
INTEROFFICE MEMO

DATE: FEBRUARY 8, 2012
TO: MAYOR AND CITY COUNCIL
TIM ERNSTER, CITY MANAGER
CC: DEPARTMENT HEADS, CITY ASSISTANTS, & BUDGET OVERSIGHT
COMMITTEE
FROM: BARBARA ASHLEY
RE: **MONTHLY REPORT - DECEMBER 2011**

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

General Fund:

- a) For December 2011:
- .. Total revenues received\$ 866,498
 - .. Total expenditures were\$ 895,854
 - Negative cash flow of.....\$ -29,356

Fiscal Year totals through December 2011:

- .. Total revenues received\$ 5,553,909
- .. Total expenditures were\$ 5,088,390
- Positive cash flow of\$ 465,519

The General Fund unrestricted fund balance is\$12,868,957

Overall revenue collections through December 2011 decreased over December 2010 by approximately 3.82%, while expenditures decreased by approximately .84%. These numbers are cumulative. (page 5 of the attachment)

- b) City sales taxes collected for December 2011 decreased over December 2010 approximately 4.34%. Bed taxes continue to show a decrease by approximately 57.5% over December 2010. Bed and sales taxes combined for December 2011 over December 2010 are down approximately 12%. Cumulative through December sales taxes are down by approximately 2.15% and bed taxes are down 37.4%, overall decrease of 6.8%.

Staff and RDS will continue to reach out to taxpayers through a combination of education and collection efforts. (page 3 of the attachment)

- c) State shared revenues continue with the anticipated decreases but collections are within the City's targeted budget. For December 2011 compared to

December 2010, State sales tax decreased 6.3%, income tax decreased 20.45%, VLT (vehicle license tax) for Coconino County decreased 23.2% and Yavapai County decreased 16%. (page 4 of the attachment)

- d) Overall expenditures through December 2011, per department are below the target approximately 10% and have decreased from last fiscal year by approximately \$43,030. 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 December 2011 have decreased from December 2010 by approximately 21.9%. The continued decrease was anticipated, but collections remain within the City's budget. Currently expenditures have exceeded revenue for December 2011. (page 4 and 6 of the attachment)

For December 2011:

➤.. Total revenues received	\$ 53,422
➤.. Total expenditures were	<u>\$ 492,603</u>
Negative cash flow of	\$ -439,181

Fiscal Year totals through December 2011:

➤.. Total revenues received	\$ 337,885
➤.. Total expenditures were	<u>\$ 759,776</u>
Negative cash flow of	\$ -421,891

The Streets Fund restricted fund balance is\$1,046,254

- f) The Wastewater Enterprise Fund is funded through service charges for City sewer services, permit fees, City sales taxes and miscellaneous charges pertaining to the Wastewater treatment plant.

For December 2011:

➤.. Total revenues received	\$ 799,747
➤.. Total expenditures were	<u>\$1,190,220</u>
Negative cash flow of	\$ -390,473

Fiscal Year totals through December 2011:

➤.. Total revenues received	\$ 5,131,526
➤.. Total expenditures were	<u>\$ 2,668,041</u>
Positive cash flow of	\$ 2,463,485

The Wastewater Fund balance is.....\$20,443,572

Please feel free to contact my office with any questions.

