

# CITY OF ALISO VIEJO

## SALES TAX UPDATE

### 2Q 2022 (APRIL - JUNE)



**ALISO VIEJO**

TOTAL: \$ 1,641,701

23.3%  
2Q2022



11.7%  
COUNTY

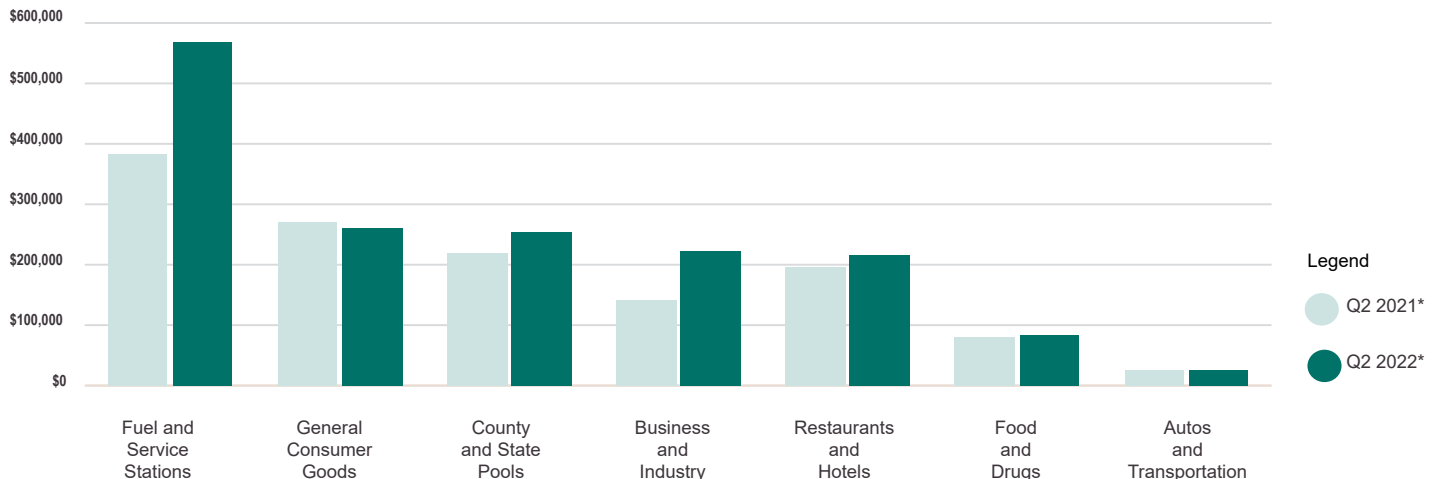


10.1%  
STATE



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

### SALES TAX BY MAJOR BUSINESS GROUP



### CITY OF ALISO VIEJO HIGHLIGHTS

Aliso Viejo's receipts from April through June were 14.6% above the second sales period in 2021, though this was artificially deflated by a large correction by a medical-biotech taxpayer. Excluding this and other reporting aberrations, actual sales were up 23.3%, significantly outperforming the State and regional trend.

Tax receipts from Aliso Viejo's fuel and service station vendors surged 48% on the sky-high price of gasoline compared to last year. This is the City's largest sales tax major industry group and the growth in the category was so great that it accounted for 59% of the City's overall improvement this quarter.

Medical-biotech and other business industrial suppliers also posted a spectacular gain, accounting for an additional 26% of the City's overall

improvement. Casual dining restaurants and leisure and entertainment venues also continued to recover compared to last year's pandemic impaired returns.

The strong overall performance additionally provided the City with a larger share of the countywide use tax pool as this funding is allocated among local agencies based on proportional cash receipts, which were relatively stronger in Aliso Viejo than elsewhere in the County for the reasons previously described.

Net of aberrations, taxable sales for all of Orange County grew 11.7% over the comparable time period; the Southern California region was up 11.1%.



### TOP 25 PRODUCERS

- |                        |                 |
|------------------------|-----------------|
| 76                     | Ralphs          |
| Aliso Creek Shell      | Rxsight         |
| All Hands Car Wash/    | Shell           |
| Chevron                | Stadium Brewing |
| Barnes & Noble         | Company         |
| Chevron                | Stater Bros     |
| Chick Fil A            | Target          |
| Circle K/Mobil         | TJ Maxx         |
| CVS Pharmacy           | Trader Joes     |
| eFuel                  |                 |
| El Dorado Hand Car     |                 |
| Wash                   |                 |
| Lasting Interior       |                 |
| Metagenics             |                 |
| Microvention           |                 |
| Neogenomics            |                 |
| Laboratories           |                 |
| Pacific Park Auto Care |                 |
| Petsmart               |                 |
| Raising Cane's         |                 |



**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.

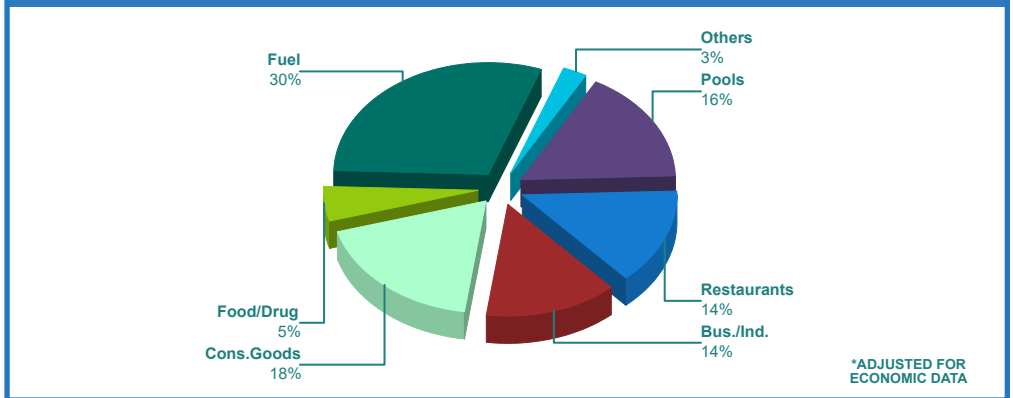
General consumer goods categories saw steady returns largely propped up by retailers also selling fuel. In comparison with the prior year when consumers were buying merchandise at a record pace, the current returns from apparel and jewelry stores grew moderately with home furnishings showing a slight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



**TOP NON-CONFIDENTIAL BUSINESS TYPES**

Aliso Viejo Business Type	Q2 '22*	Change	County Change	HdL State Change
Service Stations	225.2	8.7% ↑	37.2% ↑	36.4% ↑
Medical/Biotech	99.6	47.7% ↑	9.9% ↑	5.3% ↑
Casual Dining	74.0	14.9% ↑	13.6% ↑	17.2% ↑
Quick-Service Restaurants	60.5	-3.0% ↓	7.5% ↑	5.2% ↑
Fast-Casual Restaurants	51.3	1.9% ↑	6.6% ↑	7.9% ↑
Leisure/Entertainment	27.2	46.4% ↑	64.2% ↑	69.7% ↑
Specialty Stores	24.1	8.2% ↑	8.5% ↑	4.2% ↑
Home Furnishings	20.9	22.0% ↑	-1.8% ↓	-4.5% ↓
Electronics/Appliance Stores	16.3	-14.1% ↓	-1.0% ↓	-1.0% ↓
Automotive Supply Stores	13.4	14.0% ↑	2.9% ↑	1.4% ↑

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