

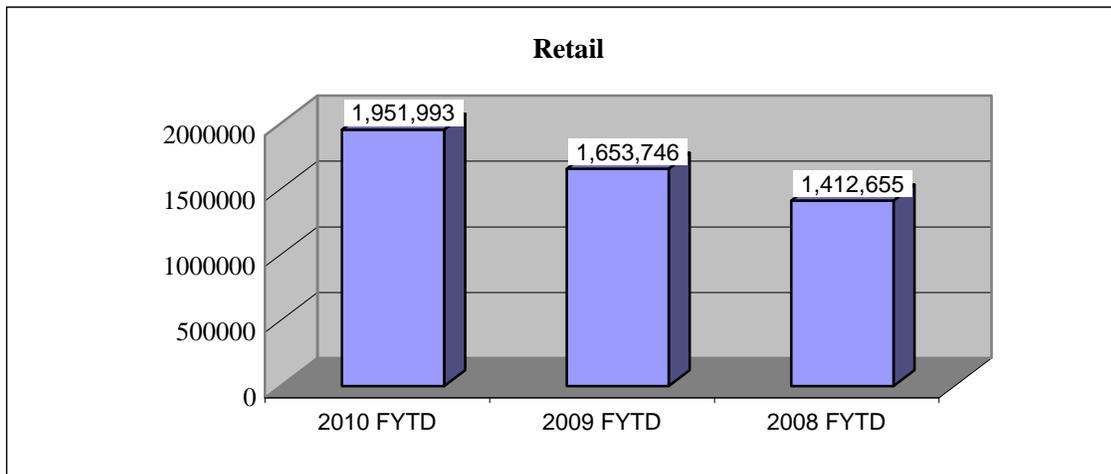
TOWN OF PRESCOTT VALLEY TRANSACTION PRIVILEGE/USE TAX REVENUES
 For FY 2010, Third Quarter ending March 31, 2010

This report represents the Transaction Privilege/Use tax revenues collected for Fiscal Year 2010 through the third quarter with comparisons to the prior two fiscal years. The table is sorted in declining order of tax collected. Total revenue for FY 2010 is down 8% from the prior year and down 17% from two years ago.

FISCAL YTD	2010	2009	2008
Retail Stores	\$ 1,951,993	\$ 1,653,746	\$ 1,412,654
Grocery	1,483,799	1,589,169	1,635,693
Construction	971,267	1,649,190	2,414,048
Rest / Bar / Entertmnt	935,105	949,647	995,919
Utilities	869,089	873,967	867,391
Automotive	626,817	659,814	995,150
Other Retail & Use Tax	387,266	576,348	450,867
Communications	357,052	342,853	374,670
Transient Lodging	174,512	119,779	129,020
Publication/Job Print	93,448	116,327	138,752
Total	\$ 7,850,348	\$ 8,530,840	\$ 9,414,164

