
INTEROFFICE MEMO

DATE: OCTOBER 13, 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 - AUGUST 2011**

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

General Fund:

- a) For August 2011, revenues over expenditures remain slightly positive at \$594. Overall revenue collections through August decreased over August 2010 by approximately 3.64%, while expenditures decreased by approximately 10.4%. These numbers are cumulative. (page 5 of the attachment)

- b) City sales taxes collected for August decreased over August 2010 approximately 4.8%. Bed taxes decreased approximately 13.6% over August 2010. Overall, Bed and Sales taxes collected for July and August compared to July and August 2010 are down approximately 4.5%
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 have decreased from August 2010. These decreases were anticipated and collections are within the City's targeted budget. For August 2011 compared to August 2010, State sales tax decreased 3.59%, income tax decreased 20.45%, VLT (vehicle license tax) for Coconino County decreased 17.38% and Yavapai County decreased 9.43%. (page 4 of the attachment)

- d) Overall expenditures through August, per department are below the target approximately 3.8% and decreased from last fiscal year by approximately \$194,526. Human Resources, Information Technology and Community Services departments are above the target for this month due to up-front annual and semi-annual payments. The employee appreciation one-time payments were budgeted and paid out from the Human Resources department, the Information

Technology department pays annual renewal license agreements, while the Community Services department has processed the contracts for outside services; i.e. the Sedona Chamber of Commerce, Public Library, Main Street program and others. The outside services contracts were previously funded in the General Services budget prior to this fiscal year and now have been moved to the Community Services budget. (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 August 2011 have decreased from August 2010 by approximately 30.2%. This decrease was anticipated and collections are within the City's budget. Expenditures are much lower this August compared to last. 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)

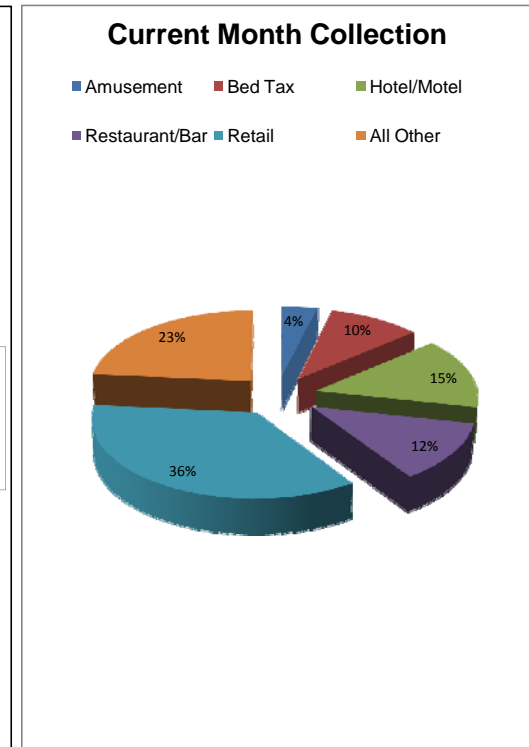
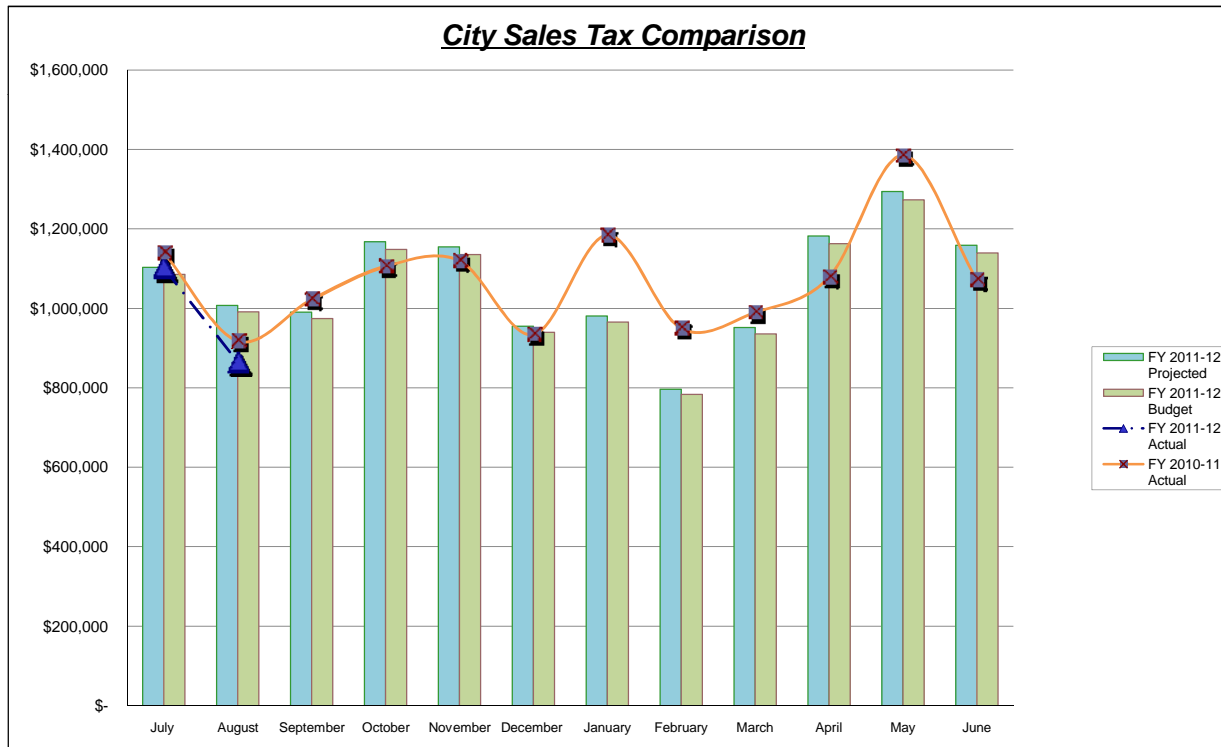
Please feel free to contact my office with any questions.

