

# CITY OF OCEANSIDE

## SALES TAX UPDATE

### 1Q 2022 (JANUARY - MARCH)



**OCEANSIDE**

TOTAL: \$ 6,449,556

9.7%  
1Q2022



20.0%  
COUNTY

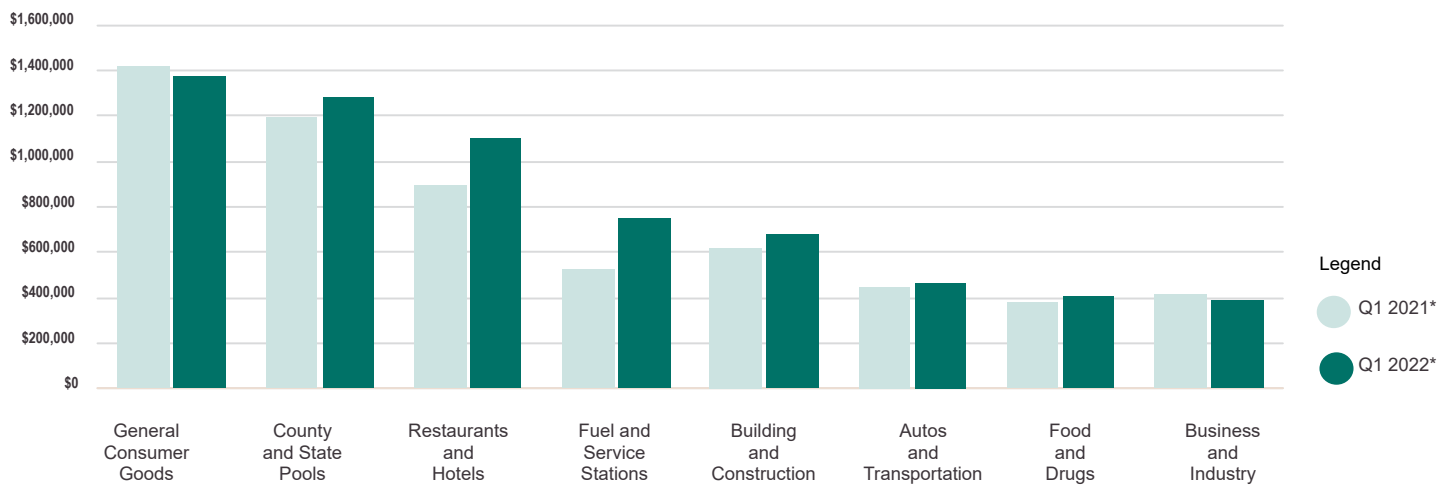


17.1%  
STATE



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

### SALES TAX BY MAJOR BUSINESS GROUP



### Measure X

TOTAL: \$4,344,898

↑ 12.2%



### CITY OF OCEANSIDE HIGHLIGHTS

Oceanside's receipts from January through March were 14.5% above the first sales period in 2021. Excluding reporting aberrations, actual sales were up 9.7%.

Tax proceeds from local service stations surged 42% as the Russian invasion of Ukraine resulted in higher gasoline prices.

Casual dining restaurants continued to rebound from the pandemic, improving 34% compared to last year. New hotel openings further bolstered the local tourism and hospitality industry.

The contractor category received a boost from the purchase of building materials for a local construction effort.

Allocations from the countywide use-tax pool increased 7%, driven higher by strong regional business-industrial activity. Conversely, sporting goods were deflated by an abnormal spike in the prior year resulting from a company organizational change.

Measure X receipts were 12.2% higher than last year, slightly outperforming the City's Bradley-Burns sales tax receipts previously discussed, largely due to strong demand for autos among City residents.

Net of aberrations, taxable sales for all of San Diego County grew 20.0% over the comparable time period; the Southern California region was up 19.2%.



### TOP 25 PRODUCERS

Albertsons  
Best Buy  
Chevron  
Chick Fil A  
Circle K  
CVS Pharmacy  
Discount Tire  
Express Fuel  
G&M  
Home Depot  
In N Out Burger  
Infiniti of Oceanside  
Krannich Solar West  
Lowe's  
McDonald's  
Melrose Shell

Mohsen Oil  
Mossy Nissan  
Nucor Building Systems  
Ross  
Superior Ready Mix  
Target  
TJ Maxx  
United Oil  
Walmart Supercenter



**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

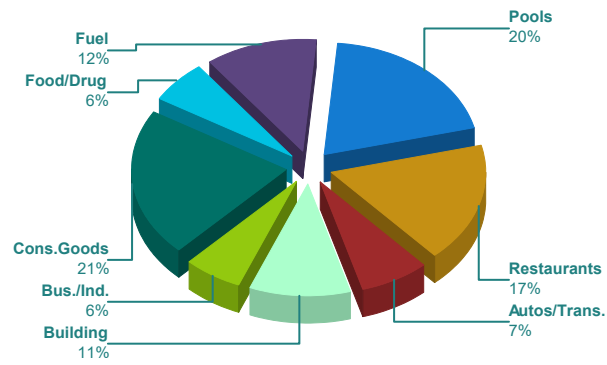
to normal and headwinds from inflation and higher cost goods haven’t yet slowed consumer demand. The stellar returns were largely driven by discount department stores, especially those selling gas.

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**  
Oceanside This Quarter\*



\*ADJUSTED FOR ECONOMIC DATA

**TOP NON-CONFIDENTIAL BUSINESS TYPES**

Oceanside Business Type	Q1 '22*	Change	County Change	HdL State Change
Service Stations	745.9	41.9% ↑	37.2% ↑	43.4% ↑
Casual Dining	507.9	34.2% ↑	64.8% ↑	55.7% ↑
Building Materials	465.5	3.2% ↑	7.7% ↑	7.6% ↑
Quick-Service Restaurants	450.2	5.2% ↑	8.9% ↑	7.8% ↑
Grocery Stores	218.2	1.1% ↑	3.0% ↑	3.3% ↑
Contractors	171.5	44.2% ↑	18.8% ↑	20.5% ↑
Electronics/Appliance Stores	170.2	1.3% ↑	34.1% ↑	12.5% ↑
Specialty Stores	144.1	17.5% ↑	15.4% ↑	10.9% ↑
Family Apparel	143.3	-0.9% ↓	14.6% ↑	9.4% ↑
Automotive Supply Stores	127.9	7.7% ↑	3.8% ↑	4.6% ↑

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\*In thousands of dollars