

**Town of Prescott Valley
Transaction Privilege/Use Tax Revenues
June 30, 2013**

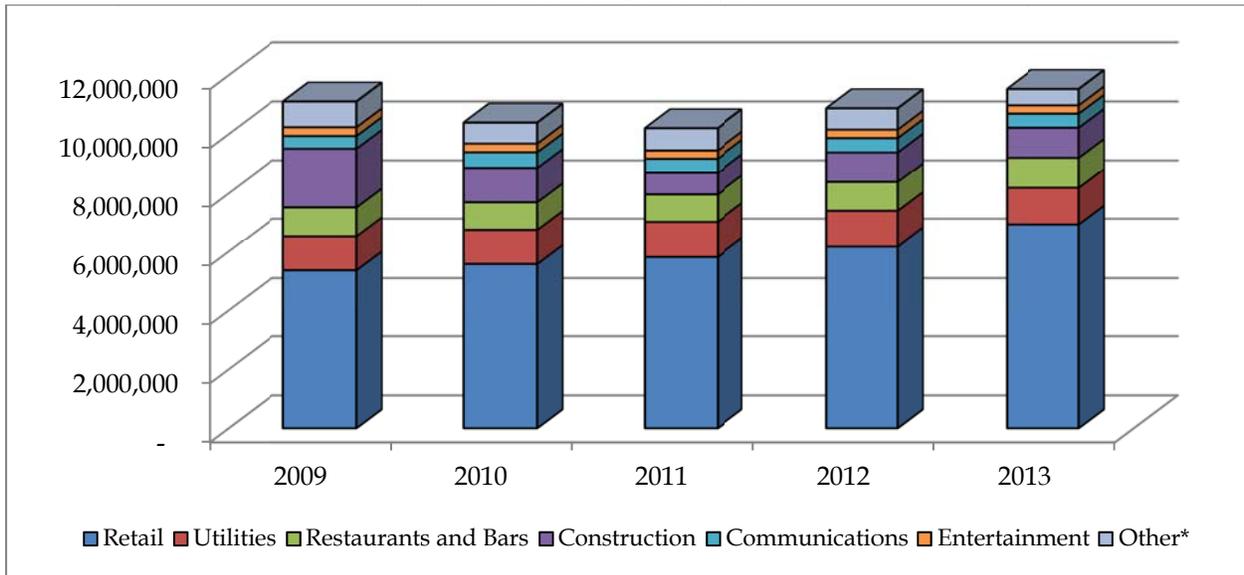
This report represents the transaction privilege/use tax revenues (sales tax) collected by the Town for fiscal year ending June 30, 2013. Total sales tax revenues are up by 5.99% compared to last fiscal year, 4.14% favorable to the current year budget and are up 3.81% compared to four years ago. Sales tax collections are showing a positive trend in many areas including retail, utilities, restaurants and bars and construction. New businesses in the area and improvements to the local economy have led to improved sales tax collections for the Town.

Sales Tax Collections

Category	2009	2010	2011	2012	2013
Retail					
Stores	\$ 2,293,858	\$ 2,619,827	\$ 2,722,114	\$ 2,918,075	\$ 3,188,745
Grocery	2,060,213	1,967,905	2,032,835	2,123,198	2,165,889
Automotive	874,438	864,772	935,005	978,213	1,129,120
Other	151,211	140,508	139,569	161,157	434,625
Total Retail	5,379,720	5,593,012	5,829,523	6,180,643	6,918,379
Utilities	1,138,826	1,141,694	1,176,812	1,204,347	1,250,485
Restaurants and Bars	983,121	942,407	938,052	982,253	1,036,400
Construction	2,010,414	1,181,303	732,736	1,018,011	1,020,360
Communications	433,116	532,575	494,170	487,727	477,487
Entertainment	299,159	296,121	280,222	289,243	282,709
Other*	868,076	712,446	757,453	721,345	549,503
Total	\$ 11,112,432	\$ 10,399,558	\$ 10,208,968	\$ 10,883,569	\$ 11,535,323

