
COUNTY OF RIVERSIDE

5-Year Sales Tax Forecast

Brice Russell
HdL Companies

DEFINE SALES TAX BASE

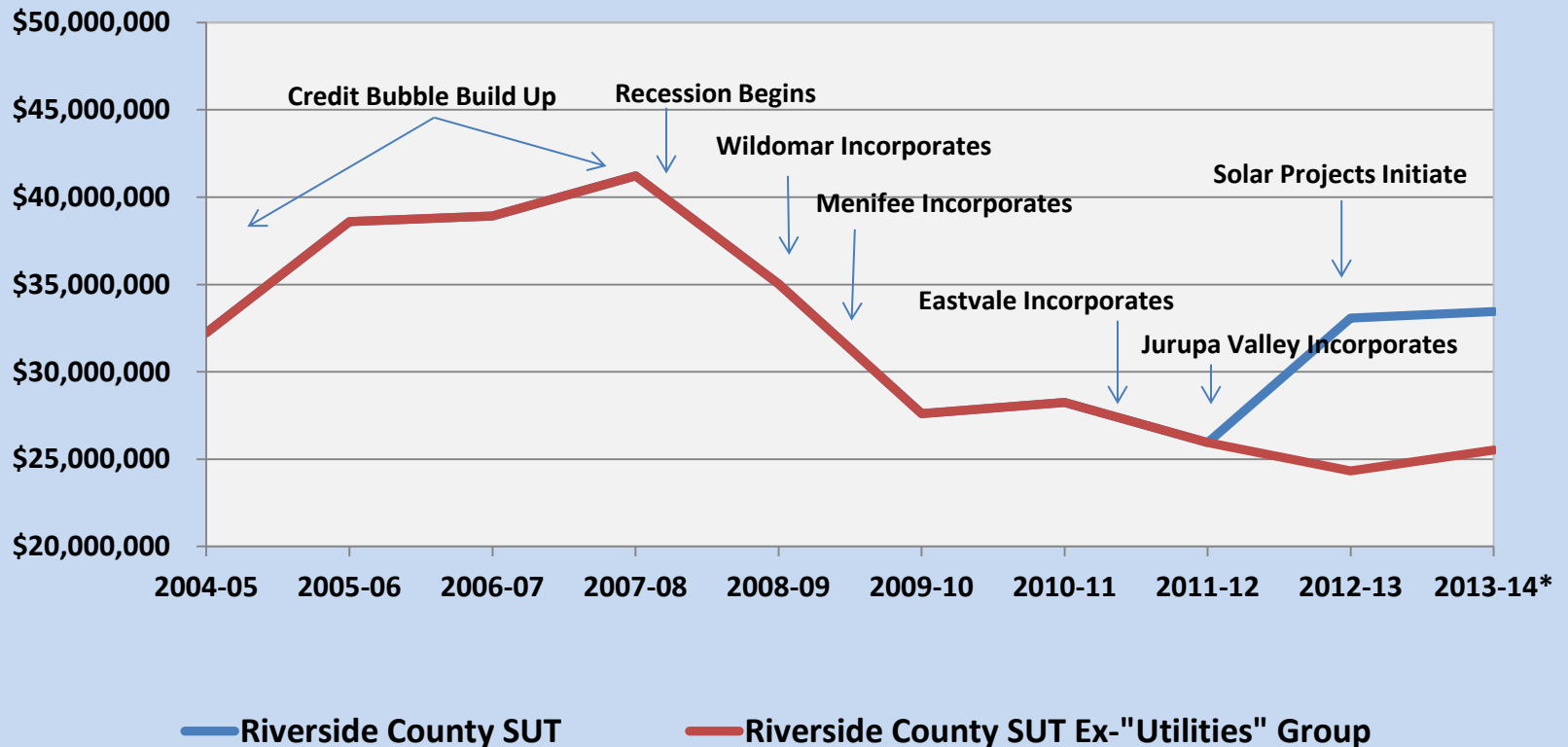
Analyze trends

Adjust for onetime revenue

Riverside County 10-Year Sales and Use Tax Trend

