

# City of Sebastopol

Sales Period: April 2010 - March 2011

## Summary

- Economy:** What the economy needs now is time. Consumers must further shrink huge debts amassed in the mid-2000s. The depressed housing market needs time to recover from a collapse in prices and sales. (Wells Fargo's Chief Economist)
- Jobs:** From 1999 through 2009, U.S. multinational companies added 2.4 million employees overseas while cutting their domestic staffing by 2.9 million. (Commerce Department) More than 467,000 state and local government jobs have vanished since the recession officially ended in June 2009. (Wells Fargo Securities) Each job in state and local government supports an additional 1.3 jobs elsewhere in the economy. (Moody's Analytics)
- Autos:** Wholesale prices for used cars have risen 4.9 percent in the past year. (Manheim) New Auto supply shortage and consumer wariness is slowing demand to a 11.5 million seasonally adjusted annual rate. Domestic models are overtaking foreign manufacturers.
- California Budget:** Elimination of redevelopment, reduction in auto registration fees, reduction in sales tax, and reduction in VLF money allocations to cities pose additional threats to local economies. Legislation to capture sales tax from online retailers such as Amazon and Overstock likely headed for litigation.

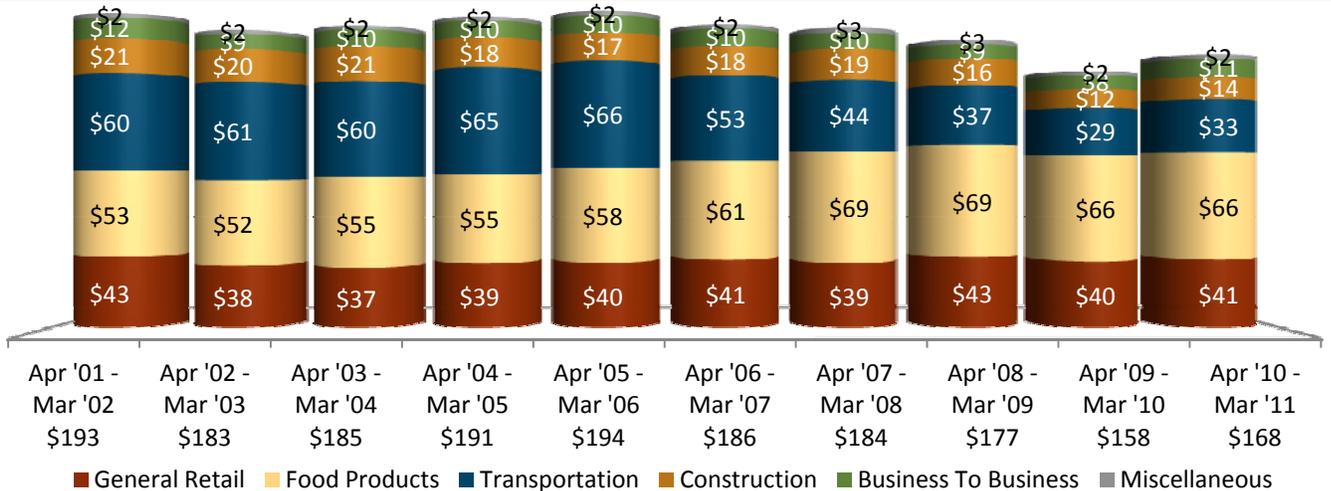
	Quarter-Over-Quarter			Year-Over-Year		
	Jan-Mar 2010 to Jan-Mar 2011			Apr-Mar 2010 to Apr-Mar 2011		
	City of Sebastopol	S.F. Bay Area	Statewide	City of Sebastopol	S.F. Bay Area	Statewide
<b>Total</b>	<b>-3.0%</b>	<b>5.4%</b>	<b>5.1%</b>	<b>-0.6%</b>	<b>4.1%</b>	<b>2.5%</b>
General Retail	-7.3%	2.1%	1.3%	-4.0%	1.7%	0.3%
Food Products	-13.0%	2.9%	1.4%	-6.0%	1.7%	0.0%
Transportation	11.8%	12.8%	13.6%	5.7%	9.0%	7.6%
Construction	8.4%	0.7%	0.4%	8.3%	0.4%	-1.0%
Business To Business	28.2%	7.8%	7.7%	26.3%	7.6%	5.4%
Food Markets	3.7%	1.3%	-0.2%	-0.5%	-0.6%	-2.0%
Restaurants	-0.3%	3.7%	1.9%	1.2%	2.7%	0.7%
Service Stations	12.1%	17.3%	17.0%	7.1%	11.6%	10.6%
Miscellaneous Retail	-13.6%	4.3%	1.8%	-9.2%	0.8%	-0.8%
Drug Stores	-4.7%	-1.1%	-0.3%	-4.0%	-1.5%	-2.1%
Bldg.Matls-Retail	10.0%	-2.3%	-5.5%	6.8%	-0.8%	-2.2%
Auto Parts/Repair	11.8%	-1.2%	1.2%	2.6%	-0.3%	0.1%
Food Processing Eqp	-85.9%	0.0%	3.9%	-44.1%	0.8%	1.6%
Florist/Nursery	-8.2%	-4.0%	-1.9%	-0.2%	1.9%	-2.2%
Light Industry	173.6%	-1.9%	1.3%	77.9%	-4.6%	-1.7%
Bldg.Matls-Whsle	4.0%	4.5%	8.5%	12.3%	1.9%	0.4%
Energy Sales	-5.7%	17.7%	35.1%	-0.5%	7.6%	23.5%
Furniture/Appliance	51.4%	3.6%	6.6%	41.0%	7.8%	4.9%
Apparel Stores	-5.8%	2.2%	1.5%	3.7%	1.8%	1.6%

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Sales Period: April 2010 - March 2011

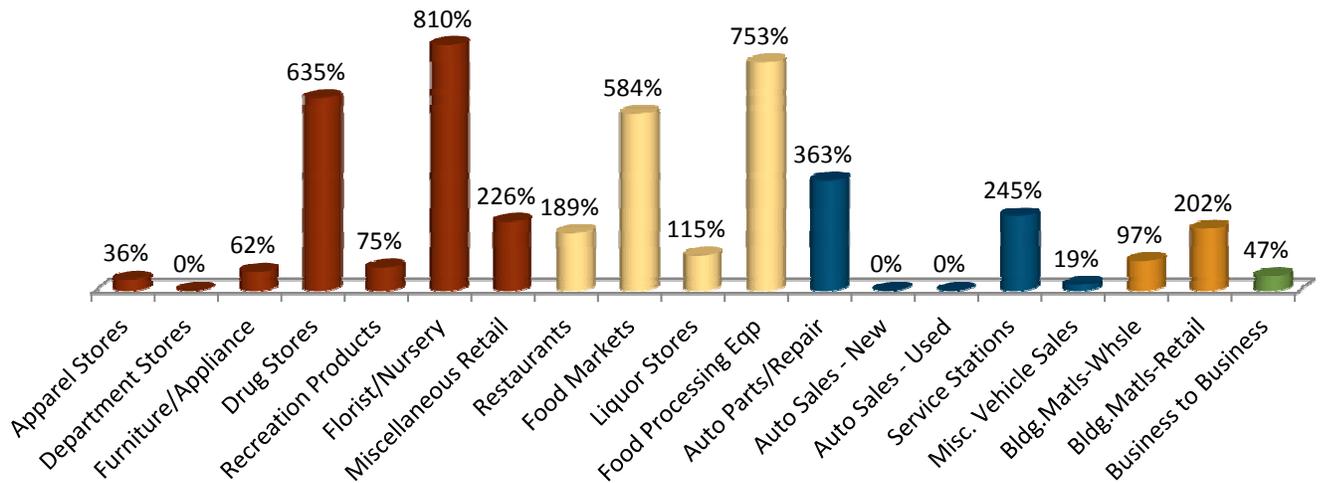
## Sales Tax Per Capita

City of Sebastopol's annualized sales tax divided by its population as reported by State Department of Finance

