

# CITY OF SAN JACINTO

## SALES TAX UPDATE

### 3Q 2022 (JULY - SEPTEMBER)



**SAN JACINTO**  
TOTAL: \$ 1,209,287

6.9%  
3Q2022



10.7%  
COUNTY

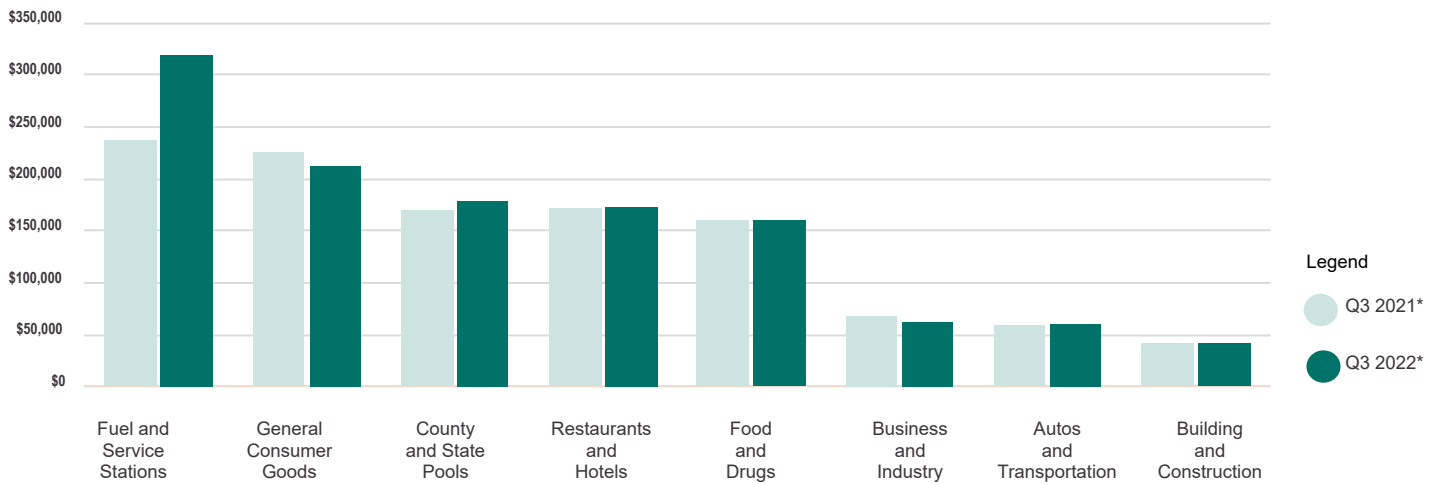


8.0%  
STATE



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

#### SALES TAX BY MAJOR BUSINESS GROUP



**Measure V**  
TOTAL: \$1,908,468  
9.8%



#### CITY OF SAN JACINTO HIGHLIGHTS

San Jacinto's receipts from July through September were 5.9% above the third sales period in 2021. Excluding reporting aberrations, actual sales were up 6.9%.

The largest boost came from the City's largest sector fuel and service stations; however, demand and consumption of fuel is anticipated to slow down in 2023.

The restaurants & hotels group performed better than one year ago mainly due to high menu prices making up for traffic that is beginning to slow. As a result, casual dining restaurants experienced strong gains. Returns from auto repair shops, used automotive dealers, convenience stores, and the

State and county pools were also up.

Receipts from automotive supply stores quick service restaurants, general consumer goods, business & industry, and drug stores declined and combined to partially offset the overall quarterly gain.

The City's Transaction and Use Tax, Measure V, generated 158.8% of the Bradley Burns amount, led by autos & transportation.

Net of aberrations, taxable sales for all of Riverside County grew 10.7% over the comparable time period; the Southern California region was up 8.1%.



#### TOP 25 PRODUCERS

7 Eleven  
Arco AM PM  
Ays Auto Group  
Blazed Utopia  
Budology  
Cardenas  
Chevron  
Circle K  
Del Taco  
Farmer Boys  
Hirsch Pipe & Supply Co  
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  
T Mobile  
Walgreens  
Walmart Supercenter



## STATEWIDE RESULTS

Local one cent sales and use tax for sales occurring July through September was 8% higher than the same quarter one year ago after adjusting for accounting anomalies and back payments from previous quarters. These returns mark another strong period of growth for the California spending economy.