*Commercial Lease, Job Printing, Lodging, Mining, Personal Property Rental, Publication, Transportation and Use Tax

Sales Tax Collections



* Commercial Lease, Job Printing, Lodging, Mining, Personal Property Rental, Publication, Transportation and Use Tax

Retail - Stores encompass a variety of businesses including big box stores (i.e., Home Depot and Sam's Club), department stores (i.e., Kohl's), hardware (i.e., Ace Hardware), painting, furniture and service businesses that sell retail items. Retail stores tax collections are favorable to prior year by 9.28% or \$270,670 and 39.01% or \$894,887 compared to four years ago. New businesses and an improved economy have led the retail stores category to increase each year over the last five years.

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Retail - Grocery includes large food chains, small mom and pop stores and convenience stores. An increase of 2.01% or \$42,691 was seen over last year and an increase of 5.13% or \$105,676 compared to four years ago.

Retail - Automotive includes auto dealerships, automotive repair shops, tire stores and retail stores that sell automotive parts and accessories. An increase of 15.43% or \$150,907 was seen over last year and an increase of 29.13% or \$254,682 compared to four years ago.

Utilities category contains tax collected on the sale of electricity, natural gas, water and sewer service. Collections are up by 3.83% compared to last year and up by 9.80% compared to four years ago. These increases are a result, in part, of various utility rate increases.

Restaurants and Bars include fast food chains, restaurants and bars. This category is favorable to last fiscal year by 5.51% or \$54,147 and favorable to four years ago by 5.42% or \$53,279. This favorability is mainly due to a slowly improving economy as well as the opening of new businesses.

Construction tax revenues include residential and commercial projects. Construction tax revenues are favorable to last year by .23% or \$2,349 and are unfavorable to four years ago by 49.25% or \$990,054. These tax revenues remain low as the economy continues to struggle to recover from the recent recession. Permit activity in residential developments are increasing, a promising sign of recovery.

Communications include cell phone service providers, long distance providers, etc. This category is unfavorable to last year by 2.10% or \$10,240 and favorable to four years ago by 10.24% or \$44,371.

Sales Tax within Designated Boundaries

Designated Boundary	2009	2010	2011	2012	2013
Secondary Credit Support Area	\$ 1,206,098	\$ 1,076,220	\$ 924,911	\$ 992,514	\$ 1,065,352
Entertainment District/ Area	693,345	715,600	707,161	769,177	634,352
Crossroads	**	**	**	**	1,643,604
Other*	1,028,729	1,567,618	1,785,886	1,820,070	466,412
Total	\$ 2,928,172	\$ 3,359,438	\$ 3,417,958	\$ 3,581,760	\$ 3,809,720

*Crossroads, Eastridge, Glassford Hill Marketplace, Multi-Purpose Event Center (MPEC) and Quailwood

**Reported in other as the number of businesses within the designated boundary did not meet minimum reporting requirements

During the year of 2009, tax revenue from the businesses within designated boundaries represented 26.35% of overall tax revenues collected. For the current fiscal year of 2013, tax revenues collected in designated boundaries represents 33.03% of overall tax revenues collected. This increase is primarily due to the increased number of retail businesses which have located within the designated boundary areas.

Sales Tax within Designated Boundaries by Category

Category	2009	2010	2011	2012	2013
Retail	\$ 1,780,048	\$ 2,210,443	\$ 2,304,731	\$ 2,412,646	\$ 2,688,699
Restaurants and Bars	455,269	434,717	425,849	459,731	496,051
Other*	692,855	714,278	687,378	709,384	624,970
Total	\$ 2,928,172	\$ 3,359,438	\$ 3,417,958	\$ 3,581,760	\$ 3,809,720

* Commercial Lease, Communications, Construction, Entertainment, Job Printing, Lodging, Mining, Personal Property Rental, Publication, Transportation, Use Tax and Utilities

For the current fiscal year, retail within the designated boundaries represents 38.86% of total retail and restaurants and bars represents 47.86% of the total in that category.

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The following graph illustrates sales tax collections for the current fiscal year as compared to the prior four fiscal years.

