

## General Overview

California sales tax receipts increased by 2.8% over the same quarter from last year, with Northern California reporting a 2.7% increase compared to 2.9% for Southern California. Receipts for the City of Turlock changed by 6.6% over the same periods.

Much of the increase was in Business Services, Restaurants, Leasing and Apparel Stores. Service Stations continue to decline. The one year average for the segment's percent of total sales tax is now just over half of what it was during the peak of 2012Q2. Building Materials Wholesale and Heavy Industry also experienced significant declines.

Employment in California continues to grow. Quarter over quarter employment growth for 2016Q4 is 1.7%, while the total California labor force grew by just 1.1%. The difference comes from the unemployment rate which declined by 0.6% from 5.6% in 2015Q4 to 5% in 2016Q4. (EDD)

Gas prices in California may rise significantly in 2017. Several OPEC nations have agreed to reduce crude oil production by 1.2 million barrels a day, while Russia and other non OPEC countries are planning cuts of 600,000 barrels a day. Limited supply of crude oil will drive up its price per barrel, which may consequently affect gas prices. GasBuddy.com analyst Allison Mac, predicts a gas price jump of 50 to 80 cents by Memorial Day. (Mercury News)

## Quarterly Business Activity Performance Analysis

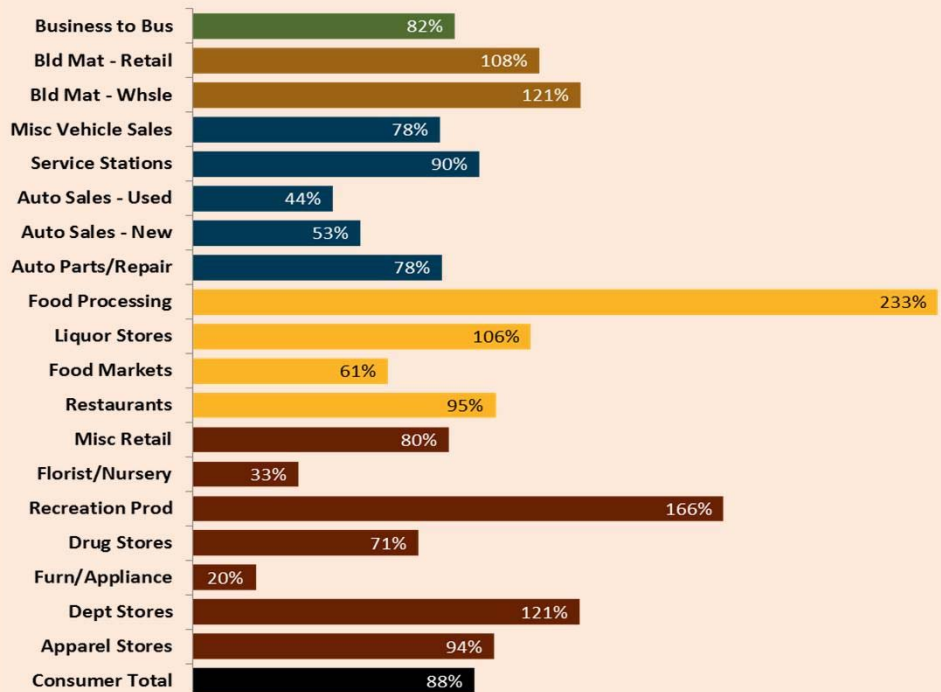
2016Q4 Taxable Sales	\$	342.3	million
2015Q4 Taxable Sales	\$	308.1	million
Percent Change		11.1%	



