

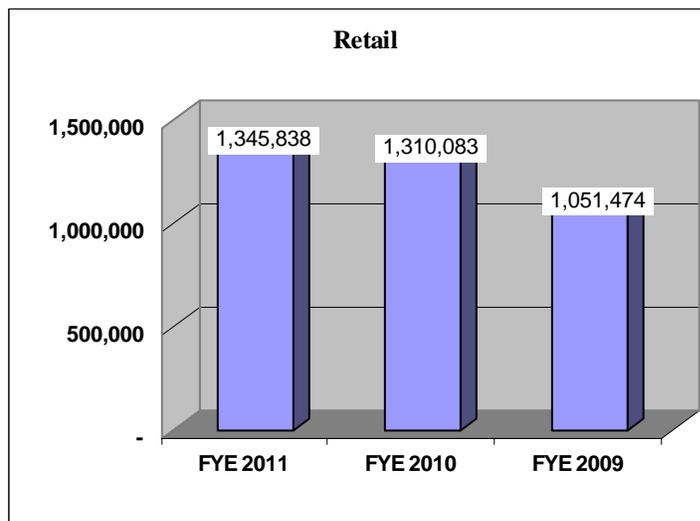
TOWN OF PRESCOTT VALLEY TRANSACTION PRIVILEGE/USE TAX REVENUES
For Second Quarter Ending December 31, 2010

This report represents the Transaction Privilege/Use Tax revenues collected by the end of the second quarter of the Fiscal Year Ending 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 4% from the prior year and down 13% from two years ago.

FISCAL YTD	2011	2010	2009
Retail Stores	\$1,345,838	\$1,310,083	\$1,051,474
Grocery	971,149	953,463	1,048,839
Rest / Bar / Entertmnt	608,858	622,955	650,322
Utilities	579,455	549,306	552,467
Automotive	484,147	439,858	496,462
Construction	408,088	790,838	1,244,243
Other Retail & Use Tax	266,971	257,950	428,799
Communications	245,533	179,253	247,484
Transient Lodging	128,990	125,791	83,294
Publication/Job Print	<u>57,498</u>	<u>60,633</u>	<u>78,809</u>
Total	\$5,096,527	\$5,290,127	\$5,882,193

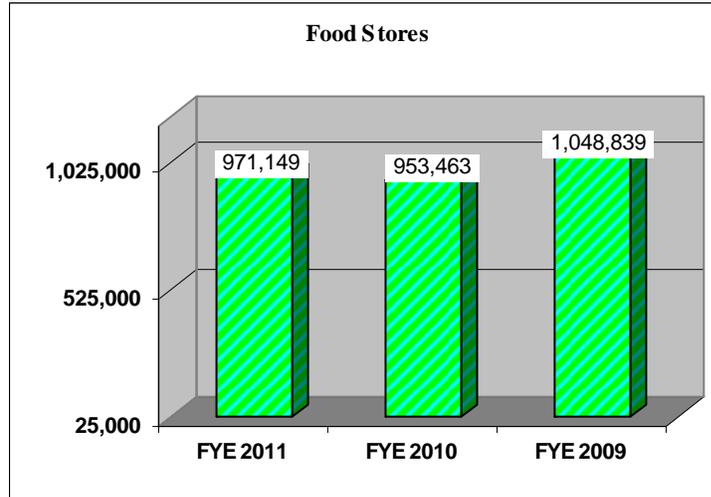
RETAIL STORES

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 3% and a 28% increase over two years ago.



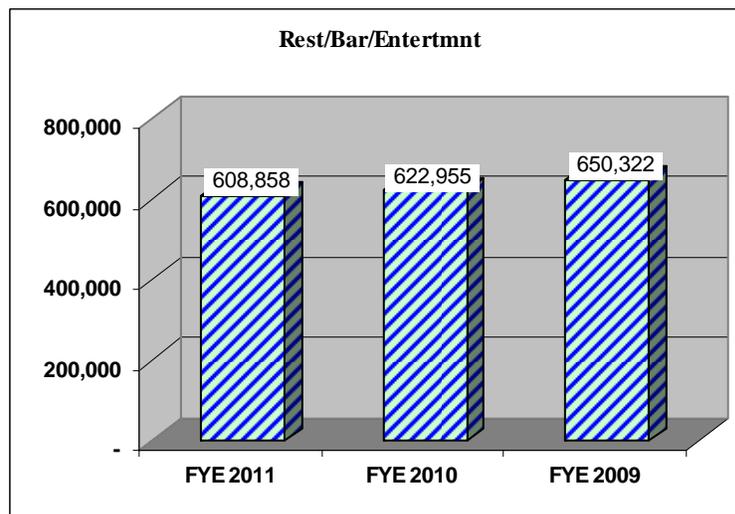
FOOD STORES

The food store industry saw an increase of 2% over the FYE 2010 and a drop of 7% over FYE 2009. 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.



