

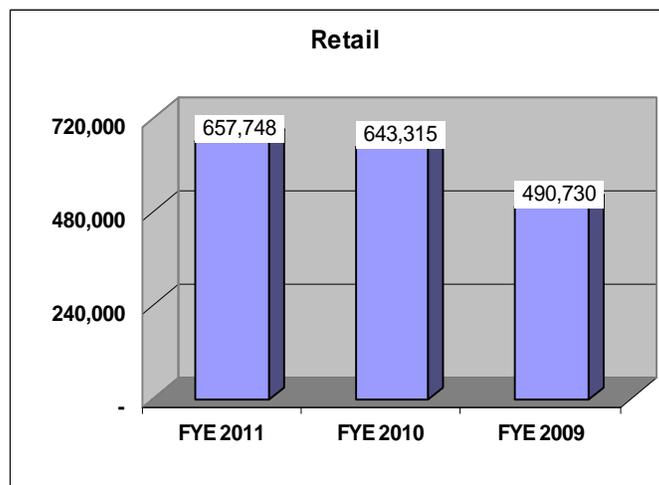
**TOWN OF PRESCOTT VALLEY TRANSACTION PRIVILEGE/USE TAX REVENUES**  
**For First Quarter Ending September 30, 2010**

This report represents the Transaction Privilege/Use Tax revenues collected for the first quarter of the Fiscal Year End 2011 with comparisons to the prior two fiscal years. The table is sorted in declining order of tax collected. Total revenue for this quarter is down 6% from the prior year and down 17% from two years ago.

FISCAL YTD	FYE 2011	FYE 2010	FYE 2009
Retail Stores	\$ 657,748	\$ 643,315	\$ 490,730
Grocery	494,113	474,636	540,096
Rest / Bar / Entertainment	315,140	324,239	316,778
Utilities	303,402	286,729	297,328
Construction	248,760	471,286	753,485
Automotive	242,476	237,387	285,326
Other Retail & Use Tax	122,454	129,962	245,520
Communications	121,606	96,437	124,652
Transient Lodging	69,392	72,794	53,080
Publication/Job Print	36,066	39,371	49,856
<b>Total</b>	<b>\$ 2,611,156</b>	<b>\$ 2,776,155</b>	<b>\$ 3,156,850</b>

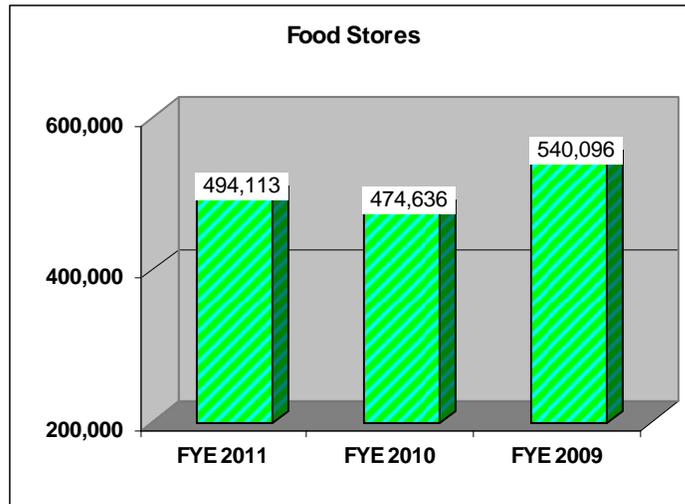
**RETAIL STORES**

Retail encompasses a wide variety of businesses including “big box” stores, department stores, hardware, painting, furniture, and any service business that also sells retail items such as beauty salons, day spas, pet groomers, etc. Sam’s Club, including their grocery sales, tire sales and other retail sales, is found in this category. The increase in retail tax over the last year is 2% and a 34% increase over two years ago.



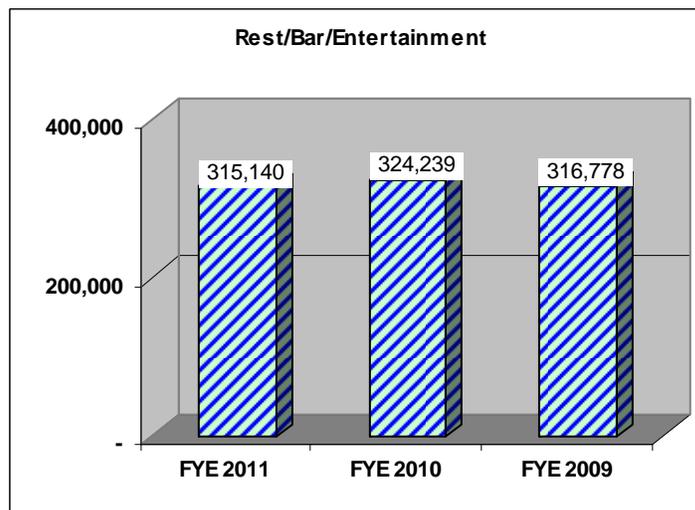
## FOOD STORES

The food store industry saw an increase of 4% over the FYE 2010 first quarter and a drop of 9% over FYE 2009 first quarter. 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.



