



# City of Fort Bragg Q1 2022 Sales Tax Update



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August 10, 2022



AN  
**AVENU**  
INSIGHTS & ANALYTICS  
COMPANY

# Sales Tax Performance & Comparisons



# Top 25 Sales Tax Producers (~ 66% of total local businesses sales tax revenue)

ARCO AM/PM MINI MARTS

NOYO HARBOR INN

BOATYARD TOBACCO

O'REILLY AUTO PARTS

CANCLINI TV & APPLIANCE

REDWOOD COAST FUELS

CHEVRON SERVICE STATIONS

RESTAURANTE LOS GALLITOS

CVS/PHARMACY

RINO SERVICE STATIONS

DENNY'S RESTAURANTS

RITE AID DRUG STORES

DOLLAR TREE STORES

ROSSI BUILDING MATERIALS

GEO AGGREGATES

SAFEWAY STORES

HARVEST MARKET

SINCLAIR SERVICE STATIONS

KEMPPE LIQUID GAS

SPORT CHRYSLER-JEEP-DODGE

MCDONALD'S RESTAURANTS

TACO BELL

MENDO MILL & LUMBER COMPANY

THE BREWERY SHOP

TRUE VALUE HARDWARE

# City of Fort Bragg

## Local Business Sales Tax Drivers

### Primary Drivers

- **Food (Markets & Restaurants): 33%**
- **Transportation (Auto Sales & Gas Stations): 21%**
- **Retail: 19%**
- **Construction: 18%**
- **Business to Business: 8%**