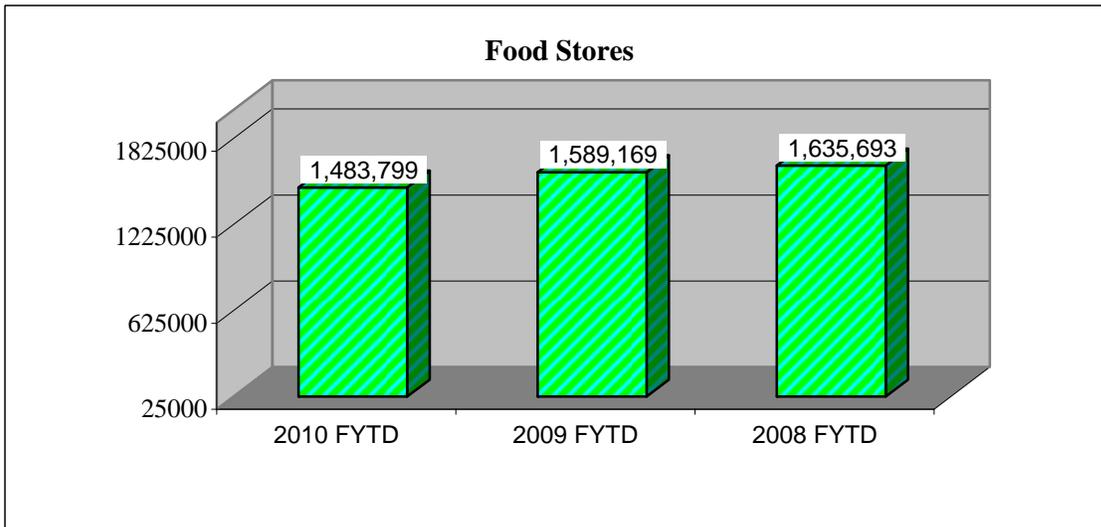
RETAIL STORES

Retail encompasses a wide variety of businesses including "big box" stores, department stores, hardware, paint, furniture, and any service business that also sells retail items such as beauty salons, day spas, pet groomers, etc. This includes the new Sam's Club including their grocery sales, tire sales and other retail sales. The increase in retail tax over last year is 25% and a 38% increase over two years ago.



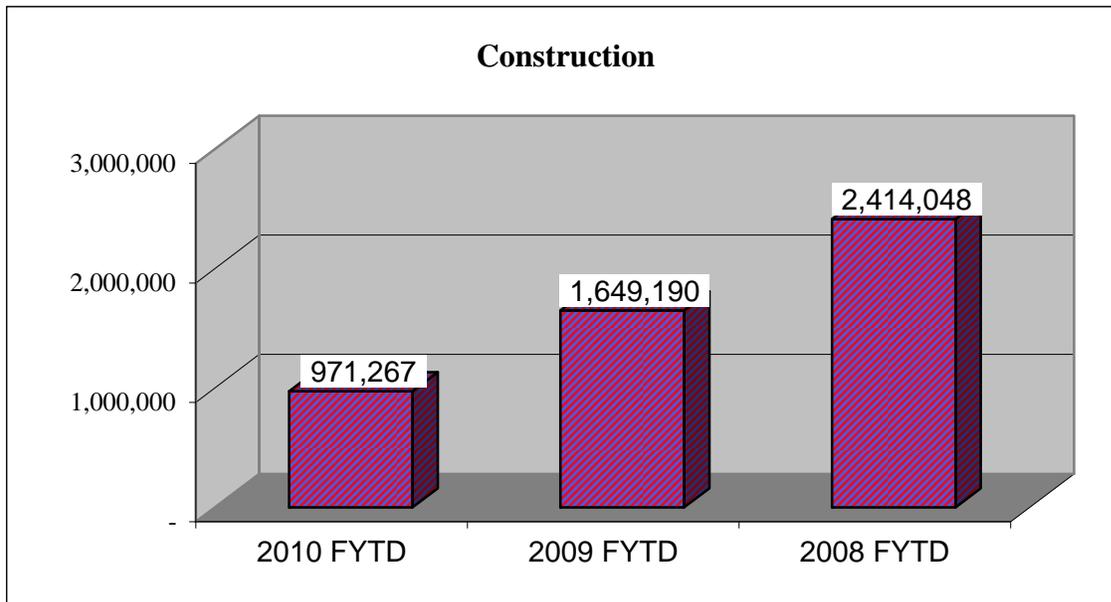
FOOD STORES

The food store industry saw a decrease of 7% over the prior FY 2009 and a drop of 9% over FY 2008. This category includes the large food chains as well as the small “mom and pop” stores and small convenience stores. The portion of Sam's Club food sales is reported under the "Retail Sales" category, not under this category.



