

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a quarterly clip of 2% since September 2015, but they have not grown at all in March, April or May, according to as-yet-unpublished data from NPD Group, a market research firm.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)

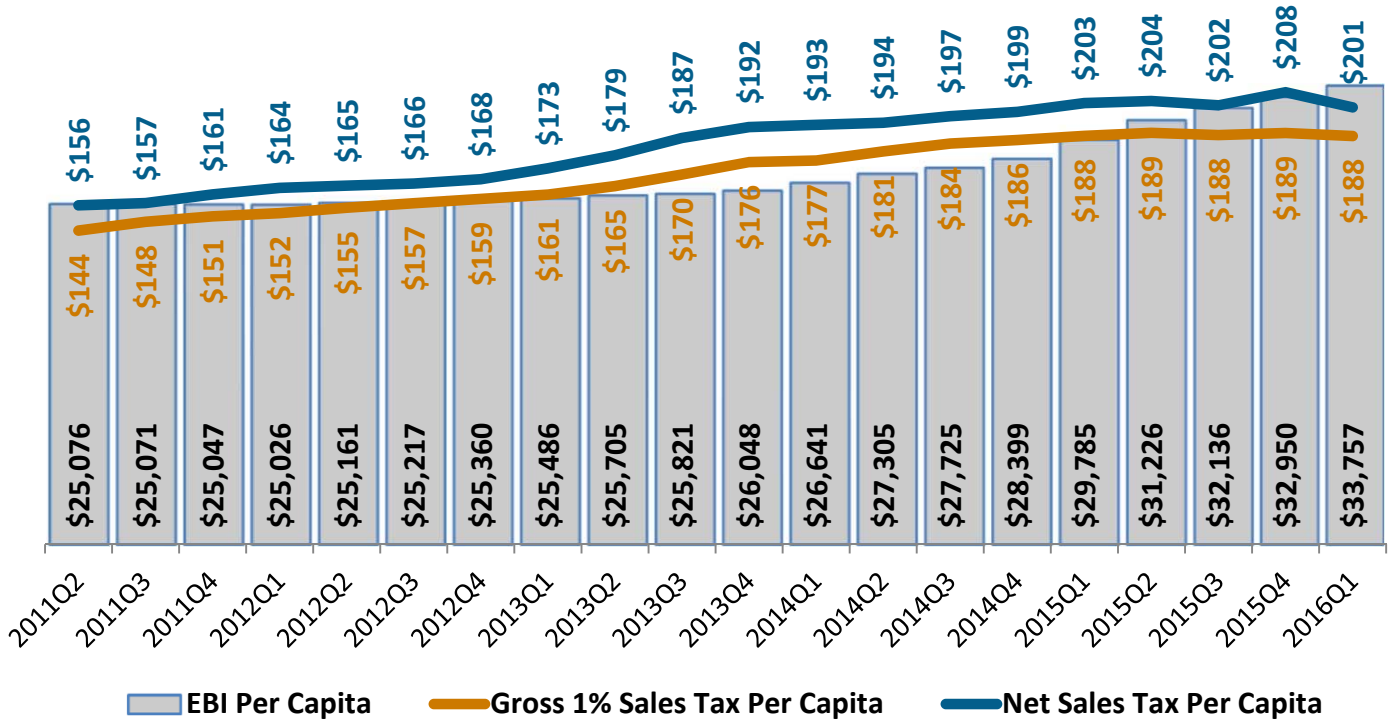
Top 25 Sales Tax Generators

New to Top 25 *

AUTO WORLD DODGE/CHRYSLER/JEEP	K MART STORES	SHAMROCK MATERIALS
CHEVRON SERVICE STATIONS	KOHL'S DEPARTMENT STORES	SHELL SERVICE STATIONS
CVS/PHARMACY	LAGUNITA'S BREWING COMPANY	TARGET STORES
DICK'S SPORTING GOODS	NIKE FACTORY STORE *	TJ MAXX
FISHMAN SUPPLY COMPANY	NORTH BAY NISSAN *	USA SERVICE STATIONS
FRIEDMAN'S HOME IMPROVEMENT	SAFEWAY STORES	VALERO SERVICE STATIONS
HANSEL HONDA	SAVE MART SUPERMARKETS	VICTORY CHEV/CADILLAC/OLDS/GEO
HANSEL TOYOTA & RV	SCOTT LABORATORIES	WHOLE FOODS MARKET *
HENRY CURTIS FORD & MERCURY		

