



City of Fort Bragg Q2 2024 Sales Tax Update



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AN
AVENU
INSIGHTS & ANALYTICS
COMPANY

Sales Tax Performance & Comparisons



Top 25 Sales Tax Producers (~ 65% of total local businesses sales tax revenue)

ARCO AM/PM MINI MARTS
CHEVRON SERVICE STATIONS
CVS/PHARMACY
DAVID'S DELI
DENNY'S RESTAURANTS
DOLLAR TREE STORES
EMERALD TRIANGLE CANNABIS - MMD
GEO AGGREGATES
HARVEST MARKET
KEMPPE LIQUID GAS
MCDONALD'S RESTAURANTS
MENDO MILL & LUMBER COMPANY
NOYO HARBOR INN

NOYO RIVER GRILL
O'REILLY AUTO PARTS
REDWOOD COAST FUELS
RESTAURANTE LOS GALLITOS
RINO SERVICE STATIONS
RITE AID DRUG STORES
ROSSI BUILDING MATERIALS
SAFEWAY STORES
SINCLAIR SERVICE STATIONS
SPORT CHRYSLER-JEEP-DODGE
TACO BELL
THE BREWERY SHOP

City of Fort Bragg

Local Business Sales Tax Drivers

Primary Drivers

- **Food (Markets & Restaurants): 35%**
- **Transportation (Auto Sales & Gas Stations): 22%**
- **Retail: 19%**
- **Construction: 17%**
- **Business to Business: 6%**

