

CITY OF RED BLUFF

SALES TAX UPDATE

1Q 2021 (JANUARY - MARCH)



RED BLUFF

TOTAL: \$ 1,206,647

23.5%
1Q2021



16.3%
COUNTY

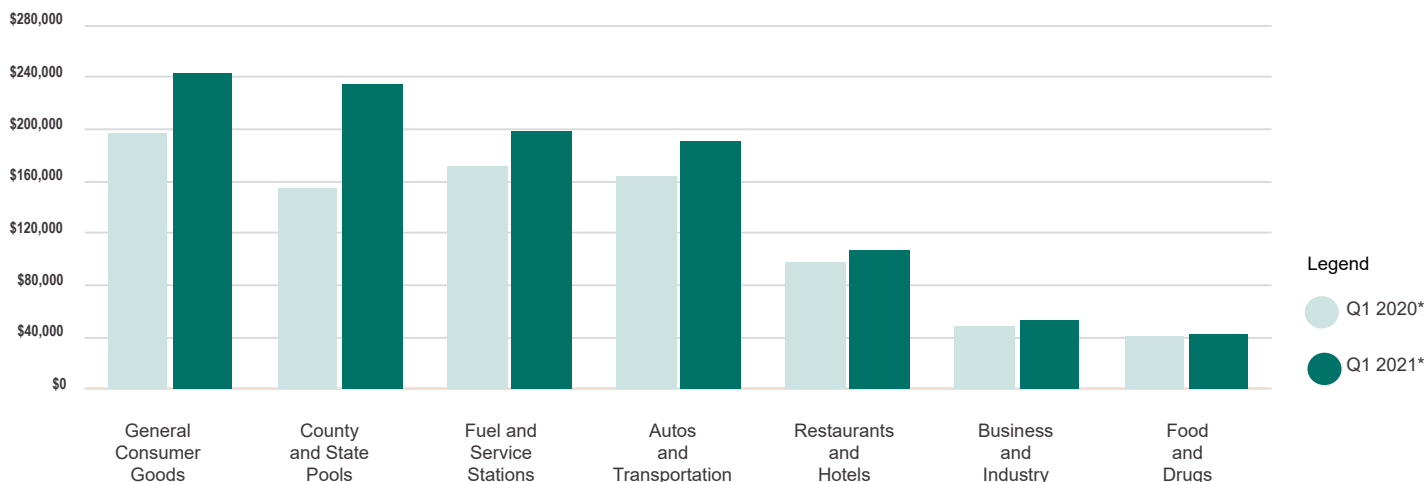


9.5%
STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



Measure A

TOTAL: \$328,805

↑ 12.2%



CITY OF RED BLUFF HIGHLIGHTS

Red Bluff's receipts from January through March were 35.8% above the first sales period in 2020. Excluding reporting aberrations, actual sales were up 23.5%.

A strong post-holiday sales quarter with all sectors up led by general consumer goods. Consumers continue to value the convenience of e-commerce shopping options with more online purchases being made, pushing the City's allocation up 51.2% compared to a year ago.

Higher prices and increased consumption grew fuel receipts for the first time in the past five quarters. Restaurants showed steady growth with quick-service establishments improving, and casual

eateries saw increases with customers eager to dine-in again.

The City's voter approved Measure A transaction tax results improved slightly with solid performance in purchases of used cars, family apparel and the robust online sales activity.

Net of aberrations, taxable sales for all of Tehama County grew 16.3% over the comparable time period; the Far North region was up 17.2%.



TOP 25 PRODUCERS

A Wireless	One Stop Gas & Food
Adobe Minimart	PJ Helicopters
Arco	Raley's
Arco AM PM	Red Bluff Chrysler
Dollar General	Dodge Jeep Ram
Flyers	Red Bluff Gas
Food Maxx	Reynolds Ranch & Farm Supply
Growney Motors	Ross
Harbor Freight Tools	Tractor Supply
Home Depot	Valero
Les Schwab Tire Center	Walmart Supercenter
Marshalls	
McDonalds	
More for Less Gas	
North Valley Mattress & Oak Outlet	



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.

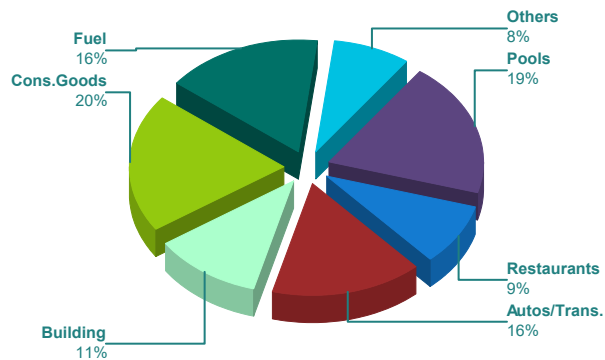
Changes in business structure required a taxpayer to determine where merchandise was inventoried at the time orders were made. Therefore, rather than apportion sales to the county pool representing where the merchandise was shipped, goods held in California facilities required allocations be made to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



*ADJUSTED FOR ECONOMIC DATA

TOP NON-CONFIDENTIAL BUSINESS TYPES

Red Bluff Business Type	Q1 '21	Change	County Change	HdL State Change
Service Stations	191,067	15.6% ↑	4.6% ↑	-3.9% ↓
Quick-Service Restaurants	50,562	8.0% ↑	7.0% ↑	1.1% ↑
Casual Dining	48,538	6.6% ↑	6.7% ↑	-18.9% ↓
Automotive Supply Stores	38,665	23.4% ↑	18.8% ↑	13.7% ↑
Family Apparel	36,626	70.0% ↑	68.7% ↑	20.5% ↑
Grocery Stores	29,428	5.0% ↑	7.4% ↑	-6.3% ↓
Home Furnishings	15,596	44.0% ↑	41.5% ↑	19.3% ↑
Electronics/Appliance Stores	14,299	30.6% ↑	40.9% ↑	9.0% ↑
Specialty Stores	12,175	153.2% ↑	124.9% ↑	9.0% ↑
Auto Repair Shops	6,984	-3.3% ↓	-45.2% ↓	-8.7% ↓

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