750 | | | \$309,250 | | | \$65,750 | | \$346,054 | |
| Apr | \$21,500 | | | \$330,750 | | | \$1,860 | | \$347,915 | |
| May | \$16,500 | | | \$347,250 | | | \$2,923 | | \$350,838 | |
| June | \$62,250 | | | \$409,500 | | | \$33,181 | | \$384,019 | |
| July | \$93,500 | | | \$503,000 | | | \$87,986 | | \$472,005 | |
| Aug | \$71,000 | | | \$574,000 | | | \$75,898 | | \$547,903 | |
| Sept | \$50,500 | | | \$624,500 | | | \$68,700 | | \$616,603 | |
| Oct | \$26,250 | | | \$650,750 | | | \$23,866 | | \$640,469 | |
| Nov | \$18,000 | | | \$668,750 | | | \$26,010 | | \$666,479 | |
| Dec | \$135,500 | | | \$804,250 | | | \$89,364 | | \$755,842 | |

Actual Collections Year To Date Through January

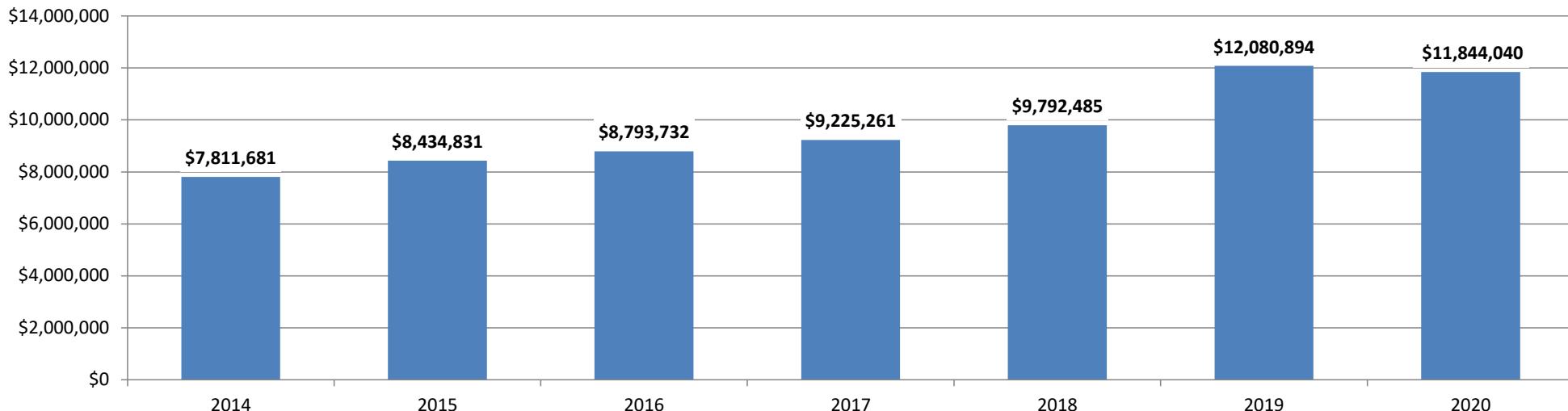


City of Aspen Portion of Pitkin County 3.6% Sales Tax
December 2020

Current Month Revenues are **(5.8%)** **below last year's Monthly Revenues.**
Year To Date Revenues are **8.8%** **above Year To Date Budgeted Revenues.**
Year To Date Revenues are **(2.0%)** **below last year's Actual Year To Date Revenues.**

