

CITY OF MOORPARK

SALES TAX UPDATE

1Q 2022 (JANUARY - MARCH)



MOORPARK

TOTAL: \$ 1,296,970

17.2%
1Q2022



11.3%
COUNTY

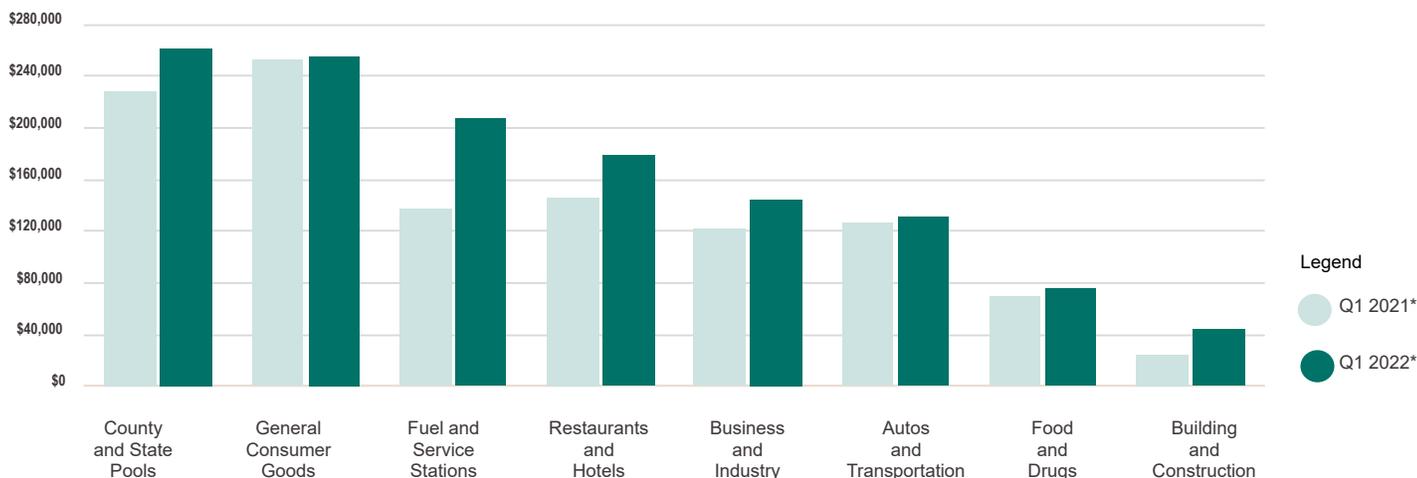


17.1%
STATE



*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 18.1% above the first sales period in 2021. Excluding reporting aberrations, actual sales were up 17.2%.

The local economy has continued to show signs of post-pandemic growth. All factors within the fuel and service stations sector are continuing to experience upward pressure, which include restricted supply attributable to the Russian Ukraine crisis, record oil barrel and prices at the pump, a slow implementation by Saudi Arabia to increase production of global supply, and ongoing strong demand for fuel resulting from increased road and air travel. This has boosted the associated sales tax.

Returns from light industrial/printers, plumbing/electrical, building materials, trailers/RVs, drug and grocery stores, home furnishings, and the state and

county pools were also up.

The City experienced solid growth from casual and fast casual dining; however, the restaurants and hotels sector has been impacted by escalating costs and staff shortages that present ongoing challenges for operators and are expected to slow growth over the coming few quarters.

General consumer goods segments including home furnishings expanded, but there were indications that shoppers may be shifting spending to cover higher food and gas prices. Receipts from specialty stores decreased to partially offset the overall quarterly gain.

Net of aberrations, taxable sales for all of Ventura County grew 11.3% over the comparable time period; the Southern California region was up 19.2%.



