

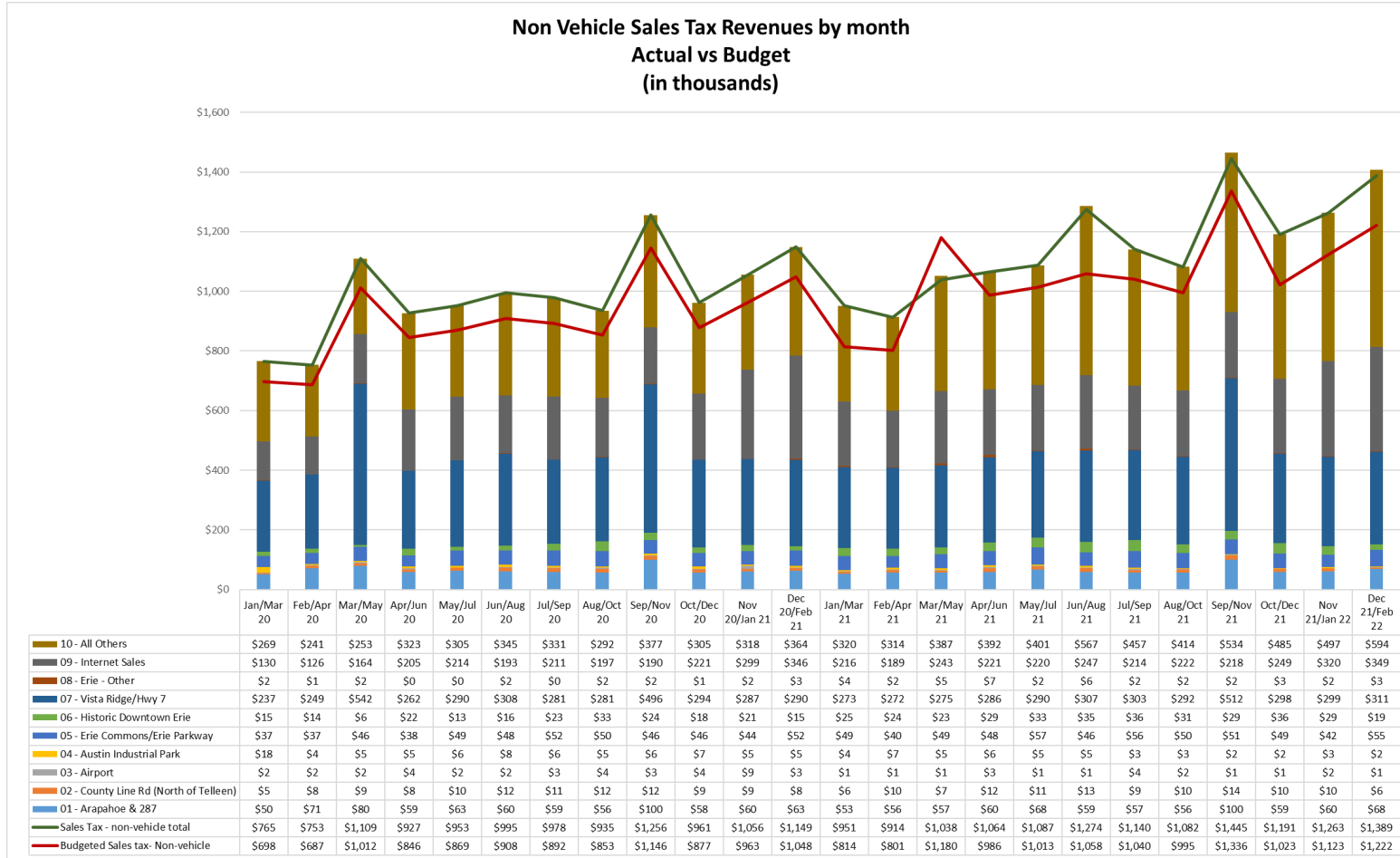


Monthly Sales Tax Update

March 2022 Receipts

Monthly Highlights (non-vehicle sales tax):

- There is a two-month delay between tax filing and receipts. As a statutory Town, the State collects sales tax on the Town's behalf and remits to the Town on a monthly basis.
- Total non-vehicle Sales Tax receipts for March 2022 (Jan filing month) was **\$1 million**, which exceeds the monthly budget of \$960,000.
- **\$385,000 (28%) decrease** from Feb 2022 receipts (Dec filing month). Feb 2022 receipts reflect a spike in sales tax due to holiday shopping.
- **\$52,000 (5%) increase** compared to March 2021 receipts, primarily reflecting growing population, and inflation.
- The budget per month is based on monthly trends from the prior years. While we think that this should smooth out for 2022, the current war in Ukraine is causing new uncertainty in the economy and continues to make predictions by month challenging.





