



# Economic Impacts of the Prescott Rodeo Grounds

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Prepared For:



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# Executive Summary

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The report prepared for Prescott Frontier Days Inc. identifies the economic and fiscal impacts of the Prescott Rodeo Grounds (Prescott Rodeo) on the local communities in the region. The analysis estimates the annual economic and tourism activity generated by the Prescott Rodeo's year-round events and the impact of the planned expansion of the rodeo.

The custom model created for this analysis quantifies the impacts in terms of economic output, jobs, labor income, and tax revenues. The metrics were further detailed as either direct or secondary (indirect and induced) based on the initial impacts generated, and those created as the spending and re-spending flows through the local economy; also known as the ripple effect. The key findings are detailed below.

## Key Findings

- The events held by the Prescott Rodeo drive significant tourism activity in Prescott, bolstering the local economy. The expansion of the Prescott Rodeo will provide additional opportunities to attract new visitors, promote additional tourism activity, and enhance business development in the area.
- In 2021, year-round events held by the Prescott Rodeo drew in an estimated 81,500 attendees and visitors from around the world to Prescott.
- The operations and events of the Prescott Rodeo supported a total of 337 full-time equivalent jobs in 2021. These jobs include the livestock managers, groundskeepers, rodeo officials, ride attendants, food vendors, etc., that work on the rodeo grounds during events as well as the jobs supported by influx of visitor spending at local businesses in Prescott and the region.
- The total labor income (i.e., employee-earned wages) generated by the Prescott Rodeo's activity in 2021 equaled \$12.9M. During that same year, approximately \$33.5M in economic output (i.e., the total value of goods and services produced in the region, similar to how gross domestic product is measured) was generated by the Prescott Rodeo.
- The Prescott Rodeo, rodeo events, and visitor spending generated \$2.6M in state and local (i.e., county and city) tax revenues in 2021. These tax revenues were generated by the wages, spending, and property owned by the 337 jobs, as well as the spending done by visitors, attendees, and participants of events held at the Prescott Rodeo.
- During the construction of the planned expansion of the Prescott Rodeo, a total of 268 jobs and \$14.3M in wages will be supported by the construction activity (based on preliminary construction proposals and estimated costs). The total economic activity that will be generated by construction will equal \$39.2M. The construction activity related to the expansion will generate \$2.4M in one-time state and local tax revenues.





- The expansion of the Prescott Rodeo will allow for various additional events (e.g., trade shows, concerts, etc.) to be held at the rodeo and expand the capacity of current annual events. An incremental model was developed to provide perspective on the level of activity that could be realized with the expansion.
- The incremental model quantifies the effects of every 10% increase in the annual number of attendees and participants of events held by the Prescott Rodeo. A 10% increase in annual visitors would create an additional 80 jobs, \$3.0M in labor income, \$7.9M in economic output, and \$635,400 in state and local tax revenues each year.
- The incremental approach was utilized to estimate a 10-year impact by increasing the annual number of attendees by the 10% increment (i.e., 8,150 additional attendees) each year over 10 years. This would result in approximately \$36.1M in State tax revenues, \$8.5M in Yavapai County tax revenues, and \$14.2M in City of Prescott tax revenues over the 10-year period.

Economic and Fiscal Impacts Summary – Prescott Rodeo			
Impact Type	2021 Impact <sup>5)</sup>	Construction Impact <sup>6)</sup>	Net 10% Increase <sup>7)</sup>
Jobs <sup>1)</sup>	337	268	80
Labor Income <sup>2)</sup>	\$12,936,300	\$14,310,000	\$3,059,300
Economic Output <sup>3)</sup>	\$33,532,000	\$39,193,200	\$7,929,900
Tax Revenues <sup>4)</sup>	\$2,551,800	\$2,377,100	\$635,400

1) Total annualized full-time equivalent jobs.

2) Sum of all employee-earned income over a 1-year period.

3) Total economic output generated over a 1-year period.

4) Sum of state, county, and city tax revenues over a 1-year period.

5) Impact of Prescott Rodeo and visitor activity in 2021.

6) One-time construction impacts related to the expansion of the Prescott Rodeo.

7) Net impact realized for every 10% increase in the number of visitors and Prescott Rodeo activity.

Note: May not sum to total due to rounding.

Source: Prescott Frontier Days Inc.; IMPLAN; Rounds Consulting Group, Inc.