TOP 25 PRODUCERS

- 76
- Campus Plaza Shell
- Command Performance Catering
- In N Out Burger
- Kohls
- McDonalds
- Moorpark 76
- Moorpark Chevron
- Moorpark Petroleum
- Pentair Pool Products
- Pool & Electrical Products
- QEP Company
- Ralphs
- Reid Witlin Ltd
- Shell
- Simi Valley Harley Davidson
- Smart & Final
- Target
- Testequity
- TJ Maxx
- Tom Lindstrom RV
- Tractor Supply
- Vons
- Warehouse Discount Center
- Wood Ranch



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
Moorpark This Quarter*



*ADJUSTED FOR ECONOMIC DATA

TOP NON-CONFIDENTIAL BUSINESS TYPES

Moorpark Business Type	Q1 '22*	Change	County Change	HdL State Change
Service Stations	207.8	52.0% ↑	41.6% ↑	43.4% ↑
Quick-Service Restaurants	71.5	6.0% ↑	5.2% ↑	7.8% ↑
Casual Dining	63.7	21.0% ↑	45.1% ↑	55.7% ↑
Light Industrial/Printers	45.4	99.2% ↑	20.1% ↑	14.9% ↑
Grocery Stores	42.5	2.5% ↑	2.3% ↑	3.2% ↑
Fast-Casual Restaurants	22.7	31.5% ↑	15.1% ↑	11.4% ↑
Plumbing/Electrical Supplies	19.9	247.5% ↑	21.6% ↑	40.2% ↑
Specialty Stores	19.8	-19.2% ↓	8.1% ↑	10.7% ↑
Home Furnishings	14.3	24.2% ↑	-5.8% ↓	1.0% ↑
Drug Stores	14.2	9.5% ↑	5.0% ↑	9.0% ↑

*Allocation aberrations have been adjusted to reflect sales activity

*In thousands of dollars

CITY OF MOORPARK

SALES TAX UPDATE

2Q 2022 (APRIL - JUNE)



MOORPARK

TOTAL: \$ 1,429,324

11.9%
2Q2022



7.4%
COUNTY

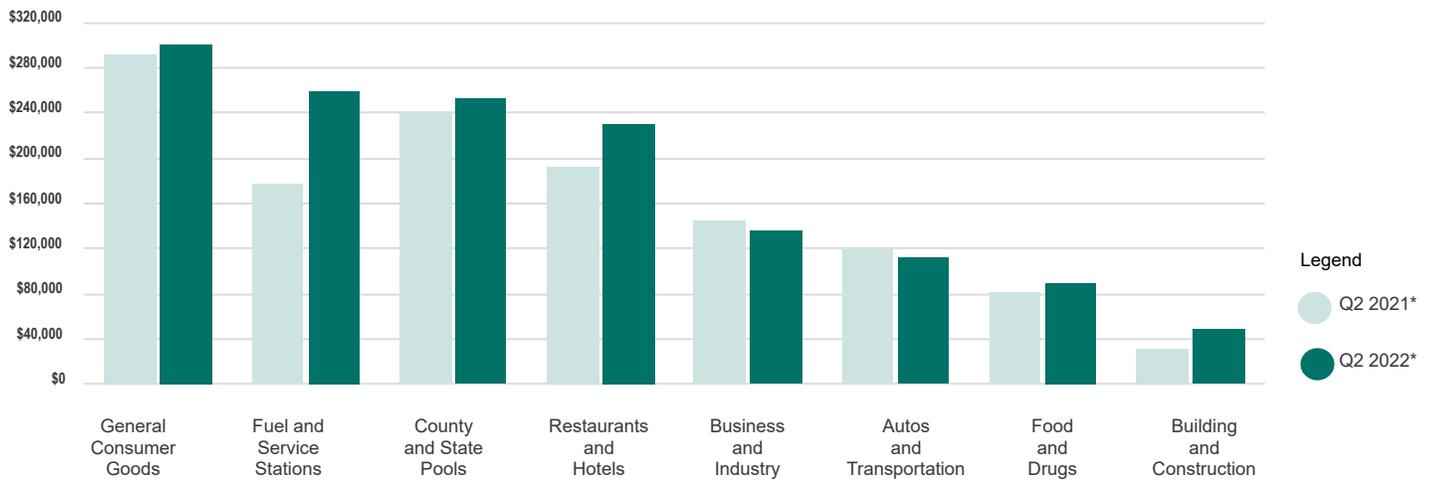


10.1%
STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



CITY OF MOORPARK HIGHLIGHTS

Moorpark's receipts from April through June were 7.2% above the second sales period in 2021. Excluding reporting aberrations, actual sales were up 11.9%.

