

INTEROFFICE MEMO

DATE: JUNE 9, 2011

TO: MAYOR AND CITY COUNCIL,
TIM ERNSTER, CITY MANAGER, ALISON ZELMS, ASSISTANT CITY MANAGER

CC: DEPARTMENT HEADS, CITY ASSISTANTS, AND BUDGET OVERSIGHT
COMMITTEE

FROM: BARBARA ASHLEY

RE: **MONTHLY REPORT – APRIL 2011**

We are continuing our transition and reviews with RDS and City staff. Attached you will find the report for the month ending April 2011. For the month of April please note the following with the numbers corresponding to General Fund comparison worksheet:

1. Revenues over expenditures remain positive at \$1,959,361 through April 2011. Overall revenue collections through April increased over April 2010 by approximately 8%, while expenditures decreased by approximately 11%. These numbers are cumulative
2. Several changes to reporting from the AZ Dept of Revenue to Revenue Discovery Systems (RDS) is progressing. Sales taxes collected for April decreased over April 2010 approximately 15%.** Bed taxes increased approximately 11% over April 2010. Year-to-date sales taxes are still ahead of last year's collections. As stated in prior months, the categories are going to fluctuate as corrections to all categories are discovered and corrected. These corrections could continue through this calendar year.
3. These State Shared revenues did not change from the last (delayed) report. The reporting periods are now aligned. State shared revenues continue on target with estimates provided at the beginning of the fiscal year with the State Sales tax showing a slight increase through April 2011. Franchise Fees are collected on a quarterly basis and are in line with our projections. Interest remains flat.
4. Expenditures per department will fluctuate as the year progresses but overall expenditures are below the target approximately 11% and decreased from last year within this same time frame by approximately \$863,513.

Should you have any questions, please feel free to contact my office.

**This is due in part to the change of tax collection from State to Local. For example, we have heard from taxpayers that continued to pay the State that they State is returning their payments and mandating that they pay Sedona directly through RDS. This will result in delayed payments and fluctuation in the reporting month.

ATTACHMENTS

**City of Sedona
FY 2010/11 General Fund Budget Comparison**

April-11

<u>Revenues</u>	<u>Budget</u>		<u>FYTD Actual</u>		<u>Balance</u>		<u>83% Target</u>		<u>Prior FYTD</u>	<u>PY to CY Comparison</u>
Bed Tax	1,225,785	**	1,259,642	2	33,857		102.8%		1,100,468	12.64%
City Sales Tax	5,396,616	**	5,150,657	2	(245,959)		95.4%		3,806,168	26.10%
Franchise Fees	667,787	**	536,789		(130,998)		80.4%		512,251	0.00%
Vehicle License Tax	600,023	**	450,140		(149,883)		75.0%		458,115	-1.77%
State Sales Tax	820,369	**	692,436	3	(127,933)		84.4%		666,388	3.76%
State Income Tax	1,064,174	**	886,945	3	(177,229)		83.3%		1,176,517	-32.65%
Fines	299,119	**	192,741		(106,378)		64.4%		248,765	-29.07%
Licenses & Permits	172,839	**	92,647		(80,192)		53.6%		214,146	-131.14%
Charges for Services	134,269	**	92,606		(41,663)		69.0%		94,420	-1.96%
Contributions & Donations	-	**	-		0		0.0%		750	0.00%
Interest	303,790	**	199,514		(104,276)		65.7%		227,006	-13.78%
Miscellaneous	447,374	**	138,984		(308,390)		31.1%		424,443	-205.39%
	<u>11,132,145</u>	**	<u>9,693,102</u>	2	<u>(1,439,043)</u>		<u>87.1%</u>	1	<u>8,929,438</u>	<u>7.88%</u>

