

Q1 2015



City of Moorpark Sales Tax Update

Second Quarter Receipts for First Quarter Sales (January - March 2015)

Moorpark In Brief

Receipts for Moorpark's January through March sales were 7.9% lower than the same quarter one year ago. Actual sales activity was down 6.6% when reporting aberrations were factored out.

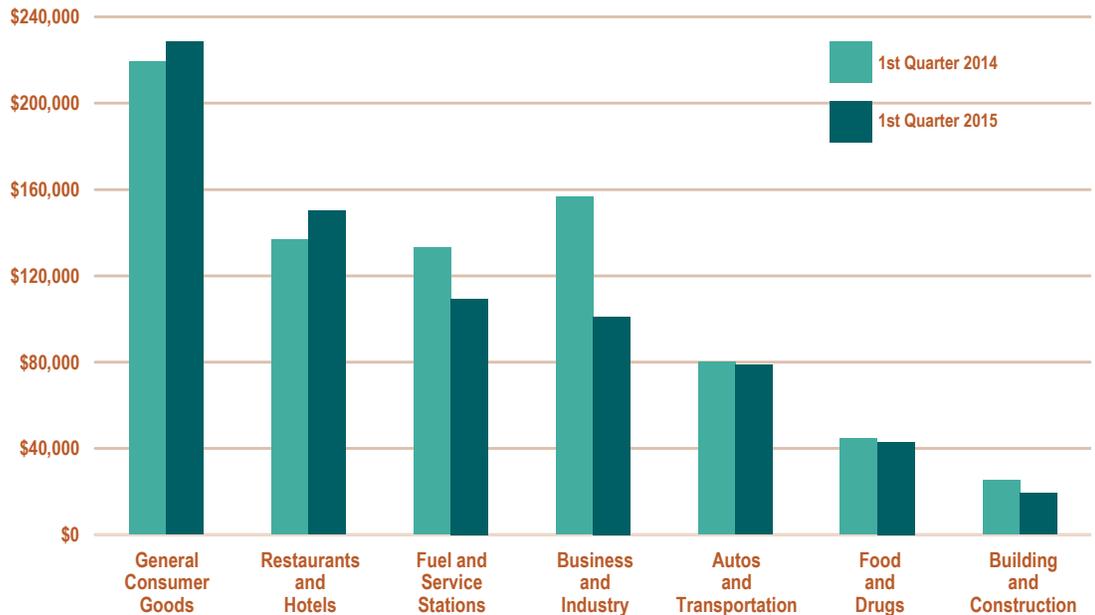
Business closeouts contributed to the drop in the business and industry group. However, a reporting error that will be corrected in a future quarter was the primary factor in the loss.

Lower fuel prices accounted for the decline in fuel and service stations while a recent store closure was responsible for lower returns in building and construction.

While revenues were overstated by payment deviations, post-holiday sales activity in general consumer goods was up 3.2%. All sectors in restaurants and hotels showed positive results compared to a year ago.

Adjusted for aberrations, taxable sales for all of Ventura County increased 3.2% over the comparable time period, while the Southern California region as a whole was up 3.2%.

SALES TAX BY MAJOR BUSINESS GROUP



TOP 25 PRODUCERS

IN ALPHABETICAL ORDER

76	National Ready Mixed Concrete
Campus Plaza Shell	Pentair Pool Products
Command Performance Catering	Simi Valley Harley Davidson
Dick's Sporting Goods	Smart & Final
In N Out Burgers	Target
Kahoots Feed & Supply	Taylor Printing
Kohls	Tesoro Refining & Marketing
McDonalds	TJ Maxx
Michaels Arts & Crafts	Tom Lindstrom RV
Moorpark 76	Vons
Moorpark Chevron	Warehouse Discount Center
Moorpark College Bookstore	Wood Ranch BBQ Grill
Moorpark Petroleum	

REVENUE COMPARISON

Four Quarters - Fiscal Year To Date

	2013-14	2014-15
Point-of-Sale	\$3,505,594	\$3,367,379
County Pool	344,696	381,119
State Pool	2,308	2,236
Gross Receipts	\$3,852,598	\$3,750,734
Cty/Cnty Share	(127,136)	(123,774)
Net Receipts	\$3,725,462	\$3,626,960
Less Triple Flip*	\$(931,365)	\$(906,740)

*Reimbursed from county compensation fund

California as a Whole

Local one cent tax receipts from sales occurring January through March rose 3.65% over 2014's comparable quarter after adjusting for reporting anomalies.