Defining Base Sales and Use Tax Revenue

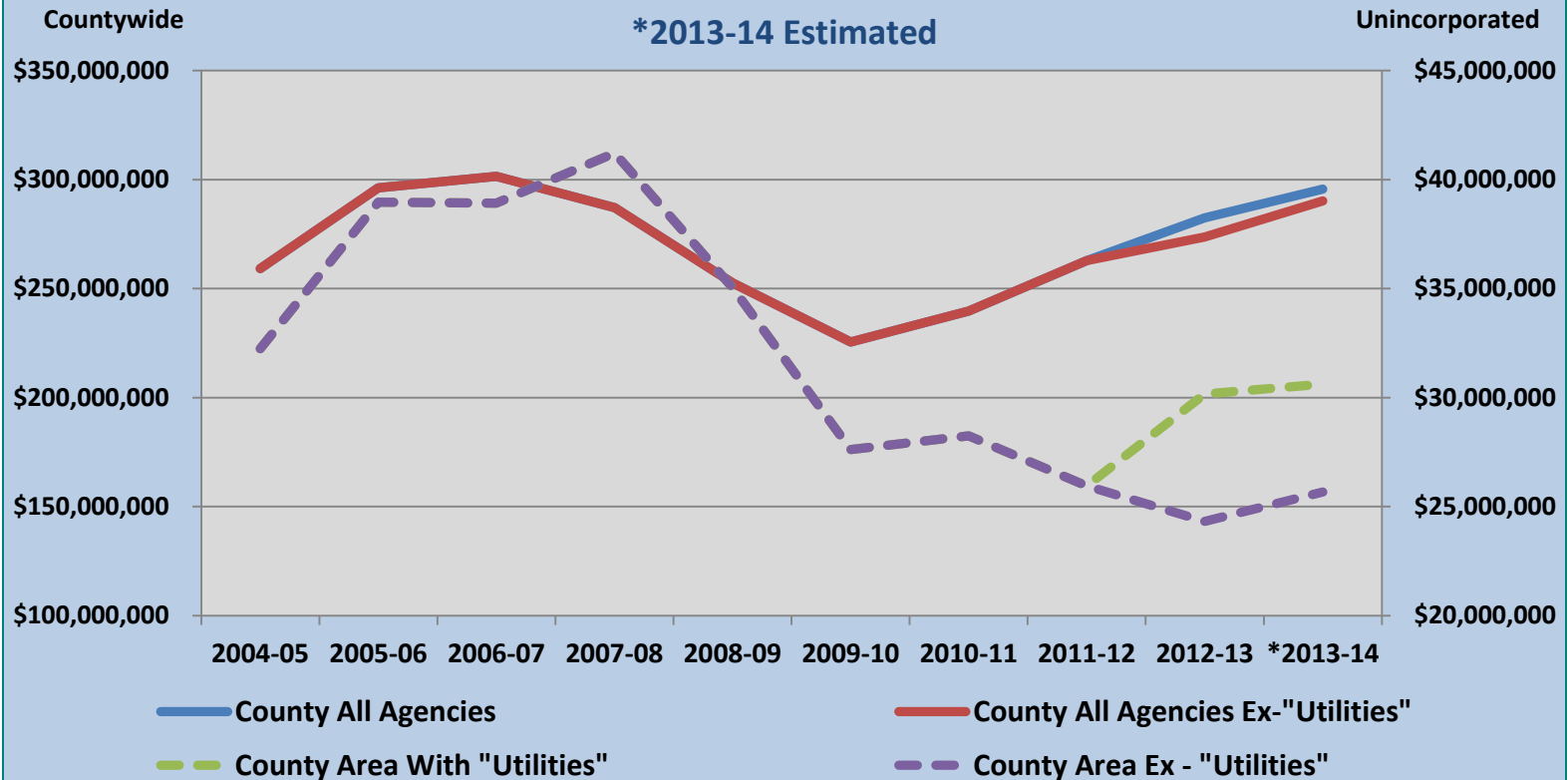
*FY 2013-14 Estimated



Sales and Use Tax Comparison

County With Cities v. County Area With and Without "Utilities"

