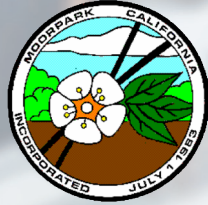


# Q3 2019



# City of Moorpark Sales Tax *Update*

Fourth Quarter Receipts for Third Quarter Sales (July - September 2019)

## Moorpark In Brief

Moorpark's receipts from July through September were 7.2% below the third sales period in 2018. However, this comparison is skewed due to the CDTFA's transition to a new reporting system in the prior year when additional payments were received by the City. Excluding reporting aberrations, actual sales were down 2.0%.

General retail outperformed regional trends with an adjusted gain of 4.2%. While several sectors were up including specialty stores and family apparel, others slipped compared to a year ago.

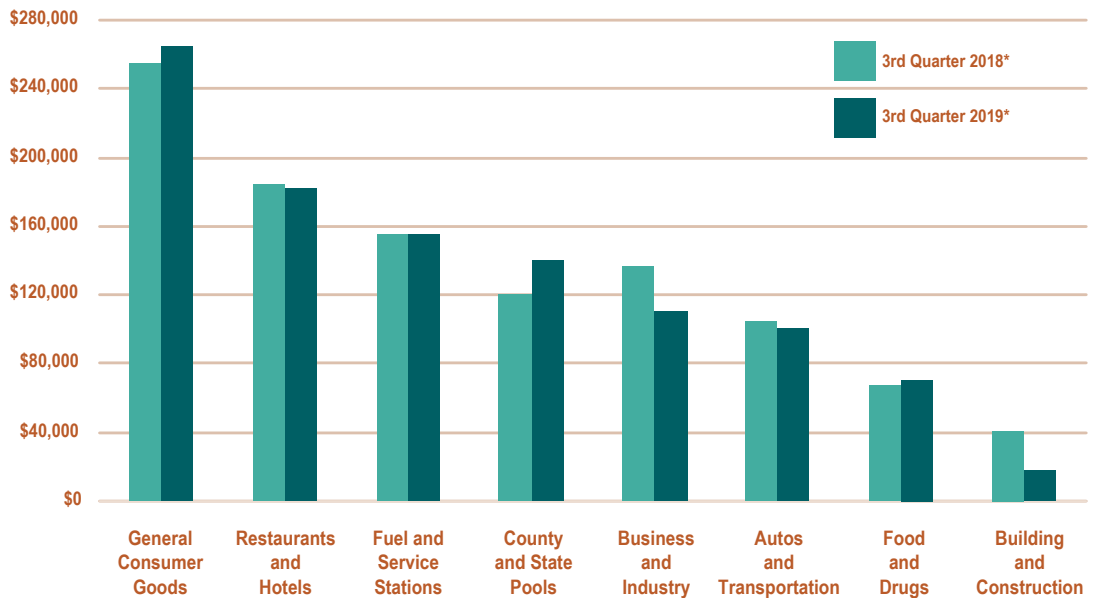
The increase in the City's share of the countywide use tax allocation pool partially offset losses in other major industry groups.

Conversely, business to business performance slumped, however, quarter to quarter fluctuations are not unusual. Temporary reporting errors accounted for the drop of 56.8% in building and construction.

Restaurants and entertainment-based activity underperformed with a 1% decline on an actual basis.

Net of aberrations, taxable sales for all of Ventura County grew 1.7% over the comparable time period; the Southern California region was up 2.8%.

## SALES TAX BY MAJOR BUSINESS GROUP



\*Allocation aberrations have been adjusted to reflect sales activity

### TOP 25 PRODUCERS

IN ALPHABETICAL ORDER

76	Pentair Pool Products
Campus Plaza Shell	Ralphs
Command Performance Catering	Shell
Cornerstone Photography	Simi Valley Harley Davidson
Dick's Sporting Goods	Smart & Final
In N Out Burger	Target
Kahoots Pet Store	Testequity
Kohls	TJ Maxx
McDonalds	Tom Lindstrom RV
Moorpark 76	Tractor Supply
Moorpark Chevron	Vons
Moorpark Petroleum	Warehouse Discount Center
	Wood Ranch

### REVENUE COMPARISON

One Quarter – Fiscal Year To Date (Q3)

	2018-19	2019-20
Point-of-Sale	\$1,020,797	\$929,189
County Pool	139,477	147,541
State Pool	524	369
<b>Gross Receipts</b>	<b>\$1,160,799</b>	<b>\$1,077,098</b>
<b>Cty/Cnty Share</b>	<b>(38,306)</b>	<b>(35,544)</b>
<b>Net Receipts</b>	<b>\$1,122,492</b>	<b>\$1,041,554</b>

NOTES

**Statewide Results**

The local one-cent share of statewide sales and use tax from sales occurring July through September was 2.2% higher than the summer quarter of 2018 after adjusting for accounting anomalies.

The bulk of the increase came from the countywide use tax allocation pools and is due to the acceleration in online shopping where a large volume of the orders are shipped from out-of-state.

Online shopping also produced gains in the business-industrial group with in-state industrial zoned logistics centers filling orders previously taken by brick and mortar retailers. Purchases to support healthcare, food processing, logistics/warehouse operations and information/data technology also helped offset declines in other business-related categories.

