

Office of the Auditor-Controller

Sales Tax Projection Presentation
to the Board of Supervisors

February 3rd, 2009

Objective: Project Change in Sales Taxes For FY 08-09 and FY 09-10

		07-08	08-09	08-09	09-10
		Actual	YTD* Actual	Estimated	Budget
Prop 172	%	-0.36%	-7.96%	-8.00%	-5.00%
	\$	30,766,986	11,521,655	28,305,627	26,890,346
Realignment	%	-0.78%	-6.60%	-8.00%	-5.00%
	\$	20,291,583	7,953,032	18,668,256	17,734,844
Measure D	%	-0.04%	-4.72%	-8.00%	-5.00%
	\$	7,417,504	3,089,274	6,824,104	6,482,898
LTF	%	-1.00%	-27.11%	-8.00%	-5.00%
	\$	1,343,205	585,668	1,235,749	1,173,961
Bradley Burns	%	0.02%	-9.77%	-8.00%	-5.00%
	\$	7,846,873	3,406,134	7,219,123	6,858,167
Total	\$	67,666,151	26,555,763	62,252,859	59,140,216

Second Largest Discretionary Revenue Source

County Sales Tax Revenue FY 2007-08

	Revenue (in millions)
Public Safety - Prop 172	\$ 30.0
Health & Welfare Realignment	21.1
General Operations	7.9
County Roads - Measure D	7.3
Transportation - LTF	1.3
Total	<u>\$ 67.6</u>

County Property Tax Revenue FY 2007-08

	Revenue (in millions)
General Fund	\$ 162.6
Special Revenue Funds	42.0
Total	<u>\$ 204.6</u>

Objective: Project Change in Sales Taxes For FY 08-09 and FY 09-10

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	\$	1,343,205	585,668		
Bradley Burns	%	0.02%	-9.77%		
	\$	7,846,873	3,406,134		

Prop 172: Public Safety

Fiscal Year	Revenues (in millions)	Growth
2008-09 (est)	\$ 30.09	-2.21%
2007-08	30.77	-0.36%
2006-07	30.88	-1.91%
2005-06	31.48	5.18%
2004-05	29.93	6.70%
2003-04	28.05	8.47%
2002-03	25.86	6.46%
2001-02	24.29	-5.49%
2000-01	25.70	7.80%
1999-00	23.84	13.20%
1998-99	21.06	6.20%
1997-98	19.83	5.87%
Total	\$ 322.15	

Prop 172: Public Safety

County Prop 172 Allocation				
	<u>2009/2008</u>	<u>2008/2007</u>	<u>\$ Change</u>	<u>% Change</u>
January	1,951,715	2,460,458	(508,743)	-20.68%
December	2,073,024	2,381,085	(308,061)	-12.94%
November	2,763,247	2,835,486	(72,239)	-2.55%
October	2,329,460	2,445,186	(115,726)	-4.73%
September	2,404,210	2,395,782	8,428	0.35%
August	2,475,437	2,524,098	(48,660)	-1.93%
July	2,907,876	2,980,693	(72,817)	-2.44%
June	2,361,567	2,444,833	(83,265)	-3.41%
May	2,908,351	2,773,753	134,599	4.85%
April	2,131,399	2,045,148	86,251	4.22%
March	2,132,393	2,288,394	(156,002)	-6.82%
February	3,331,966	3,357,896	(25,930)	-0.77%
	29,770,645	30,932,810	(1,162,166)	-3.76%
Sept-Jan	11,521,655	12,517,997	-7.96%	

Statewide Sales Tax Collections (in billions)

SCO - Schedule of Cash Receipts - Retail Sales and Use Tax				
	<u>2008</u>	<u>2007</u>	<u>\$ Change</u>	<u>% Change</u>
December	\$2,093,458	\$2,060,178	\$33,280	1.6154%
November	\$3,012,670	\$3,641,108	(\$628,438)	-17.2595%
October	876,098	983,596	(107,498)	-10.9291%
September	2,110,098	2,038,416	71,682	3.5166%
August	3,248,340	3,572,937	(324,597)	-9.0849%
July	888,314	894,975	(6,661)	-0.7443%
June	2,781,384	2,670,439	110,945	4.1546%
May	3,409,977	4,082,372	(672,395)	-16.4707%
April	888,314	564,250	324,064	57.4327%
March	2,026,348	2,192,936	(166,588)	-7.5966%
February	3,548,121	3,606,621	(58,500)	-1.6220%
January	991,439	1,097,669	(106,230)	-9.6778%
	\$25,874,561	\$27,405,497	(\$1,530,936)	-5.5862%
July - Dec State	12,228,978	13,191,210	-7.29%	
Oct - Dec State	5,982,226	6,684,882	-10.51%	

