

CITY OF SAN DIMAS

SALES TAX UPDATE

1Q 2022 (JANUARY - MARCH)



SAN DIMAS

TOTAL: \$ 1,918,247

-10.3%
1Q2022



21.6%
COUNTY

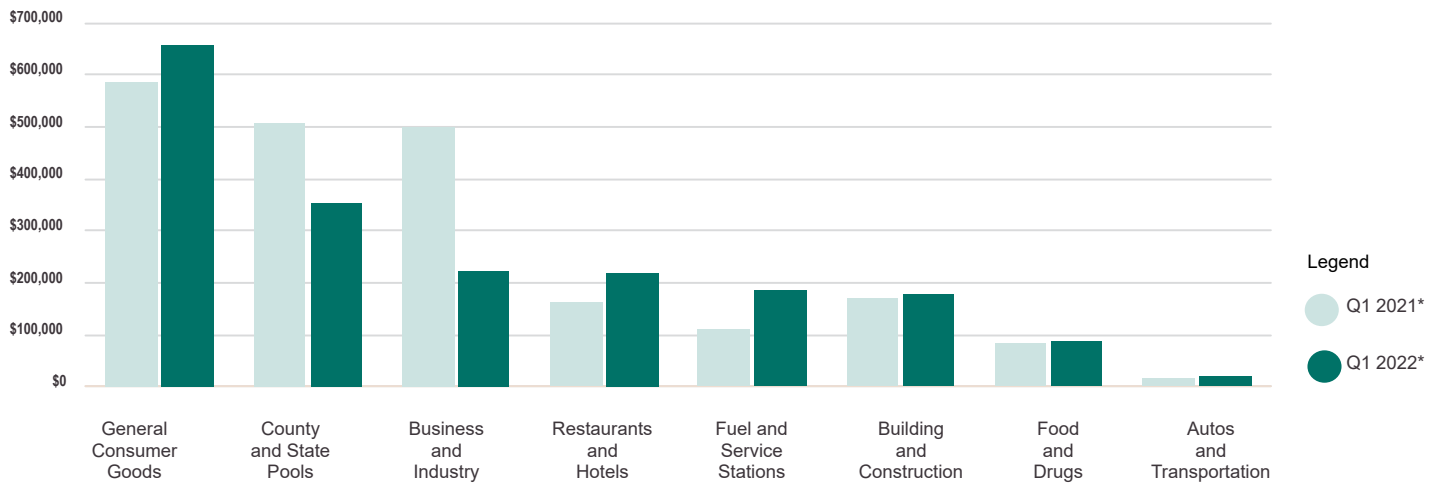


17.1%
STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



CITY OF SAN DIMAS HIGHLIGHTS

San Dimas' receipts from January through March were 29.5% below the first sales period in 2021. Excluding reporting aberrations, actual sales were down 10.3%.

A business closure had a negative impact on the business-industry sector, reducing receipts by 55.5%.

The pandemic-fueled surge in e-commerce shopping is holding strong, while prices for general consumer goods are at an all-time high. Continued spikes in the price of crude oil have elevated pump prices, driving up revenue from fuel and service stations.

Consumers continue to flock to restaurants, despite recent menu prices hikes brought on by increased costs of wholesale food.

Lumber prices continued to soar in 1Q22, pushing up revenue from building-construction. As food-drug prices soared, consumers began to look for ways to save money while focusing on healthier eating.

Increased costs of producing and shipping auto-related parts and accessories has pushed up totals from the autos-transportation industry.

The City's share of the countywide use tax pool decreased 30.2% when compared to the same period in the prior year.

Net of aberrations, taxable sales for all of Los Angeles County grew 21.6% over the comparable time period; the Southern California region was up 19.2%.



TOP 25 PRODUCERS

- 7 Eleven
- AC Pro
- Albertsons
- Arco
- Berri Brothers Gas Station
- Chevron
- Costco
- Extra Fuel
- Incycle
- KPS Global
- Lowe's
- McDonalds
- Mikes Auto Service
- Olive Garden
- Pacific Sales
- Pool & Electrical Products
- Ross
- SCP Distributors
- Second Image
- Shell
- Show Sushi
- Stater Bros
- Target
- TJ Maxx
- Walters Wholesale Electric



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.

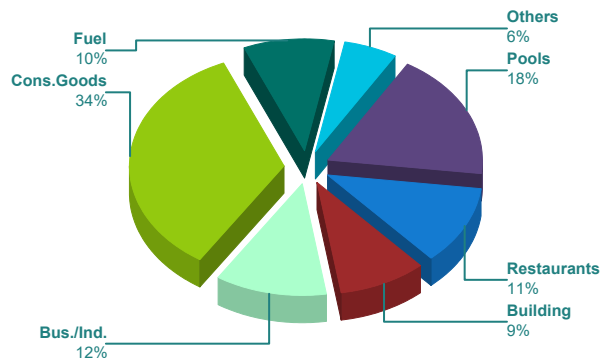
These results mark the fourth full quarter in a row that restaurant and hotel receipts have increased. While higher menu prices have contributed, steady demand by patrons to dine out is also propelling the gains. Furthermore, theme parks and entertainment venues throughout the state are busy. With the 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
San Dimas This Quarter*



*ADJUSTED FOR ECONOMIC DATA

TOP NON-CONFIDENTIAL BUSINESS TYPES

San Dimas Business Type	Q1 '22*	Change	County Change	HdL State Change
Service Stations	183.9	65.2% ↑	45.7% ↑	43.3% ↑
Casual Dining	115.5	60.0% ↑	67.7% ↑	55.8% ↑
Quick-Service Restaurants	63.8	11.6% ↑	10.0% ↑	7.8% ↑
Grocery Stores	58.5	1.6% ↑	4.5% ↑	3.3% ↑
Light Industrial/Printers	48.3	25.5% ↑	13.0% ↑	15.0% ↑
Family Apparel	40.4	-1.6% ↓	13.3% ↑	9.4% ↑
Electronics/Appliance Stores	36.1	3.0% ↑	9.4% ↑	12.5% ↑
Business Services	32.7	-13.6% ↓	33.2% ↑	32.7% ↑
Sporting Goods/Bike Stores	30.0	-13.3% ↓	-2.5% ↓	-5.1% ↓
Fast-Casual Restaurants	29.9	1.6% ↑	8.9% ↑	11.4% ↑

*Allocation aberrations have been adjusted to reflect sales activity

*In thousands of dollars