

News

- **Will the positive trend in statewide employment continue?** The number of people employed is now at a record 18.1 million, which is 6.2% above its previous peak. Employment growth in California is currently forecasted to be 2.0% for 2016, 1.6% for 2017 and 0.8% for 2018. (UCLA Andersen)
- **Will the growth of taxable sales in restaurants continue?** Visits to fast-food restaurants had been growing at a quarterly clip of 2% since September 2015, but they have not grown at all in March, April or May, according to as-yet-unpublished data from NPD Group, a market research firm. (Wall Street Journal)
- **Will the positive trend in the California Housing Market continue?** While April saw a year-over-year decrease, the number of single-family homes sold in California year-to-date is still 3% higher than in 2015. Declines in growth are anticipated to accompany increases in fixed rate mortgage rates later this year. (firsttuesday Journal)

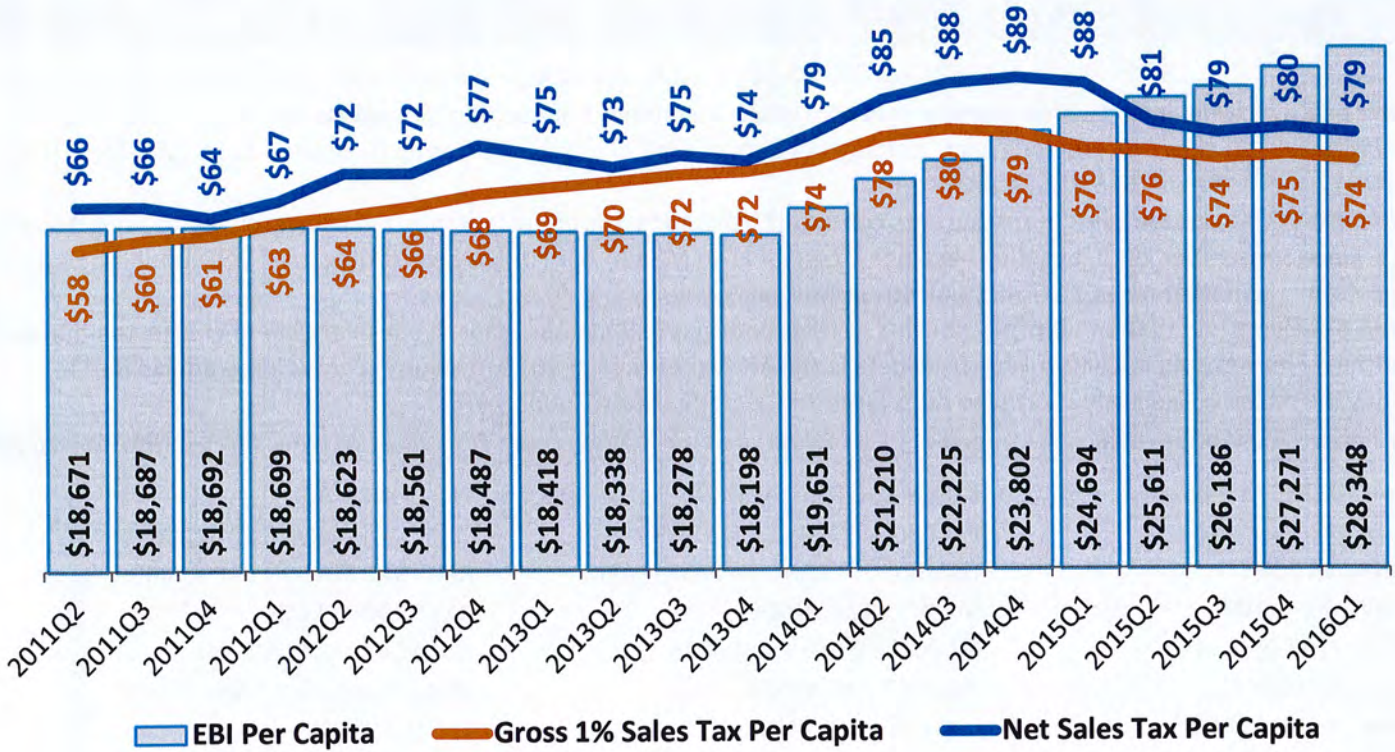
Top 25 Sales Tax Generators

New to Top 25 *

7-ELEVEN FOOD STORES *	EXXON SERVICE STATIONS	PEAY VINEYARDS
ACE HARDWARE	FAST & EASY SERVICE STATIONS	QUIK STOP SERVICE STATIONS
CLASSIC INNOVATIONS	HAMBURGER RANCH & PASTA FARM	RAILROAD STATION BAR & GRILL
CLASSIC MILL & CABINET	MARY'S PIZZA SHACK	RAY'S FOOD PLACE
CLOVERDALE ALE COMPANY *	MCDONALD'S RESTAURANTS	REDWOOD OIL COMPANY
