

# CITY OF PLACERVILLE

## SALES TAX UPDATE

### 3Q 2021 (JULY - SEPTEMBER)



**PLACERVILLE**  
TOTAL: \$ 1,630,513

12.5%  
3Q2021



0.2%  
COUNTY

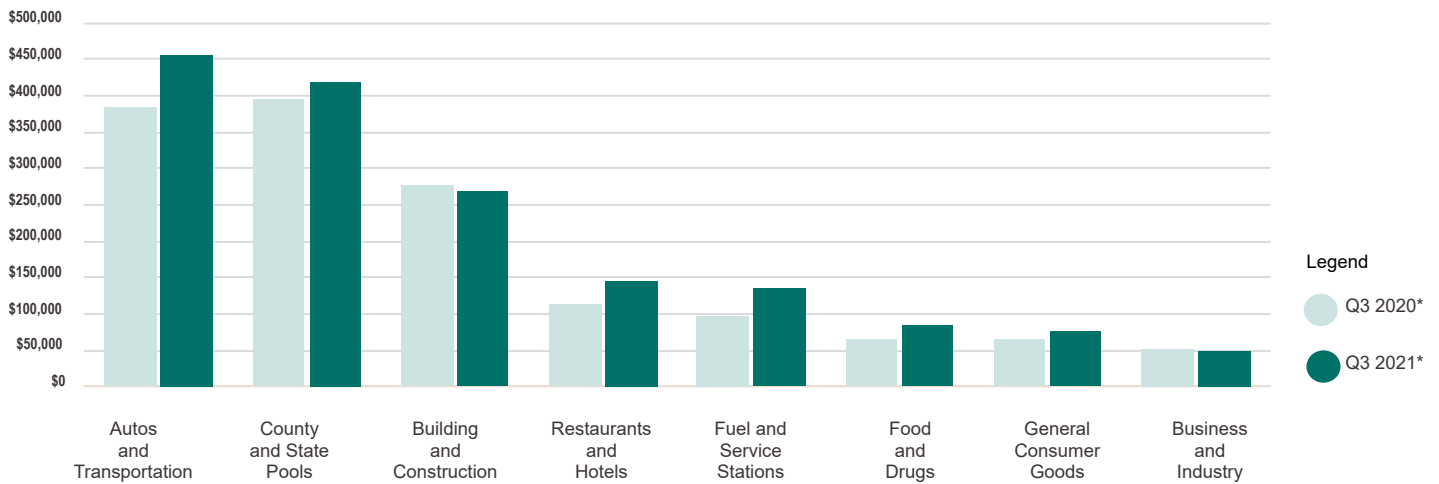


18.3%  
STATE



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

### SALES TAX BY MAJOR BUSINESS GROUP



**Measure J**  
TOTAL: \$381,893  
↑ 20.7%

**Measure H**  
TOTAL: \$381,905  
↑ 20.7%

**Measure L**  
TOTAL: \$764,789  
↑ 20.9%



### CITY OF PLACERVILLE HIGHLIGHTS

Placerville's receipts from July through September were 13.2% above the third sales period in 2020. Excluding reporting aberrations, actual sales were up 12.5%. Even with the impacts of the Caldor Fire, results reflect measurable improvement over lower results a year ago due to temporary business closures.

Fuel prices soared during 2021 and with improved consumption compared to the prior year pandemic restrictions has resulted in another strong quarter. Restaurant recovery continues with increased sales, along with higher menu prices, for casual eateries and quick service dining options.

Consumers continue to value the

convenience of e-commerce shopping options with more online purchases being made contributing to the gains realized this quarter. With more in-person shopping options, general consumer goods gained with customers ready to spend for home furnishings.

Voter approved measures J, H, L were up over prior year results. Fuel purchases and casual dining activity generated the largest increases and some onetime activity within the business-industry group.

Net of aberrations, taxable sales for all of El Dorado County grew 0.2% over the comparable time period; the Sacramento region was up 16.6%.



### TOP 25 PRODUCERS

- Big 5 Sporting Goods
- Bricks Restaurant
- C & H Motor Parts
- Central Gas Placerville
- Chuck's Cannabis Collective
- Diamond Pacific
- Grocery Outlet
- Home Depot
- In N Out Burger
- Kwik Serv
- Les Schwab Tire Center
- McDonalds
- Placerville Polaris & Power Tools
- 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

Local one cent sales and use tax receipts for sales occurring July through September were 18% higher than the same quarter one year ago after adjusting for accounting anomalies and back payments from previous quarters. These aberrations had been much greater than normal in the last two years as the Governor’s Executive Orders allowed businesses to defer some sales tax payments as a supportive measure during the pandemic. This program has now expired, and merchant remittances are more consistent, making cash receipts more reflective of underlying economic activity.

