

CITY OF MOORPARK

SALES TAX UPDATE

1Q 2021 (JANUARY - MARCH)



MOORPARK

TOTAL: \$ 1,081,231

13.3%
1Q2021



13.0%
COUNTY

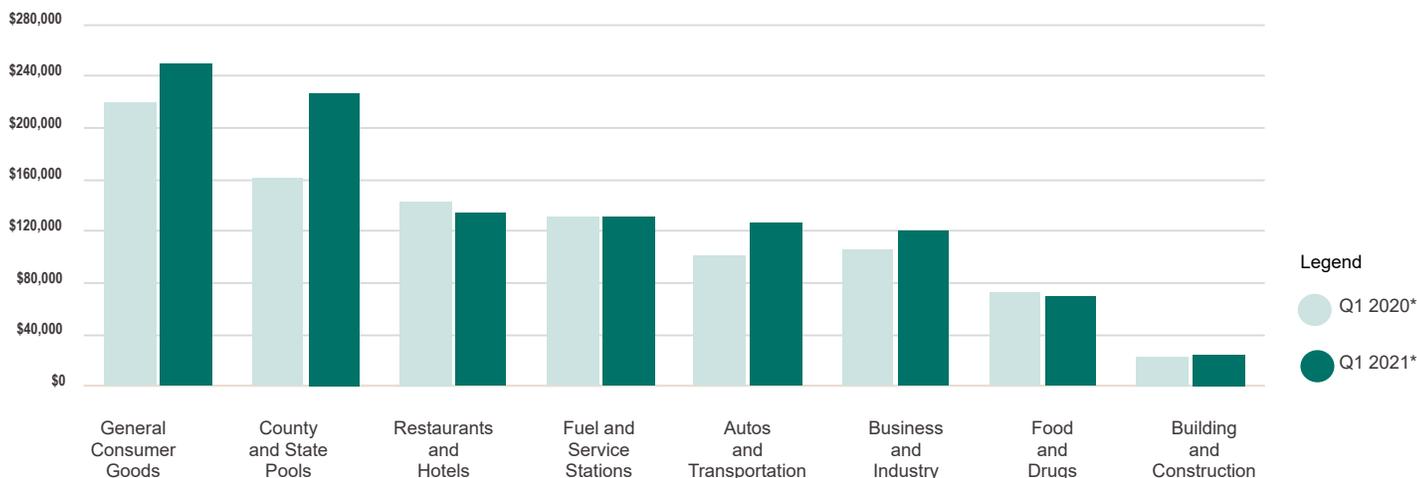


9.5%
STATE



*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 36.7% above the first sales period in 2020. However, due to the deferral of tax payments a year ago this comparison was temporarily exaggerated. Excluding reporting aberrations, actual sales were up 13.3%.

Greater distribution of the Covid-19 vaccine, reopening of the economy and initial pandemic impacts reflected in the comparison period, all contributed to the city experiencing strong overall growth.

Brick and mortar general consumer retailers saw steady improvement with multiple categories helping lift results. Similar to the statewide trend, high demand and low inventory has begun to increase the per unit price helping boost sales tax generated by auto-transportation merchants.

The recent addition of new vendors and improved activity over last year was largely responsible for the growth from business-industry.

Gains from the countywide use tax pool continues to be a bright spot. With more online purchases being made and a greater number of out-of-state retailers collecting and remitting local sales tax, the City's share grew 40% compared to a year ago.

As expected, restaurants that usually depend on indoor services like casual dining establishments continue to be hindered.

Net of aberrations, taxable sales for all of Ventura County grew 13.0% over the comparable time period; the Southern California region was up 9.0%.



TOP 25 PRODUCERS

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



STATEWIDE RESULTS

The local one cent sales and use tax from sales occurring January through March, was 9.5% higher than the same quarter one year ago after factoring for accounting anomalies and back payments from previous quarters.