CLOVERDALE AUTO PARTS	NO LIMIT FINE WINES	SHELL SERVICE STATIONS
CLOVERDALE AUTOMOTIVE *	O'REILLY AUTO PARTS	THE SOIL KING
CLOVERDALE FOOD CENTER	PAPA'S PIZZA CAFE	WEST COAST PROFESSIONAL DOOR
CVS/PHARMACY		

Business Activity	Jan'15 - Mar'15 to Jan'16 - Mar'16			Apr'14 - Mar'15 to Apr'15 - Mar'16		
	Cloverdale	S.F. Bay Area	Statewide	Cloverdale	S.F. Bay Area	Statewide
Total	-2.0%	2.0%	2.9%	-3.3%	2.7%	2.8%
General Retail	17.0%	0.0%	3.1%	16.3%	1.3%	3.0%
Food Products	2.1%	4.3%	3.8%	4.4%	5.6%	5.2%
Transportation	-12.4%	-0.9%	1.5%	-10.5%	-1.0%	0.8%
Construction	9.6%	1.4%	5.6%	-4.8%	6.4%	7.8%
Business To Business	-13.6%	6.2%	1.4%	-18.6%	4.1%	-0.6%
Service Stations	-15.0%	-9.7%	-7.0%	-13.1%	-14.1%	-11.3%
Restaurants	6.2%	5.5%	5.9%	3.7%	6.6%	6.5%
Bldg.Matls-Whsle	16.8%	4.0%	10.4%	-8.2%	8.4%	10.3%
Food Markets	0.2%	0.2%	-2.4%	5.7%	2.0%	0.9%
Auto Parts/Repair	2.2%	3.4%	4.5%	6.1%	3.3%	5.3%
Bldg.Matls-Retail	-2.7%	-1.4%	0.5%	2.9%	4.2%	5.0%
Drug Stores	0.2%	2.0%	2.5%	-0.2%	3.2%	2.1%
Food Processing Eqp	-20.5%	1.4%	3.0%	-1.5%	6.1%	7.5%
Miscellaneous Retail	100.7%	2.5%	4.8%	56.4%	3.4%	4.5%
Liquor Stores	19.4%	5.1%	3.9%	12.8%	6.0%	4.2%
Florist/Nursery	30.2%	3.5%	4.0%	48.4%	6.8%	5.9%
Furniture/Appliance	49.0%	0.2%	12.5%	49.8%	2.0%	9.1%
Health & Government	2.9%	-11.9%	2.7%	-4.5%	-0.1%	2.3%
Miscellaneous Other	-53.3%	-0.5%	41.3%	11.1%	-7.4%	15.7%

Per Capita Annual Effective Buying Income Compared to Per Capita Gross and Net Sales Tax

