

CITY OF GLENDORA

SALES TAX UPDATE

4Q 2022 (OCTOBER - DECEMBER)



GLENDORA

TOTAL: \$ 2,785,648

-1.0%

4Q2022



4.0%

COUNTY



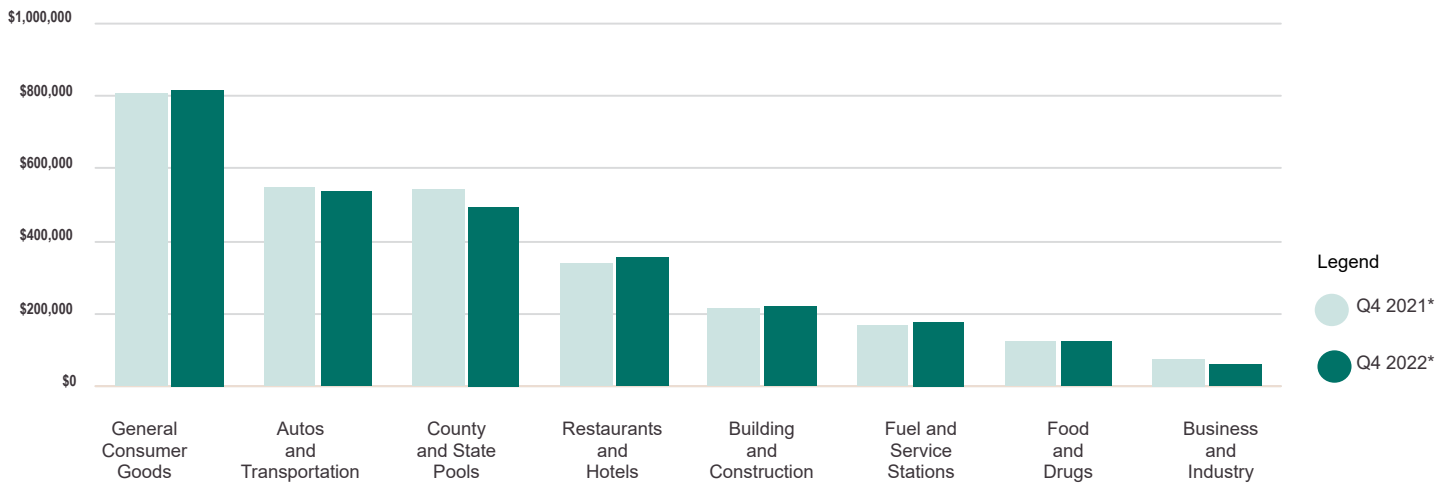
4.7%

STATE



*Allocation aberrations have been adjusted to reflect sales activity

SALES TAX BY MAJOR BUSINESS GROUP



Measure E

TOTAL: \$2,336,116

↑ 3.0%



CITY OF GLENDORA HIGHLIGHTS

Glendora's receipts from October through December were 7.0% below the fourth sales period in 2021. Excluding reporting aberrations, actual sales were down 1.0%.

General consumer goods, the City's largest group, continued to perform well even with inflationary pressures on commodities. Categories such as electronics/appliances, sporting goods, and discount stores showed favorable growth.

Patrons resumed their visits to restaurants after the pandemic lockdowns allowing for a 4.4% increase. This performance is due to both diner visits along with higher menu prices

brought on by increased labor and food costs.

Autos-transportation did not perform well for the quarter with a small drop of 1.3%; current statewide trend for this sector is an average of 5.6% growth.

The City's voter-approved Measure E generated 83.6% of the Bradley-Burns totals led by a solid performance in the business-industry sector. The City's share of the countywide use tax pool fell 9.2% for the quarter.

Net of aberrations, taxable sales for all of Los Angeles County grew 4.0% over the comparable time period; the Southern California region was up 5.1%.



TOP 25 PRODUCERS

- | | |
|---------------------------------|--------------------|
| 76 | In N Out Burger |
| Albertsons | Kohls |
| Barnes & Noble | Marshalls |
| Bath & Body Works | Old Navy |
| Best Buy | Petsmart |
| Cardinalway Hyundai of Glendora | Raising Cane's |
| Chevrolet of Glendora | Sams Club w/ Fuel |
| Chick Fil A | Toyota of Glendora |
| Colley Ford | Ulta Beauty |
| Fuel Zone | Vons |
| Glendora Arco | Walmart |
| Glendora Chrysler Jeep Dodge | |
| Home Depot | |
| Home Goods | |



STATEWIDE RESULTS

California’s local one cent sales and use tax receipts for sales during the months of October through December were 4.7% higher than the same quarter one year ago after adjusting for accounting anomalies. A holiday shopping quarter, the most consequential sales period of the year, experienced solid results which lifted revenue to local agencies across the State.

