



# City of Fort Bragg Q2 2022 Sales Tax Update



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November 9, 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%**

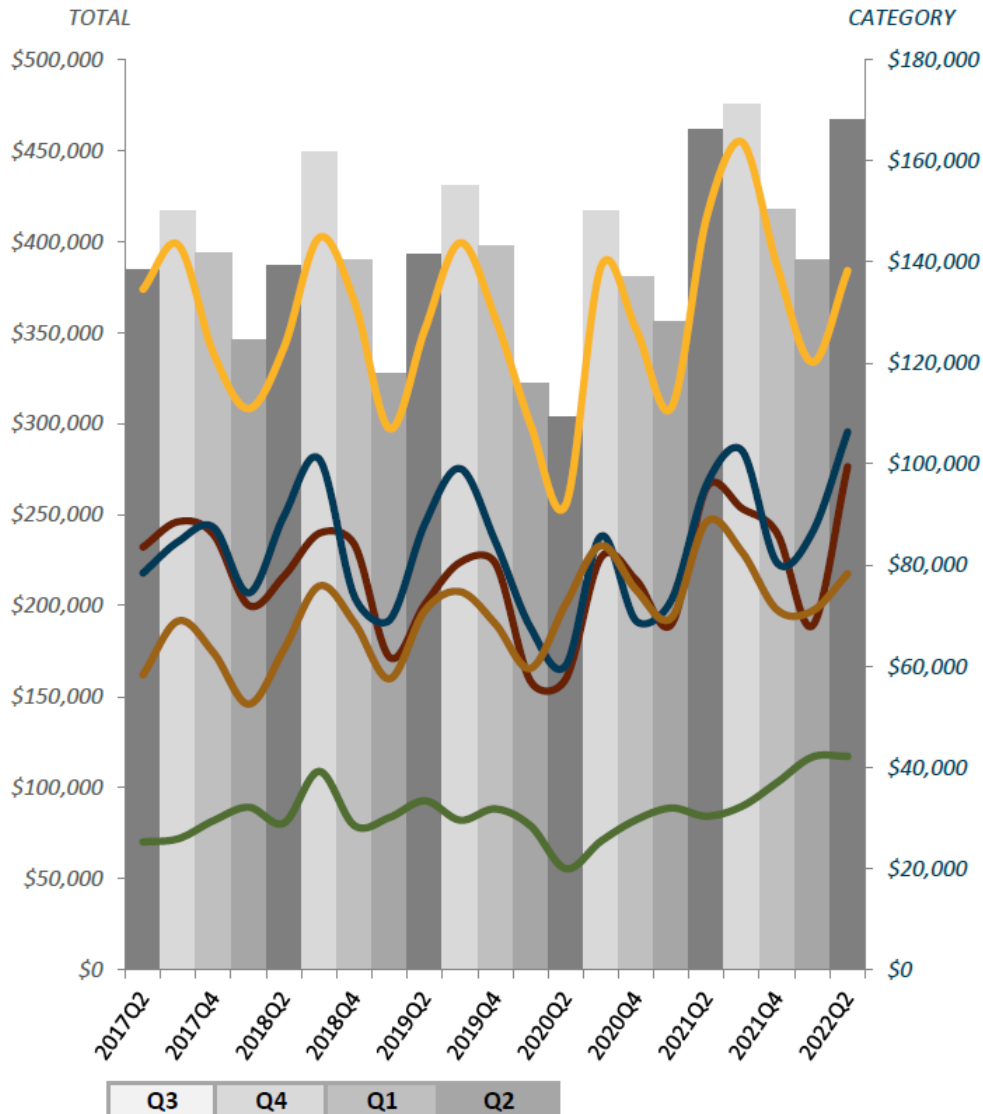
### Others

- **Miscellaneous: 1%**

# Fort Bragg 1% Sales Tax Performance

	YE 2019Q2	YE 2020Q2	YE 2021Q2	YE 2022Q2
<b>Total Receipts</b>	<b>\$1,869,513</b>	<b>\$1,645,138</b>	<b>\$1,995,831</b>	<b>\$2,100,885</b>
<b>Net Pools/Admin/Adj</b>	<b>\$309,150</b>	<b>\$190,820</b>	<b>\$380,299</b>	<b>\$351,518</b>
<b>Local Businesses</b>	<b>\$1,560,364</b>	<b>\$1,454,318</b>	<b>\$1,615,532</b>	<b>\$1,749,366</b>
<b>General Retail</b>	<b>\$304,403</b>	<b>\$275,529</b>	<b>\$322,278</b>	<b>\$345,031</b>
<b>Food Products</b>	<b>\$510,490</b>	<b>\$472,340</b>	<b>\$525,611</b>	<b>\$561,168</b>
Restaurants	279,626	234,191	267,813	<b>309,345</b>
<b>Transportation</b>	<b>\$332,180</b>	<b>\$311,603</b>	<b>\$323,827</b>	<b>\$375,955</b>
Service Stations	187,956	179,233	192,101	<b>240,634</b>
<b>Construction</b>	<b>\$273,037</b>	<b>\$275,134</b>	<b>\$317,158</b>	<b>\$303,057</b>
<b>Business To Business</b>	<b>\$131,257</b>	<b>\$109,825</b>	<b>\$117,451</b>	<b>\$153,630</b>
<b>Miscellaneous</b>	<b>\$8,996</b>	<b>\$9,887</b>	<b>\$9,207</b>	<b>\$10,526</b>