Attachments

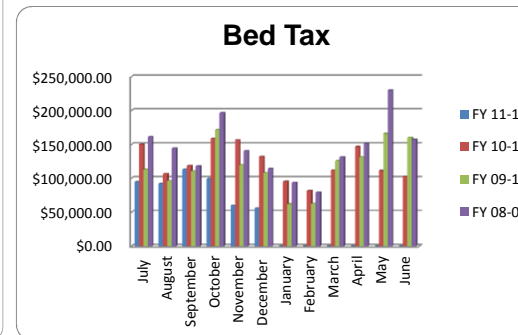
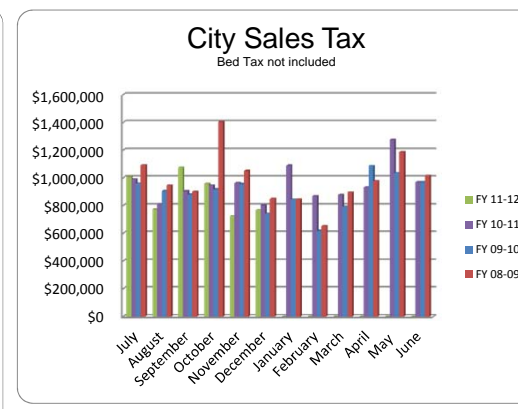
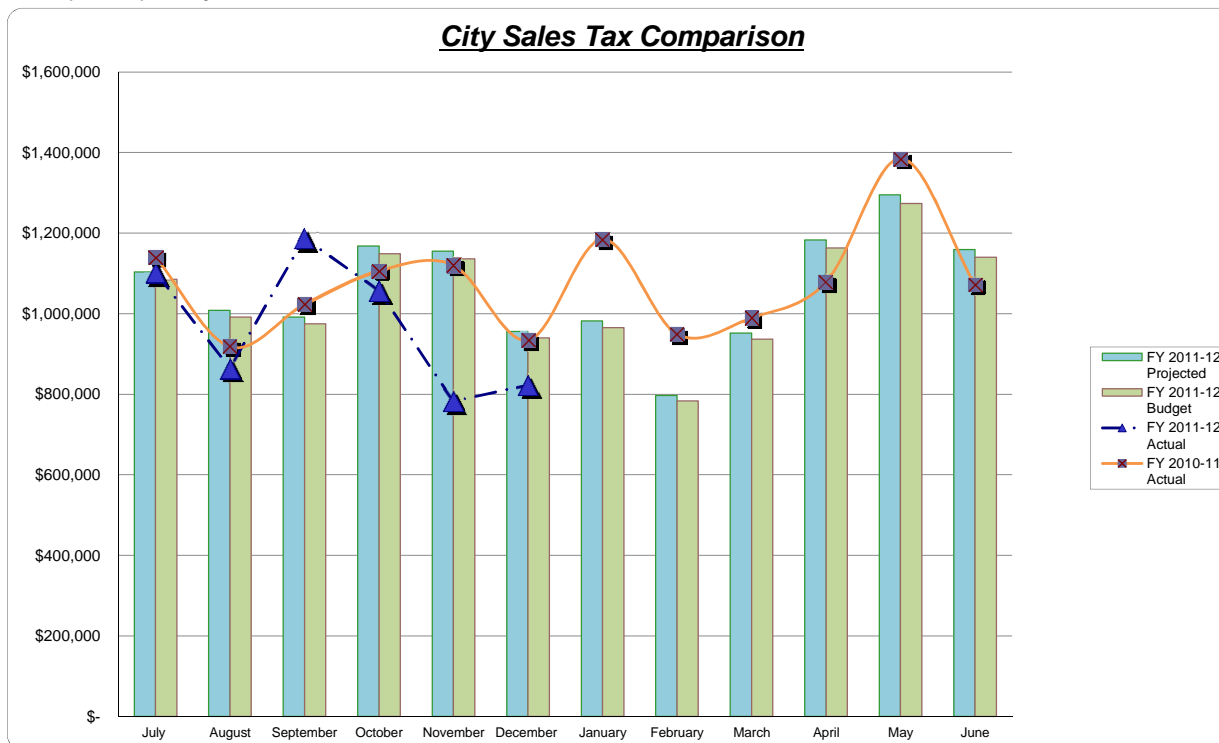
City of Sedona
Sales Tax Worksheet*
December 31, 2011

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	782,513	(353,527)	-30.12%	-31.12%
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	823,212	(117,055)	-11.85%	-12.45%
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	\$5,816,237	(461,308)	-6.80%	-7.35%

cumulative averages

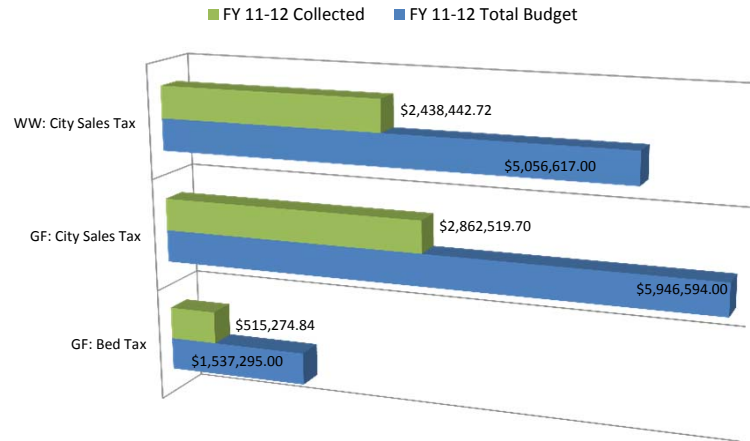
* Bed tax is included due to reporting inconsistencies by vendors.

