

Q1 2020



City of Moorpark Sales Tax *Update*

Second Quarter Receipts for First Quarter Sales (January - March 2020)

Moorpark In Brief

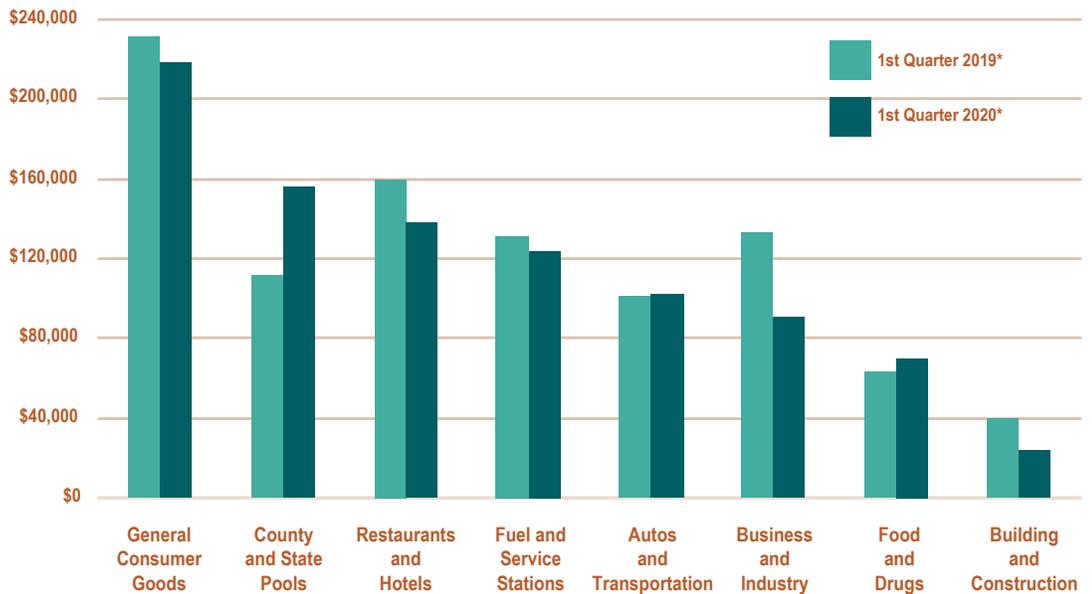
The City's allocation of sales and use tax from its January through March sales was 11.4% lower than the first quarter of 2019. However, part of the decrease was due to deferred payments related to the State's Covid-19 taxpayer relief program. The actual decline was closer to 5.0% after factoring for these and other reporting anomalies.

Losses in most major categories were partially offset by strong gains in county pool receipts which were generated by a shift to shopping over the internet as well as recent legislation that requires out-of-state retailers to collect and remit local sales and use tax.

Other positive offsets included a solid sales quarter for grocers, drug stores, and some categories within the auto-transportation group.

Adjusted for deferred payments and other accounting aberrations, sales and use tax receipts for all of Ventura County and for Southern California as a whole, declined 4.1% over the comparable time period.

SALES TAX BY MAJOR BUSINESS GROUP



*Allocation aberrations have been adjusted to reflect sales activity

TOP 25 PRODUCERS

IN ALPHABETICAL ORDER

76	Ralphs
Campus Plaza Shell	Shell
Dick's Sporting Goods	Simi Valley Harley Davidson
In N Out Burger	Smart & Final
Kahoots Pet Store	Target
Kohls	Testequity
McDonalds	TJ Maxx
Michaels	Tom Lindstrom RV
Moorpark 76	Tractor Supply
Moorpark Chevron	Vons
Moorpark Petroleum	Warehouse Discount Center
Pentair Pool Products	Wood Ranch
QEP Company	

REVENUE COMPARISON

Three Quarters – Fiscal Year To Date (Q3 to Q1)

	2018-19	2019-20
Point-of-Sale	\$2,829,546	\$2,591,101
County Pool	406,898	487,040
State Pool	1,469	1,457
Gross Receipts	\$3,237,912	\$3,079,598
Cty/Cnty Share	(106,851)	(101,627)
Net Receipts	\$3,131,061	\$2,977,972

Statewide Results

With stay at home/non-essential business restrictions in place during the last two weeks of the quarter, local one cent tax revenues for the state overall, were 18.8% lower than January to March of 2019. Taxpayer relief programs accounted for much of the decline with receipts down roughly 3.1% after factoring for payment deferrals and other accounting anomalies.