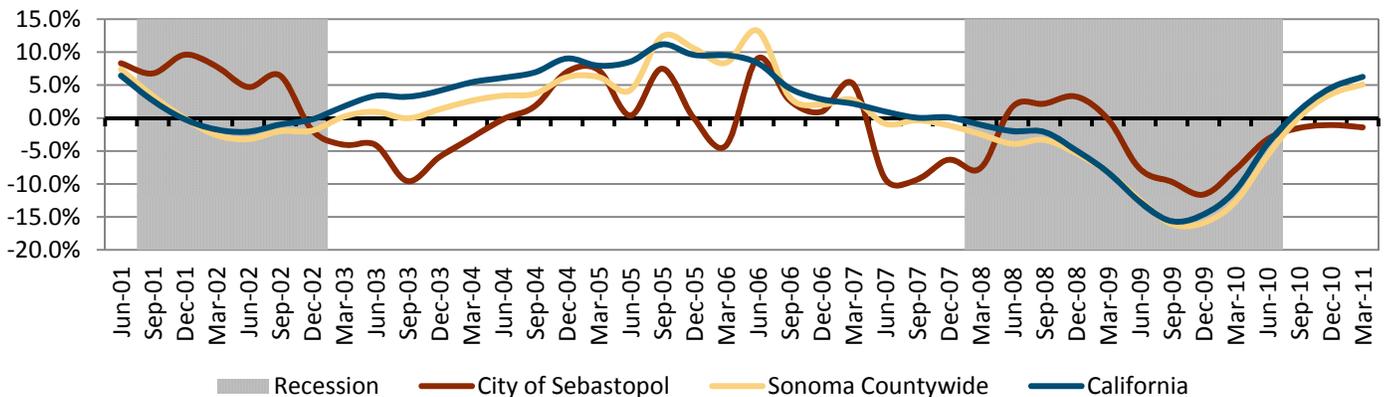


## Sales Tax Capture & Leakage Analysis

100% = Equilibrium; Over 100% = Capture; Under 100% = Leakage



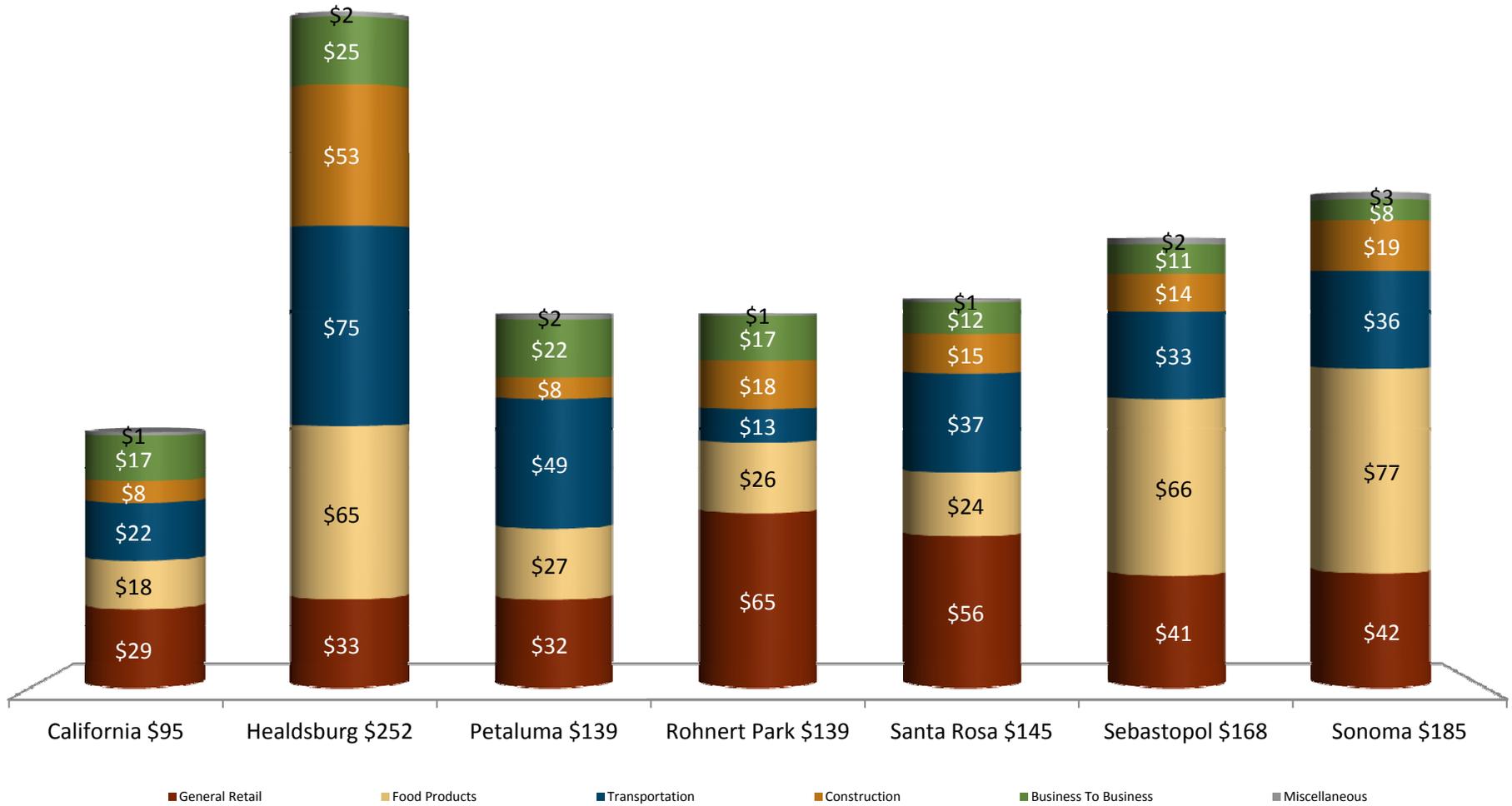
## Annualized Change in Sales Tax Cash Receipts



