

## CITY MANAGER BUDGET TRANSMITTAL

The City of Sedona provides each new City Council an opportunity to set the City’s Strategic Goals and Priorities and utilizes those goals and priorities during the process for creation of the Annual Budget. The City Council’s adoption of their Strategic Goals and Priorities and subsequent modifications lay the foundation. In addition the City Council has established 3 broad priorities that include Circulation & Public Safety, Long-Range Planning, and Economic Sustainability each are a fundamental part of the staff work plans.

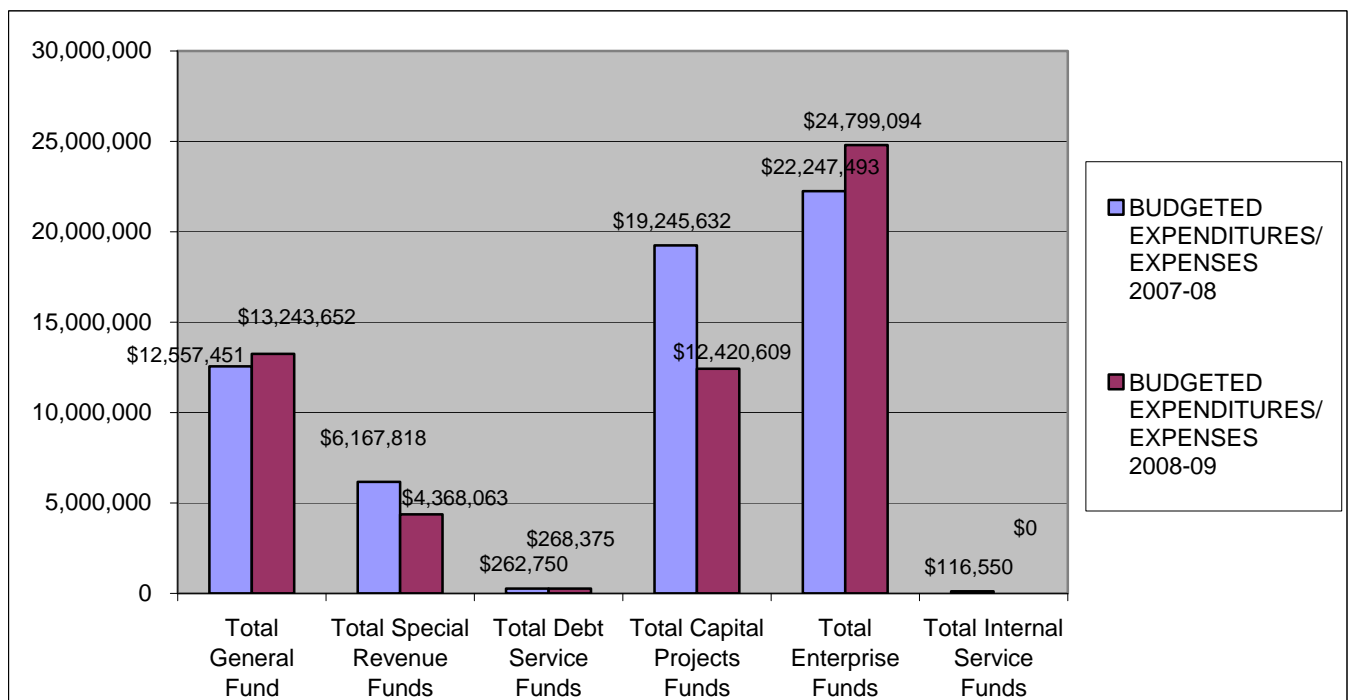
A series of issue papers and/or decision packages are presented to the City Council for approval of all major expenditures and work objectives for the upcoming fiscal year. This process links the strategic goals and priorities with the Community Plan goals and objectives to the budget process.

We are pleased to present our budget for Fiscal Year 2008/2009. This budget continues the City’s commitment to cost effective services. Major Capital Improvement Projects, Employee Development and Investment, and a Summary of Financial Condition for our three major funds in the budget deserve a special focus.