Severe drops in auto sales, general consumer goods, service stations and restaurants were largely offset by new revenue from implementation of the Wayfair v. South Dakota decision that now requires out-of-state retailers to collect and remit Californian's sales and use tax. Other offsets included a surge in online shopping that boosted receipts from the county use tax allocation pools and from online retailers who maintain and ship their inventory from within California.

The food/drug sector also showed strong gains as did many home supply, dollar and discount stores that remained open during the shutdown.

New Challenges & Opportunities

Current indicators suggest that overall tax receipts for the April thru June sales period will bottom out at 27% below the second quarter of 2019. The speed of the rebound in sales activity will be dependent on the availability of adequate testing, treatment therapies and ultimately a vaccine. Until then, physical distancing, COVID-19 protocols and supply chain disruptions will create limitations on some operating capacities and the return to work of all employees. Health fears, discounts and liquidation sales may also keep sales tax revenues below pre-pandemic levels until solutions are in place.

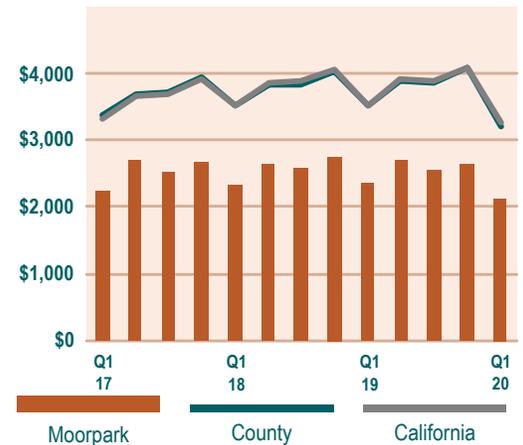
Regardless of when full recovery does occur, reports are that some elements of the economy will be permanently altered. Generation of future tax revenues may require rethinking of local economic strategies.

Over expansion, excessive debt and consumer shifts to online shopping were already resulting in bankruptcies with estimates of up to 25,000 brick-and-mortar store closings by the end of 2020. "Touch and feel" shopping is not going away but retailers see an evolution where in-store shopping is more leisure/recreational oriented with smaller stores offering more show-rooming and delivery/pick-up services. The smaller footprints and lifestyle emphasis offer opportunities to reinstate downtowns and neighborhood centers as economic/social gathering places.

The Pandemic's capture of new online customers and the growing trend of manufacturers and entrepreneurs with new concepts to bypass physical stores and sell directly to the consumer also expands options for agencies without large market populations to generate sales tax through industrial development.

Finally, the Pandemic's disruption of supply chains has also accelerated growing dissatisfaction with overseas arrangements and some reshoring will occur which offers opportunities to leverage a city's existing business base to attract compatible support industries.

SALES PER CAPITA*



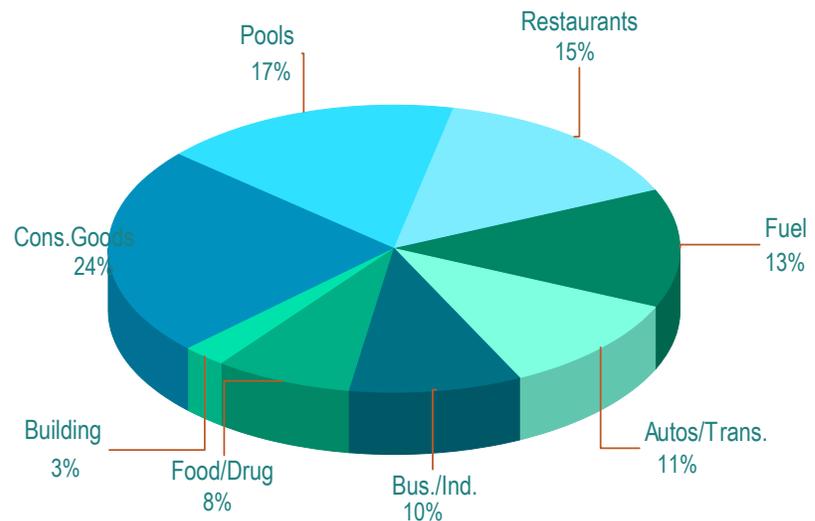
*Allocation aberrations have been adjusted to reflect sales activity

COUNTY OVERALL 1Q YOY RECEIPTS % CHANGE

Major Industry Groups	Cash	Adjusted*
Autos and Transportation	-22.3%	-9.5%
Building and Construction	3.8%	4.8%
Business and Industry	-27.8%	-14.0%
Food and Drugs	-1.5%	10.3%
Fuel and Service Stations	-36.6%	-9.0%
General Consumer Goods	-28.3%	-12.2%
Restaurants and Hotels	-35.7%	-13.3%
County and State Pools	13.4%	27.2%
Total	-19.3%	-4.1%