Sales Tax Net Cash Receipts: Three Advances Plus Clean-Up Payment

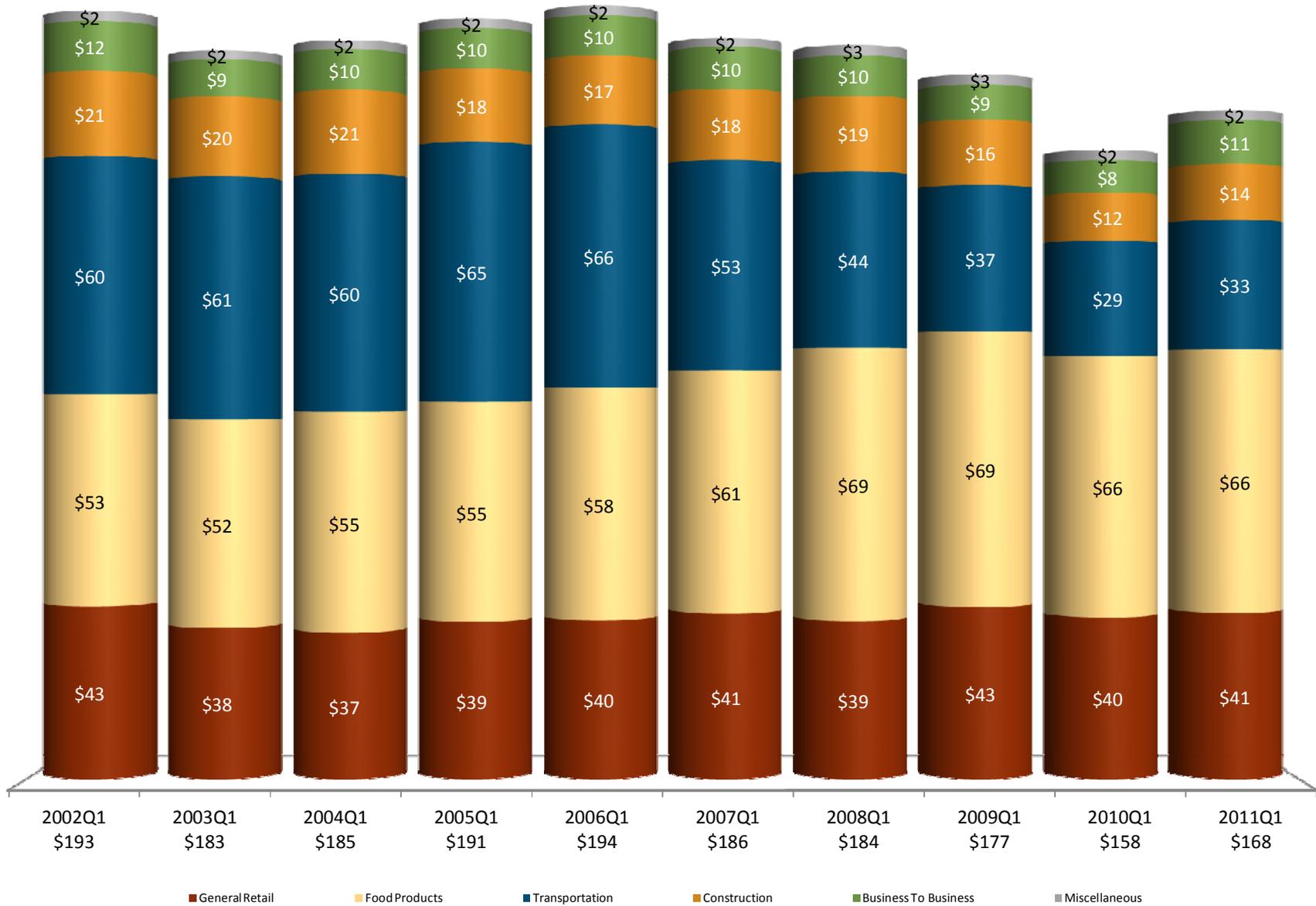
	% CHANGE BY MONTH ENDED QUARTER						FISCAL YEAR TO DATE				MOST RECENT FOUR QUARTER TOTAL				
	Last Year Cash Received >	Mar-09	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10	Jul-09 thru	Jul-10 thru			Jul-09 thru	Jul-10 thru		
	This Year Cash Received >	Mar-10	Jun-10	Sep-10	Dec-10	Mar-11	Jun-11	Jun-10	Jun-11	\$ Chg	% Chg	Jun-10	Jun-11	\$ Chg	% Chg
	Calendar Sales Quarter >	09Q4	10Q1	10Q2	10Q3	10Q4	11Q1	4 Quarters	4 Quarters						
1 SANTA ROSA	-12.7	-1.7	5.9	3.7	5.6	8.1	24,790,250	26,224,785	1,434,535	5.8	24,790,250	26,224,784	1,434,534	5.8	
2 SONOMA COUNTY	-5.2	2.3	4.1	11.6	3.7	6.6	11,202,440	11,932,535	730,095	6.5	11,202,440	11,932,534	730,094	6.5	
3 PETALUMA	-3.6	3.2	26.6	-11.9	0.2	2.6	8,647,444	8,841,336	193,892	2.2	8,647,444	8,841,336	193,892	2.2	
4 ROHNERT PARK	-5.6	-0.5	3.3	11.1	-0.9	0.5	5,922,195	6,123,552	201,357	3.4	5,922,196	6,123,553	201,357	3.4	
5 HEALDSBURG	-3.1	-1.2	6.0	37.4	4.8	4.4	2,768,286	3,113,315	345,029	12.5	2,768,287	3,113,316	345,029	12.5	
6 WINDSOR	-14.4	-15.7	-6.5	-1.3	9.8	10.4	2,934,456	3,014,287	79,831	2.7	2,934,456	3,014,286	79,830	2.7	
7 SONOMA	-23.6	0.5	-0.7	7.4	34.6	0.1	1,919,014	2,107,354	188,340	9.8	1,919,014	2,107,354	188,340	9.8	
8 COTATI	25.6	8.7	7.8	1.8	-27.2	16.6	1,527,575	1,488,600	-38,975	-2.6	1,527,576	1,488,601	-38,975	-2.6	
<b>9 CITY OF SEBASTOPOL*</b>	<b>-5.9</b>	<b>3.7</b>	<b>1.1</b>	<b>-3.8</b>	<b>-4.4</b>	<b>2.0</b>	<b>1,359,815</b>	<b>1,340,481</b>	<b>-19,334</b>	<b>-1.4</b>	<b>1,359,814</b>	<b>1,340,482</b>	<b>-19,332</b>	<b>-1.4</b>	
10 CLOVERDALE	3.9	10.0	-4.2	17.0	0.5	3.0	525,015	547,408	22,393	4.3	525,015	547,408	22,393	4.3	
ALAMEDA CO.	-6.2	2.5	10.2	3.8	7.0	9.6	195,305,956	210,005,384	14,699,428	7.5	195,305,956	210,005,384	14,699,428	7.5	
CONTRA COSTA CO.	-4.7	-2.9	6.6	-2.7	2.0	9.5	115,741,942	119,865,932	4,123,990	3.6	115,741,942	119,865,933	4,123,991	3.6	
MARIN CO.	-1.4	3.2	7.2	3.2	3.5	6.0	37,173,077	38,982,096	1,809,019	4.9	37,173,078	38,982,095	1,809,017	4.9	
NAPA CO.	-8.7	2.0	7.8	0.6	2.8	3.5	22,427,056	23,233,033	805,977	3.6	22,427,055	23,233,033	805,978	3.6	
SAN FRANCISCO CO.	-6.1	-2.1	8.6	7.1	10.4	11.3	126,638,345	138,442,812	11,804,467	9.3	126,638,346	138,442,811	11,804,465	9.3	
SAN MATEO CO.	-2.9	5.0	13.8	0.2	6.7	7.5	109,080,515	116,515,278	7,434,763	6.8	109,080,515	116,515,278	7,434,763	6.8	
SANTA CLARA CO.	-4.7	7.6	18.0	8.0	10.2	7.7	281,064,932	311,385,422	30,320,490	10.8	281,064,933	311,385,422	30,320,489	10.8	
SOLANO CO.	-17.5	-4.8	-0.8	-2.3	3.7	2.9	52,434,685	52,875,925	441,240	0.8	52,434,686	52,875,926	441,240	0.8	
<b>SONOMA CO. *</b>	<b>-8.5</b>	<b>-0.5</b>	<b>6.7</b>	<b>4.4</b>	<b>3.6</b>	<b>6.0</b>	<b>61,596,490</b>	<b>64,733,653</b>	<b>3,137,163</b>	<b>5.1</b>	<b>61,596,492</b>	<b>64,733,654</b>	<b>3,137,162</b>	<b>5.1</b>	
<b>S.F. BAY AREA *</b>	<b>-5.9</b>	<b>2.4</b>	<b>11.1</b>	<b>3.8</b>	<b>7.1</b>	<b>8.2</b>	<b>1,001,462,998</b>	<b>1,076,039,535</b>	<b>74,576,537</b>	<b>7.4</b>	<b>1,001,463,003</b>	<b>1,076,039,536</b>	<b>74,576,533</b>	<b>7.4</b>	
CENTRAL COAST	-5.9	3.1	9.4	3.5	4.7	8.3	108,647,519	115,488,697	6,841,178	6.3	108,647,518	115,488,696	6,841,178	6.3	
CENTRAL VALLEY	-10.5	-2.5	5.5	6.0	12.3	15.3	409,049,740	448,603,522	39,553,782	9.7	409,049,742	448,603,521	39,553,779	9.7	
NORTH COAST	-2.4	14.0	5.8	1.9	0.9	-4.9	39,637,050	40,006,982	369,932	0.9	39,637,049	40,006,982	369,933	0.9	
OTHER NORTHERN	-5.0	6.9	6.7	5.0	6.3	0.7	47,396,901	49,648,592	2,251,691	4.8	47,396,903	49,648,592	2,251,689	4.8	
SACRAMENTO VALLEY	-4.7	-1.4	5.2	1.5	3.0	4.5	323,640,803	334,909,264	11,268,461	3.5	323,640,802	334,909,264	11,268,462	3.5	
<b>NORTHERN CALIF</b>	<b>-6.6</b>	<b>1.0</b>	<b>8.5</b>	<b>3.9</b>	<b>7.2</b>	<b>8.6</b>	<b>1,929,835,011</b>	<b>2,064,696,592</b>	<b>134,861,581</b>	<b>7.0</b>	<b>1,929,835,017</b>	<b>2,064,696,591</b>	<b>134,861,574</b>	<b>7.0</b>	
INLAND EMPIRE	-3.4	-0.4	6.1	3.6	6.0	9.2	461,079,727	489,628,140	28,548,413	6.2	461,079,727	489,628,140	28,548,413	6.2	
OTHER SOUTHERN	-0.2	-16.4	9.0	10.8	9.4	30.1	20,875,927	23,812,799	2,936,872	14.1	20,875,928	23,812,799	2,936,871	14.1	
SOUTH COAST	-6.1	0.4	6.6	3.5	5.9	6.1	2,129,919,122	2,247,661,103	117,741,981	5.5	2,129,919,120	2,247,661,102	117,741,982	5.5	
<b>SOUTHERN CALIF</b>	<b>-5.6</b>	<b>0.1</b>	<b>6.5</b>	<b>3.6</b>	<b>6.0</b>	<b>6.9</b>	<b>2,611,874,776</b>	<b>2,761,102,042</b>	<b>149,227,266</b>	<b>5.7</b>	<b>2,611,874,775</b>	<b>2,761,102,041</b>	<b>149,227,266</b>	<b>5.7</b>	
<b>STATE TOTAL</b>	<b>-6.0</b>	<b>0.5</b>	<b>7.3</b>	<b>3.7</b>	<b>6.5</b>	<b>7.6</b>	<b>4,541,709,787</b>	<b>4,825,798,634</b>	<b>284,088,847</b>	<b>6.3</b>	<b>4,541,709,792</b>	<b>4,825,798,632</b>	<b>284,088,840</b>	<b>6.3</b>	