# City of Turlock

## Turlock: 4th Quarter 2016 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.

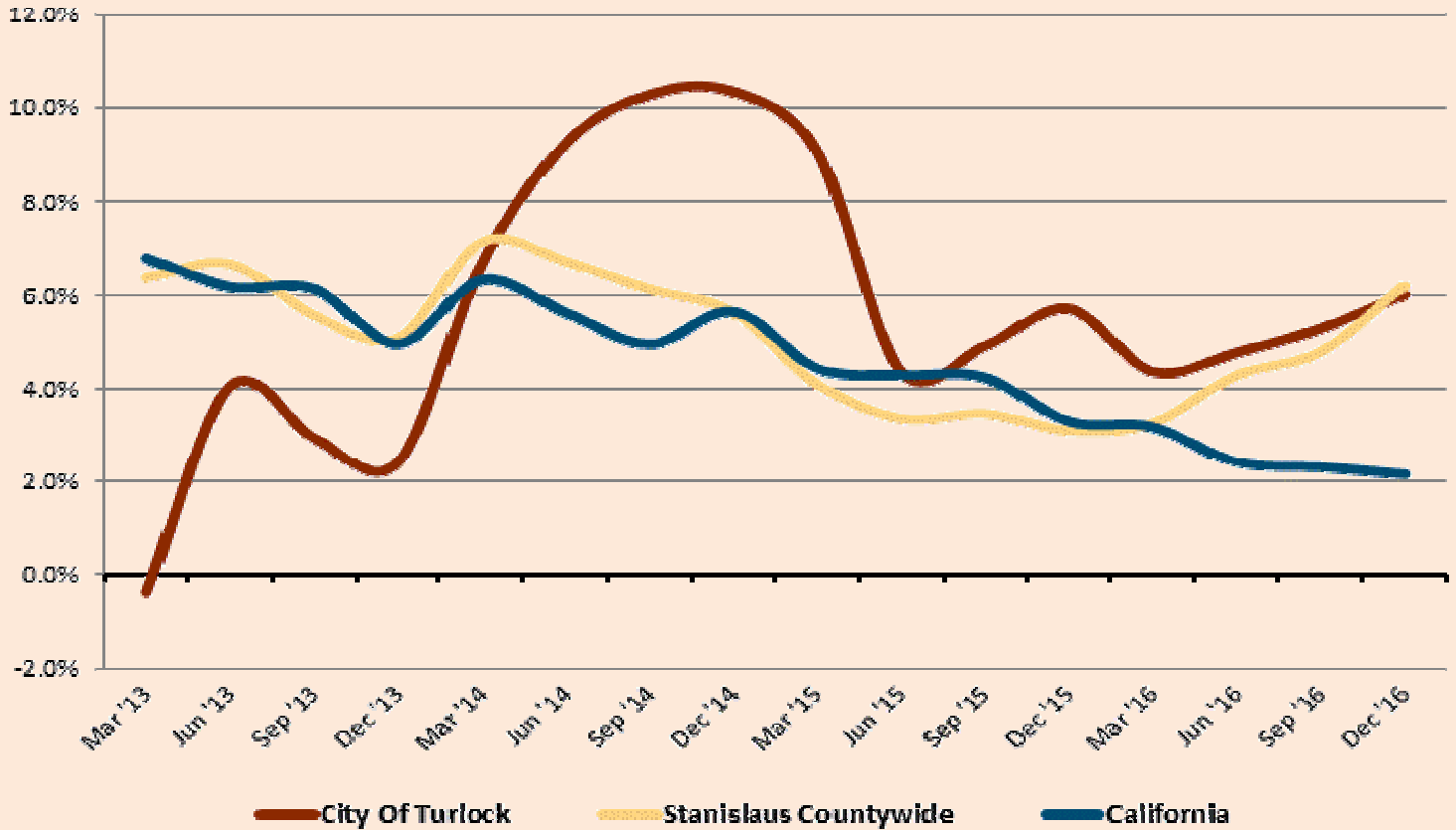


## Top 25 Sales & Use Tax Generators

The list is alphabetical and is based on Sales from Jan 2016 through Dec 2016. These twenty five businesses generate 48% of Turlock's Sales and Use Tax Revenue.

ARCO AM/PM	INDEPENDENT ELEC. SPLV.	ROSS STORES
AT & T MOBILITY	INTL. WOOD IND.	SAFEWAY
BONANDER GMC	JKB ENERGY	SAVE MART
CALORIS ENG.	KOHL'S	SMITH CHEVROLET
COSTCO	LOWE'S	TARGET
DIAMOND TRUCK SALES	MCDONALD'S	TJ MAXX
DICK'S SPORTING GOODS	N & S TRACTOR	TURLOCK CHRYS. DODGE JEEP
GARTON FORD TRACTOR	NELSON-JAMESON	WAL MART
HOME DEPOT		

Annualized Change in Sales Tax Cash Receipts



Sales Tax Revenue on a Cash Basis

	2016Q4	2015Q4	% Change
General Retail	1,206,154	1,166,502	3.4%
Food Products	681,584	625,564	9.0%
Transportation	630,701	674,792	-6.5%
Construction	426,522	451,510	-5.5%
Business To Business	490,852	420,986	16.6%
Miscellaneous	19,527	2,894	574.7%
<b>Gross 1%</b>	<b>3,455,341</b>	<b>3,342,247</b>	3.4%
County Pool	605,903	457,104	32.6%
State Pool	3,640	7,558	-51.8%
County Sharing	(203,244)	(190,345)	-6.8%
Administration	(44,468)	(34,641)	-28.4%
<b>Subtotal</b>	<b>361,831</b>	<b>239,676</b>	-51.0%
<b>Total Sales Tax</b>	<b>3,817,172</b>	<b>3,581,923</b>	6.6%

Sales Tax Cash Basis Performance Stanislaus County

	% Change
Ceres	5.0%
Modesto	9.3%
Newman	14.1%
Oakdale	8.8%
Patterson	24.4%
Riverbank	9.0%
Turlock	6.6%
Waterford	0.2%
Hughson	20.1%
Unincorporated	10.3%
Countywide	9.6%