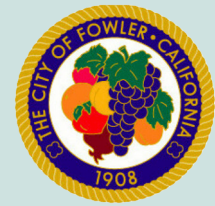


CITY OF FOWLER

SALES TAX UPDATE

1Q 2024 (JANUARY - MARCH)



FOWLER

TOTAL: \$ 488,281

-17.0%

1Q2024



-1.7%

COUNTY



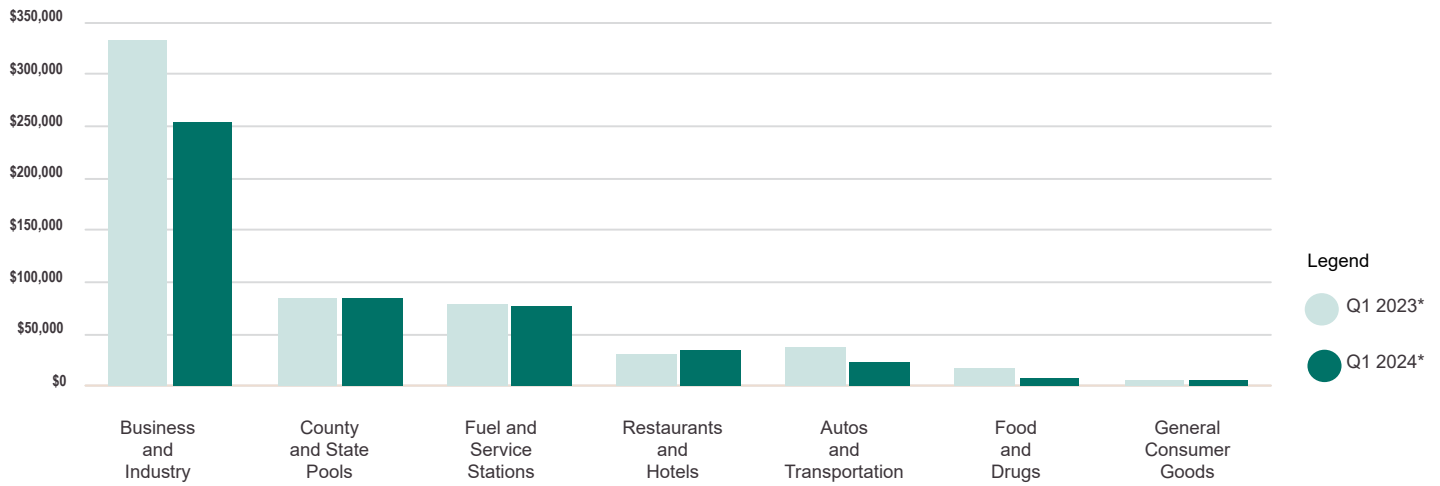
-0.3%

STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



Measure N

TOTAL: \$429,821

↓ -8.2%



CITY OF FOWLER HIGHLIGHTS

Fowler's receipts from January through March were 5.0% below the first sales period in 2023. Excluding reporting aberrations, including late payment collections, receipts for the period were down 17.0%.

Spending on big-ticket items rolled back further this period as consumers cope with high prices. This affected the level of sales for the autos-transportation group the most. The decline in receipts posted by the food-drug group was triggered by last year's receipt of taxes unrelated to items sold.

The decline in receipts posted by the business-industry group reflects a drop

in sales by local manufacturers, but the largest portion of the decline relates to last year's receipt of taxes paid on equipment acquired by one of those manufacturers.

The restaurant group reported a gain, but among the individual restaurants, results were widely mixed.

Measure N's results were also lower this period for many of the same reasons described above.

Net of aberrations, taxable sales for all of Fresno County declined 1.7% over the comparable period while those the San Joaquin Valley region were up 1.3%.



TOP 25 PRODUCERS

Amerigas Propane	McDonald's
Arco AM PM	Mid Valley Packaging & Supply
Big Tex Trailers	Packline Technologies
Borga Steel Buildings & Components	Pape Machinery
Central States Industrial Equipment	PBM Supply & Manufacturing
Chevron Shop N Go	R&R Truck & Trailer Repair
Denny's	RDO Equipment
Dollar General	Shell
Fowler Pizza Factory	Sierra Auto Center
Freedom Forever	Taco Bell
Gee Manufacturing	Textrail Trailer Parts
Jack in the Box	
Johnny Quik	
Liquor Cabinet	



STATEWIDE RESULTS

California’s local one cent sales and use tax receipts during the months of January through March were 0.2% lower than the same quarter one year ago after adjusting for accounting anomalies. The calendar year first quarter is traditionally the lowest sales tax generating period; however, returns were more on par with the comparison period.