Business Activity	Jan'15 - Mar'15 to Jan'16 - Mar'16			Apr'14 - Mar'15 to Apr'15 - Mar'16		
	Petaluma	S.F. Bay Area	Statewide	Petaluma	S.F. Bay Area	Statewide
Total	1.1%	2.0%	3.0%	1.1%	2.7%	2.8%
General Retail	2.0%	0.0%	3.1%	1.5%	1.3%	3.0%
Food Products	-1.4%	4.2%	3.8%	4.6%	5.6%	5.2%
Transportation	5.1%	-0.9%	1.4%	1.9%	-1.0%	0.8%
Construction	-5.1%	1.6%	5.7%	12.3%	6.5%	7.9%
Business To Business	-2.6%	6.2%	1.4%	-13.9%	4.1%	-0.6%
Auto Sales - New	4.1%	2.1%	4.4%	5.8%	6.2%	7.2%
Restaurants	4.8%	5.5%	5.8%	6.3%	6.6%	6.5%
Service Stations	2.0%	-9.8%	-7.0%	-10.9%	-14.1%	-11.3%
Apparel Stores	3.3%	0.4%	1.7%	4.0%	1.7%	2.3%
Food Markets	1.5%	0.2%	-2.4%	3.1%	2.0%	0.9%
Miscellaneous Retail	5.6%	2.6%	4.9%	4.9%	3.5%	4.5%
Bldg.Matls-Retail	-7.4%	-0.9%	0.7%	14.3%	4.3%	5.1%
Department Stores	1.6%	-3.3%	-0.3%	1.6%	-1.5%	0.5%
Bldg.Matls-Whsle	-1.6%	4.0%	10.4%	9.6%	8.4%	10.3%
Light Industry	4.3%	28.7%	8.6%	-30.4%	10.8%	3.3%
Auto Parts/Repair	13.0%	3.4%	4.5%	8.8%	3.3%	5.3%
Chemical Products	24.8%	10.8%	-2.4%	-19.6%	2.0%	-4.1%
Food Processing Eqp	-46.2%	1.4%	3.1%	0.2%	6.1%	7.5%
Furniture/Appliance	-4.1%	0.2%	12.4%	-1.1%	1.9%	9.1%

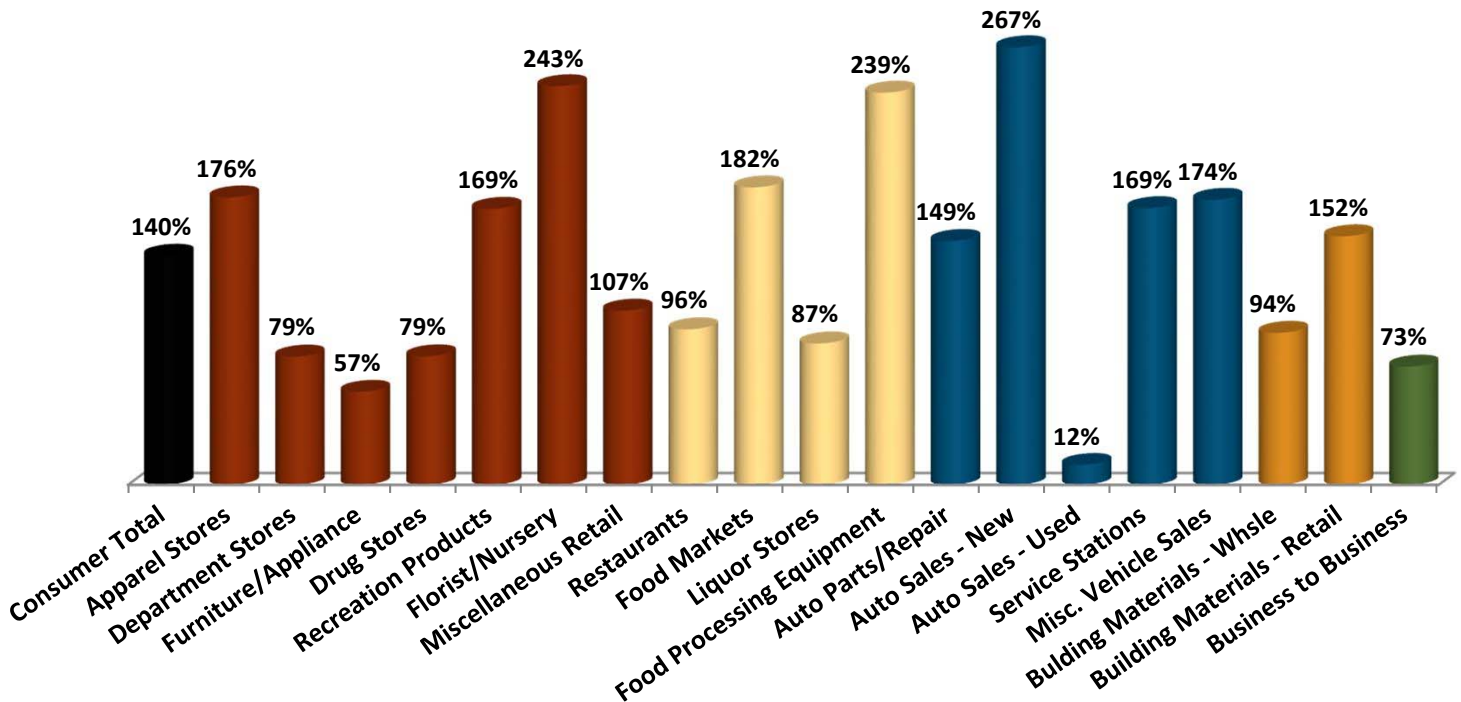
Per Capita Annual Effective Buying Income Compared to Per Capita Gross and Net Sales Tax



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:	0.82
CC Gross 1%	0.84

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



The chart is an overview of how well Petaluma 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.