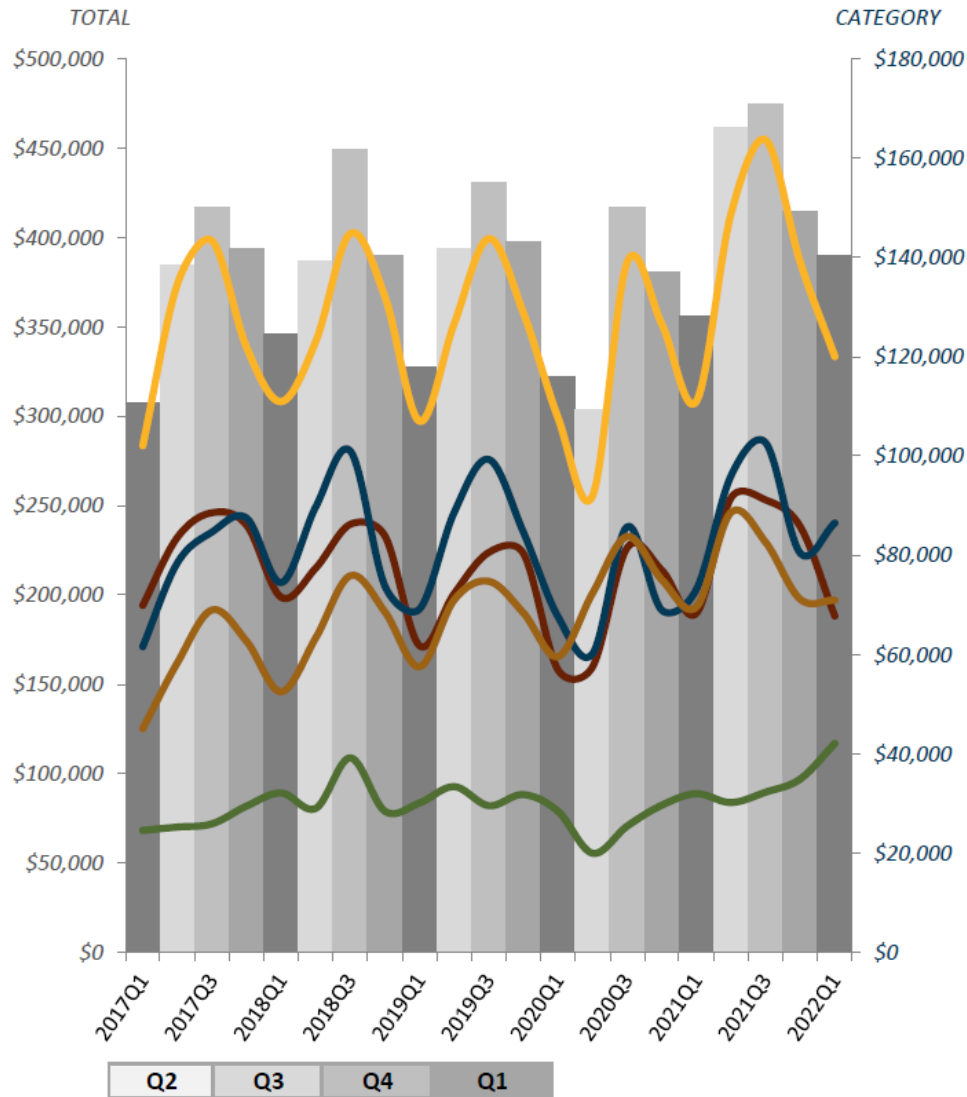
### Others

- **Miscellaneous: 1%**

# Fort Bragg 1% Sales Tax Performance

	YE 2019Q1	YE 2020Q1	YE 2021Q1	YE 2022Q1
<b>Total Receipts</b>	<b>\$1,770,876</b>	<b>\$1,707,450</b>	<b>\$1,817,411</b>	<b>\$2,128,296</b>
<b>Net Pools/Admin/Adj</b>	<b>\$217,302</b>	<b>\$163,564</b>	<b>\$359,958</b>	<b>\$392,390</b>
<b>Local Businesses</b>	<b>\$1,553,574</b>	<b>\$1,543,887</b>	<b>\$1,457,452</b>	<b>\$1,735,906</b>
<b>General Retail</b>	<b>\$309,324</b>	<b>\$290,171</b>	<b>\$284,398</b>	<b>\$336,224</b>
<b>Food Products</b>	<b>\$506,937</b>	<b>\$506,918</b>	<b>\$468,599</b>	<b>\$571,470</b>
Restaurants	275,877	267,482	219,761	<b>317,212</b>
<b>Transportation</b>	<b>\$333,716</b>	<b>\$340,235</b>	<b>\$288,025</b>	<b>\$365,599</b>
Service Stations	184,203	200,659	165,962	<b>229,153</b>
<b>Construction</b>	<b>\$265,430</b>	<b>\$273,761</b>	<b>\$300,814</b>	<b>\$313,371</b>
<b>Business To Business</b>	<b>\$126,824</b>	<b>\$123,236</b>	<b>\$107,098</b>	<b>\$139,523</b>
<b>Miscellaneous</b>	<b>\$11,342</b>	<b>\$9,565</b>	<b>\$8,520</b>	<b>\$9,718</b>

# Fort Bragg – Q1 Economic Performance



TOTAL				
2022Q1	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$389,537	9.5%	\$33,770	19.4%	\$282,917

GENERAL RETAIL				
2022Q1	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$67,770	-0.8%	-\$566	18.2%	\$51,827
% of 2022Q1 Total:		17.4%		

FOOD PRODUCTS				
2022Q1	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$120,043	8.1%	\$9,010	22.0%	\$102,871
% of Total:		30.8%		

TRANSPORTATION				
2022Q1	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$86,488	18.3%	\$13,354	26.9%	\$77,574
% of Total:		22.2%		

CONSTRUCTION				
2022Q1	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$70,962	1.9%	\$1,325	4.2%	\$12,557
% of Total:		18.2%		

BUSINESS TO BUSINESS				
2022Q1	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$42,085	31.6%	\$10,105	30.3%	\$32,425
% of Total:		10.8%		

