

CITY OF SAN DIMAS

SALES TAX UPDATE

1Q 2025 (JANUARY - MARCH)



SAN DIMAS

TOTAL: \$ 1,900,169

1.3%

1Q2025



-1.6%

COUNTY



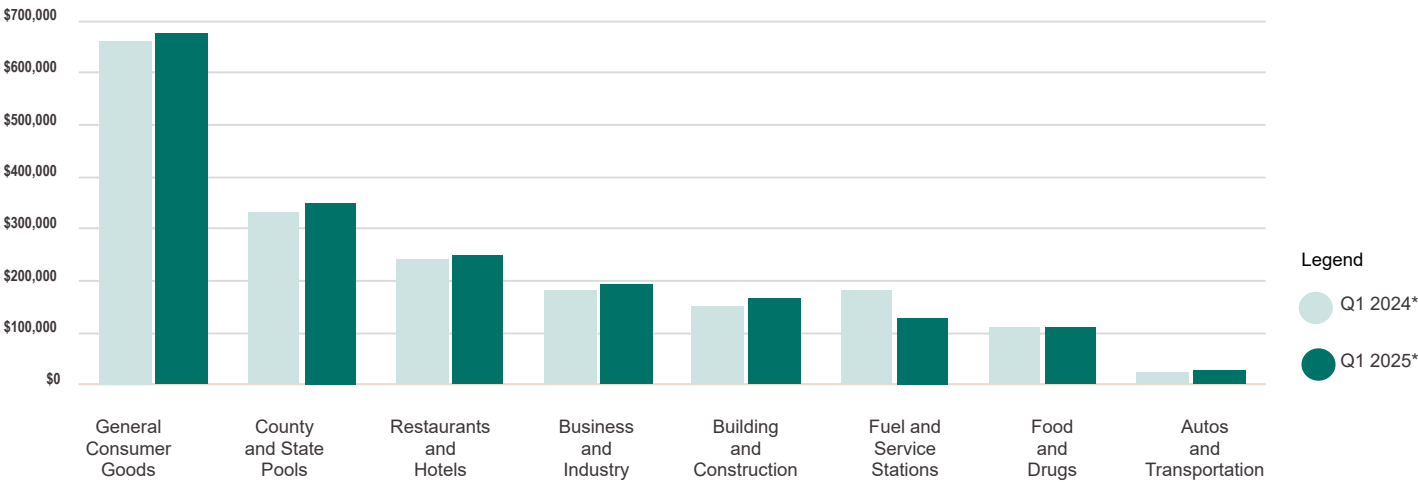
0.3%

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 2.2% above the first sales period in 2024. Excluding reporting aberrations, actual sales were up 1.3%.

A new business addition helped to boost revenue for the general consumer goods sector.

Newer dining options in the City continue to push up totals from the restaurant-hotel sector.

A positive outcome for the business-industry sector can be attributed to organizations increasing or maintaining their spending, but the overall growth in this category may be slower than previously anticipated.

The building-construction category ended on a positive note due to factors like stabilizing inflation, declining interest

rates, and consistent housing demand.

Fuel-service station totals were negatively impacted by declining crude oil prices and a relative increase in the cost of gasoline compared to electricity.

Revenue from food-drugs remained flat, while auto-transportation totals showed a modest increase from the year ago period.

The City's share of the countywide use tax pool increased 6.4% when compared to the same period in the prior year.

Net of aberrations, taxable sales for all of Los Angeles County declined 1.6% over the comparable period; the Southern California region was flat.



TOP 25 PRODUCERS

- | | |
|----------------------------|----------------------------|
| AC Pro | Show Sushi |
| Albertsons | Stater Bros |
| Arco | Target |
| Berri Brothers Gas Station | TJ Maxx |
| Boot Barn | Total Wine & More |
| Chevron | Trader Joe's |
| Costco | Walters Wholesale Electric |
| Diva Fam | |
| KPS Global | |
| Lowes | |
| McDonald's | |
| Olive Garden | |
| Pool & Electrical Products | |
| Red Robin | |
| Ross | |
| Saf Com Supply | |
| SCP Distributors | |
| Second Image | |



STATEWIDE RESULTS

California's local one-cent sales and use tax receipts for January through March 2025 increased by 0.34% compared to the same quarter in 2024, after adjusting for accounting anomalies. While this modest growth may signal the end of an eight-quarter decline, it could be temporary, as the broader economy remains on the edge between recovery and further slowdown.