Realignment

	2005-2006		2006-2007		2007-2008	
County Programs	<u>Amount</u>	<u>% Change FY 05-06</u>	<u>Amount</u>	<u>% Change FY 06-07</u>	<u>Amount</u>	<u>% Change FY 07-08</u>
Mental Health	\$8,286,207	0.0%	\$8,345,396	0.7%	\$8,194,997	-1.80%
Social Services	8,439,342	15.6%	9,633,866	14.2%	9,677,181	0.45%
Health Services	3,210,861	0.0%	3,276,275	2.0%	3,217,230	-1.80%
Total	\$19,936,410	6.0%	\$21,255,537	6.6%	\$21,089,408	-0.78%

Realignment

Cash Receipts	1601 - Social Services			1602 - Mental Health*			1603 - Public Health		
	07-08	%	08-09	07-08	%	08-09	07-08	%	08-09
	Actual	Change	Actual	Actual	Change	Actual	Actual	Change	Actual
Month Received									
Sep	764,306	0.4%	767,023	662,045	-1.9%	649,544	259,913	-1.9%	255,001
Oct	772,148	-5.1%	733,033	668,838	-7.2%	620,760	262,580	-7.2%	243,701
Nov	808,582	-3.7%	778,507	763,246	-3.2%	738,732	299,643	-3.2%	290,015
Dec	746,978	-6.3%	699,989	632,522	-7.5%	585,258	248,322	-7.5%	229,764
Jan	744,037	-15.4%	629,157	630,032	-16.5%	526,036	247,345	-16.5%	206,514
Feb	1,045,282			885,118			347,489		
Mar	668,960			566,458			222,386		
Apr	673,955			570,688			224,047		
May	912,388			772,587			303,311		
Jun	740,854			627,336			246,286		
Jul	1,032,899			766,516			300,921		
Aug	766,793			649,610			254,987		
Total	9,677,181		3,607,708	8,194,997		3,120,330	3,217,230		1,224,994
Sept - Jan % Change		-6.0%			-7.0%			-7.0%	
* - Net of offsets would be -3.3%									

Realignment

Cash Receipts	Total Realignment Sales Tax		
	07-08	%	08-09
	Actual	Change	Actual
<u>Month Received</u>			
Sep	1,686,263	-0.9%	1,671,568
Oct	1,703,566	-6.2%	1,597,493
Nov	1,871,471	-3.4%	1,807,254
Dec	1,627,822	-6.9%	1,515,011
Jan	1,621,413	-16.0%	1,361,706
Feb	2,277,889		-
Mar	1,457,804		-
Apr	1,468,691		-
May	1,988,286		-
Jun	1,614,477		-
Jul	2,100,336		-
Aug	1,671,390		-
Total	21,089,408		7,953,032
Sept - Jan % Change		-6.6%	

Realignment - VLF

	VLF Total		
	Realignment VLF Total		
Cash Receipts	07-08	%	08-09
<u>Month Received</u>	<u>Actual</u>	<u>Change</u>	<u>A&E</u>
Aug	1,567,785	-22.1%	1,221,875
Sep	1,177,271	1.0%	1,188,961
Oct	1,126,123	-10.7%	1,006,173
Nov	1,095,445	-4.6%	1,044,661
Dec	1,108,501	-2.6%	1,079,190
Jan	1,210,242	-13.6%	1,045,251
Feb	1,114,539		
Mar	1,103,681		
Apr	1,126,925		
May	1,093,074		
Jun	1,074,737		
Jul	973,726		
Aug			
Total	13,772,049		6,586,110
Aug-Jan % Change		-9.6%	

