
INTEROFFICE MEMO

DATE: DECEMBER 6, 2011
TO: MAYOR AND CITY COUNCIL
TIM ERNSTER, CITY MANAGER, & ALISON ZELMS, ASSIST. CITY MANAGER
CC: DEPARTMENT HEADS, CITY ASSISTANTS, & BUDGET OVERSIGHT
COMMITTEE
FROM: BARBARA ASHLEY
RE: **MONTHLY REPORT - OCTOBER 2011**

Attached you will find the report for the month ending October 2011.

General Fund:

- a) For October 2011, revenues have exceeded expenditures by \$427,446. Overall revenue collections through October increased over October 2010 by approximately 8.94%, while expenditures increased by approximately 5.7%. These numbers are cumulative. (page 5 of the attachment)

- b) City sales taxes collected for October 2011 increased over October 2010 approximately 1.1%. Bed taxes continue to show a decrease by approximately 37.4% over October 2010. Bed and sales taxes combined for October 2011 over October 2010 are down approximately 4%, but cumulative through October sales taxes are up by approximately 0.6%.
Please note: RDS and City staff continues to assist taxpayer's with categorizing of their remittance of sales and bed taxes. The bed tax category will continue to fluctuate as corrections are made. In addition, annual comparisons compare RDS collection methodology to ADOR collection methodology until February 2012 when the methodology will align. (page 3 of the attachment)

- c) State shared revenues continue with the decreases anticipated but collections are within the City's targeted budget. For October 2011 compared to October 2010, State sales tax decreased 4.12%, income tax decreased 20.45%, VLT (vehicle license tax) for Coconino County decreased 19.18% and Yavapai County decreased 22.39%. (page 4 of the attachment)

- d) Overall expenditures through October 2011, per department are below the target approximately 5.7% and have increased from last fiscal year by approximately \$194,160. Information Technology and Community Services departments are above the target due to up-front annual and semi-annual payments that are made at the beginning of each fiscal year. (page 5 of the attachment)

All Other Funds:

Most of these funds require inter-fund transfers or planned use of reserves to balance their budgets. Sporadic changes to these funds occur because of the large payments made for expenditures on Capital projects as the work is completed. This spreadsheet may be more useful as projects are started and possibly completed during the fiscal year. (page 6 of the attachment)

- e) The Streets Fund is funded through the State shared revenues of Highway User Revenue Funds (HURF). These dollars are restricted to use of streets/right-of-way maintenance and improvements. The HURF monies received for October 2011 have decreased from October 2010 by approximately 25.7%. The continued decrease was anticipated, but collections remain within the City's budget. Expenditures have not exceeded revenue through this month but this is not abnormal as the expenses are prioritized and planned at the start of each fiscal year. (page 4 and 6 of the attachment)

Please feel free to contact my office with any questions.

