



CITY OF PACIFICA

MEASURE Y CITIZENS' OVERSIGHT COMMITTEE

AGENDA

Tuesday, June 18, 2024, 5:30 PM
Pacifica Community Center, Portola Conference Room
540 Crespi Drive, Pacifica

CALL TO ORDER:

Roll Call:

- a. **Members:** Marjory Davis, David Griesbach, Nicholas Humann, Joe Hurley
- b. **Staff Liaison:** Yulia Carter
- c. **Additional Staff Present:**

ADMINISTRATIVE BUSINESS:

1. Review of the Annual Comprehensive Financial Report as relevant to Measure Y:
<https://www.cityofpacifica.org/home/showpublisheddocument/17224/638417824961230000>
2. Review FY 2023-24 Mid-Year Budget Review (item #5):
<https://pacificacityca.iqm2.com/Citizens/FileOpen.aspx?Type=1&ID=1523&Inline=True>
3. Review FY 2023-24 Financial Report for the Third quarter:
<https://pacificacityca.iqm2.com/Citizens/FileOpen.aspx?Type=1&ID=1538&Inline=True>
4. Review Proposed FY 2024-25 Base Budget
<https://pacificacityca.iqm2.com/Citizens/FileOpen.aspx?Type=1&ID=1531&Inline=True>
5. Review FY 2024-25 Proposed Budget
<https://pacificacityca.iqm2.com/Citizens/FileOpen.aspx?Type=1&ID=1538&Inline=True>
6. Review Most Recent Sales Tax Data (Attachments 6-1 to 6-4)
7. Committee Discussion and Recommendations to Staff on Preparation of the Annual Committee Report Regarding Measure Y Finding
8. Next Scheduled Meeting Date – To Be Determined

ORAL COMMUNICATIONS (Public Comments on Items Not on Posted Agenda)

This portion of the agenda is available to the public to address the Committee on any issue within the subject matter jurisdiction of the Committee that is not on the agenda.

ADJOURNMENT

CALIFORNIA FORECAST

SALES TAX TRENDS & ECONOMIC DRIVERS

APRIL 2024



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Overview: As 2024 unfolds, many of the same economic conditions remain in play, with varying effects on the overall outlook. Monitoring the Fed to gauge when interest rates will recede is a primary focus. Monthly unemployment trends and inflation results will determine how swiftly and significantly borrowing costs decrease. Results from the final quarter of 2023 confirmed a shift in consumer behavior, with people opting for essential household items over more expensive purchases. With the exception of Business/Industry and Restaurants/Hotels, all other groups saw negative comparisons to the fourth quarter of 2022. Consumer debt has soared while personal savings dwindle, suggesting only modest gains in the coming fiscal year.

2023/24 | 2024/25

2023/24 | 2024/25

 **Autos/Transportation**

-3.6% | 2.0%

The pricing dynamics of new vehicles, particularly within electric and luxury segments, are adjusting following a period of significant inflation. Simultaneously, as dealership inventories stabilize, manufacturers are intensifying incentives, leading to reduced transactional values and impacting tax receipts. Dealerships are facing heightened competition and prevailing high lending rates, prompting potential buyers to exercise caution. Reports indicate a substantial tightening of credit conditions, affecting even creditworthy borrowers and contributing to a deceleration in market activity. Projections suggest a gradual market normalization through 2024, a modest resurgence anticipated in the latter half of the year driven by expected reductions in financing rates.

 **Fuel/Service Stations**


-2.6% | 1.4%

This sector experienced an overall reduction in the fourth quarter, primarily due to the initially skyrocketing, then plummeting prices of regular and diesel fuel. Oil barrel costs rose more than anticipated, which mitigated the overall reduction in sales tax. A normal historical pattern of prices at the pump, including a boost in the spring and summer months followed by a drop in late fall and early winter, is anticipated throughout calendar years 2024 and 2025. We forecast a minor overall increase in FY 2024 - 25 before returning to stable 2% growth in the outer years.

 **Building/Construction**

-1.3% | 3.1%

Strong demand for repairs to address storm-damaged roofing bolstered the construction sector. Both material suppliers and roofing contractors reported a second consecutive quarter of new business leading to long wait lists. Contractors are optimistic about new project bids for infrastructure work funded by the Infrastructure Investment and Jobs Act, as they drive more business for asphalt and concrete batch plants. Conversely, home improvement centers and lumber retailers experienced declines. Mortgage rates are decreasing, but not enough to stimulate new construction. When the Fed indicates that conditions warrant a reversal of prior rate hikes, a swift response from this sector is anticipated. Expansion in statewide construction activity is projected for FY 2026-27.

 **General Consumer Goods**

-1.8% | 1.6%

Core retail categories fell short of expectations for the 2023 holiday quarter, leading to a contraction in direct local tax allocations across nearly all business types. This reinforces the anticipated pullback and tightening of family budgets. Recent CPI readings suggest that core goods prices are flat, so expect near-term results to be more influenced by changes in consumption rather than price. While borrowing costs remain elevated and access to cheap credit is now a thing of the past, the forecast lowered near-term expectations for the current fiscal year. The sooner the Fed implements rate cuts, the sooner consumers could feel some relief and return to purchasing beyond essential goods. The outlook expects mild growth in the 2024-25 fiscal year.

 **Business/Industry**


0.5% | 1.7%

Following several years of expansion, this group experienced a 2.2% dip. Of the group's 21 different sectors, only six landed in positive territory. Fulfillment centers, accounting for 31% of total revenues, ended the quarter essentially even as ecommerce continued to fill more orders from warehouses based in California. The largest gain occurred in energy/utilities, driven by regional energy/solar projects. Most significantly, the medical/biotech sector contracted as equipment and supply needs tapered off. Both heavy and light industry faced inventory, pricing, and demand challenges, while sales in business-to-business and office equipment/IT slowed down. Considering the influencing variables for these various sectors, HdL projects limited growth for the current year followed by slow expansion in succeeding years.

 **Restaurants/Hotels**

1.9% | 3.3%

Nationally, rising menu prices are reaching a tipping point where diners are opting to eat out less frequently. In California, this is worsened by the upcoming minimum wage hike for fast food restaurants, effective April 1. Savvy restaurateurs are strategically implementing increases to mitigate sticker shock while preparing for the rising operating costs. Meanwhile, other establishments have responded with significant, noticeable menu price surges, garnering attention nationwide. As consumers still desire to eat out and travel, they are making more cost-conscious decisions, resulting in slower growth.

 **Food/Drugs**

-2.7% | 1.5%

Although inflation has softened, consumer spending at grocery stores declined 5% in Q4 of 2023. Shoppers, anticipating flat sales, pulled back on spending. Convenience-liquor stores experienced diminishing profits as younger adults turned to caffeinated non-alcoholic drinks. Cannabis retail sales saw a dismal 10% decrease as businesses and investors alike endure ongoing challenges from the illicit market. Furthermore, as one major drug store chain begins closing multiple locations across the state, consumers are turning to competitors or ecommerce. As this sector right-sizes through closures, mergers, and building consumer confidence, anticipate fewer taxes to be captured in the current year before gradually rising in the coming fiscal year.

 **State and County Pools**

-0.4% | 2.0%

Ecommerce as a means of purchasing products remained strong. Online holiday spending across the country grew 5% when compared to the same period last year. More sales were made via mobile than desktop for the first time. Additionally, "buy now pay later" emerged as a popular alternative to credit card or cash usage; however, payment obligations rise in the spring and summer months. Year-to-date pool receipts declined in the first two quarters, affected by taxpayer filing changes and significant reductions in private party auto sales. Expansion of AI and voice search deployment along with improvements in personalized customer experiences through technology investments are expected to bolster future use taxes generated via online transactions. The slight downturn for FY 2023-24 should turn positive next year.



NATIONAL AND STATEWIDE ECONOMIC DRIVERS

2023/24 | 2024/25

2023/24 | 2024/25



U.S. Real GDP Growth

2.5% | 1.9%

Real GDP grew at an annual rate of 3.2% in 4Q2023, driven by increases in consumer spending, exports, and local and state government expenditures. Despite a decline in confidence, consumer spending rose a solid 2.6%, inflation adjusted, over the past year. Top categories for spending growth include recreational vehicles and goods (12%), new cars (4%), restaurants and hotels (4%) and recreational services (4%). The U.S. will almost certainly experience a reasonable pace of GDP growth in 2024, led by solid growth in consumer demand. Labor markets will remain tight, industrial production will be steady, and long run interest rates will likely stay in the same range. In many ways 2024 will resemble 2023 with a steady, moderately expanding economy. Strong consumer demand suggests inflation will be running hotter than the 2% pace that the Federal Reserve hopes to achieve.



U.S. Unemployment Rate

3.9% | 4.2%

Unemployment in the nation remains low despite a slight increase from 3.7% in January to 3.9% in February. In January, there were 1.44 job openings for every unemployed person, indicating a tight labor market, despite higher interest rates. The U.S. job openings rate was 5.3%; lower than its peak in March 2022, but still higher than before the pandemic. Tight labor markets will continue to push up real earnings, which grew at rate of 3.6% in 2023. The labor force participation rate remained steady at 62.5%, slightly below the 63.3% rate right before the pandemic began, which is surprising given the strong real earnings growth.



