

CITY OF PLACERVILLE

SALES TAX UPDATE

2Q 2025 (APRIL - JUNE)



PLACERVILLE

TOTAL: \$ 1,549,035

1.0%
2Q2025



1.0%
COUNTY

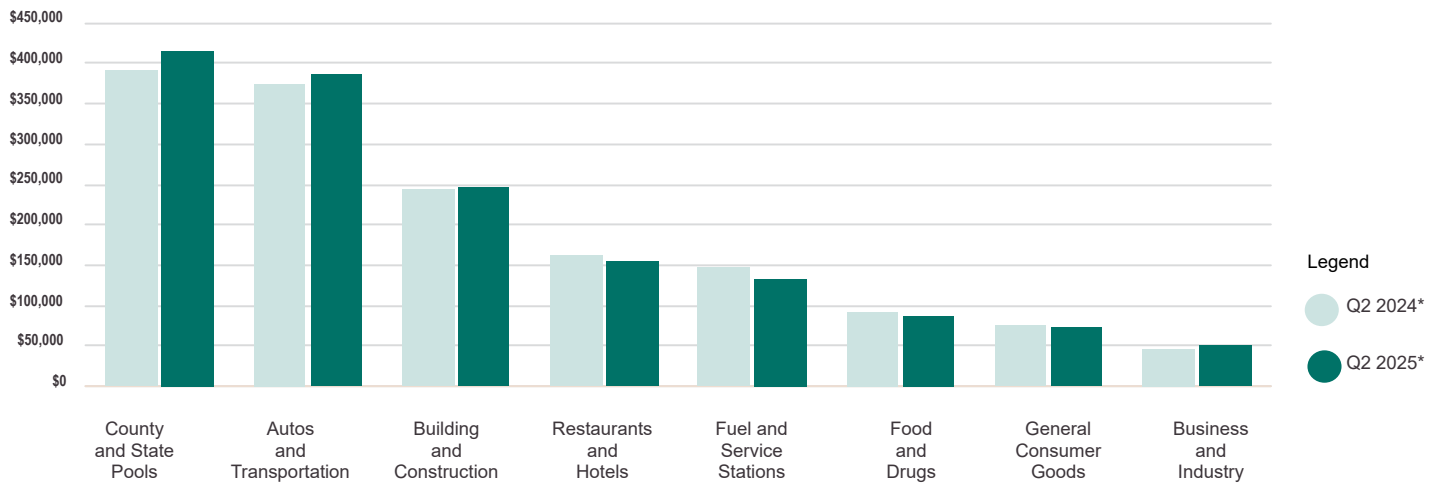


0.5%
STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



Measure J

TOTAL: \$368,516

5.0%

Measure H

TOTAL: \$368,515

5.0%

Measure L

TOTAL: \$737,731

5.1%



CITY OF PLACERVILLE HIGHLIGHTS

Placerville's receipts from April through June were 3.9% above the second sales period in 2024. Excluding reporting aberrations, actual sales were up 1.0%.

While inflation remains above the Federal Reserve's target level, they took recent actions to cut rates to the lowest level in three years. Consumer confidence is low, economic uncertainty with trade policies remains, but consumers and businesses may have moved to get a jump on higher pricing which helped to boost some key industry groups.

A newer business in auto repair shops helped the automotive group outpace statewide trends for the third consecutive quarter. Shoppers powered e-commerce to solid gains with general merchandise sales along with some business investments for

an improved allocation from the use tax pool.

A majority of diners have reduced their dining frequency influenced by menu price increases, and this is reflected in reduced restaurant receipts. Customers may like the lower gas prices to fill up their vehicle, but it meant a reduction in service station sales.

All transaction taxes posted solid gains from residents purchasing new-used vehicles, visits to quick service restaurants, a bump up in building materials, and higher returns from medical-biotech and garden-ag suppliers.

Net of aberrations, taxable sales for all of El Dorado County grew 1.0% over the comparable time period; the Sacramento region was up 0.8%.



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
- Main Street Tap House
- Marathon
- McDonald's
- Mobil
- Placerville Valero
- Raley's
- Rancho Convenience Center
- Sacred Roots
- Safelite Auto Glass
- Save Mart
- Thompsons Buick GMC
- Thompsons Chrysler Dodge Jeep Ram
- Thompson's Toyota
- Tractor Supply
- Verizon Wireless



STATEWIDE RESULTS

California’s one-cent local sales and use tax receipts rose 0.6% in Q2 compared to the same period last year, after adjusting for accounting anomalies. While only modest growth, it is the second consecutive quarter experiencing positive results following an extended timeline of declines. This period is traditionally met with improved weather with the beginning of summer activity.