*Accounting anomalies factored out

REVENUE BY BUSINESS GROUP Moorpark This Quarter*



*Allocation aberrations have been adjusted to reflect sales activity

Q2 2020



City of Moorpark Sales Tax *Update*

Third Quarter Receipts for Second Quarter Sales (April - June 2020)

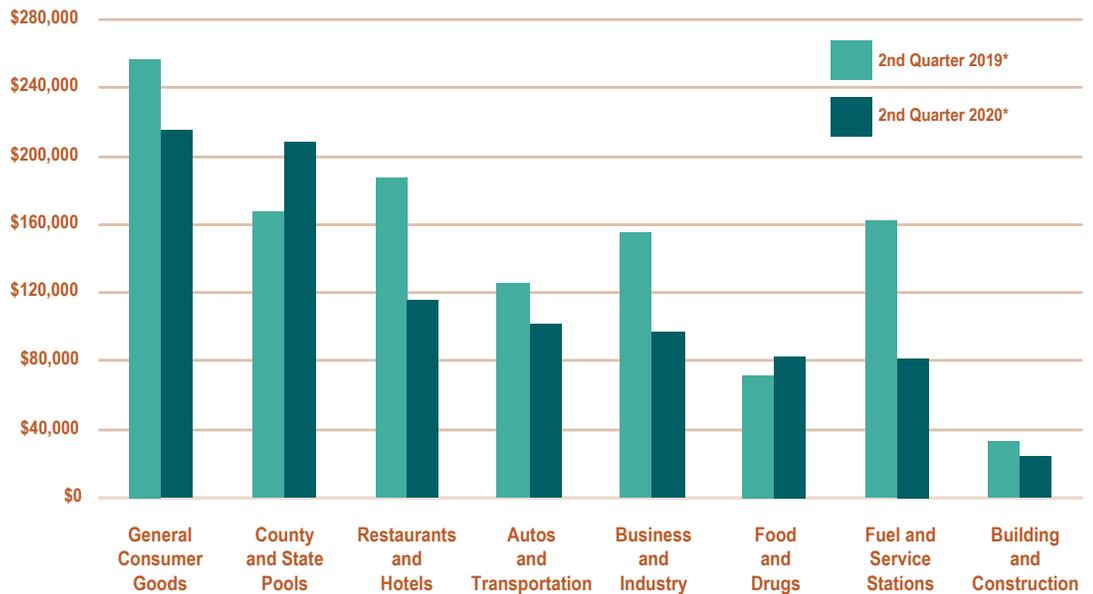
Moorpark In Brief

Moorpark's allocation of sales and use tax from its April through June sales was 13.9% lower than the second quarter of 2019 but was inflated by previously deferred payments allowed under the state's covid-19 taxpayer relief program. Receipts were down 20.2% after factoring for these and other accounting anomalies.

A solid quarter for grocers, home furnishings/appliances, agriculture supplies and some specialty retail partially offset declines in other segments. However, the largest offset came from a rise in the countywide use tax pool where taxes on merchandise shipped from out-of-state are allocated. A shift from brick and mortar stores to online shopping was responsible for a significant jump in pool revenues of which Moorpark received a 3.0% share.

Adjusted for deferred payments and accounting aberrations, sales and use tax receipts for all of Ventura County declined 16.0% over the comparable time period while Southern California as a whole, was down 18.0%.

SALES TAX BY MAJOR BUSINESS GROUP



*Allocation aberrations have been adjusted to reflect sales activity

TOP 25 PRODUCERS

IN ALPHABETICAL ORDER

76	Rite Aid
Campus Plaza Shell	Shell
Edgemod Furniture	Simi Valley Harley Davidson
In N Out Burger	Smart & Final
Kahoots Pet Store	Target
McDonalds	Testequity
Moorpark 76	TJ Maxx
Moorpark Chevron	Tom Lindstrom RV
Moorpark Petroleum	Tractor Supply
Pentair Pool Products	Vons
Pool Supply 4 Less	Warehouse Discount Center
QEP Company	Wood Ranch
Ralphs	

REVENUE COMPARISON

Four Quarters – Fiscal Year To Date (Q3 to Q2)

	2018-19	2019-20
Point-of-Sale	\$3,948,429	\$3,471,503
County Pool	563,286	704,707
State Pool	1,947	1,806
Gross Receipts	\$4,513,662	\$4,178,015
Cty/Cnty Share	(148,951)	(137,875)
Net Receipts	\$4,364,711	\$4,040,141

Statewide Results

Local sales and use tax receipts from April through June sales were 16.3% lower than the same quarter of 2019 after factoring for accounting anomalies and back payments from previous quarters.

