

CITY OF COALINGA

SALES TAX UPDATE

4Q 2025 (OCTOBER - DECEMBER)



COALINGA

TOTAL: \$ 281,655

-1.6%

4Q2025



3.2%

COUNTY



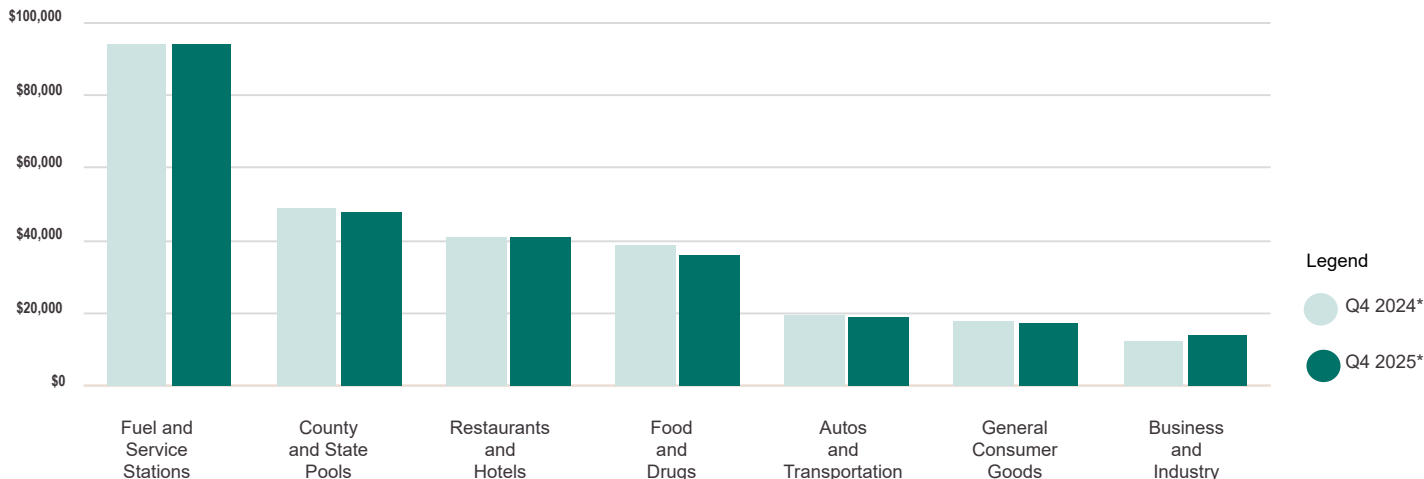
1.1%

STATE



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

SALES TAX BY MAJOR BUSINESS GROUP



Measure J

TOTAL: \$527,620

↑ 5.8%



CITY OF COALINGA HIGHLIGHTS

Coalinga's receipts from October through December were 5.3% below the fourth sales period in 2024. Excluding reporting aberrations, actual sales were down 1.6%.

State-county pools, the City's second largest income classification, had a negative 2.3% return which was heavily impacted by the contraction of several businesses sectors.

The food-drugs group showed adverse earnings from grocery stores as consumers restricted spending on non-essential food items.

Service stations saw promising returns at the pumps this quarter while gas prices remained stable. Likewise, the business-industry group enjoyed solid earnings of 13.6% during this quarter compared to the state average which was relatively flat.

The voter-approved Measures J had positive results of 5.8% primarily from the building construction sector.

Net of aberrations, taxable sales for all of Fresno County grew 3.2% over the comparable time period; the San Joaquin Valley was up 0.5%.



TOP 25 PRODUCERS

- | | |
|---------------------------------|-------------------------|
| AutoZone | Royal Liquor |
| Big 5 Sporting Goods | Save Mart |
| Billingsley Tire Service | State Foods |
| Chevron | Taco Bell |
| Coalinga Hardware | Tacos Y Mariscos Sergio |
| Coalinga Valley Market | Tractor Supply |
| Cookies Coalinga | Triple J Ready Mix |
| Dispensary & Consumption Lounge | Tropicana Super Market |
| DG Market | Valley Food Mart |
| Dollar Tree | Gasoline |
| Fastrip | Walgreens |
| Fatte Albert's Pizza | West Hills Oil |
| Little Caesars Pizza | |
| McDonald's | |
| O'Reilly Auto Parts | |



STATEWIDE RESULTS

California’s local one cent sales and use tax receipts posted moderate growth during the fourth quarter, reflecting resilient consumer behavior despite persistent economic headwinds. For the months of October through December, revenues increased 1.2% from the year ago quarter after adjusting for accounting anomalies. This performance capped an overall improvement for calendar year 2025 of 1.2%, marking a welcomed annual increase after two consecutive years of decline.