*2013-14 Estimated



HdL'S FORECAST METHODS

Track state business categories

Analyze trade publications

Track leading indicators

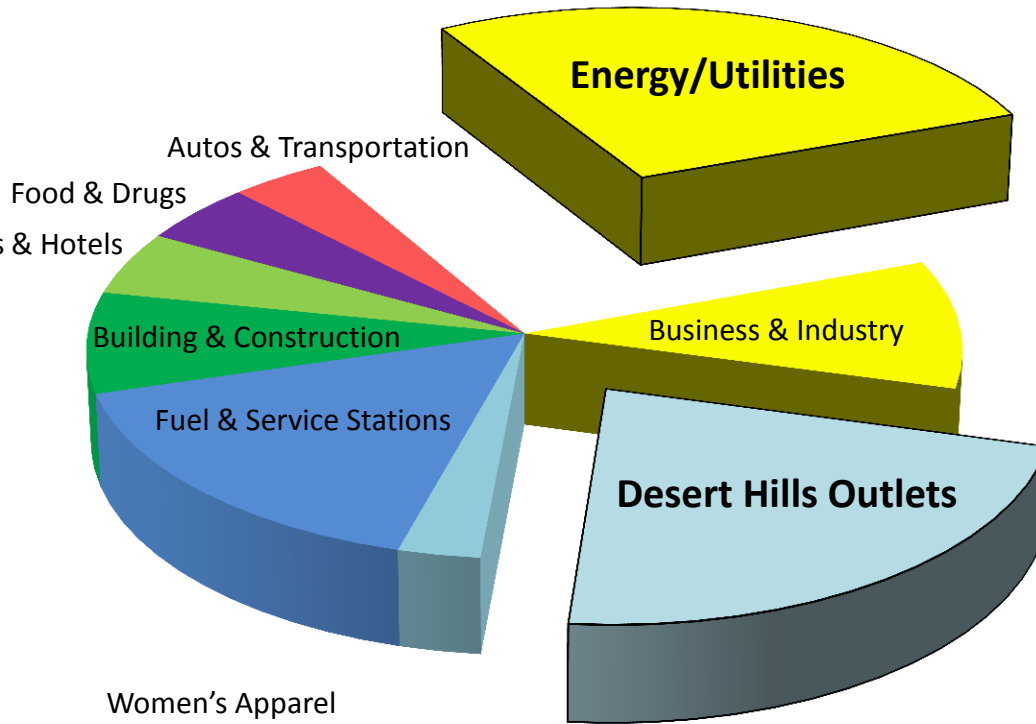
Use on-the-ground sources

County of Riverside

Sales Tax Distribution by Industry Group

Calendar 2013

- Automobile Transfers
- Boat Transfers
- Aircraft Transfers
- New Motor Vehicle Dealers
- Auto Supply Stores
- Trailers/Rvs
- Used Automotive Dealers
- Auto Lease
- Boats/Motorcycles
- Aircraft Dealers
- Auto Repair Shops
- Transportation & Rentals
- Grocery – No Alcohol
- Food Stores Non-Grocery
- Package Liquor Stores
- Marijuana Dispensary
- Candy/Nut Stores
- Drug Stores
- Grocery Stores – Beer/Wine
- Grocery Stores - Liquor
- Quick Service Restaurants
- Casual Dining
- Fine Dining
- Fast Casual Restaurants
- Hotels/Motels No Liquor
- Hotels - Liquor
- Clubs/Amusement Places
- Lumber/Building Materials
- Hardware Stores
- Plumbing/Electrical Supplies
- Paint/Glass/Wallpaper
- Contractors
- Fuel/Ice Dealers
- Service Stations
- Petroleum Prod/Equipment



- Energy/Utilities
- Office Supplies/Furniture
- Warehouse/Farm/Construction Equip.
- Garden/Agricultural Supplies
- Wineries
- Repair Ship/Hand Tool Rentals
- Office Equipment
- Medical/Biotech
- Electrical Equipment
- Government/Social Org.
- Auctioneers
- Business Services
- Food Service Equipment & Supplies
- Textiles/Furnishings
- Drugs/Chemicals
- Motion Pictures/Equipment
- Trailers/Auto Parts
- Transportation Non-Auto
- Fulfillment Centers
- Heavy Industrial
- Light Industrial/Printers

- Women's Apparel
- Men's Apparel
- Family Apparel
- Shoe Stores
- Variety Stores
- Department Stores
- Discount Dept Stores
- General Merchandise
- Newspaper Stands
- Art/Gift/Novelty Stores
- Sporting Goods/Bike Stores

- General Consumer Goods
- Florist Shops
- Photographic Equipment
- Music Stores
- Stationery/Book Stores
- Jewelry Stores
- Specialty Stores
- Cigarette/Cigar Stores
- Non-Store Retailers
- Part Time Permittees

- Home Furnishings
- Electronics/Appliance Stores
- Second-Hand Stores
- Vending Machine Routes
- Portrait Studios
- Shoe Repair Shops
- Morticians & Undertakers
- Personal Service – No Liquor

RESOURCES

- **INDUSTRY TRADE PUBLICATIONS**
- **STATE AND FEDERAL GOVERNMENT AGENCIES**
- **FORECASTS FROM UNIVERSITIES AND BANKS**
- **CONSUMER SURVEYS**
- **SCORES OF DAILY MEDIA REPORTS**
- **HISTORIC SALES DATA**

BEFORE THE FORECAST

Learn local conditions

**Adjust for economic and
demographic factors**

Factor out payment aberrations

INDUSTRY GROUP

GROWTH FACTORS

- | | |
|-------------------------|--------|
| • AUTOS/TRANSPORTATION | • 5.0% |
| • BUILDING/CONSTRUCTION | • 7.5% |
| • BUSINESS/INDUSTRY | • 2.0% |
| • FOOD/DRUGS | • 2.0% |
| • FUEL/SERVICE STATIONS | • 1.0% |
| • GENERAL CONSUMER | • 2.0% |
| • RESTAURANTS/HOTELS | • 5.0% |