Even as the Federal Reserve Board continued ramping up interest rates in an effort to curb the larger concern of inflation, consumers maintained purchases on multiple fronts, especially automobiles. Surprisingly, new car dealers experienced 10% gains over the comparable period in 2021. Limited inventory and demand for higher mileage vehicles including electric and hybrid models helped support growth. In addition, the increased cost of used vehicles has pushed many into the new vehicle market; in contrast, sales of recreation vehicles and auto leasing activity remained soft.

For Californians, the summer of 2022 had the highest gas prices on record; subsequently fuel and service stations receipts jumped 21%. Commuters and summer travel remained steady, yet overall consumption still trails pre-pandemic levels by approximately 13%. Although the Russia-Ukraine conflict initially caused a dramatic shift in global crude oil markets, prices have begun to pull back closer to historical norms.

Restaurants experienced a strong uptick as increased menu prices, consistent desire to dine out and strong tourism contributed to this favorable news. Just as important, theme parks, leisure-entertainment venues and hotels pushed positive momentum back to 2019 levels. With tightening profit margins and sustained labor concerns, future improvement could be slowed compared to the last two years.

Busy contractors and plumbing-electrical

suppliers boosted the building-construction sector. Solid residential and commercial housing prices persisted despite recent interest rate hikes. Tenant improvements further support spending activity as businesses assess future office needs. With statewide new housing requirements and federal infrastructure funding on the horizon, current forecasts stay optimistic.

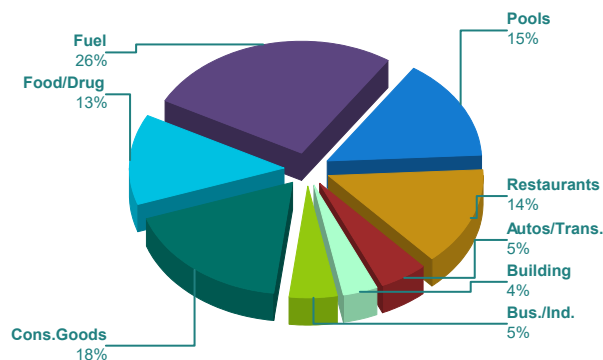
Steady investment in capital equipment coupled with the overall increased price of goods enhanced both business-industry and countywide use tax pool allocations.

For the second straight quarter, fuel sales linked to discount department stores propped up general consumer goods

results. Otherwise, retailers experienced flat to decreased receipts as many apparel categories, home furnishings and sporting goods struggled to keep pace with the prior year. As consumers balanced summer opportunities and higher prices, in-store shopping appears to have taken a temporary back seat.

Sustained price increases and interest rate hikes certainly have consumers contemplating where to spend their dollars. However, historically low statewide unemployment rates and the recovery of the national stock markets from declines earlier this year leave modest optimism heading into 2023.

## REVENUE BY BUSINESS GROUP San Jacinto This Quarter\*



\*ADJUSTED FOR ECONOMIC DATA

## TOP NON-CONFIDENTIAL BUSINESS TYPES

San Jacinto Business Type	Q3 '22*	Change	County Change	HdL State Change
Service Stations	320.1	35.3% ↑	14.5% ↑	18.5% ↑
Quick-Service Restaurants	126.0	-5.1% ↓	1.4% ↑	4.0% ↑
Casual Dining	36.1	23.6% ↑	3.7% ↑	10.1% ↑
Convenience Stores/Liquor	27.1	5.6% ↑	1.8% ↑	1.7% ↑
Automotive Supply Stores	23.9	-1.9% ↓	4.3% ↑	5.3% ↑
Contractors	21.4	-12.1% ↓	26.7% ↑	15.5% ↑
Auto Repair Shops	20.7	5.7% ↑	11.0% ↑	10.7% ↑
Electronics/Appliance Stores	13.8	3.4% ↑	-3.2% ↓	3.7% ↑
Variety Stores	10.7	1.6% ↑	-0.8% ↓	-0.9% ↓
Cigarette/Cigar Stores	10.0	-10.1% ↓	0.7% ↑	1.2% ↑

\*Allocation aberrations have been adjusted to reflect sales activity

\*In thousands of dollars