Attachments

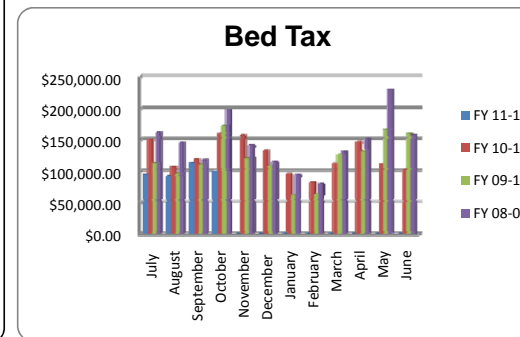
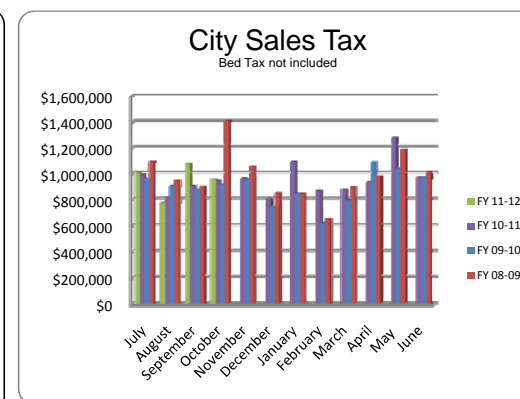
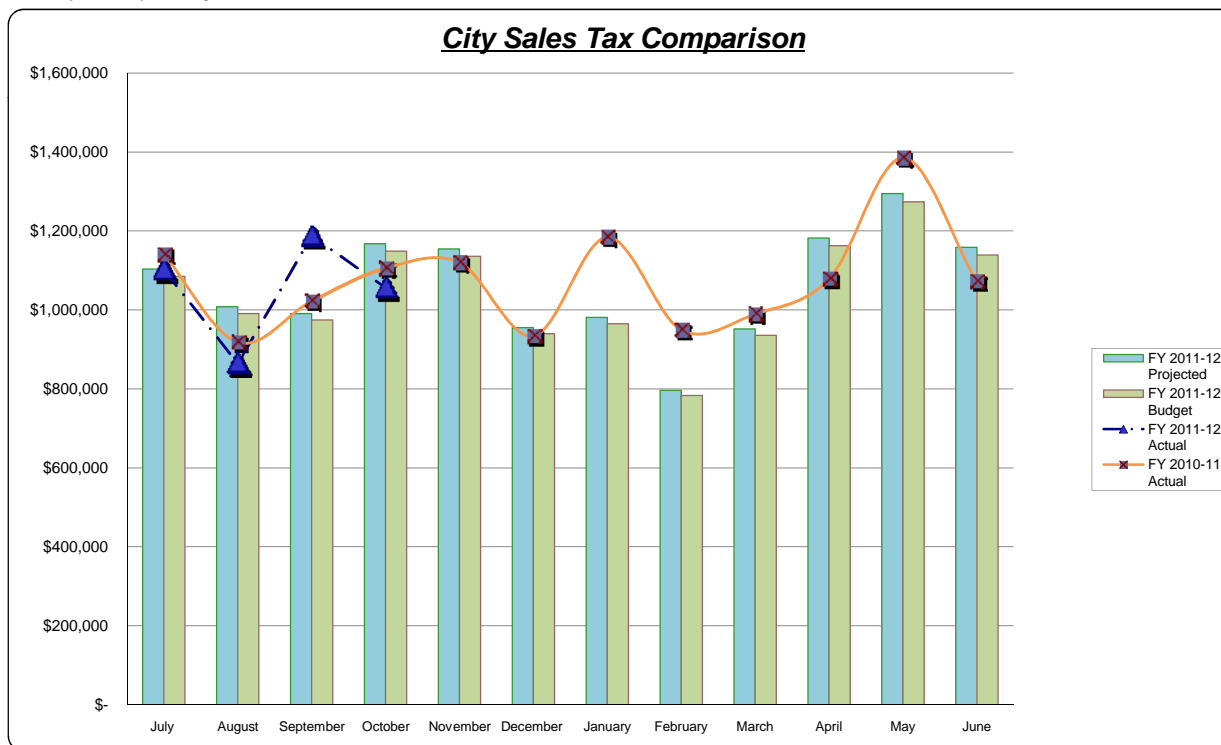
City of Sedona
Sales Tax Worksheet*
October 31, 2011