# Introduction

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Rounds Consulting Group, Inc. (RCG) was contracted by Prescott Frontier Days Inc. to analyze the economic and fiscal impacts of events held at the Prescott Rodeo, the planned expansion, and the additional tourism activity that will be created once the expansion is complete. The impacts calculated provide context on the economic impact of the Prescott Rodeo on the local and regional economy.

The Prescott Rodeo, also known as “The World’s Oldest Rodeo”, was established in Prescott in 1888 attracting ranchers and cowboys from the local region to showcase their skills. Since its inception the rodeo shifted 1 mile south to the current grounds from its original location off Iron Springs Road, and has integrated numerous activities throughout the year such as fairs, livestock shows, horse riding, races, and other community oriented gatherings.

The Prescott Rodeo attracts approximately 81,500 visitors each year. The events held by the Prescott Rodeo drive significant tourism activity in the Prescott and Prescott Valley areas, bolstering the local economies. The expansion of the Prescott Rodeo will provide additional opportunities to attract new visitors, promote additional tourism activity, and enhance business development in the area.





# Model Methodology

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Economic and fiscal impact models are an effective way to demonstrate regional implications of a particular project, policy, business, development or other activities in a given area. The study area can range from a single neighborhood or city to an entire state or country. Typically, the level of effects resulting from the activity is estimated in terms of output, labor income, employment, and tax revenues.

RCG developed an economic and fiscal impact model to analyze the effects of the Prescott Rodeo, the expansion of the Prescott Rodeo, and the additional effects that will be realized once the expansion is complete. The RCG proprietary model employs an input-output model methodology commonly used by economists to determine impacts. This method was used to estimate the “multiplier” or “ripple” effects caused by the activities being analyzed. The activity was then converted into tax revenues in each of the relevant categories.

## Economic and Fiscal Impact Methodology

An economic impact model provides a quantifiable method to estimate the economic activity of a particular activity in a given area. Impacts can be used to measure existing activity and to measure potential expansions/contractions of an area’s economy resulting from changes in economic activity.

Fiscal impact models provide estimates for the government revenues that are generated by a particular project, policy, business, development, or activity in a given area. Typically, fiscal impacts examine revenues that are likely to result from a project or activity and are determined by the study area’s tax structure.

The level of economic and fiscal impacts resulting from the activity is estimated in terms of output, labor income, employment, and tax revenues. These are defined as:

- **Output** captures the broader level of economic activity or the total value of goods and services produced in the region, similar to how statistics like gross domestic product (GDP) capture economic volume in individual states and across the country.
- **Labor income**, a component of output, represents employee-earned income and wages. The labor income component is used to measure the total change in income throughout the economy due to economic or business activity.
- **Employment** is the total number of full-time (or equivalent) jobs created in the economy on an annualized basis. A job-year is simply one job for one year. For example, a person working full-time at a restaurant for 5 years is equal to 5 job-years.
- **Tax revenues** is the sum of all the government taxes (e.g., sales taxes, lease taxes, income taxes, property taxes, etc.) generated by the activity being analyzed.

The economic and fiscal effects occurring as a direct consequence of the initial activity create additional activity in the regional economy. This relationship is known as the “multiplier” or “ripple” effect. The basis



for multiplier effects is the interdependencies between industries, how one industry impacts other sectors, and the cycle of spending and re-spending within the regional economy. The cycle of spending works its way through the local economy until all the money is spent or makes its way out.

An input-output model is used to generate these multipliers. These multipliers quantify relationships among industries and estimate the extent that the area being analyzed can capture sales, labor income, and the job impacts within the region.

Input-output models measure impacts based on their source. *Direct* effects are the result of the initial activity being analyzed. The multiplier effects, or secondary effects, are measured as either *indirect* or *induced*. These are defined as:

- ***Direct effects, or impacts***, measure business activity at an individual site or the initial change in the economy attributed to the development under consideration. This includes the direct jobs, income, economic output, and state and local taxes generated by rodeo visitors, attendees, and participants as they spend their money in the local economy.

For example, people from around Arizona travel to the region and attend/participate in the events held at the Prescott Rodeo. While they visit, these individuals will go out to dinner at local restaurants, visit shops, buy feed/supplies at local stores, etc. Local businesses respond to the inflow of spending by hiring additional staff, increasing the number of hours worked by their employees, and increasing wages.

