

CITY OF MONROVIA

SALES TAX UPDATE

3Q 2022 (JULY - SEPTEMBER)



MONROVIA

TOTAL: \$ 3,225,739

7.6%
3Q2022



7.3%
COUNTY

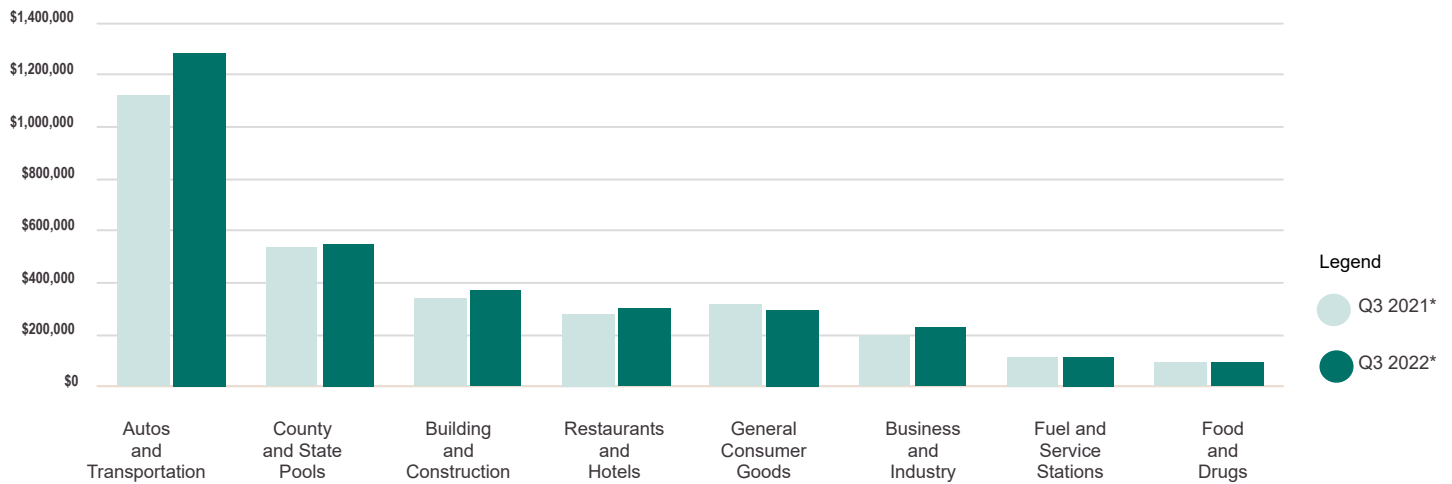


8.0%
STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



Measure K

TOTAL: \$1,648,444

↑ 9.1%



CITY OF MONROVIA HIGHLIGHTS

Monrovia's receipts from July through September were 6.9% above the third sales period in 2021. Excluding reporting aberrations, actual sales were up 7.6%.

The biggest boost came from the largest sector, which is autos and transportation and includes new motor vehicle dealers and auto repair shops.

The restaurants and hotels industry once again performed better than one year ago mainly due to high menu prices making up for traffic that is beginning to slow. As a result, casual dining establishments realized gains. Returns from building materials, grocery stores, and the state and county pools were also up.

Receipts from medical/biotech, quick service and fast casual restaurants, general consumer goods, and service stations declined and combined to partially offset the overall quarterly gain.

The City's Transaction and Use Tax Measure K generated 51.1% of the Bradley Burns amount led by solid performance from business & industry.

Net of aberrations, taxable sales for all of Los Angeles County grew 7.3% over the comparable time period; the Southern California region was up 8.1%.



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	Sierra Chrysler Dodge
Vehicle Trust	Jeep Ram of Monrovia
HGreg Infiniti Monrovia	Sierra Honda of Monrovia
Home Depot	Sierra Subaru of Monrovia
Interior Services	Superior Pool Products
Jays Shell	TJ Maxx
Kohls	Vons
Living Spaces Furniture	
Lowes	
Marshalls	



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.

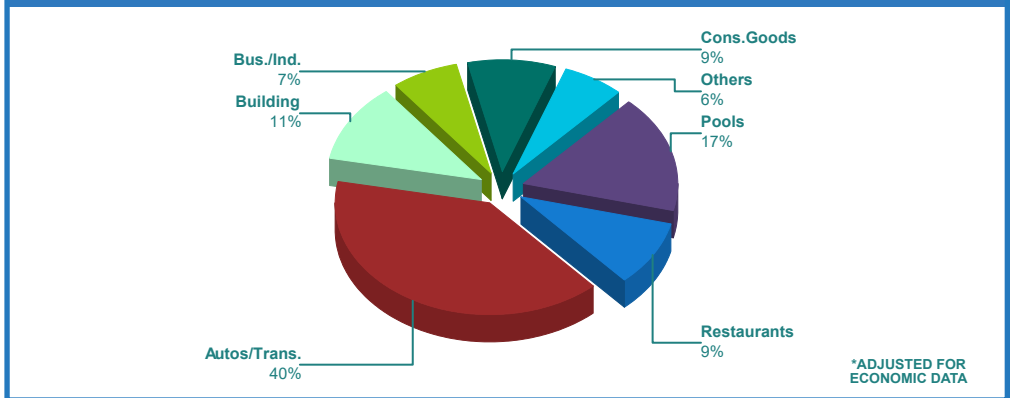
Steady investment in capital equipment coupled with the overall increased price of goods enhanced both business-industry and countywide use tax pool allocations.

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
Monrovia This Quarter*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Monrovia Business Type	Q3 '22*	Change	County Change	HdL State Change
New Motor Vehicle Dealers	1,025.9	19.3% ↑	11.4% ↑	9.9% ↑
Building Materials	324.1	7.1% ↑	7.5% ↑	2.7% ↑
Auto Lease	175.3	-10.0% ↓	-12.3% ↓	-13.6% ↓
Casual Dining	151.6	13.7% ↑	11.8% ↑	10.2% ↑
Service Stations	115.3	-1.1% ↓	19.1% ↑	18.6% ↑
Quick-Service Restaurants	104.1	-2.0% ↓	5.3% ↑	4.0% ↑
Family Apparel	98.6	-4.2% ↓	-3.5% ↓	-1.7% ↓
Grocery Stores	58.6	5.8% ↑	2.7% ↑	3.1% ↑
Specialty Stores	51.9	7.3% ↑	3.3% ↑	4.1% ↑
Auto Repair Shops	47.4	31.8% ↑	14.0% ↑	10.7% ↑

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