| Month | 2020 Monthly Budget vs. 2020 Actual | | | 2020 YTD Budget vs. 2020 Actual | | | 2020 vs. 2019 | | | |
|--------------|--|---------------|-----------------|--|---------------|-----------------|----------------------|-----------------|-----------------|-----------------|
| | Budget | Actual | Variance | Budget | Actual | Variance | 2019 Monthly | Variance | 2019 YTD | Variance |
| Jan | \$1,357,000 | \$1,512,709 | 11.5% | \$1,357,000 | \$1,512,709 | 11.5% | \$1,332,368 | 13.5% | \$ 1,332,368 | 13.5% |
| Feb | \$1,277,000 | \$1,449,548 | 13.5% | \$2,634,000 | \$2,962,257 | 12.5% | \$1,195,264 | 21.3% | \$ 2,527,633 | 17.2% |
| Mar | \$1,293,000 | \$708,210 | (45.2%) | \$3,927,000 | \$3,670,467 | (6.5%) | \$1,460,126 | (51.5%) | \$ 3,987,758 | (8.0%) |
| Apr | \$484,000 | \$498,211 | 2.9% | \$4,411,000 | \$4,168,678 | (5.5%) | \$543,209 | (8.3%) | \$ 4,530,968 | (8.0%) |
| May | \$398,000 | \$430,729 | 8.2% | \$4,809,000 | \$4,599,408 | (4.4%) | \$423,901 | 1.6% | \$ 4,954,869 | (7.2%) |
| June | \$822,000 | \$713,217 | (13.2%) | \$5,631,000 | \$5,312,624 | (5.7%) | \$867,745 | (17.8%) | \$ 5,822,613 | (8.8%) |
| July | \$1,097,000 | \$1,164,095 | 6.1% | \$6,728,000 | \$6,476,719 | (3.7%) | \$1,149,462 | 1.3% | \$ 6,972,075 | (7.1%) |
| Aug | \$917,000 | \$1,117,891 | 21.9% | \$7,645,000 | \$7,594,610 | (0.7%) | \$1,059,020 | 5.6% | \$ 8,031,094 | (5.4%) |
| Sept | \$801,000 | \$1,181,742 | 47.5% | \$8,446,000 | \$8,776,352 | 3.9% | \$867,293 | 36.3% | \$ 8,898,387 | (1.4%) |
| Oct | \$498,000 | \$845,122 | 69.7% | \$8,944,000 | \$9,621,474 | 7.6% | \$646,501 | 30.7% | \$ 9,544,889 | 0.8% |
| Nov | \$484,000 | \$688,722 | 42.3% | \$9,428,000 | \$10,310,196 | 9.4% | \$908,405 | (24.2%) | \$ 10,453,294 | (1.4%) |
| Dec | \$1,461,000 | \$1,533,844 | 5.0% | \$10,889,000 | \$11,844,040 | 8.8% | \$1,627,600 | (5.8%) | \$ 12,080,894 | (2.0%) |