The initial jobs, labor income, and economic output that is generated by visitor spending is the direct impact. Furthermore, the State of Arizona and local governments (i.e., counties and cities) directly collect tax revenues from the sales taxes that are levied on the goods and services purchased by the individuals as well as the taxable spending and wages of the direct jobs.

- ***Secondary impacts (i.e., indirect and induced) impacts*** capture additional output, labor income, employment, and tax revenue changes generated as a result of increased demand in the industries which supply services or products to the direct businesses or events held at the Prescott Rodeo.

For example, the above-mentioned direct businesses (i.e., the businesses impacted by visitor spending) increase the number of products or services that they sell, subsequently increasing the demand for supplier companies which respond by hiring new workers or increasing payroll hours. This is known as an indirect impact.

Additionally, secondary impacts capture the effects generated by the re-spending of income in the local economy. As the jobs supported by the initial activity spend their household income on local goods and services, they generate additional jobs, labor income, economic output, and tax revenues. For example, this would include the additional grocery store, gas station, etc., employees that are supported by direct and supplier employee household spending in the local economy. This is known as the induced impact.





A commonly used input-output model to generate economic multipliers is IMPLAN (short for “impact analysis for planning”). Originally developed by the U.S. Forest Service in the 1970s, the responsibility for developing IMPLAN data sets shifted to the University of Minnesota as demand grew for regional models. Now, IMPLAN runs as a private organization and is the leading provider of nationwide economic impact data and analytical software.

The RCG custom impact model employs this input-output model methodology and uses Arizona-specific IMPLAN multipliers. The model was designed to produce tax revenue information for the state and local (i.e., county and city) governments.

## Data and Assumptions

The assumptions utilized for the impact model were provided by Prescott Frontier Days, Inc. Specifically, Prescott Frontier Days Inc. provided past event schedules, estimated event attendance, livestock attendance, rodeo expansion cost estimates, and perspective on the level of new activity that could be realized with the expansion. Estimates regarding tourism/visitor parameters (i.e., average length of stay, party size, expenditures by type, visitor demographics, etc.) are based on the latest statistics from the Arizona Office of Tourism.

The data and assumptions used in this report are subject to marginal uncertainty and variation. Therefore, actual impacts may vary, and some impacts may not materialize due to unanticipated events and changing circumstances. However, RCG has made extensive efforts to confirm the accuracy of the information contained in this analysis.





# Economic and Fiscal Impacts

The following outlines impacts deriving from the Prescott Rodeo’s annual activities, one-time construction activities from the expansion project, and the additional activities that will be realized once the expansion is complete.

## Economic & Fiscal Impacts of Annual Prescott Rodeo Activity

In 2021, annual events and activities held at the Prescott Rodeo supported 227 direct full-time equivalent jobs. These jobs include the livestock managers, groundskeepers, rodeo officials, ride attendants, food vendors, etc., that work on the rodeo grounds during events as well as the jobs supported by visitor spending at local businesses in Prescott and the region. The direct labor income and economic output generated by the visitors, attendees, and participants of the Prescott Rodeo’s totaled \$7.6M and \$16.6M, respectively, in 2021.

As a result of the increased demand and spending in the local economy, the direct businesses/vendors responded by purchasing additional products and services from local supplier companies. In turn, these supplier companies created 43 indirect jobs, \$2.2M in labor income, and produced an additional \$7.0M in economic output.

Furthermore, an additional 66 induced jobs, \$3.2M in labor income, and \$9.9M in economic output was generated by the Prescott Rodeo in 2021. This impact is realized as the direct and indirect workers spend their incomes on local goods and services, and includes the jobs supported at local grocery stores, convenience stores, auto repair shops, etc.

In total, the Prescott Rodeo supported 337 jobs earning \$12.9M in wages and generated \$33.5M in economic output in 2021.

### Economic Impacts of Annual Prescott Rodeo Activity - 2021

<b>\$33,532,000</b> <b>Total Economic Output</b>	<b>337</b> <b>Total Jobs</b>	<b>\$12,936,300</b> <b>Total Labor Income</b>
\$16,592,200 direct	227 direct	\$7,557,200 direct
\$7,015,200 indirect	43 indirect	\$2,172,900 indirect
\$9,924,600 induced	66 induced	\$3,206,200 induced

Note: May not sum to total due to rounding.  
Source: Prescott Frontier Days, Inc.; IMPLAN; Rounds Consulting Group, Inc.