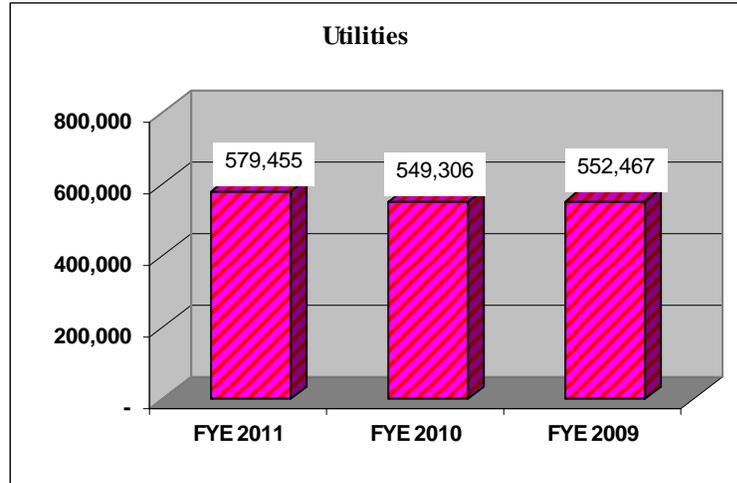
RESTAURANTS/BARS/ENTERTAINMENT

Revenues in our third largest category are down from the first half of FYE 2010 by 2% and down by 6% from the FYE 2009 first half. 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.



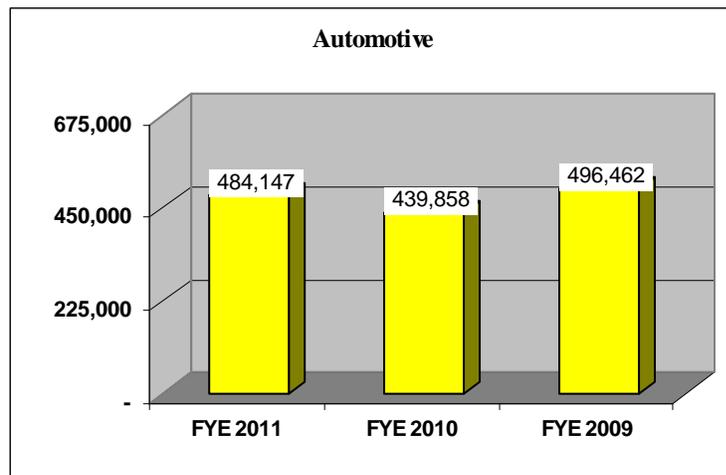
UTILITIES

The Utilities category contains tax collected on the sale of electricity, natural gas, water and sewer service. Collections are up 5% from last year at this time and up 5% from FYE 2009. These increases are a result, in part, of various utility rate increases.



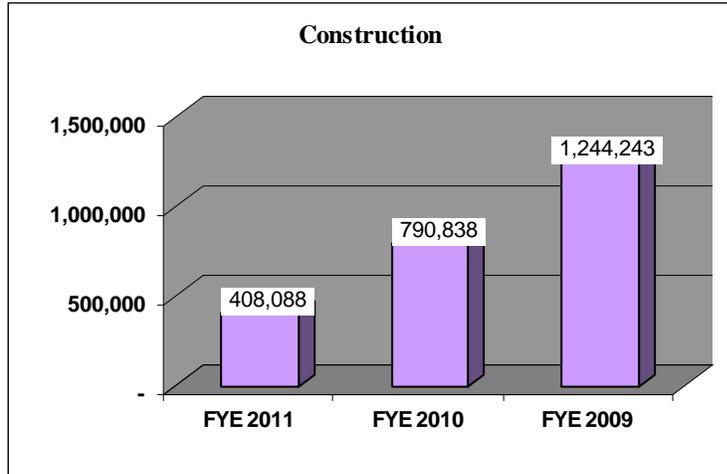
AUTOMOTIVE

The automotive industry tax revenue has been fairly steady the last three years. Revenues are up 10% from FY 2010 and 2% below FY 2009. Revenue was over twice this in 2007 and 2008. This category includes auto dealerships, automotive repair shops, tire stores and retail stores that sell automotive parts and accessories.



CONSTRUCTION

Construction has fallen to our sixth largest contributor. Revenue is down by 48% compared to the FY 2010 and 67% from the FY 2009. This category accounts for 8% of our total TPT revenue. In comparison, it accounted for 15% of TPT revenue in 2010 and 21% for 2009 for the same two quarters.



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 usually substantial revenue generators such as tax on the rental of personal property and use tax. In addition, this last category includes those businesses which might only report once a year.

