

CITY OF PLACERVILLE

SALES TAX UPDATE

4Q 2024 (OCTOBER - DECEMBER)



PLACERVILLE
TOTAL: \$ 1,648,888

-2.7%
4Q2024



-3.2%
COUNTY

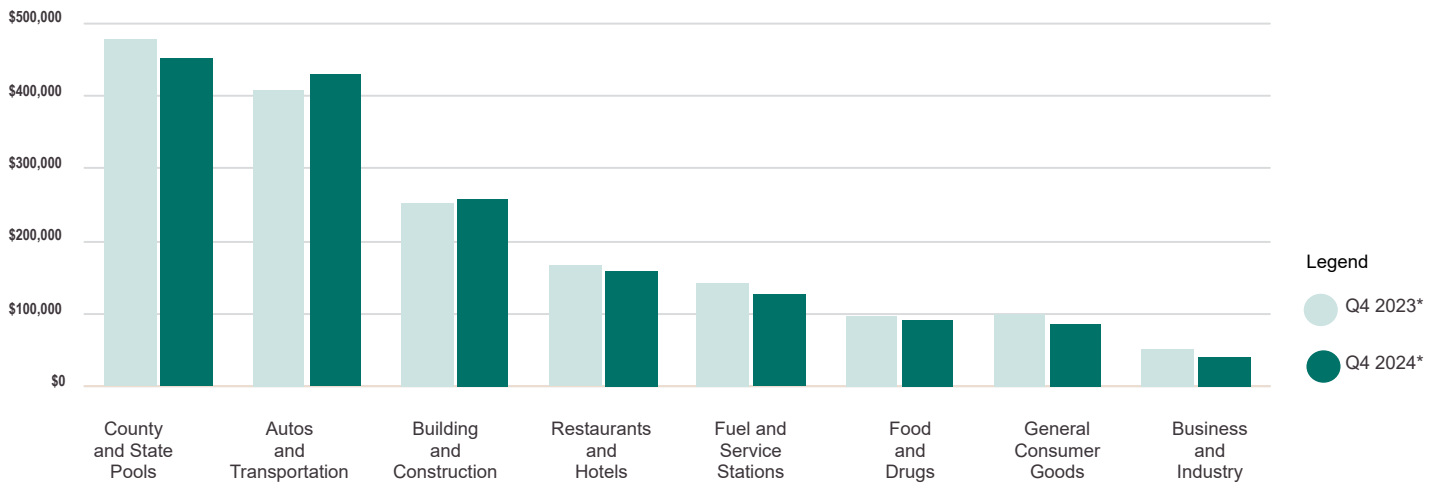


-1.1%
STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



Measure J
TOTAL: \$356,555
↓ -4.9%

Measure H
TOTAL: \$356,555
↓ -4.9%

Measure L
TOTAL: \$713,224
↓ -4.9%



CITY OF PLACERVILLE HIGHLIGHTS

Placerville's gross receipts from October – December 2024 were 2% below the fourth sales period in 2023. However, after adjusting for reporting modifications such as audit adjustments and delayed payments, actual sales were down 2.7%.

After ten consecutive quarters of decline, autos-transportation grew 5.5%, assisted by auto leases and auto supply stores. The building-construction group also landed in positive territory as folks continued with projects and improvements.

Although quick service dining and leisure/entertainment improved during the busy winter months, a slump in casual dining (due in part to a couple of closed businesses) pulled down restaurant-hotels revenues.

The City's allocation from the countywide use tax pool dipped 5.6% as other agencies in the county realized greater pool share. The price of crude oil fell during the period and directly affected fuel-service station receipts – with revenues sliding 10.6%.

Shoppers were more cautious as general retail declined, with mixed results across the various sectors. Comparison to a large taxpayer payment a year ago skewed down the food-drugs returns.

Voter-approved Measures H, J and L posted slightly lower outcomes, with declines in business-industry and fuel-service stations.

Net of adjustments, taxable sales for all of El Dorado County declined 3.2% and the Sacramento region was up 2.4%



TOP 25 PRODUCERS

C & H Motor Parts
Chuck's Cannabis Collective
Diamond Pacific
Ferguson Enterprises
Fuel 4 Less
Grocery Outlet
Harbor Freight Tools
Home Depot
In N Out Burger
Kwik Serv
Les Schwab Tire Center
Main Street Tap House
Marathon
McDonald's
Mobil

Placerville Valero
Raley's
Rancho Convenience Center
Sacred Roots
Sierra Nevada Tire & Wheel
Thompsons Buick GMC
Thompsons Chrysler Dodge Jeep Ram
Thompson's Toyota
Tractor Supply
Verizon Wireless



STATEWIDE RESULTS

California's local one cent sales and use tax receipts during the months of October through December were 1.1% lower than the same quarter one year ago after adjusting for accounting anomalies. The fourth quarter is notably the highest sales tax generating period of the year but exhibited diminished year-over-year returns as consumers struggled with tariff concerns and pulling back on discretionary spending.