Actual Collections Year To Date Through December

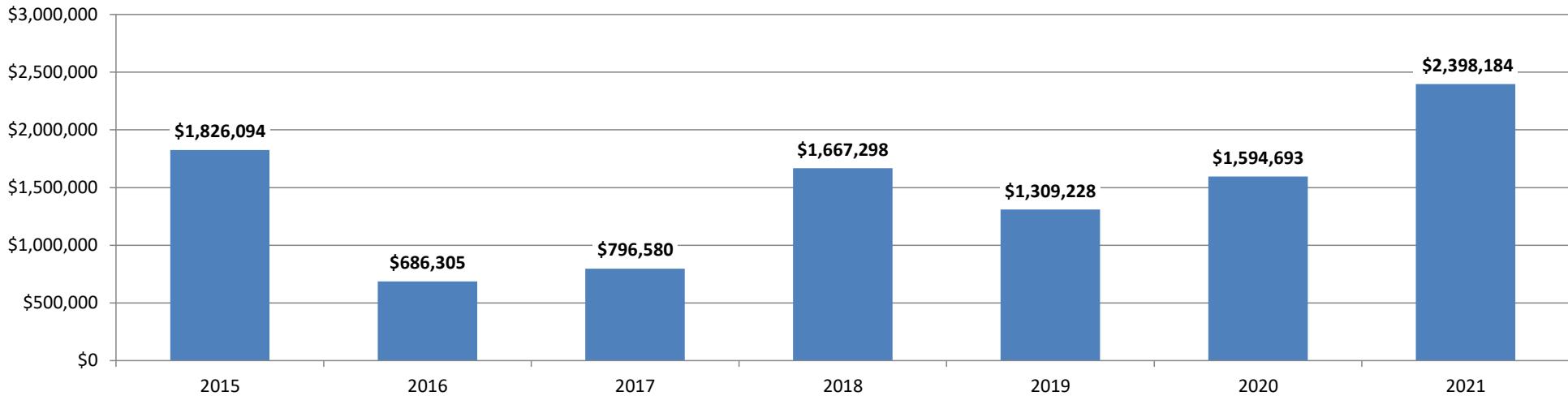


Housing Real Estate Transfer Tax
February 2021

Current Month Revenues are **60.4%** above last year's Monthly Revenues.
 Year To Date Revenues are **181.1%** above Year To Date Budgeted Revenues.
 Year To Date Revenues are **50.4%** 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 | \$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 | \$796,070 | 92.9% | \$853,000 | \$2,398,184 | 181.1% | \$496,350 | 60.4% | \$1,594,693 | 50.4% |
| Mar | \$432,900 | | | \$1,285,900 | | | \$598,199 | | \$2,192,893 | |
| Apr | \$560,000 | | | \$1,845,900 | | | \$505,915 | | \$2,698,808 | |
| May | \$566,200 | | | \$2,412,100 | | | \$110,180 | | \$2,808,988 | |
| June | \$537,300 | | | \$2,949,400 | | | \$477,350 | | \$3,286,338 | |
| July | \$384,200 | | | \$3,333,600 | | | \$885,546 | | \$4,171,884 | |
| Aug | \$524,800 | | | \$3,858,400 | | | \$2,542,417 | | \$6,714,301 | |
| Sept | \$746,400 | | | \$4,604,800 | | | \$3,947,332 | | \$10,661,632 | |
| Oct | \$644,600 | | | \$5,249,400 | | | \$2,928,865 | | \$13,590,497 | |
| Nov | \$439,200 | | | \$5,688,600 | | | \$1,717,838 | | \$15,308,335 | |
| Dec | \$511,400 | | | \$6,200,000 | | | \$2,281,317 | | \$17,589,652 | |

Actual Collections Year To Date Through February



Wheeler Opera House Real Estate Transfer Tax
February 2021

Current Month Revenues are 57.4% above last year's Monthly Revenues.
Year To Date Revenues are 176.6% above Year To Date Budgeted Revenues.
Year To Date Revenues are 50.0% 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 | \$413,788 | 93.5% | \$449,200 | \$1,242,670 | 176.6% | \$262,833 | 57.4% | \$828,432 | 50.0% |
| Mar | \$221,500 | | | \$670,700 | | | \$567,936 | | \$1,396,369 | |
| Apr | \$291,700 | | | \$962,400 | | | \$448,184 | | \$1,844,552 | |
| May | \$298,400 | | | \$1,260,800 | | | \$58,875 | | \$1,903,427 | |
| June | \$228,300 | | | \$1,489,100 | | | \$248,150 | | \$2,151,577 | |
| July | \$185,600 | | | \$1,674,700 | | | \$464,915 | | \$2,616,492 | |
| Aug | \$272,200 | | | \$1,946,900 | | | \$1,298,686 | | \$3,915,178 | |
| Sept | \$411,300 | | | \$2,358,200 | | | \$2,027,283 | | \$5,942,461 | |
| Oct | \$355,100 | | | \$2,713,300 | | | \$1,495,710 | | \$7,438,171 | |
| Nov | \$230,300 | | | \$2,943,600 | | | \$882,569 | | \$8,320,741 | |
| Dec | \$289,400 | | | \$3,233,000 | | | \$1,161,524 | | \$9,482,264 | |

Actual Collections Year To Date Through February