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

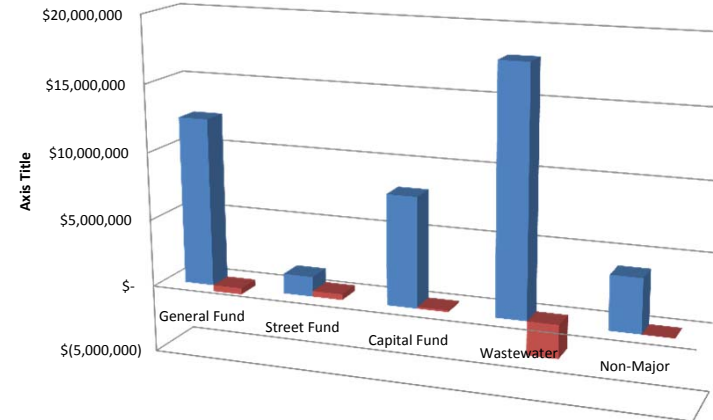


City of Sedona
Sales Tax Worksheet*
December 31, 2011

Sales Tax Allocations
 Fiscal Year 2011-2012
 Budget to Actual

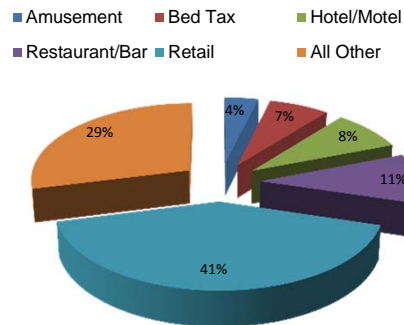


RESERVES
 (Fund Balance)

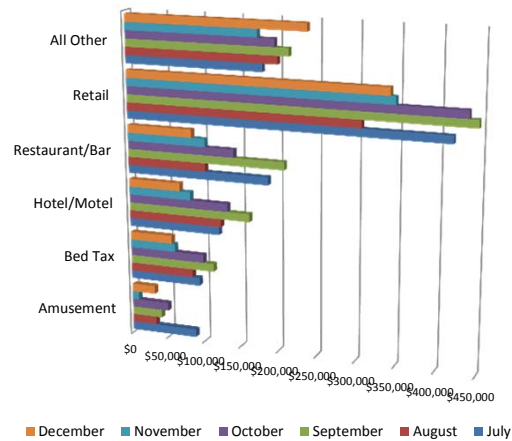


	General Fund	Street Fund	Capital Fund	Wastewater	Non-Major
Audited Fund Balance 6/30/2011	\$12,403,438	\$1,468,145	\$8,098,313	\$17,980,087	\$3,950,652
Use of Fund Balance FY2012	(465,519)	421,891	128,133	(2,463,485)	(4,081)

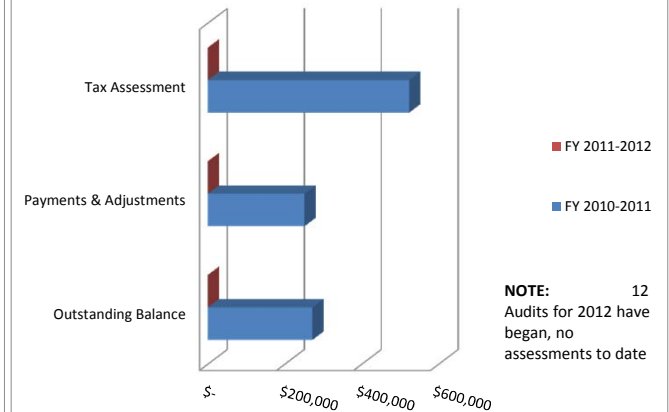
Current Month Collection



Collection by Month



Sales Tax Audits



NOTE: 12 Audits for 2012 have begun, no assessments to date

CITY SALES TAX COLLECTION SUMMARY FY 2011-2012

12/31/2011

	<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	-61.70%	\$59,940.56	-24.99%	\$390,189.00	\$450,129.56	-24.99%	\$332,383.23	\$332,383.23	-30.12%	\$782,512.79	October
December	-57.51%	\$56,025.66	-4.34%	\$414,280.38	\$470,306.04	-4.34%	\$352,905.51	\$352,905.51	-11.85%	\$823,211.55	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		\$515,274.84		\$2,862,519.70	\$3,377,794.54		\$2,438,442.72	\$2,438,442.72		\$5,816,237.26	
TOTAL FY 2010-2011		\$822,894.01		\$2,925,422.89			\$2,492,026.89			\$6,240,343.79	
DIFFERENCE		(\$307,619.17)		(\$62,903.19)			(\$53,584.17)			(\$424,106.53)	
% INCR/DECR		-37.38%	b	-2.15%			-2.15%			-6.80%	

