

CITY OF PLACERVILLE

SALES TAX UPDATE

2Q 2022 (APRIL - JUNE)



PLACERVILLE
TOTAL: \$ 1,713,209

1.5%
2Q2022



2.7%
COUNTY

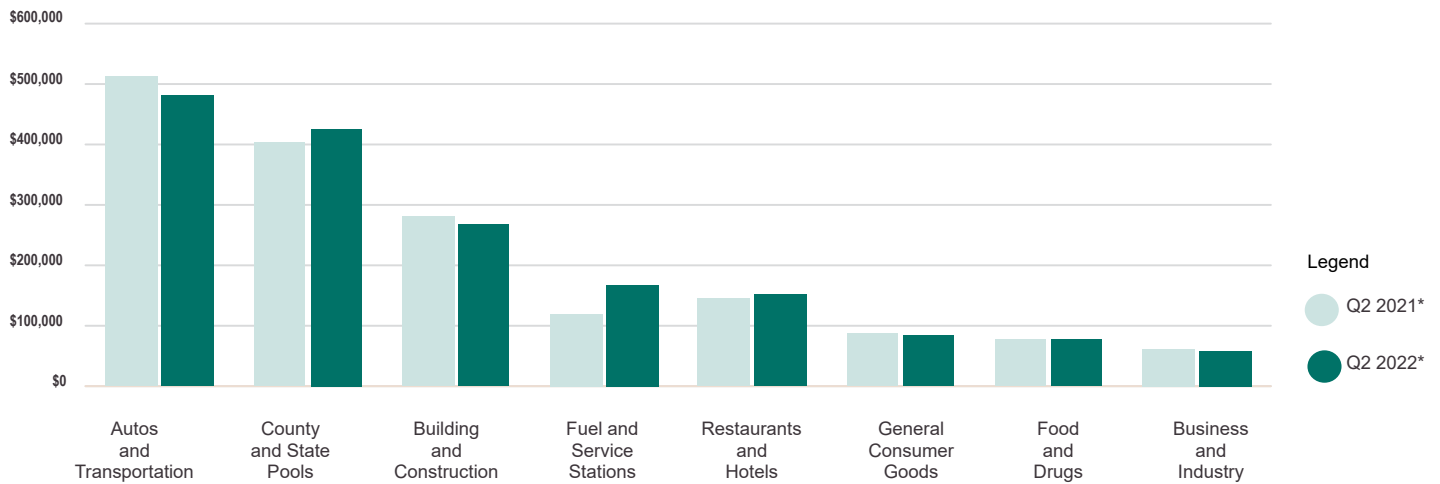


10.1%
STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



Measure J
TOTAL: \$393,845
↑ 5.3%

Measure H
TOTAL: \$393,848
↑ 5.3%

Measure L
TOTAL: \$787,459
↑ 5.3%



CITY OF PLACERVILLE HIGHLIGHTS

Placerville's receipts from April through June were 0.6% above the second sales period in 2021. Excluding reporting adjustments, including large late payments posted last year, receipts for the period were up 1.5%.

This time last year most major business groups reported gains of at least 10%. At that time, consumers were flush with both federal/state stimulus cash and personal savings. Now, with less exuberance in the market place and inflation eating at consumers' budgets, growth will become more docile.

Following the worst of the pandemic restrictions, the local economy has

recovered the sales lost in fiscal 2019-20 except general consumer goods sales, which are 2% under their total from fiscal 2018-19.

The City's tax measures saw the same rise and fall in sales following last year's rebound. However, most of the gain reported is coming from a few taxpayers whose sales are not subject to the district taxes.

Net of adjustments, taxable sales for all of El Dorado County grew 2.7% over the comparable time period while those of the Sacramento region were up 7.8%.



TOP 25 PRODUCERS

- | | |
|-----------------------------|-----------------------------------|
| Bricks Restaurant | Rancho Convenience Center |
| C & H Motor Parts | Rite Aid |
| Chuck's Cannabis Collective | Save Mart |
| Diamond Pacific | Shell |
| Ferguson Enterprises | Thompsons Buick GMC |
| Grocery Outlet | Thompsons Chrysler Dodge Jeep Ram |
| Hangtown Fuel Stop | Thompson's Toyota |
| Home Depot | Tractor Supply |
| In N Out Burger | W N Hunt & Sons Distributors |
| Kwik Serv | Western Refining Retail |
| Les Schwab Tire Center | |
| McDonalds | |
| Placerville 76 | |
| Placerville Valero | |
| Raley's | |



STATEWIDE RESULTS

Local one cent sales and use tax for sales occurring April through June was 10% higher than the same quarter one year ago after adjusting for accounting anomalies and back payments from previous quarters. These returns mark the sixth consecutive quarter of double-digit growth since the pandemic periods in 2020, with the July-June 2022 fiscal year up 15%.