# Fort Bragg – Q2 Economic Performance



TOTAL				
2022Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$466,976	1.1%	\$5,146	8.3%	\$133,865

GENERAL RETAIL				
2022Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$99,455	4.2%	\$4,041	7.1%	\$22,753
% of 2022Q2 Total:		21.3%		

FOOD PRODUCTS				
2022Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$138,218	-7.1%	-\$10,634	6.8%	\$35,557
% of Total:		29.6%		

TRANSPORTATION				
2022Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$106,337	10.8%	\$10,340	16.1%	\$52,128
% of Total:		22.8%		

CONSTRUCTION				
2022Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$78,294	-11.6%	-\$10,314	-4.4%	-\$14,101
% of Total:		16.8%		

BUSINESS TO BUSINESS				
2022Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$42,199	38.9%	\$11,828	30.8%	\$36,179
% of Total:		9.0%		

QoQ = 22Q2 / 21Q2

YoY = YE 22Q2 / YE 21Q2

# Sales Tax Future?



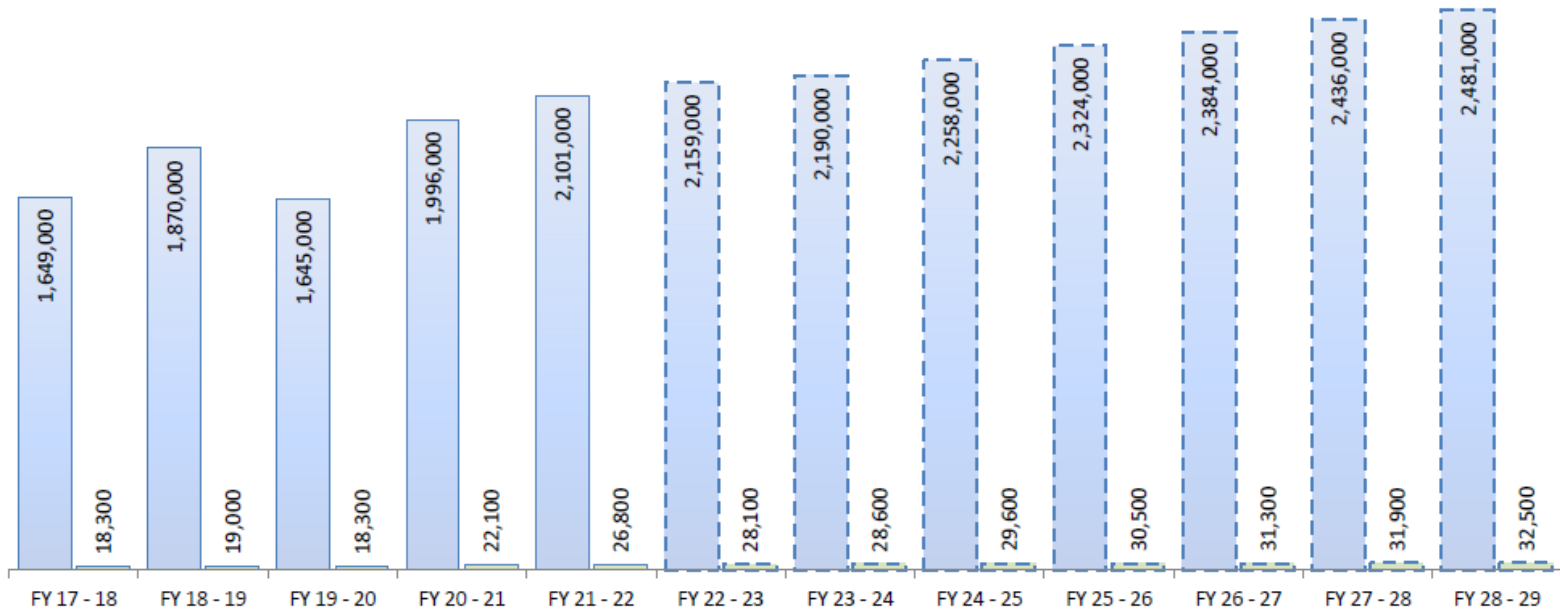
# Fort Bragg 1% Sales Tax Forecast

## City of Fort Bragg Sales & Use Tax Forecast Summary

Accrual through August Clean-up (Historical through Balance: September)

Bradley Burns	FY 21 - 22	FY 22 - 23	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28	FY 28 - 29
Cash Projection	2,101,000	2,159,000	2,190,000	2,258,000	2,324,000	2,384,000	2,436,000	2,481,000
Percent Change	5.3%	2.8%	1.4%	3.1%	2.9%	2.6%	2.2%	1.8%

