

CITY OF PLACERVILLE

SALES TAX UPDATE

1Q 2022 (JANUARY - MARCH)



PLACERVILLE
TOTAL: \$ 1,579,213

9.4%
1Q2022



11.0%
COUNTY

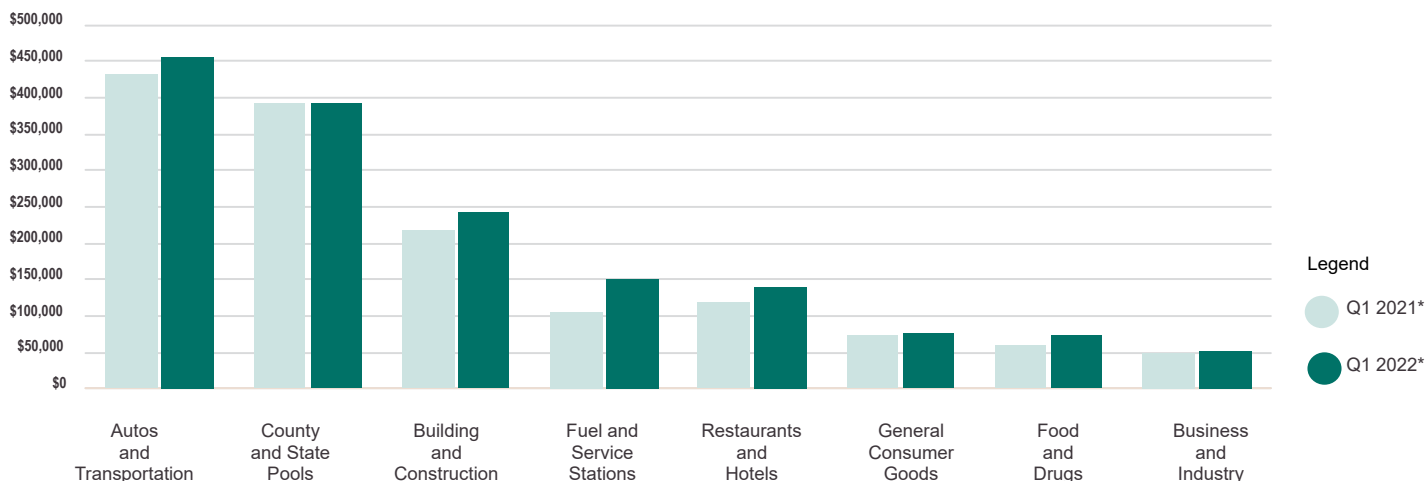


17.1%
STATE



**Allocation aberrations have been adjusted to reflect sales activity*

SALES TAX BY MAJOR BUSINESS GROUP



Measure J
TOTAL: \$397,281
↑ 25.1%

Measure H
TOTAL: \$397,282
↑ 25.1%

Measure L
TOTAL: \$795,067
↑ 25.2%



CITY OF PLACERVILLE HIGHLIGHTS

Placerville's gross receipts from January through March were 10.7% above the first sales period in 2021. Adjustments for delayed payments, audit and other reporting modifications resulted in actual sales that were up 9.4%. Place of sale collections soared almost 13% compared to a year ago.

The City's largest tax group, autos-transportation, was boosted by auto repair and supply shops. The global cost of crude oil drove higher local gas prices, and with more drivers on the road, revenue from service stations skyrocketed. Restaurants, especially casual dining, experienced another sensational sales period as patrons seemed unfazed by more expensive menus and enjoyed the

experience of dining out. The food-drugs group also benefitted from increased activity; and building materials sales lifted building-construction receipts.

Allocations from the countywide use tax pool remained level compared to a year ago; however, the pools remain a solid source of local revenue, boosted by taxes on ecommerce.

Voter-approved Measures L, H and J all posted significant gains, assisted by service station and restaurant revenues.

Net of adjustments, taxable sales for all of El Dorado County grew 11.0% over the comparable time period; the Sacramento region was up 13.8%.



TOP 25 PRODUCERS

- Bricks Restaurant
- Broadway Smoke Shop
- C & H Motor Parts
- Chuck's Cannabis Collective
- Diamond Pacific
- Ferguson Enterprises
- Grocery Outlet
- Hangtown Fuel Stop
- Home Depot
- In N Out Burger
- Kwik Serv
- Les Schwab Tire Center
- McDonalds
- Placerville Valero
- Raley's
- Rancho Convenience Center
- Rite Aid
- Save Mart
- Shell
- Thompsons Buick Gmc
- Thompsons Chrysler Dodge Jeep Ram
- Thompson's Toyota
- Tractor Supply
- W N Hunt & Sons Distributors
- Western Refining Retail



STATEWIDE RESULTS

California’s local one-cent sales and use tax for sales occurring January through March was 17% higher than the same quarter one year ago, after adjusting for accounting anomalies and onetime payments from previous quarters. By all accounts, the California retail economy continues roaring along. Even with instability in the stock market, the crisis in Ukraine pushing up the global price of crude oil and the U.S. Federal Reserve Board beginning to tackle inflation with a series of rate increases, consumer spending continued at a strong pace.