**SONOMA COUNTY**  
 Sales Tax Per Capita  
 April 2010 - March 2011 Sales Period  
 (Benchmark Year 2011Q1)

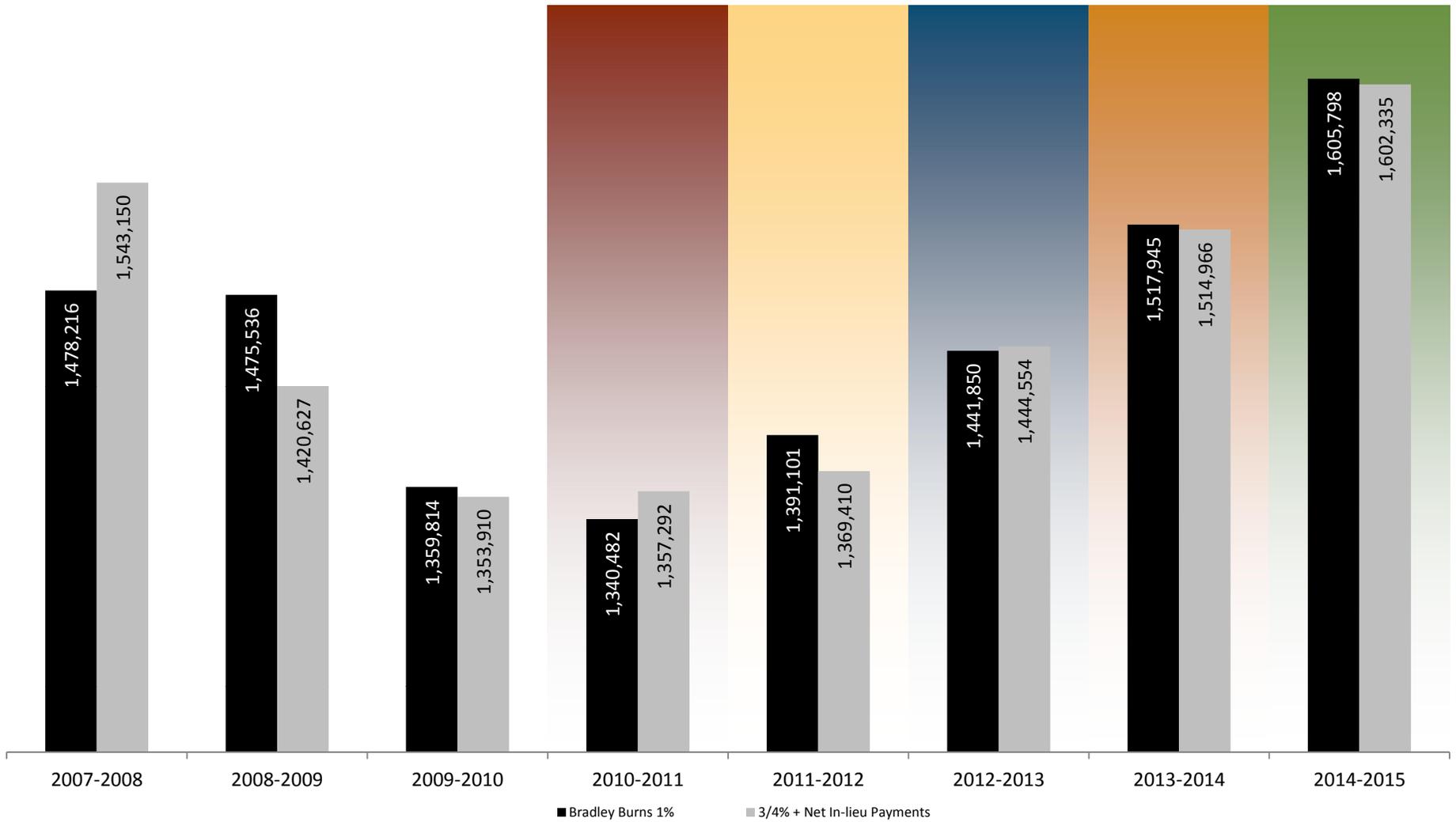


# SEBASTOPOL

## Historical Sales Tax Per Capita by Benchmark Year



City of Sebastopol: Sales tax forecast based on sales thru March 2011 (1st Quarter)