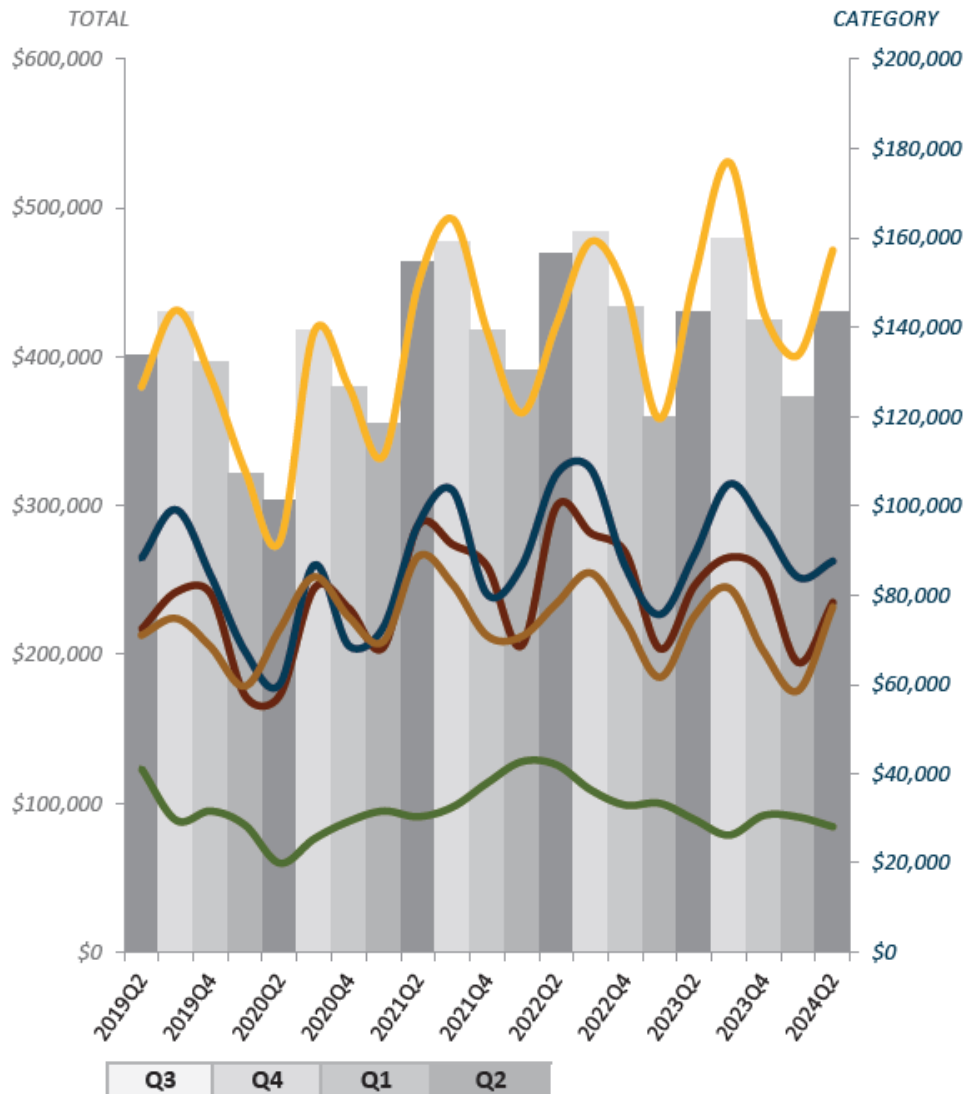
Others

- **Miscellaneous: 1%**

Fort Bragg 1% Sales Tax Performance

	YE 2019Q2	YE 2020Q2	YE 2021Q2	YE 2022Q2	YE 2023Q2	YE 2024Q2
Total Receipts	\$1,869,513	\$1,645,138	\$1,995,831	\$2,100,885	\$2,043,336	\$2,049,336
Net Pools/Admin/Adj	\$301,243	\$191,902	\$379,843	\$346,417	\$336,790	\$342,666
Local Businesses	\$1,568,270	\$1,453,236	\$1,615,988	\$1,754,467	\$1,706,545	\$1,706,670
General Retail	\$304,415	\$275,999	\$322,408	\$346,208	\$333,405	\$316,543
Food Products	\$510,539	\$472,340	\$526,154	\$564,615	\$578,335	\$611,197
Restaurants	279,626	234,191	268,355	314,474	315,117	353,969
Transportation	\$332,180	\$310,916	\$323,921	\$377,109	\$359,406	\$372,031
Construction	\$273,127	\$275,134	\$317,393	\$302,115	\$295,873	\$284,821
Business To Business	\$139,013	\$109,630	\$116,751	\$155,109	\$132,411	\$115,302
Miscellaneous	\$8,996	\$9,217	\$9,360	\$9,312	\$7,114	\$6,776

Fort Bragg – Q2 Economic Performance



TOTAL				
2024Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$430,497	0.2%	\$826	0.0%	\$708

GENERAL RETAIL				
2024Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$78,330	-4.6%	-\$3,778	-5.1%	-\$16,862
% of 2024Q2 Total:		18.2%		

FOOD PRODUCTS				
2024Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$157,185	3.8%	\$5,781	5.7%	\$32,862
% of Total:		36.5%		

TRANSPORTATION				
2024Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$87,568	-1.8%	-\$1,564	3.5%	\$12,624
% of Total:		20.3%		

CONSTRUCTION				
2024Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$77,305	2.6%	\$1,946	-3.7%	-\$11,052
% of Total:		18.0%		

BUSINESS TO BUSINESS				
2024Q2	QoQ %Δ	QoQ \$Δ	YoY %Δ	YoY \$Δ
\$28,124	-5.4%	-\$1,603	-12.9%	-\$17,110
% of Total:		6.5%		