Month	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	2012 Budget	2012 Collections	Budget Variance	% Change from 2011	% Change from Budget
July	933,022	949,697	987,755	1,021,011	1,181,174	1,069,178	1,253,632	1,252,755	1,073,215	1,140,395	1,085,614	1,101,956	16,341	-3.37%	1.51%
August	883,457	812,892	938,115	1,043,646	1,095,421	1,058,491	1,230,340	1,090,523	1,001,376	917,875	991,443	864,440	(127,003)	-5.82%	-12.81%
September	861,455	842,239	957,697	972,637	1,049,959	1,032,607	1,137,149	1,017,988	990,181	1,022,615	975,071	1,187,428	212,357	16.12%	21.78%
October	852,214	948,253	937,372	1,090,521	1,139,917	1,178,952	1,155,616	1,601,792	1,089,433	1,105,755	1,149,111	1,056,689	(92,421)	-4.44%	-8.04%
November	852,214	443,132	937,372	1,116,598	1,331,960	1,331,215	1,361,830	1,191,160	1,075,186	1,119,830	1,136,040				
December	769,014	847,479	999,121	944,662	1,074,367	1,156,793	1,132,785	963,540	851,434	933,873	940,267				
January	799,021	882,138	830,649	918,105	1,052,208	1,092,120	1,026,332	938,932	906,327	1,184,462	965,593				
February	662,146	736,372	748,373	739,579	810,751	918,581	909,590	731,583	681,004	949,379	783,618				
March	799,602	771,127	859,229	880,416	1,102,828	1,076,654	985,533	1,027,075	917,669	989,770	936,503				
April	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	1,078,369	1,163,385				
May	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	1,385,563	1,273,854				
June	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	1,071,808	1,140,008				
Total	\$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	\$12,899,694	\$12,540,506	\$4,210,513	9,274	0.57%	0.22%

cumulative averages

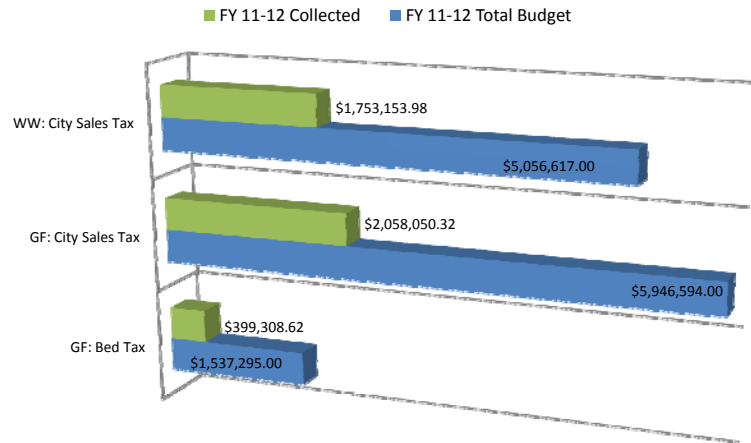
* Bed tax is included due to reporting inconsistencies by vendors.

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

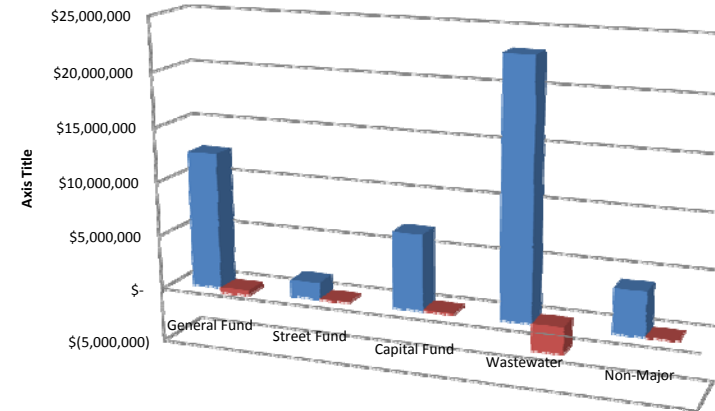


City of Sedona
Sales Tax Worksheet*
October 31, 2011

Sales Tax Allocations
 Fiscal Year 2011-2012
 Budget to Actual

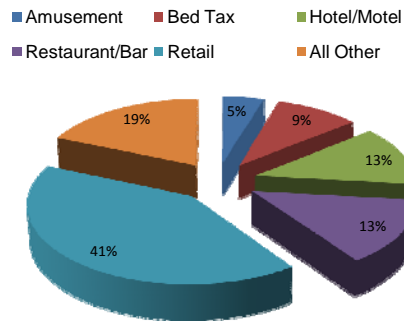


RESERVES
 (Fund Balance)

