





## Policy and Capitol Update – December 2021

The Muniservices/Avenu teams sends our very best to you for a safe and enjoyable holiday season. It is a pleasure and an honor to collaborate with all of you. Please feel free to contact us at any time as we come to the close of 2021 and as things gear up in 2022.

**Please feel free to contact me with any questions.**

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### What lies ahead in 2022?

We are anticipating another busy legislative and budget year in 2022, with the Legislature reconvening to begin their work for 2022 on January 3rd. As the second year in a two-year session, legislation introduced in 2021 that has not yet moved to the second house must move forward in January or will die, with exceptions for measures requiring a  $\frac{2}{3}$  vote. This means that in January there will be a rush of policy and fiscal committee hearings in addition to the release of the governor's 2022-23 budget proposal on or by January 10.

### Important Dates in early 2021:

**January 3:** Legislature reconvenes

**January 10:** Budget must be submitted by governor

**January 14:** Last day for policy committees to hear and report to fiscal committees on fiscal bills introduced in their house in 2021

**January 21:** Last day for any committee to hear and report to the Floor bills introduced in their house in 2021

**January 21:** Last day to submit bill requests to the Office of Legislative Counsel


**January 31:** Last day for each house to pass bills introduced in 2021 in their house

**February 18:** Last day for bills to be introduced

During December, legislators, their staff, the governor, and his staff are all completing their office moves over to the "swing space" at 10th and O Street to allow for the rebuilding of the Capitol annex which is estimated to be completed in 2025. This will necessitate a number of adjustments both as it pertains to lobbying, as well as to the location of committee hearings. The new swing space has four committee rooms, which will be utilized for larger hearings traditionally taking place in the Capitol annex.

**Budget Updates:** Both the Senate and Assembly Budget Committees released overviews of their priorities for 2022 last week, in advance of the governor's January 10 proposal.

The [Senate's Key Values](#) document was a preview of their detailed Senate budget priorities to be released early next year. Below are their high-level areas of focus.



***Sustain Progress:*** Build upon reserves, pay down debt and retirement liabilities, use one-time funding for one-time purposes, maintain existing priorities that promote equity, and expand oversight and accountability.

***Strengthen Equity/Meet Gann Limit Requirements***


- Maximize infrastructure investment.
- Build on targeted tax relief programs for families.
- Ensure ongoing commitments can be made to health, safety net, and higher education programs, and
- Consider reforms to modernize the Gann Limit.

***Build a More Equitable Economy***

- Support childcare, small businesses, and the essential workforce.
- Support aging Californians.
- Improve public health, mental health, and health access and affordability.
- Balance public safety and justice.
- Address housing challenges.
- Boost infrastructure including transportation, education, broadband, and climate/disaster resiliency.
- Protect school budgets.
- Improve higher education quality, affordability, and accessibility.
- Enhance climate, environment, and resource protection, and
- Strengthen wildfire mitigation and response.

The [Assembly Budget Blueprint](#) reviewed actions taken in the 2021-22 budget and prioritized the following for 2022:

- Implementation of 2021 investments including climate resilience, wildfires, broadband, and behavioral health.
- Addressing the State Appropriations (Gann) limit.
- Increased funding for education, particularly as it relates to mental health and learning loss.
- Ensuring homelessness and affordable housing funding are providing additional permanent and temporary housing.
- Oversight of the Employment Development Department's progress in implementing improvements.
- Preventing tenant evictions.
- Funding wildfire prevention and climate investments promptly.
- Improve public health infrastructure.
- Accountability measures for CalAIM and the Children and Youth Behavioral Health initiatives.
- Address disparities and needs in the child welfare and foster care system.
- Drought response and water resilience funding to the most vulnerable communities.
- Broadband access to inaccessible communities.
- Scrutinize prison operations and restore independent oversight in the Office of the Inspector General.
- Promote the creation of living wage jobs.

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- Fund the Department of Toxic Substances Control to ensure resources to clean toxic sites.
  - Major infrastructure investments:
    - \$10 billion for school facilities; \$10 billion for transportation projects including transit infrastructure; more affordable housing and homelessness prevention; modernize courthouses and leverage federal infrastructure funds.
    - Create an ongoing funding stream for supportive housing of indigent adults.
    - Bolster enrollment growth at UC and CSU.
    - Attract new workers to health care, education, and childcare occupations.
    - Increase access to Medi-Cal, CalFresh, and CalWORKs through program simplification and expanded eligibility.
    - More resources for violence and suicide prevention.
    - Focus on providing second chances for formerly incarcerated individuals.

***Legislative Prospective:*** With the new legislative cycle a few weeks away, many lawmakers have already signaled their legislative priorities for 2022. These include existing issues like the COVID-19 pandemic, broadband funding, and the implementation of large-scale behavioral health programs.

Though we don't know much about the new Omicron strain of COVID-19, a number of bills are likely to be introduced relating to the ongoing pandemic. These include both legislation allowing personal belief exemptions as well as conflicting legislation mandating vaccinations or testing. Cal/OSHA is scheduled to meet on [December 16](#) and could expand worker protections related to COVID-19 that employers have been fighting throughout the pandemic. In addition, the State's \$6 billion investment in broadband will now be enhanced by more than \$100 million in federal funding which must be programmed.


Legislation that stalled in 2021 may also be revived in 2022, including attempts to decriminalize hallucinogens, the implementation of public injection sites in an effort to address substance abuse, development of a single-payer health system, and the regulation of social media platforms.

The continued fight for environmental protections could ramp up in 2022 with the recent oil spill off the coast of Orange County and a number of legislators' attendance at the Glasgow Climate Change Conference. Legislators have already committed to introducing bills that would ban oil drilling in state waters. Additionally, we could see administrative action on [battery-powered engines](#), rules to prohibit wasteful water use, and [CPUC proposals](#) on Net Energy Metering reform.

Additionally, the upcoming legislative cycle could prove extra challenging for legislators, as revised maps from the California Citizens Redistricting Commission will greatly change some lawmakers' districts. Legislators will need to be cognizant of their new constituents, which could influence their voting and the legislation they choose to pursue. Competitive districts will change, making for a unique legislative year as legislators not only adjust to new Sacramento offices, but new districts with new priorities.

***LAO Fiscal Outlook: 2022-23 Budget:*** November 17, the Legislative Analyst's Office (LAO) published a [report](#) on California's fiscal outlook for the 2022-23 budget. This report is an early projection of California's economic status for the upcoming fiscal year.

***Surplus:*** Due to continued growing state revenues, the LAO projects a surplus of \$31 billion for the 2022-23 fiscal year. Retail sales have doubled in growth in 2021, stock prices have doubled since the pandemic low in Spring 2020, and major firms posted historically high earnings. As a result of this unexpected



growth, the Legislature will need to allocate roughly \$14 billion to meet the constitutional requirement under State Appropriations Limit (SAL) by reducing taxes, spending more on excluded purposes like infrastructure, or making additional payments to schools and community colleges.

