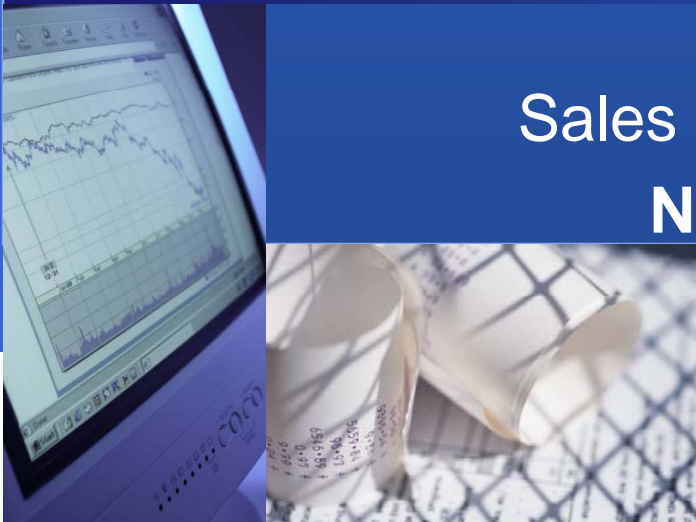




Economic Development Subcommittee

Sales Tax Revenue Overview
November 17, 2008



Department of Administrative Services

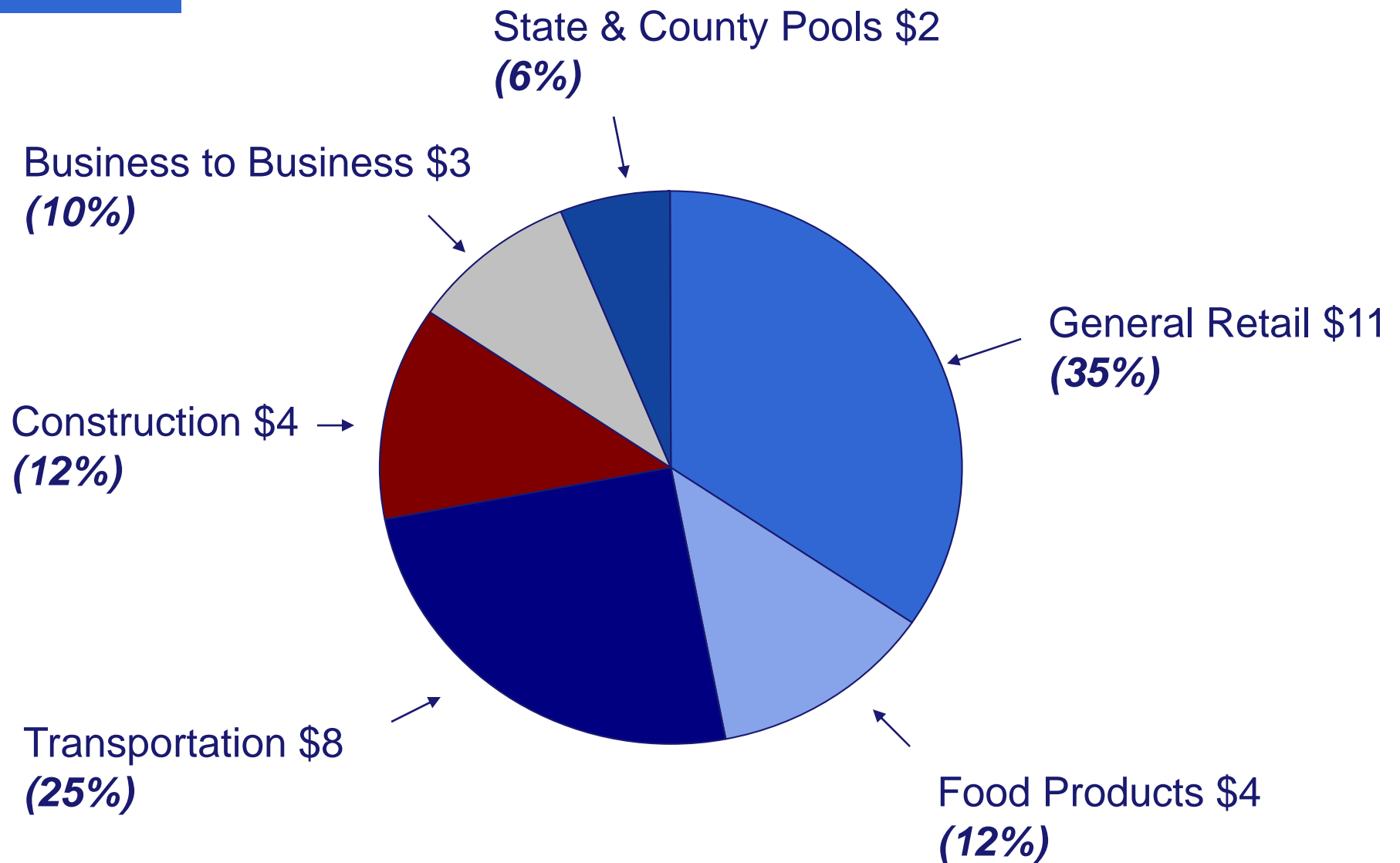


Sales Tax Forecast Update Process

- Perform detailed analysis on each sales tax category
- Consider new and closed businesses
- Include changes related to:
 - Construction related spending
 - Fuel prices
 - New car sales projections
 - Holiday sales projections
 - Business to Business impacts
- Consider potential new sales tax sources



Sales Tax by Category (\$32 million)





First Quarter 2008/09 Summary

- Cash received for 1st quarter of fiscal year for economic activity during April - June
- Sales Tax cash receipts down (9.3%) from the same quarter last year
- Economic activity down across all categories
- Eight consecutive quarters of negative Sales Tax growth; down (5.7%) year over year



First Quarter Sales Tax Results (1 of 2)

- General Retail category down (4%)
 - Apparel stores down (2%)
 - Department stores down(2%)
 - Furniture/Appliances down (5%)
 - Miscellaneous retail down (8%)
 - Drug store sales up 1%!
- Transportation category down (8%)
 - New car sales down (24%)
 - Used car sales down (12%)
 - Service stations up 23%
 - Miscellaneous vehicle sales down (0%)



First Quarter Sales Tax Results (2 of 2)

- Food products category down (3%)
 - Restaurants flat
 - Food markets down (4%)
 - Liquor stores down (4%)