Attachments

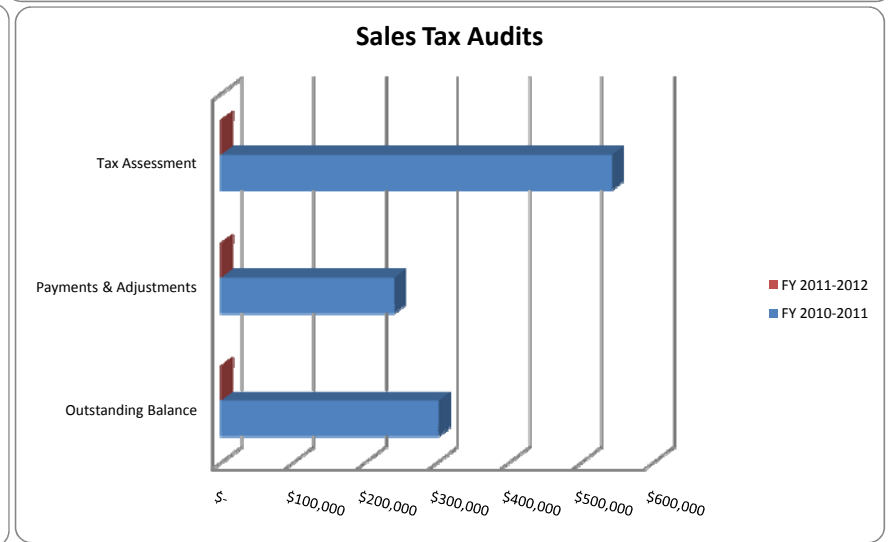
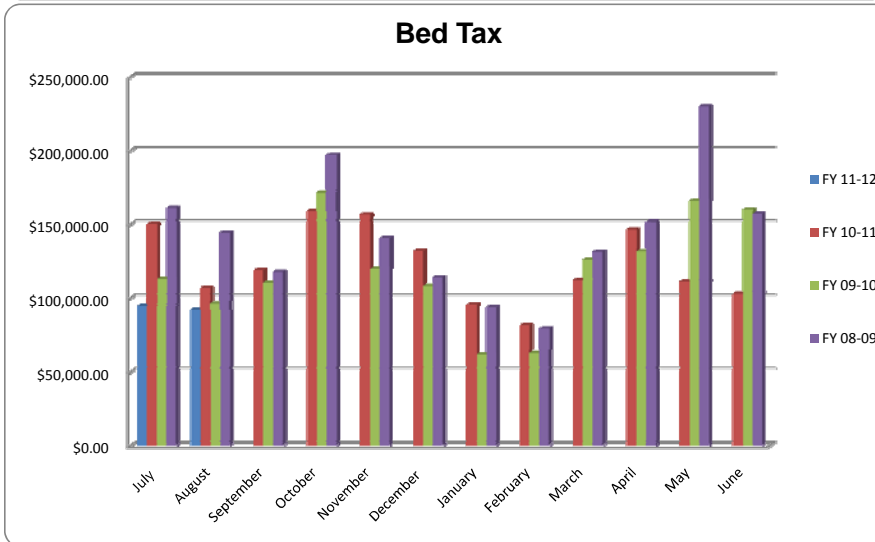
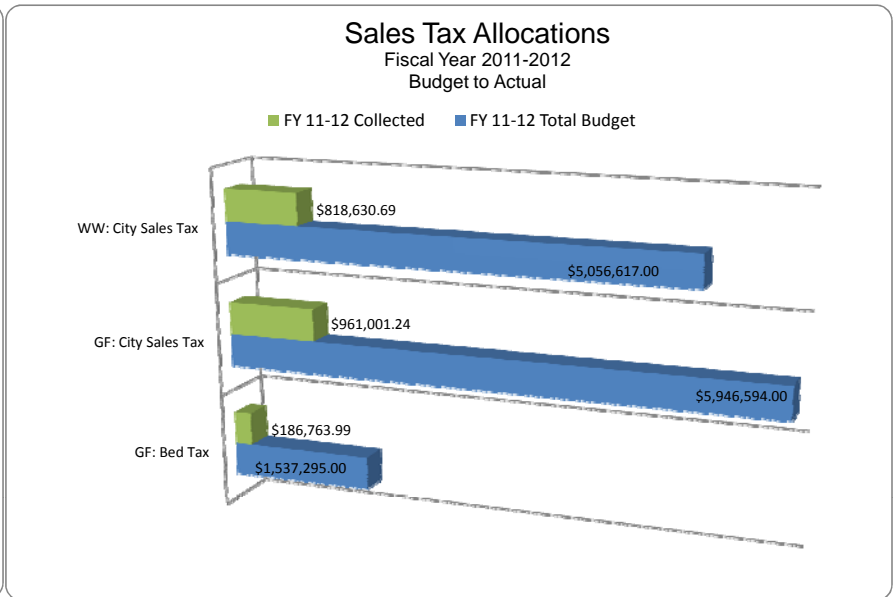
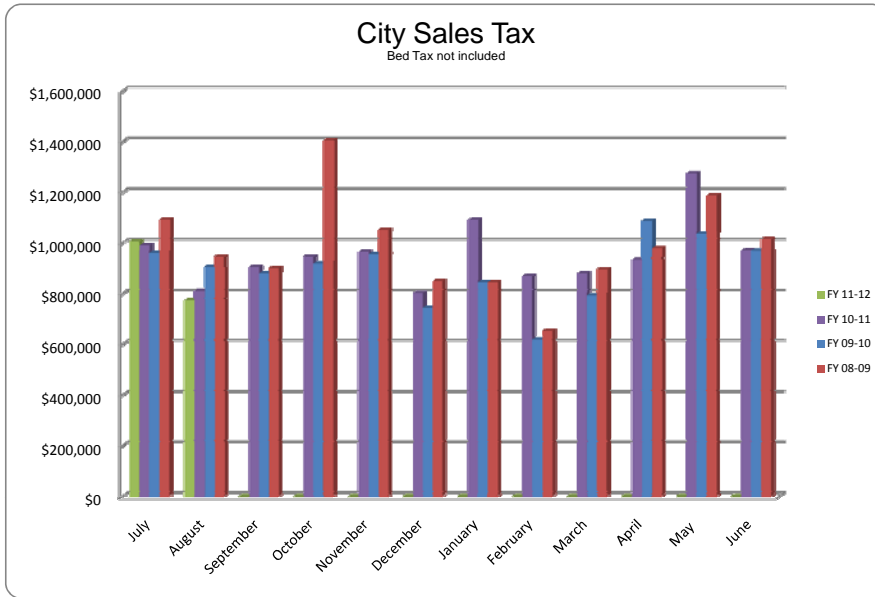
City of Sedona
Sales Tax Worksheet*
August 31, 2011

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				
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				
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	\$1,966,396	(110,662)	-4.46%	-5.33%