QoQ = 22Q1 / 21Q1

YoY = YE 22Q1 / YE 21Q1

# Sales Tax Future?

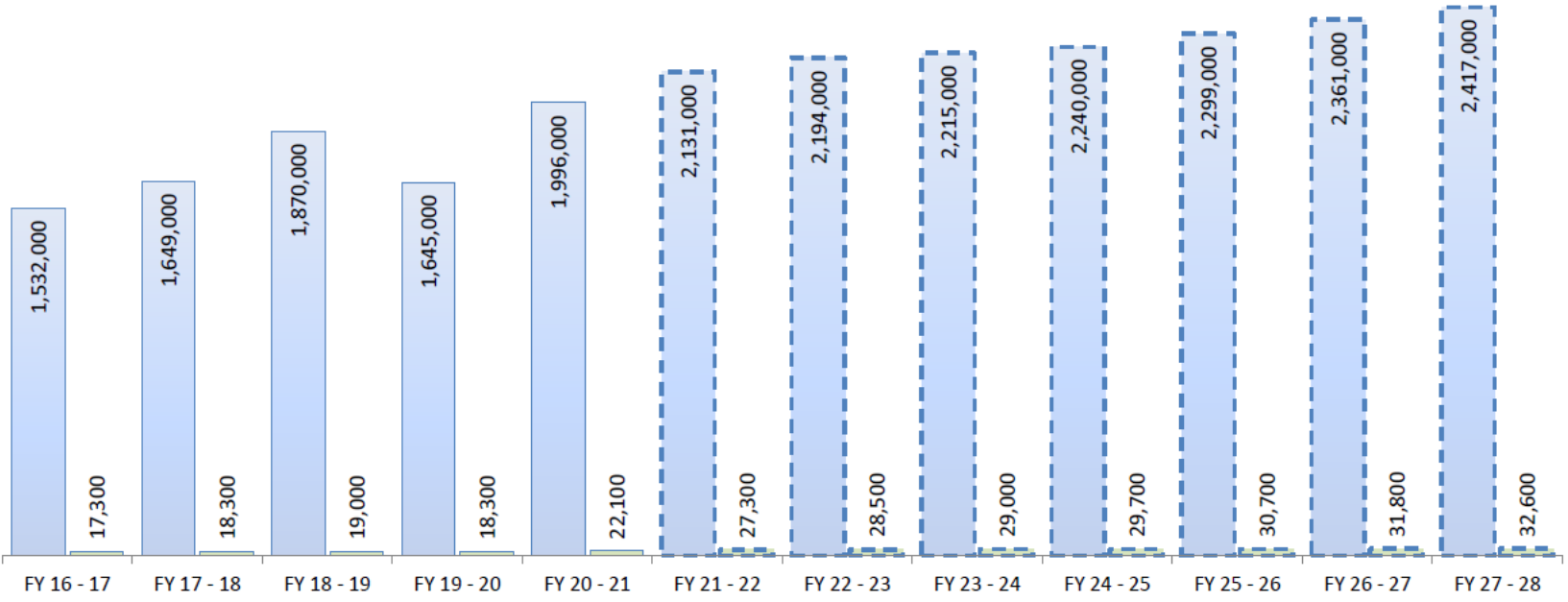


# Fort Bragg 1% Sales Tax Forecast (Soft Landing)

Bradley Burns	FY 20 - 21	FY 21 - 22	FY 22 - 23	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28
Cash Projection	1,996,000	2,131,000	2,194,000	2,215,000	2,240,000	2,299,000	2,361,000	2,417,000
Percent Change	21.3%	6.8%	3.0%	1.0%	1.1%	2.6%	2.7%	2.4%

Prop 172	FY 20 - 21	FY 21 - 22	FY 22 - 23	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28
Cash Projection	22,100	27,300	28,500	29,000	29,700	30,700	31,800	32,600
Percent Change	20.8%	23.5%	4.4%	1.8%	2.4%	3.4%	3.6%	2.5%