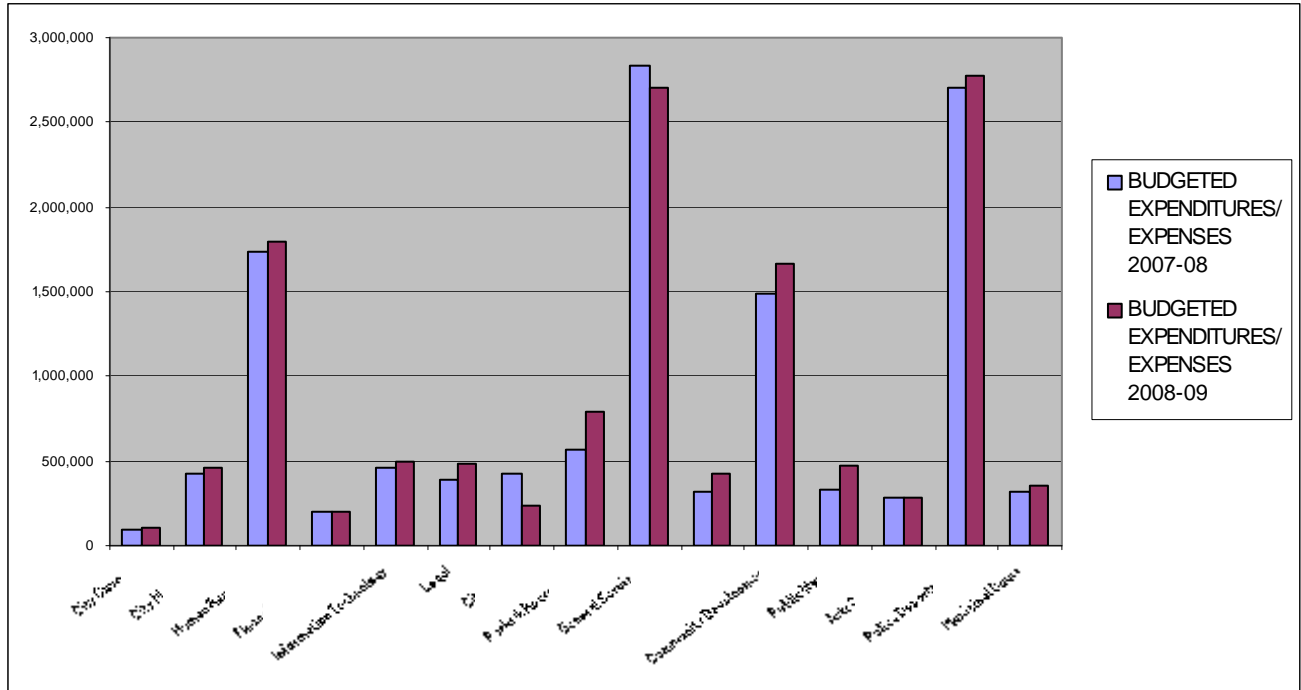
### KEY FINANCIAL BENCHMARKS

#### *Total Budget*

The total budget for 2008 - 2009 is decreasing from approximately \$60.5 million in 2007 - 2008 to \$55 million.



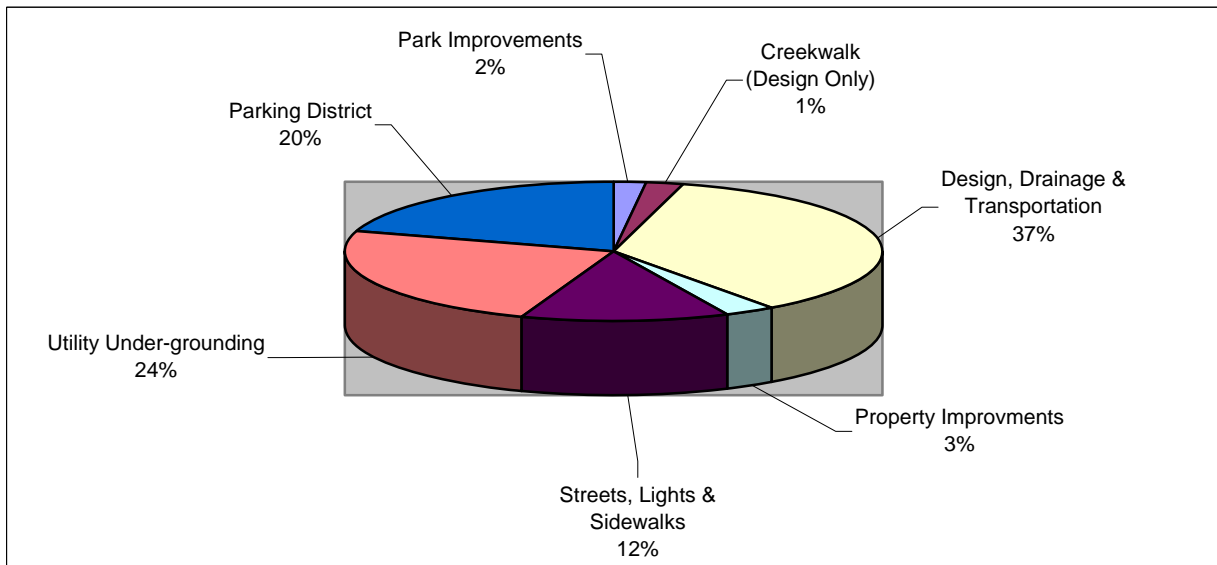
General Fund



The General Fund represents the City’s entire key operational expenditures and has increased from approximately \$12.5 million to \$13.2 million. The increase in the General Fund Budget is approximately 5 percent. This includes additional personnel for Parks and Recreation, Public Works and Police. Also, the reorganization of the Parks & Recreation Director to Administrative Services Director.