Local Sales Tax

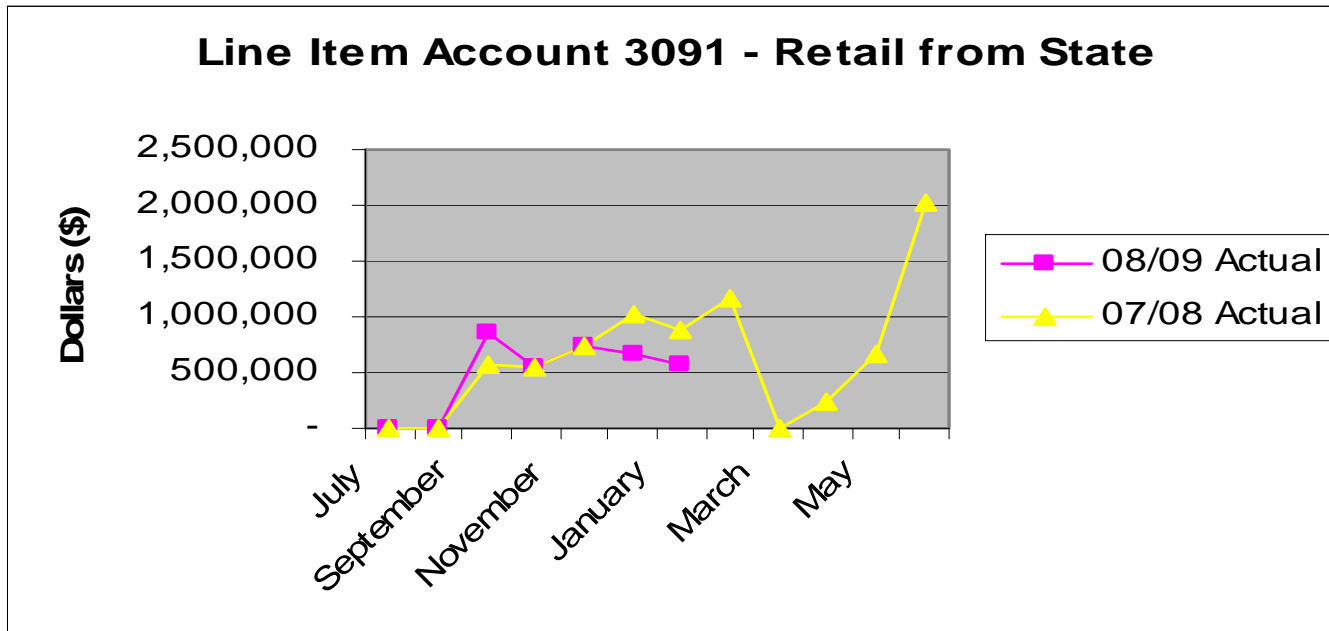
Jurisdiction	2005-2006		2006-2007		2007-2008	
	Amount	% Change FY 05-06	Amount	% Change FY 06-07	Amount	% Change FY 07-08
City of Santa Barbara	\$14,784,536	5.2%	\$15,357,311	3.9%	\$15,050,727	-2.0%
City of Santa Maria	13,234,714	4.3%	13,367,102	1.0%	13,135,691	-1.7%
Goleta: City Share	3,122,997	4.1%	3,056,455	-2.1%	2,871,999	-6.0%
Goleta: County Share	3,122,997	4.1%	3,056,455	-2.1%	2,871,999	-6.0%
County: Unincorporated	4,392,095	1.7%	6,144,579	39.9%	5,048,099	-17.8%
City of Lompoc	2,978,033	5.5%	2,976,767	0.0%	2,984,473	0.3%
City of Buellton	1,201,261	1.6%	1,272,278	5.9%	1,342,500	5.5%
City of Carpinteria	996,619	2.3%	1,138,968	14.3%	1,309,478	15.0%
City of Solvang	785,141	6.1%	835,694	6.4%	862,777	3.2%
City of Guadalupe	289,785	19.6%	254,059	-12.3%	220,122	-13.4%
Countywide Total	\$44,908,178	4.4%	\$47,459,668	5.7%	\$45,697,865	-3.7%

Local Sales Tax

Total County share of Bradley Burns sales tax, adjusted for an one time art sale anomaly.