An exceptionally strong quarter for auto sales/leases and restaurants was the primary contributor to the overall increase. A rise in building-construction materials was also a factor although much of this growth came from specific office and sports facility projects in Northern California.

Gains from sales of general consumer goods were primarily in value priced clothing, home furnishings and specialty retail which includes pet supplies and cosmetics. Online shopping involving goods shipped from out of state continues to shift a major portion of the growth in general consumer goods to the countywide pools.

The statewide gains were largely offset by a 21% decline in receipts from fuel and service stations.

Tax on Services

The Board of Equalization has released an estimate that levying sales and use tax on services would raise over \$122.5 billion in state and local revenues or enough to lower the overall tax rate to under 4%.

Originally imposed in 1933 as a 2 1/2% tax with only three exemptions, the legislature has gradually exempted more and more goods from the sales tax while raising rates to compensate for the corresponding revenue loss. This and the state's shift from a manufacturing to service economy has created the nation's highest sales tax rate on the narrowest basket of goods.

Although more discussion is needed, there is interest in expanding the sales tax to services and lowering the rate to make the tax less regressive and

more competitive while providing greater flexibility in the development of local tax bases.

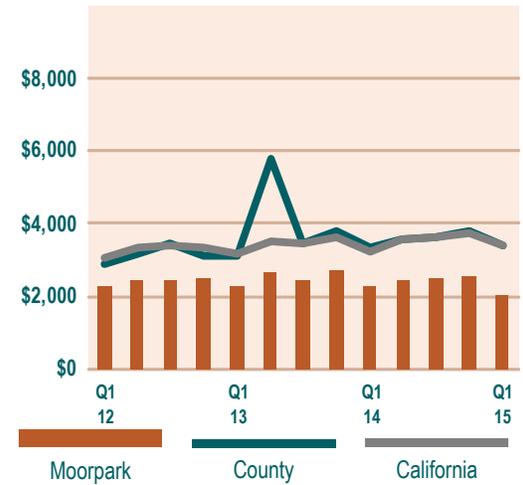
Tax on Jet Fuel

The Federal Aviation Administration has ruled that sales taxes on jet fuel must only be used for airport and aviation programs. The rule applies to taxes levied after 1987 but is unclear as to transactions tax districts, Proposition 172 revenues, or revenues collected by jurisdictions without airports. Clarification will not be available until FAA review and approval of a plan that has to be submitted by the state Department of Finance by December 8, 2015.

Tax on Marijuana

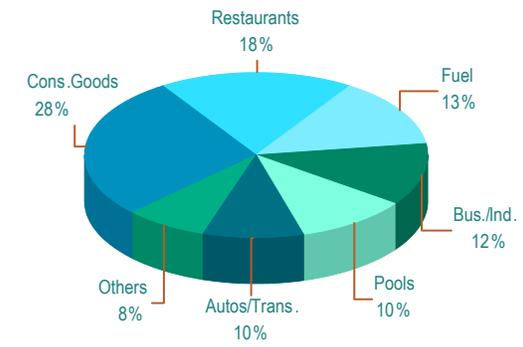
A pilot study for more effective tracking and collection of sales taxes on medical cannabis is underway in the central and northern California districts. Because current registration policy allows a "decline to state" to avoid self-incrimination, the precise number of cannabis retailers is unknown. BOE findings are expected by November 2015.

SALES PER CAPITA



REVENUE BY BUSINESS GROUP

Moorpark This Quarter



MOORPARK TOP 15 BUSINESS TYPES

Business Type	Moorpark		County	HdL State
	Q1 '15	Change	Change	Change
Boats/Motorcycles	— CONFIDENTIAL —		8.4%	13.5%
Business Services	17,919	0.8%	11.9%	26.2%
Casual Dining	55,059	7.3%	1.6%	5.7%
Contractors	— CONFIDENTIAL —		10.8%	15.0%
Department Stores	— CONFIDENTIAL —		-2.1%	2.0%
Discount Dept Stores	— CONFIDENTIAL —		0.2%	4.2%
Drug Stores	13,934	22.6%	11.8%	10.7%
Electronics/Appliance Stores	54,864	30.0%	-0.5%	-0.4%
Family Apparel	— CONFIDENTIAL —		2.5%	9.8%
Grocery Stores Liquor	19,224	-21.5%	4.2%	5.0%
Leisure/Entertainment	— CONFIDENTIAL —		-1.7%	10.8%
Light Industrial/Printers	30,638	-11.8%	7.1%	5.3%
Quick-Service Restaurants	61,500	12.8%	8.2%	10.5%
Service Stations	109,310	-17.8%	-24.3%	-21.9%
Trailers/RVs	— CONFIDENTIAL —		-11.1%	25.0%
Total All Accounts	\$730,096	-8.2%	2.2%	3.6%
County & State Pool Allocation	\$84,432	-5.5%	5.3%	1.1%
Gross Receipts	\$814,528	-7.9%	2.5%	3.3%
City/County Share	(26,879)	7.9%		
Net Receipts	\$787,649	-7.9%		

Q2 2015



City of Moorpark Sales Tax Update

Third Quarter Receipts for Second Quarter Sales (April - June 2015)

Moorpark In Brief

Moorpark's receipts from April through June were 9.0% above the second sales period in 2014. Excluding reporting aberrations, actual sales were up 10.7%.