The first quarter is traditionally the lowest sales tax-generating period of the year, often influenced by seasonal weather and post-holiday consumer behavior.

Notably, the autos-transportation and building-construction sectors—both of which had been dragging down statewide results over the past two years—showed the strongest rebounds this quarter. In the autos sector, used car sales and leasing activity led the recovery. Consumers are increasingly opting for more affordable vehicles and shorter-term commitments, moving away from high-end purchases. In construction, pent-up demand for repairs and improvements, especially in weather-affected and wildfire-damaged areas like Southern California, drove strong sales for building material suppliers.

Other segments generating modest growth included business-industry and countywide use tax pools, largely due to continued strength in online sales. Sales of goods already in California before purchase are reported under business-industry fulfillment centers. Goods shipped from outside the state are reported under county pools, based on the destination of the out-of-state shipment. Online shopping remains a preferred option for value-conscious consumers, contributing significantly to tax receipts in these categories.

Calendar year 2024 saw a decline in fuel-

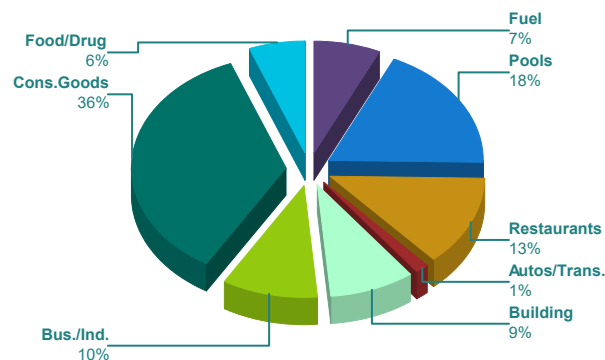
related tax receipts due to lower global crude oil prices—a trend that continued into 1Q 2025. Fuel-related returns dropped by 5%. This decline also affected general consumer goods, as large retailers that sell fuel typically report all sales under a single taxpayer ID. As a result, brick-and-mortar merchants such as post-holiday family apparel stores, winter sporting goods vendors and closures of variety stores contributed to weaker performance.

Although food-drugs is the smallest of the eight tax groupings, it was significant that cannabis returns continued a downturn trend that has been ongoing for over two years. Bankruptcies, customer shopping

alternatives and oversaturation of retail footprint diminished taxes coming from drug stores.

As 2025 begins, sales tax returns remain modest, reflecting broader economic volatility. Key factors influencing our outlook include: ongoing national tariff and trade negotiations and decisions on the federal funds rate - which directly affect consumer interest rates. Recent Middle East conflicts, which temporarily spiked crude oil prices and threatened local gas prices during the summer, will be a short-term concern. In summary, "uncertainty" remains the most accurate descriptor of California's current and future economic climate.

REVENUE BY BUSINESS GROUP San Dimas This Quarter*



*ADJUSTED FOR ECONOMIC DATA

TOP NON-CONFIDENTIAL BUSINESS TYPES

San Dimas Business Type	Q1 '25*	Change	County Change	HdL State Change
Casual Dining	135.1	2.0% ↑	-2.2% ↓	1.3% ↑
Service Stations	129.5	-27.9% ↓	-8.8% ↓	-5.8% ↓
Quick-Service Restaurants	70.1	0.5% ↑	-3.0% ↓	-0.9% ↓
Grocery Stores	64.1	1.6% ↑	-0.7% ↓	-0.8% ↓
Family Apparel	56.7	-5.4% ↓	-3.9% ↓	-3.2% ↓
Convenience Stores/Liquor	40.6	-0.9% ↓	-3.3% ↓	-2.2% ↓
Light Industrial/Printers	39.8	0.6% ↑	-3.7% ↓	-2.8% ↓
Business Services	30.1	12.3% ↑	4.3% ↑	9.5% ↑
Fast-Casual Restaurants	29.8	-2.2% ↓	-3.6% ↓	-0.4% ↓
Specialty Stores	28.3	8.0% ↑	-3.8% ↓	-0.6% ↓

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*In thousands of dollars