MAJOR CAPITAL IMPROVEMENT PROJECTS

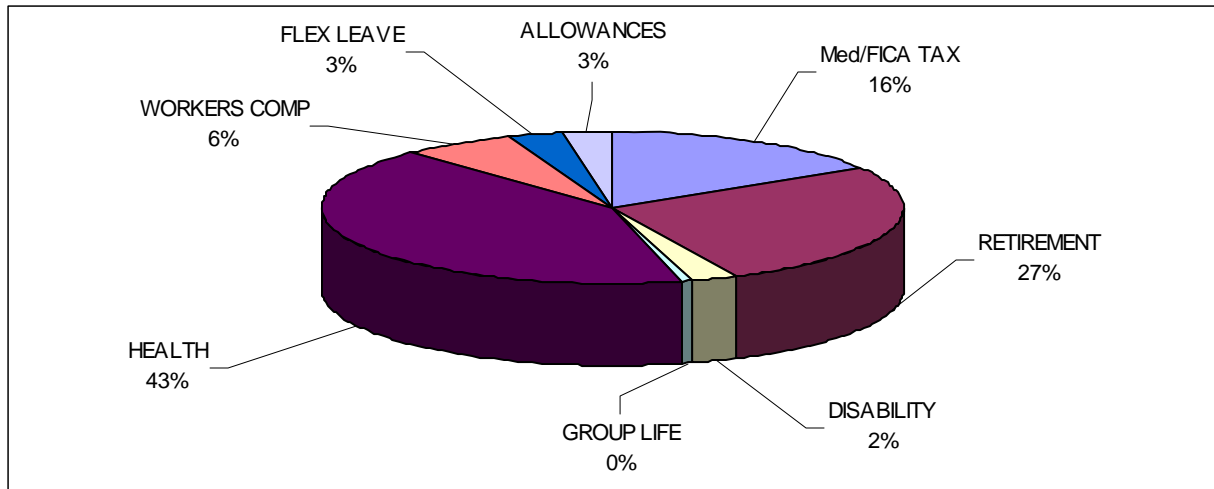
The budget includes approximately \$11.8 million in capital improvements for next year.



Key projects outlined in the upcoming budget include Park improvements and renovations, contributions to the Trails Pathways/Forest Service Partnership, continued design of the Creekwalk, City Hall Plaza improvements, several Drainage and Sidewalk projects, improvements to the Uptown Visitor Restrooms, Parking District formation, Landscaping on SR 89A, and Utility under-grounding for SR 179.

### STAFF DEVELOPMENT AND INVESTMENT

Our Strategic Plan states “Employees are our greatest asset.” The budget maintains current benefits for employees. Funding has been continued for the Educational Assistance Program. The performance based merit increase has been budgeted at an average 3.0 percent.

