

Mayor
John Murray
Mayor Pro Tem
John Grego
Council Members
Mary Hornsby
Ed Martin
Willard Rodarmel



**Redevelopment
Division**

210 Fox Street
Lemoore • CA 93245
Phone • (559) 924-6704
FAX • (559) 924-6743

Staff Report

Item No. _____

To: Lemoore City Council
From: Judy Holwell, Redevelopment Project Manager
Date: May 10, 2007
Subject: Sales Tax Update

Discussion:

Attached is the 2006 Fourth Quarter Sales Tax Update for Lemoore. As noted in the flyer, adjusted sales were 2.1 percent higher than the same quarter last year, whereas, both Kings County and the San Joaquin Valley were down. In our previous update, staff was concerned that we had over budgeted for fiscal year 2006-07 with an estimated revenue of \$1.4 million. The information we just received, which shows actual receipts for the third and fourth quarters of 2006, and estimates for the first and second quarters of 2007, indicates that receipts will meet or exceed our budgeted amount.

The following chart shows how Lemoore fared compared to the County, Valley and State for calendar year 2006:

Calendar Year 2006

Lemoore	+ 2.40
Kings County	+ 4.92
San Joaquin Valley	+ 3.99
State of California	+ 2.96

Over the last few years, with interest rates low and homeowner equity high, people were spending more money. Attached is spreadsheet showing growth in all of our retail areas over the last 10 years with the exception of Lincoln Market, which declined by more than 50 percent. It is important to note that new construction and auto sales throughout the state are now flat or have declined. This is an area we will continue to monitor.

Budget Impact:

None.

Recommendation:

Information only.