

TOWN OF PRESCOTT VALLEY, ARIZONA QUARTERLY SALES TAX REPORT

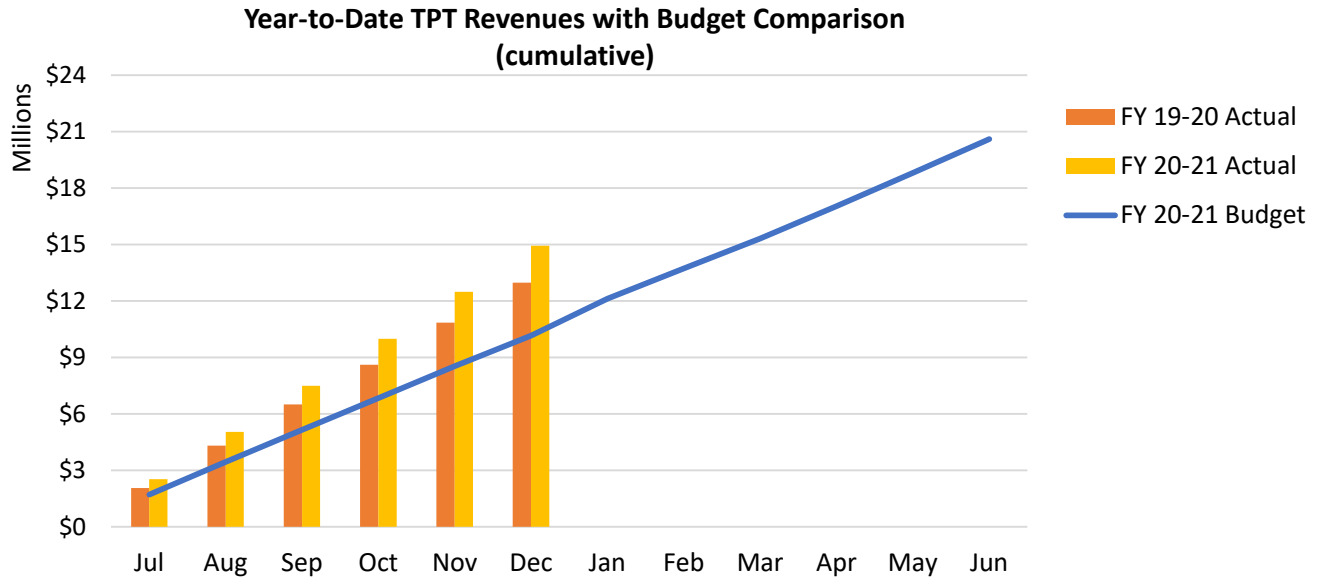


**QUARTER ENDED:
DECEMBER 31, 2020
PRESENTED TO THE TOWN COUNCIL
ON FEBRUARY 11, 2021**

PREPARED BY THE TOWN OF PRESCOTT VALLEY FINANCE DEPARTMENT

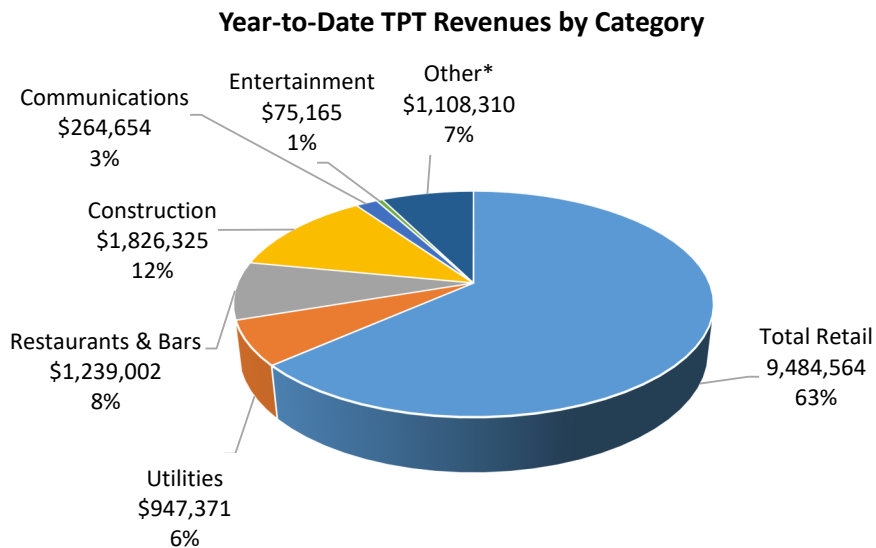
Transaction Privilege Tax Revenues

Total transaction privilege tax (TPT) revenues are up by 15% for the same period compared to last fiscal year and 47% compared to budget. The rise in sales tax collections is primarily due to retail revenue. The following graph represents cumulative performance through the second quarter of fiscal year 2021 when compared to budget and to the prior fiscal year.