Jurisdiction	2005-2006		2006-2007		2007-2008	
	<u>Amount</u>	% Change <u>FY 05-06</u>	<u>Amount</u>	% Change <u>FY 06-07</u>	<u>Amount</u>	% Change <u>FY 07-08</u>
Goleta: County Share	3,122,997	4.1%	3,056,455	-2.1%	2,871,999	-6.0%
County: Unincorporated	4,392,095	1.7%	6,144,579	39.9%	5,048,099	-17.8%
County only total	<u>7,515,092</u>		<u>9,201,034</u>	22.4%	<u>7,920,098</u>	-13.9%
One time art sale adjustment			-1,282,720			
County only total	7,515,092	2.68%	7,918,314	5.37%	7,920,098	0.02%

Local Sales Tax



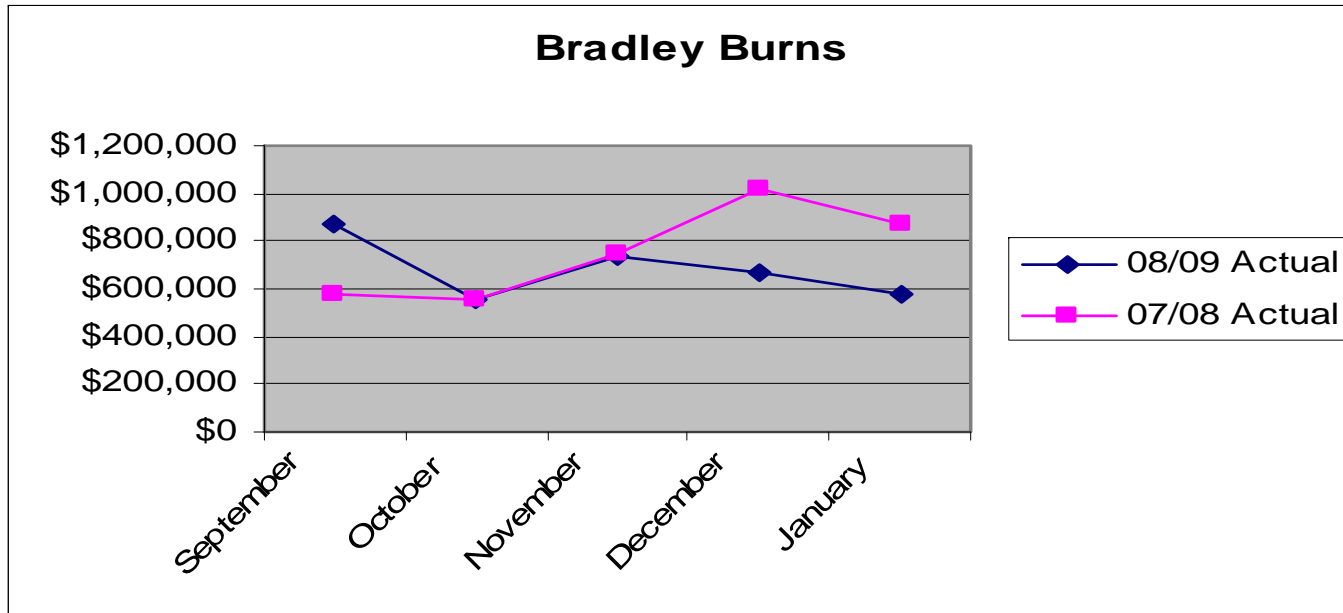
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t 3091 – Retail from State

July	August	September	October	November	December	January	February	March	April	May	June	Total
-	-	630,000	570,000	760,000	820,000	580,000	760,000	740,000	530,000	700,000	2,210,000	8,300,000
-	-	868,603	552,000	736,000	672,131	577,400	-	-	-	-	-	3,406,134
-	(100)	579,996	558,100	744,200	1,023,283	869,200	1,158,800	-	229,181	671,900	2,012,314	7,846,873
-	200	336,813	535,700	714,300	915,178	538,800	718,300	1,701,601	474,900	633,200	2,318,322	8,887,314

Local Sales Tax

Graph of PY and CY YTD (first 5 months)



	08/09 Actual	07/08 Actual	\$ Change	% Change
September	\$868,603	\$579,996	\$288,606	49.76%
October	552,000	558,100	(6,100)	-1.09%
November	736,000	744,200	(8,200)	-1.10%
December	672,131	1,023,283	(351,152)	-34.32%
January	577,400	869,200	(291,800)	-33.57%
	\$3,406,134	\$3,774,779	(\$368,645)	-9.77%