*Spending to meet SAL:* Prop 98 guarantees K-14 funding through a combination of state General Fund dollars and local property tax revenues. In remaining consistent with revenue increases, spending on K-14 schools is likely to increase by almost \$11 billion. Additionally, with the expansion of Transitional Kindergarten, a \$421 million spending increase in 2022-23 is anticipated. This leaves the Legislature with an estimated \$9.5 billion in ongoing discretionary funds available, and \$10.2 billion in one-time funds available, totaling \$19.7 billion for K-14 over the next 3 years in order to meet the constitutional requirement under SAL.

Spending in the rest of the budget is lower than projected by \$5 billion due to a number of factors, including savings associated with an enhanced federal share of certain Medicaid programs. The federal match increased 6.2% during the pandemic, and the continued enhanced share is assumed through March 2022. This means that General Fund spending will increase beginning the 4th quarter of the current fiscal year 2021-22 to fully cover Medi-Cal. Additionally, \$3.3 billion of spending set aside for transportation infrastructure that ultimately did not pass the Legislature will revert to the General Fund. As a result, the state may end up with an additional \$5.2 billion surplus in 2022-23 which is included in the total surplus projection of \$31 billion. The LAO suggests that the Legislature should plan to meet the SAL early to avoid adjustments during the governor's May revise.

*Reserves:* With the current LAO estimates, the state's constitutional reserves could reach 10% of revenues and transfers in the 2022-23 fiscal year, which is about \$21 billion in the Budget Stabilization Account. Pre-pandemic reserves were 13% of the state's revenues and transfers, so the state would need to make additional, discretionary deposits into one of the reserves to meet the state's reserves prior to the pandemic. The LAO recommends that the Legislature increase total reserves by more than the constitutionally mandated level to return to pre-pandemic levels sooner. Because the bulk of revenue and spending projections are dependent on legislative action, the LAO projects a surplus range between \$3 and \$8 billion through the 2025-26 budget.

**26<sup>th</sup> UN Climate Change Conference of the Parties:** This week, members of the Legislature and Lieutenant Governor Eleni Kounalakis traveled to and have been reporting from the 26th UN Climate Change Conference of the Parties (COP26) in Glasgow, Scotland. Governor Newsom was originally scheduled to participate in the conference, however canceled his plans sending the Lieutenant Governor in his stead. Over the past year, the governor has signed executive orders to phase out internal-combustion vehicles, preserve 30 percent of the state's land and water by 2030, and phase out fracking by 2024 and oil extraction by 2045. \$15 billion was allocated in the 2021-22 Budget Act over the next three years by the governor and Legislature for climate programs.

Although California legislators originally branded the trip as one to showcase California's leadership in climate change, it became clear quickly that we still have a lot to learn from other countries and states as well as additional work to do in California.

Assembly Speaker Anthony Rendon (D-Lakewood), said that he anticipates reconsideration of AB 1395 or a similar measure in 2022 as a follow-up to the conference. AB 1395 (Muratsuchi), which failed passage on the Senate Floor in September, declares it is the policy of the state to achieve net zero greenhouse gas (GHG) emissions as soon as possible, but no later than 2045, and to achieve and maintain net negative GHG emissions thereafter. Additionally, it declares that it is a policy of the state to ensure



that by 2045, statewide anthropogenic (originating from human activity) GHG emissions are reduced by at least 90% below 1990 levels, which includes emissions prevented by carbon capture and storage.

Senator Josh Becker (D-Menlo Park) also announced his intent this week to introduce a bill requiring California to reduce its emissions from state-owned vehicles, buildings, and other sectors to net zero by 2035, 10 years before the economy-wide target of 2045. He is additionally exploring legislation to streamline the building of low-carbon construction projects.


On Monday November 8, the California Air Resources Board, on behalf of the state of California, signed a [Joint Declaration](#) of cooperation in the fight against climate change with the governments of New Zealand and Québec. AB 32 (Chapter 488, Statutes of 2006) requires consultation with other states, the federal government, and other nations to identify the most effective strategies and methods to reduce greenhouse gases, manage greenhouse gas control programs, and to facilitate the development of integrated and cost-effective regional, national, and international greenhouse gas reduction programs. The Joint Declaration states the intent to:

- *Share information, experiences, and best practices on the implementation of strategies, policies, and programs on the design of cap-and-trade systems for greenhouse gas emissions, measurement, reporting and verification systems, sustainable mobility, forestry, agriculture, and aligning incentives and investments to support and bolster climate action.*
- *Foster research, development, deployment, and exchange of clean technologies including in renewable energy, energy efficiency, energy storage, agriculture, and zero-emission transportation.*
- *Promote environmental integrity of carbon pricing instruments to reduce greenhouse gas emissions worldwide.*
- *Explore opportunities for potential future alignment of our respective cap-and-trade programs through focused information sharing and discussions related to cap setting, scope, auctions, allocation, market rules, and other key program design features.*

Legislators attending the conference included Senators Josh Becker, Lena Gonzalez (D-Long Beach), Bob Hertzberg (D-Van Nuys), John Laird (D-Santa Cruz) and Bob Wieckowski (D-Fremont), Assembly Speaker Anthony Rendon, and Assemblymembers Isaac Bryan (D-Los Angeles), Lisa Calderon (D-Whittier), Laura Friedman (D-Glendale), Tasha Boerner Horvath (D-Encinitas), Eduardo Garcia (D-Coachella), Al Muratsuchi (D-Torrance), Luz Rivas (D-North Hollywood), Mark Stone (D-Scotts Valley), and Christopher Ward (D-San Diego).

**Select Committee on Ports and Goods Movement:** On November 3, the Assembly and Senate Select Committees on Ports and Goods Movement held a joint hearing to discuss recent issues contributing to delays in our national supply chain. The panelists consisted of experts representing ports in California, the retail industry, labor groups, and various agricultural organizations who provided feedback to lawmakers on factors hindering business operations as well as temporary solutions currently being utilized to address port congestion.

**Background:** Port congestion is detrimental to both the California and national economy. About 40% of all shipping containers entering the country come through the twin Los Angeles and Long Beach ports. Manufacturers are struggling to acquire products to meet consumer demand and farmers are struggling to secure empty containers to ship agricultural goods. Record demand for imported goods and labor shortages are contributing to the backlog of container ships, and these delays will ultimately lead to higher



prices for consumers, greater wait times for goods, and could hinder California's post-pandemic economic recovery. The agriculture industry alone is experiencing a cancellation rate of about 80% of their bookings, leading to a \$7.5 million loss in sales for the industry.


*Labor Shortage:* As of October 19, 62 container ships were anchored off the coast waiting to unload at the Los Angeles and Long Beach ports. Current wait time for ships is now approximately ten days, over 3.8 days longer than the wait time during September. Before the backlog, containers were typically left at terminals for less than four days, however, recently, approximately 40% of containers are left for nine or more days. Both ports are now implementing fines for containers left for long periods of time in hopes of expediting the process.

The nation's transportation industry is also facing an unprecedented worker shortage. According to the Labor Department, job openings in the transportation, warehousing, and utilities sector have steadily increased this year and reached 537,000 in August - a 67% increase from February 2020. Older employees have retired or decided to transfer into other industries, and replacements are not forthcoming. As a result, ports lack truckers, dock workers, and other utility driver workers that are essential to the expedient unloading of materials into the United States.