The prior year comparison quarter was the start of the pandemic recovery, and the strong growth enjoyed since continued with the recent results.

Surprisingly, one of the stronger sectors has been restaurants and hotels. Originally forecasted to take an extended amount of time to recover, statewide sales tax generated during the summer months exceeded amounts from pre-pandemic 2019. Even with the availability of indoor and outdoor dining, pent up demand resulted in long wait times to enjoy local culinary experiences. When combined with increasing restaurant tabs as the cost of food and staff wages surge, sales tax remittances are expected to continue growing. Additionally, while the industry awaits the return of foreign tourism in metropolitan areas, strong domestic travel has helped varied regions around the state especially Southern California and the Central Coast.

Receipts from general consumer goods marked a steady recovery, led by apparel retailers, jewelry, electronic/appliance and specialty outlets. Discount department stores, especially those selling gas, helped exemplify the strength of brick-and-mortar

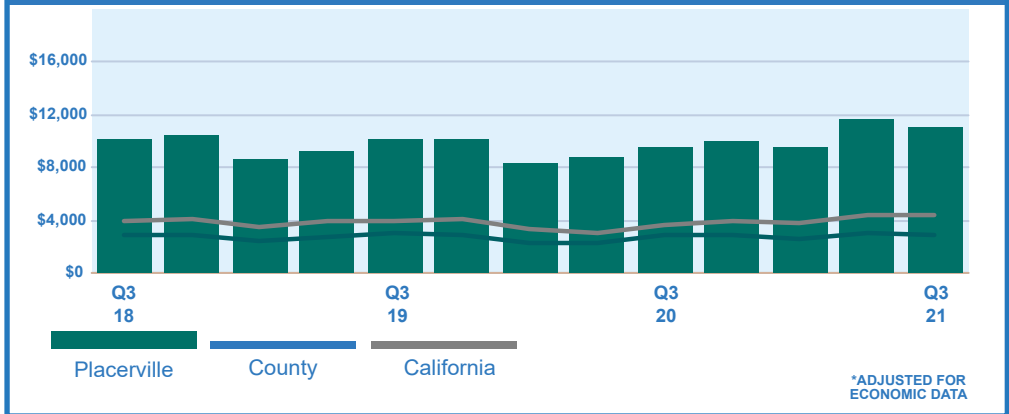
merchants. Gains from the countywide use tax pools however, slowed to 2% compared to the high-water mark last year, which had been boosted by new tax collecting requirements imposed under AB 147 for online retailers. All things considered, when combined with positive economic trends, these are a welcome sign leading up to the holiday shopping period.

Although car dealers had expressed concerns about inventory shortages due to supply chain disruptions and computer chip shortages earlier in the year, the sale of new and used vehicles posted solid gains regardless. Higher property values and good weather contributed to strong building

materials and contractor returns. As commuting workers and travelers returned to the road with increased gas prices, fuel and service stations also experienced a dramatic recovery.

Overall growth is expected to continue through the end of the 2021 calendar year. Possible headwinds into 2022 include: pent up demand for travel and experiences shifting spending away from taxable goods; higher prices for fuel, merchandise and services displacing more of consumer’s disposable income; and expected interest rate hikes resulting in more costly financing for automobiles, homes, and consumer loans.

### SALES PER CAPITA\*



### TOP NON-CONFIDENTIAL BUSINESS TYPES

Placerville Business Type	Q3 '21*	Change	County Change	HdL State Change
Service Stations	113.5	40.5% ↑	16.3% ↑	53.6% ↑
Casual Dining	80.9	33.4% ↑	7.7% ↑	68.3% ↑
Automotive Supply Stores	58.7	28.6% ↑	3.1% ↑	4.5% ↑
Quick-Service Restaurants	55.6	8.6% ↑	-6.8% ↓	13.5% ↑
Grocery Stores	38.7	-3.3% ↓	-11.1% ↓	-0.2% ↓
Auto Repair Shops	15.5	21.5% ↑	7.6% ↑	15.3% ↑
Convenience Stores/Liquor	13.9	13.7% ↑	-7.2% ↓	-0.3% ↓
Home Furnishings	13.1	7.2% ↑	32.4% ↑	11.0% ↑
Sporting Goods/Bike Stores	12.1	-8.9% ↓	-24.3% ↓	2.3% ↑
Repair Shop/Equip. Rentals	10.2	-1.7% ↓	-11.8% ↓	9.0% ↑

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\*In thousands of dollars