This was the largest quarter to quarter decline since 2009. The drops were deepest in the San Francisco Bay Area, Central Coast and Southern California where declines in revenues from fuel, automobiles, general consumer goods and restaurants/hotels were the most severe.

However, despite a 14.9% unemployment rate that eclipsed the previous high of 12.3% during the great recession of 2010 and temporary business closures, the drop in sales was less than previously projected by most analysts including HdL.

The high second quarter unemployment rates primarily affected lower wage service sectors which generate a smaller share of sales tax revenues. Internet connected knowledge workers continued to work but locked at home, found that they had extra cash to spend because of reduced commute and work-related expenses and few entertainment or travel options. Additionally, though much of the quarter's government relief payments were spent largely on rents, utilities and necessities, the money was not distributed proportionally to income losses thereby adding temporary discretionary income gains for some recipients.

Low interest rates and longer term lending practices allowed the extra money to be spent on previously delayed purchases such as autos and home improvements. New car registrations dropped 48.9% in the second quarter, but sales tax receipts dropped only 15.8% as buyers who did purchase, opted for more expensive SUV's, trucks and luxury vehicles. As cabin fever set in, sales of RV's, boats and Motorcycles also began to rise.

With restaurants and many brick and mortar stores closed or restricted to limited occupancy, buyers shifted to online shopping with tax revenues from in-state fulfillment centers rising 142.7% over the

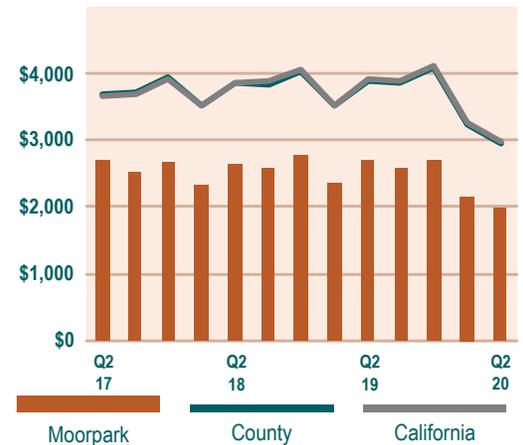
second quarter of 2019 and county pools where tax receipts from out-of-state goods are allocated, rising 28.9%. Online sales accounted for 52.0% of this quarter's tax revenues from the general consumer goods group.

Working at home eventually morphed into working on home thereby boosting related improvement purchases. Grocers, cannabis, liquor and sporting goods further helped offset losses in other segments.

Strong demand for warehouse and shipping technology, equipment and supplies to accommodate the increase in online shopping as well as home offices and virtual classrooms helped offset declines in the business/industrial group. Unanticipated gains in agriculture related purchases and transit spending further added to the offset.

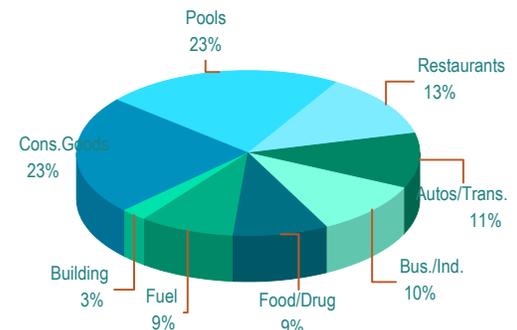
Pandemic uncertainties, fires, childcare issues and bankruptcies are expected to result in uneven gains through 2020-21 with each jurisdiction's experience differing according to the scope and character of their individual tax bases. Overall recovery and improvement in statewide receipts is not expected to begin until 2021-22.