*State Action:* The administration and ports have already taken some actions to address the supply chain backlog to try and improve it, and we anticipate further action when the Legislature returns in January. Earlier this year, GO-Biz launched the California Supply Chain Success Initiative, a partnership with the California State Transportation Agency, the Port of Long Beach, and the CSU Long Beach Center for International Trade and Transportation to engage stakeholders along the supply chain to discuss key challenges and identify creative solutions. This effort, which brought together federal, state, and local leaders, is focused on both short-term and long-term steps to address port congestion, improving collaboration, and exploring policies to remove obstacles and improve the movement of goods.

On Wednesday, October 20, Governor Newsom signed Executive Order N-19-21 formalizing efforts already underway to address supply chain shortfalls. The Executive Order directs that within 30 days, the Department of Transportation and the California State Transportation Agency, in collaboration with industry stakeholders, shall evaluate and identify priority freight routes to be considered for a temporary exemption to current gross vehicle weight limits; GO-Biz shall identify non-state sites, including private, locally owned, and federally owned parcels, that could be available to address short-term storage needs; the Department of General Services shall complete its review of state owned property in proximity to impacted ports that may be made available to address short-term storage needs by December 15, 2021 and shall collaborate with other state agencies to expedite leasing for the purpose of storing cargo containers on state-owned parcels; and the California Labor and Workforce Development Agency shall identify potential high road training partnerships to increase education, career technical education, skilled job training, and workforce development opportunities for port workers and other workers across the supply chain.

Additionally, the Executive Order directs the California Labor and Workforce Development Agency to announce the membership of the industry panel established by AB 639 (Cervantes, 2020) by December 31, 2021 and convene the panel for its first meeting by March 1, 2022. AB 639 requires that the Labor and Workforce Development Agency and California Workforce Investment Board oversee a stakeholder process to develop recommendations on how to address automation at the Port of Los Angeles and the Port of Long Beach.



**Emerging Projects Agreement:** Last week, the U.S. Department of Transportation and Governor Newsom announced a federal-state partnership, dubbed the Emerging Projects Agreement, to identify funding for infrastructure projects at California ports. There is currently an imbalance in the investments in ports in California versus ports on the east coast that receive eleven times more funding from the federal government. \$5 billion in loans will be issued to the Long Beach and Los Angeles port authorities in part through two Department of Transportation credit assistance programs: the Transportation Infrastructure Finance and Innovation Act and Railroad Rehabilitation and Improvement Financing.

The loans are intended to expedite a network of projects including expanding rail capacity, developing inland port facilities for increased warehouse storage, and highway upgrades. However, these are longer term projects and will do little to alleviate the current backlog.

On October 20, President Biden announced an agreement with the Port of Los Angeles to increase operations to 24 hours, seven days per week as a short-term solution. FedEx, Walmart, and UPS also reportedly plan to increase operations to 24 hours. Long Beach officials have even suspended a portion of the city's municipal code limiting container stacking heights outside the port complex to immediately increase storage capacity within our California ports.

The California Business Roundtable, along with a number of statewide business associations, requested that an Extraordinary Session of the Legislature be called for the purpose of repealing, suspending, or reforming state laws and regulations hindering expeditious service at California ports. A group of ten Assembly Republicans, led by Kevin Kiley, echoed that request. Newsom's senior advisor and director of GO-Biz said she'd received the letter and that there would be no state of emergency, however the governor has yet to publicly address whether a special session will be called.


**Housing Strike Force:** This fall, Attorney General Rob Bonta announced the formation of a Housing Strike Force made up of deputy attorneys general with expertise in housing and related matters to work with state agencies and other partners in addressing the housing crisis and to enforce state laws aimed at increasing housing supply and providing housing security. In part, this action came as a result of [AB 215](#) (Chiu, Chapter 342, Statutes of 2021) which provides the Department of Housing and Community Development and the Attorney General with additional enforcement authority for local agency violations of housing laws.

Specifically, the Housing Strike Force will:

- *Enforce state housing and development laws in the Attorney General's independent capacity and on behalf of the Department of Justice's client agencies;*
- *Enforce tenant rights, mortgage servicing, and other consumer protection laws;*
- *Issue consumer alerts advising tenants and homeowners on their protections under state and federal law;*
- *Issue guidance letters to local governments on state housing laws;*
- *Defend state housing and tenant protection laws from legal challenges; and*
- *Advocate with the state legislature, federal agencies, and other state agencies to advance a right to housing.*

As an Assemblymember, Bonta introduced [ACA 10](#), which if passed and approved by California voters, would have declared in the California Constitution that housing is a fundamental human right and is the shared responsibility of both state and local governments. ACA 10 did not move forward, however, [AB](#)





[2405](#) (Burke), which would have established within California statute that every individual in California has a right to safe, decent, and affordable housing did make it to the governor's desk. AB 2405 was ultimately vetoed as cost estimates reached \$10 billion annually and the governor stated that some of the bill's provisions were duplicative of existing efforts.

HCD also announced the establishment of its own Housing Accountability Unit last week to bolster enforcement efforts. The unit triples policy staff and attorneys ensuring compliance with state law and providing assistance, monitoring, and enforcement of housing production. The two teams intend to work cooperatively to advance the state's housing goals.



## Quarterly Report on Sales Tax and Business Activity

### Top 25 Sales Tax Remitters

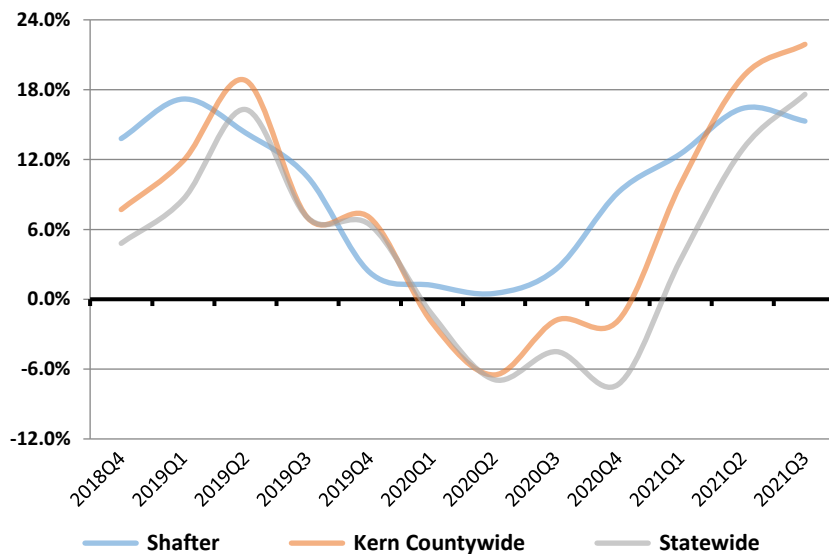
- ARCO AM/PM MINI MARTS
- BAKER HUGHES OILFIELD OPERATIONS
- BAKERSFIELD PIPE AND SUPPLY
- BIG STOP MARKET
- CEMEX
- CHEVRON SERVICE STATIONS
- FARM PUMP & IRRIGATION CO
- FASTRIP SERVICE STATIONS
- GRIMMWAY ENTERPRISES
- HELENA INDUSTRIES COMPANY
- J D RUSH COMPANY
- JEFFRIES BROTHERS PETROLEUM DISTRIBUTION
- MCDONALD'S RESTAURANTS
- MRC GLOBAL
- PFG CUSTOMIZED DISTRIBUTION
- PRO-BUILD
- RICHLAND CHEVROLET
- SHELL SERVICE STATIONS
- STANDARD PLUMBING SUPPLY COMPANY
- STEEFAB
- SUNBELT RENTALS
- TARGET DISTRIBUTION CENTER
- THE HILLMAN GROUP
- WILBUR-ELLIS COMPANY
- WILLIAMS-SONOMA

### 3rd Quarter 2021 in Review

California sales tax cash receipts increased by 17.6% from the same quarter last year. In this jurisdiction sales tax cash receipts increased by 6.6% from the same quarter last year due to a increase of \$35,227,000 in Taxable Sales.

