

# CITY OF PASO ROBLES

## SALES TAX UPDATE

### 2Q 2022 (APRIL - JUNE)



#### PASO ROBLES

TOTAL: \$ 3,566,885

8.3%  
2Q2022



3.3%  
COUNTY

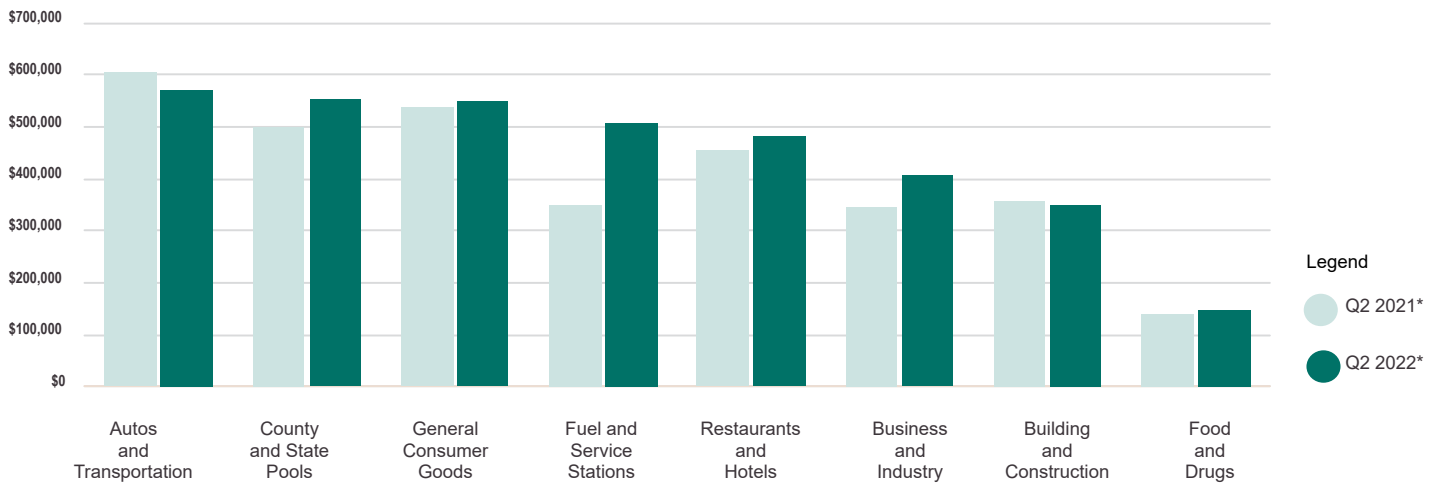


10.1%  
STATE



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

#### SALES TAX BY MAJOR BUSINESS GROUP



#### Measure E12

TOTAL: \$1,774,903

↑ 10.3%

#### Measure J20

TOTAL: \$3,548,419

↑ 11.4%



#### CITY OF PASO ROBLES HIGHLIGHTS

Paso Robles' receipts from April through June were 5.3% above the second sales period in 2021. Excluding reporting aberrations, actual sales were up 8.3%.

Spikes in the global cost of crude oil resulted in higher gas prices locally boosting receipts for the fuel group. Prices at the pump have risen steadily, and with congestion on the highways from more travelers and freight transport, service stations reported another quarter of strong sales.

The City experienced another solid growth period from the business-industry group with garden/ag sales contributing. Even with rising menu prices, patrons enjoyed frequenting casual eateries and

quick service restaurants, whether to celebrate special occasions or socialize.

General consumer goods receipts rose modestly and results couldn't match last year's sensational gains. Shoppers may be concerned about rising inflation and the state of the economy.

The City's two transactions had similar positive results with improved service station receipts, visits to casual dining establishments and contractor activity.

Net of aberrations, taxable sales for the Central Coast region was up 7.8% over the comparable time period.



