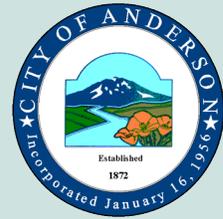


# CITY OF ANDERSON

## SALES TAX UPDATE

### 4Q 2020 (OCTOBER - DECEMBER)



#### ANDERSON

TOTAL: \$ 871,927

8.6%  
4Q2020



5.0%  
COUNTY

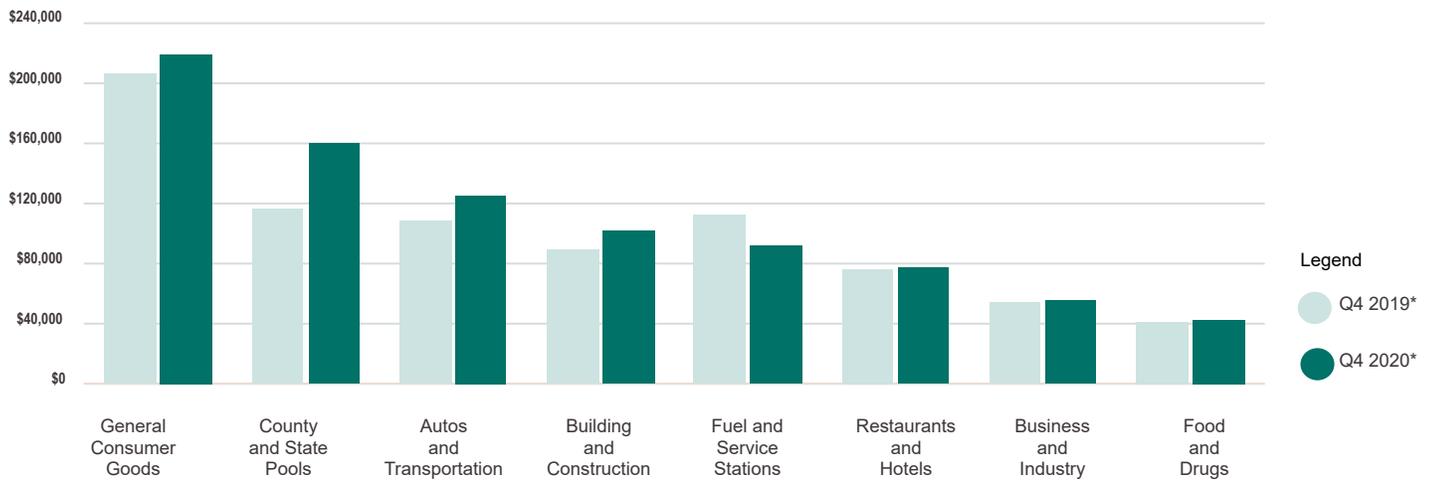


-2.0%  
STATE



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

#### SALES TAX BY MAJOR BUSINESS GROUP



#### Measure A

TOTAL: \$472,933

9.8%



#### CITY OF ANDERSON HIGHLIGHTS

Anderson's receipts from October through December were 8.6% above the fourth sales period in 2019 even after deducting late/deferred payments and other reporting adjustments.

More than half of this period's receipt growth came from the bump in the City's allocation from the use tax pool which itself is bursting with taxes from online sales. As consumer spending shifts to services, travel and restaurant dining, the allocations will see less growth while gas station and restaurant receipts will begin to increase.

Anderson was one a few select spots in the state sought for stay cations that

allowed the Covid-weary to take a break and get out into the open safely.

Measure A also benefited from a strong uptick in business along with a healthy increase in taxes from online sales. One surprise was the increase in new vehicles purchased and registered within the city.

Net of adjustments, taxable sales for all of Shasta County grew 5.0% over the comparable time period while those of the entire Far North region were up 6.5%.



#### TOP 25 PRODUCERS

- Ace Hardware Express
- Arco AM PM
- Beacon w/Mikes Food & Fuel
- Bejac
- Boot Barn
- Camping World RV
- Chevron
- Fasteners
- Gander RV
- Handisport Market
- Les Schwab Tire Center
- McDonalds
- Norcal Kenworth Anderson
- O'Reilly Auto Parts
- Outdoor Creations
- Payless Building Supply
- Pendleton Woolen Mills
- Rite Aid
- Safeway
- Safeway Fuel
- Sonic
- Systems Plus Lumber
- Tractor Supply
- USA Gas
- Walmart Supercenter



**STATEWIDE RESULTS**

The local one cent sales and use tax from sales occurring October through December, the holiday shopping season, was 1.9% lower than the same quarter one year ago after adjusting for accounting anomalies and back payments from previous periods. Lower receipts were primarily concentrated in the Bay Area and coastal southern regions while much of inland California, including the San Joaquin Valley, Inland Empire, and northern regions, exhibited solid gains.

