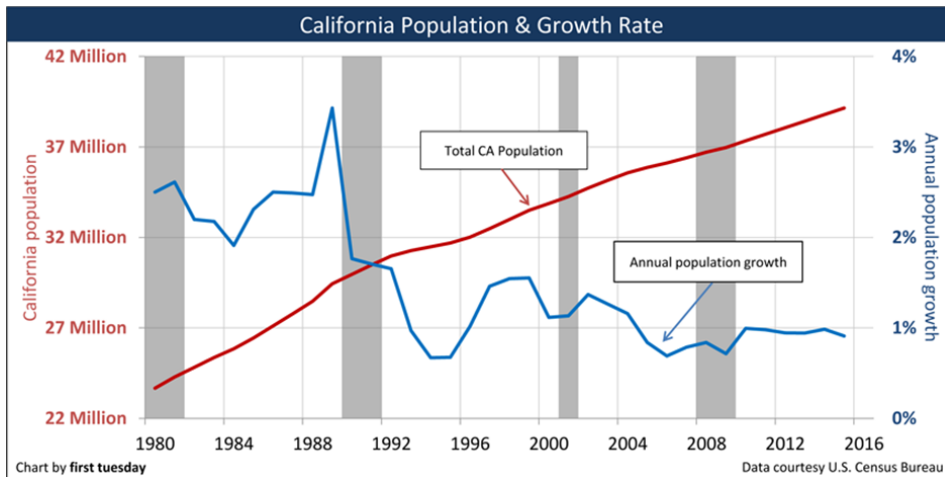




Inland Empire Regional Newsletter



California Population Grows and Shifts

Numbers of births and deaths, residential and business movement within regions, immigration, and changing demographics can profoundly influence any economy and affect the fiscal condition of state and local governments.

In December, the California Department of Finance [published data](#) showing modest overall population growth in California. From July 1, 2015, through July 1, 2016, California's population increased by 295,000 people, a growth rate of 0.75 percent – slower than the previous three years. The data also reflect a continuing trend: California's inland areas account for the highest rate of population growth, and more small and remote counties experience very slow growth or a decline in population.

Among the 58 California counties, populations ranged from an increase of 1.97 percent in Yolo county to a decrease of 1.05 percent in Lassen county. Placer, Riverside, San Joaquin, Stanislaus, and Yolo counties saw the highest percentage of population growth. Sixteen counties in the Central Valley, northern California, and the greater Sacramento region experienced decreases.

The Inland Empire is home to the fifth and sixth largest counties in the state. A population of 2,360,727 in Riverside and 2,147,933 in San Bernardino account for 11.46 percent of the state's population. Last year, Riverside was the fourth fastest-growing county at a rate of 1.35 percent. San Bernardino county had a more modest 0.85 percent growth rate – still above the state average. Combined, the population of the two counties increased by 49,553 people.

Free Tax Prep Sites Available Statewide

Californians with an income of \$54,000 or less may qualify to have their taxes prepared and filed free of charge through the Volunteer Income Tax Assistance (VITA) program.

VITA sites are located at non-profit organizations, libraries, schools, and other convenient locations throughout the state. Some sites require appointments and others accept walk-ins.

From February 1 to April 15, Controller Yee will host VITA sites in her Los Angeles office and at California State University, Fresno.

To help someone find a nearby VITA site with IRS-certified volunteers, use the [VITA locator tool](#), and enter the zip code.



State Cash Report Findings for December

California December revenues of \$12.85 billion missed projections in the 2016-17 Budget Act by 12.7 percent, [Controller Yee reported](#) just as the Governor announced his proposed 2017-18 budget.

“Given the state’s revenue shortfall and an inevitable future economic downturn, coupled with unpredictable federal funding under the new president, Governor Brown is right to be cautious,” [said Yee on January 10](#). “After CalPERS’ recent action to reduce the discount rate, I am pleased the proposed 2017-18 state budget would increase the state employer contribution by \$172 million. This will help to stabilize the pension fund as the Board continues to work judiciously to secure public employees’ earned benefits.”

The “big three” sources of California general fund dollars all missed the monthly mark. For the first half of the fiscal year, total revenues of \$51.72 billion are \$1.66 billion below budget estimates.

December personal income tax (PIT) receipts of \$8.58 billion fell short of budget projections by \$1.38 billion. Six months into the new fiscal year, PIT receipts total \$34.58 billion, missing estimates by \$824.1 million. Corporation tax receipts of \$1.77 billion for December were \$29.4 million lower than expected.

Fiscal year-to-date corporation tax receipts of \$3.23 billion are \$347.7 million below projections. Retail sales and use tax receipts of \$2.14 billion for December missed expectations by \$372.1 million. For the fiscal year-to-date, sales tax receipts of \$12.06 billion are \$610.4 million below estimates.

Secure Choice Retirement on Horizon

Last September, Governor Jerry Brown signed legislation to implement the Secure Choice Retirement Savings Program for approximately 7.5 million Californians who lack access to an employer-sponsored plan. As part of her work to strengthen financial security for Californians, Controller Yee serves on the nine-member California Secure Choice Retirement Savings Investment Board.

More than 75 percent of low- and middle-income retirees in California rely exclusively on social security benefits to fund their retirement. Women are 80 percent more likely than men to live in poverty in retirement, and workers of color are less likely to have a job that provides a retirement plan. The problem is projected to grow, as more than half of young workers ages 25 to 44 have projected retirement incomes below 200 percent of the federal poverty level (\$23,540 for an individual in 2016). Secure Choice provides a vital retirement savings option for workers to improve their financial security.

A 2015 survey showed two-thirds of small business owners in California support a state retirement savings program that would help small businesses and their employees save for the future. Joined by several states, California is at the forefront of facilitating workers saving for retirement.

Once the program is fully implemented in the next three years, Secure Choice will provide access to a voluntary, portable, and low-risk savings plan that facilitates contributions through automatic payroll deductions. There would be no cost or liability to California taxpayers; the program will be funded through participant fees.

Visit the [Secure Choice website](#) for more information and updates as the program is built out.

[Search for
Unclaimed Property](#)

[Receive Monthly Cash
Report and Analysis](#)



California State Controller Betty T. Yee

300 Capitol Mall, Suite 1850
Sacramento, California 95814
(916) 445-2636

888 S. Figueroa Street, Suite 2050
Los Angeles, California 90017
(213) 833-6010