Activity deriving from the Prescott Rodeo contributed \$2.1M in direct tax revenues at the state and local (county and city) levels in 2021. Tax revenues regarding the activity were generated by the wages, spending, and property owned by the direct employees, as well as spending done by visitors, attendees, and participants of events held at the Prescott Rodeo.

The secondary tax revenues (i.e., the taxes levied on the indirect and induced workers' income, property, and spending) generated by the Prescott Rodeo totaled \$407,600 in 2021. In total, the economic activity derived from the Prescott Rodeo generated \$2.6M in state and local tax revenues.

Tax Revenue Impact of Annual Prescott Rodeo Activity - 2021				
	State <sup>8</sup>	County <sup>9</sup>	City <sup>10</sup>	Total
<b>Direct Tax Revenues</b>	<b>\$1,165,600</b>	<b>\$270,200</b>	<b>\$708,400</b>	<b>\$2,144,200</b>
Sales Taxes <sup>1</sup>	\$716,400	\$117,100	\$501,000	\$1,334,500
Bed Taxes <sup>2</sup>	\$72,300	\$15,400	\$114,200	\$201,900
Restaurant & Bar Taxes <sup>3</sup>	\$107,300	\$18,800	\$76,700	\$202,800
Property Taxes <sup>4</sup>	-	\$106,800	\$7,600	\$114,400
Income & Payroll Taxes <sup>5</sup>	\$230,000	-	-	\$230,000
Vehicle License Taxes & Fees <sup>6</sup>	\$39,600	-	-	\$39,600
State Shared Revenues <sup>7</sup>	-	\$12,100	\$8,900	\$21,000
<b>Indirect Tax Revenues</b>	<b>\$112,800</b>	<b>\$21,500</b>	<b>\$28,700</b>	<b>\$163,000</b>
Sales Taxes <sup>1</sup>	\$40,500	\$5,200	\$26,200	\$71,900
Property Taxes <sup>4</sup>	-	\$14,900	\$1,100	\$16,000
Income & Payroll Taxes <sup>5</sup>	\$64,800	-	-	\$64,800
Vehicle License Taxes & Fees <sup>6</sup>	\$7,500	-	-	\$7,500
State Shared Revenues <sup>7</sup>	-	\$1,400	\$1,400	\$2,800
<b>Induced Tax Revenues</b>	<b>\$168,300</b>	<b>\$33,000</b>	<b>\$43,300</b>	<b>\$244,600</b>
Sales Taxes <sup>1</sup>	\$60,900	\$7,900	\$39,500	\$108,300
Property Taxes <sup>4</sup>	-	\$23,000	\$1,700	\$24,700
Income & Payroll Taxes <sup>5</sup>	\$95,800	-	-	\$95,800
Vehicle License Taxes & Fees <sup>6</sup>	\$11,600	-	-	\$11,600
State Shared Revenues <sup>7</sup>	-	\$2,100	\$2,100	\$4,200
<b>Total Tax Revenues</b>	<b>\$1,446,700</b>	<b>\$324,700</b>	<b>\$780,400</b>	<b>\$2,551,800</b>

<sup>1)</sup> Taxes levied on visitor and employee retail purchases, food/beverage purchases, and business utility use.

<sup>2)</sup> Taxes levied on lodging.

<sup>3)</sup> Taxes levied on restaurant and bar sales.

<sup>4)</sup> Taxes levied on employee- and business-owned real estate property.

<sup>5)</sup> Taxes levied on personal income and unemployment insurance.

<sup>6)</sup> Taxes levied on motor fuel, vehicle registration fees, etc.

<sup>7)</sup> State Shared Revenues include state generated income taxes, sales taxes, and other tax monies distributed to counties and cities (based on their population).

<sup>8)</sup> Sum of all the state tax collections.

<sup>9)</sup> Sum of all the Yavapai County tax collections.

<sup>10)</sup> Sum of City of Prescott tax collections.

Note: In 2022 dollars. May not sum to total due to rounding.

Source: Prescott Frontier Days, Inc.; Arizona Office of Tourism; Arizona Department of Revenue; IMPLAN; Rounds Consulting Group, Inc.