**NOTE: Budget amounts do not include "beginning cash" or "transfers" from other funds.

<u>Expenditures</u>	<u>Budget</u>		<u>FYTD Actual</u>		<u>Balance</u>		<u>83% Target</u>		<u>Prior FYTD</u>	<u>PY to CY Comparison</u>
City Council	61,838		49,995	*	(11,843)		80.8%		48,601	2.79%
City Manager	246,222		198,277	*	(47,945)		80.5%		363,045	-83.10%
Human Resources	1,563,615		1,131,587	*	(432,028)		72.4%		1,102,998	2.53%
Financial Services	376,922		243,725	*	(133,197)		64.7%		161,482	33.74%
Information Systems	453,065		391,863	*	(61,202)		86.5%		349,566	10.79%
Legal	335,289		252,233	*	(83,056)		75.2%		298,848	-18.48%
City Clerk	186,292		149,126	*	(37,166)		80.0%		200,586	-34.51%
Parks & Recreation	315,050		186,516	*	(128,534)		59.2%		465,220	-149.43%
General Services	2,978,981		2,037,098	*	(941,883)		68.4%		1,806,158	11.34%
Contingencies	300,000		81,237		(218,763)		27.1%		79,176	0.00%
Community Development	788,847		613,696	*	(175,151)		77.8%		894,116	-45.69%
Public Works	755,192		580,222	*	(174,970)		76.8%		330,195	43.09%
Arts & Culture	84,218		69,194	*	(15,024)		82.2%		151,051	-118.30%
Police	2,050,437		1,553,660	*	(496,777)		75.8%		2,096,720	-34.95%
Municipal Court	296,507		195,312	*	(101,195)		65.9%		249,492	-27.74%
	<u>10,792,475</u>		<u>7,733,741</u>	4	<u>(3,058,734)</u>		<u>71.7%</u>		<u>8,597,254</u>	<u>-11.17%</u>

*NOTE: Amounts do not include "encumbrances".

<u>Revenue / Expense</u>	<u>Actual Revenues</u>	-	<u>Actual Expenditures</u>	+/-	<u>Transfers and/or Reserve</u>	=	<u>YTD Rev over Exp</u>		<u>PYTD Rev over Exp</u>	
General Fund	<u>9,693,102</u>		<u>7,733,741</u>	*	<u>0</u>		<u>1,959,361</u>	1	<u>332,184</u>	83.05%