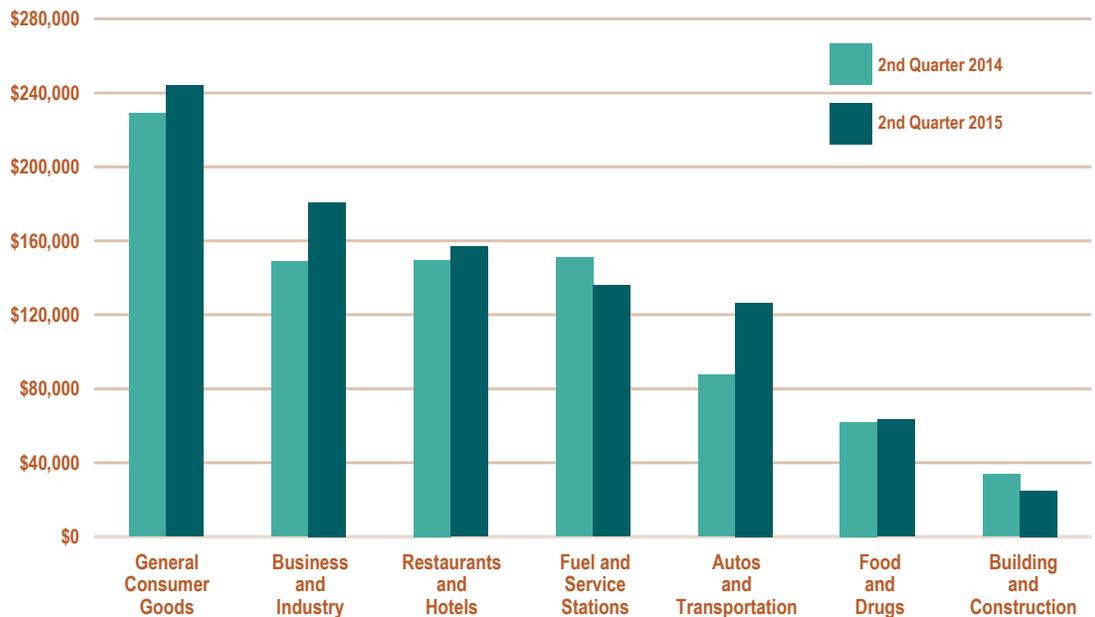
Stellar returns from multiple auto-transportation merchants accounted for 47% of the overall growth and contributed to a 15% increase in the countywide use tax pool allocation. The city also benefited from a strong sales quarter by business-industrial merchants.

General consumer goods were lifted by solid electronic-appliance retailer returns, while continued consumer interest in eating out boosted quick service and casual dining restaurants.

Business closeouts and decreased activity negatively impacted building and construction, partially offsetting the gains. For the third straight quarter, weak global demand for crude oil caused lower retail gas prices and thereby a decline in revenue from service stations.

Net of aberrations, taxable sales for all of Ventura County grew 3.9% over the comparable time period; the Southern California region was up 3.2%.

SALES TAX BY MAJOR BUSINESS GROUP



TOP 25 PRODUCERS

IN ALPHABETICAL ORDER

76	National Ready Mixed Concrete
Campus Plaza Shell	Pentair Pool Products
Command Performance Catering	Ralphs
Cornerstone Photography	Simi Valley Harley Davidson
Dick's Sporting Goods	Target
Fitzpatrick Dental Equipment	Tesoro Refining & Marketing
In N Out Burgers	Testequity
Kahoots Feed & Supply	TJ Maxx
Kohls	Tom Lindstrom RV
McDonalds	Vons
Moorpark 76	Warehouse Discount Center
Moorpark Chevron	Wood Ranch BBQ Grill
Moorpark Petroleum	

REVENUE COMPARISON

One Quarter - Fiscal Year To Date

	2014-15	2015-16
Point-of-Sale	\$861,539	\$932,431
County Pool	94,869	109,680
State Pool	650	776
Gross Receipts	\$957,058	\$1,042,888
Cty/Cnty Share	(31,583)	(34,415)
Net Receipts	\$925,475	\$1,008,472
Less Triple Flip*	\$(231,369)	\$(252,118)

*Reimbursed from county compensation fund

NOTES

Statewide Sales Tax Trends

Excluding accounting aberrations, the local one cent share of statewide sales occurring April through June was 3.4% higher than the comparable quarter of 2014.