Steady gains in both business-industry and countywide use tax pools were driven by strong online sales, reflecting shopper’s willingness and ability to spend. Whether pulled from inventory within California or shipped from outside the state, demand for goods by value-conscious shoppers prevailed. Other notable upticks came from purchases of office and electrical equipment.

Increased tax receipts from restaurants also demonstrated diners continued desire to eat out. Even amongst higher menu prices and tip fatigue, casual dining establishments generated the largest lift. While this is a good sign for the coming summer season, underlying data shows that disposal personal income – a key driver of restaurant sales – is growing at a slower pace than prior years, possibly signaling softer tax growth on the horizon.

The two sectors primed to take advantage of upcoming interest rate changes, autos-transportation and building-construction, only experienced lackluster returns this period. New auto sales declined, offsetting gains in used vehicles and leasing, while building material sales remained unchanged from a year ago. However, aging vehicles and deferred home improvements remain a potential catalyst driving demand in the near term.

Balancing the positive results, revenue

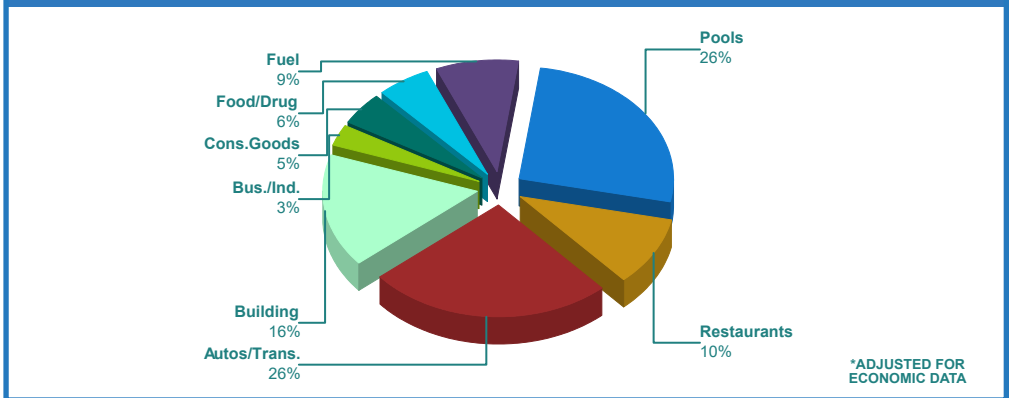
from fuel and service stations declined for the ninth time in ten quarters, primarily due to West Texas Intermediate (WTI) low crude oil prices. As the global economy and development remains tempered, so has the demand for oil, leaving prices relatively low. While this dampens sales taxes, lower fuel costs during peak travel months may boost spending in other segments.

Traditional retailers saw a 1% decline, with specialty, sporting goods, and department stores under performing compared to year ago totals. Inflation and tariffs continue to pressure consumer spending and retailer margins, prompting reevaluation of physical store investments by regional and national

companies alike.

The September reduction in the federal funds rate, noting the possibility of more in early 2026, leaves optimism regarding future financing and accessing equity opportunities for some consumers. However, national tariff/trade talks remain a vital piece of the inflation/higher prices story with the potential of diminishing spending power. So sluggish calendar year 2025 continues with only modest expansion expected braced against the ever-changing larger economic trends.

REVENUE BY BUSINESS GROUP Placerville This Fiscal Year*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Placerville Business Type	Q2 '25*	Change	County Change	HdL State Change
Building Materials	219.0	2.3% ↑	-5.8% ↓	-0.9% ↓
Service Stations	129.7	-8.9% ↓	-6.8% ↓	-9.4% ↓
Casual Dining	81.2	-2.5% ↓	0.5% ↑	1.4% ↑
Quick-Service Restaurants	66.0	-0.3% ↓	0.0% ↓	-0.7% ↓
Grocery Stores	40.8	-3.3% ↓	-3.4% ↓	-0.1% ↓
Automotive Supply Stores	33.4	-16.2% ↓	2.9% ↑	-3.5% ↓
Auto Repair Shops	28.9	23.9% ↑	9.4% ↑	-8.9% ↓
Garden/Agricultural Supplies	24.8	-1.8% ↓	-3.2% ↓	-8.4% ↓
Cigarette/Cigar Stores	13.9	18.9% ↑	-2.4% ↓	-5.2% ↓
Convenience Stores/Liquor	12.4	0.2% ↑	-0.4% ↓	-2.6% ↓

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