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	\$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	\$60,074.24	\$384,191.82	\$444,266.06	\$327,274.52	\$327,274.52	\$771,540.58	October
December	\$55,949.57	\$408,979.70	\$464,929.27	\$348,390.11	\$348,390.11	\$813,319.38	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	\$505,139.10	\$2,825,541.27	\$3,330,680.37	\$2,406,942.57	\$2,406,942.57	\$5,737,622.94	

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	\$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	(\$133.68)	\$5,997.18	\$5,863.50	\$5,108.71	\$5,108.71	\$10,972.21	October
December	\$76.09	\$5,300.68	\$5,376.77	\$4,515.40	\$4,515.40	\$9,892.17	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	\$10,135.74	\$36,978.43	\$47,114.17	\$31,500.15	\$31,500.15	\$78,614.32	

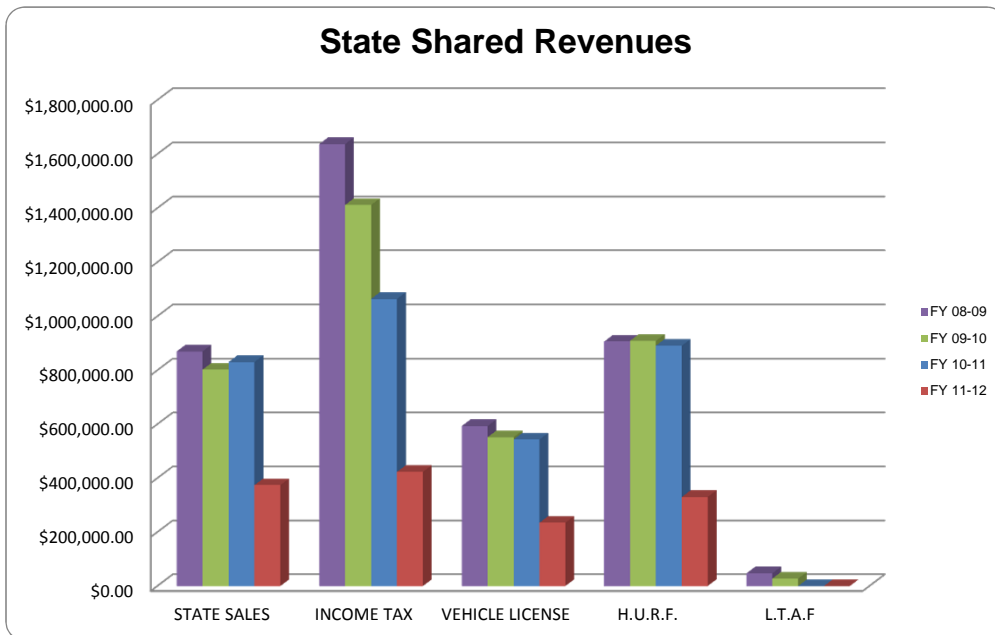
**ARIZONA DEPARTMENT OF REVENUE
2011-2012
STATE SHARED REVENUE**

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	-7.36%	\$60,882.94	-20.45%	\$70,554.90	-3.61%	\$8,390.16	-7.32%	\$28,892.63	-27.26%	\$49,793.01
December	-6.29%	\$63,554.00	-20.45%	\$70,554.90	-23.18%	\$8,497.34	-16.02%	\$27,754.04	-21.97%	\$53,421.90
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		\$374,084.77		\$423,329.40		\$53,373.80		\$181,376.61		\$329,899.13
TOTAL 2010-2011		\$392,803.79		\$532,167.04		\$63,966.39		\$210,904.59		\$444,124.36
DIFFERENCE		(\$18,719.02)		(\$108,837.64)		(\$10,592.59)		(\$29,527.98)		(\$114,225.23)
% INCR/DECR		-4.77%		-20.45%		-16.56%		-14.00%		-25.72%
		c		c		c		c		e