Consumer spending patterns during the holiday season played a central role in the fourth-quarter results. Fulfillment centers and countywide use tax pools generated strong returns, driven by sustained demand for online shopping as cost-conscious consumers prioritized convenience and price comparison. This e-commerce momentum persisted throughout the 2025 year. Traditional brick-and-mortar retailers, particularly apparel and jewelry stores, also realized modest seasonal gains, benefiting from holiday purchasing activity.

Restaurant sales taxes rose again, although operators reported continual pressure from rising costs that influenced customer behavior. Diners reduced visit frequency and alcohol purchases, reflecting heightened price sensitivity. While upcoming national and global sporting events in California could support localized growth, broader restaurant sector expansion is expected to remain constrained and concentrated primarily in tourism-heavy and event-focused regions.

Energy-related initiatives produced solid returns; however, revenue allocation mechanisms shifted, with proceeds previously reported directly to local agencies now distributed through county pools during the current period.

In contrast, the autos-transportation and building-construction sectors remained

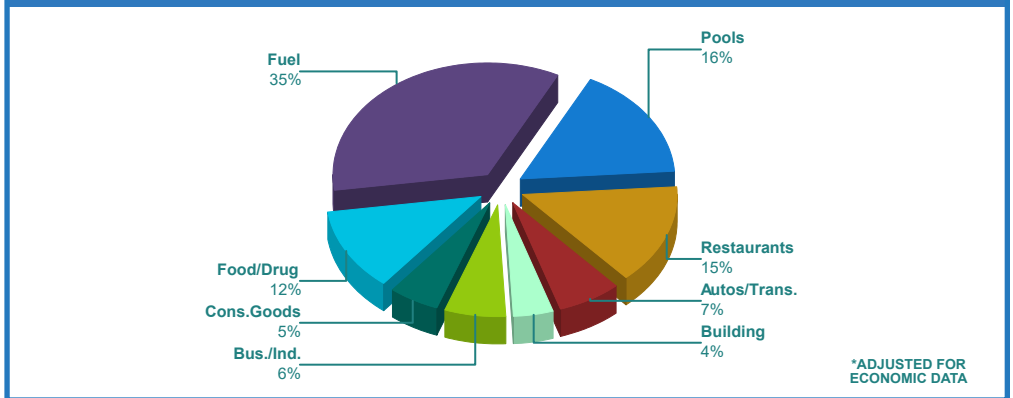
subdued. Elevated interest rates, seasonal purchasing patterns, and winter weather limited activity, particularly in high-value purchases such as vehicles and home improvement projects. Contractors in roofing and concrete experienced reduced productivity, reinforcing expectations of continued stagnation in these industries. With minimal interest rate relief projected for 2026, significant near-term recovery remains unlikely.

Looking ahead, emerging global risks present growing uncertainty. While not reflected in current results, escalating tensions in the Middle East have driven West Texas Intermediate crude oil prices above \$100 per barrel, translating into sharply higher gasoline prices exceeding \$6 per gallon locally. Refinery

closures across Northern and Southern California further amplify supply pressures. Prolonged energy price volatility could force consumers to redirect spending toward fuel costs, reducing discretionary expenditures in other sectors.

Prior to these developments, short-term economic expectations were cautiously optimistic. However, renewed inflationary pressure has led the Federal Reserve to delay anticipated interest rate reductions, limiting consumer flexibility. Stubbornly high fuel prices may also dampen travel and tourism through summer, leaving little room for broad-based sales tax growth in the year.

REVENUE BY BUSINESS GROUP Coalinga This Calendar Year*



TOP NON-CONFIDENTIAL BUSINESS TYPES

Coalinga Business Type	Q4 '25	Change	County Change	HdL State Change
Service Stations	48,846	2.2% ↑	-2.4% ↓	-2.1% ↓
Quick-Service Restaurants	26,606	-2.7% ↓	1.0% ↑	0.1% ↑
Automotive Supply Stores	17,971	2.2% ↑	-2.0% ↓	-2.3% ↓
Grocery Stores	16,460	-12.0% ↓	-0.8% ↓	0.7% ↑
Casual Dining	8,236	5.4% ↑	-0.8% ↓	2.3% ↑
Government/Social Org.	1,958	0.4% ↑	13.5% ↑	15.7% ↑
Receivables/Master Outlets	1,016	759.3% ↑	39.9% ↑	1.0% ↑
Auto Repair Shops	803	-39.6% ↓	-10.9% ↓	-1.9% ↓

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