Measure D

Cash Receipts COUNTY PORTION ONLY

Received	06-07 Actual	% incr	07-08 Actual	% incr	08-09 Actual
Sep	645,335	18.45%	764,369	-14.87%	650,672
Oct	475,278	11.83%	531,503	0.26%	532,880
Nov	746,477	-4.63%	711,910	0.26%	713,776
Dec	660,021	2.08%	673,758	-0.44%	670,760
Jan	482,755	16.15%	560,744	-7.05%	521,186
Feb	644,720	16.48%	750,994		
Mar	704,491	-34.35%	462,505		
Apr	430,592	7.75%	463,965		
May	577,270	7.75%	622,023		
Jun	688,857	-8.48%	630,475		
Jul	496,171	7.28%	532,316		
Aug	664,968	7.21%	712,941		
Total	<u>7,216,937</u>	2.78%	<u>7,417,504</u>		<u>3,089,274</u>
Total Sept to Jan	<u>3,009,867</u>	7.72%	<u>3,242,284</u>	-4.72%	<u>3,089,274</u>

Local Transportation Funds

Entities	2005-2006		2006-2007		2007-2008	
	<u>Amount</u>	<u>% Change FY 05-06</u>	<u>Amount</u>	<u>% Change FY 06-07</u>	<u>Amount</u>	<u>% Change FY 07-08</u>
County	\$1,592,123	13.8%	\$1,364,595	-14.3%	\$1,345,005	-1.4%
Cities	5,773,279	6.2%	6,321,775	9.5%	6,260,404	-1.0%
SBCAG	289,983	6.3%	303,263	4.6%	300,246	-1.0%
Easy Lift	352,024	5.8%	362,845	3.1%	359,232	-1.0%
SBMTD	6,688,446	5.8%	6,894,066	3.1%	6,825,406	-1.0%
SMOOTH	213,764	7.4%	226,082	5.8%	228,391	1.0%
Total	\$14,909,619	6.8%	\$15,472,626	3.8%	\$15,318,684	-1.0%

Local Transportation Funds

County portion, including the past three years and budget.

Funds 0015 and 1935													
Line Item Account 3092 -- Sales Tax-Local Transportation													
	July	August	September	October	November	December	January	February	March	April	May	June	Total
08/09 Budget	96,550	96,550	96,550	96,550	96,550	96,550	96,550	96,550	96,550	96,550	96,550	96,550	1,158,600
08/09 Actual	73,045	97,448	90,313	73,188	97,704	81,292	72,679	-	-	-	-	-	585,668
07/08 Actual	89,654	119,766	142,957	98,275	131,205	118,317	103,361	138,173	88,015	84,594	113,005	115,883	1,343,205
06/07 Actual	83,958	204,787	107,231	87,492	130,477	118,703	87,376	116,297	127,441	77,899	104,044	133,311	1,379,016

In the first seven months of FY 08/09, LTF revenue is down 27.1% over the same period during the prior year.

Countywide Business Groups Comparison

Countywide Business Groups Comparison

Business Group	2005-06	2006-07	Growth
General Consumer Goods	\$ 11,109,402	\$ 11,592,887	4.4%
Business and Industry	8,399,271	9,547,103	13.7%
Autos and Transportation	6,576,205	6,641,199	1.0%
Restaurants and Hotels	5,431,357	5,505,377	1.4%
Building and Construction	5,354,720	5,445,494	1.7%
Fuel and Service Stations	3,843,064	4,349,291	13.2%
Food and Drugs	3,206,209	3,210,133	0.1%
Other Allocations	987,950	1,168,183	18.2%
TOTALS	44,908,178	47,459,667	5.7%

Countywide Business Groups Comparison

Business Group	2006-07	2007-08	Growth
General Consumer Goods	\$11,592,887	\$ 11,197,874	-3.4%
Business and Industry	9,547,103	8,403,642	-12.0%
Autos and Transportation	6,641,199	6,064,800	-8.7%
Restaurants and Hotels	5,505,377	5,707,595	3.7%
Building and Construction	5,445,494	5,145,002	-5.5%
Fuel and Service Stations	4,349,291	4,967,559	14.2%
Food and Drugs	3,210,133	3,376,247	5.2%
Other Allocations	1,168,183	835,143	-28.5%
TOTALS	\$47,459,667	\$45,697,862	-3.7%

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Total	\$	67,666,151	70,999,908	26,555,763	62,252,859	59,140,216

Objective: Project Change in VLF For FY 08-09 and FY 09-10 (includes Budget)

		07-08	08-09	08-09	08-09	09-10
		Actual	Budget	YTD* Actual	Estimated	Budget
Realignment	%		-0.20%	-9.60%	-10.00%	-6.00%
	\$	13,734,456	13,707,030	6,586,110	12,361,010	11,619,350



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION
450 N STREET, SACRAMENTO, CALIFORNIA
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0067
916-445-0840 • FAX 916-445-7119
www.boe.ca.gov

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State Controller
RAMON J. HIRSIG
Executive Director

January 16, 2009

TO: CITY AND COUNTY FINANCE OFFICIALS

Continuing the practice of past years, we are sending you recently estimated statewide growth rates to assist in your coming budget preparations.