\$1,362,063.71



City of Sedona
FY 2011/12 General Fund Budget Comparison

December-11

<u>General Fund</u>						
<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	1,537,295 **	515,275	(1,022,020)	33.5%	822,894	-37.38%
City Sales Tax	6,196,594 **	2,917,835	(3,278,759)	47.1%	2,980,406	-2.10%
Franchise Fees	715,026 **	361,869	(353,157)	50.6%	353,973	2.23%
Vehicle License Tax	535,325 **	234,750	(300,575)	43.9%	274,871	-14.60%
State Sales Tax	758,909 **	374,085	(384,824)	49.3%	392,804	-4.77%
State Income Tax	846,649 **	423,294	(423,355)	50.0%	532,167	-20.46%
Fines	234,968 **	108,319	(126,649)	46.1%	112,676	-3.87%
Licenses & Permits	134,573 **	88,709	(45,864)	65.9%	63,616	39.45%
Charges for Services	109,846 **	71,287	(38,559)	64.9%	49,616	43.68%
Contributions & Donations	- **	-	0	0.0%	-	0.00%
Interest	351,315 **	67,588	(283,727)	19.2%	60,591	11.55%
Miscellaneous	483,240 **	390,897	(92,343)	80.9%	131,085	198.20%
	<u>11,903,740 **</u>	<u>5,553,909</u>	<u>(6,349,831)</u>	<u>46.7%</u>	<u>5,774,699</u>	<u>-3.82%</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	77,979	34,434 *	43,545	44.2%	35,015	-1.66%
City Manager	579,017	254,110 *	324,907	43.9%	260,701	-2.53%
Human Resources	1,789,337	867,392 *	921,945	48.5%	732,472	18.42%
Financial Services	357,759	174,042 *	183,717	48.6%	158,750	9.63%
Information Systems	535,860	299,195 *	236,665	55.8%	283,257	5.63%
Legal	364,530	143,621 *	220,909	39.4%	155,376	-7.57%
City Clerk (moved to City Mgr's budget)	-	- *	0	0.0%	-	0.00%
Community Services	1,954,191	1,038,497 *	915,694	53.1%	129,584	701.41%
General Services	2,412,808	493,774 *	1,919,034	20.5%	1,514,958	-67.41%
Contingencies	300,000	-	300,000	0.0%	47,575	0.00%
Community Development	848,407	364,932 *	483,475	43.0%	375,751	-2.88%
Public Works	987,458	407,236 *	580,222	41.2%	353,981	15.04%
Arts & Culture (moved to City Mgr's budget)	-	- *	0	0.0%	-	0.00%
Police	2,184,491	908,131 *	1,276,360	41.6%	970,546	-6.43%
Municipal Court	332,463	103,026 *	229,437	31.0%	113,454	-9.19%
	<u>12,724,300</u>	<u>5,088,390</u>	<u>7,635,910</u>	<u>40.0%</u>	<u>5,131,420</u>	<u>-0.84%</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>5,553,909</u>	<u>5,088,390</u>	<u>0</u>	<u>465,519</u>	<u>643,279</u>
					<u>-27.63%</u>

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

December-11

	<u>Budget</u>	<u>FYTD Actual</u>	<u>Balance</u>	<u>50% Target</u>	<u>Prior FYTD</u>	<u>PY to CY Comparison</u>
<u>Streets Fund</u>						
Revenue	664,520 **	337,885	(326,635)	50.8%	451,949	-25.24%
Expenditures	1,643,479	759,776 *	(883,703)	46.2%	532,542	42.67%
Revenue over Expenditures	<u>(978,959)</u>	<u>(421,891)</u>			<u>(80,593)</u>	
<u>Capital Projects Fund</u>						
Revenue	1,863,874 **	59,827	(1,804,047)	3.2%	323,760	-81.52%
Expenditures	3,578,692	245,643 *	(3,333,049)	6.9%	47,979	411.98%
Revenue over Expenditures	<u>(1,714,818)</u>	<u>(185,816)</u>			<u>275,781</u>	
<u>Wastewater Enterprise Fund</u>						
Revenue	10,175,025 **	5,131,526	(5,043,499)	50.4%	4,686,620	9.49%
WW Administration	559,345	245,916 *	(313,429)	44.0%	262,865	-6.45%
WW Construction	4,242,597	536,560 *	(3,706,037)	12.6%	1,118,251	-52.02%
WW Treatment Plant	2,127,215	847,879 *	(1,279,336)	39.9%	834,688	1.58%
WW Debt Service	5,784,147	1,037,687 *	(4,746,461)	17.9%	1,080,646	-3.98%
Revenue over Expenditures	<u>(2,538,279)</u>	<u>2,463,485</u>			<u>1,390,170</u>	
<u>All Other Funds</u>						
Revenue	3,302,853 **	230,114	(3,072,739)	7.0%	205,269	12.10%
Expenditures	4,783,618	226,033 *	(4,557,585)	4.7%	510,294	-55.71%
Revenue over Expenditures	<u>(1,480,765)</u>	<u>4,081</u>			<u>(305,024)</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>5,759,352</u>		<u>3,899,493</u>	*	<u>0</u>		<u>1,859,859</u>	<u>1,280,334</u>	45.26%

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

*NOTE: Amounts do not include "encumbrances".