CA Unemployment Rate

5.2% | 5.4%

The unemployment rate in California has steadily increased since reaching a low of 3.8% in August 2022. In February 2024, unemployment reached 5.3%, marking a 0.8 percentage-point increase year-over-year, and a 0.1 percentage-point increase from the previous month. The state's unemployment rate remains elevated compared to the 3.9% rate in the United States overall. California continues to struggle with its labor supply, which fell by 6,900 in February. Since February 2020, the state's labor force has declined by 243,400 workers, a 1.2% decrease. This lack of growth can be attributed to the low number of housing permits issued in California; a workforce cannot grow if there is nowhere for workers to live.



CA Residential Building Permits

110,931 | 112,638

Excess demand for housing continues to be a significant issue in California. Although the number of residential permits in the state remains above pre-pandemic levels, there are concerns that the current level is insufficient to close the demand gap. Residential permits rose sharply after 2020 and this trend has persisted, reaching an all-time high at the end of 2023. In the fourth quarter of 2023, the number of residential permits increased slightly at a rate of 6.8% year-over-year. Given the recent easing of mortgage rates, residential permits will likely continue to expand, and a moderate increase in permits is expected in the near term.



CA Total Nonfarm Employment Growth

0.8% | 0.7%

California's total nonfarm employment has grown 20.3% since the economic recovery from the pandemic began. As of February 2024, California had recovered all the jobs that were lost in March and April 2020, and there are now 294,100 more people employed in the state compared to pre-pandemic February 2020. Total nonfarm employment in California has grown 1.7% over this time compared to a 3.6% increase nationally. Job growth has experienced a drag as the labor force has declined in California. Given the sluggishness in labor force growth, the labor market in California is likely to continue cooling.



CA Median Existing Home Price

\$717,173 | \$762,767

Following the pandemic recession, the median price of a single-family home in California peaked at \$837,600 in April 2022. That median declined steadily for nearly a year, reaching \$693,800 in January 2023. Since then, price growth has accelerated, with the state's median price rising 11.3% year-over-year by February 2024. Currently, home prices are 38.9% above their pre-pandemic peak in February 2020, with a median price of \$784,500. The state's severe housing shortage is the primary reason prices have exhibited robust growth despite high mortgage rates and declining sales. Existing homeowners are reluctant to sell because they are "locked-in" to low mortgage rates, further exacerbating the housing shortage.

Proposition 172

While Proposition 172 (the 1/2 cent tax rate designated for Public Safety) projections closely track with the statewide Bradley-Burns, calculations vary somewhat due to the state's allocation methodology. HdL estimates an average statewide decrease of 1.1% for fiscal year 2023-24 and a modest 1.8% gain in 2024-2025. Current projections reflect the county allocation factors published by the SCO in late August 2023 (which should likely change in April 2024). Recent reductions in Bradley-Burns countywide pool allocations elevated direct allocation distributions for a portion of internet-related sales, thus, pro-rata factors are impacted for many counties.

Watch our webinar for more info!





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California's allocation data trails actual sales activity by three to six months. HdL compensates for the lack of current information by reviewing the latest reports, statistics and perspectives from fifty or more economists, analysts and trade associations to reach a consensus on probable trends for coming quarters. The forecast is used to help project revenues based on statewide formulas and for reference in tailoring sales tax estimates appropriate to each client's specific demographics, tax base and regional trends.

Beacon Economics LLC

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Beacon Economics has proven to be one of the most thorough and accurate economic research/analytical forecasting firms in the country. Their evaluation of the key drivers impacting local economies and tax revenues provides additional perspective to HdL's quarterly consensus updates. The collaboration and sharing of information between Beacon and HdL helps both companies enhance the accuracy of the work that they perform for their respective clients.

CITY OF PACIFICA

SALES TAX UPDATE

4Q 2023 (OCTOBER - DECEMBER)



PACIFICA

TOTAL: \$ 772,436

-4.0%

4Q2023



1.5%

COUNTY



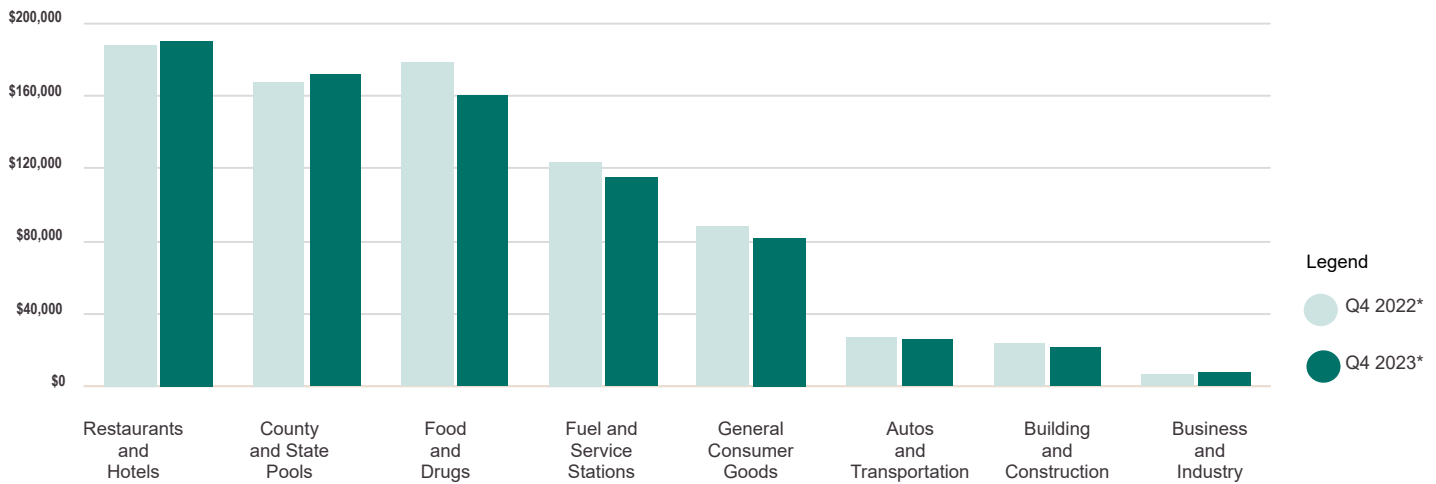
-2.5%

STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



Measure Y

TOTAL: \$666,353



CITY OF PACIFICA HIGHLIGHTS

Pacifica's gross receipts from October through December were 3% below the fourth sales period in 2022. However, after adjusting for reporting modifications such as audit adjustments and delayed payments, actual sales were down 4%. Most tax groups declined for the period.

People enjoyed the experience and convenience of dining out during the winter months - with improved revenues at quick-service and fast-casual establishments (assisted by a new fast-casual taxpayer in town). The City's allocation from the countywide use tax pool bumped up 2.7%, with strong internet sales and a large one-time allocation to the pool.

Less spending at grocery and cannabis stores dropped food-drug receipts 10.5%. The fluctuating price of crude oil negatively affected service station returns, and other auto-related spending decreased. A weakening in retail spending during the busy holiday season contributed to a fall in related revenues.

Voter-approved Measure Y reported for the third quarter and reflected strong new car and internet purchases by local residents.

Net of adjustments, taxable sales for all of San Mateo County grew 1.5% over the comparable time period; the Bay Area was down 4.8%.



TOP 25 PRODUCERS

- 7 Eleven
- 76
- Bloom Room
- Cheesesteak Shop
- Chevron
- City Arms
- Coastside
- Dollar Tree
- Grand Hot Pot
- Grocery Outlet
- Hassett Ace Hardware
- Lytt
- McDonald's
- Moonraker
- Nicks Restaurant
- Oceana Market
- Pet Food Express
- Puerto 27
- Rite Aid
- Ross
- Safeway
- Shell
- Soul Grind
- Taco Bell
- Walgreens



STATEWIDE RESULTS

California’s local one cent sales and use tax receipts during the months of October through December were 2.5% lower than the same quarter one year ago after adjusting for accounting anomalies. The fourth quarter is notably the highest sales tax generating quarter of the year and exhibited diminished year-over-year returns as consumers balanced higher prices and financing costs with essential household needs.

Higher interest rates impacted the auto-transportation sector, especially luxury vehicles, as the group dropped 6.2%. Inventories for many dealers returned, creating downward pressure on prices, further constraining receipts. Lenders have tightened credit standards, making loan financing challenging. Improved leasing activity was the lone bright spot. With slow movement expected by the Federal Treasury setting interest rate policy, future revenue growth may stagnate.

Fuel and service stations contributed a similar downturn, as lower fuel prices reduced receipts from gas stations and petroleum providers. While this has been the trend throughout 2023, recently global crude oil prices have been on the rise and should see growth in the coming year. This decline also impacted the general consumer goods category as those retailers selling fuel experienced a similar drop.

During this holiday shopping period, general consumer goods experienced lackluster sales as results pulled back 3.4%. Most sectors saw reductions with home furnishings, women’s apparel, shoe and electronic-appliance stores being the most significant. Returns also marked the fourth consecutive quarter showing comparable declines. Similar to the anticipated trend of new vehicles, consumer spending may be sluggish in the near term.