City of Sedona

Sales Tax Worksheet*

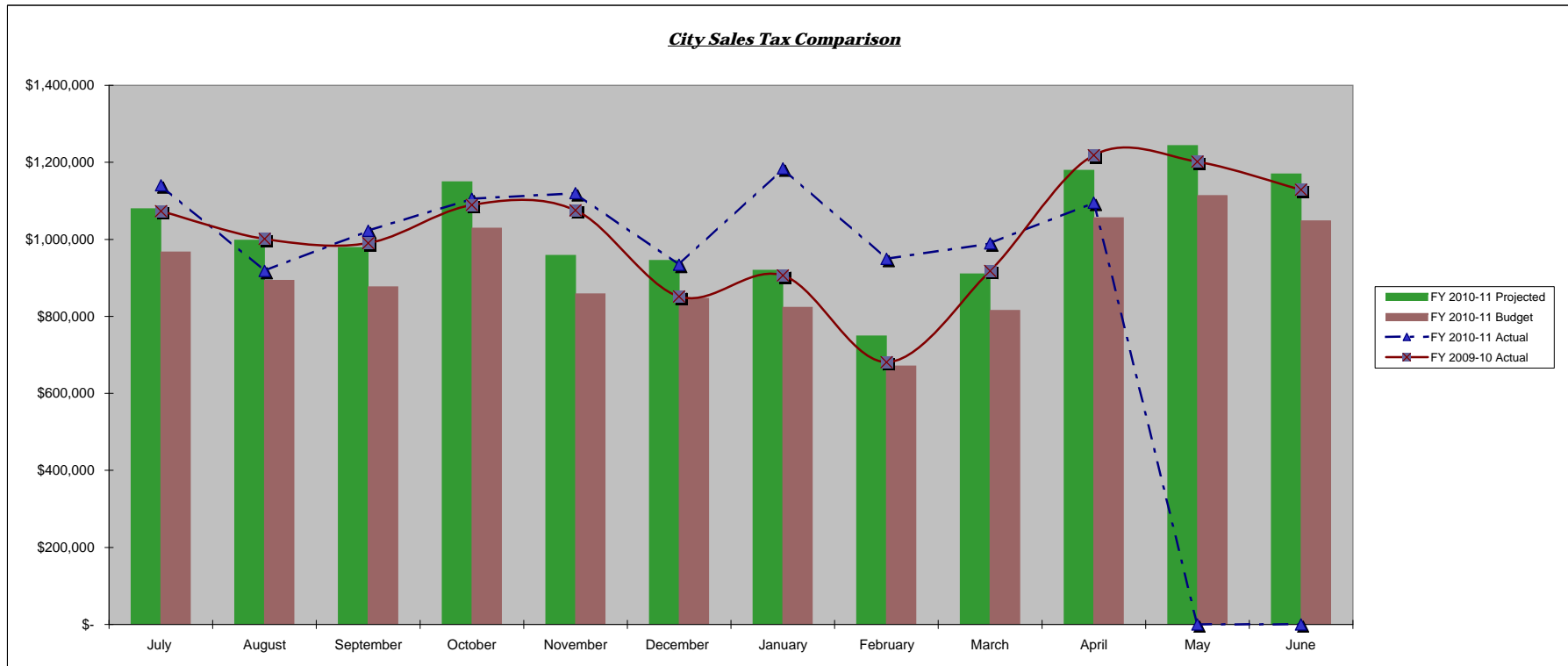
April 30, 2011

Month	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	2011 Budget	2011 Collections	Budget Variance	% Change from 2010	% Change from Budget
July	896,544	933,022	949,697	987,755	1,021,011	1,181,174	1,069,178	1,253,632	1,252,755	1,073,215	966,682	1,140,395	173,714	5.89%	15.23%
August	806,622	883,457	812,892	938,115	1,043,646	1,095,421	1,058,491	1,230,340	1,090,523	1,001,376	893,251	917,875	24,624	-9.10%	2.68%
September	815,464	861,455	842,239	957,697	972,637	1,049,959	1,032,607	1,137,149	1,017,988	990,181	876,574	1,022,615	146,040	3.17%	14.28%
October	901,601	852,214	948,253	937,372	1,090,521	1,139,917	1,178,952	1,155,616	1,601,792	1,089,433	1,028,990	1,105,755	76,765	1.48%	6.94%
November	520,198	852,214	443,132	937,372	1,116,598	1,331,960	1,331,215	1,361,830	1,191,160	1,075,186	858,215	1,119,830	261,615	3.99%	23.36%
December	829,897	769,014	847,479	999,121	944,662	1,074,367	1,156,793	1,132,785	963,540	851,434	846,480	933,873	87,393	8.83%	9.36%
January	812,928	799,021	882,138	830,649	918,105	1,052,208	1,092,120	1,026,332	938,932	906,327	823,199	1,184,462	361,264	23.48%	30.50%
February	643,032	662,146	736,372	748,373	739,579	810,751	918,581	909,590	731,583	681,004	670,557	949,379	278,822	28.27%	29.37%
March	748,564	799,602	771,127	859,229	880,416	1,102,828	1,076,654	985,533	1,027,075	917,669	814,890	989,770	174,881	7.28%	17.67%
April	881,747	1,035,541	1,087,984	1,147,949	1,153,061	1,316,931	1,383,320	1,406,892	1,130,233	1,218,124	1,055,937	1,094,969	39,032	-11.25%	3.56%
May	997,709	1,094,861	1,084,585	1,167,307	1,214,920	1,371,983	1,452,116	1,345,307	1,414,982	1,201,785	1,113,263	0	0	0.00%	0.00%
June	1,038,580	980,892	1,060,217	1,155,541	1,182,999	1,370,439	1,415,780	1,309,472	1,172,116	1,128,769	1,047,508	0	0	0.00%	0.00%
Refund															
Total	\$9,892,885	\$10,523,438	\$10,466,116	\$11,666,480	\$12,278,155	\$13,897,940	\$14,165,807	\$14,254,478	\$13,532,679	\$12,134,503	\$10,995,545	\$10,458,924	1,624,150	6.26%	15.53%

cumulative averages

* Bed tax is included due to reporting inconsistencies by vendors.