Cash Receipts	Quarter	Annual
<b>Shafter</b>	6.6%	15.3%
<b>Kern Countywide Pool</b>	-2.0%	23.6%
<b>Kern Countywide</b>	16.6%	21.9%
<b>Central Valley Region</b>	20.0%	25.7%
<b>Statewide</b>	17.6%	17.6%

### Annualized Percent Change in Sales Tax Cash Receipts



	Shafter		Central Valley		California	
	Quarter	Annual	Quarter	Annual	Quarter	Annual
General Retail	14.1%	26.1%	25.2%	33.6%	13.6%	11.3%
Food Products	11.4%	59.3%	4.7%	-1.3%	15.9%	-2.0%
Transportation	39.0%	23.4%	2.6%	1.0%	6.7%	7.0%
Construction	7.9%	10.6%	-3.4%	3.2%	-4.2%	2.3%
Business To Business	0.1%	-37.0%	1.8%	1.8%	-4.7%	-3.2%
<b>TOTAL LOCAL BUSINESS ACTIVITY</b>	<b>12.0%</b>	<b>15.6%</b>	<b>9.5%</b>	<b>11.6%</b>	<b>6.8%</b>	<b>3.8%</b>
<b>COUNTYWIDE POOL ACTIVITY</b>	<b>-10.4%</b>	<b>17.7%</b>	<b>15.3%</b>	<b>22.2%</b>	<b>0.5%</b>	<b>14.7%</b>

### Business Activity

- General Retail
- Food Products
- Transportation
- Construction
- Business To Business

**TOTAL LOCAL BUSINESS ACTIVITY**  
**COUNTYWIDE POOL ACTIVITY**

# City of Shafter



## News

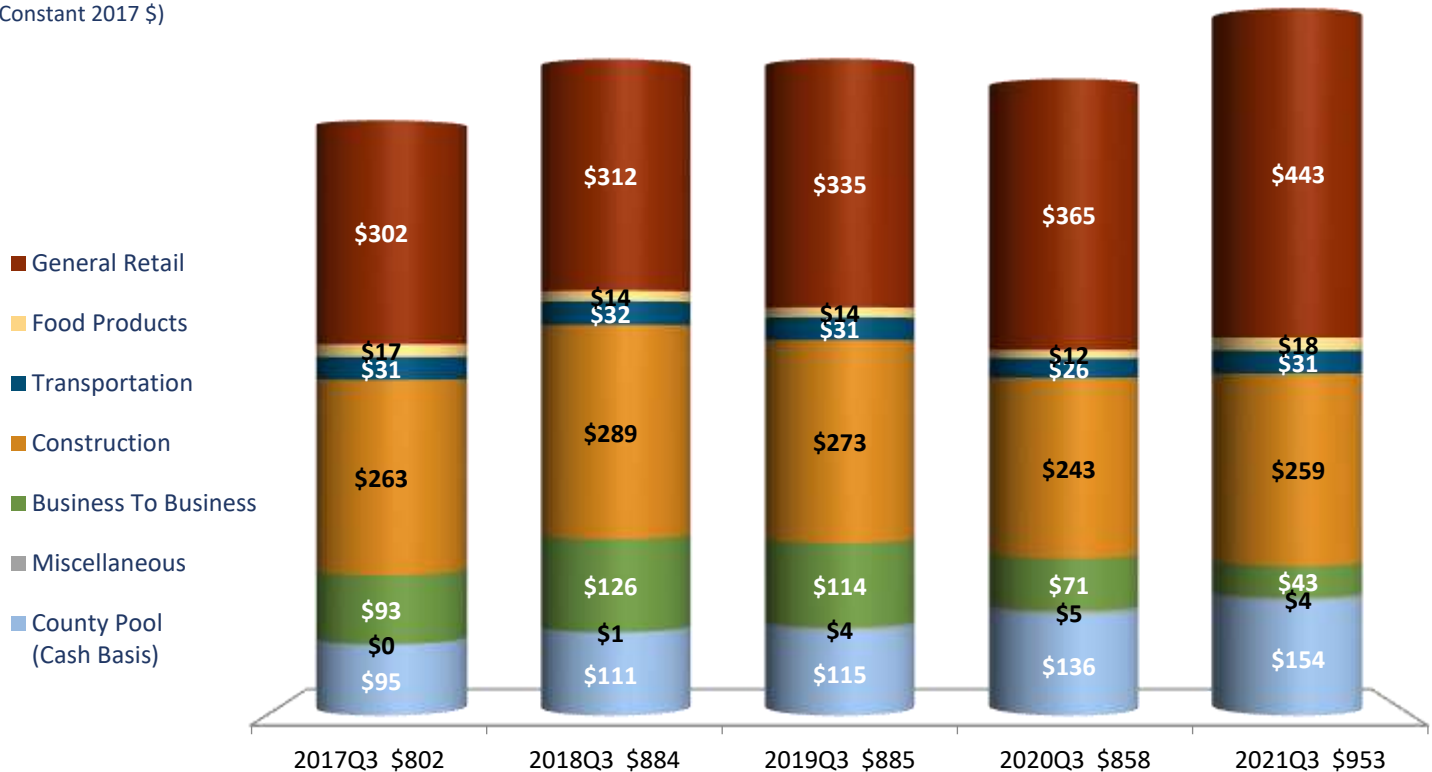
- Economic Activity:** Real Gross Domestic Product (GDP) grew at a seasonally adjusted annualized rate of 2.0% in the third quarter of 2021. Real GDP in Q3 2021 surpassed its Q4 2019 pre-pandemic peak by 1.4%. (BEA)
- Employment:** The U.S. unemployment rate fell by 0.6% to 4.6% in October of 2021 compared to August of 2021. Total U.S. nonfarm payroll employment increased by 531,000 (0.2%) in October of 2021. California's unemployment rate decreased to 7.3% in October, a slight .3% improvement from June of 2021. California's civilian employment increased by 201,500 (1.2%) in October of 2021 compared to June of 2021. (BLS, EDD)
- Personal Income:** U.S. personal income increased by 4.3% for the third quarter of 2021, compared to same quarter previous year. U.S. personal income for the year of 2021Q3 has increased by 6.4% compared to the 2020Q3 yearly personal income amount. (BEA)