Most-Likely Scenario	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Bradley Burns 1%	1,478,216	1,475,536	1,359,814	1,340,482	1,391,101	1,441,850	1,517,945	1,605,798
3/4% + Net In-lieu Payments	1,543,150	1,420,627	1,353,910	1,357,292	1,369,410	1,444,554	1,514,966	1,602,335

Most-Likely Scenario	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015
Bradley Burns 1%	-7.6%	-0.2%	-7.8%	-1.4%	3.8%	3.6%	5.3%	5.8%
3/4% + Net In-lieu Payments	-0.5%	-7.9%	-4.7%	0.2%	0.9%	5.5%	4.9%	5.8%

**City of Sebastopol: Sales tax forecast based on sales thru March 2011 (1st Quarter) - Summary**

	2010-2011	2011-2012	2012-2013		2013-2014		2014-2015	
	Adjustments	Adjustments	Ind. Growth	Adjustments	Ind. Growth	Adjustments	Ind. Growth	Adjustments
<b>Most-Likely Scenario: Base</b>	<b>\$1,340,482</b>	<b>\$1,340,482</b>		<b>\$1,391,101</b>		<b>\$1,441,850</b>		<b>\$1,517,945</b>
<b>General Retail</b>	-	<b>7,986</b>		<b>7,885</b>		<b>4,849</b>		<b>9,844</b>
Apparel Stores	-	-	2.5%	388	1.5%	238	3.0%	484
Department Stores	-	-	2.5%	0	1.5%	0	3.0%	0
Furniture/Appliance	-	-	2.5%	506	1.5%	311	3.0%	631
Drug Stores	-	-	2.5%	2,193	1.5%	1,349	3.0%	2,738
Recreation Products	-	-	2.5%	210	1.5%	129	3.0%	262
Florist/Nursery	-	(9,067)	2.5%	377	1.5%	232	3.0%	471
Miscellaneous Retail	-	17,053	2.5%	4,212	1.5%	2,590	3.0%	5,258
<b>Food Products</b>	-	<b>4,100</b>		<b>869</b>		<b>4,361</b>		<b>4,448</b>
Restaurants	-	1,500	0.4%	869	2.0%	4,361	2.0%	4,448
Food Markets	-	600	0.0%	-	0.0%	-	0.0%	-
Liquor Stores	-	300	0.0%	-	0.0%	-	0.0%	-
Food Processing Eqp	-	1,700	0.0%	-	0.0%	-	0.0%	-
<b>Transportation</b>	-	<b>3,452</b>		-		-		-
Auto Parts/Repair	-	(248)	0.0%	-	0.0%	-	0.0%	-
Auto Sales - New	-	-	8.0%	-	5.5%	-	3.0%	-
Auto Sales - Used	-	-	0.0%	-	0.0%	-	0.0%	-
Service Stations	-	3,700	0.0%	-	0.0%	-	0.0%	-
Misc. Vehicle Sales	-	-	0.0%	-	0.0%	-	0.0%	-
<b>Construction</b>	-	<b>600</b>		-		<b>8,374</b>		<b>3,391</b>
Bldg.Matls-Whsle	-	600	0.0%	-	8.0%	2,475	3.0%	1,002
Bldg.Matls-Retail	-	-	0.0%	-	8.0%	5,899	3.0%	2,389
<b>Business To Business</b>	-	<b>17,100</b>		-		-		<b>891</b>
Office Equipment	-	1,000	0.0%	-	0.0%	-	0.0%	-
Electronic Equipment	-	-	0.0%	-	0.0%	-	5.0%	206
Business Services	-	-	0.0%	-	0.0%	-	0.0%	-
Energy Sales	-	-	0.0%	-	0.0%	-	5.0%	685
Chemical Products	-	-	0.0%	-	0.0%	-	0.0%	-
Heavy Industry	-	-	0.0%	-	0.0%	-	0.0%	-
Light Industry	-	16,100	0.0%	-	0.0%	-	0.0%	-
Leasing	-	-	0.0%	-	0.0%	-	0.0%	-
<b>Miscellaneous</b>	-	-		-		<b>129</b>		<b>130</b>
Health & Government	-	-	0.0%	-	1.0%	129	1.0%	130
Miscellaneous Other	-	-	0.0%	-	0.0%	-	0.0%	-
Closed Acct-Adjustmt	-	-	0.0%	-	0.0%	-	0.0%	-
<b>All Others</b>	-	<b>(15,223)</b>		-		-		-
Business-Level Adjustments	-	18,015		8,753		17,713		18,704
Coming / Threats / Prior Periods	-	-		-		-		-
Adjusted Base	1,340,482	1,358,497		1,399,854		1,459,562		1,536,649
Inflation Adjustment	-	32,604		41,996		58,382		69,149
<b>Projection</b>	<b>\$1,340,482</b>	<b>\$1,391,101</b>		<b>\$1,441,850</b>		<b>\$1,517,945</b>		<b>\$1,605,798</b>
<b>Most-Likely Scenario</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>2013-2014</b>	<b>2014-2015</b>			
Accrual thru 2nd Adv: Jul 2011	1,347,948	1,394,531	1,452,234	1,529,934	1,618,487			
Accrual thru 3rd Adv: Aug 2011	1,352,971	1,396,818	1,459,157	1,532,159	1,626,947			
Accrual thru Balance: Sep 2011	1,349,318	1,403,926	1,461,080	1,532,778	1,629,297			

**City of Sebastopol: Sales tax forecast based on sales thru March 2011 (1st Quarter)**

2010-2011 Base

\$ 1,340,482

Fiscal Year 2010-2011

Date:

July 25, 2011

Adjustments	2010-2011
General Retail	0
Food Products	0
Transportation	0
Construction	0
Business to Business	0
Miscellaneous	0
All Other Below Cutoff	0

**Payment for Prior Periods**      **Expected Date**

**Coming Soon or Threats**      **Expected Date**

**Total Adjustments**      **0**

*Adjustments include new, closed and one-time adjustments*

Forecast Scenarios	Inflation Adj.	1.00%	0.75% + Flip
Pessimistic: 0.0%	0.00%	1,340,482	1,357,292
<b>Most Likely: 0.0%</b>	<b>0.00%</b>	<b>1,340,482</b>	<b>1,357,292</b>
Optimistic: 0.0%	0.00%	1,340,482	1,357,292

1.00% Accrual	Pessimistic	Most Likely	Optimistic
2nd Adv: Jul 2011	1,347,948	<b>1,347,948</b>	1,347,948
3rd Adv: Aug 2011	1,352,971	<b>1,352,971</b>	1,352,971
Balance: Sep 2011	1,346,527	<b>1,349,318</b>	1,355,470