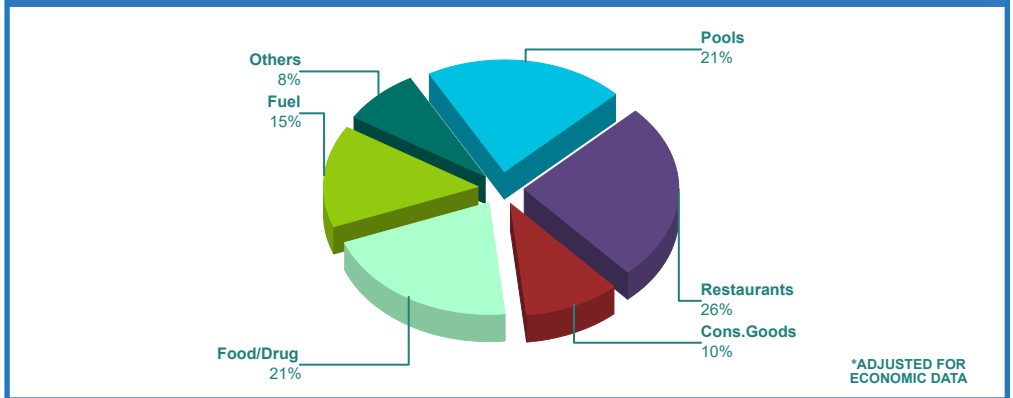
Even though revenue from most major sectors slowed, restaurant sales remained steady with a modest gain of 1.0%. Results from casual dining establishments grew during the early winter period as patrons enjoyed indoor dining. However, following the greater trend of consumers looking for value, fine dining eateries experienced lower receipts. The industry is still bracing for implementation of AB 1228, a new law increasing minimum wages for ‘fast food restaurants’, on April 1, 2024.

Use taxes remitted via the countywide pools grew 1.0%, marking the first positive rebound after four consecutive quarters of decline. While overall online sales volume is steady,

pool collections contracted more taxes allocated directly to local agencies via in-state fulfillment and through existing retail outlets.

Statewide, calendar year 2023 ended with a 2.3% decline from 2022. Elevated inflation and interest rates led to higher cost of goods resulting in consumers not spending as much as they had prior. Following multiple years of post-pandemic tax growth assisted by federal tax policy and temporary workplace accommodations, consumers reassessed their economic conditions and limited purchases. As the Federal Reserve considers delaying softening rates, consumer spending could likely stagnate delaying a return to the normal historical growth trend in 2024.

REVENUE BY BUSINESS GROUP Pacifica This Calendar Year*

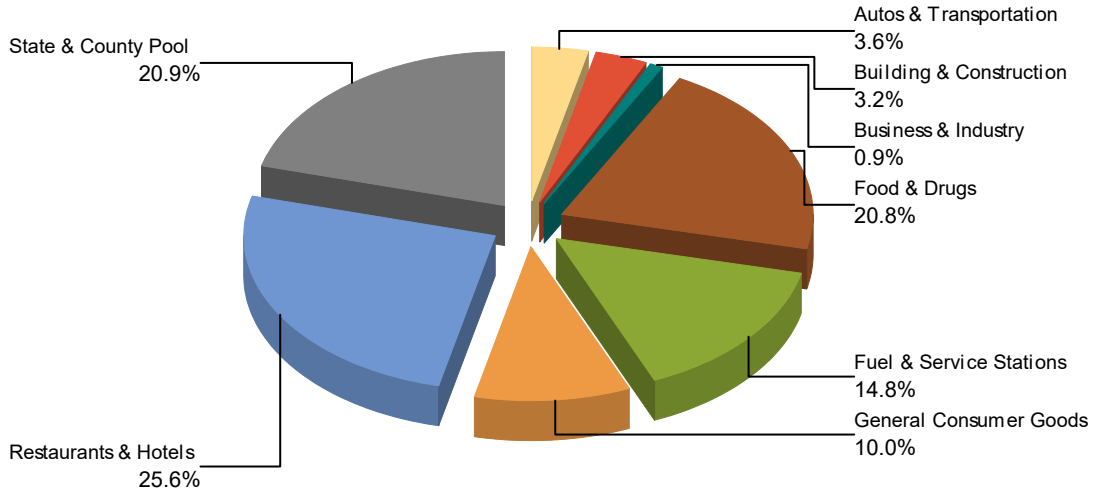


TOP NON-CONFIDENTIAL BUSINESS TYPES

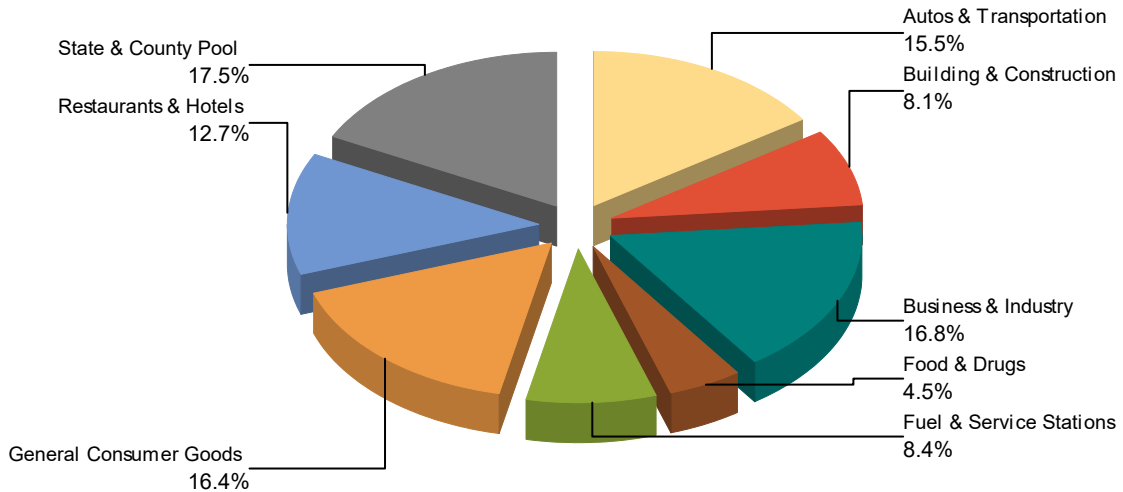
Pacifica Business Type	Q4 '23	Change	County Change	HdL State Change
Service Stations	114,580	-7.6% ↓	-2.0% ↓	-4.9% ↓
Casual Dining	96,768	-9.2% ↓	5.2% ↑	1.8% ↑
Grocery Stores	75,529	-10.2% ↓	-6.8% ↓	-4.6% ↓
Quick-Service Restaurants	52,413	5.9% ↑	2.9% ↑	0.3% ↑
Cannabis Related	37,647	-15.4% ↓	-23.9% ↓	-9.7% ↓
Fast-Casual Restaurants	30,476	64.9% ↑	5.8% ↑	1.7% ↑
Convenience Stores/Liquor	21,976	-0.7% ↓	-4.7% ↓	-7.7% ↓
Sporting Goods/Bike Stores	17,969	3.0% ↑	-14.2% ↓	-7.2% ↓
Auto Repair Shops	13,358	1.1% ↑	2.7% ↑	-3.0% ↓
Automotive Supply Stores	12,065	-9.7% ↓	-0.6% ↓	-2.3% ↓