## Shafter

### Annual Per Capita Sales Tax

Adjusted for Inflation

(Constant 2017 \$)



CENTRAL VALLEY: Quarterly Comparison of 2020Q3 and 2021Q3 (July through September Sales)

	General Retail	Food Products	Transportation	Construction	Business To Bu:	Miscellaneous	Jul - Sep 2021 (2021Q3)	Jul - Sep 2020 (2020Q3)	% Chg	Gain	Gain	Decline	Decline
<b>CALAVERAS COUNTY</b>													
ANGELS CAMP	0.5%	11.7%	13.7%	-5.5%	-38.7%	-93.2%	234,915	231,503	1.5%	Restaurants	Service Stations	Office Equipment	Bldg.Matls-Retail
<b>FRESNO COUNTY</b>													
FRESNO	105.2%	27.3%	19.9%	6.0%	19.2%	7.5%	31,880,647	22,231,437	43.4%	Miscellaneous Retail	Restaurants	Auto Sales - Used	Bldg.Matls-Retail
KERMAN	0.8%	-3.8%	52.2%	-8.1%	-67.1%	-77.1%	438,147	474,058	-7.6%	Service Stations	Department Stores	Chemical Products	Food Processing Eqp
KINGSBURG	28.5%	11.0%	13.6%	3.6%	40.4%	29.7%	314,870	266,351	18.2%	Service Stations	Heavy Industry	Auto Parts/Repair	Light Industry
REEDLEY	-1.0%	13.0%	30.0%	10.8%	1.0%	7.6%	495,983	429,412	15.5%	Auto Sales - Used	Service Stations	Auto Sales - New	Heavy Industry
SANGER	-8.9%	10.7%	40.1%	58.8%	-86.8%	15.9%	797,662	695,687	14.7%	Service Stations	Auto Sales - New	Heavy Industry	Light Industry
<b>INYO COUNTY</b>													
BISHOP	18.6%	11.2%	28.7%	2.5%	0.4%	42.6%	532,106	460,679	15.5%	Service Stations	Auto Sales - New	Leasing	Recreation Products
<b>KERN COUNTY</b>													
ARVIN	-36.2%	8.6%	34.2%	7.6%	47.1%	-63.0%	241,732	198,291	21.9%	Energy Sales	Service Stations	Drug Stores	Miscellaneous Other
DELANO	8.7%	17.6%	31.3%	4.2%	-0.9%	-0.9%	1,555,575	1,384,087	12.4%	Service Stations	Restaurants	Chemical Products	Office Equipment
RIDGECREST	-3.9%	-2.8%	-18.2%	-19.8%	-5.2%	-2.4%	698,637	778,656	-10.3%	Office Equipment	Florist/Nursery	Bldg.Matls-Whsle	Service Stations
SHAFTER	14.1%	11.4%	39.0%	7.9%	0.1%	8.7%	4,838,595	4,320,922	12.0%	Furniture/Appliance	Bldg.Matls-Whsle	Chemical Products	Auto Sales - New
<b>KINGS COUNTY</b>													
HANFORD	21.8%	22.8%	11.3%	-1.2%	-19.5%	30.4%	3,181,464	2,837,273	12.1%	Restaurants	Department Stores	Chemical Products	Heavy Industry
<b>MADERA COUNTY</b>													
CHOWCHILLA	-6.5%	11.8%	46.7%	113.1%	45.3%	-39.1%	542,085	383,989	41.2%	Auto Sales - Used	Bldg.Matls-Whsle	Light Industry	Food Processing Eqp
MADERA	-3.7%	-9.4%	-14.2%	-4.9%	-17.2%	-20.6%	1,980,242	2,230,350	-11.2%	Business Services	Liquor Stores	Energy Sales	Auto Sales - New
<b>MERCED COUNTY</b>													
ATWATER	12.0%	15.9%	22.4%	20.2%	-3.8%	23.1%	884,353	765,133	15.6%	Restaurants	Service Stations	Chemical Products	Food Markets
LOS BANOS	8.1%	21.7%	13.2%	0.9%	41.4%	8.2%	1,319,476	1,154,443	14.3%	Restaurants	Service Stations	Misc. Vehicle Sales	Auto Sales - New
<b>SAN JOAQUIN COUNTY</b>													
ESCALON	11.4%	15.9%	6.9%	1.4%	-7.4%	-15.8%	272,669	255,091	6.9%	Service Stations	Restaurants	Auto Sales - New	Bldg.Matls-Retail
LATHROP	1.8%	26.1%	22.1%	43.8%	42.9%	-6.7%	2,549,883	2,225,560	14.6%	Service Stations	Auto Sales - New	Auto Parts/Repair	Auto Sales - Used
MANTECA	30.6%	33.9%	17.6%	-1.5%	12.4%	1.0%	3,701,245	3,043,839	21.6%	Restaurants	Service Stations	Light Industry	Bldg.Matls-Whsle
RIPON	3.1%	17.3%	29.9%	52.8%	54.3%	5.5%	989,375	750,259	31.9%	Service Stations	Bldg.Matls-Whsle	Business Services	Recreation Products
STOCKTON	17.0%	17.3%	24.0%	58.4%	24.1%	8.1%	15,830,204	12,685,405	24.8%	Bldg.Matls-Whsle	Energy Sales	Office Equipment	Drug Stores
TRACY	325.1%	26.6%	23.1%	32.6%	5.6%	50.4%	13,892,717	7,383,226	88.2%	Miscellaneous Retail	Service Stations	Florist/Nursery	Office Equipment
<b>STANISLAUS COUNTY</b>													
CERES	-2.2%	16.6%	19.5%	-12.0%	58.0%	-9.8%	1,668,666	1,528,791	9.1%	Energy Sales	Service Stations	Bldg.Matls-Whsle	Auto Sales - Used
MODESTO	22.7%	23.7%	25.7%	7.9%	14.3%	16.0%	8,731,397	7,217,889	21.0%	Service Stations	Restaurants	Drug Stores	Bldg.Matls-Retail
OAKDALE	-3.5%	6.8%	2.8%	-7.2%	22.6%	-18.2%	954,442	915,497	4.3%	Service Stations	Restaurants	Auto Sales - New	Auto Parts/Repair
RIVERBANK	14.9%	23.3%	26.6%	-0.9%	30.4%	15.7%	955,124	830,850	15.0%	Service Stations	Restaurants	Auto Sales - Used	Bldg.Matls-Whsle
TURLOCK	15.1%	20.5%	14.7%	56.4%	-0.5%	-3.5%	4,073,208	3,438,622	18.5%	Bldg.Matls-Whsle	Restaurants	Heavy Industry	Bldg.Matls-Retail
<b>TULARE COUNTY</b>													
DINUBA	-26.1%	12.5%	8.1%	-7.4%	25.9%	-33.7%	5,036,317	6,461,129	-22.1%	Light Industry	Service Stations	Furniture/Appliance	Auto Sales - New
EXETER	0.4%	37.4%	12.3%	-6.5%	72.1%	4.6%	215,641	179,711	20.0%	Restaurants	Auto Sales - New	Bldg.Matls-Retail	Service Stations
FARMERSVILLE	-0.9%	-2.6%	-21.5%	-0.3%	87.1%	-86.5%	230,465	255,293	-9.7%	Chemical Products	Leasing	Service Stations	Auto Sales - Used
LINDSAY	-0.8%	-8.5%	-6.6%	0.0%	-1.3%	-23.1%	236,990	248,516	-4.6%	Leasing	Service Stations	Auto Sales - Used	Food Markets
PORTERVILLE	10.1%	16.6%	21.9%	-3.9%	15.0%	-18.4%	1,798,160	1,591,193	13.0%	Service Stations	Restaurants	Energy Sales	Bldg.Matls-Retail
TULARE	16.2%	30.4%	25.8%	1.8%	11.2%	23.0%	3,106,238	2,625,787	18.3%	Service Stations	Restaurants	Heavy Industry	Leasing
VISALIA	24.7%	26.2%	19.7%	11.0%	12.7%	-20.7%	9,504,898	8,035,987	18.3%	Restaurants	Apparel Stores	Food Processing Eqp	Bldg.Matls-Retail
WOODLAKE	-2.1%	-7.3%	-5.4%	-100.0%	-0.1%	-34.9%	111,624	116,427	-4.1%	Service Stations	Office Equipment	Restaurants	Food Markets
<b>TUOLUMNE COUNTY</b>													
SONORA	9.0%	13.3%	40.6%	4.3%	1.6%	-30.4%	753,715	678,603	11.1%	Service Stations	Restaurants	Furniture/Appliance	Miscellaneous Other