For the current fiscal year, the most significant change is:

- ⇒ **Retail** — The largest tax category at 63% of total TPT revenues which includes big box stores, grocery, auto and all other retail, exhibiting an overall increase of 27% compared to the prior year.

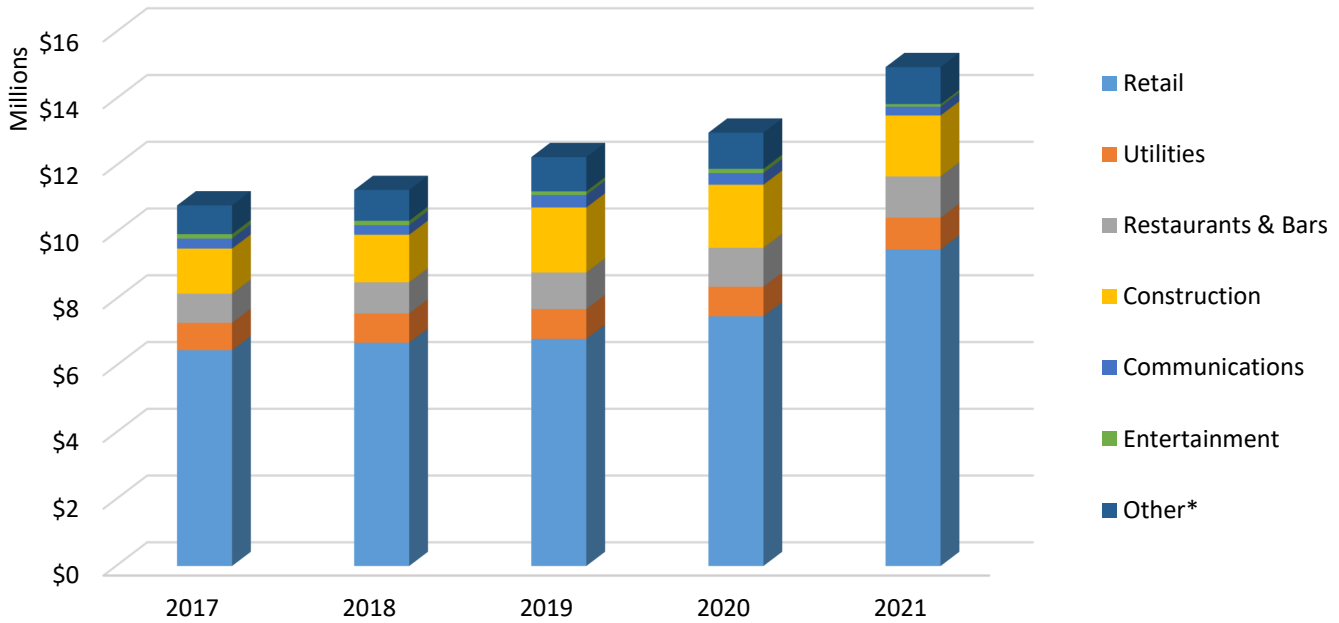


*Job Printing, Hotel/Motel, TPP Rental, Publication, Transportation, and Use Tax

5 Year Comparison

Total TPT revenues are up by 38% compared to the same period four years ago. The rise in sales tax collections is due to a robust increase in retail revenue, and to a lesser extent, construction and restaurant & bar revenue. The following graph represents data through the second quarter of fiscal year 2021 compared to the four preceding years.