*Allocation aberrations have been adjusted to reflect sales activity

City of Pacifica



HdL Client Database Statewide Totals





BAY AREA

ACTUAL/ADJUSTED COMPARISON - BY COUNTY AND MAJOR INDUSTRY GROUP

	ACTUAL RECEIPTS			ADJUSTED FOR ECONOMIC DATA		
	2023	2022	% Change	2023	2022	% Change
Alameda County						
Autos And Transportation	86,824,886	101,969,890	-14.9%	84,315,878	105,226,133	-19.9%
Building And Construction	38,291,230	40,658,544	-5.8%	38,048,287	40,882,297	-6.9%
Business And Industry	74,926,750	73,115,046	2.5%	72,723,302	74,472,988	-2.3%
Food And Drugs	17,111,133	18,365,726	-6.8%	17,273,735	17,956,308	-3.8%
Fuel And Service Stations	24,323,732	28,721,904	-15.3%	24,108,822	28,245,791	-14.6%
General Consumer Goods	56,621,672	56,757,443	-0.2%	55,892,028	57,045,300	-2.0%
Restaurants And Hotels	44,533,459	41,818,754	6.5%	43,264,042	41,558,239	4.1%
Transfers & Unidentified	1,038,947	618,654	67.9%	605,898	710,414	-14.7%
County & State Pool	76,083,324	81,607,074	-6.8%	78,815,980	81,779,453	-3.6%
	419,755,132	443,633,035	-5.4%	415,047,973	447,876,924	-7.3%
Contra Costa County						
Autos And Transportation	32,477,959	33,588,200	-3.3%	32,527,684	33,510,850	-2.9%
Building And Construction	18,914,516	19,707,325	-4.0%	18,522,715	19,916,819	-7.0%
Business And Industry	31,188,909	25,622,280	21.7%	29,144,174	25,892,560	12.6%
Food And Drugs	12,482,406	13,288,949	-6.1%	12,935,106	13,284,281	-2.6%
Fuel And Service Stations	20,641,934	25,305,596	-18.4%	20,655,347	24,077,231	-14.2%
General Consumer Goods	39,510,536	39,711,606	-0.5%	38,628,958	40,078,816	-3.6%
Restaurants And Hotels	26,588,408	24,946,376	6.6%	26,142,291	24,709,349	5.8%
Transfers & Unidentified	449,878	365,367	23.1%	341,971	233,965	46.2%
County & State Pool	42,588,890	45,513,371	-6.4%	45,538,394	45,674,152	-0.3%
	224,843,438	228,049,069	-1.4%	224,436,640	227,378,024	-1.3%
Marin County						
Autos And Transportation	12,850,300	12,621,168	1.8%	12,898,488	12,605,006	2.3%
Building And Construction	6,282,211	5,894,483	6.6%	6,278,791	6,522,405	-3.7%
Business And Industry	3,536,124	3,631,332	-2.6%	3,525,324	3,632,777	-3.0%
Food And Drugs	4,036,499	4,282,261	-5.7%	4,136,884	4,271,267	-3.1%
Fuel And Service Stations	4,445,268	4,933,545	-9.9%	4,435,440	4,868,379	-8.9%
General Consumer Goods	11,949,648	11,838,798	0.9%	11,745,672	12,370,608	-5.1%
Restaurants And Hotels	8,789,863	8,454,822	4.0%	8,612,816	8,367,858	2.9%
Transfers & Unidentified	316,539	222,508	42.3%	139,087	123,329	12.8%
County & State Pool	12,479,511	13,174,119	-5.3%	12,722,418	13,412,462	-5.1%
	64,685,963	65,053,036	-0.6%	64,494,921	66,174,092	-2.5%
Napa County						
Autos And Transportation	3,059,224	3,048,200	0.4%	3,041,526	2,986,822	1.8%
Building And Construction	3,675,869	3,653,059	0.6%	3,415,684	3,841,726	-11.1%
Business And Industry	14,113,920	15,147,243	-6.8%	13,899,747	14,119,551	-1.6%
Food And Drugs	2,196,629	2,276,983	-3.5%	2,228,109	2,274,948	-2.1%
Fuel And Service Stations	2,939,939	3,287,672	-10.6%	2,931,656	3,229,746	-9.2%
General Consumer Goods	4,767,257	4,755,768	0.2%	4,667,649	4,773,295	-2.2%
Restaurants And Hotels	8,602,236	8,542,967	0.7%	8,569,984	8,534,079	0.4%
Transfers & Unidentified	92,459	71,392	29.5%	62,973	55,436	13.6%
County & State Pool	7,264,995	7,723,544	-5.9%	7,505,423	7,469,486	0.5%
	46,712,527	48,506,827	-3.7%	46,322,751	47,285,089	-2.0%
San Francisco County						
Autos And Transportation	10,145,798	10,985,317	-7.6%	10,165,157	10,978,303	-7.4%
Building And Construction	10,906,569	10,751,567	1.4%	10,610,631	11,271,048	-5.9%
Business And Industry	17,033,098	21,577,279	-21.1%	17,754,394	19,434,338	-8.6%
Food And Drugs	10,647,526	10,946,322	-2.7%	10,867,633	11,187,684	-2.9%
Fuel And Service Stations	10,542,092	11,743,899	-10.2%	10,480,239	11,397,594	-8.0%
General Consumer Goods	35,875,053	38,434,119	-6.7%	35,048,498	38,454,444	-8.9%
Restaurants And Hotels	51,400,215	47,098,094	9.1%	50,202,885	47,261,758	6.2%
Transfers & Unidentified	749,036	664,740	12.7%	580,805	522,165	11.2%
County & State Pool	44,183,110	47,573,161	-7.1%	45,162,260	47,372,046	-4.7%
	191,482,496	199,774,497	-4.2%	190,872,503	197,879,380	-3.5%
San Mateo County						
Autos And Transportation	38,799,969	36,462,168	6.4%	39,870,842	35,495,185	12.3%
Building And Construction	18,003,835	17,764,998	1.3%	17,602,913	17,919,806	-1.8%
Business And Industry	30,014,263	32,370,947	-7.3%	30,519,826	31,897,769	-4.3%
Food And Drugs	9,150,315	9,879,511	-7.4%	9,511,596	9,653,642	-1.5%
Fuel And Service Stations	15,983,666	17,871,054	-10.6%	16,055,007	17,644,602	-9.0%
General Consumer Goods	32,850,795	32,740,599	0.3%	32,769,162	33,237,259	-1.4%
Restaurants And Hotels	30,432,124	27,593,289	10.3%	29,917,203	27,422,309	9.1%
Transfers & Unidentified	532,999	256,768	107.6%	259,862	259,057	0.3%
County & State Pool	44,265,320	46,742,610	-5.3%	45,004,386	46,495,107	-3.2%
	220,033,286	221,681,943	-0.7%	221,510,796	220,024,735	0.7%

BAY AREA

ACTUAL/ADJUSTED COMPARISON - BY COUNTY AND MAJOR INDUSTRY GROUP

	ACTUAL RECEIPTS			ADJUSTED FOR ECONOMIC DATA		
	2023	2022	% Change	2023	2022	% Change
Santa Clara County						
Autos And Transportation	77,748,524	76,637,916	1.4%	77,579,873	76,232,568	1.8%
Building And Construction	37,943,372	39,966,146	-5.1%	37,545,262	40,272,137	-6.8%
Business And Industry	166,763,717	163,199,847	2.2%	159,523,287	163,753,719	-2.6%
Food And Drugs	17,786,913	18,974,764	-6.3%	18,385,094	18,861,003	-2.5%
Fuel And Service Stations	27,763,520	31,095,202	-10.7%	28,041,775	31,103,937	-9.8%
General Consumer Goods	79,986,205	79,573,619	0.5%	77,926,467	79,608,244	-2.1%
Restaurants And Hotels	67,409,208	61,928,135	8.9%	66,331,712	61,811,893	7.3%
Transfers & Unidentified	1,216,735	1,162,274	4.7%	939,567	909,115	3.3%
County & State Pool	99,663,585	109,851,139	-9.3%	105,686,720	107,715,109	-1.9%
	576,281,779	582,389,042	-1.0%	571,959,757	580,267,724	-1.4%
Solano County						
Autos And Transportation	18,041,270	17,173,965	5.1%	17,991,465	17,219,928	4.5%
Building And Construction	7,996,044	8,062,376	-0.8%	7,517,448	8,288,112	-9.3%
Business And Industry	19,682,661	19,935,636	-1.3%	19,045,593	19,297,723	-1.3%
Food And Drugs	4,502,792	4,498,062	0.1%	4,436,388	4,373,823	1.4%
Fuel And Service Stations	8,972,697	10,429,395	-14.0%	8,982,597	10,183,424	-11.8%
General Consumer Goods	17,835,467	17,969,748	-0.7%	17,466,719	18,070,124	-3.3%
Restaurants And Hotels	10,479,104	9,971,618	5.1%	10,243,901	9,906,298	3.4%
Transfers & Unidentified	140,584	210,906	-33.3%	87,684	188,585	-53.5%
County & State Pool	17,202,698	18,216,964	-5.6%	18,091,417	17,685,783	2.3%
	104,853,316	106,468,670	-1.5%	103,863,211	105,213,801	-1.3%
Sonoma County						
Autos And Transportation	17,146,802	17,979,185	-4.6%	17,235,005	17,959,373	-4.0%
Building And Construction	15,203,018	16,309,904	-6.8%	14,804,073	15,980,724	-7.4%
Business And Industry	15,676,185	16,357,486	-4.2%	15,961,105	16,446,357	-3.0%
Food And Drugs	7,845,931	8,024,322	-2.2%	7,922,547	7,988,336	-0.8%
Fuel And Service Stations	9,314,593	10,352,977	-10.0%	9,267,552	10,209,135	-9.2%
General Consumer Goods	18,927,531	19,383,958	-2.4%	18,583,070	19,400,467	-4.2%
Restaurants And Hotels	15,146,894	14,286,777	6.0%	14,805,963	14,240,666	4.0%
Transfers & Unidentified	302,039	379,424	-20.4%	227,651	188,395	20.8%
County & State Pool	19,957,754	20,792,060	-4.0%	20,498,400	20,715,772	-1.0%
	119,520,747	123,866,091	-3.5%	119,305,365	123,129,227	-3.1%
Bay Area Totals						
Autos And Transportation	297,094,732	310,466,009	-4.3%	295,625,917	312,214,170	-5.3%
Building And Construction	157,216,663	162,768,401	-3.4%	154,345,804	164,895,074	-6.4%
Business And Industry	372,935,627	370,957,096	0.5%	362,096,752	368,947,781	-1.9%
Food And Drugs	85,760,145	90,536,899	-5.3%	87,697,092	89,851,294	-2.4%
Fuel And Service Stations	124,927,440	143,741,242	-13.1%	124,958,434	140,959,841	-11.4%
General Consumer Goods	298,324,163	301,165,657	-0.9%	292,728,223	303,038,557	-3.4%
Restaurants And Hotels	263,381,512	244,640,832	7.7%	258,090,798	243,812,449	5.9%
Transfers & Unidentified	4,839,215	3,952,033	22.4%	3,245,499	3,190,461	1.7%
County & State Pools	363,689,188	391,194,041	-7.0%	379,025,397	388,319,370	-2.4%
	1,968,168,685	2,019,422,209	-2.5%	1,957,813,916	2,015,228,997	-2.8%
*HdL State Totals						
Autos And Transportation	1,421,121,698	1,464,765,651	-3.0%	1,418,164,968	1,463,723,463	-3.1%
Building And Construction	748,430,066	779,271,004	-4.0%	742,982,392	781,985,136	-5.0%
Business And Industry	1,623,801,947	1,519,354,296	6.9%	1,533,364,249	1,516,569,445	1.1%
Food And Drugs	408,272,516	429,039,726	-4.8%	415,873,070	425,414,144	-2.2%
Fuel And Service Stations	773,092,629	883,058,217	-12.5%	772,829,413	872,532,812	-11.4%
General Consumer Goods	1,528,130,378	1,540,582,735	-0.8%	1,497,423,767	1,547,921,976	-3.3%
Restaurants And Hotels	1,185,828,608	1,126,019,125	5.3%	1,163,792,782	1,116,816,394	4.2%
Transfers & Unidentified	21,992,537	17,870,328	23.1%	15,427,523	14,079,014	9.6%
County & State Pools	1,552,495,437	1,642,392,935	-5.5%	1,604,136,605	1,642,365,155	-2.3%
	9,263,165,816	9,402,354,019	-1.5%	9,163,994,769	9,381,407,539	-2.3%



