

General Overview

California sales tax receipts increased by 22.9% over the same quarter from last year, with Northern California reporting a 23.8% increase compared to a 22.3% increase for Southern California. Sales tax receipts for the City of Turlock increased by 19.9% over the same period. The large gain in the City of Turlock and throughout the state this quarter is due to large payments for prior quarters. Namely, 2018Q2 and 2018Q3, in which the CDTFA experienced some delays resulting in returns being left unprocessed. The next few quarters will see an artificial jump as the CDTFA finishes processing.

GDP: Rose 3.4% in 3Q2018; 4.2% in 2Q2018. California GDP rose by 3.3% in the second quarter of 2018, following 3.7% growth in the first quarter on a year-over-year basis

E-Commerce as a Percent of Total U.S. Sales (3Q2018): 9.8% in 3Q2018. 9.6% in 2Q2018. 9.4% in 1Q2018. 9.1% in 4Q2017. 3Q2018 e-commerce estimate increased 14.5% from 3Q2017 while total retail sales increased 5.3% in the same period. E-commerce sales in 3Q2018 accounted for 9.8% of total sales.

Holiday Spending: Retail sales rose 5.1% between November 1 and December 24 from a year ago. Total sales topped \$850 billion this year. Online sales continued to grow, up more than 19% from a year ago, Online sales made up 13% of total retail sales.

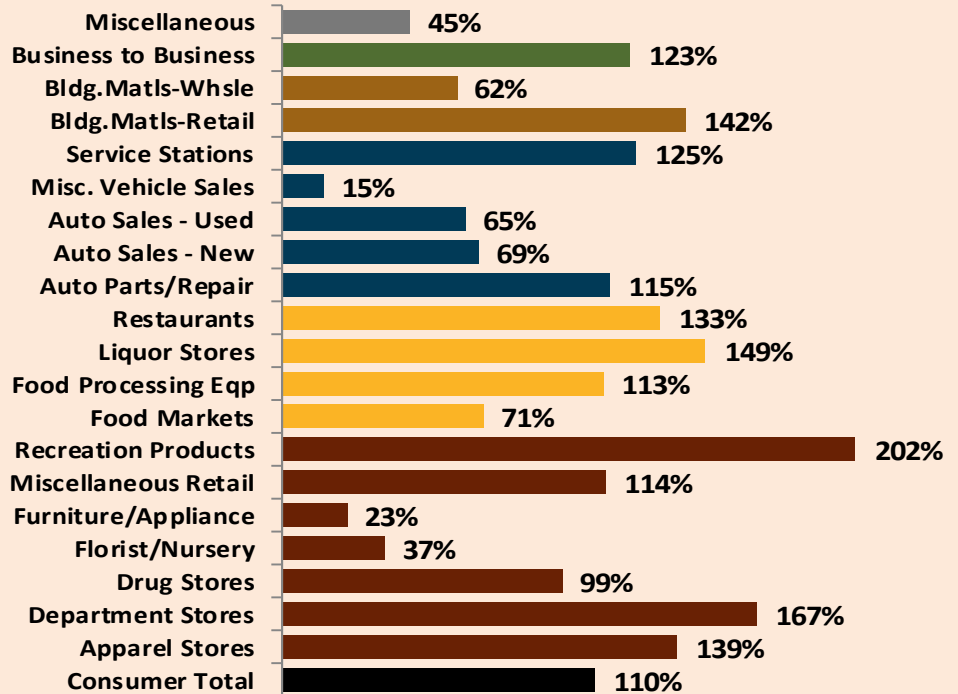
Quarterly Business Activity Performance Analysis

2018Q3 Taxable Sales	\$	443.2	million
2017Q3 Taxable Sales	\$	370.7	million
Percent Change		19.6%	



Turlock: 3rd Quarter 2018 Sales Tax Capture & Gap Analysis Report

Percent of Potential Sales Tax: Less than 100% indicates Leakage and more than 100% indicates capture. It compares Turlock's Sales Tax Revenue to other cities throughout the Central Valley based on purchasing habits and disposable income.