## Economic & Fiscal Impacts of Construction Activity

The impacts derived from the construction of the Prescott Rodeo expansion are displayed as one-time figures and include the benefits generated over the course of its completion. The total cost to complete the project is estimated at \$20.0M.

Construction activity will directly support 161 jobs. These include the workers across various stages of construction such as architects, engineers, laborers, and skilled tradesmen, among others. A combined \$8.6M in labor income will be earned by these direct jobs. Construction activity will directly generate \$21.6M in economic output.

In addition to the direct impacts, 107 indirect and induced jobs will be supported by businesses supplying goods and services to the direct construction companies, as well as the workers supported by the local spending of the direct and indirect employees. These secondary (indirect and induced) employees will earn a combined \$5.7M in wages and generate an economic impact of \$17.6M.

In total, the construction of the Prescott Rodeo expansion will produce one-time impacts supporting 268 jobs earning \$14.3M in wages and creating an economic output of \$39.2M.

### Economic Impacts of Construction Activity

<b>\$39,193,200</b> <b>Total Economic Output</b>	<b>268</b> <b>Total Jobs</b>	<b>\$14,310,000</b> <b>Total Labor Income</b>
\$21,600,000 direct	161 direct	\$8,587,000 direct
\$6,615,500 indirect	34 indirect	\$2,176,600 indirect
\$10,977,700 induced	74 induced	\$3,546,400 induced

Note: May not sum to total due to rounding.

Source: Prescott Frontier Days, Inc.; IMPLAN; Rounds Consulting Group, Inc.

Construction activity related to the expansion of the Prescott Rodeo will generate one-time tax revenues at both the state and local levels. During construction, an estimated \$2.0M in direct state and local tax revenues will be generated. These tax revenues include the construction sales taxes levied on construction expenditures, and the taxes levied on the wages, spending, and property of the direct construction workers.

Secondary revenues will be generated by indirect and induced employee-earned wages, the sales taxes levied on the spending of food, everyday goods, etc. by secondary jobs, and property taxes levied on secondary employee-owned real estate. In total, \$423,600 in indirect and induced tax revenues will be generated by the construction activity related to the expansion of the Prescott Rodeo.

Construction related activity will generate a total of \$2.4M in state and local tax revenues. Of the total tax revenues, the State of Arizona will collect \$1.5M, Yavapai County will collect \$249,700, and the City of Prescott will collect \$658,900.



Tax Revenue Impact of Construction Activity				
	State <sup>7</sup>	County <sup>8</sup>	City <sup>9</sup>	Total
<b>Direct Tax Revenues</b>	<b>\$1,172,000</b>	<b>\$195,900</b>	<b>\$585,600</b>	<b>\$1,953,500</b>
Sales Taxes <sup>1</sup>	\$241,700	\$35,100	\$161,800	\$438,600
Construction Sales Taxes <sup>2</sup>	\$642,800	\$97,500	\$413,400	\$1,153,700
Property Taxes <sup>3</sup>	-	\$55,600	\$4,000	\$59,600
Income & Payroll Taxes <sup>4</sup>	\$259,400	-	-	\$259,400
Vehicle License Taxes & Fees <sup>5</sup>	\$28,100	-	-	\$28,100
State Shared Revenues <sup>6</sup>	-	\$7,700	\$6,400	\$14,100
<b>Indirect Tax Revenues</b>	<b>\$110,400</b>	<b>\$17,400</b>	<b>\$25,400</b>	<b>\$153,200</b>
Sales Taxes <sup>1</sup>	\$36,600	\$4,700	\$23,400	\$64,700
Property Taxes <sup>3</sup>	-	\$11,600	\$800	\$12,400
Income & Payroll Taxes <sup>4</sup>	\$68,000	-	-	\$68,000
Vehicle License Taxes & Fees <sup>5</sup>	\$5,800	-	-	\$5,800
State Shared Revenues <sup>6</sup>	-	\$1,100	\$1,200	\$2,300
<b>Induced Tax Revenues</b>	<b>\$186,100</b>	<b>\$36,400</b>	<b>\$47,900</b>	<b>\$270,400</b>
Sales Taxes <sup>1</sup>	\$67,400	\$8,700	\$43,700	\$119,800
Property Taxes <sup>3</sup>	-	\$25,400	\$1,800	\$27,200
Income & Payroll Taxes <sup>4</sup>	\$105,900	-	-	\$105,900
Vehicle License Taxes & Fees <sup>5</sup>	\$12,800	-	-	\$12,800
State Shared Revenues <sup>6</sup>	-	\$2,300	\$2,400	\$4,700
<b>Total Tax Revenues</b>	<b>\$1,468,500</b>	<b>\$249,700</b>	<b>\$658,900</b>	<b>\$2,377,100</b>

<sup>1</sup>) Taxes levied on employee retail purchases and food/beverage purchases.