General consumer sales rose modestly as inflation impacted pricing at retailers. A store closure also impacted the results. News reports note consumer confidence is diminishing and with retail inventory at high levels, there could be heavy discounting in the future. Modest ecommerce sales increased the City's share in the countywide pool propelled by gains in the business-industry group.

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 commuters, service stations reported another

quarter of strong sales.

Consumers are still seeking out restaurant experiences despite rising menu prices. Patrons continued to enjoy frequenting casual eateries, quick service and fast casual restaurants, including a recently added outlet as a way to socialize or celebrate special occasions.

The building-construction sectors posted strong receipts helped by the addition of a recently opened business in plumbing/electrical supplies. Unlike regional and statewide results, business-industry group sales declined.

Net of aberrations, taxable sales for all of Ventura County grew 7.4% over the comparable time period; the Southern California region was up 11.1%.



TOP 25 PRODUCERS

- 76
- Campus Plaza Shell
- Command Performance Catering
- In N Out Burger
- Kahoots Pet Store
- Kohls
- McDonalds
- Moorpark 76
- Moorpark Chevron
- Moorpark Petroleum
- Pentair Pool Products
- Peter Lars
- Pool & Electrical Products
- 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

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.

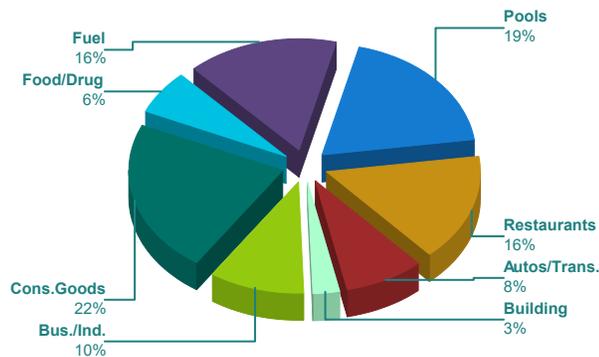
General consumer goods categories saw steady returns largely propped up by retailers also selling fuel. In comparison with the prior year when consumers were buying merchandise at a record pace, the current returns from apparel and jewelry stores grew moderately with home furnishings showing a slight 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 auto sales, building materials and financed general consumer goods, resulting in slower growth by year end and into 2023.

REVENUE BY BUSINESS GROUP
Moorpark This Fiscal Year*



*ADJUSTED FOR ECONOMIC DATA

TOP NON-CONFIDENTIAL BUSINESS TYPES

Moorpark Business Type	Q2 '22*	Change	County Change	HdL State Change
Service Stations	259.5	47.2% ↑	35.0% ↑	36.4% ↑
Quick-Service Restaurants	80.0	4.9% ↑	5.3% ↑	5.2% ↑
Casual Dining	71.1	5.9% ↑	8.2% ↑	17.2% ↑
Grocery Stores	52.5	10.5% ↑	5.8% ↑	5.3% ↑
Light Industrial/Printers	24.1	-3.7% ↓	23.1% ↑	11.7% ↑
Fast-Casual Restaurants	23.5	21.2% ↑	9.1% ↑	7.9% ↑
Specialty Stores	23.0	4.1% ↑	4.2% ↑	4.2% ↑
Convenience Stores/Liquor	15.2	10.2% ↑	-0.6% ↓	-0.3% ↓
Drug Stores	15.2	7.0% ↑	4.6% ↑	4.7% ↑
Home Furnishings	15.1	12.7% ↑	-0.7% ↓	-4.5% ↓