SALES PER CAPITA*



*Allocation aberrations have been adjusted to reflect sales activity

REVENUE BY BUSINESS GROUP Moorpark This Quarter*



*Allocation aberrations have been adjusted to reflect sales activity

MOORPARK TOP 15 BUSINESS TYPES**

Business Type	Moorpark		County	HdL State
	Q2 '20	Change	Change	Change
Boats/Motorcycles	— CONFIDENTIAL —		8.8%	9.2%
Building Materials	15,340	-30.6%	9.7%	7.0%
Casual Dining	43,114	-36.0%	-43.8%	-53.2%
Discount Dept Stores	— CONFIDENTIAL —		-14.1%	-6.3%
Drug Stores	15,059	5.3%	-0.7%	0.1%
Electrical Equipment	— CONFIDENTIAL —		-31.4%	-16.5%
Electronics/Appliance Stores	— CONFIDENTIAL —		-47.4%	-50.8%
Garden/Agricultural Supplies	19,650	12.8%	-3.2%	3.5%
Grocery Stores	53,422	26.7%	11.3%	7.8%
Home Furnishings	17,437	135.0%	-43.8%	-41.6%
Light Industrial/Printers	15,457	-53.4%	-13.3%	-16.8%
Quick-Service Restaurants	57,378	-11.9%	-13.6%	-22.0%
Service Stations	81,376	-49.7%	-49.8%	-45.2%
Specialty Stores	28,129	9.4%	-32.5%	-36.2%
Trailers/RVs	— CONFIDENTIAL —		-11.9%	6.9%
Total All Accounts	718,000	-27.7%	-24.2%	-24.0%
County & State Pool Allocation	208,440	24.4%	39.5%	28.9%
Gross Receipts	926,440	-20.2%	-16.0%	-16.3%

** Accounting aberrations such as late payments, fund transfers, and audit adjustments have been adjusted to reflect the quarter in which the sales occurred.

CITY OF MOORPARK

SALES TAX UPDATE

3Q 2020 (JULY - SEPTEMBER)



MOORPARK

TOTAL: \$ 1,104,738

1.2%
3Q2020



1.2%
COUNTY

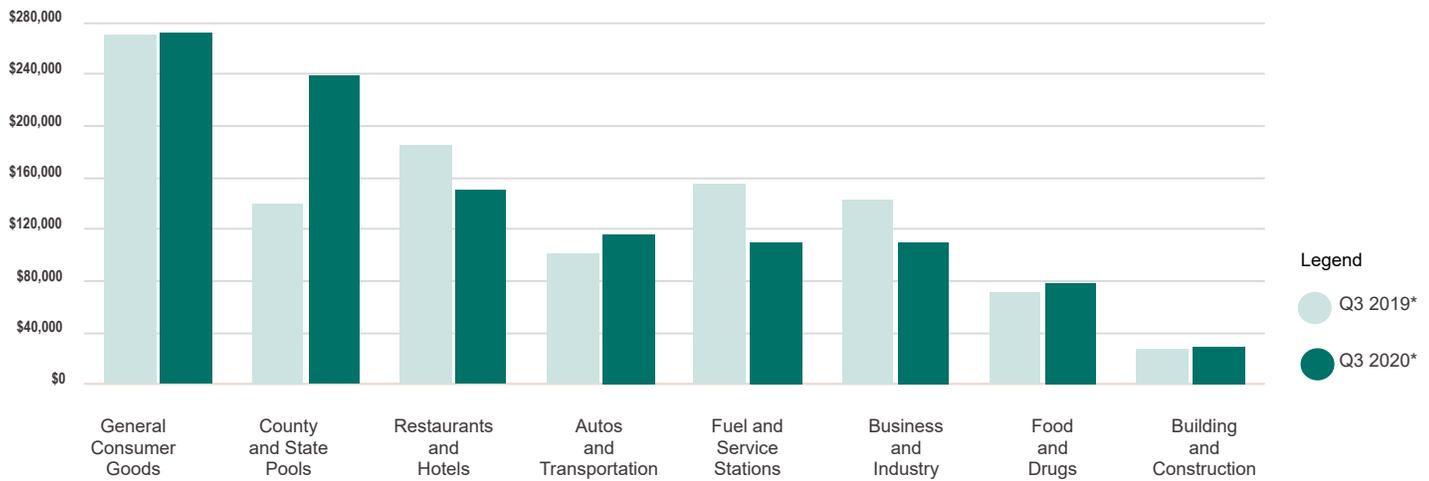


-1.0%
STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



CITY OF MOORPARK HIGHLIGHTS

Moorpark's receipts from July through September were 8.3% above the third sales period in 2019. Excluding reporting aberrations, actual sales were up 1.2%.

While COVID-19 continued to strike the state and most local economies, the City experienced overall growth mainly attributable to stellar performance in the countywide use tax pool and a boost in sales in food and drugs, including grocery stores and convenience/liquor stores, which exceeded state and county trends for the third consecutive quarter.

Autos and transportation, specialty stores, home furnishings, and building materials returns were also up.

A reduction in consumption and demand for fuel pushed service station

returns down, and casual dining and auto repair shops were also hit hard, which combined to offset the overall gain.

Net of aberrations, taxable sales for all of Ventura County grew 1.2% over the comparable time period; the Southern California region was down 1.6%.



