

CITY OF MONROVIA

SALES TAX UPDATE

1Q 2022 (JANUARY - MARCH)



MONROVIA

TOTAL: \$ 3,089,009

14.7%
1Q2022



21.6%
COUNTY



17.1%
STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



Measure K

TOTAL: \$1,563,300

8.5%



CITY OF MONROVIA HIGHLIGHTS

Monrovia's receipts from January through March were 16.7% above the first sales period in 2021. Excluding reporting aberrations, actual sales were up 14.7%.

Autos and transportation tax receipts increased significantly, which resulted in a boost in new motor vehicle dealer and auto repair shops. However, as inventory recovers, dealers are expected to lower prices to more affordable levels. The City experienced solid growth from casual dining and quick service restaurants.

All factors within the fuel and service stations sector are continuing to experience upward pressure, which has

raised the associated sales tax. Receipts from specialty stores, family apparel, grocery stores, contractors, and the state and county pools were also up.

Returns from building materials, medical/biotech, auto lease, and business services decreased, which combined to partially offset the overall gain.

The City's Transaction and Use Tax Measure K generated 50.8%, led by solid performance from business & industry.

Net of aberrations, taxable sales for all of Los Angeles County grew 21.6% over the comparable time period; the Southern California region was up 19.2%.



TOP 25 PRODUCERS

76	Myrtle Chevron
ABC Supply Co	Nissan Infiniti
BMW & Mini of Monrovia	Petsmart
Bodyworks Equipment	Ross
Chevron	Sierra Chevrolet of Monrovia
Financial Services Vehicle Trust	Sierra Chrysler Dodge Jeep Ram of Monrovia
HGreg Infiniti Monrovia	Sierra Honda of Monrovia
Home Depot	Sierra Subaru of Monrovia
Honda Lease Trust	Superior Pool Products
Interior Services	TJ Maxx
Jays Shell	Vons
Kohls	
Living Spaces Furniture	
Marshalls	



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

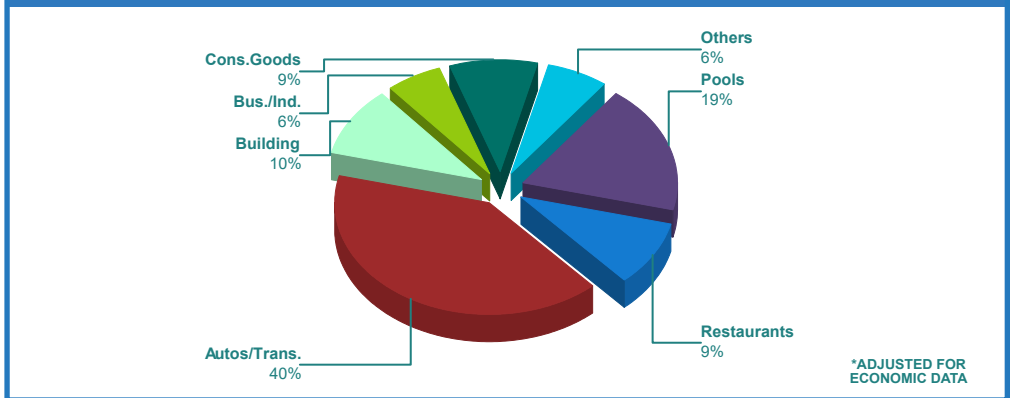
to normal and headwinds from inflation and higher cost goods haven’t yet slowed consumer demand. The stellar returns were largely driven by discount department stores, especially those selling gas.

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
Monrovia This Quarter*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Monrovia Business Type	Q1 '22*	Change	County Change	HdL State Change
New Motor Vehicle Dealers	996.5	30.2% ↑	27.7% ↑	18.7% ↑
Building Materials	273.5	-16.3% ↓	9.9% ↑	7.8% ↑
Auto Lease	182.3	-6.8% ↓	-6.3% ↓	-7.5% ↓
Casual Dining	137.1	41.8% ↑	67.7% ↑	55.8% ↑
Quick-Service Restaurants	110.3	16.4% ↑	10.0% ↑	7.8% ↑
Service Stations	108.3	56.5% ↑	45.7% ↑	43.3% ↑
Family Apparel	96.1	3.8% ↑	13.3% ↑	9.4% ↑
Grocery Stores	56.5	6.0% ↑	4.5% ↑	3.3% ↑
Specialty Stores	56.3	64.9% ↑	11.9% ↑	11.2% ↑
Auto Repair Shops	39.2	41.0% ↑	24.1% ↑	22.0% ↑

*Allocation aberrations have been adjusted to reflect sales activity *In thousands of dollars