One of the only sectors continuing to display declines was auto-transportation. High interest rates created more expensive long-term financing costs. Combined with a dramatic cost of insurance coverage rate spike, this group declined 7.5%.

Fuel and service stations was the other sector with a drop over last year. As California drivers embark on summer travel, they’ll do so with slightly elevated gas prices versus 2023, probably yielding the final period of negative results for the category heading into 2025.

During this post-holiday shopping period, general consumer goods experienced a soft rebound with very modest 0.5% growth. Although retailers selling gas were hurt by fuel prices, it did not stop family apparel and department stores from lifting revenues.

Restaurant activity contributed constant growth of 2.1%. Only fine dining establishments remain hindered as more affordable menus are preferred. Also, it appears some eateries made operational changes while implementing AB 1228; however, there isn’t enough data

yet to understand if this new bill impacted revenue.

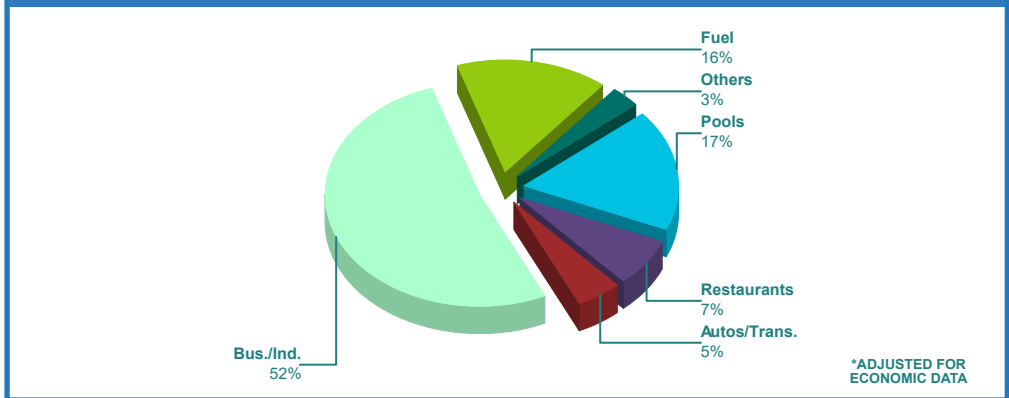
Seemingly dramatic one-time events helped boost business-industry, as investments in office supplies-furniture and energy projects were a significant reason for 3.6% gains this quarter. Additionally, strong fulfillment center direct payments demonstrated sustained logistical expansion. When coupled with improved returns via the countywide use tax pools, customers demonstrated e-commerce preferences for obtaining various goods. Overall

pool allocations improved 1.6%.

Statewide, 2024 begins in a more positive fashion compared to the recent trends of 2023. Buoyed 1st quarter results may signify ‘the floor’ helping ease tax revenue concerns while awaiting the next growth cycle. The Federal Reserve and their position with the Fed Funds Rate remains the most probable component between economic stagnation or spring-boarding consumer spending. Tourism and local travel in the coming summer period could further inspire confidence.

REVENUE BY BUSINESS GROUP

Fowler This Quarter*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Fowler Business Type	Q1 '24	Change	County Change	HdL State Change
Warehse/Farm/Const. Equip.	118,319	-12.7% ↓	-0.2% ↓	-3.8% ↓
Service Stations	67,590	3.0% ↑	-1.3% ↓	-0.8% ↓
Heavy Industrial	45,483	-12.9% ↓	0.3% ↑	-4.1% ↓
Quick-Service Restaurants	23,013	11.7% ↑	2.7% ↑	2.7% ↑
Casual Dining	11,478	10.7% ↑	-1.3% ↓	2.3% ↑
Auto Repair Shops	7,311	-30.7% ↓	2.4% ↑	-1.9% ↓

*Allocation aberrations have been adjusted to reflect sales activity