Overall, general consumer goods growth was up a meager 1.8%, in large part from merchants also selling gas as prices remained elevated over last year. Otherwise, many brick and mortar retailers experienced mixed results as the phenomenal prior year activity made for an extremely difficult comparison. This was especially true for jewelry stores receipts which had soared tremendously after the pandemic as consumers diversified readily available cash into other assets.

Commuters and seasonal travelers were again burdened with gas prices above \$5 per gallon in most of the State, leaving fuel-service stations 10% higher than a year ago. However, this trend did not distract from spending at local restaurants and hotels. Increased menu prices and return-to-office workplaces enhanced gains, with the Bay Area experiencing it’s greatest amount of post-pandemic rebound.

Although inventory shortages negatively impacted unit sales and leasing activity throughout 2022, year-end returns by new car dealers, especially high-end luxury and electric/hybrid brands, sustained auto-transportation sector gains. In contrast, rising interest rates and higher gas prices pulled trailer-RV revenues lower. Steady housing demand and pend up construction projects delayed by supply chain interruptions have contractors contributing the majority of growth within the building-

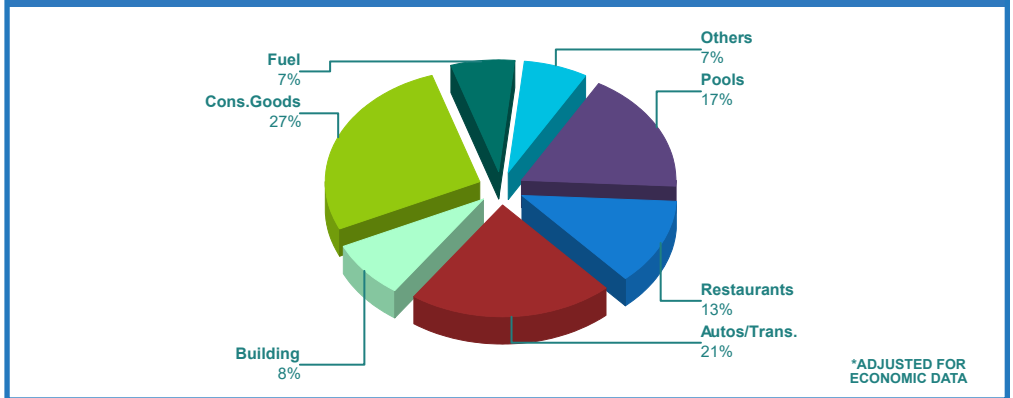
construction sector. With rising interest rates tempering selling activity, property owners are still likely to maintain home improvement spending.

Use taxes remitted via the countywide pools rose a scant 0.3%. While national ecommerce spending behaviors climbed upward again, expansion of more in-state fulfillment centers plus retailers using existing locations to deliver goods tied to online orders shifted taxes away from pools. The offsetting effect was these dollars being directed to local agency’s coffers where the goods resided. This evolving trend is anticipated to persistently weaken taxes coming from the pools in the near term.

Looking back, calendar year 2022 exhibited a 9.5% surge in tax receipts compared to 2021. Each of the eight major tax categories all reported greater returns. Most influential was inflation that drove up prices on everything from normal daily purchases to vehicles. Secondly, all-time peak global crude oil costs had fuel seller’s payments skyrocketing.

Heading into 2023, additional interest rate hikes along with consumer sentiment waning about the economy foretells minimal change coming from California’s taxable sales in the months ahead.

REVENUE BY BUSINESS GROUP
Glendora This Calendar Year*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Glendora Business Type	Q4 '22*	Change	County Change	HdL State Change
New Motor Vehicle Dealers	418.2	-2.7% ↓	12.0% ↑	12.4% ↑
Service Stations	174.2	4.6% ↑	10.0% ↑	7.6% ↑
Casual Dining	162.9	8.3% ↑	10.9% ↑	8.1% ↑
Quick-Service Restaurants	156.0	6.0% ↑	6.3% ↑	5.7% ↑
Electronics/Appliance Stores	111.8	1.2% ↑	13.3% ↑	10.8% ↑
Specialty Stores	82.4	0.0% ↑	3.3% ↑	2.1% ↑
Grocery Stores	72.0	3.7% ↑	7.2% ↑	6.2% ↑
Family Apparel	56.6	-3.0% ↓	-1.0% ↓	-1.0% ↓
Home Furnishings	51.2	-19.4% ↓	-8.7% ↓	-7.0% ↓
Auto Repair Shops	42.2	8.4% ↑	6.5% ↑	6.4% ↑

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