Commuters returning to offices combined with the Russia-Ukraine conflict continuing to put upward pressure on oil prices and left Californians facing the highest average price per gallon on record resulting in fuel and service station receipts 42% higher than last year. While statewide fuel consumption still trails 2019 levels, local gas prices are expected to remain high until after the summer blend period.

Led by consumer’s desire to dine out, a steady rise in tourism and business travel, higher menu prices and great weather, the restaurant sector continues to flourish. Theme parks, entertainment venues and hotels showed the strongest growth with casual dining establishments remaining solid, a trend likely to remain through 2022.

The automobile sector experienced modest gains for new car dealers and rental car vendors, however sales of used autos and leasing activity has begun to cool. Brands prioritizing full electric and hybrid models still appear to be the most attractive with consumers, however increased financing rates may cause even their activity to dampen. Tight inventories that contributed to dramatic price increases over the last 18 months are also showing signs of loosening as newer models are released

in greater numbers.

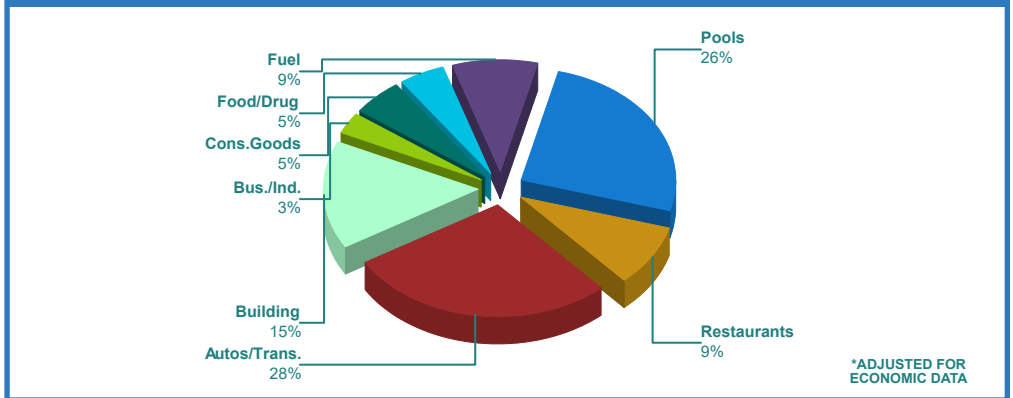
General consumer goods categories saw steady returns largely propped up by retailers also selling fuel. In comparison with the prior year when consumers were buying merchandise at a record pace, the current returns from apparel and jewelry stores grew moderately with home furnishings showing a slight decrease.

With new housing starts accelerating and residential and commercial property values rising, construction contractors remain busy. Lumber prices have softened from prior year highs leaving material suppliers with modest gains, however electrical, plumbing and energy suppliers

boosted building sector results. Increased investment in capital equipment remains an important area of growth for county pool allocations, especially as online spending for general consumer goods begins to flatten as consumers return to in-store shopping.

Overall, higher priced goods through periods of consistent demand have led to economic inflation. The Federal Reserve Board’s recent actions to curb inflation are anticipated to put downward pressure on sales of autos, building materials and financed general consumer goods, resulting in slower growth by year end and into 2023.

REVENUE BY BUSINESS GROUP
Placerville This Fiscal Year*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Placerville Business Type	Q2 '22*	Change	County Change	HdL State Change
Service Stations	133.8	31.1% ↑	24.4% ↑	36.4% ↑
Casual Dining	89.6	12.6% ↑	0.5% ↑	17.2% ↑
Automotive Supply Stores	62.7	17.4% ↑	5.7% ↑	1.4% ↑
Quick-Service Restaurants	54.3	-3.6% ↓	-3.9% ↓	5.2% ↑
Grocery Stores	40.2	1.1% ↑	-1.4% ↓	5.3% ↑
Garden/Agricultural Supplies	29.4	-2.5% ↓	-3.4% ↓	-7.5% ↓
Auto Repair Shops	19.0	27.5% ↑	8.5% ↑	14.1% ↑
Convenience Stores/Liquor	13.7	4.0% ↑	-5.4% ↓	-0.3% ↓
Home Furnishings	11.5	-7.4% ↓	-4.8% ↓	-4.5% ↓
Sporting Goods/Bike Stores	10.9	-18.7% ↓	-12.1% ↓	-7.4% ↓

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