Cash Flow	1.00%	0.75%	Flip	Cumulative
1st Adv: Jun 2010	92,933	69,700		(30,440)
2nd Adv: Jul 2010	92,933	69,700		(53,674)
3rd Adv: Aug 2010	123,867	92,900		(84,640)
Balance: Sep 2010	32,983	23,786		(93,838)
<b>Total</b>	<b>342,716</b>	<b>256,086</b>		
1st Adv: Sep 2010	92,267	69,200		(116,904)
2nd Adv: Oct 2010	92,267	69,200		(139,971)
3rd Adv: Nov 2010	122,933	92,200		(170,704)
Balance: Dec 2010	26,110	18,674		(178,141)
<b>Total</b>	<b>333,577</b>	<b>249,274</b>		
1st Adv: Dec 2010	114,800	86,100		(206,841)
2nd Adv: Jan 2011	114,800	86,100		(235,541)
<i>In-Lieu</i>			175,704	(59,837)
<i>True-Up</i>			7,207	(52,630)
<i>1/4% Admin Fee</i>			(3,169)	(52,630)
<i>Total Triple Flip</i>			<u>179,742</u>	
3rd Adv: Feb 2011	153,067	114,800		(90,897)
Balance: Mar 2011	(38,178)	(29,513)		(82,232)
<b>Total</b>	<b>344,489</b>	<b>257,487</b>		
1st Adv: Mar 2011	86,133	64,600		(103,765)
2nd Adv: Apr 2011	86,133	64,600		(125,298)
3rd Adv: May 2011	126,400	94,800		(156,898)
<i>In-Lieu</i>			175,704	18,805
<i>True-Up</i>			0	18,805
<i>1/4% Admin Fee</i>			0	18,805
<i>Total Triple Flip</i>			<u>175,704</u>	
Balance: Jun 2011	21,033	15,000		12,772
<b>Total</b>	<b>319,699</b>	<b>239,000</b>		
<b>2010-2011 Total</b>	<b>1,340,482</b>	<b>1,357,292</b>	<b>= 0.75% + Flip</b>	<b>12,772</b>

Shaded area indicates forecasted dollars.

- Notes**
- The Most Likely scenario's effective Bradley Burns 1% growth rate is -1.4%.
  - The Most Likely scenario's effective cash payment growth rate (0.75% + Flip) is 0.2%.

0.75% + Flip Accrual	Pessimistic	Most Likely	Optimistic
2nd Adv: Jul 2011	1,362,892	<b>1,362,892</b>	1,362,892
3rd Adv: Aug 2011	1,366,659	<b>1,366,659</b>	1,366,659
Balance: Sep 2011	1,360,140	<b>1,362,233</b>	1,366,847

**City of Sebastopol: Sales tax forecast based on sales thru March 2011 (1st Quarter)**

2011-2012 Base

\$ 1,340,482

Fiscal Year 2011-2012

Date:

July 25, 2011

Adjustments	Industry Growth	2011-2012
General Retail	2.6%	7,986
Food Products	0.8%	4,100
Transportation	1.4%	3,452
Construction	0.6%	600
Business to Business	20.8%	17,100
Miscellaneous	0.0%	0
All Other Below Cutoff		(15,223)

Payment for Prior Periods	Expected Date
	2010Q2
	2010Q3
	2010Q4
	2011Q1

Coming Soon or Threats	Expected Date

**Total Adjustments 18,015**

*Adjustments include new, closed and one-time adjustments*

Forecast Scenarios	Inflation Adj.	1.00%	0.75% + Flip
Pessimistic	1.4%	1,377,516	1,355,660
<b>Most Likely</b>	<b>2.4%</b>	<b>1,391,101</b>	<b>1,369,410</b>
Optimistic	4.0%	1,412,837	1,391,410

1.00% Accrual	Pessimistic	Most Likely	Optimistic
2nd Adv: Jul 2012	1,379,396	<b>1,394,531</b>	1,418,544
3rd Adv: Aug 2012	1,380,649	<b>1,396,818</b>	1,422,349
Balance: Sep 2012	1,390,260	<b>1,403,926</b>	1,423,726

Cash Flow	1.00%	0.75%	Flip	Cumulative
1st Adv: Jun 2011	96,667	72,500		(11,395)
2nd Adv: Jul 2011	96,667	72,500		(35,561)
3rd Adv: Aug 2011	128,889	96,667		(67,784)
Balance: Sep 2011	29,330	19,360		(77,754)
<b>Total</b>	<b>351,553</b>	<b>261,026</b>		
1st Adv: Sep 2011	98,883	74,162		(102,475)
2nd Adv: Oct 2011	98,883	74,162		(127,196)
3rd Adv: Nov 2011	131,844	98,883		(160,157)
Balance: Dec 2011	36,623	25,143		(171,637)
<b>Total</b>	<b>366,234</b>	<b>272,351</b>		
1st Adv: Dec 2011	98,290	73,718		(196,210)
2nd Adv: Jan 2012	98,290	73,718		(220,782)
<i>In-Lieu</i>			175,952	(44,830)
<i>True-Up</i>			(12,772)	(57,602)
<i>1/4% Admin Fee</i>			(3,124)	(57,602)
<i>Total Triple Flip</i>			<u>160,057</u>	
3rd Adv: Feb 2012	131,053	98,290		(90,365)
Balance: Mar 2012	36,404	24,665		(102,104)
<b>Total</b>	<b>364,037</b>	<b>270,390</b>		
1st Adv: Mar 2012	83,505	62,629		(122,980)
2nd Adv: Apr 2012	83,505	62,629		(143,857)
3rd Adv: May 2012	111,340	83,505		(171,691)
<i>In-Lieu</i>			175,952	4,261
<i>True-Up</i>			0	4,261
<i>1/4% Admin Fee</i>			0	4,261
<i>Total Triple Flip</i>			<u>175,952</u>	
Balance: Jun 2012	30,928	20,871		(5,796)
<b>Total</b>	<b>309,277</b>	<b>229,633</b>		
<b>2011-2012 Total</b>	<b>1,391,101</b>	<b>1,369,410</b>	<b>= 0.75% + Flip</b>	<b>(5,796)</b>

Shaded area indicates forecasted dollars.

**Notes**

1. The Most Likely scenario's effective Bradley Burns 1% growth rate is 3.8%.
2. The Most Likely scenario's effective cash payment growth rate (0.75% + Flip) is 0.9%.

0.75% + Flip Accrual	Pessimistic	Most Likely	Optimistic
2nd Adv: Jul 2012	1,357,069	<b>1,371,982</b>	1,395,690
3rd Adv: Aug 2012	1,358,009	<b>1,373,698</b>	1,398,544
Balance: Sep 2012	1,365,218	<b>1,379,028</b>	1,399,577

**City of Sebastopol: Sales tax forecast based on sales thru March 2011 (1st Quarter)**

2012-2013 Base

\$ 1,391,101

Fiscal Year 2012-2013

Date:

July 25, 2011

Adjustments	Industry Growth	2012-2013
General Retail	2.5%	7,885
Food Products	0.2%	869
Transportation	0.0%	0
Construction	0.0%	0
Business to Business	0.0%	0
Miscellaneous	0.0%	0
All Other Below Cutoff		

**Coming Soon or Threats**      **Expected Date**

**Total Adjustments**      **8,753**

*Adjustments include new, closed and one-time adjustments*

Forecast Scenarios	Inflation Adj.	1.00%	0.75% + Flip
Pessimistic	2.0%	1,427,851	1,430,747
<b>Most Likely</b>	<b>3.0%</b>	<b>1,441,850</b>	<b>1,444,554</b>
Optimistic	4.0%	1,455,848	1,458,221