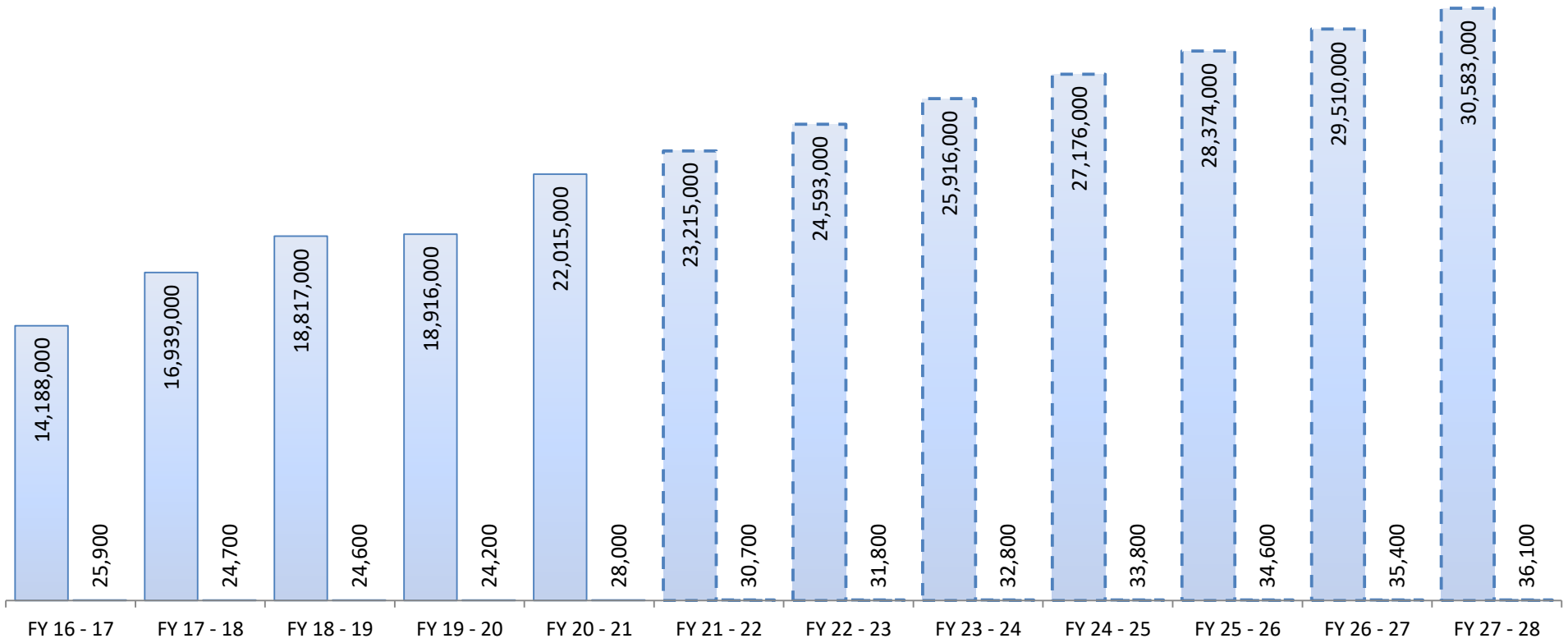
# City of Shafter Sales & Use Tax Forecast Summary

Accrual through August Clean-up

Bradley Burns	FY 20 - 21	FY 21 - 22	FY 22 - 23	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28
Cash Projection	22,015,000	23,215,000	24,593,000	25,916,000	27,176,000	28,374,000	29,510,000	30,583,000
Percent Change	16.4%	5.5%	5.9%	5.4%	4.9%	4.4%	4.0%	3.6%

Prop 172	FY 20 - 21	FY 21 - 22	FY 22 - 23	FY 23 - 24	FY 24 - 25	FY 25 - 26	FY 26 - 27	FY 27 - 28
Cash Projection	28,000	30,700	31,800	32,800	33,800	34,600	35,400	36,100
Percent Change	15.7%	9.6%	3.6%	3.1%	3.0%	2.4%	2.3%	2.0%