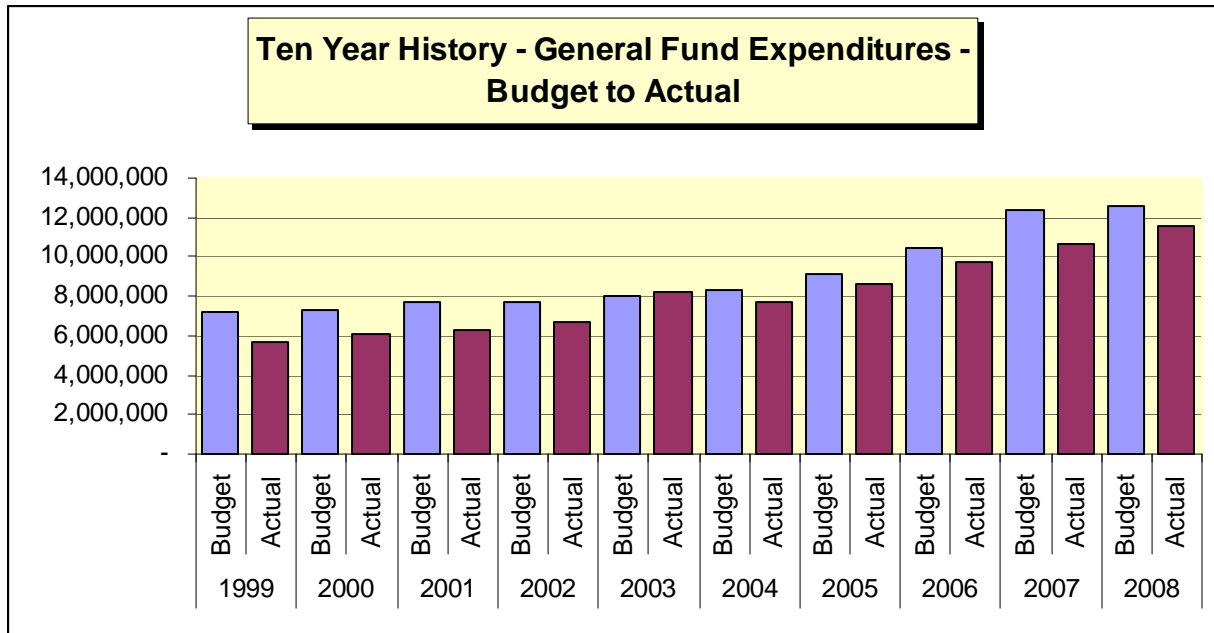


### SUMMARY of FINANCIAL CONDITION

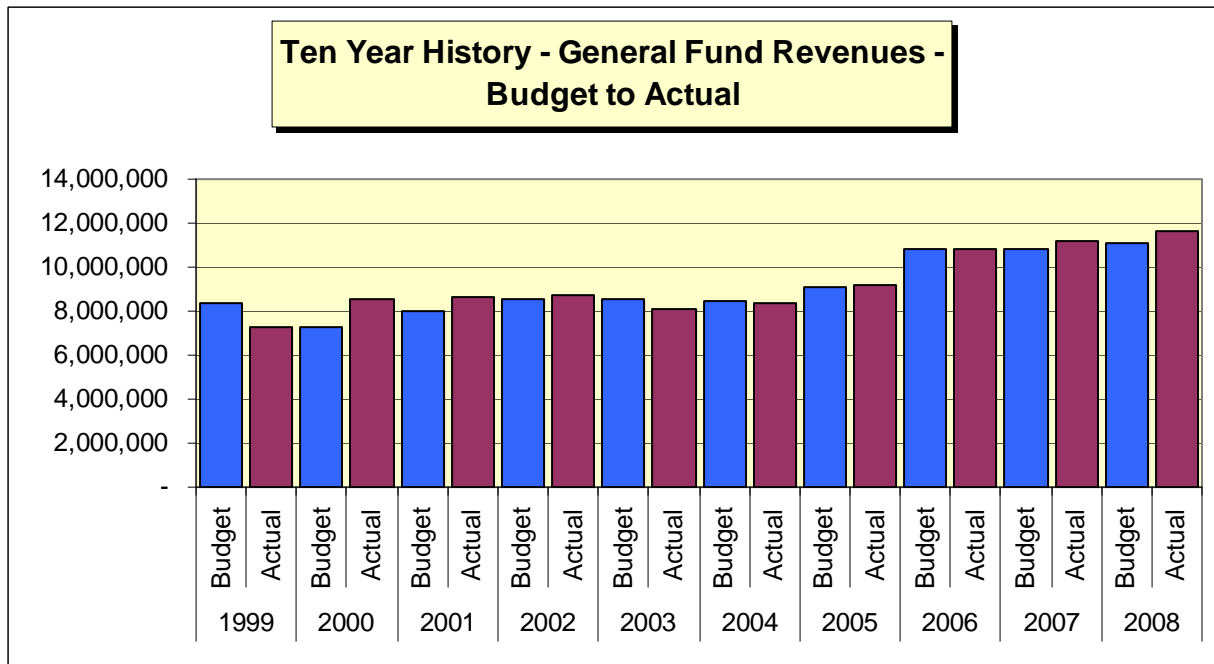
The 2008-09 budget shows the City at a temporary shortfall, however this has been projected for the last two years, and both years the City has actually ended the fiscal year at an overall surplus in the general fund and has spent less than budgeted in other funds. The City of Sedona attempts to stay prepared due to our prudent financial policies in recent years. Our policy of budgeting annual revenues conservatively has provided the City with sufficient reserves and a positive cash flow on an annual basis in the past.

Although we are including in this budget potential use of reserves or “rainy day funds” it is important to note that this has been a budgeted possibility for the two prior budget years and historically for the last ten years the City has operated at a surplus despite potential for use of reserves. The following three graphs represent the City’s financial history (operating) over the last ten years.

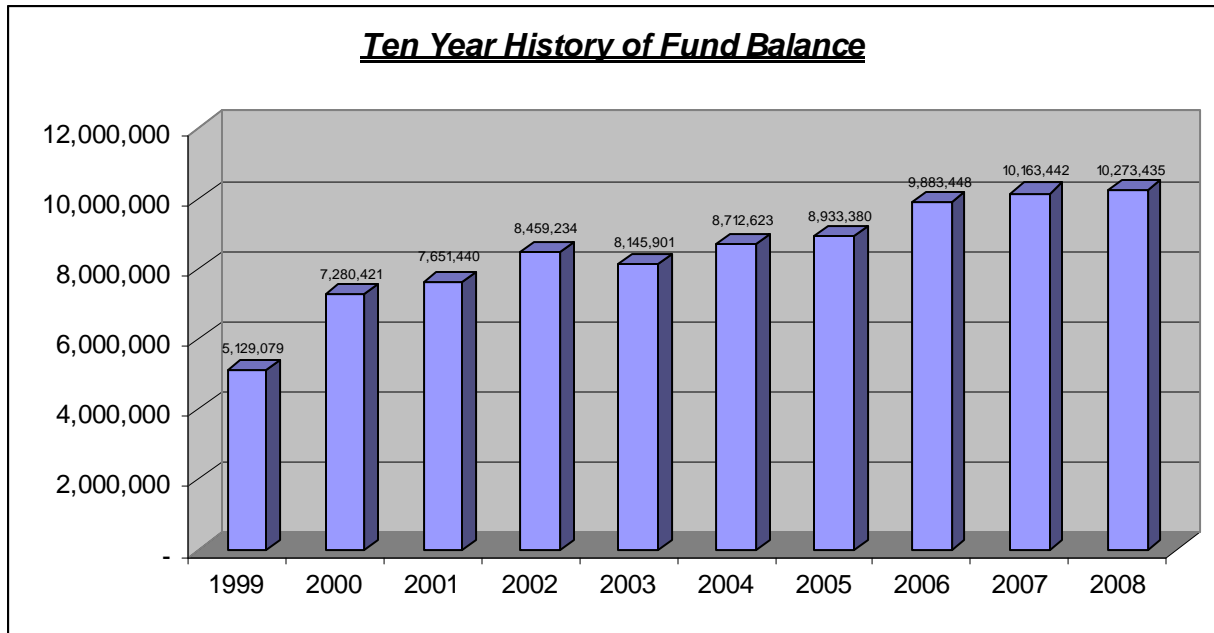
The first shows a comparison of expenditures, budgeted versus actual experience.