Receipts from the countywide use tax allocation pools accounted for the largest portion of the increase reflecting a continuing shift in consumer preferences from brick and mortar stores to online shopping for merchandise shipped from out of state.

Sales and leases of new cars continued to post impressive gains as did contractor supplies and restaurants. Overall gains were offset by a 17.1% decline in receipts from service stations and petroleum related industries.

The Remaining Fiscal Year

The state's unemployment rate continues to decline and real disposable income is expected to grow 2.5% to 3.0% in the second half of 2015. This improvement in incomes coupled with easy credit conditions should stimulate an increase in housing starts as well as capital investment in equipment, alternate energy and technology.

The auto industry is anticipating continuing strong sales until tapering to more sustainable levels in 2016-2017. Building and construction, the only retail segment yet to return to pre-recession levels, is gaining momentum in several regions and is expected to account for 10% of sales tax growth in the second half of the fiscal year.

Restaurant sales continue to rise although there are some concerns that the strong dollar may impact sales in areas that cater to tourists from abroad. Gains from consumer goods are expected to be modest with the strong dollar cutting prices of imported goods and an ongoing shift in consumer spending from tangible goods to services, entertainment and other non-taxable purchases.

Gasoline prices remain well below the previous year due to a worldwide glut

of oil. Barring unexpected supply or refinery disruptions, prices are expected to trend lower through the first half of 2015-16 but begin rebounding in the second half.

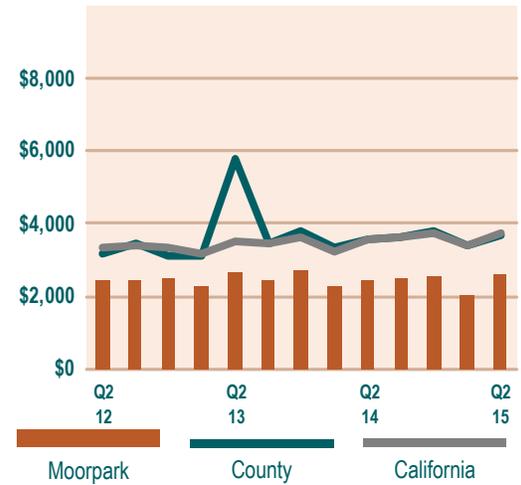
Internet Sales Tax Proposal

HR 2775 (The Remote Transaction Parity Act) is a new proposal by Representative Jason Chaffetz (R-Utah) authorizing states to require remote sellers without physical presence in their state to collect state and local sales tax from in-state buyers.

The bill currently has 52 sponsors and attempts to address objections to elements of the Marketplace Fairness Act that preceded it. The proposal provides for a three year phase in for small businesses, prohibits auditing remote sellers with annual sales under \$5 million, and requires states to provide software to enable remote sellers to collect and remit their tax.

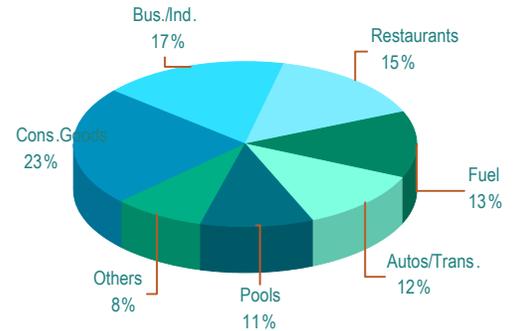
The Board of Equalization estimates that local governments in California currently lose approximately \$44 per capita in uncollected sales and use tax on e-commerce purchases.