TOP 25 PRODUCERS

- | | |
|------------------------------|---------------------------|
| 76 | Testequity |
| Campus Plaza Shell | TJ Maxx |
| Command Performance Catering | Tom Lindstrom RV |
| Dick's Sporting Goods | Tractor Supply |
| In N Out Burger | Vons |
| Kohls | Warehouse Discount Center |
| McDonalds | Wood Ranch |
| Michaels Arts & Crafts | |
| Moorpark 76 | |
| Moorpark Chevron | |
| Moorpark Petroleum | |
| Pentair Pool Products | |
| QEP Company | |
| Ralphs | |
| Shell | |
| Simi Valley Harley Davidson | |
| Smart & Final | |
| Target | |



STATEWIDE RESULTS

The local one-cent sales and use tax from sales occurring July through September was 0.9% lower than the same quarter one year ago after factoring for accounting anomalies. The losses were primarily concentrated in coastal regions and communities popular with tourists while much of inland California including the San Joaquin Valley, Sacramento region and Inland Empire exhibited gains.

Generally, declining receipts from fuel sales, brick and mortar retail and restaurants were the primary factors leading to this quarter's overall decrease. The losses were largely offset by a continuing acceleration in online shopping that produced huge gains in the county use tax pools where tax revenues from purchases shipped from out-of-state are allocated and in revenues allocated to jurisdictions with in-state fulfillment centers and order desks.

Additional gains came from a generally solid quarter for autos, RV's, food-drugs, sporting goods, discount warehouses, building material suppliers and home improvement purchases. Some categories of agricultural and medical supplies/equipment also did well.

Although the slight decline in comparable third quarter receipts reflected a significant recovery from the immediate previous period's deep decline, new coronavirus surges and reinstated restrictions from 2020's Thanksgiving and Christmas gatherings compounded by smaller federal stimulus programs suggest more significant drops in forthcoming revenues from December through March sales.

Additionally, the past few quarter's gains in county pool receipts that were generated by the shift to online shopping plus last

year's implementation of the Wayfair v. South Dakota Supreme Court decision will level out after the first quarter of 2021.

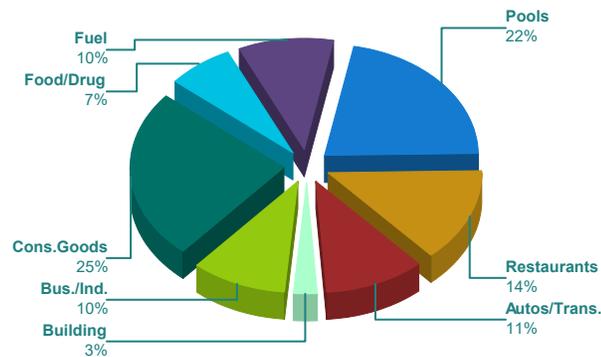
Much of the initial demand for computers and equipment to accommodate home schooling and remote workplaces has been satisfied. Manufacturers are also reporting that absenteeism, sanitation protocols, inventory and imported parts shortages have reduced production capacity that will not be regained until mass vaccines have been completed, probably by the fall of 2021.

Significant recovery is not anticipated until 2021-22 with full recovery dependent on the specific character and make up

of each jurisdiction's tax base. Part of the recovery will be a shift back to non-taxable services and activities. Limited to access because of pandemic restrictions, consumers spent 72% less on services during the third quarter and used the savings to buy taxable goods.

Full recovery may also look different than before the pandemic. Recent surveys find that 3 out of 4 consumers have discovered new online alternatives and half expect to continue these habits which suggests that the part of the recent shift of revenues allocated through countywide use tax pools and industrial distribution centers rather than stores will become permanent.

REVENUE BY BUSINESS GROUP
Moorpark This Quarter*



*ADJUSTED FOR ECONOMIC DATA

TOP NON-CONFIDENTIAL BUSINESS TYPES

Moorpark Business Type	Q3 '20	Change	County Change	HdL State Change
Service Stations	109,735	-28.9% ↓	-29.8% ↓	-29.0% ↓
Quick-Service Restaurants	64,868	-1.6% ↓	-3.5% ↓	-10.2% ↓
Casual Dining	49,164	-25.3% ↓	-25.1% ↓	-38.0% ↓
Grocery Stores	47,786	17.8% ↑	7.1% ↑	7.1% ↑
Specialty Stores	26,211	2.8% ↑	-10.3% ↓	-8.8% ↓
Fast-Casual Restaurants	20,096	14.7% ↑	-10.1% ↓	-14.2% ↓
Garden/Agricultural Supplies	18,148	-5.6% ↓	1.1% ↑	7.0% ↑
Home Furnishings	17,583	25.0% ↑	2.1% ↑	-3.7% ↓
Light Industrial/Printers	17,403	-39.8% ↓	-19.2% ↓	-6.0% ↓
Convenience Stores/Liquor	14,496	29.1% ↑	15.4% ↑	15.2% ↑

