

## General Overview

California sales tax receipts increased by 4.3% over the same quarter from last year, with Northern California reporting a 5.2% increase compared to 3.6% for Southern California. Sales tax receipts for the City of Turlock decreased by 2.9% over the same period. A majority of the decline in the City of Turlock was in the building materials wholesale economic segment.

**Federal Tax Refrom Bill's Impact on California.** Economic growth may be Federal Tax Refrom Bill's Impact on California. Economic growth may be reduced if the housing market is dampened. Employment and income growth may increase in 2018 because of the investment incentive. (UCLA Aderson)

**2017 Holiday Season May Mean Retail's Big Comeback.** U.S. retail spending, excluding the automotive category, was up 4.9% for the months of November and December in 2017 compared to the same period last year. (Mastercard SpendingPulse Report)

**Employment in California Still Going Strong.** The unemployment rate was at 4.7% in September 2017, compared to 5.2% in the same period of 2016. Looking at the same period from 1990 to present, the unemployment rate has only been lower in two years, 2000 and 2006 which were both at 4.6%. (EDD)

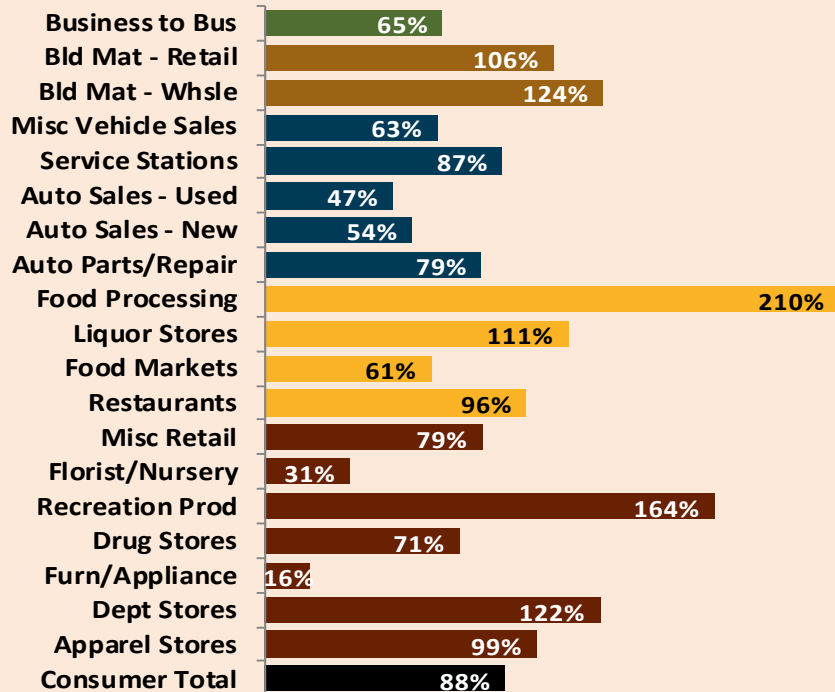
## Quarterly Business Activity Performance Analysis

2017Q3 Taxable Sales	\$ 320.1 million
2016Q3 Taxable Sales	\$ 324.5 million
Percent Change	-1.3%