QoQ = 24Q2 / 23Q2

YoY = YE 24Q2 / YE 23Q2

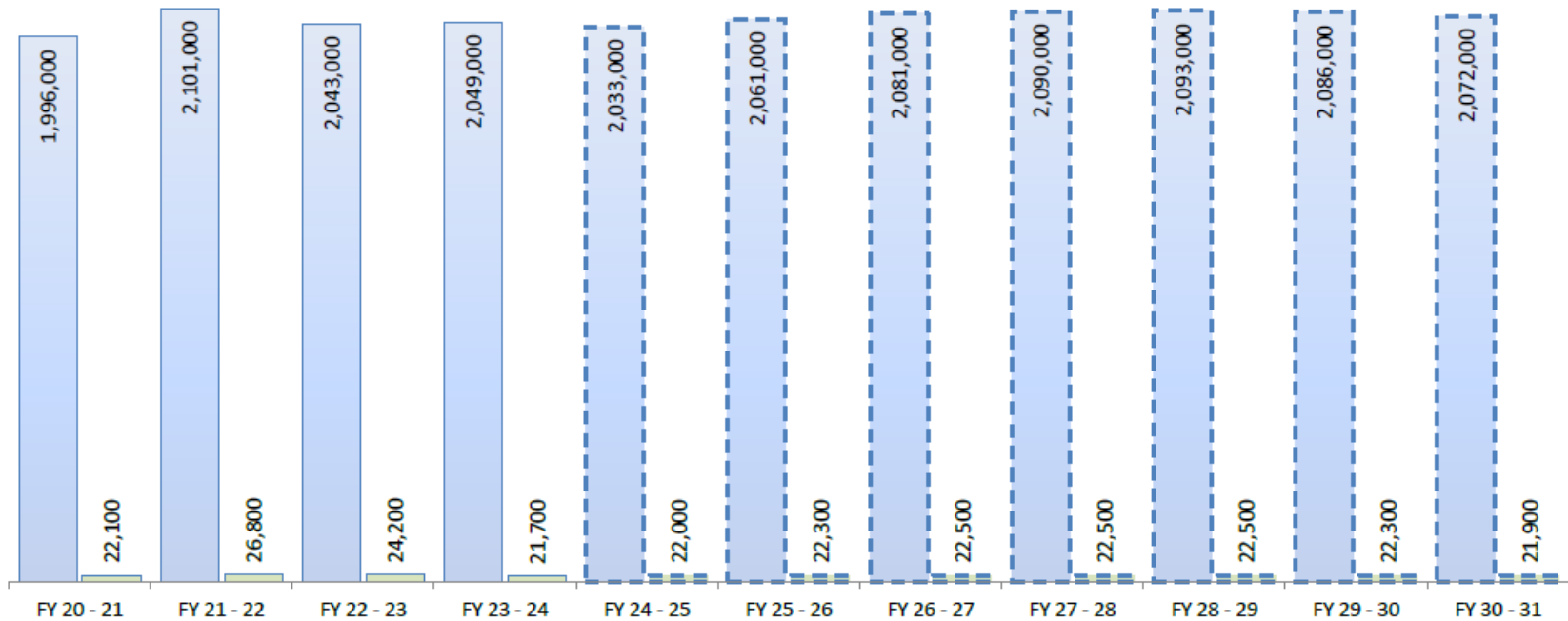
Sales Tax Future?