- Construction category down (24%)
 - Wholesale building materials down (27)%
 - Retail down (21%)
- Business to Business category down (12%)



Sales Tax Results Around California

Location	First Quarter 08/09
Santa Rosa	(9.3%)
Sonoma County Total	(5.1%)
SF Bay Area	(0.4%)
Central Valley	(1.5%)
Southern California	(4.0%)
State Total	(3.1%)



Other Local Cities Results

Location	First Quarter 08/09
Santa Rosa	(9.3%)
Petaluma	(6.0%)
Rohnert Park	(7.5%)
Windsor	(13.0%)
Healdsburg	(0.4%)
Sonoma County Unincorporated	+3.3%



Historical Auto Sales

Most Recent 4 Quarters	853K	867K	1,017K	1,104K	3,841K
4 Previous Quarters	1,124K	1,067K	1,094K	1,246K	4,531K
4 Previous Quarters	1,178K	1,034K	1,067K	1,310K	4,589K
4 Previous Quarters	1,215K	1,136K	1,163K	1,268K	4,781K
Percent Change	(42%)	(31%)	(14%)	(15%)	(24%)



Sales Tax Summary (1 of 2)

- Santa Rosa's Sales Tax revenue continues to be dramatically impacted by the economic downturn
- Several categories are at the lowest level they have been in several years:
 - New auto sales
 - Department Stores
 - Miscellaneous retail
 - Furniture/appliance sales
 - Retail & wholesale building material sales



Sales Tax Summary (2 of 2)

- Sales tax for 2008/09 is projected to be down approximately (6%) vs. 2007/08
- Second quarter 2008/09 cash receipts results available mid December
- 2008/09 holiday sales tax revenue could be the lowest year over year increase in several years
 - ***Buy Local!!!!***



Questions