*Allocation aberrations have been adjusted to reflect sales activity

*In thousands of dollars

CITY OF MOORPARK

SALES TAX UPDATE

3Q 2022 (JULY - SEPTEMBER)



MOORPARK

TOTAL: \$ 1,340,289

5.6%
3Q2022



5.6%
COUNTY

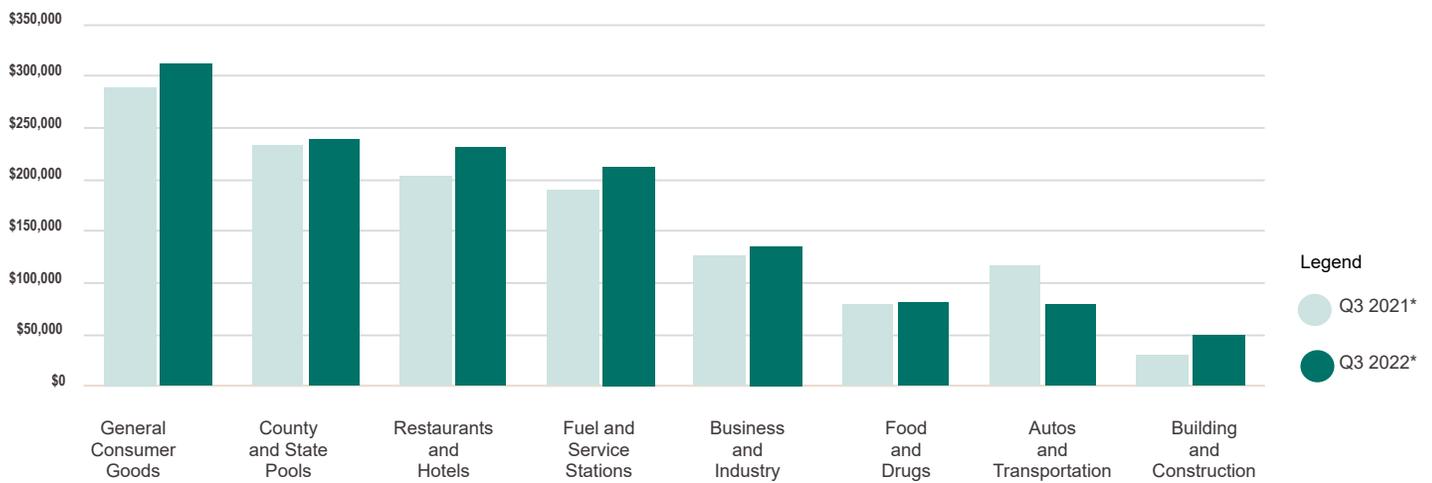


8.0%
STATE



*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 3.8% above the third sales period in 2021. Excluding reporting aberrations, actual sales were up 5.6%.

As inflation improvements are starting to materialize in several industries, consumers remain concerned about the economy heading into a recession. Nevertheless, customer spending, demand, and most underlying economic factors including a low unemployment rate in this quarter remained strong.

The restaurants & hotels sector once again performed better than a year ago mainly due to high menu prices making up for traffic that is beginning to slow. While restaurants are continuing to have difficulty hiring employees and the frequency of dining out is anticipated to slow over calendar year 2023, people continued to treat themselves to meals

outside of their homes in spite of the cost of admission going up. As a result, casual dining restaurants experienced strong gains.

The largest sector, general consumer goods is expected to be very flat for the next five years, but it grew substantially this quarter. Returns from convenience and grocery stores, plumbing/electrical were also up, and overall cash as a percentage of the county receipts grew resulting in a positive allocation from the state and county pools.

Receipts from building materials, trailers/RVs, and service stations dropped and combined to partially offset the overall quarterly gain.

