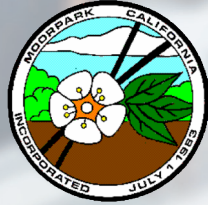


Q1 2019



City of Moorpark Sales Tax *Update*

Second Quarter Receipts for First Quarter Sales (January - March 2019)

Moorpark In Brief

Moorpark's receipts from January through March were 0.9% below the first sales period in 2018.

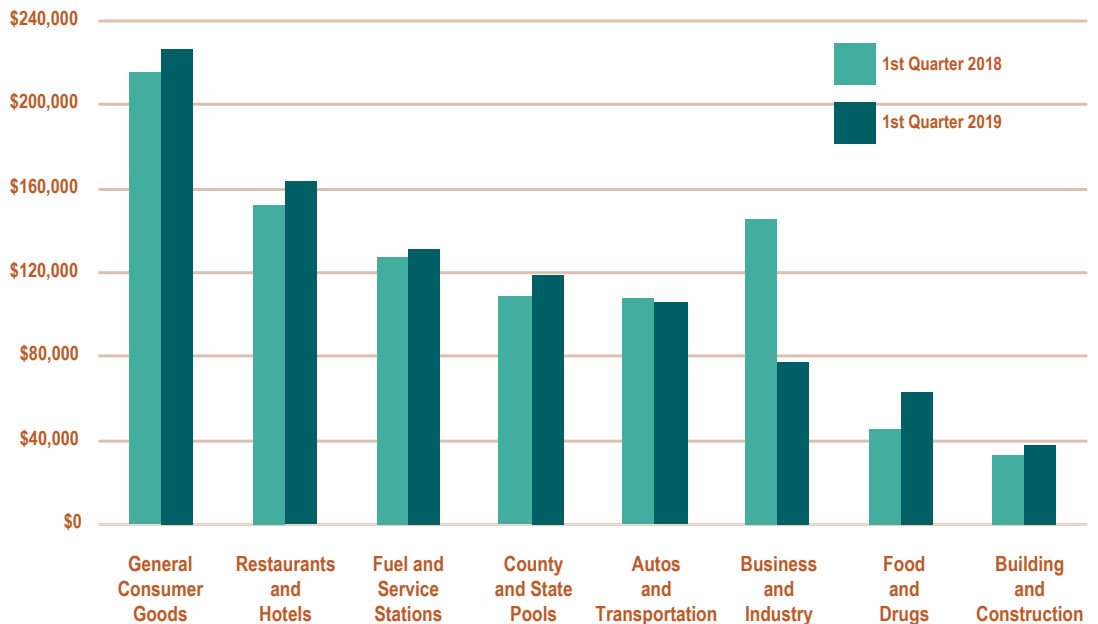
A negative accounting adjustment in the current period pulled business-industry results lower and was largely responsible for the overall decline. Weak sales activity by multiple auto-transportation vendors also contributed to the drop.

In contrast, solid post-holiday returns from multiple categories including electronics merchants and specialty retailers lifted general consumer receipts, while greater variety and new dining concepts improved interest in eating out positively impacting results from restaurants.

Although gas prices were lower than last year, local service stations experienced strong growth and the recent addition of a grocery store boosted revenue from food-drug merchants. Steady increases of items shipped into the region helped bolster allocations from the county-wide use tax pool, also partially offsetting the adjusted decline.

Net of aberrations, taxable sales for all of Ventura County declined 0.5% over the comparable time period; the Southern California region was up 0.9%.

SALES TAX BY MAJOR BUSINESS GROUP



TOP 25 PRODUCERS

IN ALPHABETICAL ORDER

76	National Ready Mixed Concrete
Campus Plaza Shell	Pentair Pool Products
Command Performance Catering	QEP Company
Dick's Sporting Goods	Ralphs
In N Out Burger	Shell
Kahoots Pet Store	Simi Valley Harley Davidson
Kohls	Target
McDonalds	TJ Maxx
Michaels Arts & Crafts	Tom Lindstrom RV
Moorpark 76	Tractor Supply
Moorpark Chevron	Vons
Moorpark Petroleum	Warehouse Discount Center
	Wood Ranch

REVENUE COMPARISON

Three Quarters – Fiscal Year To Date (Q3 to Q1)

	2017-18	2018-19
Point-of-Sale	\$2,964,005	\$2,829,546
County Pool	365,739	406,898
State Pool	1,769	1,469
Gross Receipts	\$3,331,512	\$3,237,912
Cty/Cnty Share	(109,940)	(106,851)
Net Receipts	\$3,221,573	\$3,131,061

Statewide Results

Local sales and use tax receipts from January through March sales were 1.0% higher than the first quarter of 2018 after factoring out accounting anomalies and back payments from previous state reporting shortfalls. This was the lowest percentage increase since first quarter, 2010.

The growth came primarily from a solid quarter for purchases related to expanding logistics, medical and technology facilities and modest gains in building-construction supplies and restaurants. Cannabis sales produced a slight uptick in the food-drug group.