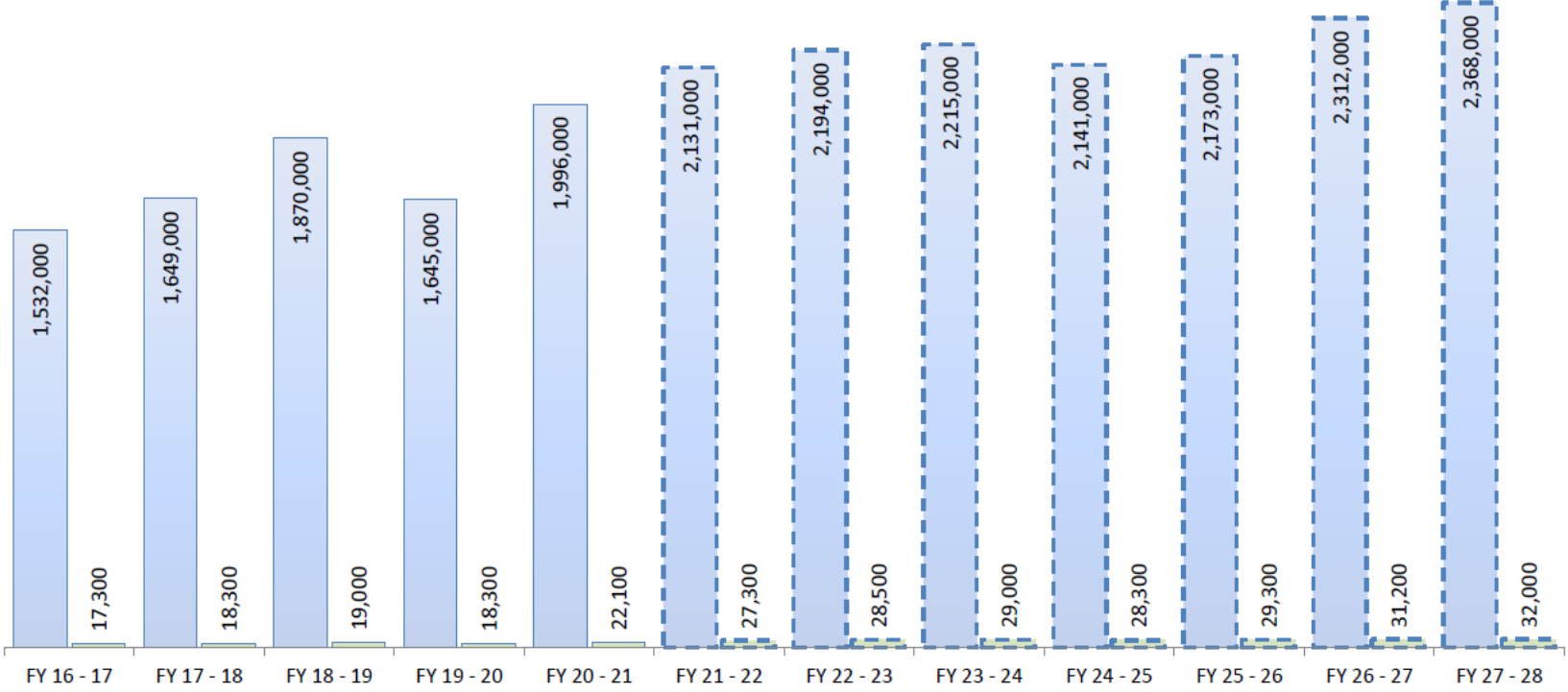


# Fort Bragg 1% Sales Tax Forecast (Recession)

Bradley Burns	FY 20 - 21	FY 21 - 22	FY 22 - 23	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28
Cash Projection	1,996,000	2,131,000	2,194,000	2,215,000	2,141,000	2,173,000	2,312,000	2,368,000
Percent Change	21.3%	6.8%	3.0%	1.0%	-3.3%	1.5%	6.4%	2.4%

