

# CITY OF SAN JACINTO

## SALES TAX UPDATE

### 1Q 2022 (JANUARY - MARCH)



**SAN JACINTO**  
TOTAL: \$ 1,137,070

21.8%  
1Q2022



18.6%  
COUNTY

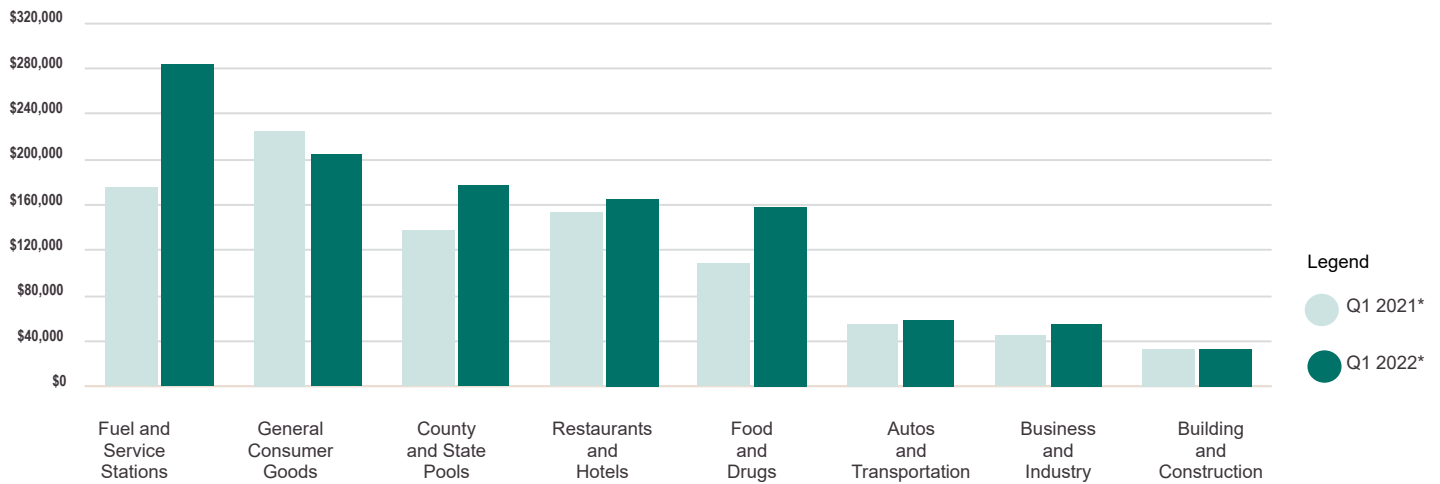


17.1%  
STATE



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

#### SALES TAX BY MAJOR BUSINESS GROUP



**Measure V**  
TOTAL: \$1,729,466



#### CITY OF SAN JACINTO HIGHLIGHTS

San Jacinto's receipts from January through March were 37.7% above the first sales period in 2021. Excluding reporting aberrations, actual sales were up 21.8%.

During this post-holiday period, general consumer goods sales declined as consumers felt the pinch with higher food and fuel prices. Gas prices have risen steadily this year, and with improved consumption, congestion on the highways this resulted in strong gains for the fuel sector. Rising menu prices didn't deter the gains in restaurant receipts. Customers were eager to dine-in at casual eateries, even as some outlets still seek to address labor shortages.

Sales activity grew in both food-drugs and the automotive sectors. With the high prices for both new and used vehicles, people have opted to invest in repairs/maintenance of their vehicles boosting receipts at auto supply stores.

Last year, online sales reached record highs as consumers shifted how they spent discretionary dollars. The City's county pool results remain a strong contributor to local revenue.

Voter-approved Measure V benefited from the number of vehicles purchased and registered in the City, fuel sales and casual dining activity.



#### TOP 25 PRODUCERS

7 Eleven  
Arco AM PM  
AutoZone  
Ays Auto Group  
Blazed Utopia  
Budology  
Cardenas  
Chevron  
Circle K  
Del Taco  
Hirsch Pipe & Supply  
Interstate Steel Structures  
Jack in the Box  
LCA Metal Components  
McDonalds

Mobil Shop N Go Food Store  
Nutrien Ag Solutions  
O'Reilly Auto Parts  
Rite Aid  
San Jacinto Fastrip  
San Jacinto Shell  
Stater Bros  
Summit Livestock Facilities  
Walgreens  
Walmart Supercenter



## 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

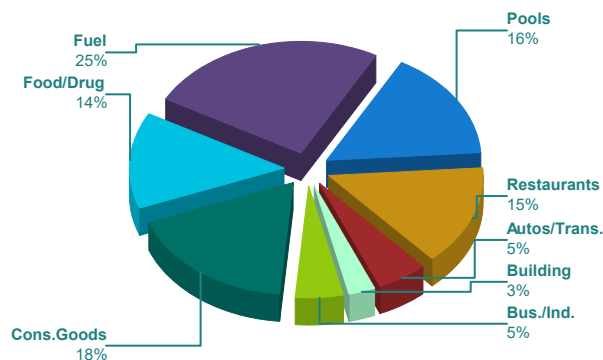
to normal and headwinds from inflation and higher cost goods haven't yet slowed consumer demand. The stellar returns were largely driven by discount department stores, especially those selling gas.

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 Jacinto This Quarter\*



\*ADJUSTED FOR ECONOMIC DATA

## TOP NON-CONFIDENTIAL BUSINESS TYPES

San Jacinto Business Type	Q1 '22	Change	County Change	HdL State Change
Service Stations	284,113	61.6% ↑	42.2% ↑	43.3% ↑
Quick-Service Restaurants	123,910	0.1% ↑	3.0% ↑	7.9% ↑
Casual Dining	30,646	33.3% ↑	53.0% ↑	55.9% ↑
Automotive Supply Stores	27,345	15.7% ↑	5.7% ↑	4.6% ↑
Drug Stores	25,172	1.9% ↑	8.5% ↑	9.0% ↑
Convenience Stores/Liquor	22,886	16.7% ↑	7.1% ↑	1.8% ↑
Auto Repair Shops	19,908	11.1% ↑	18.7% ↑	22.0% ↑
Contractors	16,249	-7.8% ↓	11.4% ↑	20.0% ↑
Electronics/Appliance Stores	14,207	-9.9% ↓	6.6% ↑	12.8% ↑
Used Automotive Dealers	11,369	-11.2% ↓	19.6% ↑	7.9% ↑

\*Allocation aberrations have been adjusted to reflect sales activity