Lower fuel prices and declining general consumer good purchases offset the gains. The shift to internet purchases continued with online shopping accounting for 22.3% of the total general consumer goods segment versus 20.2% one year ago. Tax receipts from new car sales exhibited significant reductions although the drop was partially offset by an upswing in used autos and auto leases.

Regional changes ranged from a decline of 2.1% to gains as high as 4.4%. However, the differences were primarily attributable to onetime projects or capital purchases and not reflective of overall economic trends.

Slower Growth Ahead?

July marks ten years of continuous economic growth which is the longest period of U.S. economic expansion on record. However, analysts from a variety of economic segments are reporting signs that we may be leveling off.

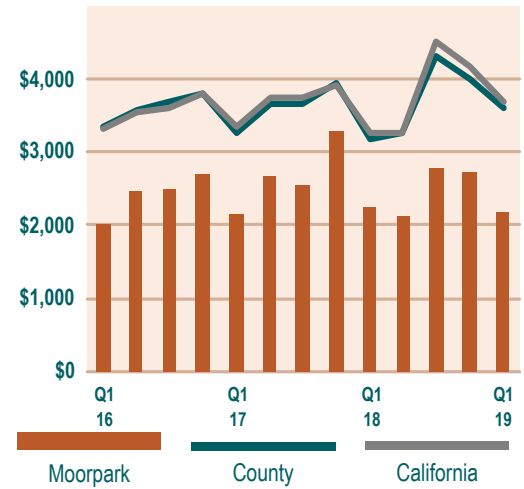
This quarter marked the eighth consecutive comparative period decline in California new car registrations with analysts noting that higher prices and a growing supply of vehicles coming off lease are making used cars more attractive. They also note that on-demand services such as Uber and Lyft are making it easier for debt-burdened millennials to avoid buying cars altogether.

Rising restaurant menu prices, renewed competition from grocer prepared meals, and cutbacks in foreign tourism appear to be reducing restaurant patronage which in recent years was one of the state's fastest growth segments. There will be an uptick in the second quarter's fuel-related tax receipts because of that period's refinery shutdowns; lower crude oil costs are expected to produce subsequent declines.

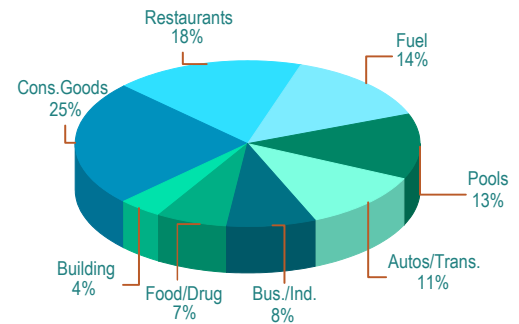
Uncertainty over U.S. tariff and trade policies plus labor shortages are delaying some investment and business expansion decisions while reduced home sales and two quarters of declining construction permit values suggest a potential future leveling in that sector. Investment in technological advances should continue and remain strong.

Economic shifts are not the only factor leveling sales tax revenues. With an economy based on intellectual technology rather than goods and consumer priorities shifting to non-taxable services and experiences, sales tax no longer reflects 21st century spending. Each year therefore, the portion of the economy that is taxed, shrinks.

SALES PER CAPITA



REVENUE BY BUSINESS GROUP
Moorpark This Quarter



MOORPARK TOP 15 BUSINESS TYPES

Business Type	Moorpark		County	HdL State
	Q1 '19	Change	Change	Change
Boats/Motorcycles	—	CONFIDENTIAL	-6.6%	0.4%
Casual Dining	66,808	18.3%	14.3%	13.3%
Contractors	—	CONFIDENTIAL	6.0%	4.7%
Discount Dept Stores	—	CONFIDENTIAL	-1.6%	2.9%
Electronics/Appliance Stores	—	CONFIDENTIAL	-1.8%	-3.2%
Family Apparel	—	CONFIDENTIAL	6.9%	7.1%
Fast-Casual Restaurants	19,094	11.5%	11.5%	8.7%
Garden/Agricultural Supplies	—	CONFIDENTIAL	-17.4%	3.7%
Grocery Stores	35,862	45.1%	36.0%	25.7%
Leisure/Entertainment	18,208	14.8%	-3.5%	18.1%
Quick-Service Restaurants	58,585	-5.9%	13.5%	10.1%
Service Stations	131,700	3.0%	11.4%	15.8%
Specialty Stores	23,589	114.8%	20.4%	23.4%
Sporting Goods/Bike Stores	14,917	-1.9%	-9.0%	2.7%
Trailers/RVs	—	CONFIDENTIAL	-17.4%	-0.8%
Total All Accounts	807,944	-2.2%	13.4%	13.5%
County & State Pool Allocation	119,164	9.4%	26.8%	23.8%
Gross Receipts	927,108	-0.9%	14.9%	14.9%
City/County Share	(30,595)	0.9%		
Net Receipts	896,513	-0.9%		