<sup>2</sup>) Taxes levied on construction expenditures.

<sup>3</sup>) Taxes levied on employee-owned real estate property.

<sup>4</sup>) Taxes levied on personal income and unemployment insurance.

<sup>5</sup>) Taxes levied on motor fuel, vehicle registration fees, etc.

<sup>6</sup>) State Shared Revenues include state generated income taxes, sales taxes, and other tax monies distributed to counties and cities (based on their population).

<sup>7</sup>) Sum of all the state tax collections.

<sup>8</sup>) Sum of all the Yavapai County tax collections.

<sup>9</sup>) Sum of City of Prescott tax collections.

Note: In 2022 dollars. May not sum to total due to rounding.

Source: Prescott Frontier Days, Inc.; Arizona Office of Tourism; Arizona Department of Revenue; IMPLAN; Rounds Consulting Group, Inc.



## Economic & Fiscal Impacts of the Rodeo Expansion

Following the expansion of the Prescott Rodeo, significant benefits will be realized as additional visitors are drawn to the new events that can be held on the grounds each year. This will also enhance overall tourism activity throughout the region and generate additional tax revenues for the local community. To provide perspective on the new activity that could be realized for the expansion, an incremental model was developed.

The incremental model quantifies the effects of every 10% increase in the annual number of visitors and participants of events held by the Prescott Rodeo (i.e., an 8,150 increase in the annual number of attendees). The estimates are incremental, meaning that if one assumes the expansion could increase the number of visitors/participants by 20%, the net impacts can be doubled. If one assumes the increase would be half (i.e., a 5% increase), the net impacts can be divided by two.

A 10% increase in the number of attendees and participants would support 416 direct, indirect, and induced jobs (i.e., an 80 job net increase) with \$16.0M in wages (i.e., a \$3.1M net increase). The total economic output generated by the 89,700 annual visitors (i.e., an 8,200 net increase from the 2021 estimate) would equal \$41.5M (i.e., a \$7.9M net increase). In total, the state and local governments would collect \$3.2M in tax revenues (i.e., a \$635,400 net increase).

### Economic Impacts of a 10% Increase in Visitors/Participants

<b>\$41,461,900</b>	<b>416</b>	<b>\$15,995,600</b>
<b>Total Economic Output</b>	<b>Total Jobs</b>	<b>Total Labor Income</b>
\$20,516,000 direct	281 direct	\$9,344,400 direct
\$8,674,300 indirect	53 indirect	\$2,686,800 indirect
\$12,271,600 induced	82 induced	\$3,964,400 induced

Note: May not sum to total due to rounding.

Source: Prescott Frontier Days, Inc.; Rounds Consulting Group, Inc.; IMPLAN

### Net Economic Impacts of a 10% Increase in Visitors/Participants

<b>\$7,929,900</b>	<b>80</b>	<b>\$3,059,300</b>
<b>Total Economic Output</b>	<b>Total Jobs</b>	<b>Total Labor Income</b>
\$3,923,800 direct	54 direct	\$1,787,200 direct
\$1,659,100 indirect	10 indirect	\$513,900 indirect
\$2,347,000 induced	16 induced	\$758,200 induced

Note: Net difference from the 2021 annual estimates. May not sum to total due to rounding.

Source: Prescott Frontier Days, Inc.; IMPLAN; Rounds Consulting Group, Inc.





