

# CITY OF BRENTWOOD

## SALES TAX UPDATE

### 2Q 2022 (APRIL - JUNE)



**BRENTWOOD**

TOTAL: \$ 2,921,226

4.0%  
2Q2022



4.0%  
COUNTY

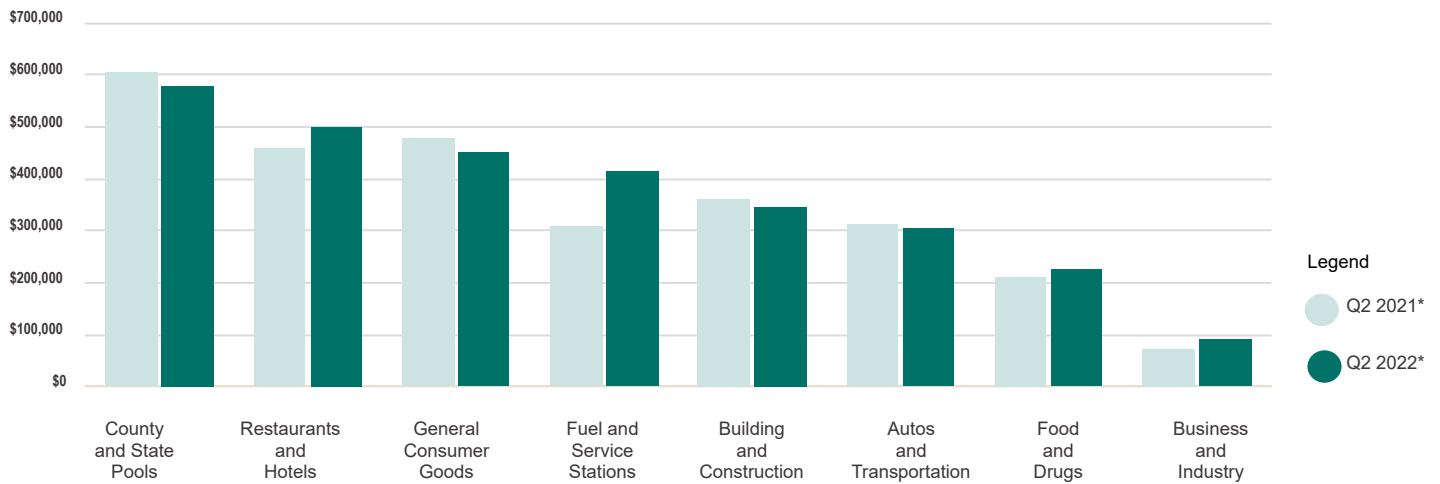


10.1%  
STATE



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

### SALES TAX BY MAJOR BUSINESS GROUP



### CITY OF BRENTWOOD HIGHLIGHTS

Brentwood's gross receipts from April through June were 1.3% above the second sales period in 2021; however, after various reporting modifications, actual receipts were up 4.0%. Net of the pools, place of sale collections rose 6.3% compared to a year ago. Rising inflation may have impacted some spending choices during the spring months.

The Contra Costa Pool dipped compared to last year due to a slowing of countywide online shopping and comparison to a large one-time allocation a year ago. As a result, the City's countywide use tax allocations dropped 4.2%. In-store buying also slowed and most retail sectors fell – with home furnishings leading the decline. Building materials sales and contractor activity ebbed, pulling down building construction revenues. Increased auto

supply store sales could not support the group – as other sectors brought autos-transportation returns lower than a year ago.

On the positive, restaurant-hotels revenues expanded as people enjoyed eating out at quick-service and casual dining establishments - regardless of higher menu prices. The cost of crude oil kept local gas prices high, and coupled with more drivers on the road, service station receipts skyrocketed 33.5%. Contractor activity moved the building-construction returns into positive territory; and the purchasing of garden/agricultural supplies helped improve business-industry results.

Net of adjustments, taxable sales for all of Contra Costa County grew 4.0% over the comparable time period; the Bay Area was up 11.7%.



### TOP 25 PRODUCERS

- 7 Eleven
- Ace Hardware
- Arco AM PM
- Big B Lumber
- Bill Brandt Ford
- BJ's Restaurant & Brewhouse
- Brentwood Gas & More
- Brentwood Ready Mix
- Chevron
- Circle K Gas
- Dallas Shanks Services
- Home Depot
- Home Goods
- Kohls
- Power Market
- Ross
- Safeway
- Sportsman's Warehouse
- TJ Maxx
- Tractor Supply
- Trident Environmental & Engineering
- Ulta Beauty
- Walgreens
- Watersavers Irrigation
- Winco Foods



**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.

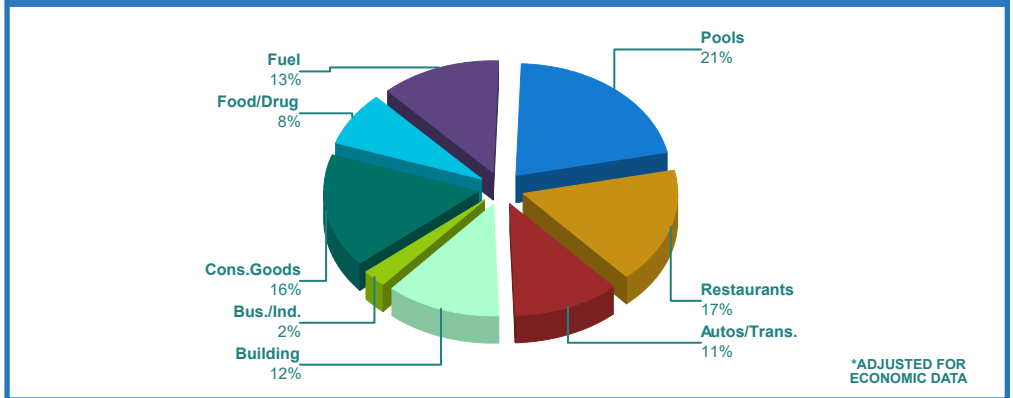
General consumer goods categories saw steady returns largely propped up by retailers also selling fuel. In comparison with the prior year when consumers were buying merchandise at a record pace, the current returns from apparel and jewelry stores grew moderately with home furnishings showing a slight 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 auto sales, building materials and financed general consumer goods, resulting in slower growth by year end and into 2023.

**REVENUE BY BUSINESS GROUP**  
Brentwood This Fiscal Year\*



**TOP NON-CONFIDENTIAL BUSINESS TYPES**

Brentwood Business Type	Q2 '22*	Change	County Change	HdL State Change
Service Stations	414.1	33.5% ↑	43.9% ↑	36.4% ↑
Building Materials	279.9	-1.7% ↓	0.8% ↑	2.8% ↑
Casual Dining	249.2	12.7% ↑	14.2% ↑	17.2% ↑
Quick-Service Restaurants	156.6	2.1% ↑	3.9% ↑	5.2% ↑
Grocery Stores	156.4	5.5% ↑	2.6% ↑	5.3% ↑
Family Apparel	106.9	-0.4% ↓	-2.9% ↓	0.6% ↑
Specialty Stores	76.4	8.9% ↑	9.3% ↑	4.2% ↑
Home Furnishings	63.3	-18.6% ↓	-2.2% ↓	-4.5% ↓
Automotive Supply Stores	57.4	7.2% ↑	2.2% ↑	1.4% ↑
Fast-Casual Restaurants	52.3	-0.5% ↓	5.8% ↑	7.9% ↑

\*Allocation aberrations have been adjusted to reflect sales activity      \*In thousands of dollars