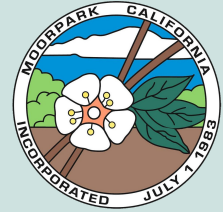


# CITY OF MOORPARK

## SALES TAX UPDATE

### 1Q 2023 (JANUARY - MARCH)



#### MOORPARK

TOTAL: \$ 1,150,686

-11.5%  
1Q2023



4.0%  
COUNTY

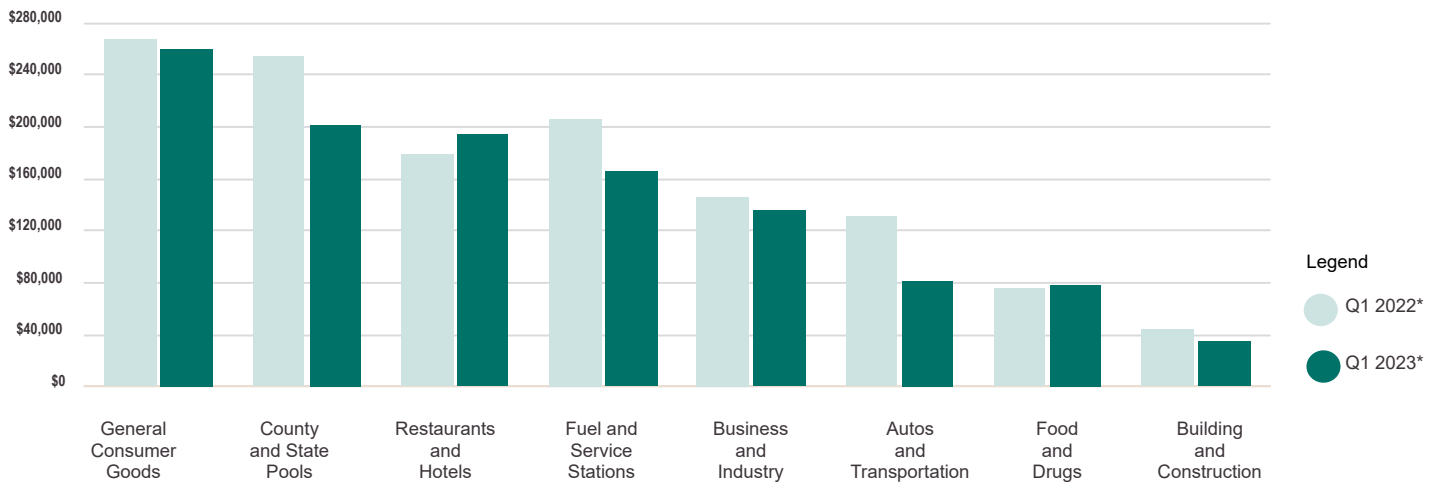


-1.1%  
STATE



\*Allocation aberrations have been adjusted to reflect sales activity

#### SALES TAX BY MAJOR BUSINESS GROUP



#### CITY OF MOORPARK HIGHLIGHTS

Moorpark's receipts from January through March were 10.6% below the first sales period in 2022. Excluding reporting aberrations, actual sales were down 11.5%.

The city experienced its first decline in ten quarters as sales weakened in multiple sectors. Retail spending is trending lower as consumers pulled back on discretionary purchases. Federal policy maker moves to cool inflation have meant dealing with higher interest rates for mortgages, vehicle purchases and credit card revolving debt.

Lower prices at the pump, coupled with softer demand led to a drop in fuel-service station receipts. Spending on transportation needs cooled as new vehicle purchases have the average price increasing and for those financing, monthly payments have hit record highs. Allocations from the countywide use-tax

pool slumped as online retailers shifted fulfillment of ecommerce orders from out-of-state warehouses to closer, in-state locations.

After record pricing last year for lumber, prices plunged and with weather delays and fewer do-it-yourself projects, building-construction sales couldn't match recent gains.

On the plus side, restaurants posted positive receipts, although the growth has slowed compared to recent quarters. Patrons may be opting for more reasonably priced items or changing the frequency with which they dine out to deal with higher menu prices.

Net of aberrations, taxable sales for all of Ventura County grew 4.0% over the comparable time period; the Southern California region was down 0.9%.