As expected, the larger place of sale categories which have been negatively impacted throughout the pandemic continue to be brick and mortar general consumer goods retailers like family apparel, department, and electronics/appliance stores. With limited to zero allowed indoor dining (depending on a County's Covid-19 tier assignment), restaurants and hotels suffered the largest losses especially in communities that strongly rely on tourism. Although the workforce has slowly begun to return to physical office environments, fuel and service stations revenues lagged the prior year performance.

It does not appear that Governor Newsom's second 'shelter at home' directive, initiated by the increase in Covid-19 cases had an impact on overall results. While some merchants chose to utilize the Governor's executive order allowing for a 90-day deferral of sales tax remittance, it was substantially less than the similar opportunity companies utilized during the 1st and 2nd quarters of 2020. The outstanding payments for most California cities will be remitted before the end of the 2020-21 fiscal year.

On the bright side, as consumer confidence stabilized post the national

presidential election, customers were motivated to comfortably spend on high-end luxury automobiles, boats-motorcycles, RVs, and sporting goods/equipment.

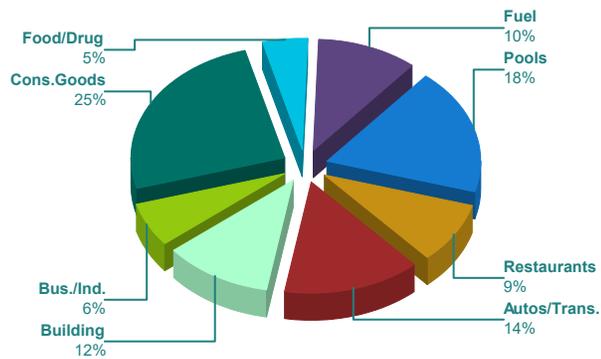
The building-construction sector, with 1) increased price of goods - like lumber, 2) continued home improvement projects, and 3) advantageous fall/winter weather conditions saw strong gains that remained consistent throughout the calendar year.

Exponential growth from countywide use tax pools further helped offset the declines. Greater online shopping signifying a permanent shift of consumer

habits to this more convenient experience was inevitable.

On the horizon, mass deployment of the Covid-19 vaccine will help a greater number of businesses, restaurants and theme parks to reach reopen status. Recent approval of the American Rescue Plan Act of 2021 will further support greater consumer spending, albeit in targeted segments. Pent up demand for summer outdoor experiences and travel is likely and thereby household spending is temporarily reverted away from taxable goods when compared to recent activity.

**REVENUE BY BUSINESS GROUP**  
Anderson This Quarter\*



\*ADJUSTED FOR ECONOMIC DATA

**TOP NON-CONFIDENTIAL BUSINESS TYPES**

Anderson Business Type	Q4 '20	Change	County Change	HdL State Change
Service Stations	85,013	-17.9% ↓	-25.7% ↓	-31.3% ↓
Building Materials	75,332	28.4% ↑	9.7% ↑	17.4% ↑
Trailers/RVs	48,719	15.5% ↑	24.3% ↑	27.7% ↑
Quick-Service Restaurants	48,088	10.6% ↑	-8.5% ↓	-8.7% ↓
Automotive Supply Stores	26,829	20.2% ↑	10.5% ↑	3.3% ↑
Contractors	24,843	-16.2% ↓	-16.2% ↓	2.3% ↑
Casual Dining	23,074	-4.1% ↓	-23.1% ↓	-39.4% ↓
Family Apparel	18,499	7.4% ↑	-32.5% ↓	-16.1% ↓
Electronics/Appliance Stores	10,356	-5.4% ↓	-7.6% ↓	-25.0% ↓
Heavy Industrial	9,916	-22.7% ↓	34.8% ↑	-10.3% ↓

\*Allocation aberrations have been adjusted to reflect sales activity