

# CITY OF COALINGA

## SALES TAX UPDATE

### 1Q 2021 (JANUARY - MARCH)



#### COALINGA

TOTAL: \$ 223,804

5.0%  
1Q2021



32.3%  
COUNTY

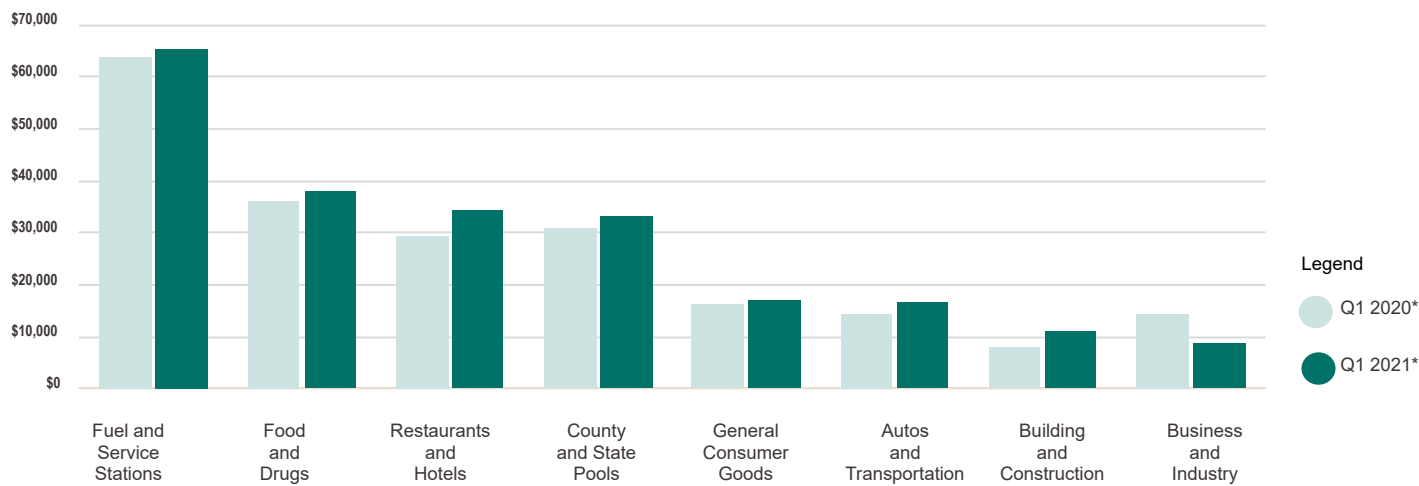


9.5%  
STATE



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

#### SALES TAX BY MAJOR BUSINESS GROUP



#### Measure J

TOTAL: \$444,407

↑ 6.8%



#### CITY OF COALINGA HIGHLIGHTS

Coalinga's receipts from January through March were 36.3% above the first sales period in 2020. Excluding late/deferred payments and other reporting adjustments, receipts for the period were up 5.0%.

Slowly rising prices and increasing consumption brought gas station receipts back from negative returns after 3 consecutive quarters of declines. Restaurants, which were in a slump well before the pandemic became a problem, have now been reporting overall gains for 3 straight quarters.

The City is also continuing to benefit from the growth of the countywide

use tax pool as consumer spending still favors online retailers. As spending preferences shift and with some retailers changing their reporting methods, future allocations will start trending lower.

Measure J's results reflect strong consumer confidence as new and used cars purchased and registered in the community increased by a combined 23% and construction activity rose more than 51%.

Net of adjustments, taxable sales for all of Fresno County grew 32.3% over the comparable time period while those of the entire San Joaquin Valley were up 26.1%.



#### TOP 25 PRODUCERS

- AutoZone
- Beacon Valley Food Mart
- Big 5 Sporting Goods
- Billingsley Tire Service
- Burger King
- Coalinga Fastrip Food Store
- Coalinga Hardware
- Dollar General
- Dollar Tree
- Endurance Lift Solutions
- Fastrip Mini Mart
- Fatte Alberts Pizza
- Green Leaf AG
- Have a Heart
- Ice Bucket Chevron
- Little Caesars Pizza
- McDonald's
- O'Reilly Auto Parts
- Rite Aid
- Save Mart
- State Foods Coalinga
- Taco Bell
- Triple J Ready Mix
- Walgreens
- West Hills Oil



### 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.

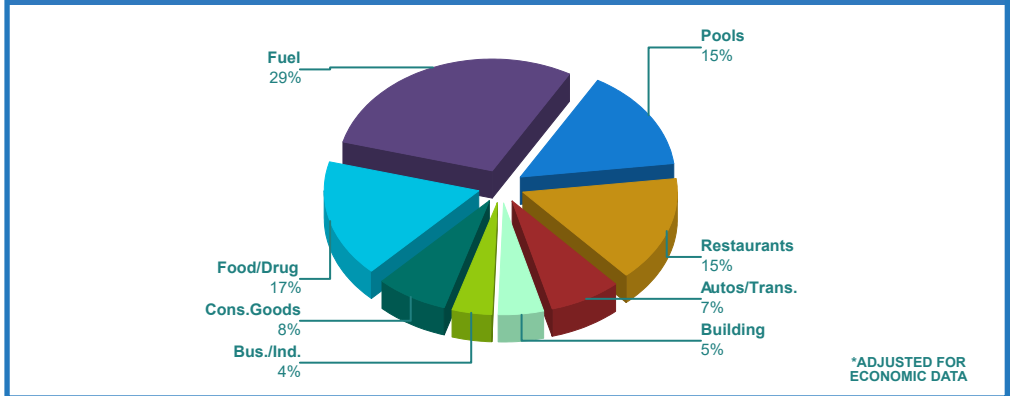
Changes in business structure required a taxpayer to determine where merchandise was inventoried at the time orders were made. Therefore, rather than apportion sales to the county pool representing where the merchandise was shipped, goods held in California facilities required allocations be made to 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 Coalinga This Quarter\*



### TOP NON-CONFIDENTIAL BUSINESS TYPES

Coalinga Business Type	Q1 '21	Change	County Change	HdL State Change
Service Stations	39,491	11.2% ↑	1.4% ↑	-4.0% ↓
Quick-Service Restaurants	24,432	17.4% ↑	14.2% ↑	1.1% ↑
Grocery Stores	14,865	7.7% ↑	-2.4% ↓	-6.2% ↓
Casual Dining	5,460	16.7% ↑	-9.2% ↓	-18.9% ↓
Government/Social Org.	1,163	-16.6% ↓	-10.7% ↓	-35.1% ↓
Auto Repair Shops	598	-42.0% ↓	1.6% ↑	-8.7% ↓

\*Allocation aberrations have been adjusted to reflect sales activity