

INTEROFFICE MEMO

DATE: FEBRUARY 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 – DECEMBER 2010**

Please find attached the financial summary for the month-ending December 31, 2010. Please note the following:

1. Revenues over expenditures remain positive at \$1,340,650. Overall revenue collections for December increased over December 2009 by approximately 15%, while expenditures decreased by approximately 15%. *These numbers are cumulative*
2. Sales Tax collection remains positive for this month. Sales taxes collected for December increased over December 2009 approximately 8%, cumulatively 2.45% fiscal year over fiscal year (July thru December). Bed taxes increased approximately 18% over December 2009. Sales taxes collected in December by category showed a slight increase in the *restaurant/bar* and *retail* categories, while the *accommodations* category showed a larger increase (in line with Bed tax increase). The *construction* category remains down. *The City sales tax comparison from December 2009 to current is different due to the City sales tax re-allocation that took place in January 2010. Our projections take this into consideration, but the comparison does not as it is comparing actual to actual.*
3. State shared revenues continue to meet the estimates provided at the beginning of the fiscal year with State Sales taxes showing a slight increase. Franchise Fees are collected on a quarterly basis and are in line with our projections through the second quarter. Interest rates remain flat but are still on target with projections.
4. Expenditures per department will fluctuate as the year progresses but overall expenditures are below the target approximately 8% and decreased from last year within this same time frame by approximately \$701,423.

Should you have any questions, please feel free to contact my office or Alison Zelms in the City Manager's office.

ATTACHMENTS

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

December-10

<u>Revenues</u>	<u>Budget</u>	<u>FYTD Actual</u>	<u>Balance</u>	<u>50% Target</u>	<u>Prior FYTD</u>	<u>PY to CY Comparison</u>
Bed Tax	1,225,785 **	822,894	(402,891)	67.1% 2	718,555	12.68%
City Sales Tax	5,396,616 **	2,976,873	(2,419,743)	55.2% 2	2,001,914	32.75%
Franchise Fees	667,787 **	353,973	(313,814)	53.0% 3	337,137	0.00%
Vehicle License Tax	600,023 **	273,088	(326,935)	45.5% 3	280,429	-2.69%
State Sales Tax	820,369 **	392,804	(427,565)	47.9% 3	391,761	0.27%
State Income Tax	1,064,174 **	532,167	(532,007)	50.0% 3	705,905	-32.65%
Fines	299,119 **	111,786	(187,333)	37.4%	144,606	-29.36%
Licenses & Permits	172,839 **	63,616	(109,223)	36.8%	126,628	-99.05%
Charges for Services	134,269 **	49,696	(84,573)	37.0%	64,736	-30.27%
Contributions & Donations	- **	-	0	0.0%	750	0.00%
Interest	303,790 **	189,065	(114,725)	62.2% 3	171,083	9.51%
Miscellaneous	447,374 **	130,773	(316,601)	29.2%	63,966	51.09%
	<u>11,132,145 **</u>	<u>5,896,735 2</u>	<u>(5,235,410)</u>	<u>53.0% 1</u>	<u>5,007,468 1</u>	<u>15.08%</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>50% Target</u>	<u>Prior FYTD</u>	<u>PY to CY Comparison</u>
City Council	61,838	32,174 *	(29,664)	52.0% 4	30,936	3.85%
City Manager	246,222	113,952 *	(132,270)	46.3%	207,052	-81.70%
Human Resources	1,563,615	681,115 *	(882,500)	43.6%	745,788	-9.50%
Financial Services	376,922	152,071 *	(224,851)	40.3%	99,558	34.53%
Information Systems	453,065	274,978 *	(178,087)	60.7% 4	210,068	23.61%
Legal	335,289	155,916 *	(179,373)	46.5%	178,584	-14.54%
City Clerk	186,292	91,551 *	(94,741)	49.1%	95,699	-4.53%
Parks & Recreation	315,050	115,467 *	(199,583)	36.7%	295,228	-155.68%
General Services	2,978,981	1,160,895 *	(1,818,086)	39.0%	1,118,764	3.63%
Contingencies	300,000	8,937	(291,063)	3.0%	79,176	0.00%
Community Development	788,847	354,326 *	(434,521)	44.9%	506,844	-43.04%
Public Works	755,192	348,069 *	(407,123)	46.1%	203,190	41.62%
Arts & Culture	84,218	40,391 *	(43,827)	48.0% 4	107,934	-167.22%
Police	2,050,437	918,805 *	(1,131,632)	44.8%	1,226,517	-33.49%
Municipal Court	296,507	107,439 *	(189,068)	36.2%	152,169	-41.63%
	<u>10,792,475</u>	<u>4,556,085 4</u>	<u>(6,236,390)</u>	<u>42.2% 1</u>	<u>5,257,508 1</u>	<u>-15.40%</u>