SALES PER CAPITA



REVENUE BY BUSINESS GROUP

Moorpark This Quarter



MOORPARK TOP 15 BUSINESS TYPES

Business Type	Moorpark		County	HdL State
	Q2 '15	Change	Change	Change
Boats/Motorcycles	— CONFIDENTIAL —		20.9%	6.7%
Business Services	17,720	-26.5%	26.2%	4.4%
Casual Dining	56,819	7.7%	5.0%	6.4%
Department Stores	— CONFIDENTIAL —		-2.0%	-2.1%
Discount Dept Stores	— CONFIDENTIAL —		-3.5%	0.0%
Electrical Equipment	— CONFIDENTIAL —		-0.4%	-8.4%
Electronics/Appliance Stores	51,814	34.9%	3.9%	-1.7%
Family Apparel	— CONFIDENTIAL —		-4.4%	2.8%
Grocery Stores Liquor	38,445	7.9%	8.9%	3.5%
Leisure/Entertainment	— CONFIDENTIAL —		3.6%	12.6%
Light Industrial/Printers	37,226	31.6%	13.0%	0.3%
Quick-Service Restaurants	63,963	9.6%	9.4%	9.1%
Service Stations	135,891	-10.0%	-12.9%	-11.7%
Sporting Goods/Bike Stores	— CONFIDENTIAL —		-0.8%	0.1%
Trailers/RVs	— CONFIDENTIAL —		46.0%	19.1%
Total All Accounts	932,431	8.2%	3.3%	2.8%
County & State Pool Allocation	110,456	15.6%	10.4%	11.8%
Gross Receipts	1,042,888	9.0%	4.0%	3.8%
City/County Share	(34,415)	-9.0%		
Net Receipts	1,008,472	9.0%		

Q3 2015



City of Moorpark Sales Tax *Update*

Fourth Quarter Receipts for Third Quarter Sales (July - September 2015)

Moorpark In Brief

Moorpark's receipts from July through September were 3.8% above the third sales period in 2014.

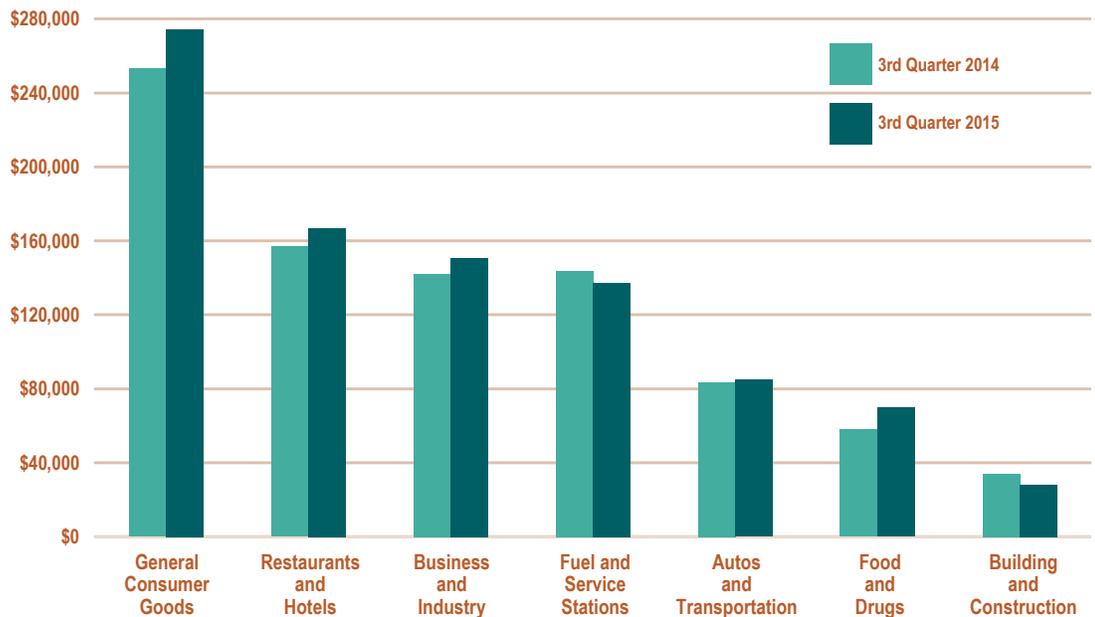
Steady returns from casual dining and quick service restaurants, consistent with regional and statewide trends, combined with solid summer activity from general consumer goods retailers lifted overall results.

Multiple business and industrial suppliers experienced positive growth, while receipts from food-drug merchants were temporarily inflated by a payment deviation in the current quarter.

The gains were partially offset by the closeout of a building-construction vendor and the abundant global supply of crude oil which continued to weaken retail gas and diesel prices depressing revenue from service stations.

Net of aberrations, taxable sales for all of Ventura County grew 3.3% over the comparable time period; the Southern California region was up 3.6%.

