

TOWN OF PRESCOTT VALLEY, ARIZONA QUARTERLY SALES TAX REPORT



QUARTER ENDED:

JUNE 30, 2020

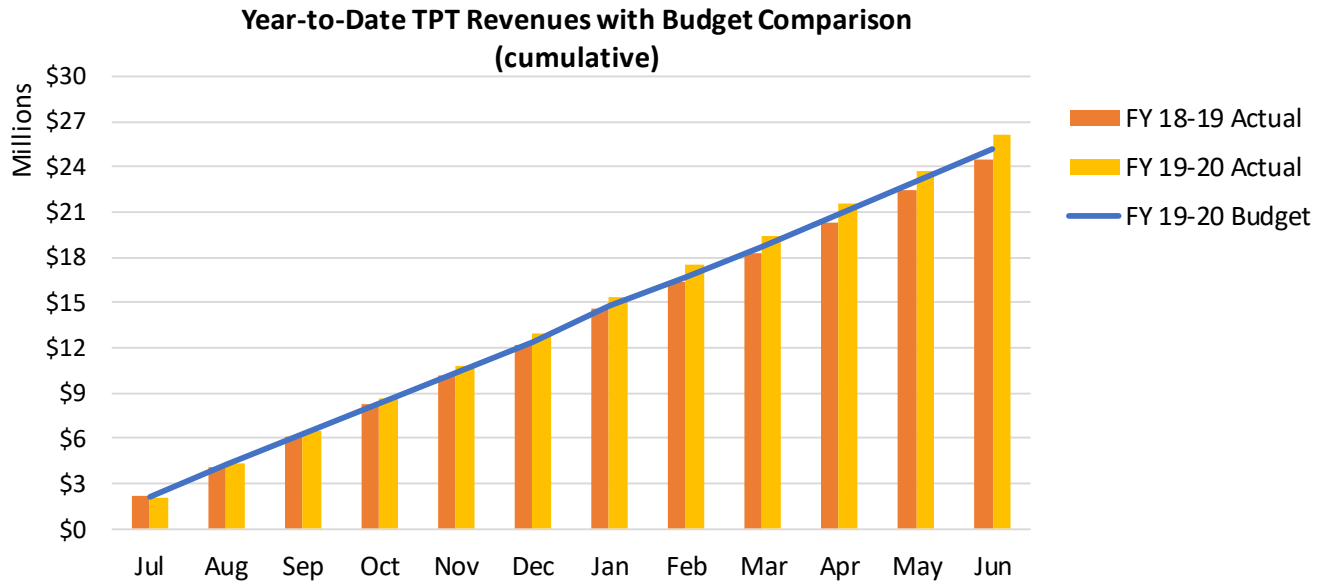
PRESENTED TO THE TOWN COUNCIL

ON AUGUST 13, 2020

PREPARED BY THE TOWN OF PRESCOTT VALLEY FINANCE DEPARTMENT

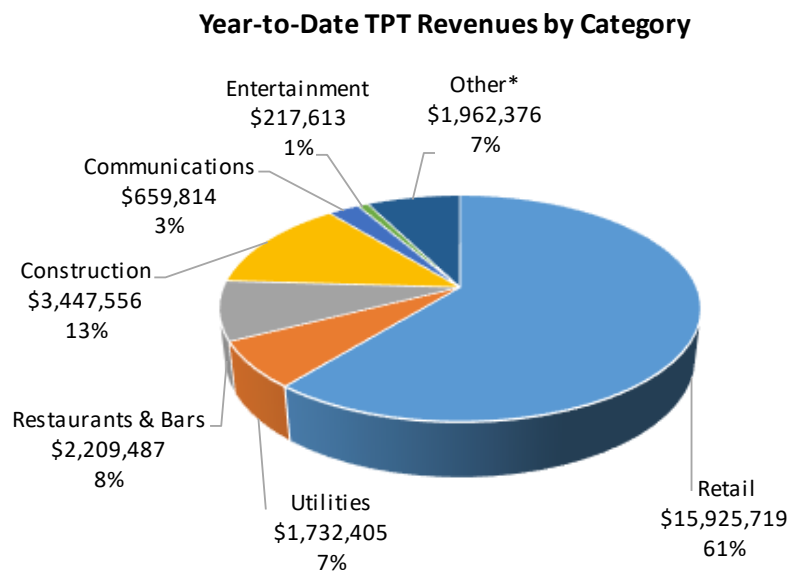
Transaction Privilege Tax Revenues

Total transaction privilege tax (TPT) revenues are up by 6.67% for the same period compared to last fiscal year and 3.55% compared to budget. The rise in sales tax collections is primarily due to retail and restaurant & bar revenue. The following graph represents cumulative performance through the final quarter of fiscal year 2020 when compared to budget and to the prior fiscal year.



