

CITY OF DUBLIN

SALES TAX UPDATE

3Q 2022 (JULY - SEPTEMBER)



DUBLIN

TOTAL: \$ 6,939,546

5.0%
3Q2022



14.3%
COUNTY

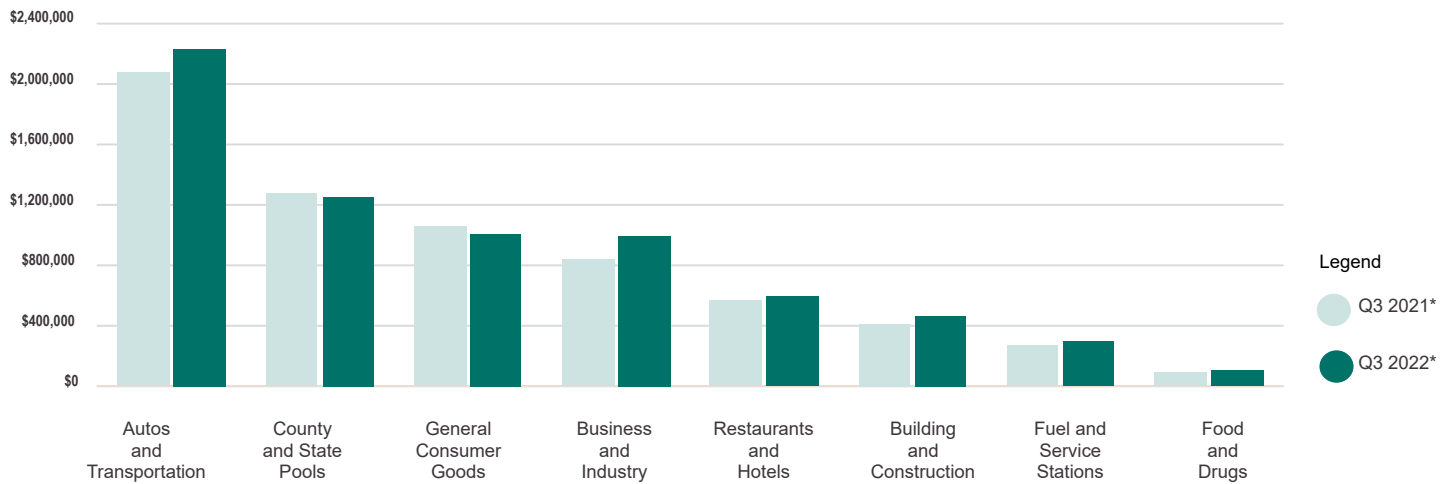


8.0%
STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



CITY OF DUBLIN HIGHLIGHTS

Dublin's receipts from July through September were 6.5% above the third sales period in 2021. Excluding reporting aberrations, actual sales were up 5.0%.

Once again, buyers had access to an assortment of brands and models; the 9% hike in sales taxes from new motor vehicle dealerships included opening of a new venue several months ago.

Business-industry soared 18% with significant surges by a confidential segment and heavy industrial companies along with a onetime allocation for specialized equipment.

Building-construction merchants passed along inflation impacts to customers; notably, 26% and 24% increases were generated, respectively, by plumbing/electrical suppliers and contractors.

While fuel-service stations improved

7%, one taxpayer only paid a portion of their liability for the quarter which suppressed comparisons.

Patrons continued eating out; casual dining rose 7%.

Jitters about the economic climate provoked shoppers pulling back on purchases from home furnishings, electronics/appliances and apparel retailers; general consumer goods decreased 5%.

Agencies within Alameda County that posted greater point of sale growth compared to Dublin translated into a reduced allocation of use taxes from the county pool.

Net of aberrations, taxable sales for all of Alameda County grew 14.3% over the comparable time period; the Bay Area was up 9.9%.



TOP 25 PRODUCERS

- A&A Gas & Food Mart
- All Natural Stone East Bay
- Best Buy
- Carl Zeiss Meditec USA
- Curtis Blue Line
- Dick's Sporting Goods
- Dougherty Road Shell
- Dublin Buick/GMC/Chevrolet/Infiniti
- Dublin Hyundai Genesis
- Dublin Nissan Dublin Infiniti
- El Monte RV
- Fallon Gateway Chevron
- Graybar Electric
- HD Supply
- Honda
- Lowe's
- Mazda
- Nordstrom Rack
- Pace Supply Corp
- Safeway
- Target
- Tesla Motors
- Toyota
- Volkswagen
- Volvo Cars Dublin



STATEWIDE RESULTS

Local one cent sales and use tax for sales occurring July through September was 8% higher than the same quarter one year ago after adjusting for accounting anomalies and back payments from previous quarters. These returns mark another strong period of growth for the California spending economy.