*Allocation aberrations have been adjusted to reflect sales activity

CITY OF MOORPARK

SALES TAX UPDATE

4Q 2020 (OCTOBER - DECEMBER)



MOORPARK

TOTAL: \$ 1,136,380

-3.6%

4Q2020



2.5%

COUNTY



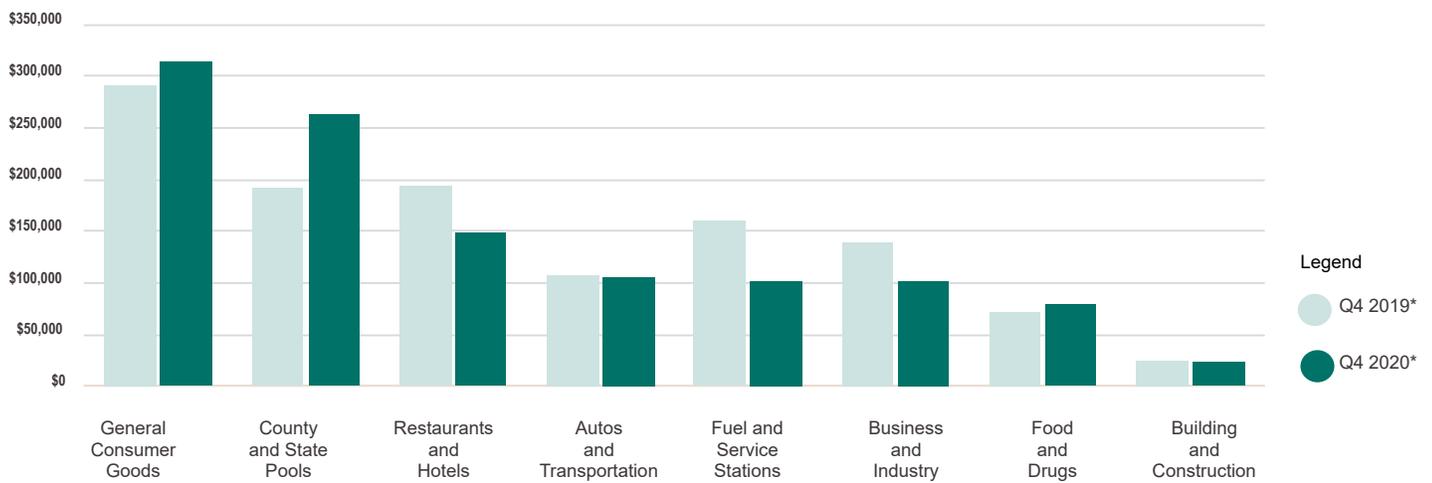
-2.0%

STATE



*Allocation aberrations have been adjusted to reflect sales activity

SALES TAX BY MAJOR BUSINESS GROUP



CITY OF MOORPARK HIGHLIGHTS

Moorpark's receipts from October through December were 5.6% below the fourth sales period in 2019. Excluding reporting aberrations, actual sales were down 3.6%.

This was the third quarter of significant economic impacts due to the Covid-19 pandemic. Locally, point of sale receipts dropped 11.6% as most major industry groups were down. Lower retail gas prices and reduced demand for fuel pushed service station sales down 35.7%. Restaurants sales declined 22.7% due to restrictions placed on the industry, although the decline was about two-thirds that of statewide trends.

A sharp decrease in electrical equipment sales depressed business and industry 23.7%. Mixed results from various segments produced a net 2.0% decline in the automotive group. Building and

construction supply sales dropped 10.6%.

Bright spots included a 7.8% increase in general retail sales and continued strength in food and drugs which grew 8.2%.

The point of sale decline was partially offset by a 36% increase in the City's allocation from the countywide use tax pool. The continuing surge in pool receipts is due to the Wayfair decision that required out of state companies to collect sales tax and increased demand for online purchases due to the pandemic that has changed consumers' buying habits.

Net of aberrations, taxable sales for all of Ventura County grew 2.5% over the comparable time period; the Southern California region was down 2.7%.