Preliminary or estimated statewide changes in taxable sales for the first quarter of calendar year 2008 through the second quarter of calendar year 2010 are shown below:

<u>Sales Period</u>	<u>Year to Year Change In Taxable Sales</u>	<u>Allocations Received by Local Jurisdictions</u>
Jan. - Mar. 2008	-3.7 (prelim.)	Mar. - June 2008
Apr. - June 2008	-2.3 (prelim.)	June - Sept. 2008
July - Sept. 2008	-5.0 (prelim.)	Sept. - Dec. 2008
Oct. - Dec. 2008	-7.1 (est.)	Dec. 2008 - Mar. 2009
Jan. - Mar. 2009	-7.4 (est.)	Mar. - June 2009
Apr. - June 2009	-8.7 (est.)	June - Sept. 2009
July - Sept. 2009	-5.1 (est.)	Sept. - Dec. 2009
Oct. - Dec. 2009	-2.7 (est.)	Dec. 2009 - Mar. 2010
Jan. - Mar. 2010	-0.1 (est.)	Mar. - June 2010
Apr. - June 2010	3.1 (est.)	June - Sept. 2010

The estimates of growth were made in January 2009 by the Department of Finance in conjunction with preparation of the 2009-10 Governor's Budget.

Sincerely,

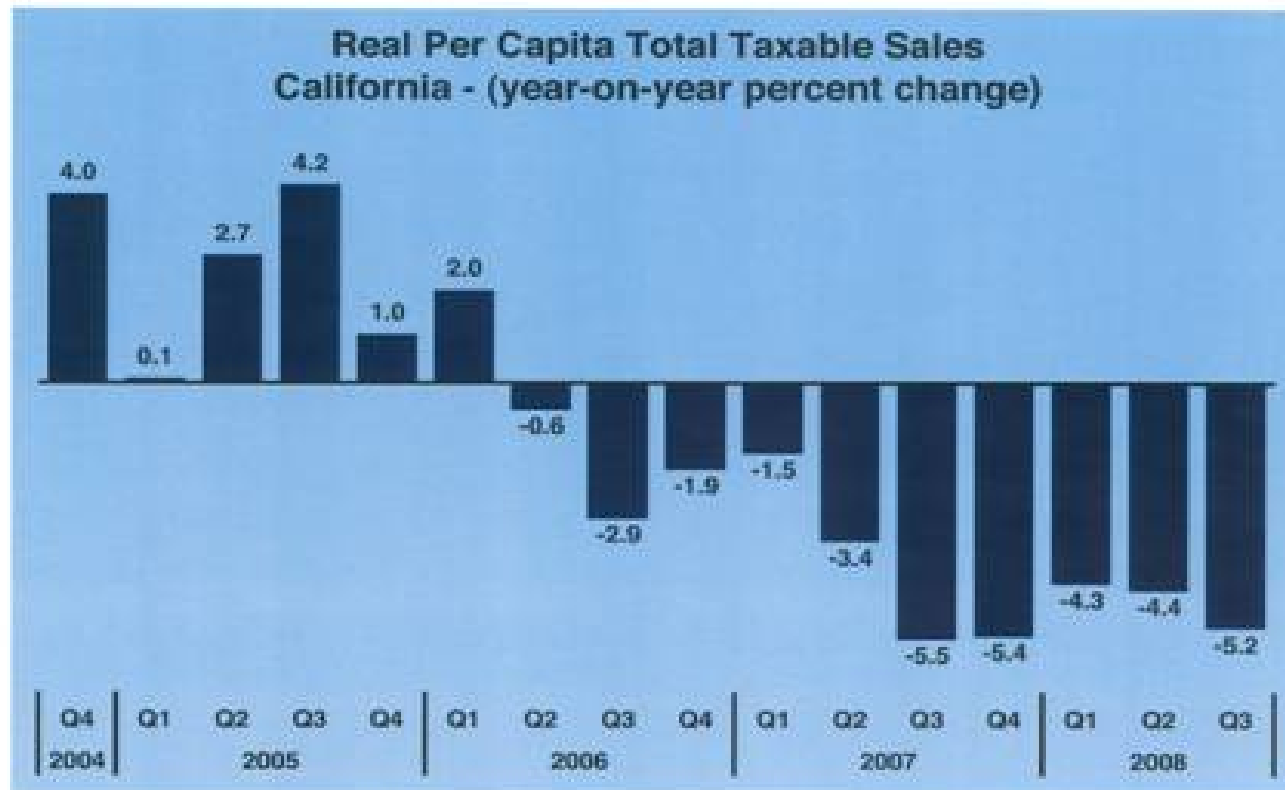
Robert Ingenito
Research and Statistics Section