Even as the Federal Reserve Board continued ramping up interest rates in an effort to curb the larger concern of inflation, consumers maintained purchases on multiple fronts, especially automobiles. Surprisingly, new car dealers experienced 10% gains over the comparable period in 2021. Limited inventory and demand for higher mileage vehicles including electric and hybrid models helped support growth. In addition, the increased cost of used vehicles has pushed many into the new vehicle market; in contrast, sales of recreation vehicles and auto leasing activity remained soft.

For Californians, the summer of 2022 had the highest gas prices on record; subsequently fuel and service stations receipts jumped 21%. Commuters and summer travel remained steady, yet overall consumption still trails pre-pandemic levels by approximately 13%. Although the Russia-Ukraine conflict initially caused a dramatic shift in global crude oil markets, prices have begun to pull back closer to historical norms.

Restaurants experienced a strong uptick as increased menu prices, consistent desire to dine out and strong tourism contributed to this favorable news. Just as important, theme parks, leisure-entertainment venues and hotels pushed positive momentum back to 2019 levels. With tightening profit margins and sustained labor concerns, future improvement could be slowed compared to the last two years.

Busy contractors and plumbing-electrical

suppliers boosted the building-construction sector. Solid residential and commercial housing prices persisted despite recent interest rate hikes. Tenant improvements further support spending activity as businesses assess future office needs. With statewide new housing requirements and federal infrastructure funding on the horizon, current forecasts stay optimistic.

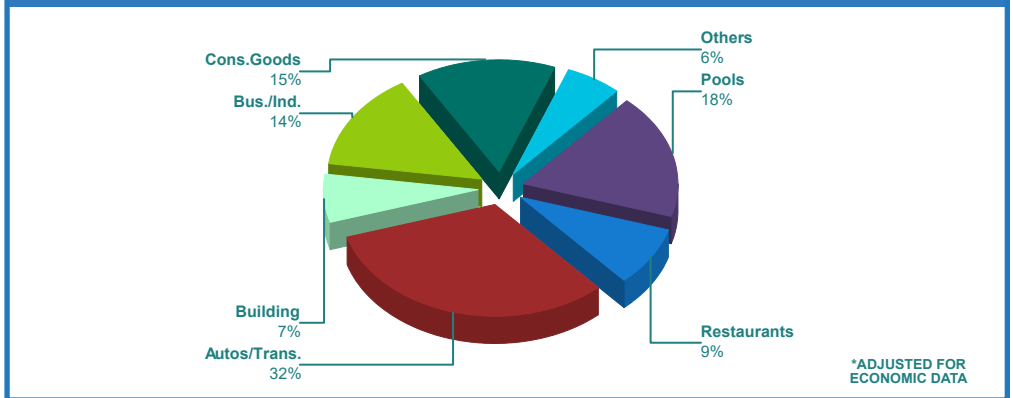
Steady investment in capital equipment coupled with the overall increased price of goods enhanced both business-industry and countywide use tax pool allocations.

For the second straight quarter, fuel sales linked to discount department stores propped up general consumer goods

results. Otherwise, retailers experienced flat to decreased receipts as many apparel categories, home furnishings and sporting goods struggled to keep pace with the prior year. As consumers balanced summer opportunities and higher prices, in-store shopping appears to have taken a temporary back seat.

Sustained price increases and interest rate hikes certainly have consumers contemplating where to spend their dollars. However, historically low statewide unemployment rates and the recovery of the national stock markets from declines earlier this year leave modest optimism heading into 2023.

REVENUE BY BUSINESS GROUP Dublin This Quarter*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Dublin Business Type	Q3 '22*	Change	County Change	HdL State Change
New Motor Vehicle Dealers	1,921.2	8.8% ↑	59.5% ↑	9.9% ↑
Casual Dining	358.7	6.0% ↑	9.9% ↑	10.1% ↑
Service Stations	297.3	7.2% ↑	21.5% ↑	18.6% ↑
Building Materials	190.4	0.6% ↑	3.9% ↑	2.8% ↑
Plumbing/Electrical Supplies	155.3	26.0% ↑	24.5% ↑	12.9% ↑
Electronics/Appliance Stores	150.8	-24.2% ↓	4.0% ↑	3.6% ↑
Home Furnishings	149.5	-9.4% ↓	-1.6% ↓	-6.2% ↓
Sporting Goods/Bike Stores	124.5	-1.9% ↓	2.5% ↑	-4.2% ↓
Quick-Service Restaurants	108.4	-0.6% ↓	6.1% ↑	4.0% ↑
Contractors	106.8	24.2% ↑	8.2% ↑	15.5% ↑

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*In thousands of dollars