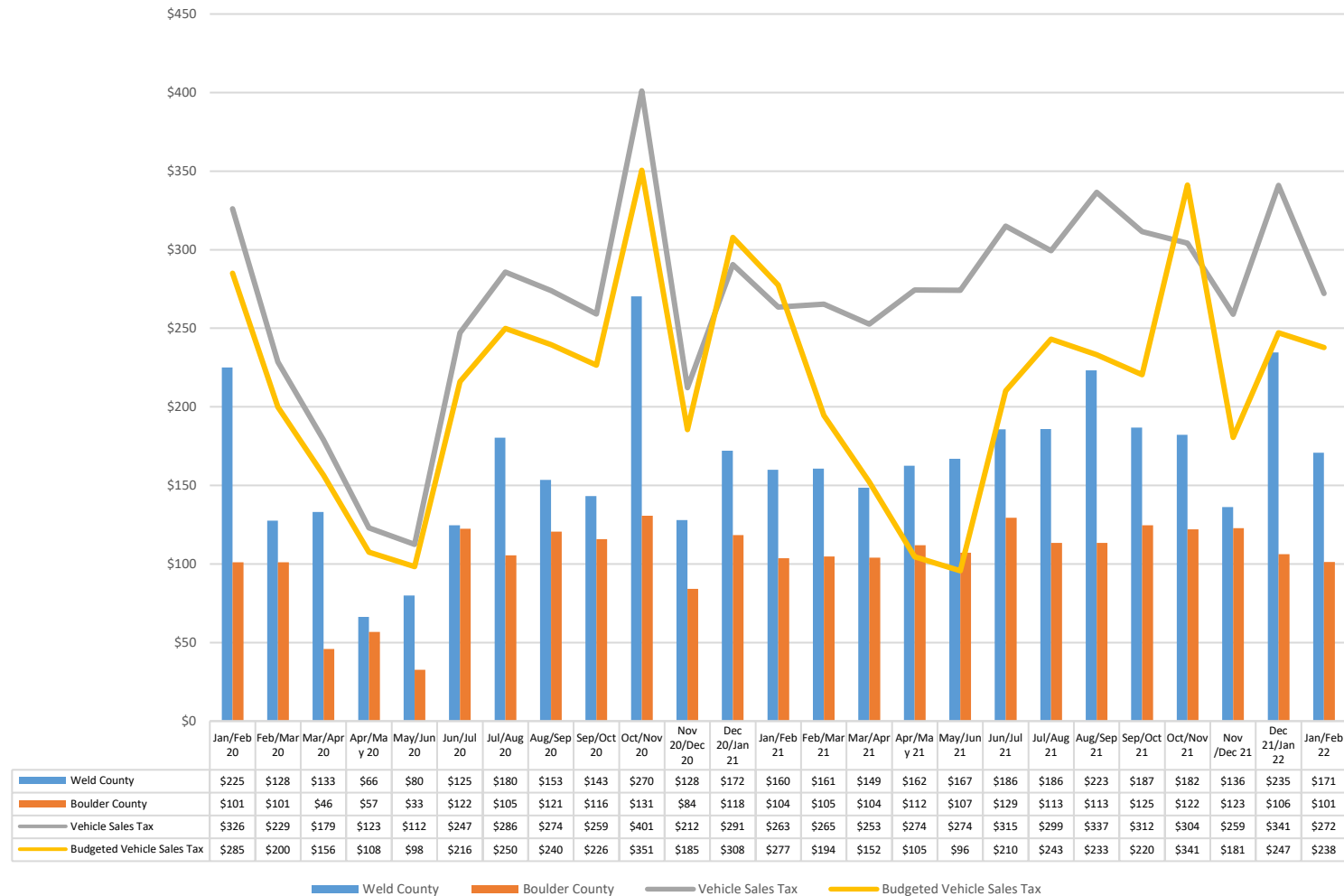
Monthly Sales Tax Update

March 2022 Receipts

Monthly Highlights (vehicle sales tax):

- Vehicle sales tax receipts have a one-month delay. The counties collect taxes and remit to the Town on a monthly basis.
- Total vehicle Sales Tax receipts for March 2022 (February sales) was **\$247,000**, which exceeds the monthly budget of \$239,000.
- **\$25,000 (9%) decrease** from Feb 2022 receipts (Jan sales), likely due to supply constraints.
- **\$18,000 (7%) decrease** compared to March 2021 receipts, primarily due to ongoing supply chain disruptions.
- Total vehicle sales tax receipts for 2022 to-date is **\$519,400**, which exceeds total monthly budget to-date of \$477,000.
- The budget per month is based on monthly trends from the prior years. While we think that this should smooth out for 2022, the current war in Ukraine is causing new uncertainty in the economy and continues to make predictions by month challenging.