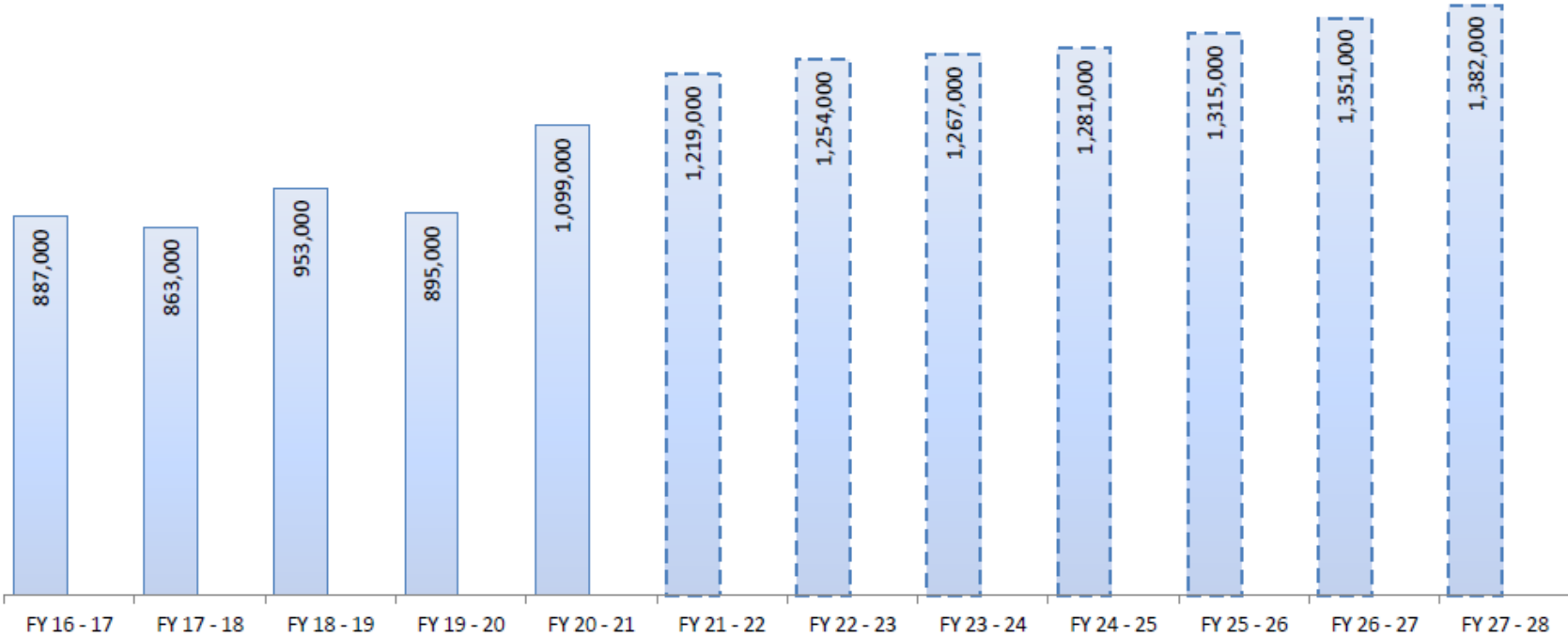
  

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Cash Projection	22,100	27,300	28,500	29,000	28,300	29,300	31,200	32,000
Percent Change	20.8%	23.5%	4.4%	1.8%	-2.4%	3.5%	6.5%	2.6%



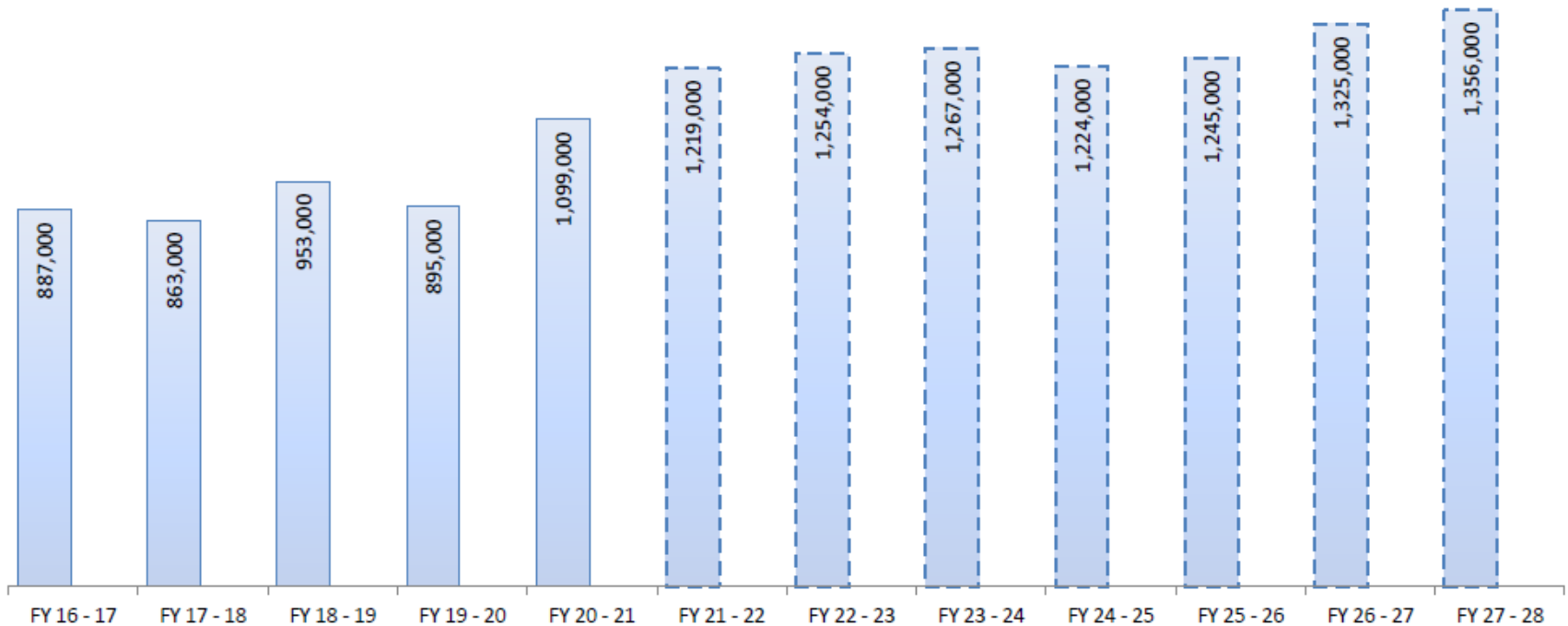
# Fort Bragg 1/2% 'Add-on' Forecast (Soft Landing)