Net of aberrations, taxable sales for all of Ventura County grew 5.6% over the comparable time period; the Southern California region was up 8.1%.



TOP 25 PRODUCERS

- 7 Eleven
- 76
- Aqua Flo Supply
- Campus Plaza Shell
- Command Performance Catering
- In N Out Burger
- Kahoots Pet Store
- Kohls
- McDonalds
- Moorpark 76
- Moorpark Chevron
- Moorpark Petroleum
- Pentair Pool Products
- Peter Lars
- Pool & Electrical Products
- Ralphs
- Simi Valley Harley Davidson
- Target
- Testequity
- TJ Maxx
- Tom Lindstrom RV
- Tractor Supply
- Vons
- Warehouse Discount Center
- Wood Ranch



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.

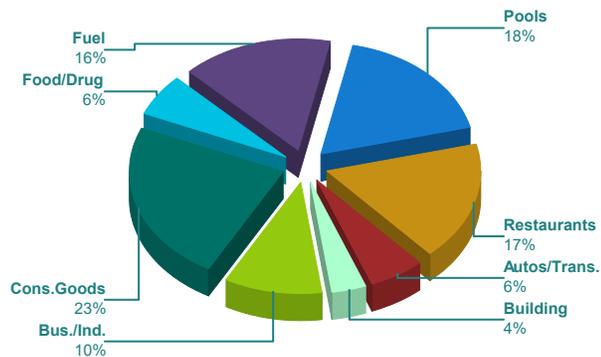
Steady investment in capital equipment coupled with the overall increased price of goods enhanced both business-industry and countywide use tax pool allocations.

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
Moorpark This Quarter*



*ADJUSTED FOR ECONOMIC DATA

TOP NON-CONFIDENTIAL BUSINESS TYPES

Moorpark Business Type	Q3 '22*	Change	County Change	HdL State Change
Service Stations	212.6	12.1% ↑	18.1% ↑	18.5% ↑
Quick-Service Restaurants	76.8	0.0% ↑	6.2% ↑	4.0% ↑
Casual Dining	74.8	9.8% ↑	3.3% ↑	10.1% ↑
Grocery Stores	46.3	3.8% ↑	4.1% ↑	3.0% ↑
Fast-Casual Restaurants	24.0	19.0% ↑	8.2% ↑	6.2% ↑
Specialty Stores	23.2	3.9% ↑	3.3% ↑	4.0% ↑
Light Industrial/Printers	23.0	-1.7% ↓	5.8% ↑	10.2% ↑
Building Materials	15.2	-26.6% ↓	-1.7% ↓	2.8% ↑
Drug Stores	14.8	-0.7% ↓	0.9% ↑	-1.9% ↓
Home Furnishings	14.6	-3.6% ↓	0.3% ↑	-6.2% ↓

*Allocation aberrations have been adjusted to reflect sales activity

*In thousands of dollars

CITY OF MOORPARK

SALES TAX UPDATE

4Q 2022 (OCTOBER - DECEMBER)