SALES TAX BY MAJOR BUSINESS GROUP



TOP 25 PRODUCERS

IN ALPHABETICAL ORDER

76	National Ready Mixed Concrete
Campus Plaza Shell	Ralphs
Command Performance Catering	Simi Valley Harley Davidson
Cornerstone Photography	Smart & Final
Dick's Sporting Goods	Target
Fitzpatrick Dental Equipment	Taylor Printing
Kahoots Pet Store	Tesoro Refining & Marketing
Kohls	Testequity
McDonalds	TJ Maxx
Moorpark 76	Tom Lindstrom RV
Moorpark Chevron	Vons
Moorpark Petroleum	Warehouse Discount Center
	Wood Ranch Grill

REVENUE COMPARISON

Two Quarters – Fiscal Year To Date

	2014-15	2015-16
Point-of-Sale	\$1,732,483	\$1,844,602
County Pool	194,446	205,094
State Pool	1,243	944
Gross Receipts	\$1,928,172	\$2,050,641
Cty/Cnty Share	(63,630)	(67,671)
Net Receipts	\$1,864,542	\$1,982,969
Less Triple Flip*	\$(466,136)	\$(495,742)

*Reimbursed from county compensation fund

Statewide Results

The local share of sales and use tax revenues from the summer sales quarter were up 2.4% over last year's comparable quarter after adjusting for payment aberrations.

New and used auto sales and leases continued to exhibit solid gains and were the primary contributor to the quarter's statewide growth. The countywide allocation pools were the second largest contributors to the overall gain, boosted by increased online sales activity. The state's travel and tourism industry contributed to a robust increase in receipts from restaurants and hotels. Recovering building and construction activity was also significant with an 8.6% increase over the comparison period.

Gains in most other segments were relatively modest while receipts from fuel and service stations declined for the fourth consecutive quarter.

Overall performance was similar throughout most regions of the state, however the effect of lower fuel prices significantly dampened results in portions of the San Joaquin Valley.

Online Retail Sales Continue to Outpace Brick & Mortar Stores

Fourth quarter tax results will not be available until March but preliminary reports indicate holiday purchases from some brick and mortar stores are flat or down from 2014, while the volume of online shopping has set new records.

Although stores are not in danger of disappearing, the trend has many retail chains considering long-term plans for smaller "showroom" units with less square footage, employees, and in-store inventory.

HdL's statewide sales tax database for the first three quarters of 2015 shows that online orders for general consumer goods rose 17.6% over the first three quarters of 2014, while the overall sales gains at brick and mortar stores grew a modest 2.2%.

New Restrictions on Tax Sharing Agreements

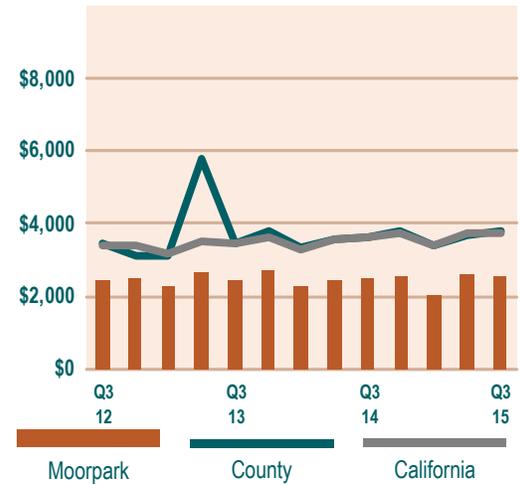
Tax rebates are subject to additional restrictions and reporting requirements in 2016.

Newly adopted Government Code Section 53084.5 prohibits tax sharing agreements that reduce another agency's sales tax if the business generating the tax continues to maintain a physical presence in the losing agency's jurisdiction.

The Government Accounting Standards Board (GASB) has also adopted new requirements outlined in GASB Statement 77 for detailed disclosure of rebates in government financial reports.

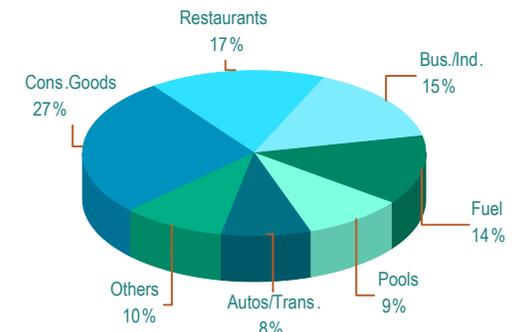
The rule issued on August 14, 2015 by GASB will require state and local governments to disclose the amount of property, sales, and income taxes that have been waived or rebated under tax abatement agreements with companies or other taxpayers. The requirements of Statement 77 are effective for financial statements with periods beginning after December 15, 2015.

