

# MADERA COUNTY MEASURE T

## SALES TAX UPDATE

### 2Q 2022 (APRIL - JUNE)



MADERA COUNTY MEASURE T

10.7%



10.1%



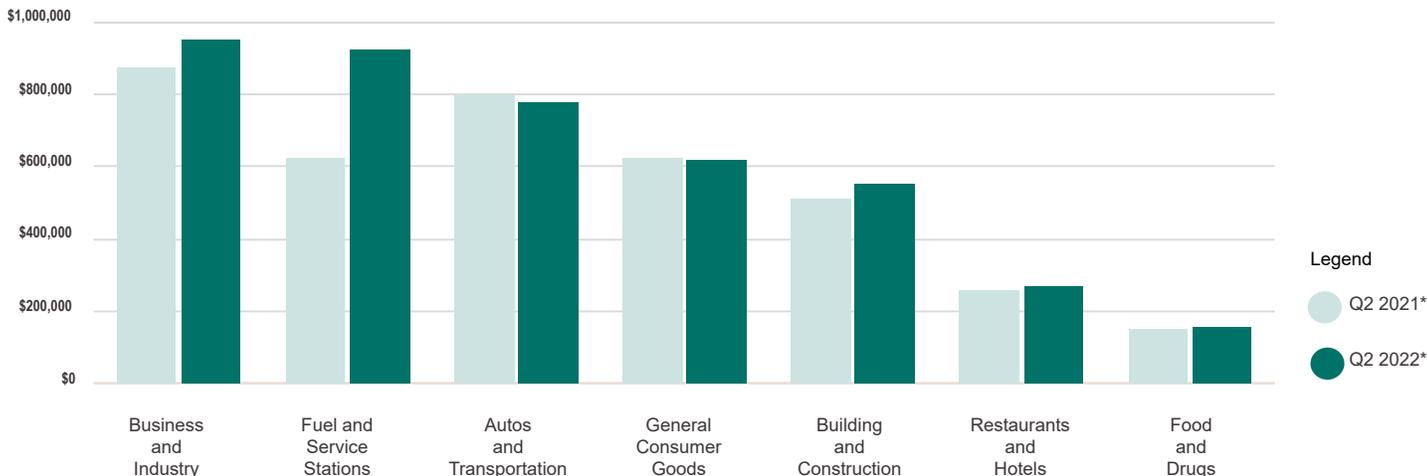
TOTAL: \$ 4,280,498

2Q2022

STATE

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

### SALES TAX BY MAJOR BUSINESS GROUP



## MADERA COUNTY TRANSPORTATION COMMISSION - MEASURE T HIGHLIGHTS

Madera County Transportation Commission - Measure T's receipts from April through June were 7.4% above the second sales period in 2021. Excluding reporting aberrations, actual sales were up 10.7%.

higher pricing to acquire a vehicle. Savvy shoppers have sought out used auto deals to find value. Global crude oil prices continue to break records propelling fuel/service station receipts.

higher input costs in the agricultural industry ranging from farm machinery parts, fertilizer to energy costs, made for gains in garden/ag supplies. Warehouse/farm equipment also contributed to the positive results.

New vehicle sales suffered within the autos-transportation group as reduced inventory continues to be an issue along with the

The business-industry sector reported solid sales even when compared with some one-time allocations in the prior year. With

Spending slowed in the spring for general consumer goods with pricing pressures on essentials such as food and fuel. Consumers concerned about the uncertain economy and inflation realities meant less receipts in this group. The hospitality industry continues to face challenges dealing with labor shortages and escalating costs. Restaurants had strong gains even with the sticker shock of rising menu prices, although quick services restaurant sales declined.

Net of aberrations, taxable sales for all of Madera County rose by 8.5%, while the San Joaquin Valley gained 8%.