MOORPARK

TOTAL: \$ 1,361,952

1.2%
4Q2022



10.9%
COUNTY

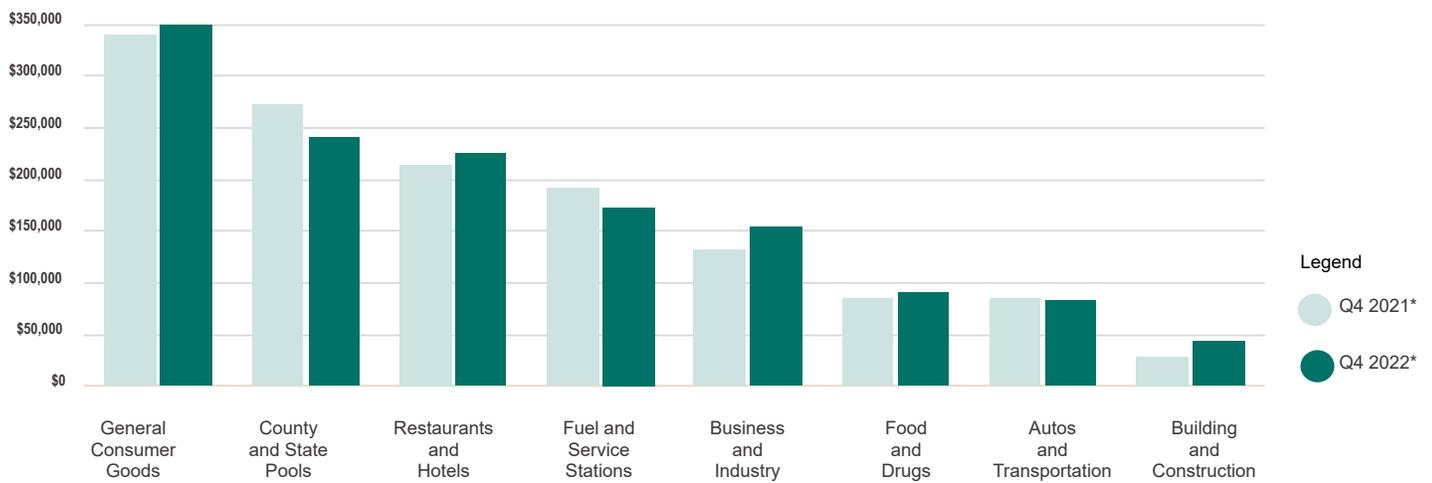


4.7%
STATE



**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 2.6% below the fourth sales period in 2021. Excluding reporting aberrations, actual sales were up 1.2%.

The City's largest sector, general consumer goods, continued to perform strongly even with the continued inflationary pressures on goods, as well as business closures. Categories such as discount stores, specialty shops, and smoke shops were the major winners with favorable growth.

The largest increase of 17.7%, was in the business & industry sector, which was driven by businesses continuing to do capital purchases in areas such office supplies, electrical equipment, garden/agriculture, and food service equipment.

Fuel & service stations, overall, are still

trending upward, however, due to state audit-related issues, the quarter was hampered by a large reduction, thus causing a (9.3%) decrease for the quarter. Going forward, this sector is forecast to show negative variances in the next couple of quarters as comparisons will be going against historic high fuel pricing.

The City's share of the countywide use tax pool increased 1.3% when compared to the same period in the prior year due to the positive quarterly performance.

Net of aberrations, taxable sales for all of Ventura County grew 10.8% over the comparable time period; the Southern California region was up 5.1%.



TOP 25 PRODUCERS

- | | |
|------------------------------|---------------------------|
| 7 Eleven | Target |
| 76 | Testequity |
| Campus Plaza Shell | TJ Maxx |
| Command Performance Catering | Tom Lindstrom RV |
| IBM | 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 | |
| Peter Lars | |
| Pool & Electrical Products | |
| Ralphs | |
| Simi Valley Harley Davidson | |



STATEWIDE RESULTS

California’s local one cent sales and use tax receipts for sales during the months of October through December were 4.7% higher than the same quarter one year ago after adjusting for accounting anomalies. A holiday shopping quarter, the most consequential sales period of the year, experienced solid results which lifted revenue to local agencies across the State.

Overall, general consumer goods growth was up a meager 1.8%, in large part from merchants also selling gas as prices remained elevated over last year. Otherwise, many brick and mortar retailers experienced mixed results as the phenomenal prior year activity made for an extremely difficult comparison. This was especially true for jewelry stores receipts which had soared tremendously after the pandemic as consumers diversified readily available cash into other assets.

Commuters and seasonal travelers were again burdened with gas prices above \$5 per gallon in most of the State, leaving fuel-service stations 10% higher than a year ago. However, this trend did not distract from spending at local restaurants and hotels. Increased menu prices and return-to-office workplaces enhanced gains, with the Bay Area experiencing it’s greatest amount of post-pandemic rebound.