With the exception of some discount and value-oriented retail, most categories of general consumer goods were down. New cannabis related start-ups offset declines in the food and drug group while a softening in building-construction receipts was consistent with recent declines in the volume and value of new building permit issuances.

Overall growth in restaurant receipts continued to soften with a shift toward lower cost dining establishments and takeout meal options. Reports of labor shortages and the impact of homelessness on customer traffic in metropolitan areas were reportedly factors in the decline in tax revenues from higher price, fine dining establishments.

Despite a slight uptick in used auto and auto lease receipts, the auto related group was significantly down due to a drop in new car and RV sales. Previously propped up by a 23% subprime rated customer base and six- and seven-year financing, loan delinquencies have recently surged back to levels last seen in 2009.

**Additional Tax Districts Approved**

Voters approved eight of the nine sales

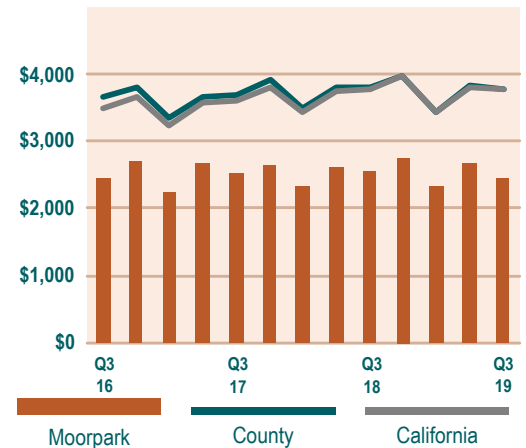
tax measures on the November 2019 ballot adding six new districts and extending two others.

This brings the total number of local transactions and use tax districts (TUT's) to 325 with 62 that are levied countywide and 263 imposed by individual cities. The number of local districts have close to tripled over the last decade as agencies deal with rising costs and service needs. TUT's have been a favorable option as visitors contribute to the tax and a collection system is already in place that minimizes administrative and monitoring costs.

California's basic rule is that the rate for all local TUT's combined, shall not exceed 2.0% or a total of 9.25% including the state levy. However, the state legislature has authorized higher caps in some jurisdictions with the highest voter-approved, combined state/local rate now at 10.5%.

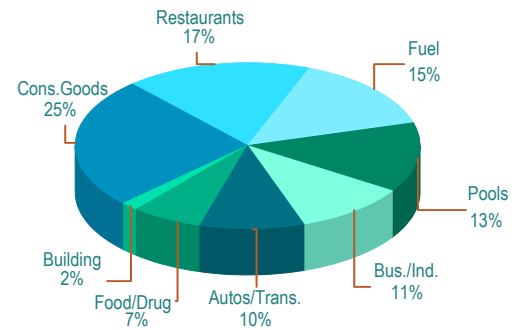
Thirty-five or more additional local TUT measures are currently being considered for the March 2020 ballot.

**SALES PER CAPITA\***



\*Allocation aberrations have been adjusted to reflect sales activity

**REVENUE BY BUSINESS GROUP  
Moorpark This Quarter\***



\*Allocation aberrations have been adjusted to reflect sales activity

**MOORPARK TOP 15 BUSINESS TYPES\*\***

Business Type	Moorpark		County	HdL State
	Q3 '19	Change	Change	Change
Boats/Motorcycles	— CONFIDENTIAL —		6.1%	1.7%
Casual Dining	62,163	-1.4%	1.8%	2.3%
Department Stores	— CONFIDENTIAL —		-11.4%	-9.5%
Discount Dept Stores	— CONFIDENTIAL —		0.6%	2.8%
Electrical Equipment	— CONFIDENTIAL —		-41.7%	1.5%
Electronics/Appliance Stores	— CONFIDENTIAL —		-3.3%	-3.1%
Family Apparel	— CONFIDENTIAL —		-4.2%	1.5%
Fast-Casual Restaurants	17,958	-0.9%	6.1%	5.1%
Grocery Stores	40,577	3.0%	1.2%	1.7%
Leisure/Entertainment	35,523	-3.9%	-4.9%	7.5%
Light Industrial/Printers	28,391	-2.4%	9.8%	2.4%
Quick-Service Restaurants	65,977	0.5%	1.8%	2.6%
Service Stations	155,636	-0.1%	-0.9%	-1.5%
Specialty Stores	25,500	3.9%	0.0%	0.3%
Trailers/RVs	— CONFIDENTIAL —		5.0%	-3.7%
<b>Total All Accounts</b>	<b>901,743</b>	<b>-4.4%</b>	<b>-0.3%</b>	<b>0.2%</b>
<b>County &amp; State Pool Allocation</b>	<b>140,152</b>	<b>16.9%</b>	<b>16.3%</b>	<b>14.9%</b>
<b>Gross Receipts</b>	<b>1,041,895</b>	<b>-2.0%</b>	<b>1.7%</b>	<b>2.3%</b>

\*\* Accounting aberrations such as late payments, fund transfers, and audit adjustments have been adjusted to reflect the quarter in which the sales occurred.