1.00% Accrual	Pessimistic	Most Likely	Optimistic
2nd Adv: Jul 2013	1,438,173	<b>1,452,234</b>	1,466,334
3rd Adv: Aug 2013	1,445,054	<b>1,459,157</b>	1,473,324
Balance: Sep 2013	1,446,966	<b>1,461,080</b>	1,475,265

Cash Flow	1.00%	0.75%	Flip	Cumulative
1st Adv: Jun 2012	98,382	73,786		(30,391)
2nd Adv: Jul 2012	98,382	73,786		(54,987)
3rd Adv: Aug 2012	131,176	98,382		(87,780)
Balance: Sep 2012	36,438	24,690		(99,528)
<b>Total</b>	<b>364,378</b>	<b>270,645</b>		
1st Adv: Sep 2012	102,491	76,868		(125,151)
2nd Adv: Oct 2012	102,491	76,868		(150,773)
3rd Adv: Nov 2012	136,654	102,491		(184,937)
Balance: Dec 2012	37,959	26,145		(196,751)
<b>Total</b>	<b>379,595</b>	<b>282,372</b>		
1st Adv: Dec 2012	101,876	76,407		(222,220)
2nd Adv: Jan 2013	101,876	76,407		(247,689)
<i>In-Lieu</i>			185,269	(62,420)
<i>True-Up</i>			5,796	(56,624)
<i>1/4% Admin Fee</i>			(3,242)	(56,624)
<i>Total Triple Flip</i>			<u>187,823</u>	
3rd Adv: Feb 2013	135,834	101,876		(90,583)
Balance: Mar 2013	37,732	25,661		(102,654)
<b>Total</b>	<b>377,318</b>	<b>280,350</b>		
1st Adv: Mar 2013	86,551	64,913		(124,292)
2nd Adv: Apr 2013	86,551	64,913		(145,930)
3rd Adv: May 2013	115,401	86,551		(174,780)
<i>In-Lieu</i>			185,269	10,489
<i>True-Up</i>			0	10,489
<i>1/4% Admin Fee</i>			0	10,489
<i>Total Triple Flip</i>			<u>185,269</u>	
Balance: Jun 2013	32,056	21,717		151
<b>Total</b>	<b>320,559</b>	<b>238,095</b>		
<b>2012-2013 Total</b>	<b>1,441,850</b>	<b>1,444,554</b>	<b>= 0.75% + Flip</b>	<b>151</b>

Shaded area indicates forecasted dollars.

**Notes**

1. The Most Likely scenario's effective Bradley Burns 1% growth rate is 3.6%.
2. The Most Likely scenario's effective cash payment growth rate (0.75% + Flip) is 5.5%.

0.75% + Flip Accrual	Pessimistic	Most Likely	Optimistic
2nd Adv: Jul 2013	1,441,069	<b>1,452,343</b>	1,468,707
3rd Adv: Aug 2013	1,447,950	<b>1,457,535</b>	1,475,697
Balance: Sep 2013	1,449,862	<b>1,458,977</b>	1,477,638

**City of Sebastopol: Sales tax forecast based on sales thru March 2011 (1st Quarter)**

2013-2014 Base

\$ 1,441,850

Fiscal Year 2013-2014

Date:

July 25, 2011

Adjustments	Industry Growth	2013-2014
General Retail	1.5%	4,849
Food Products	0.9%	4,361
Transportation	0.0%	0
Construction	8.0%	8,374
Business to Business	0.0%	0
Miscellaneous	0.7%	129
All Other Below Cutoff		

**Coming Soon or Threats**      **Expected Date**

**Total Adjustments**      **17,713**

*Adjustments include new, closed and one-time adjustments*

Forecast Scenarios	Inflation Adj.	1.00%	0.75% + Flip
Pessimistic	3.0%	1,503,349	1,500,410
<b>Most Likely</b>	<b>4.0%</b>	<b>1,517,945</b>	<b>1,514,966</b>
Optimistic	5.0%	1,532,541	1,529,544

1.00% Accrual	Pessimistic	Most Likely	Optimistic
2nd Adv: Jul 2014	1,515,255	<b>1,529,934</b>	1,544,657
3rd Adv: Aug 2014	1,522,399	<b>1,532,159</b>	1,551,926
Balance: Sep 2014	1,524,384	<b>1,532,778</b>	1,553,946

Cash Flow	1.00%	0.75%	Flip	Cumulative
1st Adv: Jun 2013	103,574	77,681		(25,743)
2nd Adv: Jul 2013	103,574	77,681		(51,636)
3rd Adv: Aug 2013	138,099	103,574		(86,161)
Balance: Sep 2013	38,361	26,133		(98,389)
<b>Total</b>	<b>383,608</b>	<b>285,068</b>		
1st Adv: Sep 2013	107,900	80,925		(125,364)
2nd Adv: Oct 2013	107,900	80,925		(152,339)
3rd Adv: Nov 2013	143,866	107,900		(188,306)
Balance: Dec 2013	39,963	27,648		(200,621)
<b>Total</b>	<b>399,628</b>	<b>297,397</b>		
1st Adv: Dec 2013	107,252	80,439		(227,434)
2nd Adv: Jan 2014	107,252	80,439		(254,247)
<i>In-Lieu</i>			194,972	(59,276)
<i>True-Up</i>			(151)	(59,426)
<i>1/4% Admin Fee</i>			(3,360)	(59,426)
<i>Total Triple Flip</i>			<u>191,461</u>	
3rd Adv: Feb 2014	143,003	107,252		(95,177)
Balance: Mar 2014	39,723	27,154		(107,746)
<b>Total</b>	<b>397,231</b>	<b>295,285</b>		
1st Adv: Mar 2014	91,119	68,339		(130,526)
2nd Adv: Apr 2014	91,119	68,339		(153,305)
3rd Adv: May 2014	121,492	91,119		(183,678)
<i>In-Lieu</i>			194,972	11,293
<i>True-Up</i>			0	11,293
<i>1/4% Admin Fee</i>			0	11,293
<i>Total Triple Flip</i>			<u>194,972</u>	
Balance: Jun 2014	33,748	22,986		532
<b>Total</b>	<b>337,477</b>	<b>250,783</b>		
<b>2013-2014 Total</b>	<b>1,517,945</b>	<b>1,514,966</b>	<b>= 0.75% + Flip</b>	<b>532</b>

Shaded area indicates forecasted dollars.

**Notes**

1. The Most Likely scenario's effective Bradley Burns 1% growth rate is 5.3%.
2. The Most Likely scenario's effective cash payment growth rate (0.75% + Flip) is 4.9%.