SALES PER CAPITA



REVENUE BY BUSINESS GROUP

Moorpark This Quarter



MOORPARK TOP 15 BUSINESS TYPES

Business Type	Moorpark		County	HdL State
	Q3 '15	Change	Change	Change
Boats/Motorcycles	— CONFIDENTIAL —		5.1%	11.6%
Casual Dining	54,792	4.2%	2.6%	5.5%
Contractors	— CONFIDENTIAL —		7.1%	12.9%
Department Stores	— CONFIDENTIAL —		0.1%	-0.6%
Discount Dept Stores	— CONFIDENTIAL —		1.5%	2.1%
Electrical Equipment	— CONFIDENTIAL —		44.3%	-0.4%
Electronics/Appliance Stores	— CONFIDENTIAL —		6.8%	3.8%
Family Apparel	— CONFIDENTIAL —		-2.5%	2.2%
Grocery Stores Liquor	44,980	29.1%	8.2%	3.8%
Leisure/Entertainment	— CONFIDENTIAL —		-12.4%	22.0%
Light Industrial/Printers	25,992	37.1%	6.9%	1.3%
Quick-Service Restaurants	67,396	15.0%	6.8%	6.7%
Service Stations	137,140	-4.6%	-9.4%	-11.8%
Specialty Stores	24,920	6.6%	8.3%	5.8%
Trailers/RVs	— CONFIDENTIAL —		3.2%	21.6%
Total All Accounts	912,171	4.7%	4.0%	2.3%
County & State Pool Allocation	95,582	-4.6%	-5.3%	3.5%
Gross Receipts	1,007,753	3.8%	3.0%	2.4%
City/County Share	(33,256)	-3.8%		
Net Receipts	974,497	3.8%		

Q4 2015



City of Moorpark Sales Tax *Update*

First Quarter Receipts for Fourth Quarter Sales (October - December 2015)

Moorpark In Brief

Moorpark's receipts from October through December were 2.9% above the fourth sales period in 2014.

The double digit gain in autos and transportation boosted overall gross receipts compared to a year ago. Quick-service restaurants and casual dining posted higher returns. Holiday sales activity rose in several general retail categories including electronics. However, a store close-out offset this increase depressing the general consumer goods group as a whole.

The rise in the building-related sectors surpassed regional trends. In addition, the increase in the City's share of the countywide use tax allocation pool contributed to the rise in overall quarterly returns over last year.

Multiple deviations, a store close-out and a late payment depressed results in business and industry. Lower fuel prices negatively impacted service stations while a retroactive adjustment accounted for the decrease in food and drugs.

Net of aberrations, taxable sales for all of Ventura County grew 2.8% over the comparable time period; the Southern California region was up 2.2%.

SALES TAX BY MAJOR BUSINESS GROUP



TOP 25 PRODUCERS

IN ALPHABETICAL ORDER

76	Moorpark Petroleum
Authentic Watches	National Ready Mixed Concrete
Campus Plaza Shell	Ralphs
Command Performance Catering	Simi Valley Harley Davidson
Dick's Sporting Goods	Target
Fitzpatrick Dental Equipment	Tesoro Refining & Marketing
In N Out Burgers	Testequity
Kahoots Pet Store	TJ Maxx
Kohls	Lindstrom RV
McDonalds	Vons
Michaels Arts & Crafts	Warehouse Discount Center
Moorpark 76	Wood Ranch BBQ
Moorpark Chevron	

REVENUE COMPARISON

Three Quarters – Fiscal Year To Date

	2014-15	2015-16
Point-of-Sale	\$2,637,283	\$2,769,042
County Pool	296,702	316,099
State Pool	2,221	3,004
Gross Receipts	\$2,936,206	\$3,088,145
Cty/Cnty Share	(96,895)	(101,909)
Net Receipts	\$2,839,311	\$2,986,236
Less Triple Flip*	\$(709,828)	\$(746,559)

*Reimbursed from county compensation fund

California Overall

Excluding accounting aberrations, local sales and use tax receipts from the fourth quarter of 2015 ended 2.6% above 2014's holiday quarter.

Solid returns for autos, RVs, building materials and most categories of restaurants were the primary contributors to the statewide increase. The growth in online shopping for merchandise shipped from out-of-state continued to raise countywide use tax allocation pool revenues.

The gains were largely offset by a 13.2% drop in tax receipts from service stations and other fuel-related expenditures. Except for value price clothing and shoes, most categories of general consumer goods were flat or down, reflecting heavy price discounting to reduce excess holiday inventories and the impact of the strong dollar on international tourist spending.

With some exceptions, particularly in the areas of computers and agricultural chemicals, overall receipts from business and industrial expenditures were also down primarily due to cutbacks in capital spending by energy producers and manufacturers of exported goods, equipment and raw materials.

