

# CITY OF HEALDSBURG

## SALES TAX UPDATE

### 2Q 2022 (APRIL - JUNE)



#### HEALDSBURG

TOTAL: \$ 1,701,087

5.7%  
2Q2022



6.6%  
COUNTY

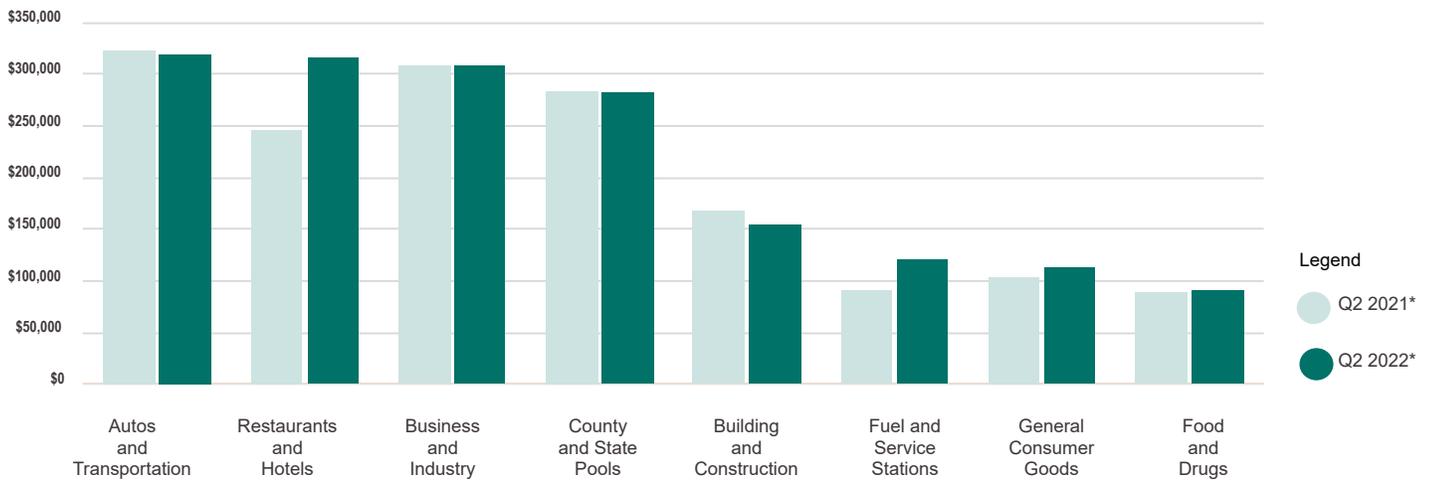


10.1%  
STATE



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

#### SALES TAX BY MAJOR BUSINESS GROUP



#### Measure V

TOTAL: \$807,944

18.8%



#### CITY OF HEALDSBURG HIGHLIGHTS

Healdsburg's receipts from April through June were 3.9% below the second sales period in 2021. Excluding reporting aberrations, actual sales were up 5.7%.

Locals and visitors alike continued preferences for out-of-home spending during the spring months. 28% gains from restaurants-hotels revealed stronger tax returns from casual dining, lodging venues; fine dining establishments soared 45% above payments from last year.

World events thrust crude oil prices into record territory; this translated into service stations 34% surge in revenues.

General consumer goods rose 8% which

outpaced county and statewide trends. Inflation impacts and more tourists enhanced grocer's sales by 16%.

Struggles to provide buyer's desired vehicle options and packages due to parts shortages and supply chain issues pulled autos-transportation down 1%. Demand for building materials and contractors services fell.

Increased Measure V taxes came from multiple sectors; largest growth showed up in eating venues, business-industry companies and fuel sellers.

Net of aberrations, taxable sales for all of the Bay Area grew 11.7% over the comparable time period.



#### TOP 25 PRODUCERS

Barndiva  
Big Johns Market  
Carlsen & Associates  
Central Valley Builders Supply  
E & M Electric & Machinery  
Fast Lane Gas & Food  
Garrett Hardware & Plumbing  
Golden State Cider  
Healdsburg Chevron & Carwash  
Healdsburg Gas Mart  
Healdsburg Lumber  
Jerrys Valero  
Matheson

McConnel Chevrolet  
Chrysler Dodge Jeep  
Montage Healdsburg  
Opperman & Son  
Penrose Hill  
Rotten Robbie  
Safeway  
Sanderson Ford  
Silveira Buick/GMC  
Singlethread Farm  
Restaurant Inn  
Westtec Tank & Equipment Company  
Wilbur Ellis  
Willi's Seafood & Raw Bar



**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.

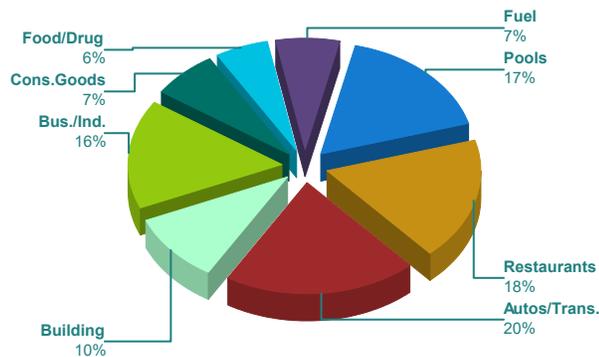
General consumer goods categories saw steady returns largely propped up by retailers also selling fuel. In comparison with the prior year when consumers were buying merchandise at a record pace, the current returns from apparel and jewelry stores grew moderately with home furnishings showing a slight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

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



\*ADJUSTED FOR ECONOMIC DATA

**TOP NON-CONFIDENTIAL BUSINESS TYPES**

Healdsburg Business Type	Q2 '22*	Change	County Change	HdL State Change
Building Materials	129.9	-8.3% ↓	-5.2% ↓	2.9% ↑
Service Stations	120.8	34.0% ↑	30.5% ↑	36.4% ↑
Casual Dining	119.7	19.5% ↑	12.8% ↑	17.2% ↑
Wineries	108.8	-4.6% ↓	-4.7% ↓	1.5% ↑
Hotels/Motels	89.6	35.3% ↑	58.3% ↑	112.8% ↑
Fine Dining	74.0	45.2% ↑	12.6% ↑	18.0% ↑
Grocery Stores	57.8	16.1% ↑	4.2% ↑	5.3% ↑
Food Service Equip./Supplies	36.7	-10.6% ↓	8.1% ↑	10.7% ↑
Heavy Industrial	27.9	15.1% ↑	-6.3% ↓	10.0% ↑
Quick-Service Restaurants	20.4	15.5% ↑	2.8% ↑	5.2% ↑

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\*In thousands of dollars