For the past eight quarters - two calendar years - statewide results have declined; led mostly by autos-transportation and building-construction suppressed activity due to the sustained high interest rate environment. Specifically, this quarter, as new and used car returns pulled back, only leasing activity improved likely representing buyers willingness to wait for more advantageous economic conditions before committing to long term obligations. Furthermore, building-construction drops spanned multiple categories including building materials, plumbing/electrical and contractors as property owners delay repairs and improvements until they're more comfortable tapping available equity.

During this holiday shopping period, brick-and-mortar general retailers slumped 2.4%, further hindered by lower gas prices. Recent closures by merchants selling variety/low priced items and weaker returns from department stores were most impactful. As consumers appeared more interested in value/discounted items vs higher priced/luxury goods, overall statewide receipts revealed growth from online retailers by way of local returns through fulfillment centers and allocations via each county's use tax pool demonstrating a desire to spend, just more through different vendors which shifted local tax distributions.

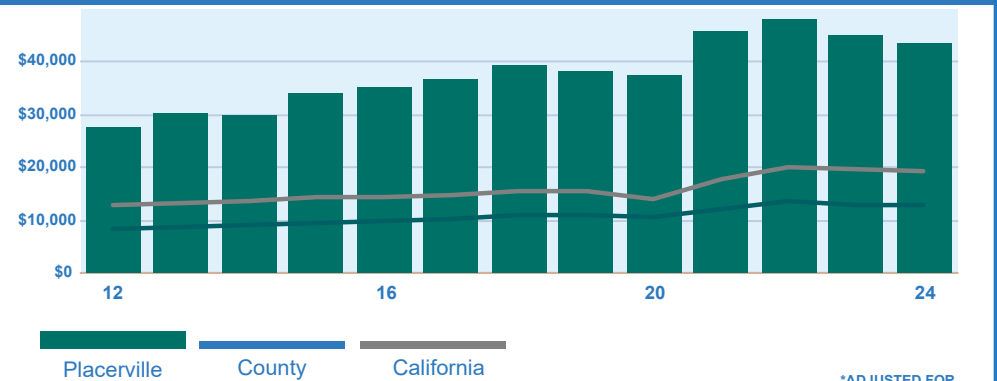
Fuel and service stations experienced a drop of 14% largely due to the decreased price of global crude oil. While this dynamic hurt the sector results, it did allow for more disposable income to be spent in other areas and does not appear to be changing in the near term.

Revenue from restaurants sustained a modest gain of 1.3%, with only a waning from fine dining establishments - consistent with spending trends in other sectors. As eateries try and balance higher menu prices and demand, a 'return to office' call by businesses could inspire future increased foot traffic for many venues in metropolitan centers.

The fourth quarter also marks the end of the calendar year. As expected 2024 was 1.2% lower than 2023 with most sectors taking a hit. Only restaurants, business-industry and allocations via the county use tax pools improved.

With national tariff discussions happening at the federal level, consumers start 2025 wondering if higher priced goods and difficult decisions are on the horizon. Also, the Federal Reserve Board hasn't signified any relief by way of lower interest rates leaving only minimal growth expectations to come. The theme of the current economic outlook is uncertainty.

SALES PER CAPITA*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Placerville Business Type	Q4 '24*	Change	County Change	HdL State Change
Service Stations	120.7	-10.1% ↓	-13.0% ↓	-13.0% ↓
Casual Dining	85.1	-10.2% ↓	-0.6% ↓	1.9% ↑
Quick-Service Restaurants	62.2	2.3% ↑	-2.5% ↓	1.7% ↑
Automotive Supply Stores	47.0	7.9% ↑	2.9% ↑	1.0% ↑
Grocery Stores	45.5	0.6% ↑	0.4% ↑	-0.9% ↓
Auto Repair Shops	19.6	-4.9% ↓	-6.4% ↓	-5.2% ↓
Convenience Stores/Liquor	12.7	4.3% ↑	-2.7% ↓	-2.4% ↓
Electronics/Appliance Stores	12.1	17.2% ↑	-0.3% ↓	-2.6% ↓
Cigarette/Cigar Stores	12.0	-37.2% ↓	-21.1% ↓	-7.0% ↓
Art/Gift/Novelty Stores	10.0	4.5% ↑	1.2% ↑	1.7% ↑

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*In thousands of dollars