### TOP NON-CONFIDENTIAL BUSINESS TYPES

Business Type	Q2 '22*	Change	HdL State Change
Service Stations	781.9	46.8% ↑	36.4% ↑
New Motor Vehicle Dealers	386.8	-5.4% ↓	6.6% ↑
Garden/Agricultural Supplies	286.7	10.7% ↑	-7.5% ↓
Contractors	248.1	12.5% ↑	13.9% ↑
Building Materials	247.9	0.3% ↑	2.9% ↑
General Merchandise	189.5	-0.7% ↓	39.8% ↑
Used Automotive Dealers	186.7	-0.1% ↓	-2.5% ↓
Warehouse/Farm/Const. Equip.	151.4	5.1% ↑	11.2% ↑
Petroleum Prod/Equipment	137.1	60.0% ↑	85.4% ↑
Quick-Service Restaurants	123.4	-3.6% ↓	5.2% ↑

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

*\*In thousands of dollars*



## STATEWIDE RESULTS

Local one cent sales and use tax for sales occurring April through June was 10% higher than the same quarter one year ago after adjusting for accounting anomalies and back payments from previous quarters. These returns mark the sixth consecutive quarter of double-digit growth since the pandemic periods in 2020, with the July-June 2022 fiscal year up 15%.

Commuters returning to offices combined with the Russia-Ukraine conflict continuing to put upward pressure on oil prices and left Californians facing the highest average price per gallon on record resulting in fuel and service station receipts 42% higher than last year. While statewide fuel consumption still trails 2019 levels, local gas prices are expected to remain high until after the summer blend period.

Led by consumer's desire to dine out, a steady rise in tourism and business travel, higher menu prices and great weather, the restaurant sector continues to flourish. Theme parks, entertainment venues and hotels showed the strongest growth with casual dining

establishments remaining solid, a trend likely to remain through 2022.

The automobile sector experienced modest gains for new car dealers and rental car vendors, however sales of used autos and leasing activity has begun to cool. Brands prioritizing full electric and hybrid models still appear to be the most attractive with consumers, however increased financing rates may cause even their activity to dampen. Tight inventories that contributed to dramatic price increases over the last 18 months are also showing signs of loosening as newer models are released in greater numbers.

General consumer goods categories saw steady returns largely propped up by retailers also selling fuel. In comparison with the prior year when consumers were buying merchandise at a record pace, the current returns from apparel and jewelry stores grew moderately with home furnishings showing a slight decrease.

With new housing starts accelerating and residential and commercial property

values rising, construction contractors remain busy. Lumber prices have softened from prior year highs leaving material suppliers with modest gains, however electrical, plumbing and energy suppliers boosted building sector results. Increased investment in capital equipment remains an important area of growth for county pool allocations, especially as online spending for general consumer goods begins to flatten as consumers return to in-store shopping.

Overall, higher priced goods through periods of consistent demand have led to economic inflation. The Federal Reserve Board's recent actions to curb inflation are anticipated to put downward pressure on sales of autos, building materials and financed general consumer goods, resulting in slower growth by year end and into 2023.

## MAJOR BUSINESS GROUP TRENDS BY COUNTY

Percent Change from 2nd Quarter 2021 \*

	Autos/Tran.	Bldg/Const	Bus/ind.	Food/Drug	Fuel	Cons. Goods	Restaurants
<b>Fresno Co.</b>	-4.3%	4.2%	0.6%	6.2%	37.0%	-0.7%	5.3%
<b>Kern Co.</b>	1.5%	6.3%	30.1%	7.3%	36.8%	-3.6%	1.5%
<b>Kings Co.</b>	-4.4%	-12.5%	-37.0%	5.1%	37.6%	-1.4%	0.1%
<b>Madera Co.</b>	-13.6%	1.4%	-0.1%	3.0%	47.2%	-2.7%	3.5%
<b>Merced Co.</b>	-10.9%	-2.3%	-0.3%	-4.2%	41.4%	-4.6%	6.0%
<b>San Joaquin Co.</b>	-3.7%	12.4%	-0.8%	0.0%	44.7%	-0.9%	8.3%
<b>Stanislaus Co.</b>	-9.6%	0.3%	2.4%	-7.5%	44.4%	-3.7%	6.3%
<b>Tulare Co.</b>	-9.7%	9.6%	1.4%	3.3%	32.6%	-5.0%	3.8%

\*Allocation aberrations have been adjusted to reflect sales activity