#### TOP 25 PRODUCERS

- |                                |                                |
|--------------------------------|--------------------------------|
| 1 Stop                         | Mullahey Chrysler              |
| Albertsons                     | Dodge Jeep Ram                 |
| Arco AM PM                     | Paso Robles Chevrolet          |
| Big Creek Lumber               | Paso Robles Ford               |
| Borjon Auto Center             | Pellenc America                |
| Buick Gmc                      | Ross                           |
| Buttonwillow Warehouse Company | Sky River RV                   |
| Crop Production Services       | Smart & Final                  |
| Eagle Energy 76                | Target                         |
| Fastrip                        | Third Base Market & Spirits Pr |
| Idler's Home                   | TJ Maxx                        |
| JB Dewar                       | Valero                         |
| Lowe's                         | Walmart                        |
| McDonalds                      |                                |



**STATEWIDE RESULTS**

Local one cent sales and use tax for sales occurring April through June was 10% higher than the same quarter one year ago after adjusting for accounting anomalies and back payments from previous quarters. These returns mark the sixth consecutive quarter of double-digit growth since the pandemic periods in 2020, with the July-June 2022 fiscal year up 15%.

Commuters returning to offices combined with the Russia-Ukraine conflict continuing to put upward pressure on oil prices and left Californians facing the highest average price per gallon on record resulting in fuel and service station receipts 42% higher than last year. While statewide fuel consumption still trails 2019 levels, local gas prices are expected to remain high until after the summer blend period.

Led by consumer’s desire to dine out, a steady rise in tourism and business travel, higher menu prices and great weather, the restaurant sector continues to flourish. Theme parks, entertainment venues and hotels showed the strongest growth with casual dining establishments remaining solid, a trend likely to remain through 2022.

The automobile sector experienced modest gains for new car dealers and rental car vendors, however sales of used autos and leasing activity has begun to cool. Brands prioritizing full electric and hybrid models still appear to be the most attractive with consumers, however increased financing rates may cause even their activity to dampen. Tight inventories that contributed to dramatic price increases over the last 18 months are also showing signs of loosening as newer models are released

in greater numbers.

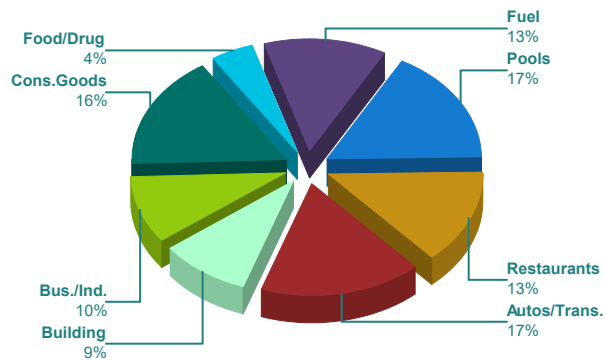
General consumer goods categories saw steady returns largely propped up by retailers also selling fuel. In comparison with the prior year when consumers were buying merchandise at a record pace, the current returns from apparel and jewelry stores grew moderately with home furnishings showing a slight decrease.

With new housing starts accelerating and residential and commercial property values rising, construction contractors remain busy. Lumber prices have softened from prior year highs leaving material suppliers with modest gains, however electrical, plumbing and energy suppliers

boosted building sector results. Increased investment in capital equipment remains an important area of growth for county pool allocations, especially as online spending for general consumer goods begins to flatten as consumers return to in-store shopping.

Overall, higher priced goods through periods of consistent demand have led to economic inflation. The Federal Reserve Board’s recent actions to curb inflation are anticipated to put downward pressure on sales of autos, building materials and financed general consumer goods, resulting in slower growth by year end and into 2023.

**REVENUE BY BUSINESS GROUP**  
Paso Robles This Fiscal Year\*



\*ADJUSTED FOR ECONOMIC DATA

**TOP NON-CONFIDENTIAL BUSINESS TYPES**

Paso Robles Business Type	Q2 '22*	Change	County Change	HdL State Change
Service Stations	447.0	39.7% ↑	34.0% ↑	36.4% ↑
New Motor Vehicle Dealers	343.4	-8.2% ↓	-3.6% ↓	6.6% ↑
Casual Dining	236.2	2.5% ↑	7.6% ↑	17.2% ↑
Building Materials	233.1	-1.7% ↓	9.6% ↑	2.9% ↑
Quick-Service Restaurants	117.1	3.0% ↑	1.0% ↑	5.2% ↑
Garden/Agricultural Supplies	106.7	7.9% ↑	8.7% ↑	-7.5% ↓
Grocery Stores	87.1	9.2% ↑	6.5% ↑	5.3% ↑
Automotive Supply Stores	66.0	8.2% ↑	0.8% ↑	1.4% ↑
Family Apparel	64.9	-8.4% ↓	-6.5% ↓	0.6% ↑
Contractors	56.2	-8.5% ↓	-3.4% ↓	14.0% ↑

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\*In thousands of dollars