<b>Tax Revenue Impact of Annual Prescott Rodeo Activity – 10% Increase in Visitors/Participants</b>				
	<b>State<sup>8</sup></b>	<b>County<sup>9</sup></b>	<b>City<sup>10</sup></b>	<b>Total</b>
<b>Direct Tax Revenues</b>	<b>\$1,439,800</b>	<b>\$342,600</b>	<b>\$901,100</b>	<b>\$2,683,500</b>
Sales Taxes <sup>1</sup>	\$860,100	\$140,300	\$601,100	\$1,601,500
Bed Taxes <sup>2</sup>	\$119,300	\$25,500	\$188,400	\$333,200
Restaurant & Bar Taxes <sup>3</sup>	\$127,000	\$22,200	\$90,800	\$240,000
Property Taxes <sup>4</sup>	-	\$139,600	\$9,800	\$149,400
Income & Payroll Taxes <sup>5</sup>	\$284,400	-	-	\$284,400
Vehicle License Taxes & Fees <sup>6</sup>	\$49,000	-	-	\$49,000
State Shared Revenues <sup>7</sup>	-	\$15,000	\$11,000	\$26,000
<b>Indirect Tax Revenues</b>	<b>\$139,700</b>	<b>\$26,500</b>	<b>\$35,400</b>	<b>\$201,600</b>
Sales Taxes <sup>1</sup>	\$50,100	\$6,400	\$32,400	\$88,900
Property Taxes <sup>4</sup>	-	\$18,400	\$1,300	\$19,700
Income & Payroll Taxes <sup>5</sup>	\$80,300	-	-	\$80,300
Vehicle License Taxes & Fees <sup>6</sup>	\$9,300	-	-	\$9,300
State Shared Revenues <sup>7</sup>	-	\$1,700	\$1,700	\$3,400
<b>Induced Tax Revenues</b>	<b>\$207,900</b>	<b>\$40,700</b>	<b>\$53,500</b>	<b>\$302,100</b>
Sales Taxes <sup>1</sup>	\$75,300	\$9,700	\$48,900	\$133,900
Property Taxes <sup>4</sup>	-	\$28,400	\$2,000	\$30,400
Income & Payroll Taxes <sup>5</sup>	\$118,300	-	-	\$118,300
Vehicle License Taxes & Fees <sup>6</sup>	\$14,300	-	-	\$14,300
State Shared Revenues <sup>7</sup>	-	\$2,600	\$2,600	\$5,200
<b>Total Tax Revenues</b>	<b>\$1,787,400</b>	<b>\$409,800</b>	<b>\$990,000</b>	<b>\$3,187,200</b>

<sup>1</sup>) Taxes levied on visitor and employee retail purchases, food/beverage purchases, and business utility use.

<sup>2</sup>) Taxes levied on lodging.

<sup>3</sup>) Taxes levied on restaurant and bar sales.

<sup>4</sup>) Taxes levied on employee- and business-owned real estate property.

<sup>5</sup>) Taxes levied on personal income and unemployment insurance.

<sup>6</sup>) Taxes levied on motor fuel, vehicle registration fees, etc.

<sup>7</sup>) State Shared Revenues include state generated income taxes, sales taxes, and other tax monies distributed to counties and cities (based on their population).

<sup>8</sup>) Sum of all the state tax collections.

<sup>9</sup>) Sum of all the Yavapai County tax collections.

<sup>10</sup>) Sum of City of Prescott tax collections.

Note: In 2022 dollars. May not sum to total due to rounding.

Source: Prescott Frontier Days, Inc.; Arizona Office of Tourism; Arizona Department of Revenue; IMPLAN; Rounds Consulting Group, Inc.