## Turlock: 3rd Quarter 2017 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.

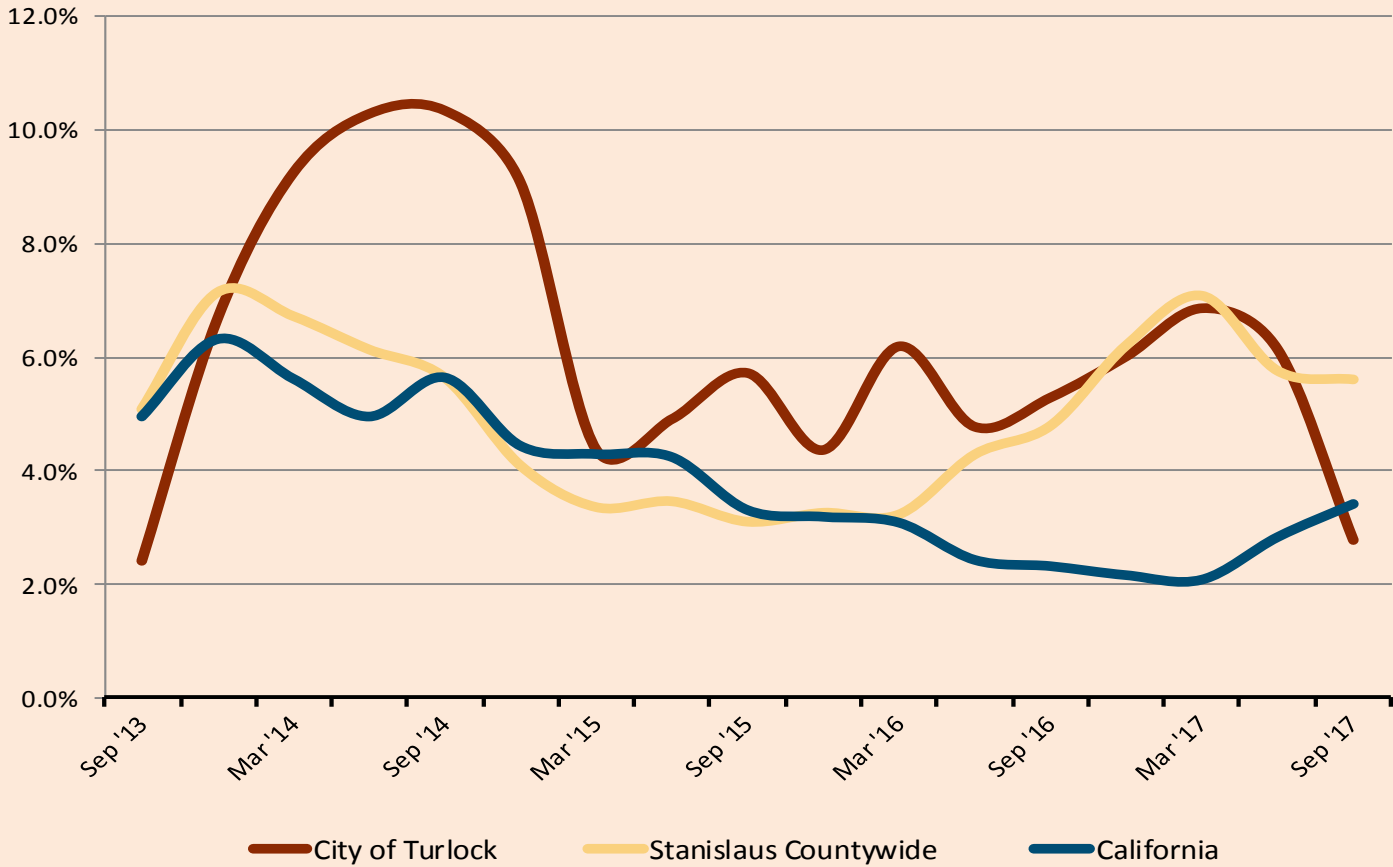


## Top 25 Sales & Use Tax Generators

The list is alphabetical and is based on sales from Oct. 2016 through Sept. 2017. These twenty five businesses generate 48.3% of Turlock's Sales and Use Tax Revenue.

ARCO AM/PM	JOE GOMES & SONS	SAVE MART
AT & T MOBILITY	KOHL'S	SHAMBAUGH & SON
BONANDER GMC	LOWE'S	SHELL
CHEVRON	MCDONALD'S	SMITH CHEVROLET
COSTCO	N & S TRACTOR COMPANY	TARGET
GARTON FORD TRACTOR	NELSON-JAMESON	TJ MAXX
HOME DEPOT	ROSS	TURLOCK CHRYS. DODGE JEEP
IND ELECTRIC SUPPLY	SAFEWAY	WAL MART
JKB ENERGY		

Annualized Change in Sales Tax Cash Receipts



Sales Tax Revenue on a Cash Basis

	2017Q3	2016Q3	% Change
General Retail	1,087,143	1,014,872	7.1%
Food Products	618,949	587,327	5.4%
Transportation	711,210	701,079	1.4%
Construction	547,485	623,395	-12.2%
Business To Business	303,388	341,699	-11.2%
Miscellaneous	31,399	28,447	10.4%
<b>Gross 1%</b>	<b>3,299,573</b>	<b>3,296,819</b>	0.1%
County Pool	405,261	520,930	-22.2%
State Pool	2,548	1,156	120.4%
County Sharing	(185,369)	(190,945)	2.9%
Administration	(40,678)	(43,601)	6.7%
<b>Subtotal</b>	<b>181,762</b>	<b>287,540</b>	36.8%
<b>Total Sales Tax</b>	<b>3,481,335</b>	<b>3,584,359</b>	-2.9%

Sales Tax Cash Basis Performance Stanislaus County

	% Change
Ceres	7.0%
Modesto	0.5%-
Newman	1.3%-
Oakdale	2.1%-
Patterson	103.9%
Riverbank	0.8%
Turlock	2.9%-
Waterford	4.8%
Hughson	22.0%
Unincorporated	4.5%
Countywide	4.2%