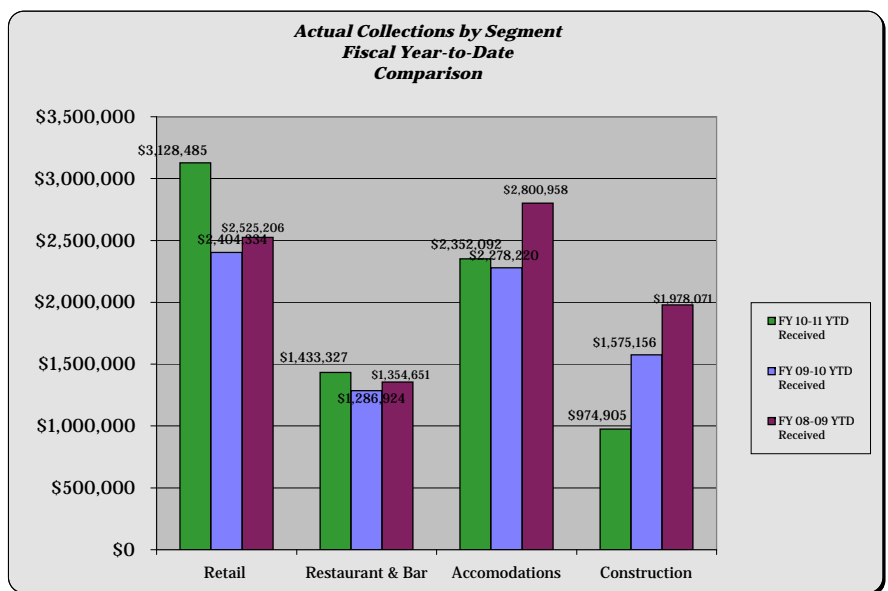
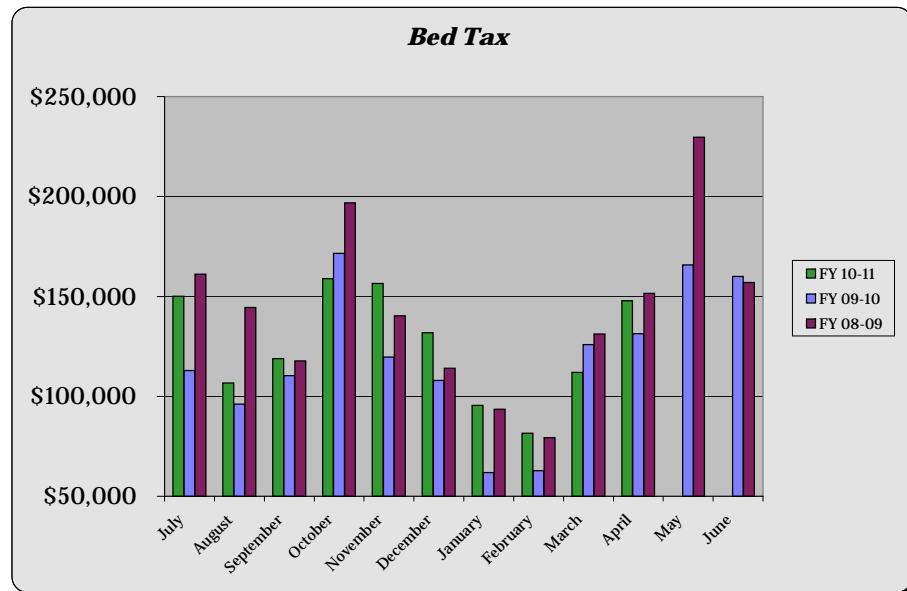
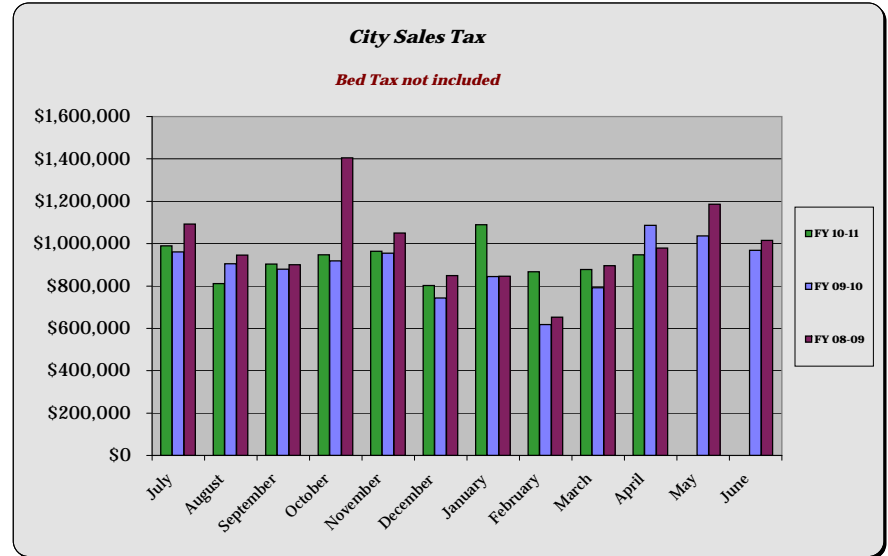