<b>Net Tax Revenue Impact of Annual Prescott Rodeo Activity – 10% Increase in Visitors/Participants</b>				
	<b>State<sup>8</sup></b>	<b>County<sup>9</sup></b>	<b>City<sup>10</sup></b>	<b>Total</b>
<b>Direct Tax Revenues</b>	<b>\$274,200</b>	<b>\$72,400</b>	<b>\$192,700</b>	<b>\$539,300</b>
Sales Taxes <sup>1</sup>	\$143,700	\$23,200	\$100,100	\$267,000
Bed Taxes <sup>2</sup>	\$47,000	\$10,100	\$74,200	\$131,300
Restaurant & Bar Taxes <sup>3</sup>	\$19,700	\$3,400	\$14,100	\$37,200
Property Taxes <sup>4</sup>	-	\$32,800	\$2,200	\$35,000
Income & Payroll Taxes <sup>5</sup>	\$54,400	-	-	\$54,400
Vehicle License Taxes & Fees <sup>6</sup>	\$9,400	-	-	\$9,400
State Shared Revenues <sup>7</sup>	-	\$2,900	\$2,100	\$5,000
<b>Indirect Tax Revenues</b>	<b>\$26,900</b>	<b>\$5,000</b>	<b>\$6,700</b>	<b>\$38,600</b>
Sales Taxes <sup>1</sup>	\$9,600	\$1,200	\$6,200	\$17,000
Property Taxes <sup>4</sup>	-	\$3,500	\$200	\$3,700
Income & Payroll Taxes <sup>5</sup>	\$15,500	-	-	\$15,500
Vehicle License Taxes & Fees <sup>6</sup>	\$1,800	-	-	\$1,800
State Shared Revenues <sup>7</sup>	-	\$300	\$300	\$600
<b>Induced Tax Revenues</b>	<b>\$39,600</b>	<b>\$7,700</b>	<b>\$10,200</b>	<b>\$57,500</b>
Sales Taxes <sup>1</sup>	\$14,400	\$1,800	\$9,400	\$25,600
Property Taxes <sup>4</sup>	-	\$5,400	\$300	\$5,700
Income & Payroll Taxes <sup>5</sup>	\$22,500	-	-	\$22,500
Vehicle License Taxes & Fees <sup>6</sup>	\$2,700	-	-	\$2,700
State Shared Revenues <sup>7</sup>	-	\$500	\$500	\$1,000
<b>Total Tax Revenues</b>	<b>\$340,700</b>	<b>\$85,100</b>	<b>\$209,600</b>	<b>\$635,400</b>

<sup>1</sup>) Taxes levied on visitor and employee retail purchases, food/beverage purchases, and business utility use.

<sup>2</sup>) Taxes levied on lodging.

<sup>3</sup>) Taxes levied on restaurant and bar sales.

<sup>4</sup>) Taxes levied on employee- and business-owned real estate property.

<sup>5</sup>) Taxes levied on personal income and unemployment insurance.

<sup>6</sup>) Taxes levied on motor fuel, vehicle registration fees, etc.

<sup>7</sup>) State Shared Revenues include state generated income taxes, sales taxes, and other tax monies distributed to counties and cities (based on their population).

<sup>8</sup>) Sum of all the state tax collections.

<sup>9</sup>) Sum of all the Yavapai County tax collections.

<sup>10</sup>) Sum of City of Prescott tax collections.

Note: In 2022 dollars. Net difference from the 2021 annual estimates. May not sum to total due to rounding.

Source: Prescott Frontier Days, Inc.; Arizona Office of Tourism; Arizona Department of Revenue; IMPLAN; Rounds Consulting Group, Inc.



## 10-Year Economic & Fiscal Impacts of the Prescott Rodeo

The expansion of the Prescott Rodeo will not only increase the rodeo’s seating capacity, but it will also allow for additional events, such as trade shows, concerts, community events, etc., to be held at the rodeo. According to Prescott Frontier Days, Inc., it is reasonable to expect that the annual number of attendees (i.e., the 81,500 attendees) could double within 10 years.

This is equivalent to increasing the number of attendees by the 10% increment (i.e., 8,150 additional attendees) each year over 10 years. Utilizing this conservative assumption, by Year 10, the total cumulative economic activity that will be generated by the Prescott Rodeo will equal \$810.7M.

By the tenth year, the economic activity produced by the Prescott Rodeo will support approximately 1,133 jobs in the local community. Including the jobs supported by construction, this is equivalent to 8,012 job-years (i.e., a job-year is simply one job for one year). The total labor income that will be earned by these individuals will equal \$311.9M.

Over the 10-year period, the State will collect \$36.1M in tax revenues, Yavapai County will collect \$8.5M in tax revenues, and the City of Prescott will collect \$14.2M in tax revenues, for a total of \$58.9M in tax revenues. This includes the cumulative sum of all sales, bed, restaurant/bar, etc. taxes as well as the taxes levied on wages and property.

### 10-Year Economic and Fiscal Impacts of the Prescott Rodeo Activity

<b>\$810,655,900</b>	<b>8,012</b>	<b>\$311,932,500</b>	<b>\$58,850,100</b>
<b>Total Economic Output</b>	<b>Total Job-Years</b>	<b>Total Labor Income</b>	<b>Total State &amp; Local Taxes</b>

Note: May not sum to total due to rounding. Includes cumulative annual impacts from events as well as the impact of construction.  
Source: Prescott Frontier Days, Inc.; IMPLAN; Rounds Consulting Group, Inc.