Intense competition and price pressures resulted in only modest gains in receipts from grocers and pharmacists with the largest increase in this group coming from liquor stores and marijuana dispensaries.

HdL's most recent economic consensus forecast anticipates similar modest gains through 2016 with an eventual peak in auto sales replaced by strong sales of building and construction materials for home improvement and new housing. A recovery in tax receipts from fuel is not expected until the end of the year.

The Triple Flip Is Over!

Beginning with taxes collected in January and forward, local governments will again receive their full share of Bradley-Burns sales and use tax reve-

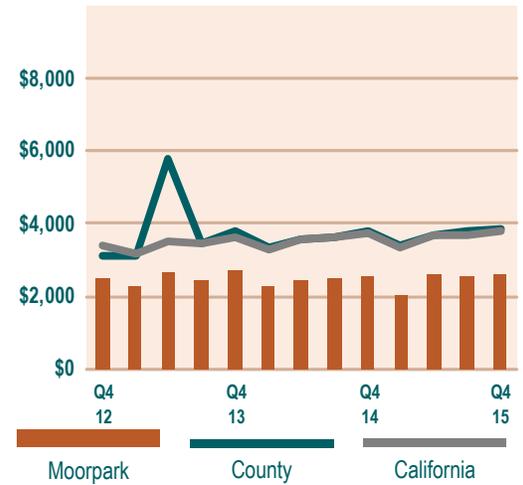
nues thus ending an eleven-year program known as the Triple Flip.

The program began in 2004 when voters approved a \$15 billion bond issue to cover operating deficits resulting from a combination of that year's economic downturn plus failure to offset the loss of revenue from the Governor's popular reduction in the 65-year-old, 2% Motor Vehicle In-Lieu Tax.

The State retained 25% of local sales tax to guarantee the bonds, reimbursed local governments from monies meant for schools and replaced the money taken from schools with state general funds thus creating what became known as the Triple Flip. The financing scheme resulted in interest payments totaling \$4.8 billion, plus another \$200 million in administrative fees while creating new budget challenges for local governments.

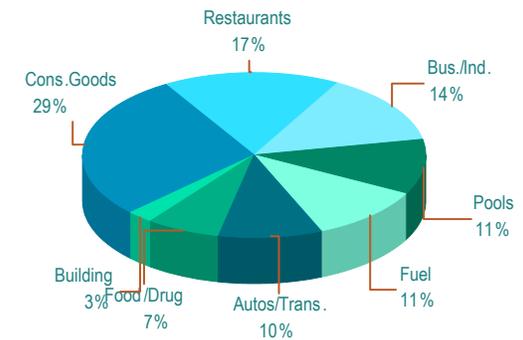
It also resulted in voter passage of constitutional amendment Proposition 1A that bars state tampering with local sales and use tax revenues in the future.

SALES PER CAPITA



REVENUE BY BUSINESS GROUP

Moorpark This Quarter



MOORPARK TOP 15 BUSINESS TYPES

Business Type	Moorpark		County	HdL State
	Q4 '15	Change	Change	Change
Boats/Motorcycles	— CONFIDENTIAL —	—	-3.6%	8.3%
Casual Dining	57,068	7.1%	2.9%	5.8%
Contractors	— CONFIDENTIAL —	—	-10.3%	11.1%
Department Stores	— CONFIDENTIAL —	—	2.3%	-0.4%
Discount Dept Stores	— CONFIDENTIAL —	—	2.3%	3.0%
Electrical Equipment	— CONFIDENTIAL —	—	20.6%	-13.2%
Electronics/Appliance Stores	58,791	8.0%	5.6%	0.7%
Family Apparel	— CONFIDENTIAL —	—	2.5%	3.9%
Grocery Stores Liquor	45,655	-7.9%	-1.4%	0.6%
Leisure/Entertainment	— CONFIDENTIAL —	—	14.4%	10.2%
Medical/Biotech	— CONFIDENTIAL —	—	3.6%	-4.4%
Quick-Service Restaurants	66,902	9.7%	8.4%	8.0%
Service Stations	112,766	-5.0%	-10.3%	-10.5%
Specialty Stores	25,481	-8.5%	5.8%	4.3%
Trailers/RVs	— CONFIDENTIAL —	—	42.6%	23.5%
Total All Accounts	924,439	2.2%	1.5%	2.4%
County & State Pool Allocation	113,065	9.5%	8.8%	10.8%
Gross Receipts	1,037,504	2.9%	2.3%	3.5%
City/County Share	(34,238)	-2.9%		
Net Receipts	1,003,267	2.9%		