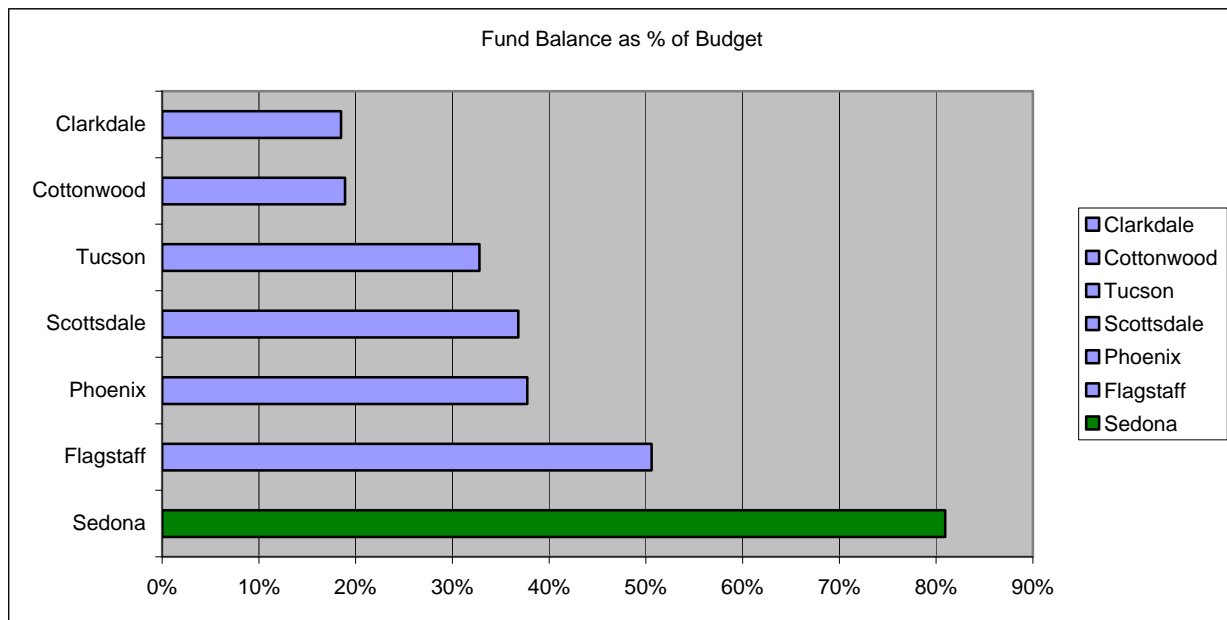
The second shows a comparison of revenues, budgeted versus actual experience.



The third shows the fund balance increases over the last ten years.



Finally, staff projects the fund balance on the three largest funds over the next five years. These projections can change based on multiple factors, increased revenue, decreased spending, or new sources of funding. The fund balances that are maintained by the City in our three major funds are healthy. The general fund reserve at the end of FY 07/08 is at \$10,273,435. This fund balance remains at approximately 80% Budget to Reserve ratio as provided in the 2008 comparison of Sedona’s General Fund reserves to those of other Arizona Cities. The comparison chart is presented below.



The Capital Fund reserve is at \$9,925,867. This is the fund that is most imminent for staff to focus on and work with the City Council to either reduce expenditure expectations or to redirect other funding to this area.

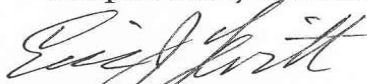
The Wastewater Capital fund reserve is at \$35,077,174. The wastewater fund reserve allows the City to undertake major anticipated projects, such as the Three Major Pump Station Project and connection line extensions or major repairs. Staff anticipates reductions in this reserve over the next five years, in large part due to anticipated infrastructure improvement costs. Controlled spending and restructuring of the process for wastewater extensions on top of a natural rebuilding of the fund will add to the positive position of this fund.

In addition, the strategic priorities that the City has put in place have allowed a budget to be developed that is focused on our Strategic and Community Plans.

I am proud of the work on this document by city employees and department heads. Special recognition for developing the document goes to Financial Services Department.

We look forward to continually providing the level of services and improvements that help to maintain and improve the quality of life in Sedona.