The invasion of Ukraine by Russian military forces on February 24 had an immediate upward impact on the global price of crude oil due to fears of supply shortages. Subsequently this has caused a dramatic jump to California consumer gas and diesel prices at a time when many in the workforce were commuting back into offices, also contributing to an overall increase in consumption. As expected, fuel and service station receipts increased 47% over last year and show no signs of pulling back with summer travel right around the corner.

Sales of new and used vehicles continue to be robust causing the autos and transportation sector to jump 15% for the period. Inventory shortages by some dealers may have caused buyers to experience a Fear Of Missing Out (FOMO) and pay elevated prices while interest rates remained lower. Automotive brands that have committed to full electric or hybrid models are attractive with consumers, especially given the sudden rise in fuel prices.

Post-holiday retail sales of general consumer goods remained solid, improving 10%. Prior supply chain concerns have dissipated, port operations are returning

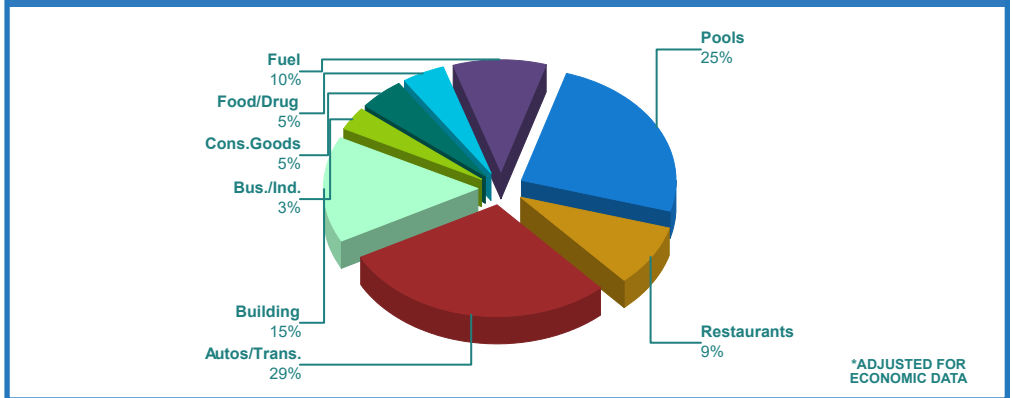
to normal and headwinds from inflation and higher cost goods haven’t yet slowed consumer demand. The stellar returns were largely driven by discount department stores, especially those selling gas.

These results mark the fourth full quarter in a row that restaurant and hotel receipts have increased. While higher menu prices have contributed, steady demand by patrons to dine out is also propelling the gains. Furthermore, theme parks and entertainment venues throughout the state are busy. With the summer tourism and travel season approaching, the industry is positioned to maintain post-pandemic growth and remain positive through 2022.

Use taxes generated by online sales and purchases from out-of-state vendors allocated via the county pools, heartily surpassed expectations, gaining 13% over the comparison period. Shoppers bought a range of merchandise and spending by businesses on capital equipment remained sensational.

The first quarter sales period contributed to an already strong 2021-22 fiscal year for most municipalities statewide. However, continued inflationary pressure, soaring interest rates and record gas prices may soften growth going into 2022-23.

REVENUE BY BUSINESS GROUP Placerville This Quarter*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Placerville Business Type	Q1 '22*	Change	County Change	HdL State Change
Service Stations	120.9	46.5% ↑	24.3% ↑	43.4% ↑
Casual Dining	80.3	28.9% ↑	28.9% ↑	55.7% ↑
Automotive Supply Stores	53.7	11.7% ↑	2.8% ↑	4.6% ↑
Quick-Service Restaurants	51.9	0.1% ↑	-0.9% ↓	7.8% ↑
Grocery Stores	37.1	3.4% ↑	-2.9% ↓	3.2% ↑
Garden/Agricultural Supplies	24.9	9.0% ↑	6.2% ↑	2.6% ↑
Auto Repair Shops	19.7	46.9% ↑	16.2% ↑	18.7% ↑
Home Furnishings	15.2	11.4% ↑	15.8% ↑	1.0% ↑
Convenience Stores/Liquor	12.3	8.4% ↑	-1.5% ↓	1.7% ↑
Repair Shop/Equip. Rentals	10.6	17.1% ↑	51.5% ↑	7.9% ↑

*Allocation aberrations have been adjusted to reflect sales activity *In thousands of dollars