SAN MATEO COUNTY ALL AGENCIES

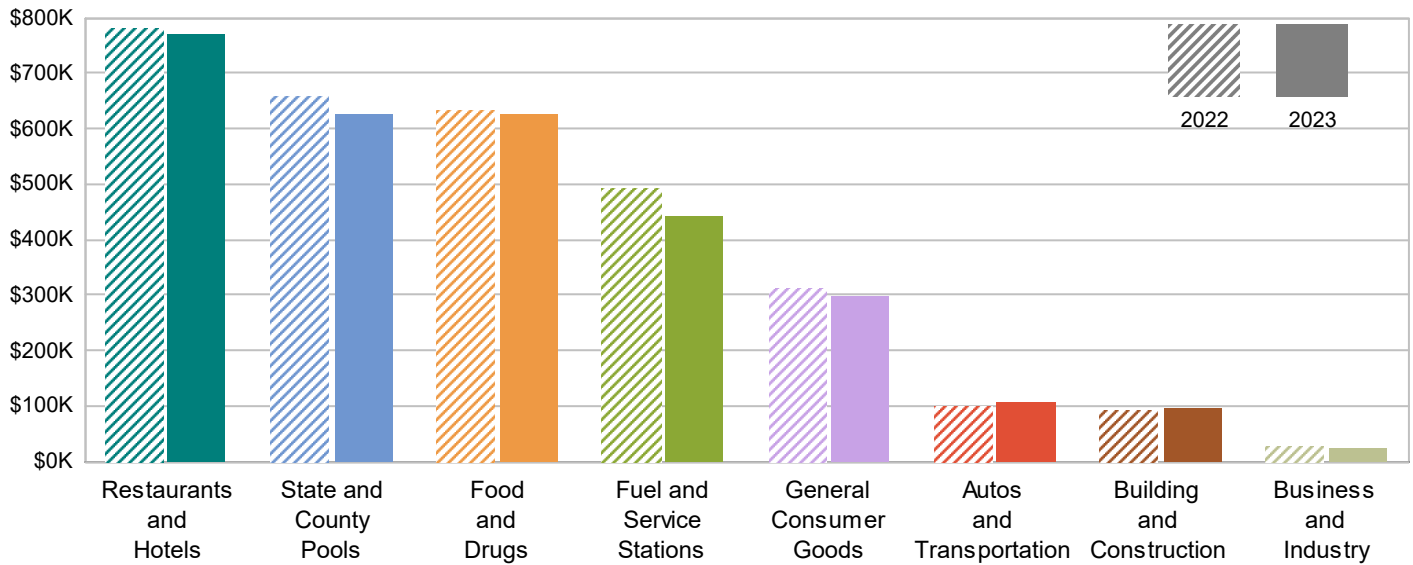
SALES TAX TRENDS FOR ALL AGENCIES - BY CALENDAR YEAR

Agency allocations reflect "point of sale" receipts

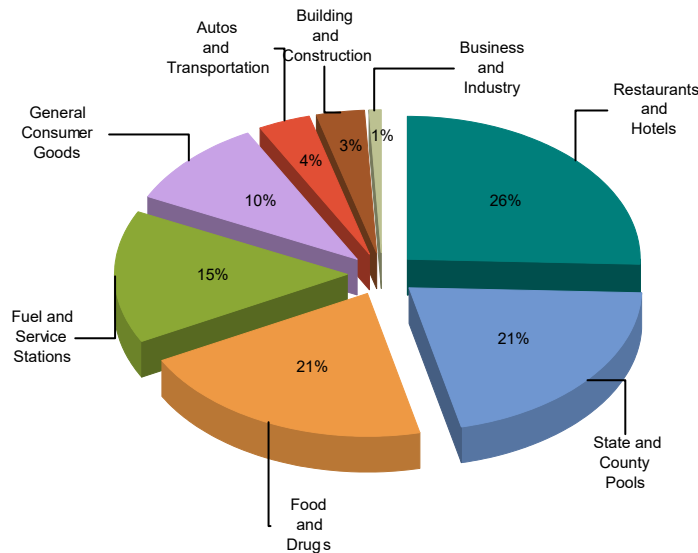
Agency Name	Count	Current Year 2023	Prior Year 2022	Share of County Pool	Actual Receipts % Change	Adjusted % Change
Atherton	132	256,173	163,982	0.1%	+ 56.2%	+ 10.8%
Colma	193	14,333,139	11,413,036	8.2%	+ 25.6%	+ 24.4%
Daly City	1,663	14,237,006	12,875,197	8.1%	+ 10.6%	+ 10.3%
Brisbane	309	5,381,998	4,938,351	3.1%	+ 9.0%	+ 5.7%
Menlo Park	1,230	5,750,157	5,391,372	3.3%	+ 6.7%	- 7.4%
Millbrae	613	2,763,022	2,664,163	1.6%	+ 3.7%	+ 2.9%
East Palo Alto	295	3,347,247	3,247,872	1.9%	+ 3.1%	+ 2.4%
Half Moon Bay	604	2,696,355	2,634,935	1.5%	+ 2.3%	- 2.7%
San Mateo Co. Uninc	1,869	19,717,320	19,570,539	11.2%	+ 0.8%	+ 1.9%
Woodside	158	678,989	676,792	0.4%	+ 0.3%	- 5.9%
Burlingame	1,558	11,900,152	11,877,410	6.8%	+ 0.2%	- 0.1%
Redwood City	2,080	21,042,077	21,015,313	12.0%	+ 0.1%	+ 1.2%
Pacifica	819	2,449,351	2,471,801	1.4%	- 0.9%	- 3.2%
San Carlos	1,486	10,478,728	10,635,389	6.0%	- 1.5%	- 5.3%
Foster City	561	3,458,246	3,571,791	2.0%	- 3.2%	- 1.5%
Belmont	555	3,324,146	3,484,936	1.9%	- 4.6%	- 4.2%
San Bruno	967	17,926,857	19,172,342	10.2%	- 6.5%	+ 1.1%
San Mateo	3,446	17,538,423	18,802,585	10.0%	- 6.7%	- 4.4%
Portola Valley	113	276,879	296,937	0.2%	- 6.8%	- 5.1%
South San Francisco	1,997	18,112,789	19,911,506	10.3%	- 9.0%	- 0.5%
Hillsborough	157	98,904	123,076	0.1%	- 19.6%	- 18.8%
Totals	20,805	175,767,958	174,939,325	100.0%	+ 0.5%	+ 1.7%
San Mateo Pool	18,456	44,165,169	46,662,823		- 5.4%	- 3.3%

Major Industry Group	Count	2023	2022	\$ Change	% Change
Restaurants and Hotels	141	769,491	780,635	(11,144)	-1.4%
State and County Pools	-	626,159	658,951	(32,793)	-5.0%
Food and Drugs	35	625,028	635,290	(10,262)	-1.6%
Fuel and Service Stations	10	445,251	494,388	(49,137)	-9.9%
General Consumer Goods	337	300,456	314,895	(14,439)	-4.6%
Autos and Transportation	35	109,032	102,460	6,572	6.4%
Building and Construction	26	97,500	94,956	2,543	2.7%
Business and Industry	183	27,711	30,562	(2,851)	-9.3%
Transfers & Unidentified	52	3,566	2,458	1,109	45.1%
Total	819	3,004,194	3,114,596	(110,402)	-3.5%