RI:cee

UCSB Economic Forecast

The California Economic Outlook — January 2008

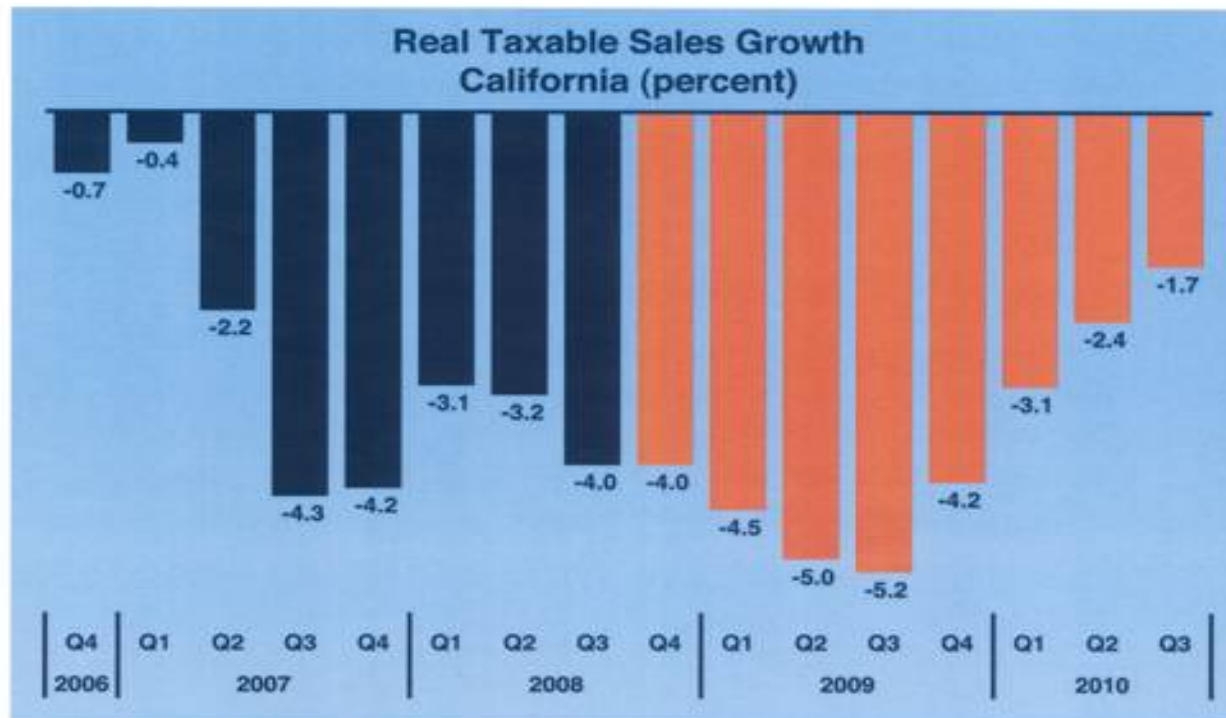
UCSB Economic Forecast Project © 2008 UC Regents