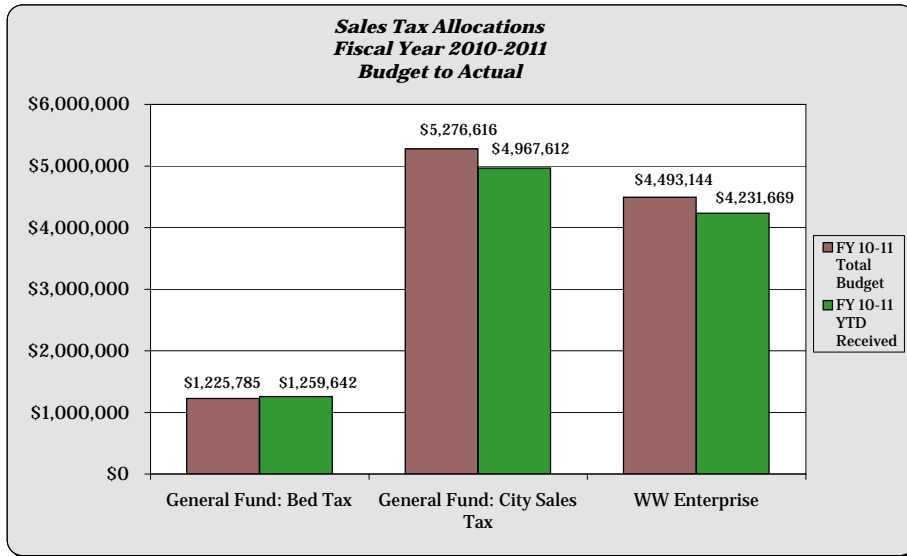
** The fiscal year is July 1 through June 30.