Vehicle Sales Tax Revenues by month
Actual vs Budget
(in thousands)

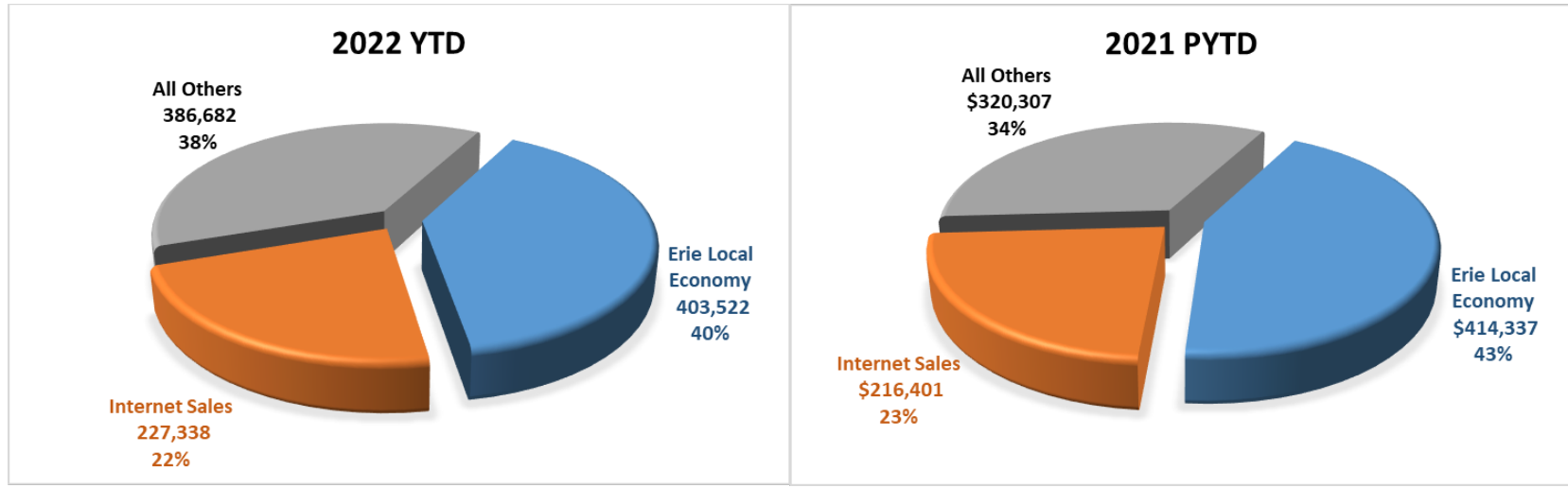




Monthly Sales Tax Update

March 2022 Receipts

Non-vehicle Sales tax breakdown by Local Economy vs. Others



- 40% of the total March 2022 non-vehicle sales tax receipts (Jan filing month) are generated from within Erie, compared to 43% in March 2021, primarily due to some tax delinquencies from local businesses in 2022. Staff is actively working with the State to collect these delinquencies.
- Of the \$1 million of non-vehicle sales tax receipts in March, \$520,000 (51%) comes from the top 10 taxpayers, compared to \$470,000 in March 2021.
- The “All Others” category includes sales tax generated from vendors outside of Erie, utilities and cables companies. This category makes up 38% in March 2022, compared to 34% in the same period last year, primarily due to a combination of increase in construction activities, inflation, and prices affected by supply chain disruptions.
- Internet sales continues to make up a significant portion of Erie’s total non-vehicle sales tax revenues. 22% of the March 2022 non-vehicle tax receipts come from internet sales, compared to 23% in the same period last year.
- Overall, we expect these allocations to remain the same as 2021, until Lowe’s and King Soopers at Nine Mile come online. As the Town attracts more commercial development and new businesses, we should see Erie Local Economy portion to increase.



Monthly Sales Tax Update

March 2022 Receipts

Food and Drinks Establishments Sales tax breakdown by Economic Zone

Sales tax from Food and Drinks establishments make up approximately 7% of the total non-vehicle sales tax or 17% of the total sales tax generated within Erie. March 2022 sales tax receipt (Jan filing month) from these establishments is \$56,000, which is \$10,000 (15%), lower than prior month, and \$26,000 (32%) lower than March 2021 receipts due to late filing and payment delinquencies. Staff is actively working with the State on collecting these delinquent taxes.