TOP 25 PRODUCERS

- 76
- Authentic Watches
- Campus Plaza Shell
- Command Performance Catering
- Dick's Sporting Goods
- In N Out Burger
- Kohls
- McDonalds
- Michaels Arts & Crafts
- Moorpark 76
- Moorpark Chevron
- Pentair Pool Products
- QEP Company
- Ralphs
- Shell
- Simi Valley Harley Davidson
- Smart & Final
- Target
- Testequity
- TJ Maxx
- Tom Lindstrom RV
- Tractor Supply
- Vons
- Warehouse Discount Center
- Wood Ranch



STATEWIDE RESULTS

The local one cent sales and use tax from sales occurring October through December, the holiday shopping season, was 1.9% lower than the same quarter one year ago after adjusting for accounting anomalies and back payments from previous periods. Lower receipts were primarily concentrated in the Bay Area and coastal southern regions while much of inland California, including the San Joaquin Valley, Inland Empire, and northern regions, exhibited solid gains.

As expected, the larger place of sale categories which have been negatively impacted throughout the pandemic continue to be brick and mortar general consumer goods retailers like family apparel, department, and electronics/appliance stores. With limited to zero allowed indoor dining (depending on a County's Covid-19 tier assignment), restaurants and hotels suffered the largest losses especially in communities that strongly rely on tourism. Although the workforce has slowly begun to return to physical office environments, fuel and service stations revenues lagged the prior year performance.

It does not appear that Governor Newsom's second 'shelter at home' directive, initiated by the increase in Covid-19 cases had an impact on overall results. While some merchants chose to utilize the Governor's executive order allowing for a 90-day deferral of sales tax remittance, it was substantially less than the similar opportunity companies utilized during the 1st and 2nd quarters of 2020. The outstanding payments for most California cities will be remitted before the end of the 2020-21 fiscal year.

On the bright side, as consumer confidence stabilized post the national presidential election, customers were motivated to comfortably spend on high-end luxury automobiles, boats-motorcycles, RVs, and sporting goods/equipment.

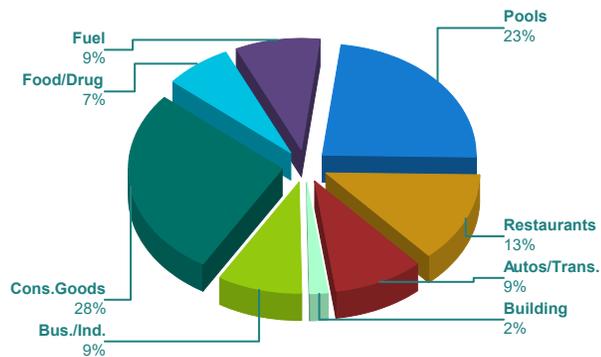
The building-construction sector, with 1) increased price of goods - like lumber, 2) continued home improvement projects, and 3) advantageous fall/winter weather conditions saw strong gains that remained consistent throughout the calendar year.

Exponential growth from countywide use tax pools further helped offset

the declines. Greater online shopping signifying a permanent shift of consumer habits to this more convenient experience was inevitable.

On the horizon, mass deployment of the Covid-19 vaccine will help a greater number of businesses, restaurants and theme parks to reach reopen status. Recent approval of the American Rescue Plan Act of 2021 will further support greater consumer spending, albeit in targeted segments. Pent up demand for summer outdoor experiences and travel is likely and thereby household spending is temporarily reverted away from taxable goods when compared to recent activity.

REVENUE BY BUSINESS GROUP
Moorpark This Quarter*



*ADJUSTED FOR ECONOMIC DATA

TOP NON-CONFIDENTIAL BUSINESS TYPES

Moorpark Business Type	Q4 '20	Change	County Change	HdL State Change
Service Stations	102,555	-35.7% ↓	-33.2% ↓	-31.3% ↓
Quick-Service Restaurants	66,160	-9.3% ↓	-0.9% ↓	-8.8% ↓
Grocery Stores	50,179	20.2% ↑	3.2% ↑	5.4% ↑
Casual Dining	46,430	-29.3% ↓	-30.3% ↓	-39.4% ↓
Specialty Stores	23,843	-3.7% ↓	-1.6% ↓	-6.7% ↓
Light Industrial/Printers	22,068	-6.1% ↓	-5.0% ↓	-5.0% ↓
Fast-Casual Restaurants	19,285	11.4% ↑	-7.1% ↓	-12.0% ↓
Garden/Agricultural Supplies	19,009	13.9% ↑	10.3% ↑	14.0% ↑
Sporting Goods/Bike Stores	17,698	34.7% ↑	29.2% ↑	20.2% ↑
Leisure/Entertainment	17,075	-53.5% ↓	-62.6% ↓	-75.9% ↓

*Allocation aberrations have been adjusted to reflect sales activity