0.75% + Flip Accrual	Pessimistic	Most Likely	Optimistic
2nd Adv: Jul 2014	1,509,339	<b>1,523,958</b>	1,538,632
3rd Adv: Aug 2014	1,514,697	<b>1,525,627</b>	1,544,084
Balance: Sep 2014	1,515,872	<b>1,525,777</b>	1,545,285

## City of Sebastopol: Sales tax forecast based on sales thru March 2011 (1st Quarter)

2014-2015 Base

\$ 1,517,945

Fiscal Year 2014-2015

Date:

July 25, 2011

Adjustments	Industry Growth	2014-2015
General Retail	3.0%	9,844
Food Products	0.9%	4,448
Transportation	0.0%	0
Construction	3.0%	3,391
Business to Business	0.9%	891
Miscellaneous	0.7%	130
All Other Below Cutoff		

**Coming Soon or Threats**      **Expected Date**

**Total Adjustments**      **18,704**

*Adjustments include new, closed and one-time adjustments*

Forecast Scenarios	Inflation Adj.	1.00%	0.75% + Flip
Pessimistic	3.5%	1,590,432	1,587,002
<b>Most Likely</b>	<b>4.5%</b>	<b>1,605,798</b>	<b>1,602,335</b>
Optimistic	5.5%	1,621,165	1,617,668

1.00% Accrual	Pessimistic	Most Likely	Optimistic
2nd Adv: Jul 2015	1,603,023	<b>1,618,487</b>	1,633,999
3rd Adv: Aug 2015	1,611,417	<b>1,626,947</b>	1,642,555
Balance: Sep 2015	1,613,748	<b>1,629,297</b>	1,644,932

Cash Flow	1.00%	0.75%	Flip	Cumulative
1st Adv: Jun 2014	109,569	82,177		(26,860)
2nd Adv: Jul 2014	109,569	82,177		(54,253)
3rd Adv: Aug 2014	146,092	109,569		(90,775)
Balance: Sep 2014	40,581	27,798		(103,559)
<b>Total</b>	<b>405,810</b>	<b>301,720</b>		
1st Adv: Sep 2014	114,145	85,608		(132,095)
2nd Adv: Oct 2014	114,145	85,608		(160,631)
3rd Adv: Nov 2014	152,193	114,145		(198,679)
Balance: Dec 2014	42,276	29,382		(211,573)
<b>Total</b>	<b>422,757</b>	<b>314,744</b>		
1st Adv: Dec 2014	113,460	85,095		(239,938)
2nd Adv: Jan 2015	113,460	85,095		(268,303)
<i>In-Lieu</i>			205,990	(62,313)
<i>True-Up</i>			(532)	(62,844)
<i>1/4% Admin Fee</i>			(3,537)	(62,844)
<i>Total Triple Flip</i>			<u>201,921</u>	
3rd Adv: Feb 2015	151,280	113,460		(100,664)
Balance: Mar 2015	42,022	28,879		(113,808)
<b>Total</b>	<b>420,222</b>	<b>312,528</b>		
1st Adv: Mar 2015	96,393	72,294		(137,906)
2nd Adv: Apr 2015	96,393	72,294		(162,004)
3rd Adv: May 2015	128,523	96,393		(194,135)
<i>In-Lieu</i>			205,990	11,855
<i>True-Up</i>			0	11,855
<i>1/4% Admin Fee</i>			0	11,855
<i>Total Triple Flip</i>			<u>205,990</u>	
Balance: Jun 2015	35,701	24,451		605
<b>Total</b>	<b>357,009</b>	<b>265,432</b>		
<b>2014-2015 Total</b>	<b>1,605,798</b>	<b>1,602,335</b>	<b>= 0.75% + Flip</b>	<b>605</b>

Shaded area indicates forecasted dollars.

### Notes

1. The Most Likely scenario's effective Bradley Burns 1% growth rate is 5.8%.
2. The Most Likely scenario's effective cash payment growth rate (0.75% + Flip) is 5.8%.

0.75% + Flip Accrual	Pessimistic	Most Likely	Optimistic
2nd Adv: Jul 2015	1,596,445	<b>1,611,851</b>	1,627,294
3rd Adv: Aug 2015	1,602,741	<b>1,618,196</b>	1,633,711
Balance: Sep 2015	1,604,489	<b>1,619,958</b>	1,635,494

**City of Sebastopol: Sales tax forecast based on sales thru March 2011 (1st Quarter)**

2015-2016 Base

\$ 1,605,798

Fiscal Year 2015-2016

Date:

July 25, 2011

Adjustments	Industry Growth	2015-2016
General Retail	3.0%	10,139
Food Products	0.9%	4,537
Transportation	0.0%	0
Construction	3.0%	3,493
Business to Business	1.5%	1,529
Miscellaneous	0.7%	132
All Other Below Cutoff		

**Coming Soon or Threats**      **Expected Date**

**Total Adjustments**      **19,830**

*Adjustments include new, closed and one-time adjustments*

Forecast Scenarios	Inflation Adj.	1.00%	0.75% + Flip
Pessimistic	3.5%	1,682,525	1,678,823
<b>Most Likely</b>	<b>4.5%</b>	<b>1,698,782</b>	<b>1,695,044</b>
Optimistic	5.5%	1,715,038	1,711,265

1.00% Accrual	Pessimistic	Most Likely	Optimistic
2nd Adv: Jul 2016	1,687,126	<b>1,706,895</b>	1,725,589
3rd Adv: Aug 2016	1,690,193	<b>1,712,305</b>	1,732,624
Balance: Sep 2016	1,691,045	<b>1,713,807</b>	1,734,578

Cash Flow	1.00%	0.75%	Flip	Cumulative
1st Adv: Jun 2015	115,913	86,935		(28,373)
2nd Adv: Jul 2015	115,913	86,935		(57,351)
3rd Adv: Aug 2015	154,551	115,913		(95,989)
Balance: Sep 2015	42,931	29,560		(109,360)
<b>Total</b>	<b>429,308</b>	<b>319,343</b>		
1st Adv: Sep 2015	120,754	90,566		(139,548)
2nd Adv: Oct 2015	120,754	90,566		(169,737)
3rd Adv: Nov 2015	161,005	120,754		(209,988)
Balance: Dec 2015	44,724	31,218		(223,494)
<b>Total</b>	<b>447,237</b>	<b>333,103</b>		
1st Adv: Dec 2015	120,030	90,022		(253,501)
2nd Adv: Jan 2016	120,030	90,022		(283,509)
<i>In-Lieu</i>			217,615	(65,893)
<i>True-Up</i>			(605)	(66,499)
<i>1/4% Admin Fee</i>			(3,742)	(66,499)
<i>Total Triple Flip</i>			<u>213,268</u>	
3rd Adv: Feb 2016	160,040	120,030		(106,509)
Balance: Mar 2016	44,455	30,704		(120,260)
<b>Total</b>	<b>444,554</b>	<b>330,778</b>		
1st Adv: Mar 2016	101,974	76,481		(145,754)
2nd Adv: Apr 2016	101,974	76,481		(171,247)
3rd Adv: May 2016	135,965	101,974		(205,239)
<i>In-Lieu</i>			217,615	12,376
<i>True-Up</i>			0	12,376
<i>1/4% Admin Fee</i>			0	12,376
<i>Total Triple Flip</i>			<u>217,615</u>	
Balance: Jun 2016	37,768	26,002		610
<b>Total</b>	<b>377,682</b>	<b>280,937</b>		
<b>2015-2016 Total</b>	<b>1,698,782</b>	<b>1,695,044</b>	<b>= 0.75% + Flip</b>	<b>610</b>

Shaded area indicates forecasted dollars.

**Notes**

1. The Most Likely scenario's effective Bradley Burns 1% growth rate is 5.8%.
2. The Most Likely scenario's effective cash payment growth rate (0.75% + Flip) is 5.8%.

0.75% + Flip Accrual	Pessimistic	Most Likely	Optimistic
2nd Adv: Jul 2016	1,682,274	<b>1,701,130</b>	1,719,179
3rd Adv: Aug 2016	1,684,574	<b>1,705,187</b>	1,724,455
Balance: Sep 2016	1,685,213	<b>1,706,314</b>	1,725,920