#### TOP 25 PRODUCERS

Arco	Target
7 Eleven	Testequity
76	TJ Maxx
Campus Plaza Shell	Tom Lindstrom RV
Command Performance Catering	Tractor Supply
In N Out Burger	Vons
Kahoots Pet Store	Warehouse Discount Center
Kohls	Wood Ranch
McDonalds	
Moorpark 76	
Moorpark Chevron	
Pentair Pool Products	
Pool & Electrical Products	
Ralphs	
Serendipity Cafe & Bar	
Simi Valley Harley Davidson	
Smart & Final	



## STATEWIDE RESULTS

California's local one cent sales and use tax receipts for sales during the months of January through March were 1.1% lower than the same quarter one year ago after adjusting for accounting anomalies. The first quarter of the calendar year experienced heavy rainfall and a slight pullback by consumers during this post-holiday period.

The building and construction sector was most impacted by wet weather conditions, especially contractors and paint/glass vendors. Furthermore, when coupled with year-over-year (YOY) lumber price declines, the sector saw a 9.7% statewide drop.

YOY declines in fuel prices at the pump reduced receipts from gas stations and petroleum providers. Even with OPEC's recent production cuts, the global cost of crude oil has remained steady setting up for moderate gas prices for travelers and commuters in the coming summer months. Retailers also selling fuel experienced a similar impact and when combined with weak results from department stores, overall general consumer goods' returns slightly declined.

After multiple years of high demand for vehicles (especially high-end luxury and electronic/hybrid brands), along with inflation driving car prices higher, customers demand has softened with revenue slumping 1.3%. The return of available inventory later this calendar year may sustain downward pressure on activity, potentially giving buyers more leverage to negotiate lower prices.

Use taxes remitted via the countywide pools decreased 1.1%, marking the second consecutive quarter of decline. Cooling consumer confidence, expansion

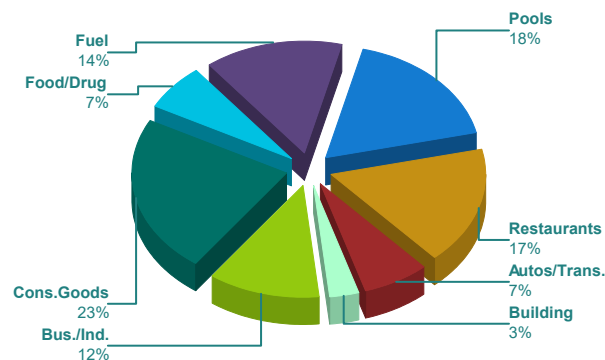
of more in-state fulfillment centers and retailers using existing locations to deliver goods tied to online orders continue to shift taxes away from the pools. While the offsetting effect was these revenues being allocated directly to jurisdictions where the goods were sourced, only a limited number of agencies benefited.

Spending at local restaurants and hotels continues to be robust. Patrons were unaffected by increased menu prices and wait times and maintained their willingness to dine out. In addition, investments in warehouse/farm/construction equipment was steady.

For the remainder of 2023 sales taxes may

decrease modestly, then begin a nominal recovery in early 2024. Volatile economic indicators such as the Federal Funds rate, unemployment levels, and discretionary spending will influence outcomes. While it appears the Federal Reserve's actions to fight inflation is taking effect, any lasting downward pressure on consumer pricing could also hinder short term growth.

### REVENUE BY BUSINESS GROUP Moorpark This Quarter\*



\*ADJUSTED FOR ECONOMIC DATA

### TOP NON-CONFIDENTIAL BUSINESS TYPES

Moorpark Business Type	Q1 '23	Change	County Change	HdL State Change
Service Stations	165,591	-19.7% ↓	-12.0% ↓	-9.8% ↓
Quick-Service Restaurants	75,909	6.0% ↑	3.3% ↑	5.1% ↑
Casual Dining	73,703	17.9% ↑	6.3% ↑	9.7% ↑
Grocery Stores	46,550	9.6% ↑	5.9% ↑	5.4% ↑
Fast-Casual Restaurants	23,986	5.7% ↑	4.4% ↑	6.4% ↑
Specialty Stores	21,920	14.7% ↑	4.5% ↑	3.8% ↑
Plumbing/Electrical Supplies	16,329	-17.5% ↓	-9.0% ↓	-4.3% ↓
Drug Stores	14,277	0.8% ↑	1.5% ↑	-2.0% ↓
Home Furnishings	14,052	0.5% ↑	-6.8% ↓	-10.4% ↓
Building Materials	13,811	-27.6% ↓	-8.3% ↓	-9.8% ↓

\*Allocation aberrations have been adjusted to reflect sales activity