***NOTE:** Amounts do not include "encumbrances".

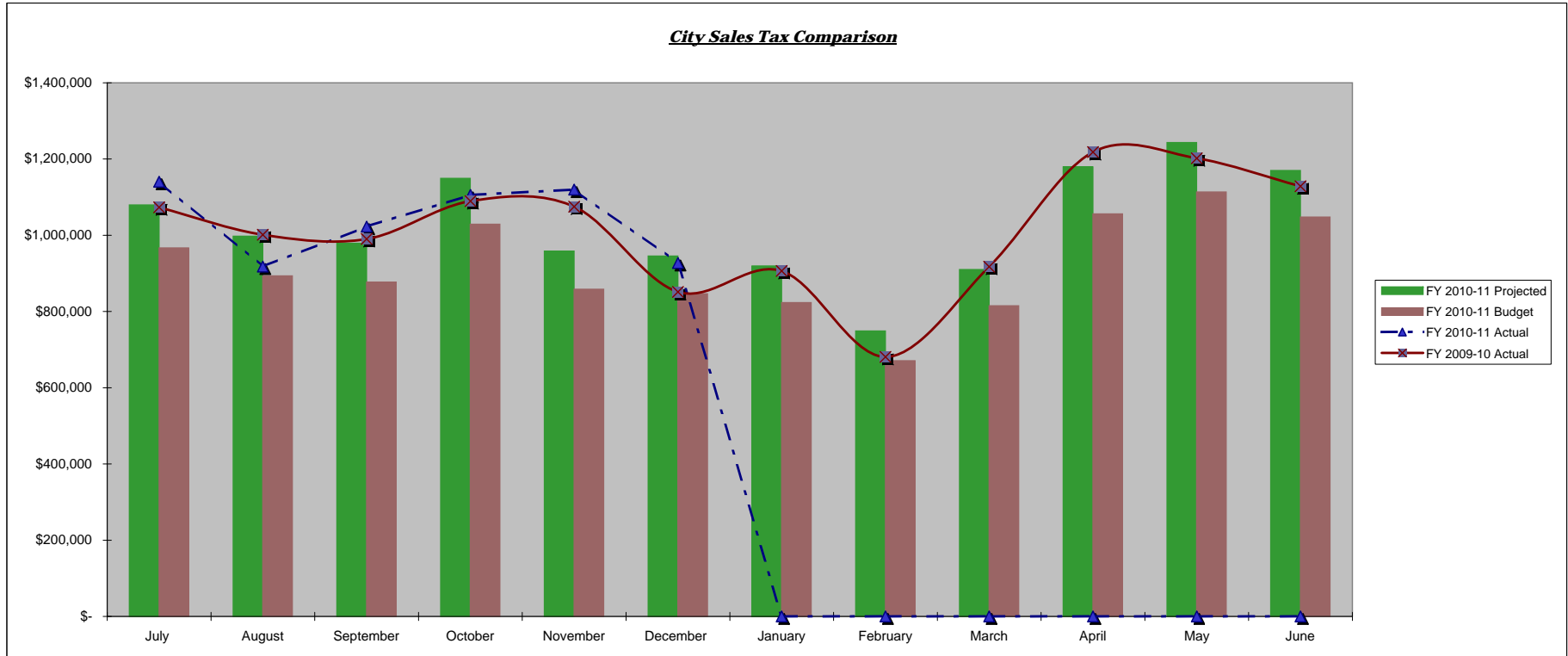
<u>Revenue / Expense</u>	<u>Actual Revenues</u>	-	<u>Actual Expenditures</u>	+/-	<u>Transfers and/or Reserve</u>	=	<u>YTD Rev over Exp</u>	<u>PYTD Rev over Exp</u>	
General Fund	<u>5,896,735</u>		<u>4,556,085 *</u>		<u>0</u>		<u>1,340,650 1</u>	<u>(250,040)</u>	<u>118.65%</u>