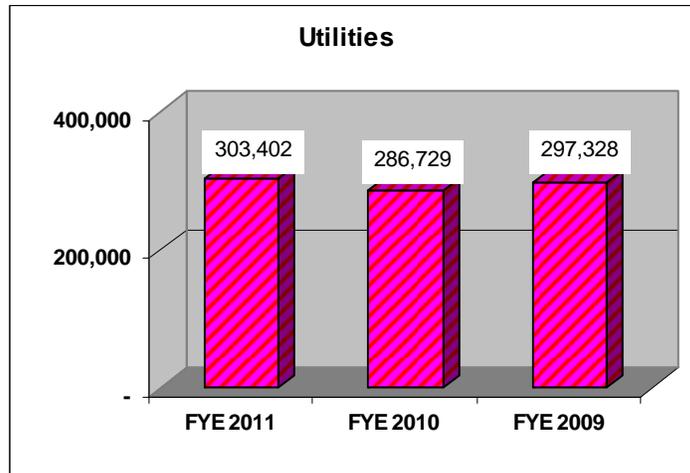
## RESTAURANTS/BARS/ENTERTAINMENT

Revenues in our third largest category are down from the FYE 2010 first quarter by 2% and down by 1% from the FYE 2009 first quarter. 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.



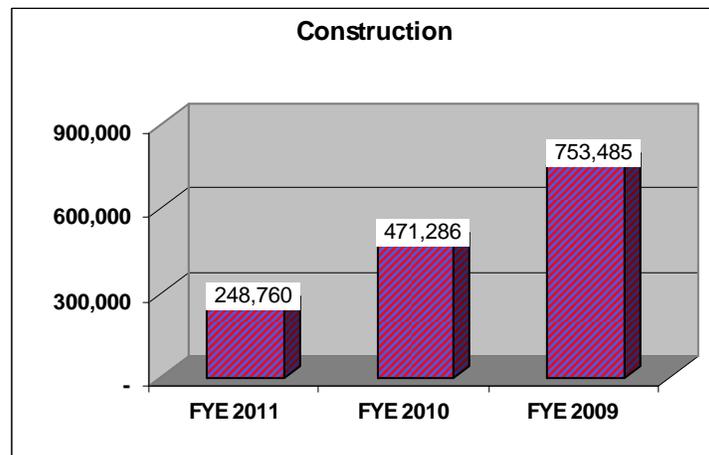
## UTILITIES

The Utilities category contains tax collected on the sale of electricity, natural gas, water and sewer service. Collections are up 5% from last year's first quarter and 2% from FYE 2009 first quarter.



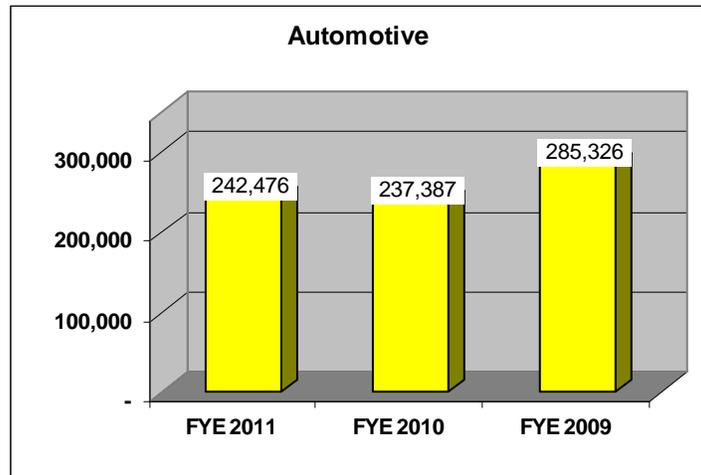
## CONSTRUCTION

Construction has fallen to our fifth largest contributor. Revenue is down by 41% compared to the FYE 2010 first quarter and 62% from the FYE 2009 first quarter. This category accounts for 11% of our total TPT revenue. In comparison, it accounted for 18% of TPT revenue in 2010 and 25% for 2009 for the same quarter. Commercial construction continues to bring in a stream of revenue but we are seeing these figures go down as the projects near completion.



## AUTOMOTIVE

While the automotive industry took a big hit in decreasing revenue between FYE 2009 and FYE 2010, current revenues are down by only 1% from the FYE 2010 first quarter. They are down 34% from the FYE 2009 first quarter.



## ALL OTHER CATEGORIES

The balance of TPT Revenues is reflected in the following chart. Compared to the top six 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. In addition, this last category includes those businesses which might only report once a year.