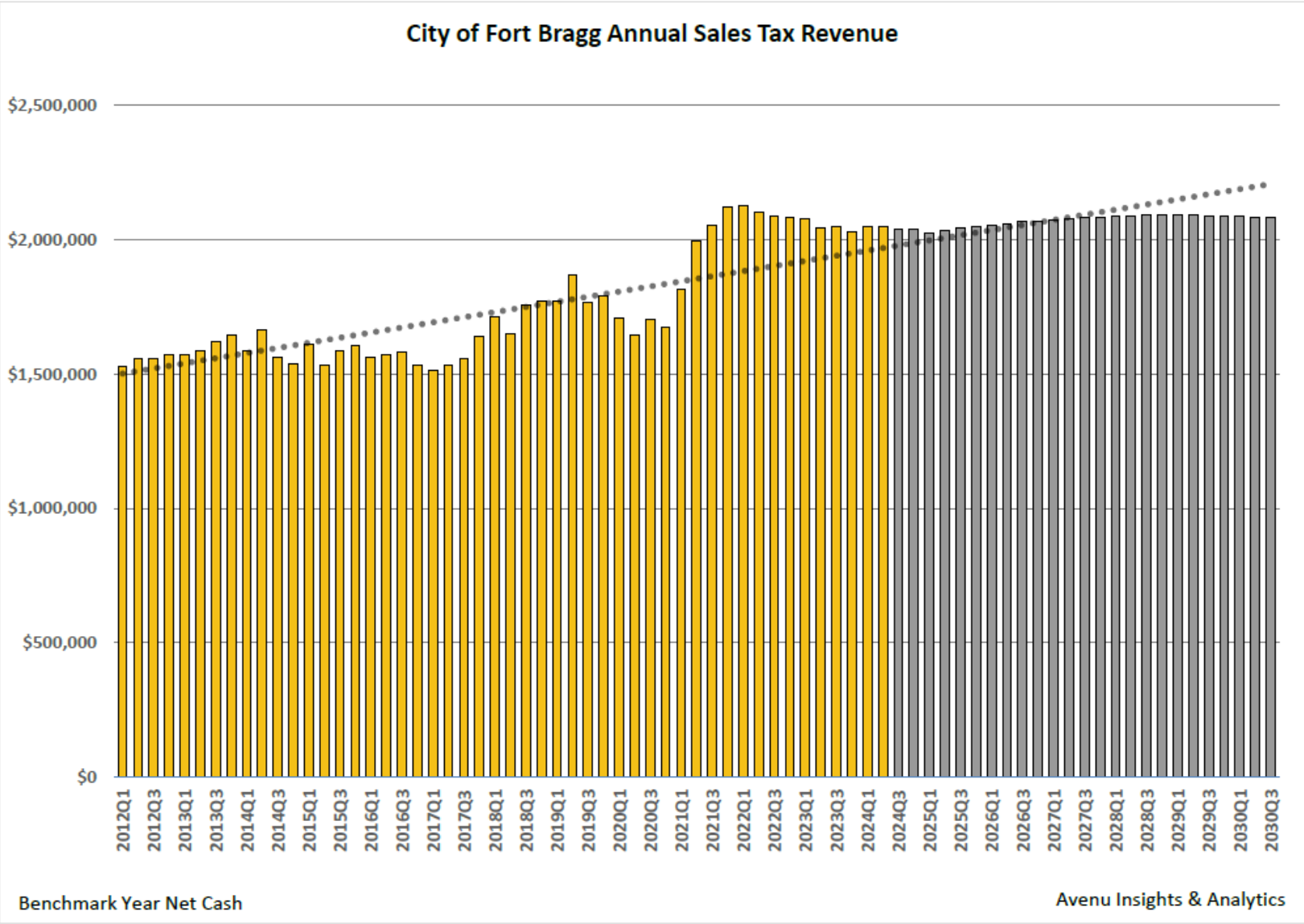
Fort Bragg 1% Sales Tax Forecast

Bradley Burns	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28	FY 28 - 29	FY 29 - 30	FY 30 - 31
Cash Projection	2,049,000	2,033,000	2,061,000	2,081,000	2,090,000	2,093,000	2,086,000	2,072,000
Percent Change	0.3%	-0.8%	1.4%	1.0%	0.4%	0.1%	-0.3%	-0.7%

Prop 172	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28	FY 28 - 29	FY 29 - 30	FY 30 - 31
Cash Projection	21,700	22,000	22,300	22,500	22,500	22,500	22,300	21,900
Percent Change	-10.3%	1.4%	1.4%	0.9%	0.0%	0.0%	-0.9%	-1.8%