City of Sedona
Sales Tax Worksheet*
December 31, 2010

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	927,330	80,850	8.18%	8.72%
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	0	0	0.00%	0.00%
February	643,032	662,146	736,372	748,373	739,579	810,751	918,581	909,590	731,583	681,004	670,557	0	0	0.00%	0.00%
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	0	0	0.00%	0.00%
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	0	0	0.00%	0.00%
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%
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	\$6,233,801	763,609	2.45%	12.25%

cumulative averages

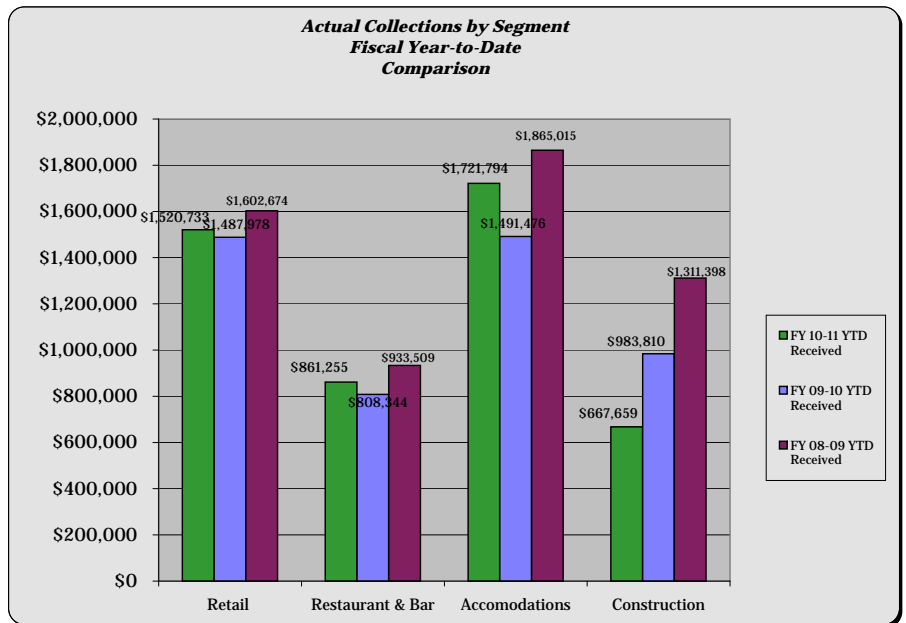
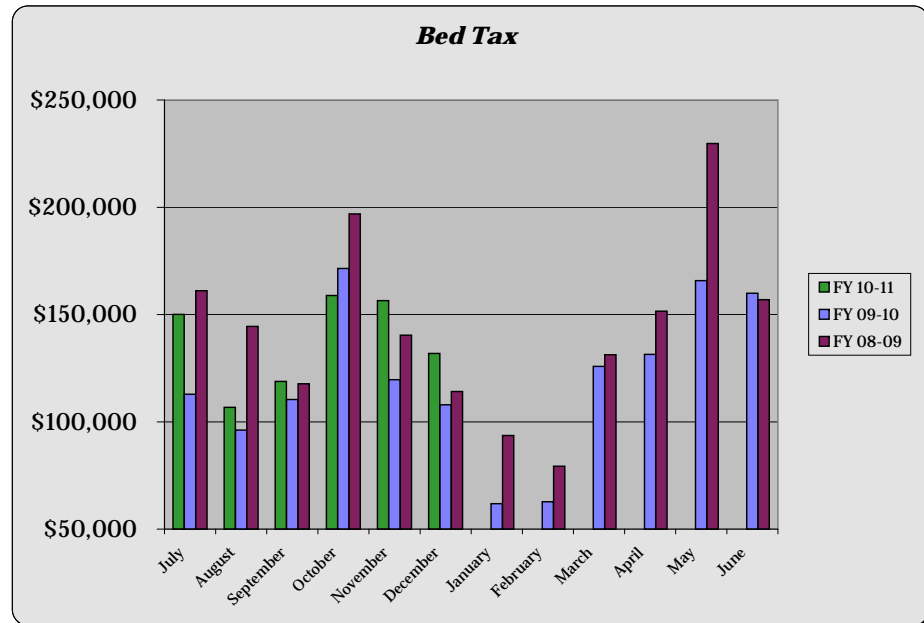
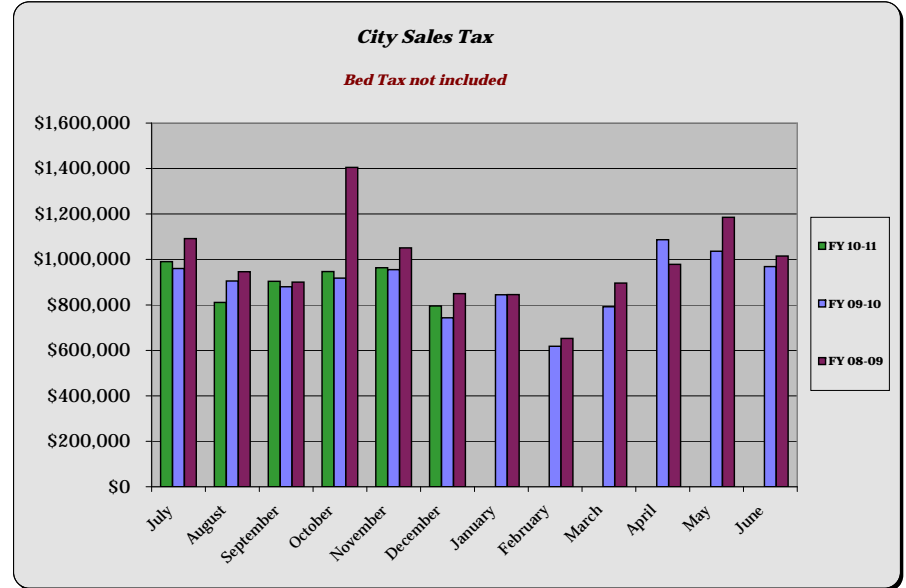
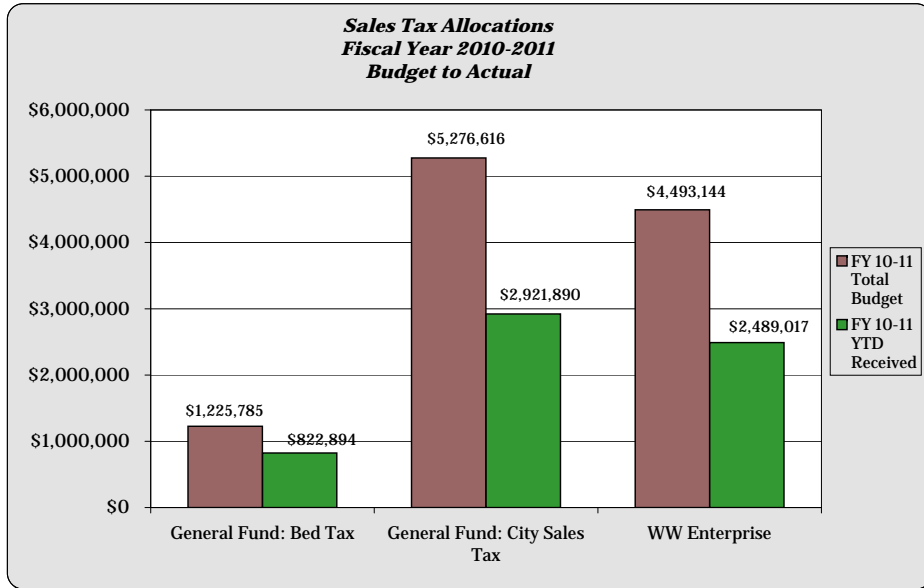
* Bed tax is included due to reporting inconsistencies by vendors.
 ** The fiscal year is July 1 through June 30.