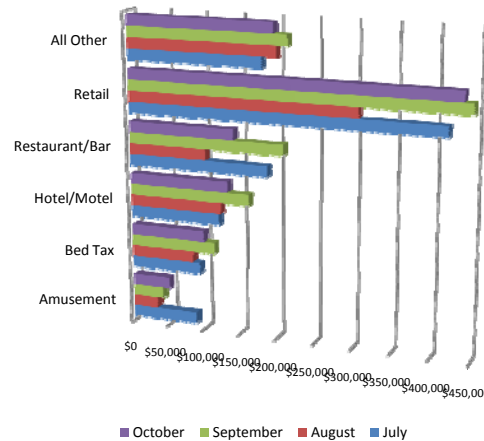


	General Fund	Street Fund	Capital Fund	Wastewater	Non-Major
Un-Audited Fund Balance 6/30/2011	\$12,486,018	\$1,469,762	\$6,906,078	\$23,134,628	\$3,963,301
Use of Fund Balance FY2012	(427,446)	(44,411)	100,897	(2,404,360)	(19,519)

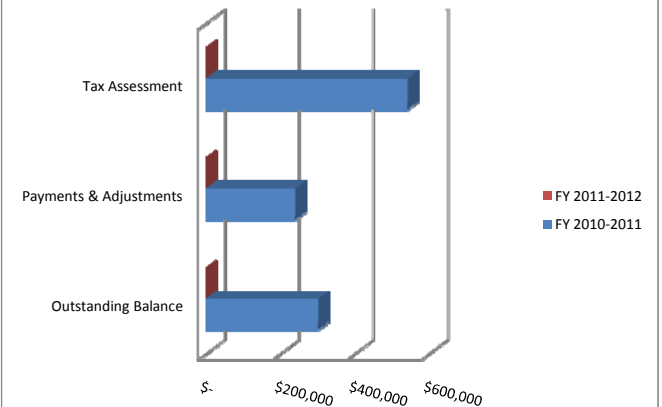
Current Month Collection



Collection by Month



Sales Tax Audits



CITY SALES TAX COLLECTION SUMMARY FY 2011-2012

	<u>BED TAX</u>		<u>CITY SALES TAX</u>		<u>ALLOCATED TO GENERAL FUND</u>		<u>CITY SALES TAX</u>		<u>ALLOCATED TO WASTEWATER FUND</u>		<u>TOTAL SALES TAX COLLECTED</u>	<u>COLLECTION MONTH</u>
July	-37.02%	\$94,538.46	1.73%	\$544,005.23	\$638,543.69	1.73%	\$463,411.87	\$463,411.87	-3.37%	\$1,101,955.56	June	
August	-13.61%	\$92,225.53	-4.80%	\$416,996.01	\$509,221.54	-4.80%	\$355,218.82	\$355,218.82	-5.82%	\$864,440.36	July	
September	-4.76%	\$113,152.72	18.86%	\$580,108.53	\$693,261.25	18.86%	\$494,166.53	\$494,166.53	16.12%	\$1,187,427.78	August	
October	-37.44%	\$99,391.91	1.10%	\$516,940.55	\$616,332.46	1.10%	\$440,356.76	\$440,356.76	-4.44%	\$1,056,689.22	September	
November		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	October	
December		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	November	
January		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	December	
February		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	January	
March		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	February	
April		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	March	
May		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	April	
June		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	May	
TOTAL 2011-2012		\$399,308.62		\$2,058,050.32	\$2,457,358.94		\$1,753,153.98	\$1,753,153.98		\$4,210,512.92		
TOTAL FY 2010-2011		\$534,549.43		\$1,972,129.02			\$1,679,961.76			\$4,186,640.21		
DIFFERENCE		(\$135,240.81)		\$85,921.30			\$73,192.22			\$23,872.71		
% INCR/DECR		<u>-25.30%</u>	b	<u>4.36%</u>			<u>4.36%</u>			<u>0.57%</u>		