2022 Compared To 2023



2023 Percent of Total





CITY OF PACIFICA

MAJOR GROUP HISTORICAL PERCENT CHANGES

Agency Name	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Autos & Transportation	6.60	1.65	-1.60	0.15	3.04	11.89	3.86	6.33	-7.61	8.16	13.72	6.41
San Mateo County	14.46	12.78	6.99	6.20	1.67	2.79	3.13	-1.34	-22.76	30.80	14.29	12.33
HdL State PoS	14.37	10.07	8.18	10.22	5.33	3.63	4.46	-0.29	-3.62	24.71	8.07	-3.10
Building & Construction	10.32	5.64	5.85	-1.41	-3.83	3.14	0.27	10.45	39.74	15.62	-0.21	2.68
San Mateo County	5.43	14.56	4.52	6.26	0.68	9.58	10.49	-3.23	-3.06	5.98	9.27	-1.75
HdL State PoS	6.40	11.18	7.10	9.81	3.64	7.24	9.76	0.04	4.99	12.61	8.91	-4.91
Business & Industry	5.96	-9.00	-19.32	0.67	8.67	-1.77	2.20	-4.40	-31.51	0.15	11.59	-9.33
San Mateo County	-3.30	-6.97	0.25	10.33	-0.81	1.72	0.52	7.59	-6.05	55.20	8.76	-4.32
HdL State PoS	8.84	2.55	3.38	5.77	2.16	1.51	4.90	4.65	9.99	18.74	9.23	1.22
Food & Drugs	2.16	1.92	2.86	1.91	4.92	10.08	1.38	4.44	22.48	-6.67	11.60	-1.62
San Mateo County	4.83	2.45	2.69	2.88	2.36	0.36	2.82	8.00	2.09	-0.92	2.84	-1.08
HdL State PoS	3.12	2.90	3.20	3.55	2.89	2.51	4.40	3.50	11.07	3.25	2.13	-2.16
Fuel & Service Stations	5.96	3.39	-3.50	-14.79	-12.90	8.33	11.15	1.45	-35.03	26.57	26.53	-9.94
San Mateo County	6.93	-2.05	-5.22	-23.43	-10.94	14.16	22.75	-1.09	-44.71	43.45	51.50	-9.01
HdL State PoS	5.13	-2.55	-1.69	-16.78	-10.59	10.51	16.16	1.04	-27.47	41.15	29.59	-11.48
General Consumer Goods	0.92	3.65	-5.49	0.97	8.46	-5.31	2.57	-0.47	0.39	15.46	8.76	-4.59
San Mateo County	4.38	1.31	3.54	1.55	-2.73	1.28	0.41	3.81	-21.96	20.67	3.84	-1.39
HdL State PoS	4.49	3.79	2.21	3.02	0.82	0.66	2.17	-0.91	-17.90	28.47	4.78	-3.24
Restaurants & Hotels	12.74	17.55	13.39	9.20	7.43	3.68	4.32	8.92	-24.97	34.45	18.53	-1.43
San Mateo County	7.88	7.01	7.98	9.05	5.97	5.97	5.57	5.76	-42.58	35.37	29.17	9.12
HdL State PoS	8.20	6.35	7.86	8.30	6.38	5.15	5.01	4.48	-30.59	36.81	18.77	4.25
County & State Pools	9.72	17.33	16.86	-0.03	15.85	7.81	12.54	14.96	35.14	-2.37	4.73	-4.98
San Mateo County	10.49	16.63	18.29	1.98	12.84	8.65	12.56	15.32	18.46	6.34	3.24	-3.21
HdL State	9.46	10.93	11.68	3.51	8.54	4.90	9.29	16.42	27.55	8.96	4.75	-2.33
Agency Totals	6.23	7.03	3.46	-1.19	3.45	5.55	6.03	6.36	-1.79	10.13	13.20	-3.54
San Mateo County	6.52	5.15	5.15	2.30	1.66	4.99	6.30	4.68	-14.62	22.35	12.02	0.70
HdL State PoS	7.56	5.22	4.97	3.51	2.72	3.84	6.26	3.59	-3.90	21.07	9.72	-2.28