* 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*
August 31, 2011



**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		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	August
October		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	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		\$186,763.99		\$961,001.24	\$1,147,765.23		\$818,630.69	\$818,630.69		\$1,966,395.92	
TOTAL FY 2010-2011		\$256,865.53		\$972,758.86			\$828,646.44			\$2,058,270.83	
DIFFERENCE		(\$70,101.54)		(\$11,757.62)			(\$10,015.75)			(\$91,874.91)	
% INCR/DECR		-27.29%	b	-1.21%			-1.21%			-4.46%	
COLLECTION BY AGENCY:											
REVENUE DISCOVERY SYSTEMS - RDS:											
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		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	August
October		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	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		\$177,721.40		\$947,444.92	\$1,125,166.32		\$807,082.71	\$807,082.71		\$1,932,249.03	
ARIZONA DEPARTMENT OF REVENUE - AzDOR:											
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		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	August
October		\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	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		\$9,042.59		\$13,556.32	\$22,598.91		\$11,547.98	\$11,547.98		\$34,146.89	

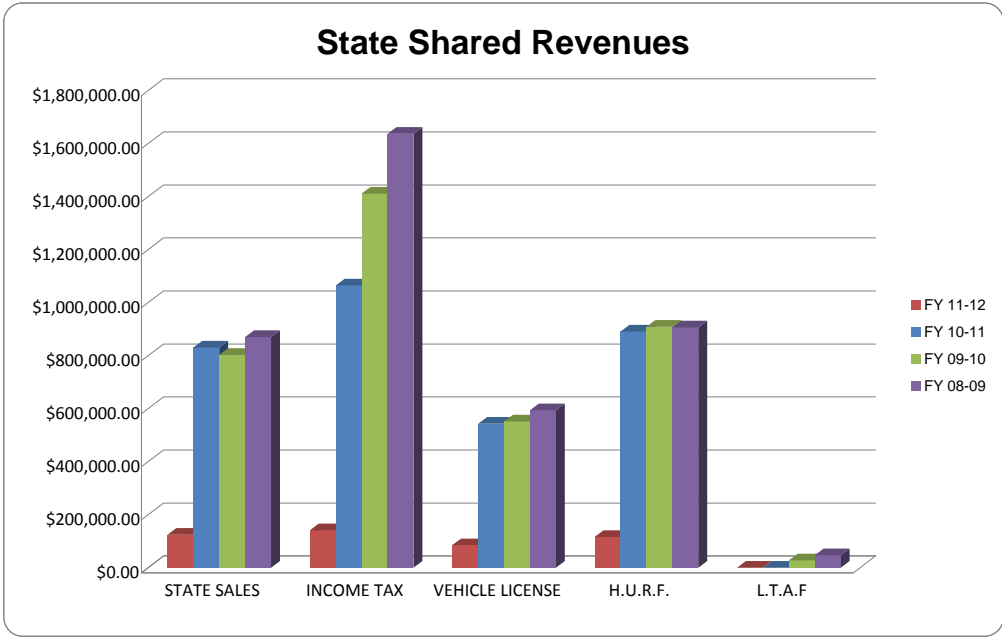
ARIZONA DEPARTMENT OF REVENUE
2011-2012
STATE SHARED REVENUE

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		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
October		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00
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		\$123,800.56		\$141,109.80		\$19,312.37		\$65,664.23		\$115,515.33
TOTAL 2010-2011		\$128,457.69		\$177,389.16		\$22,824.16		\$74,469.15		\$159,042.88
DIFFERENCE		(\$4,657.13)		(\$36,279.36)		(\$3,511.79)		(\$8,804.92)		(\$43,527.55)
% INCR/DECR		-3.63%		-20.45%		-15.39%		-11.82%		-27.37%
		c		c		c		c		e

\$465,402.29



August-11

General Fund

<u>Revenues</u>	<u>Budget</u>	<u>FYTD Actual</u>	<u>Balance</u>	<u>17% Target</u>	<u>Prior FYTD</u>	<u>PY to CY Comparison</u>
Bed Tax	1,537,295 **	186,764	(1,350,531)	12.1%	256,866	-27.29%
City Sales Tax	6,196,594 **	990,692	(5,205,902)	16.0%	972,844	1.83%
Franchise Fees	715,026 **	-	(715,026)	0.0%	-	0.00%
Vehicle License Tax	535,325 **	84,982	(450,343)	15.9%	97,293	-12.65%
State Sales Tax	758,909 **	123,801	(635,108)	16.3%	128,458	-3.63%
State Income Tax	846,649 **	141,075	(705,574)	16.7%	177,389	-20.47%
Fines	234,968 **	37,593	(197,375)	16.0%	38,167	-1.51%
Licenses & Permits	134,573 **	22,363	(112,210)	16.6%	28,495	-21.52%
Charges for Services	109,846 **	27,995	(81,851)	25.5%	19,602	42.82%
Contributions & Donations	- **	-	0	0.0%	-	0.00%
Interest	351,315 **	36,810	(314,505)	10.5%	15,855	132.17%
Miscellaneous	483,240 **	30,048	(453,192)	6.2%	10,622	182.90%
	<u>11,903,740</u> **	<u>1,682,122</u>	<u>(10,221,618)</u>	<u>14.1%</u>	<u>1,745,590</u>	<u>-3.64%</u> a