COLLECTION BY AGENCY:

<u>REVENUE DISCOVERY SYSTEMS - RDS:</u>												
July	\$93,975.47		\$537,245.14		\$631,220.61		\$457,653.27		\$457,653.27		\$1,088,873.88	June
August	\$83,745.93		\$410,199.78		\$493,945.71		\$349,429.44		\$349,429.44		\$843,375.15	July
September	\$112,489.21		\$573,246.24		\$685,735.45		\$488,320.88		\$488,320.88		\$1,174,056.33	August
October	\$98,904.68		\$511,678.59		\$610,583.27		\$435,874.35		\$435,874.35		\$1,046,457.62	September
November	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	October
December	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	November
January	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	December
February	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	January
March	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	February
April	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	March
May	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	April
June	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	May
TOTAL 2011-2012	\$389,115.29		\$2,032,369.75		\$2,421,485.04		\$1,731,277.94		\$1,731,277.94		\$4,152,762.98	

<u>ARIZONA DEPARTMENT OF REVENUE - AzDOR:</u>												
July	\$562.99		\$6,760.09		\$7,323.08		\$5,758.60		\$5,758.60		\$13,081.68	June
August	\$8,479.60		\$6,796.23		\$15,275.83		\$5,789.38		\$5,789.38		\$21,065.21	July
September	\$663.51		\$6,862.29		\$7,525.80		\$5,845.65		\$5,845.65		\$13,371.45	August
October	\$487.23		\$5,261.96		\$5,749.19		\$4,482.41		\$4,482.41		\$10,231.60	September
November	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	October
December	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	November
January	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	December
February	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	January
March	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	February
April	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	March
May	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	April
June	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00	May
TOTAL 2011-2012	\$10,193.33		\$25,680.57		\$35,873.90		\$21,876.04		\$21,876.04		\$57,749.94	

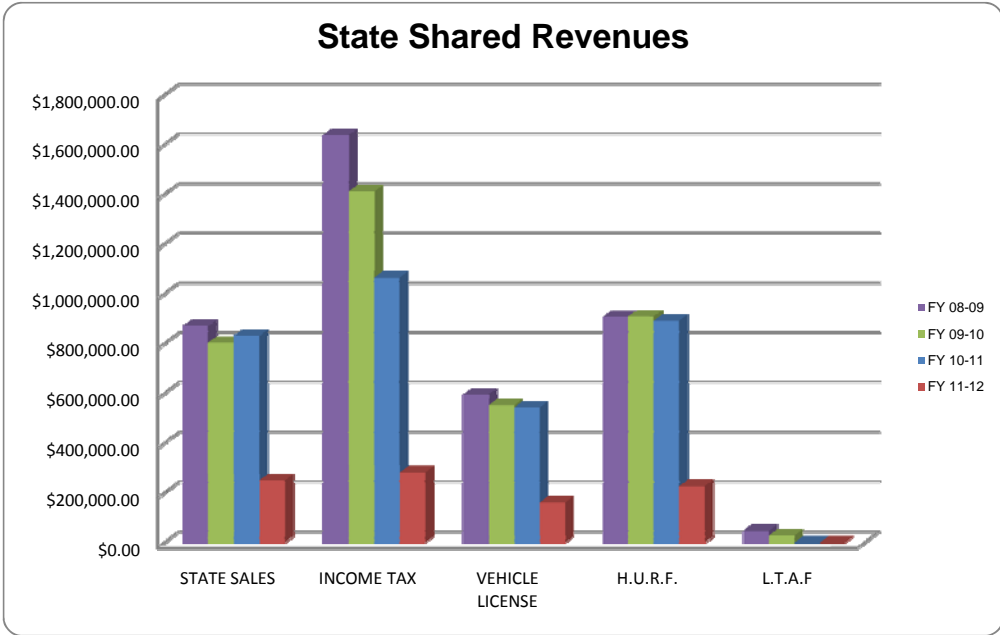
**ARIZONA DEPARTMENT OF REVENUE
2011-2012
STATE SHARED REVENUE**

GENERAL FUND:

STREETS FUND:

		STATE SALES TAX		STATE INCOME TAX		VEHICLE LICENSE TAX			H.U.R.F.	
						COCONINO COUNTY	YAVAPAI COUNTY			
July	-3.66%	\$63,531.43	-20.45%	\$70,554.90	-13.21%	\$9,489.71	-14.27%	\$31,582.94	-24.35%	\$58,254.63
August	-3.59%	\$60,269.13	-20.45%	\$70,554.90	-17.38%	\$9,822.66	-9.43%	\$34,081.29	-30.20%	\$57,260.70
September	-3.45%	\$62,573.60	-20.45%	\$70,554.90	-20.12%	\$8,741.35	-13.65%	\$29,850.36	-24.26%	\$56,747.38
October	-4.12%	\$63,273.67	-20.45%	\$70,554.90	-19.18%	\$8,432.58	-22.39%	\$29,215.35	-25.69%	\$54,421.51
November		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
December		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
January		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
February		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
March		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
April		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
May		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
June		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
TOTAL 2011-2012		\$249,647.83		\$282,219.60		\$36,486.30		\$124,729.94		\$226,684.22
TOTAL 2010-2011		\$259,262.65		\$354,778.10		\$44,201.07		\$146,680.68		\$307,203.23
DIFFERENCE		(\$9,614.82)		(\$72,558.50)		(\$7,714.77)		(\$21,950.74)		(\$80,519.01)
% INCR/DECR		-3.71%		-20.45%		-17.45%		-14.96%		-26.21%
		c		c		c		c		e

\$919,767.89



**City of Sedona
FY 2011/12 All Other Funds Budget Comparison**

October-11

	<u>Budget</u>	<u>FYTD Actual</u>	<u>Balance</u>	<u>34% Target</u>	<u>Prior FYTD</u>	<u>PY to CY Comparison</u>
e <u>Streets Fund</u>						
Revenue	664,520 **	234,670	(429,850)	35.3%	320,720	-26.83%
Expenditures	1,643,479	190,258 *	(1,453,221)	11.6%	429,877	-55.74%
Revenue over Expenditures	<u>(978,959)</u>	<u>44,411</u>			<u>(109,157)</u>	
<u>Capital Projects Fund</u>						
Revenue	1,863,874 **	59,827	(1,804,047)	3.2%	22,028	171.59%
Expenditures	3,578,692	160,724 *	(3,417,968)	4.5%	39,243	309.56%
Revenue over Expenditures	<u>(1,714,818)</u>	<u>(100,897)</u>			<u>(17,215)</u>	
<u>Wastewater Enterprise Fund</u>						
Revenue	10,175,025 **	3,576,931	(6,598,094)	35.2%	3,129,583	14.29%
WW Administration	559,345	169,259 *	(390,086)	30.3%	171,983	-1.58%
WW Construction	4,242,597	305,411 *	(3,937,186)	7.2%	475,250	-35.74%
WW Treatment Plant	2,127,215	547,983 *	(1,579,232)	25.8%	505,740	8.35%
WW Debt Service	5,784,147	149,919 *	(5,634,228)	2.6%	149,951	-0.02%
Revenue over Expenditures	<u>(2,538,279)</u>	<u>2,404,360</u>			<u>1,826,658</u>	
<u>All Other Funds</u>						
Revenue	3,302,853 **	116,023	(3,186,830)	3.5%	175,480	-33.88%
Expenditures	4,783,618	96,504 *	(4,687,114)	2.0%	323,459	-70.17%
Revenue over Expenditures	<u>(1,480,765)</u>	<u>19,519</u>			<u>(147,979)</u>	

<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>	
Total	<u>3,987,451</u>		<u>1,620,057</u>	*	<u>0</u>		<u>2,367,394</u>	<u>1,552,308</u>	<u>52.51%</u>

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

*NOTE: Amounts do not include "encumbrances".