The Shelter-In-Place directive began one year ago which had the impact of immediate store and restaurant closures combined with remote/work from home options for employees which significantly reduced commuting traffic and fuel sales. When comparing to current period data, percentage gains are more dramatic. Furthermore, this pandemic dynamic combined with the Governor’s first Executive Order of last spring allowing for deferral of sales tax remittances explained why non-adjusted cash results were actually up 33%.

These initial recovery gains were not the same everywhere. Inland regions like Sacramento, San Joaquin Valley, Sierras, Far North and the Inland Empire area of Southern California performed much stronger than the Bay Area, Central Coast and metro areas of Southern California.

Within the results, solid performance by the auto-transportation and building-construction industries really helped push receipts higher. Weak inventories and scarcity for products increased the taxable price of vehicles (new & used), RV’s, boats and lumber which appeared to be a major driving force for these improved returns. Even though e-commerce sales activity continued to rise, brick and mortar general consumer retailers also showed solid improvement of 11% statewide.

An expected change occurred this quarter as a portion of use tax dollars previously distributed through the countywide pools was redirected to specific local jurisdictions. Changes in business structure required a

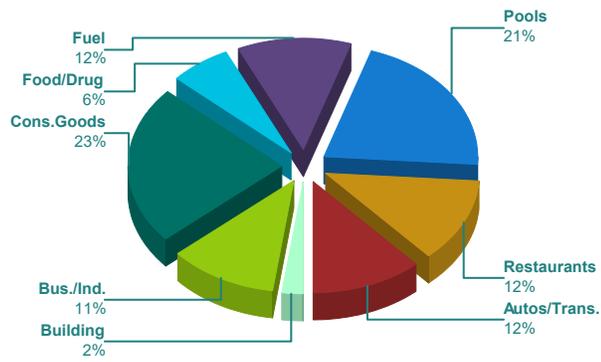
taxpayer to determine where merchandise was inventoried at the time orders were made. Therefore, rather than apportion sales to the county pool representing where the merchandise was shipped, goods held in California facilities required allocations be made to the agency where the warehouse resides. With this modification, the business and industry category jumped 18% inclusive of steady gains by fulfillment centers, medical-biotech and garden-agricultural suppliers. Even after the change noted, county pools surged 18% which demonstrated consumers continued desire to make purchases online.

Although indoor dining was available in many counties, the recovery for restaurants

and hotels still lagged other major categories. Similarly, while commuters and travelers slowly began returning to the road, the rebound for gas stations and jet fuel is trailing as well. Both sectors are expected to see revenues climb in the coming quarters as commuters and summer tourism heats up.

Looking ahead, sustained growth is anticipated through the end of the 2021 calendar year. As a mild head wind, pent up demand for travel and experiences may begin shifting consumer dollars away from taxable goods; this behavior modification could have a positive outcome for tourist areas within the state.

REVENUE BY BUSINESS GROUP Moorpark This Quarter*



*ADJUSTED FOR ECONOMIC DATA

TOP NON-CONFIDENTIAL BUSINESS TYPES

Moorpark Business Type	Q1 '21	Change	County Change	HdL State Change
Service Stations	130,625	0.0%	-5.3%	-3.9%
Quick-Service Restaurants	64,348	5.5%	7.3%	1.1%
Casual Dining	44,371	-18.3%	-14.2%	-18.9%
Grocery Stores	41,471	-2.0%	-7.8%	-6.2%
Specialty Stores	22,602	21.4%	6.7%	9.0%
Light Industrial/Printers	22,341	23.2%	2.2%	-1.6%
Fast-Casual Restaurants	17,077	11.7%	4.8%	1.2%
Home Furnishings	13,167	-7.3%	25.4%	19.3%
Drug Stores	12,935	-16.1%	-13.7%	-15.2%
Convenience Stores/Liquor	11,690	14.9%	11.1%	10.6%

*Allocation aberrations have been adjusted to reflect sales activity