City of Sedona

Sales Tax Worksheet*

April 30, 2011



FY 2010-2011
SALES TAX SUMMARY

	% Inc/Dec	BED TAX General Fund	% Inc/Dec	CITY SALES TAX General Fund	% Inc/Dec	CITY SALES TAX Wastewater Fund	% Inc/Dec	TOTAL CITY SALES TAX	Month collected for:
July	24.79%	\$150,105.76	3.03%	\$534,756.42	3.03%	\$455,533.25	5.89%	\$1,140,395.43	June
August	9.92%	\$106,759.77	-11.60%	\$438,002.43	-11.60%	\$373,113.19	-9.10%	\$917,875.39	July
September	7.09%	\$118,808.29	2.66%	\$488,055.41	2.66%	\$415,750.90	3.17%	\$1,022,614.60	August
October	-7.94%	\$158,875.61	3.06%	\$511,314.76	3.06%	\$435,564.42	1.48%	\$1,105,754.79	September
November	23.54%	\$156,499.92	0.81%	\$520,198.30	0.81%	\$443,131.88	3.99%	\$1,119,830.10	October
December	18.11%	\$131,844.66	7.30%	\$433,095.57	7.30%	\$368,933.26	8.83%	\$933,873.49	November
January	35.19%	\$95,427.50	22.46%	\$588,078.82	22.46%	\$500,956.02	23.48%	\$1,184,462.34	December
February	23.00%	\$81,536.91	28.76%	\$468,634.49	28.76%	\$399,207.15	28.27%	\$949,378.55	January
March	-12.42%	\$111,956.09	9.80%	\$474,019.61	9.80%	\$403,794.47	7.28%	\$989,770.17	February
April	11.10%	\$147,827.95	-14.74%	\$511,456.24	-14.74%	\$435,684.95	-11.25%	\$1,094,969.14	March
May		\$0.00		\$0.00		\$0.00		\$0.00	April
June		\$0.00		\$0.00		\$0.00		\$0.00	May
TOTAL FY 10-11		\$1,259,642.46		\$4,967,612.05		\$4,231,669.49		\$10,458,924.00	
TOTAL FY 09-10		\$1,100,468.14		\$4,699,879.88		\$4,003,601.40		\$9,803,949.42	
DIFFERENCE		\$159,174.32		\$267,732.17		\$228,068.09		\$654,974.58	
% INCR/DECR		12.64%		5.39%		5.39%		6.26%	

4/30/20

**ARIZONA DEPARTMENT OF REVENUE
2010-2011**

	% Inc Dec	STREETS FUND HURF	% Inc Dec	STREETS FUND LTAF	% Inc Dec	GEN.FUND STATE SALES TAX	% Inc Dec	GEN.FUND INCOME TAX
July	-10.62%	\$77,002.92	0.00%	\$0.00	-2.41%	\$65,942.52	-32.64%	\$88,694.69
August	1.55%	\$82,039.96	0.00%	\$0.00	-2.81%	\$62,515.17	-32.64%	\$88,694.47
September	-6.88%	\$74,926.19	0.00%	\$0.00	-0.83%	\$64,809.88	-32.64%	\$88,694.47
October	0.70%	\$73,234.16	0.00%	\$0.00	3.54%	\$65,995.08	-32.65%	\$88,694.47
November	2.10%	\$68,457.50	0.00%	\$0.00	1.83%	\$65,722.70	-32.65%	\$88,694.47
December	5.63%	\$68,463.63	0.00%	\$0.00	2.05%	\$67,818.44	-32.65%	\$88,694.47
January	-0.44%	\$70,174.23	0.00%	\$0.00	6.04%	\$83,720.09	-32.65%	\$88,694.47
February	6.20%	\$70,543.80	0.00%	\$0.00	6.79%	\$66,032.09	-32.65%	\$88,694.47
March	0.64%	\$73,595.42	0.00%	\$0.00	7.44%	\$70,789.77	-32.65%	\$88,694.47
April	1.72%	\$84,529.42	0.00%	\$0.00	12.90%	\$79,090.42	-32.65%	\$88,694.47
May								
June								
TOTAL 10-11		\$742,967.23		\$0.00		\$692,436.16		\$886,944.92
TOTAL 09-10		\$743,225.33		\$27,460.56		\$666,388.36		\$1,176,517.07
DIFFERENCE		(\$258.10)		(\$27,460.56)		\$26,047.80		(\$289,572.15)
% INCR/DECR		-0.03%		0.00%		3.76%		-32.65%