Sales Tax by Major Industry Group

Restaurants And Hotels

Count: 141

State & County Pools

Food And Drugs

Count: 35

Fuel And Service Stations

Count: 10

General Consumer Goods

Count: 337

Autos And Transportation

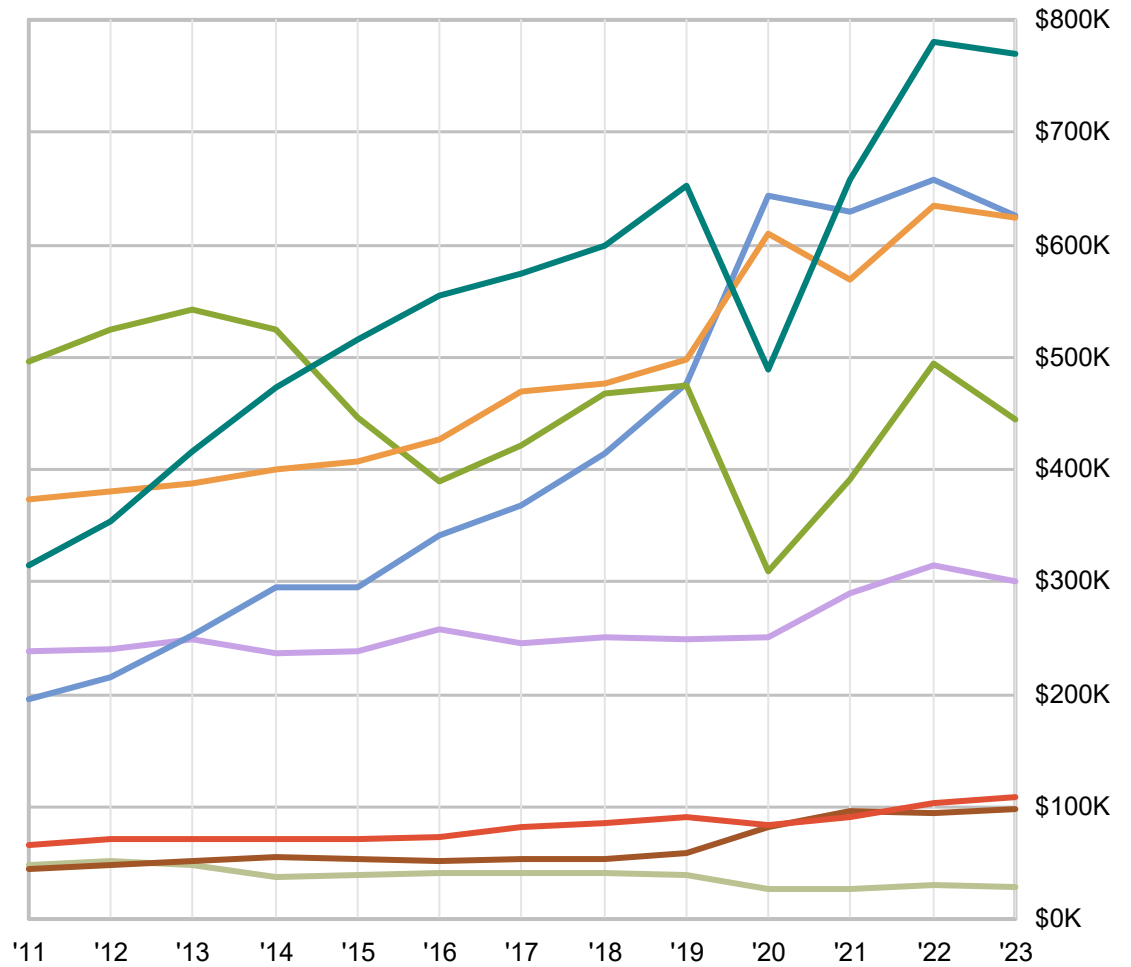
Count: 35

Building And Construction

Count: 26

Business And Industry

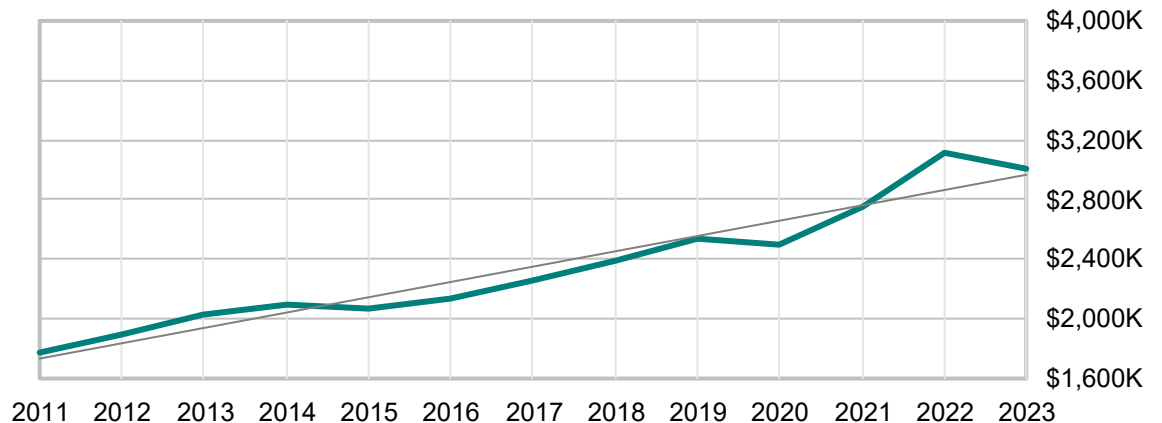
Count: 183



Agency Trend

Pacifica

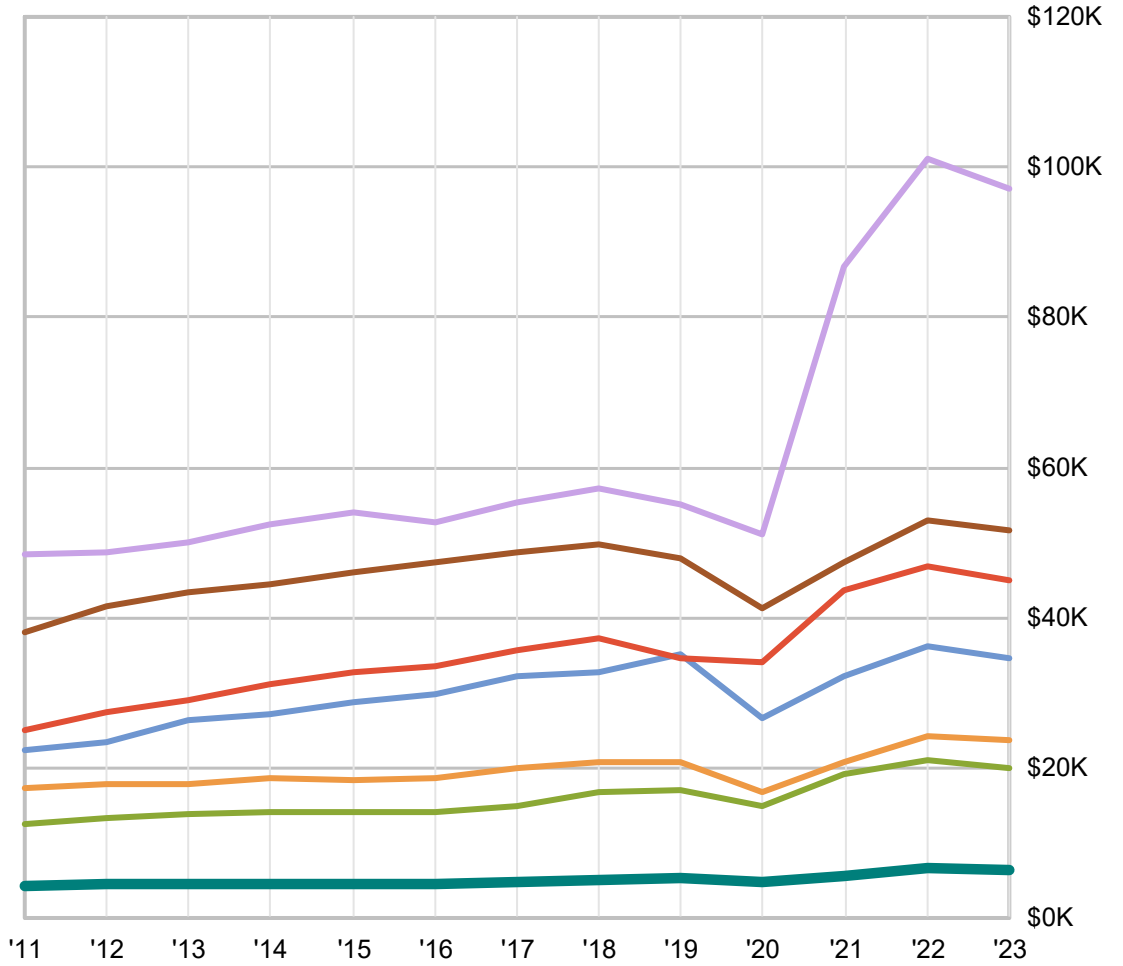
13 Year Trend: +71.7%



Periods shown reflect the period in which the sales occurred - Point of Sale

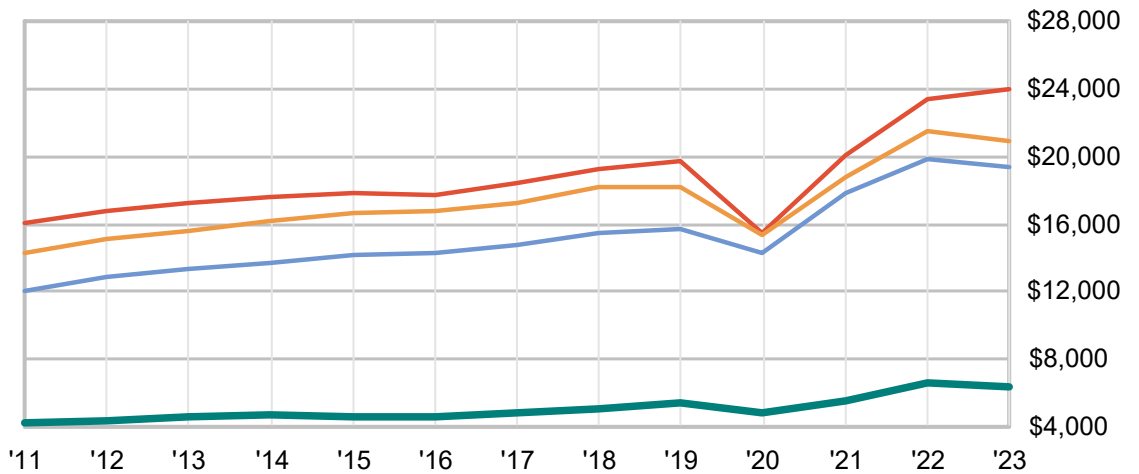
Per Capita Sales

- Pacifica**
Count: 819
- San Carlos**
Count: 1,486
- Half Moon Bay**
Count: 604
- Morro Bay**
Count: 647
- Carmel**
Count: 536
- Healdsburg**
Count: 950
- Capitola**
Count: 701