Year-to-Date TPT Collections by Category



Year-to-Date TPT Collections by Category

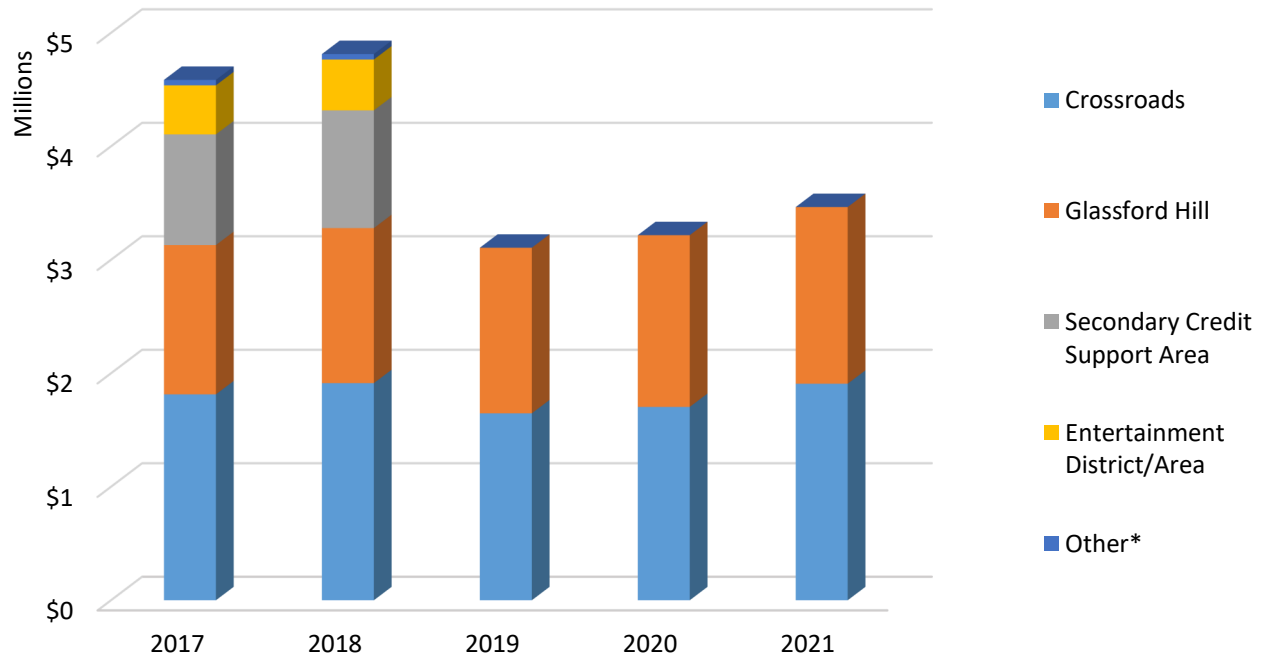
Category	2017	2018	2019	2020	2021
Retail					
Stores	\$ 3,820,528	\$ 4,138,926	\$ 4,061,484	\$ 4,805,701	\$ 6,085,302
Grocery	1,428,535	1,398,758	1,541,713	1,568,883	1,796,185
Automotive	1,093,404	1,010,353	1,020,934	922,239	1,302,950
Other	120,788	140,616	177,841	182,130	300,127
Total Retail	6,463,255	6,688,653	6,801,972	7,478,953	9,484,564
Utilities	821,687	876,871	894,893	886,360	947,371
Restaurants & Bars	873,697	932,841	1,095,503	1,165,747	1,239,002
Construction	1,350,596	1,424,962	1,948,636	1,892,628	1,826,325
Communications	300,012	287,977	372,408	346,816	264,654
Entertainment	133,120	131,113	109,906	127,837	75,165
Other*	860,074	922,197	1,026,508	1,083,576	1,108,310
Total	\$ 10,802,441	\$ 11,264,614	\$ 12,249,826	\$ 12,981,917	\$ 14,945,391

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

TPT Within Designated Boundaries

During the second quarter of fiscal year 2021, tax revenue from the businesses within designated boundaries represent 23% of overall tax revenues collected compared to 25% the prior year. Retail within the designated boundaries represent 32% of total retail tax revenue and restaurants & bars represent 21% of the total restaurant & bar revenue.

Year-to-Date TPT Collections by Designated Boundaries



Year-to-Date TPT Within Designated Boundaries

Designated Boundary	2017	2018	2019	2020	2021
Crossroads	\$ 1,814,275	\$ 1,913,171	\$ 1,647,033	\$ 1,703,526	\$ 1,907,960
Glassford Hill	1,315,504	1,366,285	1,459,447	1,513,659	1,557,030
Secondary Credit Support Area	975,520	1,037,333	-	-	-
Entertainment District/Area	432,054	448,182	-	-	-
Other*	48,025	48,068	-	-	-
Total	\$ 4,585,378	\$ 4,813,039	\$ 3,106,480	\$ 3,217,185	\$ 3,464,990
% of Total Revenues	42%	43%	25%	25%	23%

Year-to-Date TPT Within Designated Boundaries by Category

Category	2017	2018	2019	2020	2021
Retail	\$ 3,713,674	\$ 3,935,840	\$ 2,691,808	\$ 2,801,808	\$ 3,048,532
Restaurants and Bars	384,015	421,184	245,718	230,291	258,482
Other**	487,689	456,015	168,954	185,086	157,976
Total	\$ 4,585,378	\$ 4,813,039	\$ 3,106,480	\$ 3,217,185	\$ 3,464,990

*Smaller development areas excluded in 2019, 2020 & 2021 to preserve proprietary taxpayer information

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