PUTTING IT ALL TOGETHER

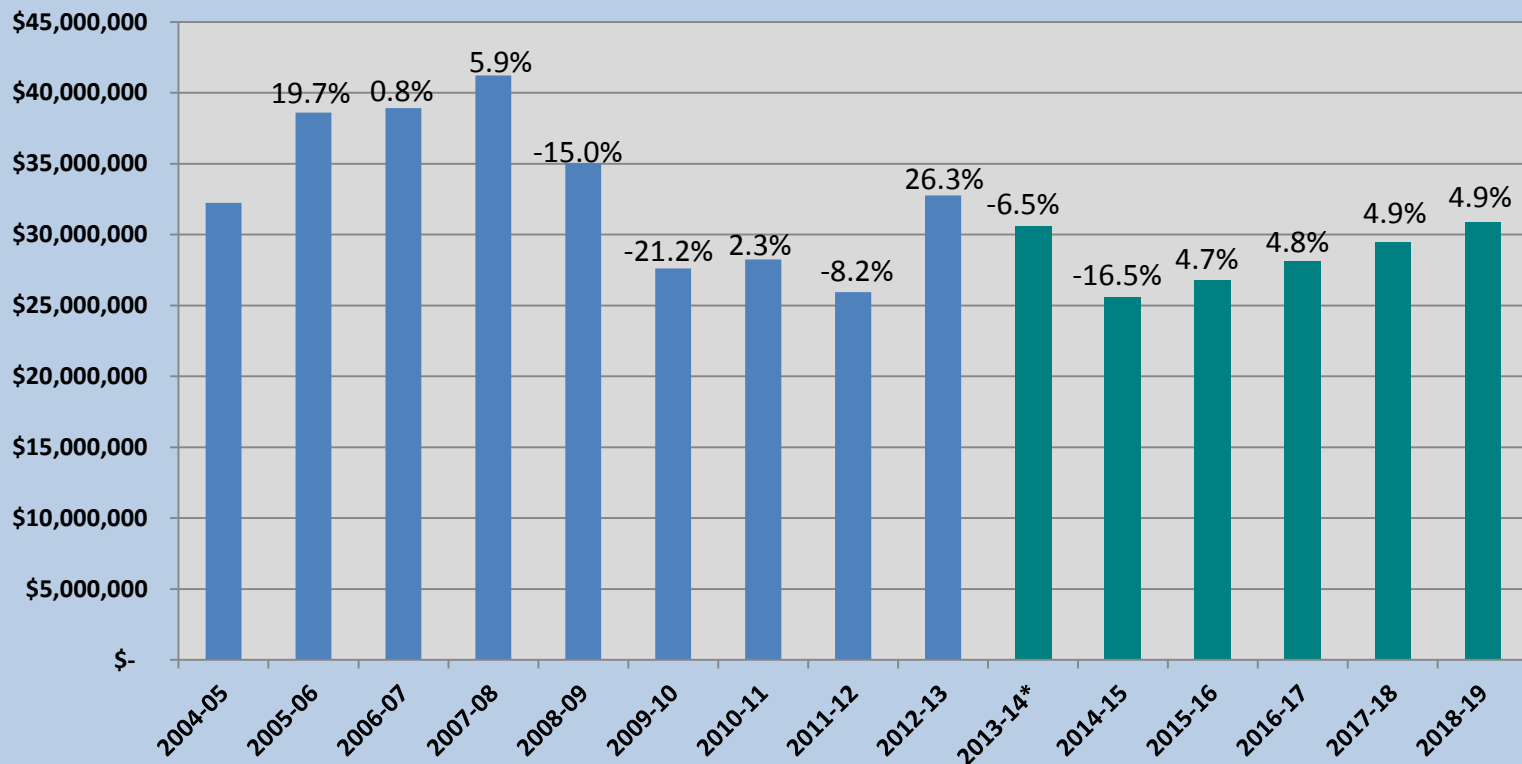
Actual tax return data:

- +Correct data errors
- +Factor out onetime reporting aberrations
- +Adjust for closeouts or new stores
- +Analyze source publications and socio-economic data
- +Create custom growth factors by industry group
- =Estimate of future revenue**

Riverside County 5-Year Forecast

Ex-Utilities Group

*2013-14 to 2018-19 Estimated



PROPOSITION 172 REVENUES

- Based on each of the 58 counties share of taxable sales in prior calendar year.
- Sales and use tax gains in a given county can boost public safety funding in future fiscal years.
- There is a time lag between Bradley-Burns revenue changes and when public safety funding changes.

PUBLIC SAFETY REVENUES

Prop. 172

Based on a share of statewide receipts

County shares:

2012-13: 4.9280%

2013-14: 5.0339%

PUBLIC SAFETY SUMMARY

2012-13 Revenue: \$143M

Solar Portion: about \$3M

2013-14 Revenue: \$150M

Solar Portion: about \$4M

Public Safety Base Revenue: \$146M

Questions/Comments?

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