Per Capita Sales

- Pacifica**
- San Mateo County**
- Bay Area**
- California**



Periods shown reflect the period in which the sales occurred - Point of Sale

Geo Area Names

Sales Tax by Geographic areas

Pacific Manor

Count: 96

Linda Mar

Count: 131

Rockaway Beach

Count: 55

Sharp Park

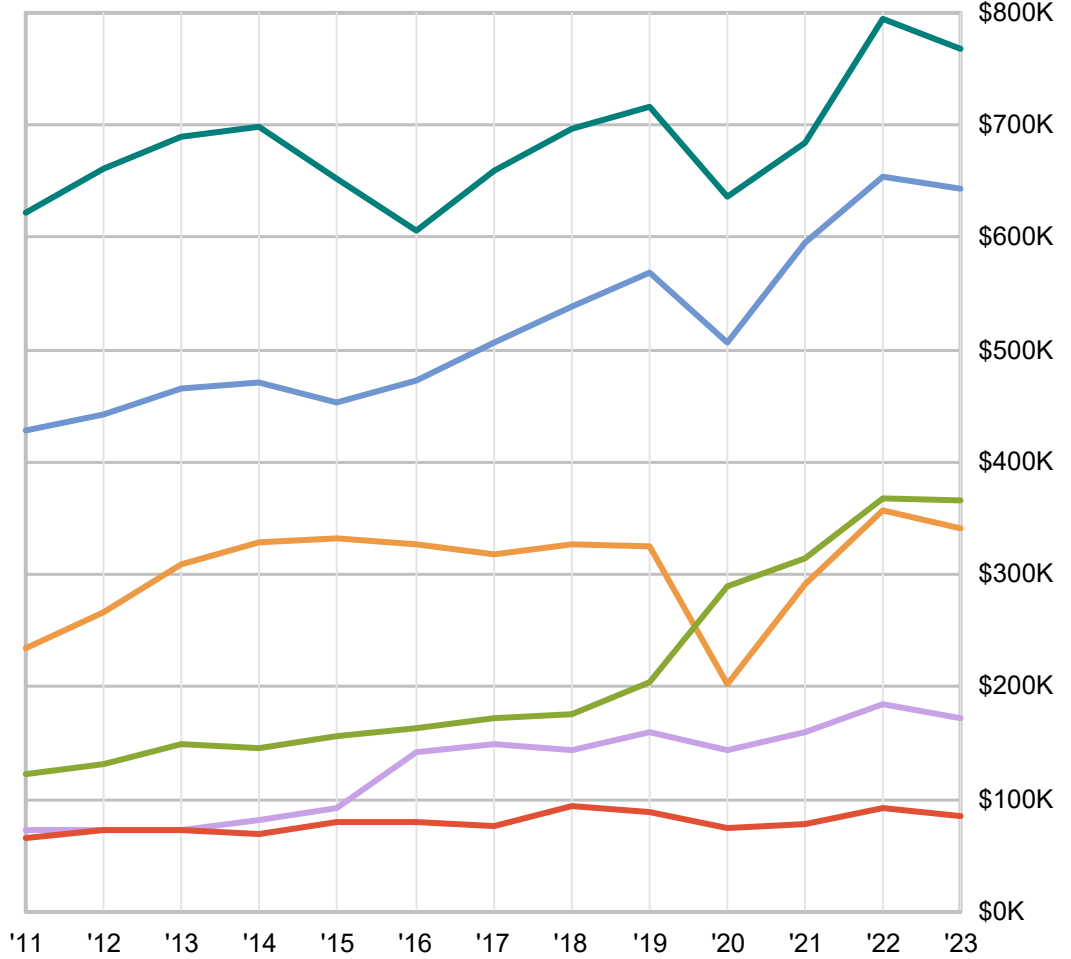
Count: 154

Pedro Point

Count: 29

Other Areas

Count: 311



* Periods Shown Reflect the Period in Which the Sales Occurred - Point of Sale



CITY OF PACIFICA MEASURE Y

SALES, USE AND TRANSACTIONS TAX RECEIPTS

Effective from 4/1/2023 to 3/31/2032, Rate 0.5%

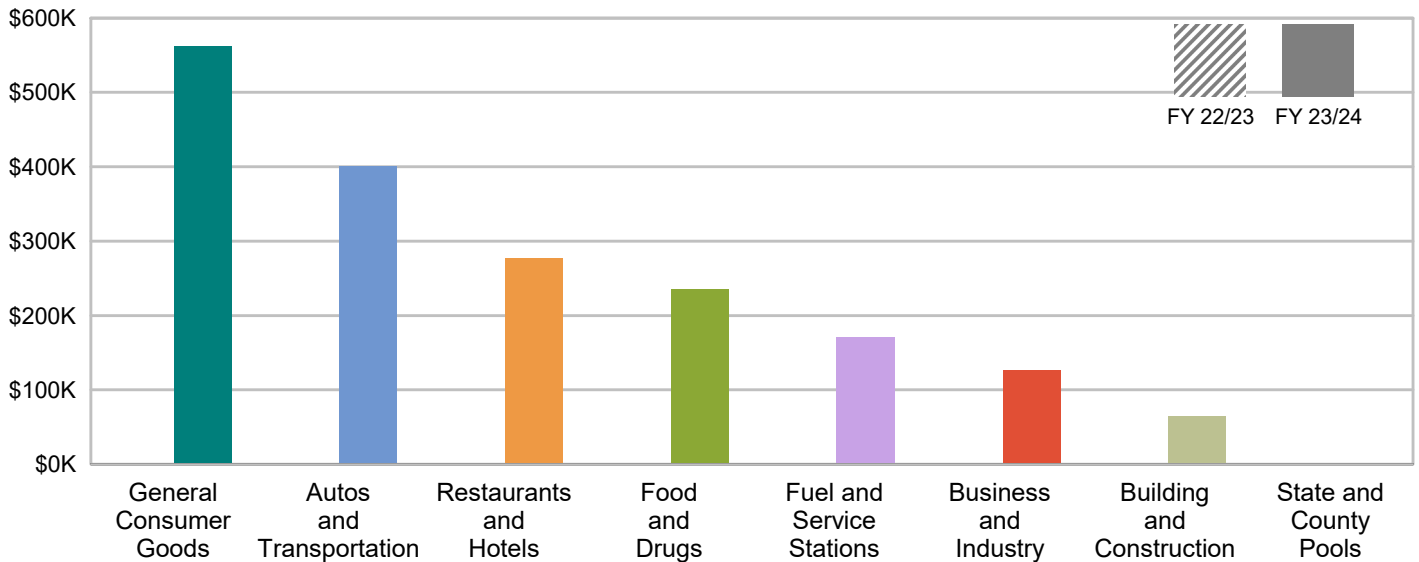
Major Industry Groups	2Q 2023			3Q 2023			4Q 2023			1Q 2024		
	Sales / Use Tax	Transactions Tax	Ratio	Sales / Use Tax	Transactions Tax	Ratio	Sales / Use Tax	Transactions Tax	Ratio	Sales / Use Tax	Transactions Tax	Ratio
Autos And Transportation	28,501	124,066	435.3%	27,736	131,469	474.0%	26,908	138,273	513.9%	26,933	130,476	484.4%
Building And Construction	25,347	20,665	81.5%	24,195	21,883	90.4%	16,321	22,873	140.1%	14,226	17,500	123.0%
Business And Industry	6,743	35,925	532.8%	7,285	41,180	565.3%	7,775	44,571	573.3%	4,831	39,430	816.2%
Food And Drugs	158,524	78,300	49.4%	156,579	77,835	49.7%	161,754	81,906	50.6%	147,242	74,455	50.6%
Fuel And Service Stations	111,398	41,591	37.3%	118,731	59,587	50.2%	114,580	57,567	50.2%	104,606	52,555	50.2%
General Consumer Goods	74,369	164,948	221.8%	77,803	178,912	230.0%	81,651	216,496	265.1%	66,762	165,674	248.2%
Restaurants And Hotels	205,834	98,459	47.8%	200,684	97,598	48.6%	193,163	93,216	48.3%	177,109	85,288	48.2%
Transfers & Unidentified	843	19,571		2,633	20,084	762.8%	1,427	24,574		2,481	18,275	736.7%
Total All Businesses	611,559	583,526	95.4%	615,646	628,547	102.1%	603,579	679,477	112.6%	544,190	583,651	107.3%
State and County Pools	155,793	0		148,910	0		169,105	0		142,382	0	
Gross Receipts	767,352	583,526	76.0%	764,556	628,547	82.2%	772,684	679,477	87.9%	686,572	583,651	85.0%
SBOE Admin	-5,683	-2,970		-5,624	-2,970		-5,385	-2,970		-4,498	1,030	
Total	761,669	580,556	76.2%	758,932	625,577	82.4%	767,299	676,507	88.2%	682,074	584,681	85.7%

CITY OF PACIFICA MEASURE Y

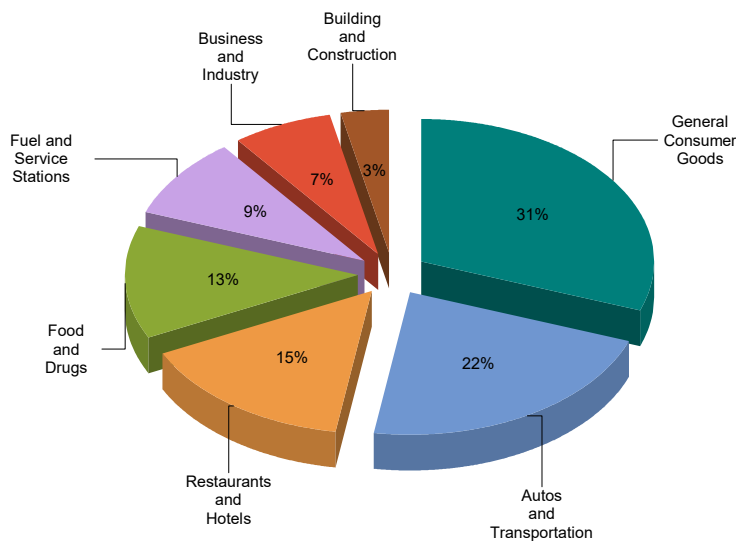
MAJOR INDUSTRY GROUPS

Major Industry Group	Count	FY 23/24	FY 22/23	\$ Change	% Change
General Consumer Goods	1,700	561,082	0	561,082	-N/A-
Autos and Transportation	446	400,217	0	400,217	-N/A-
Restaurants and Hotels	141	276,101	0	276,101	-N/A-
Food and Drugs	81	234,195	0	234,195	-N/A-
Fuel and Service Stations	14	169,709	0	169,709	-N/A-
Business and Industry	1,812	125,181	0	125,181	-N/A-
Transfers & Unidentified	1,988	62,933	0	62,933	-N/A-
Building and Construction	180	62,257	0	62,257	-N/A-
State and County Pools	-	0	0	0	-N/A-
Total	6,362	1,891,675	0	1,891,675	-N/A-

FY 22/23 Compared To FY 23/24



FY 23/24 Percent of Total





CITY OF PACIFICA MEASURE Y

TRANSACTIONS & USE TAX ALLOCATION SUMMARY

Seven Major Industry Groups	Fiscal Yr 2021-22 Totals	FY 2022-23 Sales Quarters				Fiscal Yr 2022-23 Totals	Dollar Change Prior Yr	Percent Change Prior Yr	FY 2023-24 Sales Quarters				Fiscal Yr 2023-24 YTD Totals	YTD % Change Prior Yr
		3Q	4Q	1Q	2Q				3Q	4Q	1Q	2Q		
District Tax														
Autos And Transportation	0	0	0	0	122,971	122,971	122,971	- N/A -	131,977	138,653	130,682	401,312	- N/A -	
Building And Construction	0	0	0	0	19,400	19,400	19,400	- N/A -	23,047	22,398	18,103	63,549	- N/A -	
Business And Industry	0	0	0	0	35,069	35,069	35,069	- N/A -	41,327	44,579	40,131	126,037	- N/A -	
Food And Drugs	0	0	0	0	66,255	66,255	66,255	- N/A -	88,543	77,650	80,048	246,241	- N/A -	
Fuel And Service Stations	0	0	0	0	41,568	41,568	41,568	- N/A -	59,506	57,545	52,680	169,731	- N/A -	
General Consumer Goods	0	0	0	0	163,241	163,241	163,241	- N/A -	178,718	216,068	168,007	562,793	- N/A -	
Restaurants And Hotels	0	0	0	0	91,380	91,380	91,380	- N/A -	100,158	90,397	92,625	283,180	- N/A -	
Transfers & Unidentified	0	0	0	0	19,443	19,443	19,443	- N/A -	19,510	24,181	19,394	63,085	- N/A -	
Total District Tax	0	0	0	0	559,327	559,327	559,327	- N/A -	642,787	671,472	601,669	1,915,928	- N/A -	
Less: Cost of Administration	0	0	0	0	(2,970)	(2,970)	(2,970)	- N/A -	(2,970)	(2,970)	1,030	(4,910)	- N/A -	
Grand Total	0	0	0	0	556,357	556,357	556,357	- N/A -	639,817	668,502	602,699	1,911,018	- N/A -	
Budget												2,800,000		

**Due to the monthly allocation changes by CDTFA, as of 1st Quarter 2018 all fiscal year totals will be reported on an accrual basis (July to June sales).