**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>17% Target</u>	<u>Prior FYTD</u>	<u>PY to CY Comparison</u>
City Council	77,979	14,093 *	63,886	18.1%	17,291	-18.49%
City Manager	579,017	60,722 *	518,295	10.5%	78,183	-22.33%
Human Resources	1,789,337	381,387 *	1,407,950	21.3%	218,194	74.79%
Financial Services	357,759	36,846 *	320,913	10.3%	44,447	-17.10%
Information Systems	535,860	161,691 *	374,169	30.2%	169,947	-4.86%
Legal	364,530	36,813 *	327,717	10.1%	47,182	-21.98%
City Clerk (moved to City Mgr's budget)	-	- *	0	0.0%	-	0.00%
Community Services	1,954,191	437,777 *	1,516,414	22.4%	50,774	762.21%
General Services	2,412,808	62,227 *	2,350,581	2.6%	693,912	-91.03%
Contingencies	300,000	-	300,000	0.0%	-	0.00%
Community Development	848,407	87,345 *	761,062	10.3%	115,919	-24.65%
Public Works	987,458	126,177 *	861,281	12.8%	106,168	18.85%
Arts & Culture (moved to City Mgr's budget)	-	- *	0	0.0%	-	0.00%
Police	2,184,491	248,783 *	1,935,708	11.4%	300,325	-17.16%
Municipal Court	332,463	27,667 *	304,796	8.3%	33,713	-17.93%
	<u>12,724,300</u>	<u>1,681,528</u> d	<u>11,042,772</u>	<u>13.2%</u> d	<u>1,876,054</u> d	<u>-10.37%</u> a

*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>1,682,122</u>	<u>1,681,528</u> *	<u>0</u>	<u>594</u> a	<u>(130,464)</u>
					<u>-100.46%</u>

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

August-11

	<u>Budget</u>	<u>FYTD Actual</u>	<u>Balance</u>	<u>17% Target</u>	<u>Prior FYTD</u>	<u>PY to CY Comparison</u>
e <u>Streets Fund</u>						
Revenue	664,520 **	118,472	(546,048)	17.8%	163,704	-27.63%
Expenditures	1,643,479	61,765 *	(1,581,714)	3.8%	301,740	-79.53%
Revenue over Expenditures	<u>(978,959)</u>	<u>56,707</u>			<u>(138,035)</u>	
<u>Capital Projects Fund</u>						
Revenue	1,863,874 **	9,807	(1,854,067)	0.5%	11,805	-16.93%
Expenditures	3,578,692	1,840 *	(3,576,852)	0.1%	(19,725)	-109.33%
Revenue over Expenditures	<u>(1,714,818)</u>	<u>7,967</u>			<u>31,530</u>	
<u>Wastewater Enterprise Fund</u>						
Revenue	10,175,025 **	1,718,808	(8,456,217)	16.9%	1,522,320	12.91%
WW Administration	559,345	71,331 *	(488,014)	12.8%	74,765	-4.59%
WW Construction	4,242,597	247,819 *	(3,994,778)	5.8%	161,350	53.59%
WW Treatment Plant	2,127,215	216,563 *	(1,910,652)	10.2%	208,752	3.74%
WW Debt Service	5,784,147	74,834 *	(5,709,313)	1.3%	76,851	-2.62%
Revenue over Expenditures	<u>(2,538,279)</u>	<u>1,108,261</u>			<u>1,000,602</u>	
<u>All Other Funds</u>						
Revenue	3,302,853 **	88,872	(3,213,981)	2.7%	56,827	56.39%
Expenditures	4,783,618	66,328 *	(4,717,290)	1.4%	154,275	-57.01%
Revenue over Expenditures	<u>(1,480,765)</u>	<u>22,544</u>			<u>(97,448)</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>1,935,958</u>		<u>740,480</u> *		<u>0</u>		<u>1,195,479</u>	<u>796,649</u>	<u>50.06%</u>

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

*NOTE: Amounts do not include "encumbrances".