For the current fiscal year, the most significant changes are:

- ⇒ **Retail** — Largest tax category at 61% of total TPT revenues which includes big box stores, grocery, automotive and all other retail, exhibiting an overall increase of 15.07% compared to the prior year.
- ⇒ **Restaurants & Bars** — Comprise 8% of total TPT revenues and includes fast food chains, restaurants, and bars. An increasing variety of new restaurant establishments have contributed to the 2.09% increase over the prior year.

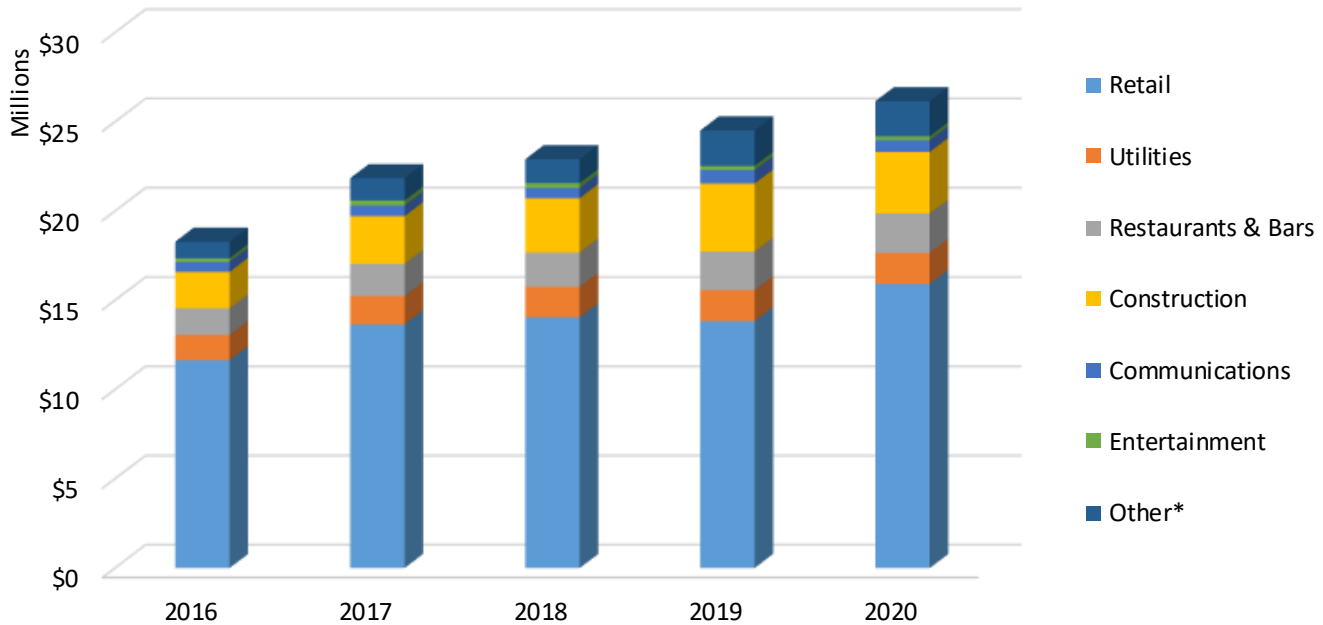


*Job Printing, Hotel/Motel, TPP Rental, Publication, Transportation, and Use Tax

5 Year Comparison

Total TPT revenues are up by 43.06% compared to the same period four years ago. The rise in sales tax collections is partially due to the 0.50% increase in transaction privilege tax that went into effect January 1, 2016 as well as an increase in restaurant & bars and retail revenue. The following graph compares data through the end of fiscal year 2020 compared to the four preceding years.