15026 City of Shafter					Sales	QoQ	Aug FY	Payments	Amounts	Cash Received
Sales	Allocation	Received	Description	Allocations	Quarter Total	Change	Sales	Received	Received	Quarter Total
Jun '17	Aug '17	Sep '17	Clean-up	473,473	3,769,273	2.9%				2017Q3
Jul '17	Aug '17	Sep '17	1st Advance	1,060,200				Sep '17	1,533,673	3,840,773
Aug '17	Sep '17	Oct '17	2nd Advance	1,060,200				Oct '17	1,060,200	
Sep '17	Oct '17	Nov '17	3rd Advance	1,413,600	2017Q3			Nov '17	1,413,600	
Sep '17	Nov '17	Dec '17	Clean-up	579,594	4,113,594	4.5%				2017Q4
Oct '17	Nov '17	Dec '17	1st Advance	874,600				Dec '17	1,454,194	3,927,994
Nov '17	Dec '17	Jan '18	2nd Advance	874,600				Jan '18	874,600	
Dec '17	Jan '18	Feb '18	3rd Advance	1,166,000	2017Q4			Feb '18	1,166,000	
Dec '17	Feb '18	Mar '18	Clean-up	1,476,949	4,392,149	40.6%				2018Q1
Jan '18	Feb '18	Mar '18	1st Advance	861,700				Mar '18	2,338,649	4,379,249
Feb '18	Mar '18	Apr '18	2nd Advance	861,700	2018Q1			Apr '18	861,700	
Mar '18	Apr '18	May '18	Clean-up	1,806,577	3,529,978	-2.7%		May '18	1,806,577	
Apr '18	May '18	Jun '18	1st Advance	1,053,293				Jun '18	1,053,293	3,721,570
May '18	Jun '18	Jul '18	2nd Advance	1,051,293	2018Q2		<b>FY 2017-2018</b>	Jul '18	1,051,293	
Jun '18	Jul '18	Aug '18	Clean-Up	2,325,244	4,429,831	17.5%	<b>16,939,024</b>	Aug '18	2,325,244	
Jul '18	Aug '18	Sep '18	1st Advance	1,235,445				Aug '18	0	2018Q3
Aug '18	Sep '18	Oct '18	2nd Advance	1,470,408	2018Q3			Sep '18	1,235,445	4,611,982
Sep '18	Oct '18	Nov '18	Clean-Up	2,050,543	4,756,396	15.6%		Oct '18	1,470,408	
Oct '18	Nov '18	Dec '18	1st Advance	1,541,076				Nov '18	2,050,543	
Nov '18	Dec '18	Jan '19	2nd Advance	1,278,807	2018Q4			Dec '18	1,541,076	5,062,027
Dec '18	Jan '19	Feb '19	Clean-Up	2,564,128	5,384,011	22.6%		Jan '19	1,278,807	
Jan '19	Feb '19	Mar '19	1st Advance	1,080,558				Feb '19	2,564,128	
Feb '19	Mar '19	Apr '19	2nd Advance	1,140,771	2019Q1			Mar '19	1,080,558	4,923,493
Mar '19	Apr '19	May '19	Clean-Up	1,727,152	3,948,481	11.9%		Apr '19	1,140,771	
Apr '19	May '19	Jun '19	1st Advance	1,226,930				May '19	1,727,152	
May '19	Jun '19	Jul '19	2nd Advance	1,283,599	2019Q2		<b>FY 2018-2019</b>	Jun '19	1,226,930	4,094,853
Jun '19	Jul '19	Aug '19	Clean-Up	2,217,419	4,727,947	6.7%	<b>18,816,835</b>	Jul '19	1,283,599	
								Aug '19	2,217,419	

15026 City of Shafter				Sales	QoQ	Aug FY	Payments	Amounts	Cash Received
Sales	Allocation	Received	Description	Allocations	Quarter Total	Change	Sales	Received	Quarter Total
Jul '19	Aug '19	Sep '19	1st Advance	1,300,567					2019Q3
Aug '19	Sep '19	Oct '19	2nd Advance	1,461,081	2019Q3		Sep '19	1,300,567	4,801,584
Sep '19	Oct '19	Nov '19	Clean-Up	2,078,865	4,840,513	1.8%	Oct '19	1,461,081	
							Nov '19	2,078,865	
Oct '19	Nov '19	Dec '19	1st Advance	1,454,960					2019Q4
Nov '19	Dec '19	Jan '20	2nd Advance	1,468,157	2019Q4		Dec '19	1,454,960	4,994,906
Dec '19	Jan '20	Feb '20	Clean-Up	2,077,543	5,000,661	-7.1%	Jan '20	1,468,157	
							Feb '20	2,077,543	
Jan '20	Feb '20	Mar '20	1st Advance	1,107,956					2020Q1
Feb '20	Mar '20	Apr '20	2nd Advance	1,091,805	2020Q1		Mar '20	1,107,956	4,653,656
Mar '20	Apr '20	May '20	Clean-Up	1,977,620	4,177,381	5.8%	Apr '20	1,091,805	
							May '20	1,977,620	
Apr '20	May '20	Jun '20	1st Advance	946,321					2020Q2
May '20	Jun '20	Jul '20	2nd Advance	1,494,357	2020Q2		Jun '20	946,321	4,015,746
Jun '20	Jul '20	Aug '20	Clean-Up	2,457,165	4,897,844	3.6%	Jul '20	1,494,357	
							Aug '20	2,457,165	
									FY 2019-2020
									18,916,397
Jul '20	Aug '20	Sep '20	1st Advance	1,548,436					2020Q3
Aug '20	Sep '20	Oct '20	2nd Advance	1,374,583	2020Q3		Sep '20	1,548,436	5,499,959
Sep '20	Oct '20	Nov '20	Clean-Up	2,401,978	5,324,998	10.0%	Oct '20	1,374,583	
							Nov '20	2,401,978	
Oct '20	Nov '20	Dec '20	1st Advance	1,401,447					2020Q4
Nov '20	Dec '20	Jan '21	2nd Advance	1,313,587	2020Q4		Dec '20	1,401,447	5,178,009
Dec '20	Jan '21	Feb '21	Clean-Up	3,105,069	5,820,103	16.4%	Jan '21	1,313,587	
							Feb '21	3,105,069	
Jan '21	Feb '21	Mar '21	1st Advance	1,217,945					2021Q1
Feb '21	Mar '21	Apr '21	2nd Advance	1,135,897	2021Q1		Mar '21	1,217,945	5,636,600
Mar '21	Apr '21	May '21	Clean-Up	2,684,860	5,038,703	20.6%	Apr '21	1,135,897	
							May '21	2,684,860	
Apr '21	May '21	Jun '21	1st Advance	1,835,988					2021Q2
May '21	Jun '21	Jul '21	2nd Advance	1,858,508	2021Q2		Jun '21	1,835,988	5,656,745
Jun '21	Jul '21	Aug '21	Clean-Up	2,136,596	5,831,092	19.1%	Jul '21	1,858,508	
							Aug '21	2,136,596	
									FY 2020-2021
									22,014,895