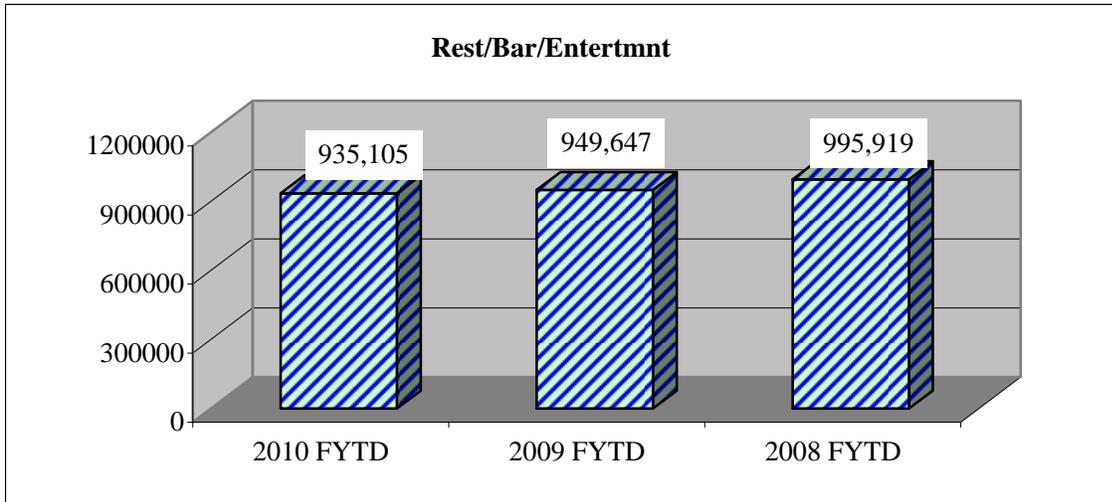
CONSTRUCTION

Construction is our third largest contributor. Third quarter revenue is down by 41% compared to FY 2009 and 60% from FY 2008. This category accounts for 12% of our total TPT revenue. In comparison, it accounted for 19% of TPT revenue in 2009 and 26% for 2008. Commercial construction continues to bring in a stream of revenue but we are seeing these figures go down as the projects near completion.



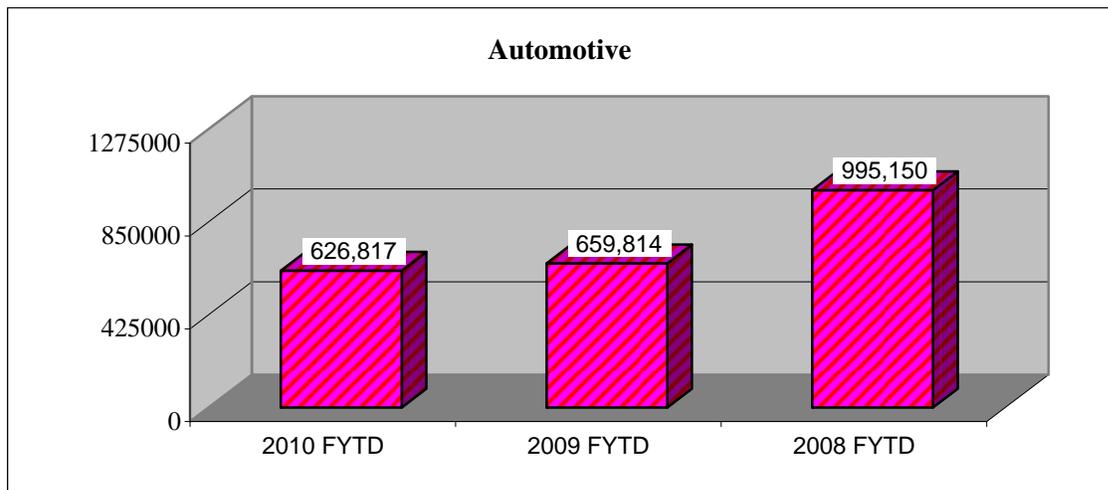
RESTAURANTS/BARS/ENTERTAINMENT

Revenues in our fourth largest category are down from FY 2009 by 2% and down by 6% over FY 2008. This area reflects the decreased spending of taxpayers on entertainment which, in turn, also leads to a decrease in restaurant revenue as well. In addition, some restaurants are not filing tax returns and remitting the tax but are continuing to conduct business.



AUTOMOTIVE

The automotive industry is taking a big hit in decreasing revenues as our economy continues to decline. Revenues are down 5% from FY 2009 and 37% below FY 2008. This has been one of the top four revenue resources in the past but continues to decline.



ALL OTHER CATEGORIES

The balance of TPT Revenues is reflected in the following chart. Compared to the top four categories, the dollar amounts may not seem significant but that may change as the demographics and economic trends of the Town change. TPT on RV park rents is included in the transient lodging category. Retail Other includes those categories we track but are not substantial revenue generators.

This last category is comprised of those businesses which might only report once a year or are broken down into smaller categories. Transient lodging will be one to watch as the new hotels are beginning to produce revenues.