Year-to-Date TPT Collections by Category



Year-to-Date TPT Collections by Category

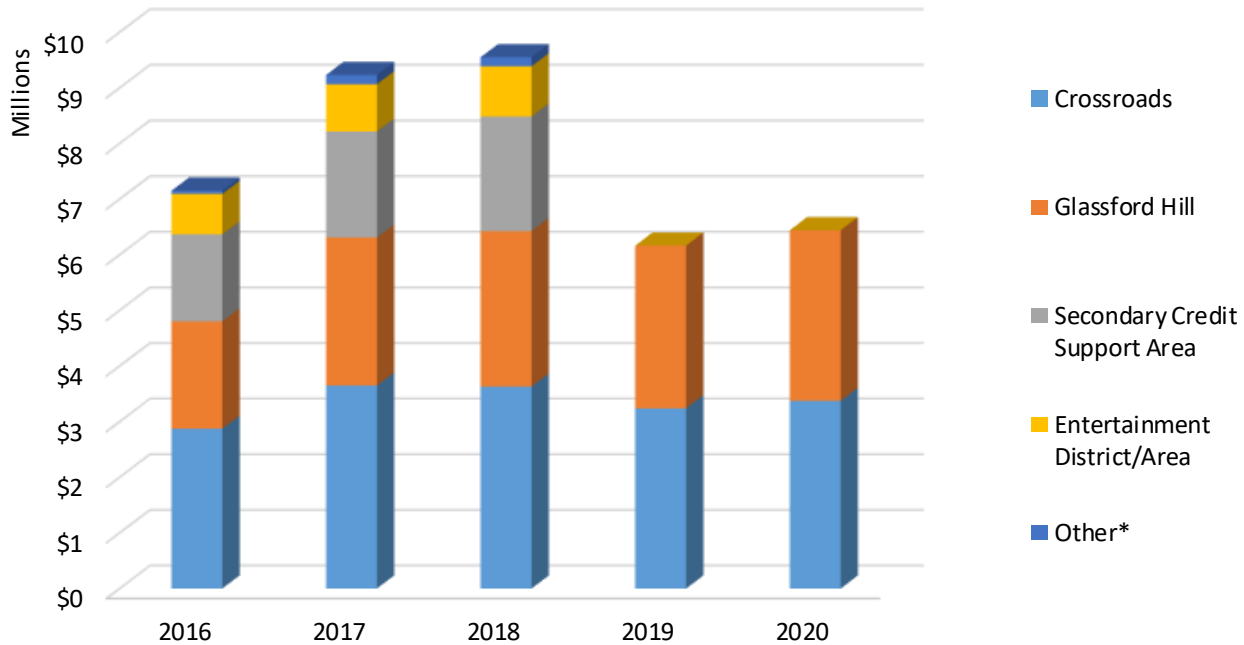
Category	2016	2017	2018	2019	2020
Retail					
Stores	\$ 6,429,089	\$ 7,819,962	\$ 8,155,031	\$ 8,437,728	\$ 10,161,040
Grocery	2,619,635	2,928,396	3,015,942	3,197,072	3,439,778
Automotive	2,000,560	2,150,132	2,035,967	1,855,611	1,907,313
Other	600,262	747,414	841,106	349,124	417,588
Retail	11,649,546	13,645,904	14,048,046	13,839,535	15,925,719
Utilities	1,420,694	1,594,198	1,712,709	1,732,578	1,732,405
Restaurants & Bars	1,482,623	1,800,161	1,921,306	2,164,250	2,209,487
Construction	2,037,814	2,677,511	3,036,707	3,809,098	3,447,556
Communications	565,278	601,418	584,147	758,007	659,814
Entertainment	199,408	275,106	261,718	230,317	217,613
Other*	927,736	1,253,151	1,345,304	1,984,747	1,962,376
Total	<u>\$ 18,283,099</u>	<u>\$ 21,847,449</u>	<u>\$ 22,909,937</u>	<u>\$ 24,518,532</u>	<u>\$ 26,154,970</u>

*Job Printing, Hotel/Motel, TPP Rental, Publication, Transportation, and Use Tax

TPT Within Designated Boundaries

For fiscal year 2020, tax revenue from the businesses within designated boundaries represent 24.62% of overall tax revenues collected compared to 25.14% the prior year. Retail within the designated boundaries represents 35.31% of total retail tax revenue and restaurants & bars represent 20.39% of the total restaurant & bar tax revenue.

Year-to-Date TPT Collections by Designated Boundaries



Year-to-Date TPT Within Designated Boundaries

Designated Boundary	2016	2017	2018	2019	2020
Crossroads	\$ 2,872,146	\$ 3,649,032	\$ 3,630,919	\$ 3,238,451	\$ 3,374,035
Glassford Hill	1,929,431	2,659,592	2,793,207	2,925,855	3,065,908
Secondary Credit Support Area	1,564,332	1,908,094	2,061,096	-	-
Entertainment District/Area	727,217	848,478	902,405	-	-
Other*	59,071	166,450	164,207	-	-
Total	\$ 7,152,197	\$ 9,231,646	\$ 9,551,834	\$ 6,164,306	\$ 6,439,943
% of Total Revenues	39.12%	42.26%	41.69%	25.14%	24.62%

Year-to-Date TPT Within Designated Boundaries by Category

Category	2016	2017	2018	2019	2020
Retail	\$ 5,929,178	\$ 7,473,623	\$ 7,688,440	\$ 5,384,248	\$ 5,623,346
Restaurants and Bars	670,481	814,270	922,025	433,175	450,582
Other**	552,538	943,753	941,369	346,883	366,015
Total	\$ 7,152,197	\$ 9,231,646	\$ 9,551,834	\$ 6,164,306	\$ 6,439,943

*Smaller development areas excluded in 2019 & 2020 to preserve proprietary taxpayer information

**Includes Construction, Job Printing, Hotel/Motel, TPP Rental, Publication, Entertainment, Utilities, Transportation, and Use Tax