Respectively Submitted,



Eric J. Levitt  
City Manager

**Management Staff**

Eric J. Levitt  
*City Manager*

Michael Goimarac  
*City Attorney*

Alison Zelms  
*Assistant City Manager*

Elizabeth Yancey  
*Magistrate Judge*

Andrea Costello  
*Administrative Services Director  
"Parks & Recreation"*

Barbara Ashley  
*Finance Operations Manager*

Joe Vernier  
*Chief of Police*

Cherry Lawson  
*City Clerk*

John O'Brien  
*Director of Community Development*

Victoria Ward  
*Director of Human Resources*

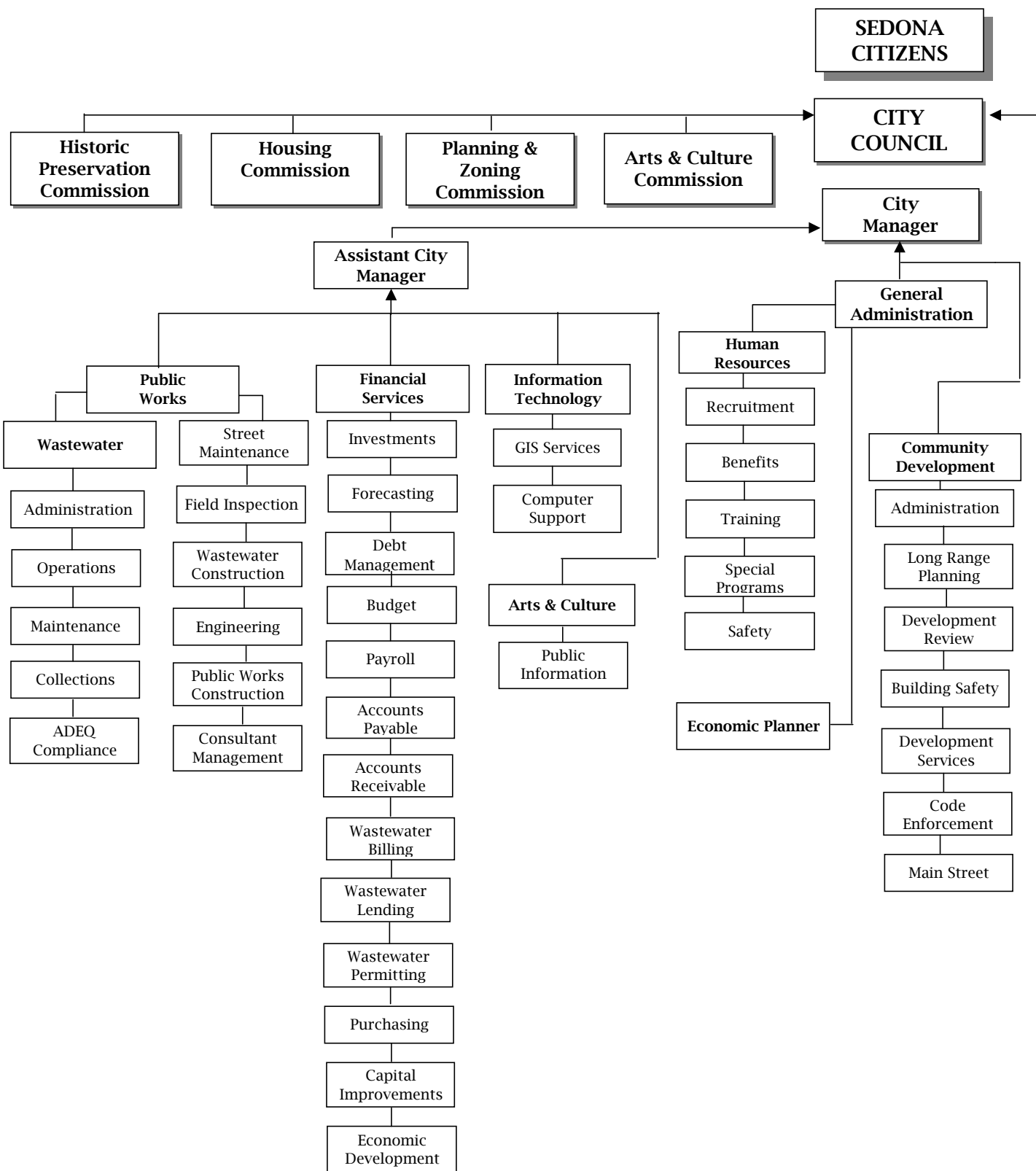
Charles Mosley  
*City Engineer*

Patricia Livingstone  
*Director of Wastewater*

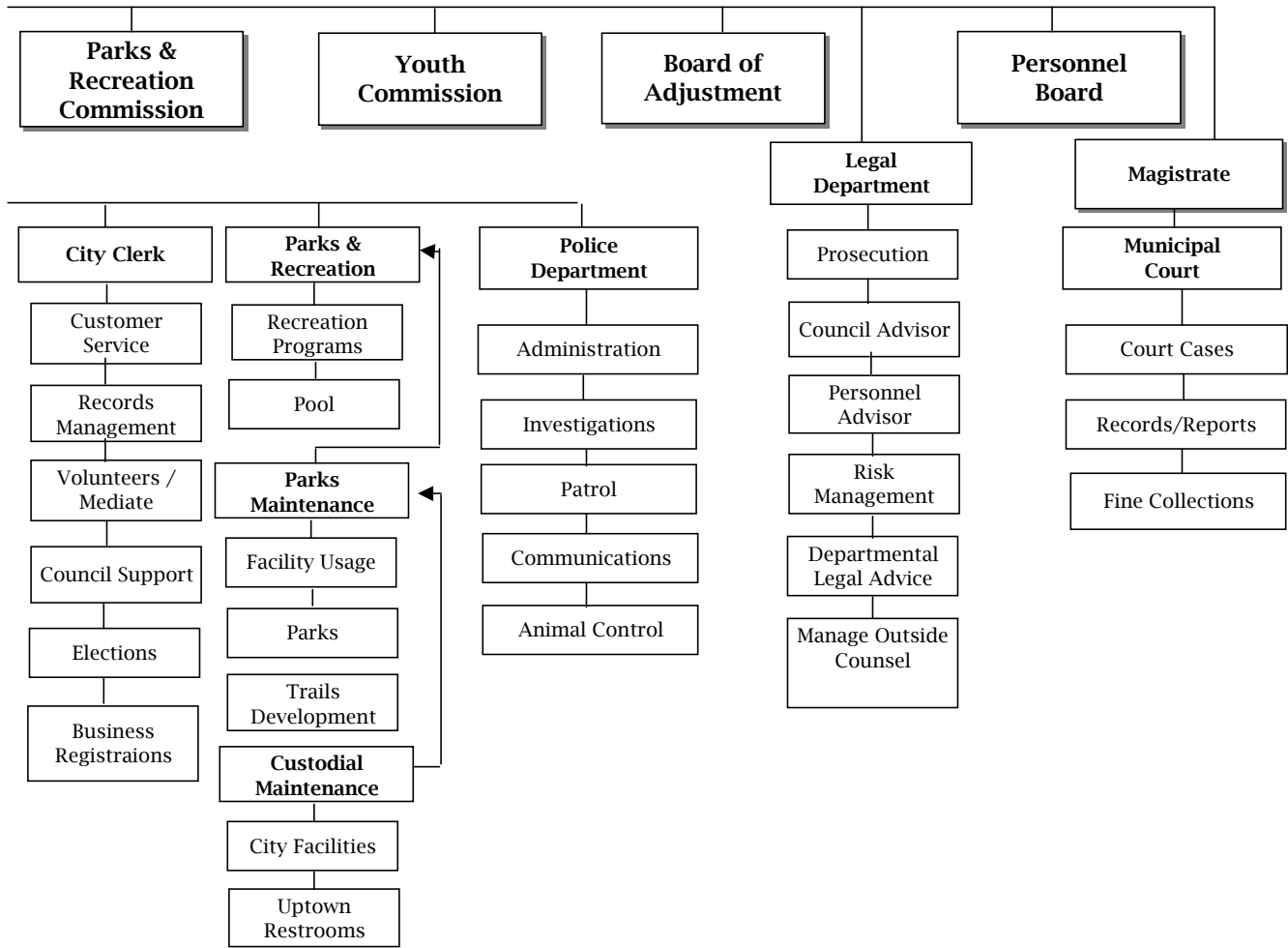
John Smith  
*Information Technology Manager*