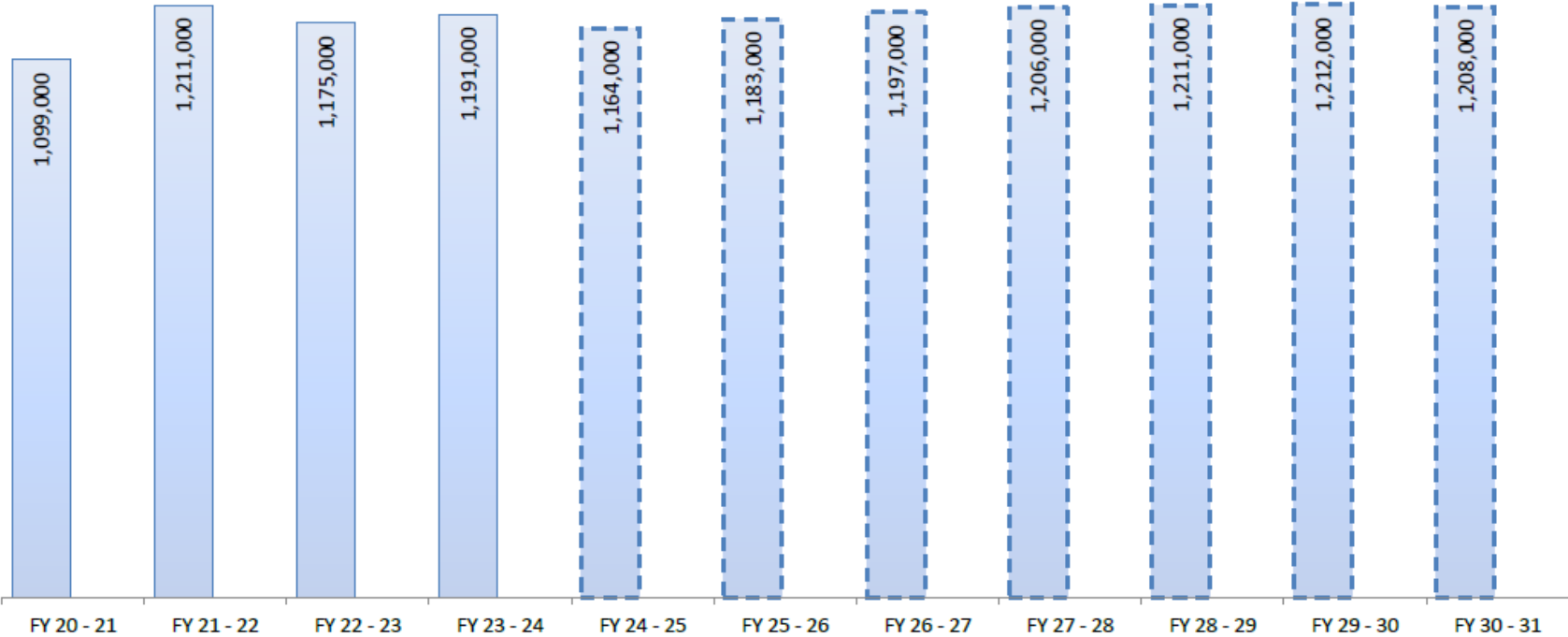


Fort Bragg 1% Sales Tax Past & Future



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

Voter Approved	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28	FY 28 - 29	FY 29 - 30	FY 30 - 31
Cash Projection	1,191,000	1,164,000	1,183,000	1,197,000	1,206,000	1,211,000	1,212,000	1,208,000
Percent Change	1.4%	-2.3%	1.6%	1.2%	0.8%	0.4%	0.1%	-0.3%



Sales Tax Future – Settling...

- **National Economy** – The Federal Reserve began cutting rates at its September meeting. Most economists expect the Fed to continue cutting into 2025. This should make borrowing cheaper & add some energy to the economy.
- **California Taxable Sales** – Sluggish taxable sales growth continued in Q2 2024. Overall, the economy seems to have achieved the ‘soft landing’ the Fed wanted, but it appears to be ‘softer for longer’ for taxable sales. Consumers are spending more on non-taxable services and other non-taxable items (housing, energy, etc.)
- **When will we Reach the ‘New Normal’?**

Thank you...Questions?