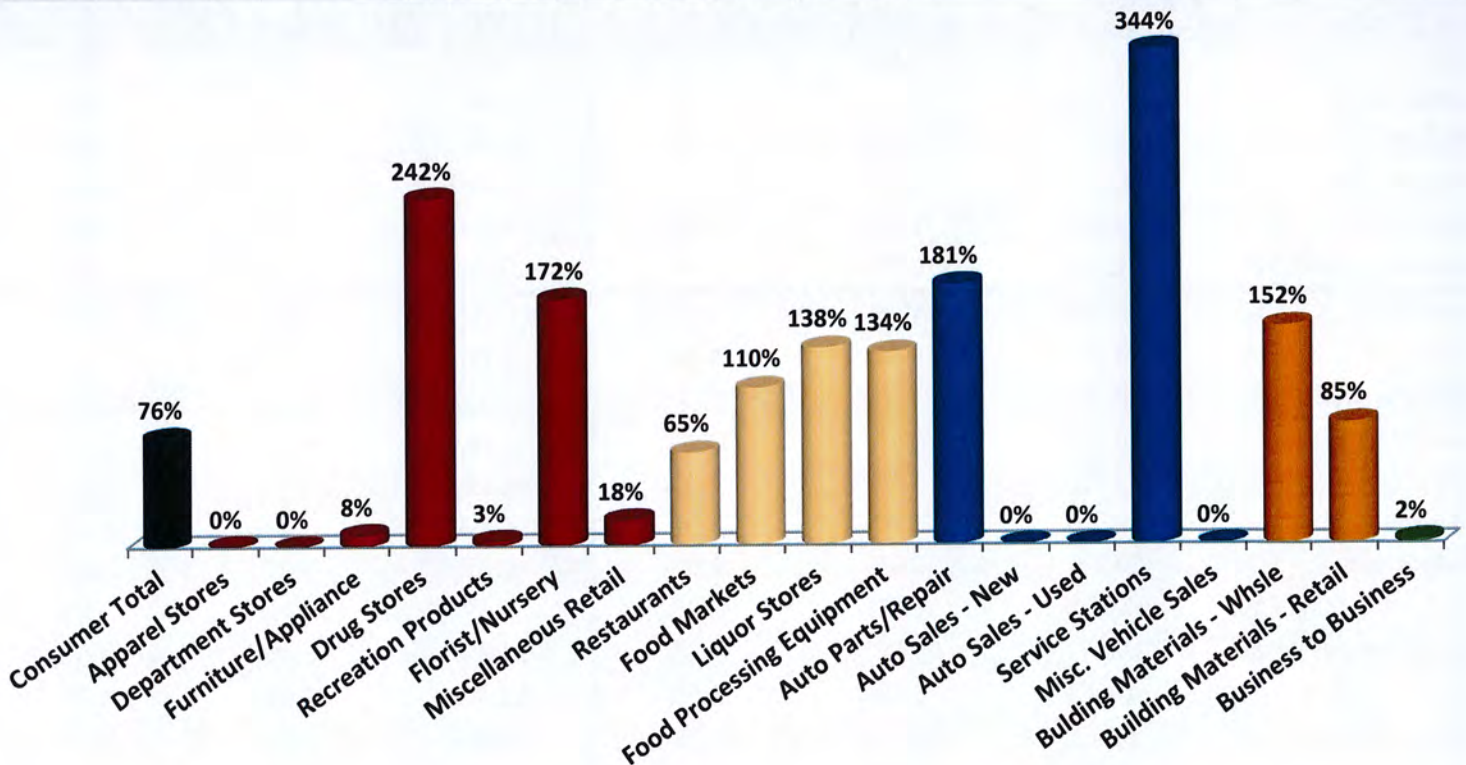


A Correlation Coefficient (CC) > .30 is a Moderate to Strong Correlation.

Net Sales Tax = Cash Gross 1% + Co Pool + State Pool - Admin Fees

CC Net Sales Tax:	0.61
CC Gross 1%:	0.62

Cloverdale: 1st Quarter 2016 Sales Tax Capture & Gap Analysis Report



The chart is an overview of how well Sonoma is capturing potential sales tax based on its residents' effective buying income (disposable income) compared to purchasing habits in the S.F. Bay Area region.