Ginger Wolstencroft  
*Director of Arts & Culture*

Jodie Filardo  
*Economic Planner*







## CITY OF SEDONA POSITION LIST

	FY 2007-2008			FY 2008-2009	
	<u>Full Time</u>	<u>Temporary Part-Time</u>		<u>Full Time</u>	<u>Temporary Part-Time</u>
<b><u>10-5210 - Gen Fund - City Council</u></b>					
City Council	7.00			7.00	
Recording Secretary		0.10			0.10
<b><u>10-5220 - Gen Fund - City Manager</u></b>					
City Manager	0.80			0.75	
Assistant City Manager	0.80			0.60	
Administrative Services Director	-			0.70	
Administrative Assistant	1.00			0.90	
Economic Planning Director	1.00			1.00	
Senior Info/Referral Specialist		-			1.00
Assistant to the City Manager	0.85			-	
Recording Secretary	-	0.07		-	-
<b><u>10-5221 - Gen Fund - Human Resources</u></b>					
Director of Human Resources	0.90			0.90	
Human Resource Specialist	1.00			1.00	
<b><u>10-5222 - Gen Fund- Financial Services</u></b>					
Finance Operations Manager	0.80			0.80	
Financial Services Supervisor	0.50			0.50	
Accounting Technician	1.40			1.40	
<b><u>10-5224 - Gen Fund - IT Division</u></b>					
Information Technology Manager	0.85			0.85	
GIS Analyst	1.00			1.00	
Network Analyst	0.85			0.85	
Database/WEB Administrator	1.00			1.00	
IT HelpDesk Assistant	-	-		-	1.00
Intern	-	1.00		-	-
<b><u>10-5230 - Gen Fund - Legal</u></b>					
City Attorney	0.80			0.80	
Attorney/Prosecutorial	1.00	2.00		1.00	2.00
Para-Legal	1.00			1.00	
Intern	-	1.00		-	1.00

**CITY OF SEDONA  
POSITION LIST**

	FY 2007-2008		FY 2008-2009	
	<u>Full Time</u>	<u>Temporary Part-Time</u>	<u>Full Time</u>	<u>Temporary Part-Time</u>
<b><u>10-5240 - Gen Fund - City Clerk</u></b>				
City Clerk	1.00		1.00	
Deputy Clerk	1.00		1.00	
Admin. Assistant	2.00	0.75	1.00	-
Records Clerk	-	-	-	0.75
Director Community Services	0.90		-	
Parks & Recreation Director	0.90		-	
Senior Information Referral Specialist	1.00		-	
<b><u>10-5242 - Gen Fund - Parks &amp; Recreation</u></b>				
Administrative Services Director	-		0.20	
Administrative Assistant	1.00		1.00	
Recreation Coordinator	0.50		0.50	
Recreation Assistant	0.75		0.50	
Officials & Scorekeepers	-	7.00	-	7.00
<b><u>5242 - P&amp;R Pool</u></b>				
Recreation Coordinator	0.50		0.50	
Recreation Assistant	0.25		0.50	
Assist Pool Mgr-P/T	-	1.00	-	1.00
Head Life Guard	-	2.00	-	2.00
Life Guard	-	8.00	-	9.00
Water Exercise Instructor	-	1.00	-	1.00
<b><u>5242 - P&amp;R Maintenance</u></b>				
Parks Supervisor	1.00		1.00	
Parks Maint. Worker	2.50		3.50	
Parks Laborer - Part-time	-	3.00	-	3.00
<b><u>10-5310 - Gen Fund - Comm. Development</u></b>				
Director of Community Development	0.90		1.00	
Assistant to the Community Development Director	1.00		1.00	
Chief Building Inspector	0.90		0.90	
Building Inspector	1.00		1.00	
Plans Examiner	1.00		1.00	
Code Enforcement Officer	1.00		1.00	
Senior Planner	2.00		2.00	
Associate Planner	2.00		2.00	
Assistant Planner	1.00		1.00	
Dev. Services Supervisor	1.00		1.00	
Development Services Rep.	2.00		2.00	
Recording Secretary	-	0.73	-	0.73
Housing Planner	0.50		0.50	