15026 City of Shafter				Sales		QoQ	Aug FY	Payments	Amounts	Cash Received
Sales	Allocation	Received	Description	Allocations	Quarter Total	Change	Sales	Received	Received	Quarter Total
								2021Q3		
Jul '21	Aug '21	Sep '21	1st Advance	1,687,213				Sep '21	1,687,213	5,682,317
Aug '21	Sep '21	Oct '21	2nd Advance	1,688,800	2021Q3			Oct '21	1,688,800	
Sep '21	Oct '21	Nov '21	Clean-Up	2,301,081	5,677,094	6.6%		Nov '21	2,301,081	
								2021Q4		
Oct '21	Nov '21	Dec '21	1st Advance	1,617,800				Dec '21	1,617,800	5,607,681
Nov '21	Dec '21	Jan '22	2nd Advance	1,663,200	2021Q4			Jan '22	1,663,200	
Dec '21	Jan '22	Feb '22	Clean-Up	2,840,076	6,121,076	5.2%		Feb '22	2,840,076	
								2022Q1		
Jan '22	Feb '22	Mar '22	1st Advance	1,415,600				Mar '22	1,415,600	5,918,876
Feb '22	Mar '22	Apr '22	2nd Advance	1,455,400	2022Q1			Apr '22	1,455,400	
Mar '22	Apr '22	May '22	Clean-Up	2,484,983	5,355,983	6.3%		May '22	2,484,983	
								2022Q2		
Apr '22	May '22	Jun '22	1st Advance	1,601,900				Jun '22	1,601,900	5,542,283
May '22	Jun '22	Jul '22	2nd Advance	1,646,900	2022Q2		<b>FY 2021-2022</b>	Jul '22	1,646,900	
Jun '22	Jul '22	Aug '22	Clean-Up	2,812,191	6,060,991	3.9%	<b>23,215,143</b>	Aug '22	2,812,191	
								2022Q3		
Jul '22	Aug '22	Sep '22	1st Advance	1,596,100				Sep '22	1,596,100	6,055,191
Aug '22	Sep '22	Oct '22	2nd Advance	1,641,000	2022Q3			Oct '22	1,641,000	
Sep '22	Oct '22	Nov '22	Clean-Up	2,802,117	6,039,217	6.4%		Nov '22	2,802,117	
								2022Q4		
Oct '22	Nov '22	Dec '22	1st Advance	1,714,200				Dec '22	1,714,200	6,157,317
Nov '22	Dec '22	Jan '23	2nd Advance	1,762,400	2022Q4			Jan '23	1,762,400	
Dec '22	Jan '23	Feb '23	Clean-Up	3,009,382	6,485,982	6.0%		Feb '23	3,009,382	
								2023Q1		
Jan '23	Feb '23	Mar '23	1st Advance	1,497,700				Mar '23	1,497,700	6,269,482
Feb '23	Mar '23	Apr '23	2nd Advance	1,539,700	2023Q1			Apr '23	1,539,700	
Mar '23	Apr '23	May '23	Clean-Up	2,629,172	5,666,572	5.8%		May '23	2,629,172	
								2023Q2		
Apr '23	May '23	Jun '23	1st Advance	1,691,900				Jun '23	1,691,900	5,860,772
May '23	Jun '23	Jul '23	2nd Advance	1,739,500	2023Q2		<b>FY 2022-2023</b>	Jul '23	1,739,500	
Jun '23	Jul '23	Aug '23	Clean-Up	2,970,119	6,401,519	5.6%	<b>24,593,290</b>	Aug '23	2,970,119	



15026 City of Shafter				Sales	QoQ	Aug FY	Payments	Amounts	Cash Received
Sales	Allocation	Received	Description	Allocations	Quarter Total	Change	Sales	Received	Quarter Total
							2023Q3		
Jul '23	Aug '23	Sep '23	1st Advance	1,688,600			Sep '23	1,688,600	6,398,219
Aug '23	Sep '23	Oct '23	2nd Advance	1,736,000	2023Q3		Oct '23	1,736,000	
Sep '23	Oct '23	Nov '23	Clean-Up	2,964,368	6,388,968	5.8%	Nov '23	2,964,368	
							2023Q4		
Oct '23	Nov '23	Dec '23	1st Advance	1,806,700			Dec '23	1,806,700	6,507,068
Nov '23	Dec '23	Jan '24	2nd Advance	1,857,500	2023Q4		Jan '24	1,857,500	
Dec '23	Jan '24	Feb '24	Clean-Up	3,171,781	6,835,981	5.4%	Feb '24	3,171,781	
							2024Q1		
Jan '24	Feb '24	Mar '24	1st Advance	1,576,100			Mar '24	1,576,100	6,605,381
Feb '24	Mar '24	Apr '24	2nd Advance	1,620,300	2024Q1		Apr '24	1,620,300	
Mar '24	Apr '24	May '24	Clean-Up	2,766,778	5,963,178	5.2%	May '24	2,766,778	
							2024Q2		
Apr '24	May '24	Jun '24	1st Advance	1,778,000			Jun '24	1,778,000	6,165,078
May '24	Jun '24	Jul '24	2nd Advance	1,828,000	2024Q2		Jul '24	1,828,000	
Jun '24	Jul '24	Aug '24	Clean-Up	3,121,373	6,727,373	5.1%	Aug '24	3,121,373	
							2024Q3		
Jul '24	Aug '24	Sep '24	1st Advance	1,776,900			Sep '24	1,776,900	6,726,273
Aug '24	Sep '24	Oct '24	2nd Advance	1,826,800	2024Q3		Oct '24	1,826,800	
Sep '24	Oct '24	Nov '24	Clean-Up	3,119,416	6,723,116	5.2%	Nov '24	3,119,416	
							2024Q4		
Oct '24	Nov '24	Dec '24	1st Advance	1,894,900			Dec '24	1,894,900	6,841,116
Nov '24	Dec '24	Jan '25	2nd Advance	1,948,100	2024Q4		Jan '25	1,948,100	
Dec '24	Jan '25	Feb '25	Clean-Up	3,326,552	7,169,552	4.9%	Feb '25	3,326,552	
							2025Q1		
Jan '25	Feb '25	Mar '25	1st Advance	1,650,700			Mar '25	1,650,700	6,925,352
Feb '25	Mar '25	Apr '25	2nd Advance	1,697,100	2025Q1		Apr '25	1,697,100	
Mar '25	Apr '25	May '25	Clean-Up	2,897,810	6,245,610	4.7%	May '25	2,897,810	
							2025Q2		
Apr '25	May '25	Jun '25	1st Advance	1,860,100			Jun '25	1,860,100	6,455,010
May '25	Jun '25	Jul '25	2nd Advance	1,912,300	2025Q2		Jul '25	1,912,300	
Jun '25	Jul '25	Aug '25	Clean-Up	3,265,390	7,037,790	4.6%	Aug '25	3,265,390	
							FY 2023-2024 25,915,500		
							FY 2024-2025 27,176,068		

15026 City of Shafter				Sales	QoQ	Aug FY	Payments	Amounts	Cash Received
Sales	Allocation	Received	Description	Allocations	Quarter Total	Change	Sales	Received	Quarter Total
							2025Q3		
Jul '25	Aug '25	Sep '25	1st Advance	1,861,000			Sep '25	1,861,000	7,038,690
Aug '25	Sep '25	Oct '25	2nd Advance	1,913,300	2025Q3		Oct '25	1,913,300	
Sep '25	Oct '25	Nov '25	Clean-Up	3,266,924	7,041,224	4.7%	Nov '25	3,266,924	
							2025Q4		
Oct '25	Nov '25	Dec '25	1st Advance	1,978,700			Dec '25	1,978,700	7,158,924
Nov '25	Dec '25	Jan '26	2nd Advance	2,034,300	2025Q4		Jan '26	2,034,300	
Dec '25	Jan '26	Feb '26	Clean-Up	3,473,645	7,486,645	4.4%	Feb '26	3,473,645	
							2026Q1		
Jan '26	Feb '26	Mar '26	1st Advance	1,721,600			Mar '26	1,721,600	7,229,545
Feb '26	Mar '26	Apr '26	2nd Advance	1,770,000	2026Q1		Apr '26	1,770,000	
Mar '26	Apr '26	May '26	Clean-Up	3,022,236	6,513,836	4.3%	May '26	3,022,236	
							2026Q2		
Apr '26	May '26	Jun '26	1st Advance	1,937,900			Jun '26	1,937,900	6,730,136
May '26	Jun '26	Jul '26	2nd Advance	1,992,400	2026Q2		Jul '26	1,992,400	
Jun '26	Jul '26	Aug '26	Clean-Up	3,402,135	7,332,435	4.2%	Aug '26	3,402,135	
							FY 2025-2026		
							28,374,140		