UCSB Economic Forecast

The California Economic Outlook — January 2009

UCSB Economic Forecast Project © 2009 UC Regents



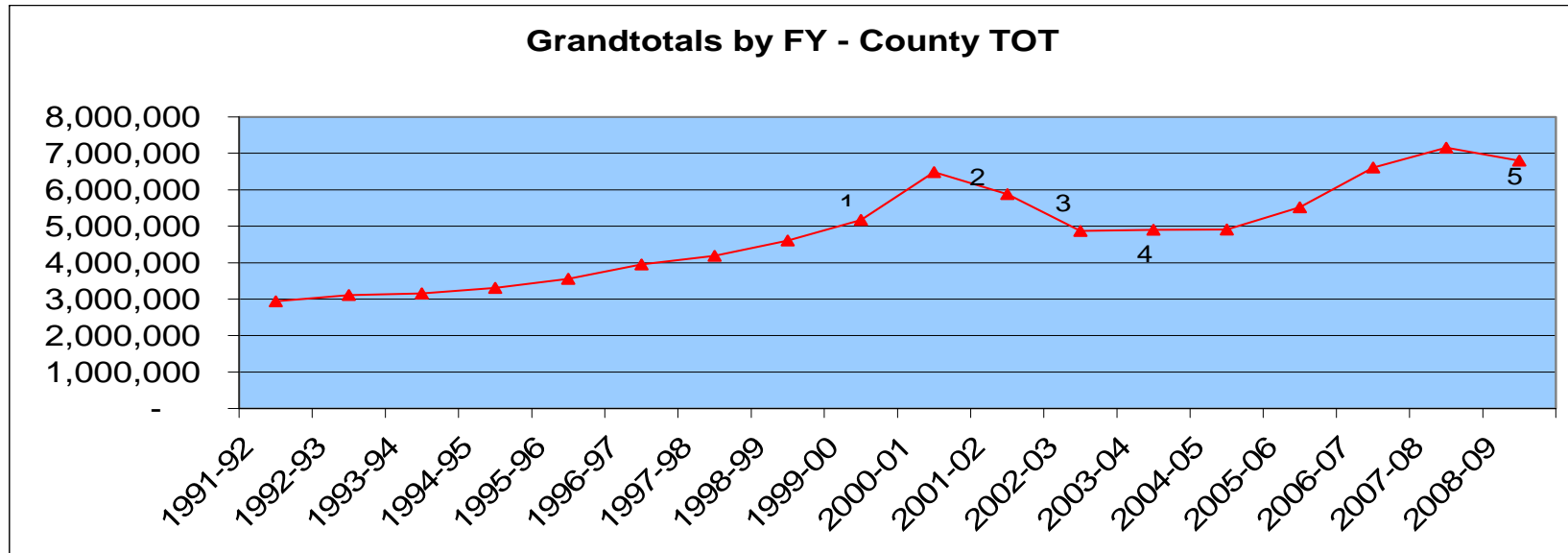
**Transient Occupancy Tax (TOT) Revenue
Mid Year Report FY 08-09
With a Revenue Projection for FY 09-10**

Taxes generated from transient occupancy taxes represent a significant source of discretionary financing for the county general fund. During Fiscal Year 2007-08 TOT tax generated \$7.2 million. For Fiscal Year 2008-09 we budgeted to receive \$6.4 million. We are seeing a slight decline in TOT for year to year actual for five months. We are projecting a decrease of 5% to \$6.8 million. For Fiscal Year 2009-10 we are projecting a decline of an additional 5% to \$6.5 million. This is an increase from the prior budget estimate by \$.1 million. The actual decline in TOT started to show in October and November receipts.

TOT

TOT Revenue Projection (includes Budget)					
	07-08	08-09	08-09	08-09	09-10
	Actual	Budget	YTD* Actual	Estimated	Budget
TOT %		-10.19%	0.46%	-5.00%	-5.00%
\$	7,154,951	6,426,000	3,706,144	6,797,203	6,457,343

TOT



Noted Events

1. Bacara opens
2. Miramar closes and Small Recession.
3. City of Goleta Incorporation
4. San Ysidro and Biltmore renovations
5. Recession

Grandtotals by FY		
FY	County \$	% Change
1991-92	2,940,178	
1992-93	3,110,335	5.79%
1993-94	3,155,760	1.46%
1994-95	3,310,877	4.92%
1995-96	3,558,418	7.48%
1996-97	3,951,212	11.04%
1997-98	4,185,222	5.92%
1998-99	4,606,355	10.06%
1999-00	5,173,497	12.31%
2000-01	6,485,212	25.35%
2001-02	5,877,323	-9.37%
2002-03	4,871,523	-17.11%
2003-04	4,902,611	0.64%
2004-05	4,909,198	0.13%
2005-06	5,519,156	12.42%
2006-07	6,606,751	19.71%
2007-08	7,154,951	8.30%
2008-09	6,797,203	-5.00%

TOT

3 Year Monthly Trend - TOT