**CITY OF SEDONA  
POSITION LIST**

	FY 2007-2008			FY 2008-2009	
	<u>Full Time</u>	<u>Temporary Part-Time</u>		<u>Full Time</u>	<u>Temporary Part-Time</u>
<b><u>10-5320 - Gen Fund - Public Works</u></b>					
City Engineer	0.60			0.60	
Assist. City Engineer	0.40			0.40	
Assistant Engineer	1.00			1.00	
Assoc. Engineer	-			0.30	
Environmental Inspector	-			0.50	
City Facility Manager	-			0.95	
Administrative Assistant	0.85			0.85	
Crew A - Leader	0.20			0.20	
Crew A - Assistant	0.40			0.60	
<b><u>10-5420 - Gen Fun - Arts &amp; Culture</u></b>					
Director of Arts & Communications	1.00			1.00	
Recording Secretary		0.10			0.10
<b><u>10-5510 - Gen Fund - Police Dept</u></b>					
Police Chief	1.00			1.00	
Commander	2.00			2.00	
Admin. Assistant	1.00			1.00	
Police Sergeant	5.00			5.00	
Police Officer	16.00	1.00		18.00	-
Detective Sergeant	1.00			1.00	
Police Detective	2.00			2.00	
Communication/Records Superv.	1.00			1.00	
Senior Communications Specialist	1.00			1.00	
Communications/Records Specialist	6.00			6.00	
Records Clerk	2.00			1.00	1.00
Animal Control Officer	1.00			1.00	
Community Service Officers	2.00			2.00	
<b><u>5520 - Magistrate Court</u></b>					
Magistrate	1.00			1.00	
Judge Pro-Tem	-	1.00		-	1.00
Court Administrator	-			1.00	
Court Clerk	4.00			3.00	

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	FY 2007-2008			FY 2008-2009	
	<u>Full Time</u>	<u>Temporary Part-Time</u>		<u>Full Time</u>	<u>Temporary Part-Time</u>
<b><u>11 - Streets Fund</u></b>					
Streets Maint. Supervisor	1.00			1.00	
Crew A - Leader	0.80			0.80	
Crew A - Assistant	1.60			1.60	
Traffic Aide	1.00			1.00	
Landscape Maint. Worker	1.00			0.80	
P-T Maint. Worker	-	-		-	2.00
<b><u>16 - Grants Fund</u></b>					
P.A.N.T. (Police)	1.00			1.00	
SRO (Police)	2.00			2.00	
CDBG (Admin)	0.50			0.50	
<b><u>21 - Information Technology Capital Fund</u></b>					
Information Technology Manager	0.05			0.05	
Network Analyst	0.05			0.05	
<b><u>22 - Capital Improvement Fund</u></b>					
Director Community Services	0.10			-	
Director of Community Development	0.10			-	
City Engineer	0.20			0.20	
Assoc. Engineer/Proj. Mgr	0.20			0.40	
<b><u>24 - Community Facilities District</u></b>					
Administrative Services Director	0.05			0.05	
<b><u>25 - Community Facilities District</u></b>					
Administrative Services Director	0.05			0.05	
Parks Maint. Worker	0.50			0.50	

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POSITION LIST**

	FY 2007-2008		FY 2008-2009	
	<u>Full Time</u>	<u>Temporary Part-Time</u>	<u>Full Time</u>	<u>Temporary Part-Time</u>
<b><u>59 - Wastewater</u></b>				
City Manager	0.20		0.25	
Assistant City Manager	0.20		0.40	
Assistant to the City Manager	0.15		-	
Administrative Assistant (CM)	-		0.10	
Intern	-	1.00	-	1.00
City Attorney	0.20		0.20	
Finance Operations Manager	0.20		0.20	
Financial Services Supervisor	0.50		0.50	
Accounting Technician	1.60		1.60	
Director of Human Resources	0.10		0.10	
I T Manager	0.10		0.10	
Network Analyst	0.10		0.10	
Chief Building Inspector	0.10		0.10	
City Engineer	0.20		0.20	
Assist. City Engineer	0.60		0.60	
Assoc. Engineer	1.00		0.50	
Assoc. Engineer/Projects Mgr	0.80		0.80	
Environmental Inspector	-		0.50	
City Facility Manager	-		0.05	
Wastewater Director	1.00		1.00	
Administrative Assistant	1.15	0.25	1.15	0.25
Plant Chief Operator	1.00		1.00	
WW Plant Operator	2.00		2.00	
Chief Collections Operator	1.00		1.00	
Collector Operator II	3.00		3.00	
Plant Chemist	1.00		1.00	
Mechanic	1.00		1.00	
PW Inspector II	1.00		1.00	
PW Inspector I	3.00		3.00	
<b>TOTAL:</b>	<b>132.00</b>	<b>31.00</b>	<b>132.00</b>	<b>34.93</b>
<i>General Fund:</i>	100.60	29.75	100.55	31.68
<i>Streets Fund:</i>	5.40	-	5.20	-
<i>Grants Fund:</i>	3.50	-	3.50	-
<i>Capital Funds:</i>	1.30	-	1.30	-
<i>Wastewater Fund:</i>	21.20	1.25	21.45	1.25