City of Sedona

Sales Tax Worksheet*

December 31, 2010



12/31/20

**ARIZONA DEPARTMENT OF REVENUE
2010-2011**

	% Inc/Dec	GENERAL FUND BED TAX	% Inc/Dec	GEN. FUND CITY SALES TAX	% Inc/Dec	WW FUND CITY SALES TAX	% 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	6.54%	\$429,562.31	6.54%	\$365,923.45	8.18%	\$927,330.42	November
January								\$0.00	December
February								\$0.00	January
March								\$0.00	February
April								\$0.00	March
May								\$0.00	April
June								\$0.00	May
TOTAL 10-11		\$822,894.01		\$2,921,889.63		\$2,489,017.09		\$6,233,800.73	
TOTAL 09-10		\$718,554.69		\$ 2,895,625.67		\$2,466,644.10		\$6,080,824.46	
DIFFERENCE		\$104,339.32		\$26,263.96		\$22,372.99		\$152,976.27	
% INCR/DECR		12.68%		0.90%		0.90%		2.45%	

	% 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								
February								
March								
April								
May								
June								
TOTAL 10-11		\$444,124.36		\$0.00		\$392,803.79		\$532,167.04
TOTAL 09-10		\$450,377.73		\$27,460.56		\$391,760.81		\$705,904.63
DIFFERENCE		(\$6,253.37)		(\$27,460.56)		\$1,042.98		(\$173,737.59)
% INCR/DECR		-1.41%		0.00%		0.27%		-32.65%

\$7,602,895.92

TOTAL 09-10 \$6,551,101.34
 DIFFERENCE \$1,051,794.58
 % INCR/DECR 13.83%