Prop 172	FY 21 - 22	FY 22 - 23	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28	FY 28 - 29
Cash Projection	26,800	28,100	28,600	29,600	30,500	31,300	31,900	32,500
Percent Change	21.3%	4.9%	1.8%	3.5%	3.0%	2.6%	1.9%	1.9%



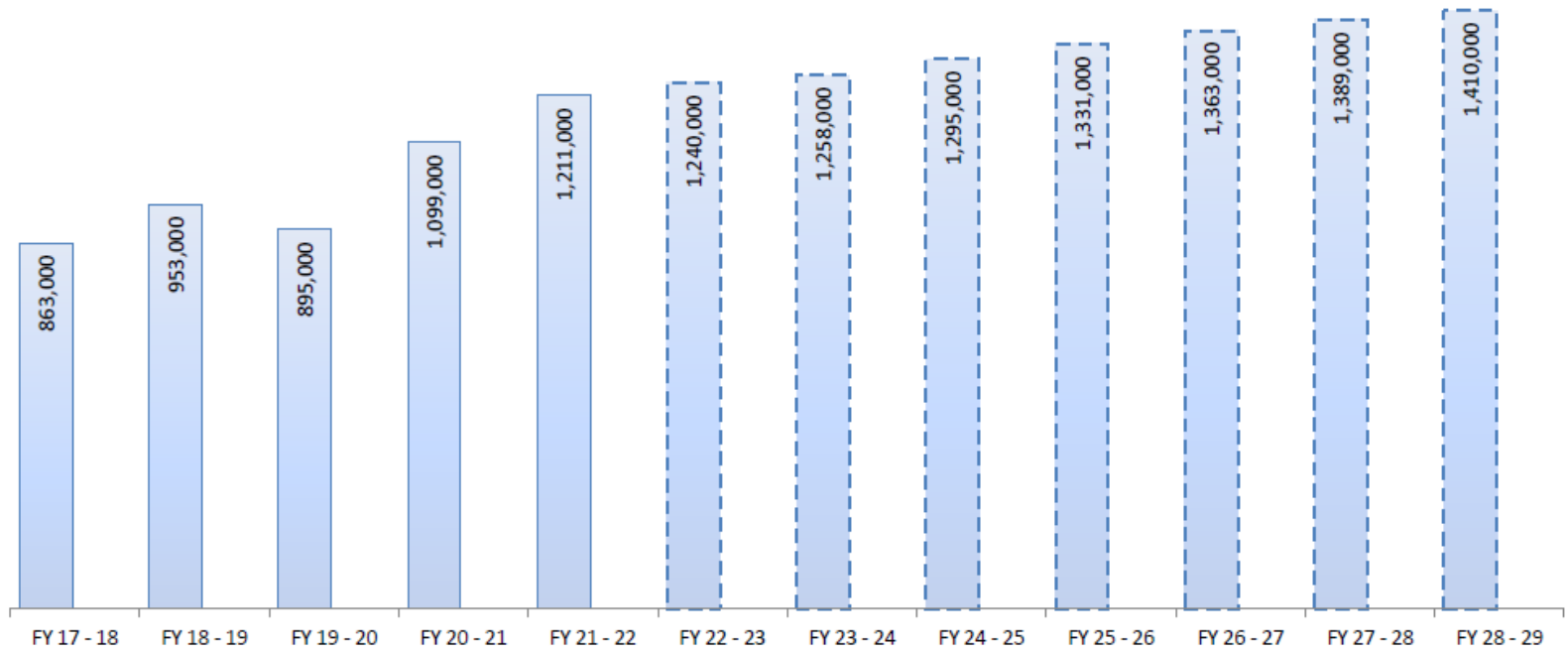


# Fort Bragg 1/2% 'Add-on' Forecast

## Fort Bragg 1/2% Sales & Use Tax Forecast Summary

Accrual through August Clean-up (Historical through Balance: September)

Voter Approved	FY 21 - 22	FY 22 - 23	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28	FY 28 - 29
Cash Projection	1,211,000	1,240,000	1,258,000	1,295,000	1,331,000	1,363,000	1,389,000	1,410,000
Percent Change	10.2%	2.4%	1.5%	2.9%	2.8%	2.4%	1.9%	1.5%



# 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** – Inflation, Interest Rates, Consumer Behavior, Unemployment Trends, Supply Chains, Energy Markets, ‘New Normal’?

# Legislative Activity – Session Highlights

- Inflation Relief Program is Governor’s initiative to provide direct payments to taxpayers instead of freezing or temporarily eliminating gas tax
- AB 1951 (Grayson) – a bill to expand the exemption for research and development and manufacturing equipment was vetoed by the Governor
- SB 852 (Dodd) Climate Change Resilience District – new environmental program expansion of Enhanced Infrastructure Finance District program
- Various land use related bills with expedited approvals for housing projects passed – reduces local land use controls
- Governor will host special session on Oil and Gas Windfall Profits to start on December 5 concurrent with start of new legislative

**Thank you...Questions?**