Although inventory shortages negatively impacted unit sales and leasing activity throughout 2022, year-end returns by new car dealers, especially high-end luxury and electric/hybrid brands, sustained auto-transportation sector gains. In contrast, rising interest rates and higher gas prices pulled trailer-RV revenues lower. Steady housing demand and pend up construction projects delayed by supply chain interruptions have contractors contributing the majority of growth within the building-construction sector.

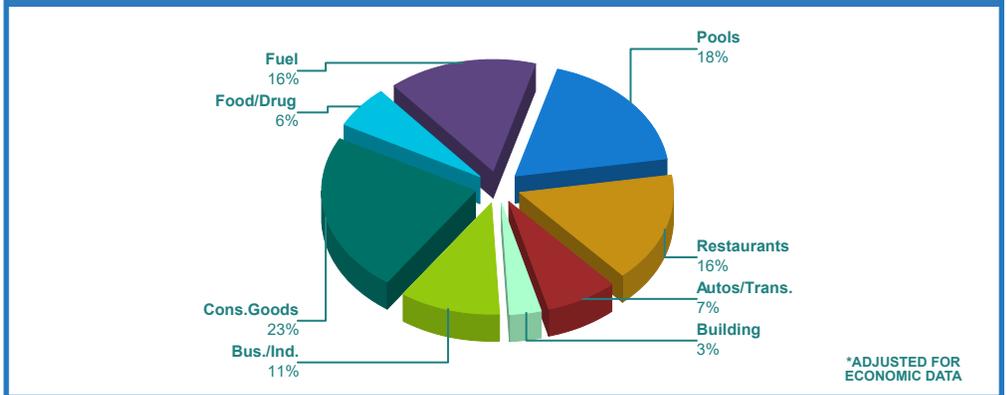
With rising interest rates tempering selling activity, property owners are still likely to maintain home improvement spending.

Use taxes remitted via the countywide pools rose a scant 0.3%. While national ecommerce spending behaviors climbed upward again, expansion of more in-state fulfillment centers plus retailers using existing locations to deliver goods tied to online orders shifted taxes away from pools. The offsetting effect was these dollars being directed to local agency’s coffers where the goods resided. This evolving trend is anticipated to persistently weaken taxes coming from the pools in the near term.

Looking back, calendar year 2022 exhibited a 9.5% surge in tax receipts compared to 2021. Each of the eight major tax categories all reported greater returns. Most influential was inflation that drove up prices on everything from normal daily purchases to vehicles. Secondly, all-time peak global crude oil costs had fuel seller’s payments skyrocketing.

Heading into 2023, additional interest rate hikes along with consumer sentiment waning about the economy foretells minimal change coming from California’s taxable sales in the months ahead.

REVENUE BY BUSINESS GROUP Moorpark This Calendar Year*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Moorpark Business Type	Q4 '22*	Change	County Change	HdL State Change
Service Stations	173.2	-9.3% ↓	7.4% ↑	7.5% ↑
Quick-Service Restaurants	79.4	2.2% ↑	5.8% ↑	5.7% ↑
Casual Dining	74.4	5.6% ↑	6.1% ↑	8.1% ↑
Grocery Stores	53.8	14.5% ↑	6.8% ↑	6.2% ↑
Fast-Casual Restaurants	24.2	16.6% ↑	7.7% ↑	6.6% ↑
Light Industrial/Printers	23.8	-9.4% ↓	10.4% ↑	4.2% ↑
Specialty Stores	22.4	13.7% ↑	3.3% ↑	1.9% ↑
Drug Stores	17.4	6.4% ↑	5.2% ↑	2.5% ↑
Building Materials	14.9	-21.3% ↓	1.2% ↑	2.1% ↑
Convenience Stores/Liquor	14.2	-9.2% ↓	-1.5% ↓	0.9% ↑

*Allocation aberrations have been adjusted to reflect sales activity

*In thousands of dollars