Voter Approved	FY 20 - 21	FY 21 - 22	FY 22 - 23	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28
Cash Projection	1,099,000	1,219,000	1,254,000	1,267,000	1,281,000	1,315,000	1,351,000	1,382,000
Percent Change	22.8%	10.9%	2.9%	1.0%	1.1%	2.7%	2.7%	2.3%



# Fort Bragg 1/2% 'Add-on' Forecast (Recession)

Voter Approved	FY 20 - 21	FY 21 - 22	FY 22 - 23	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28
Cash Projection	1,099,000	1,219,000	1,254,000	1,267,000	1,224,000	1,245,000	1,325,000	1,356,000
Percent Change	22.8%	10.9%	2.9%	1.0%	-3.4%	1.7%	6.4%	2.3%



# Sales Tax Future Caveats – Uncertainty...

- **The Pandemic Recession is Different – No Playbook**  
Primary impacts to date: restaurants, gas, apparel
- **Regional Impacts Vary** – Greater Impact on areas reliant on International Tourism, Business Travel, Office Workers
- **Uncertain Virus/Health Impacts** – Variants etc. create future uncertainty
- **Uncertain Economic Pathway** – Consumer Behavior, Unemployment Trends, Supply Chains, Energy Markets, Inflation, Interest Rates, ‘New Normal’?

# Legislative Activity – State Budget Passed

- State budget completed end of June, but Governor and Legislature will continue to negotiate on various aspects and details throughout session
- Bills have had their ‘first cut’ from 4,000 to 1,800 and will be going to committee in August for discussion and amendments.
- Various land use control bills related to housing and STRs from Wicks, Portantino, & Flora etc. (League opposes)
- Dodd Climate Change Resilience most noteworthy of environmental leg bills
- Sales Tax Exemption bills from Levine (Covid) and Grayson (manufacturing) both being closely watched by League
- State budget includes a variety of ‘treasure’ for taxpayers & local governments
  - State ‘relief’ payments of \$9.5 billion (checks of \$200 to \$1,050 to be sent in October to 17.5 million CA tax filers)
  - \$2.3 billion in fiscal relief to small businesses and non-profits
  - \$1.95 billion in emergency rental assistance for low-income households
  - \$1.4 billion for past due utility bills
  - \$700 million for Homeless Encampment Resolution grants over two years
  - \$2.5 billion in funding for a wide variety of affordable housing programs
  - \$25 million for a competitive grant program for local gun buyback
  - \$19.3 climate & energy package (determined in future legislation)

**Thank you...Questions?**