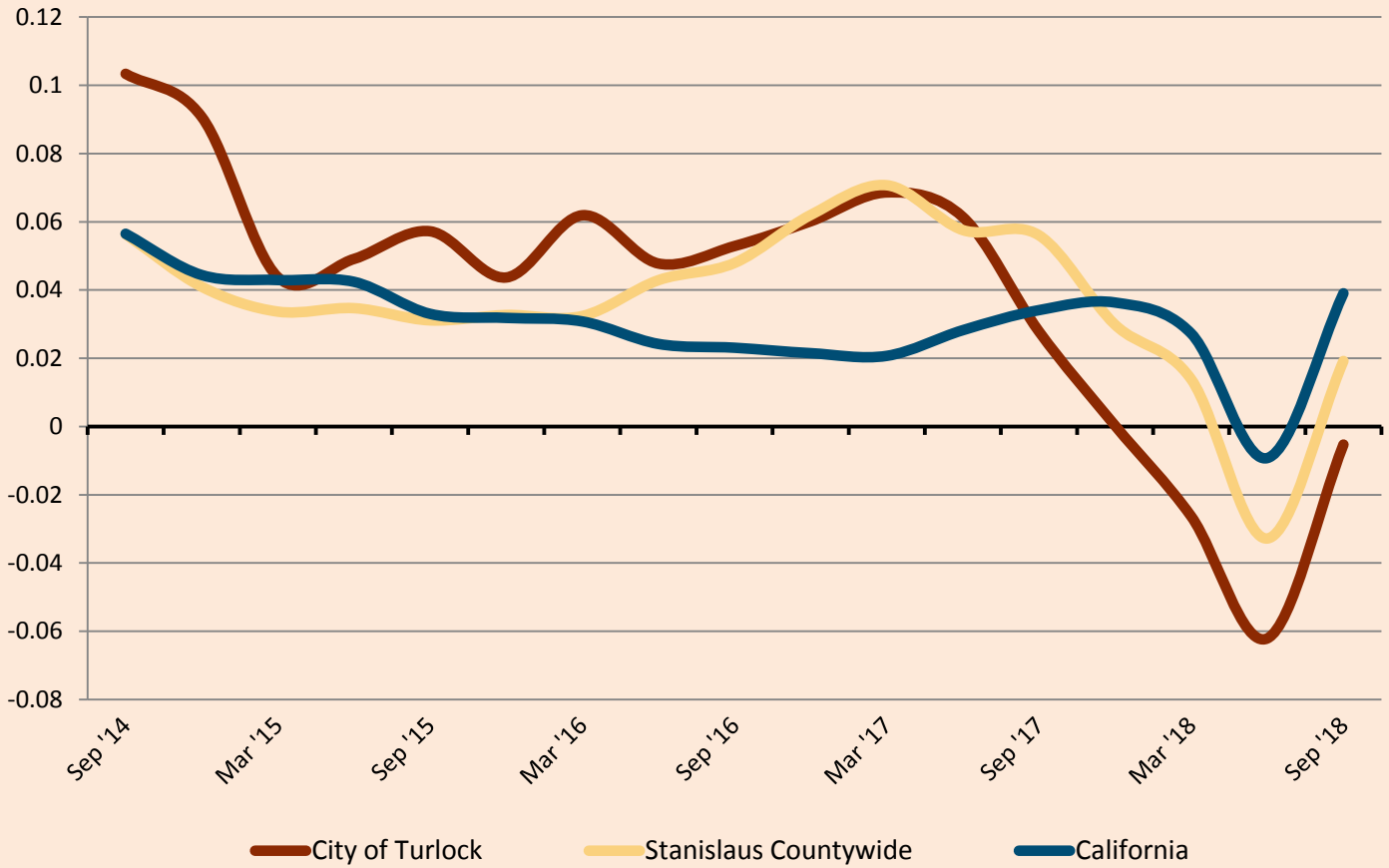


Top 25 Sales & Use Tax Generators

The list is alphabetical and is based on sales from Oct. 2017 through Sep. 2018. These twenty five businesses generate 53% of Turlock's Sales and Use Tax Revenue.

ARCO AM/PM	JKB ENERGY CORPORATION	ROSS STORES
AT & T MOBILITY	KOHL'S	SAFEWAY
BON. PONTIAC/BUICK/GMC	LOWE'S HOME CENTERS	SAVE MART
CHEVRON	MCDONALD'S	SHELL SERVICE STATIONS
CHRYSLER DODGE JEEP RAM	N & S TURLOCK	SMITH CHEVROLET
COSTCO WHOLESALE	NELSON-JAMESON	TARGET STORE
GARTON TRACTOR	OLD NAVY	TJ MAXX
HOME DEPOT	QUIK STOP	WAL MART STORES
IND. ELECTRIC SUPPLY		

Annualized Change in Sales Tax Cash Receipts



Sales Tax Revenue on a Cash Basis

	2018Q3	2017Q3	% Change
General Retail	1,237,922	1,099,206	12.6%
Food Products	641,401	563,418	13.8%
Transportation	982,173	718,358	36.7%
Construction	414,930	369,540	12.3%
Business To Business	577,634	523,867	10.3%
Miscellaneous	37,176	25,184	47.6%
Gross 1%	3,891,236	3,299,573	17.9%
County Pool	539,253	405,261	33.1%
State Pool	2,002	2,548	-21.4%
County Sharing	(221,625)	(185,369)	-19.6%
Administration	(36,042)	(40,678)	11.4%
Subtotal	283,589	181,762	-56.0%
Total Sales Tax	4,174,826	3,481,335	19.9%

Sales Tax Cash Basis Performance Stanislaus County

	% Change
Ceres	36.0%
Modesto	19.3%
Newman	36.8%
Oakdale	34.4%
Patterson	31.4%
Riverbank	35.3%
Turlock	19.9%
Waterford	34.2%
Hughson	0.4%-
Unincorporated	26.6%
Countywide	24.3%

