
INTEROFFICE MEMO

DATE: APRIL 14, 2014
TO: MAYOR AND CITY COUNCIL
TIM ERNSTER, CITY MANAGER
KAREN DAINES, ASSISTANT CITY MANAGER
CC: DEPARTMENT HEADS AND CITY ASSISTANTS
FROM: TABATHA MILLER, FINANCE DIRECTOR
RE: **MONTHLY REPORT – FEBRUARY 2014**

I am pleased to present to you the monthly financial report for February 2014. This report will also summarize the financial position of the City of Sedona for the first eight months of the current 2013-2014 fiscal year (July 1, 2013 through June 30, 2014). The report addresses the three major funds of the City: General Fund, Highway Users Revenue Fund (HURF) or Streets Fund, and Wastewater Fund. As always, if there is information that you would like to see added to the report, your feedback and suggestions are welcome. The following analysis will be covered in this report:

- Total revenues by Fund for the month of February 2014 compared to the month of February 2013;
- Total revenues by Fund cumulative from July through February 2014 (fiscal year to date) compared to cumulative totals from July through February 2013 (prior fiscal year to date);
- Total budgeted revenues and expenditures for the General Fund with percentage of revenues received and funds expended compared to actual revenues received or expended through February 2014 versus the prior fiscal year;
- Total City Sales Tax collections (including bed tax and before allocation to Wastewater Fund) comparing February 2014 to February 2013 and comparing fiscal year totals for July through February 2014 to July through February 2013;
- City Sales Tax collections (excluding bed taxes and before allocation to Wastewater Fund) comparing February 2014 to February 2013 and comparing fiscal year totals for July through February 2014 to July through February 2013;
- Total Bed Taxes collections comparing February 2014 to February 2013 and comparing fiscal year totals for July through February 2014 to July through February 2013;
- State Shared Revenue in General Fund (sales tax, income tax, vehicle license tax) comparing February 2014 to February 2013 and comparing fiscal year totals for July through February 2014 to July through February 2013;
- HURF revenues comparing February 2014 to February 2013 and comparing fiscal year totals for July through February 2014 to July through February 2013;

- Wastewater revenues comparing February 2014 to February 2013 and comparing fiscal year totals for July through February 2014 to July through February 2013;
- Fund balance for each of the funds as of February 28, 2014;
- Total budgeted revenues and expenditures by source and department for the General Fund through February 2014 compared to estimated year-end actuals; and
- Total expenditures by fund for July through February 2014, compared to budget, including estimated year-end expenditure totals.

General Fund

Revenues

The General Fund revenues include major revenue categories such as local sales tax, bed tax, and state shared revenues. State shared revenues include state income tax, sales tax, and auto lieu taxes distributed by the Counties of Coconino and Yavapai. Together, these sources make up approximately 83% of the total General Fund revenues. The total revenues collected in the General Fund for the month of February 2014 were as follows:

Revenues collected in February	\$	916,205
Expenditures in February	\$	830,220
Positive cash flow for February, 2014	\$	85,985

The cumulative fiscal year General Fund revenues, July 2013 through February 2014 were as follows:

Total revenues received	\$	8,663,972
Total expenditures	\$	7,907,761
Cumulative FY positive cash flow	\$	756,211

Total cumulative fiscal year revenues collected through February 2014 increased in comparison to the same period through February 2013 by 9.7% (Table 1.)

Table 1

Fund	7/1/12 to 02/28/13 Revenues to Date	7/1/13 to 02/28/14 Revenues to Date	Variance	% of Increase FY13 to FY14 through February
General Fund	\$ 7,896,179	\$ 8,663,972	\$ 767,793	9.72%

It is a positive sign when revenues increase from the same time period over the prior fiscal year, however, it is important to determine if it is in line with what the City budgeted for revenues in

the current fiscal year. The following tables (Table 2 & 3) present the Budgeted Revenues for fiscal years 2013 and 2014, compared to the actual revenue collections to date of July through February. If the revenues come in equally each month, by the end of February the City should have collected 66.6% (8.33% X 8 months) of the year's revenue. However, there can be timing issues due to fluctuations in sales tax and bed tax collections, so trends over a number of years need to be developed to make sure the City is on target with past collection activity. Based on the revenues collected from July through February 2014 compared to year to date collections in 2013, the collections in the current year are just slightly higher (Less than 1%) than the prior fiscal year. (Table 2 & 3).

Table 2

Fund	FY 2013 Budgeted Revenues	7/1/12 to 02/28/13 Revenues to Date	% of FY13 Budget Collected to Date
General Fund	\$ 12,383,809	\$ 7,896,179	63.76%

Table 3

Fund	FY 2014 Budgeted Revenues	7/1/13 to 02/28/14 Revenues to Date	% of FY14 Budget Collected to Date
General Fund	\$ 13,571,822	\$ 8,663,972	63.84%

The total sales and bed taxes combined for February 2014 over February 2013 decreased by 13.3%. This is the total sales taxes collected before any distribution of the sales tax to the Wastewater Fund. If you would look at this month alone, this amount of decrease could lead to an assumption that annual revenue is trending much lower than expected. However, as presented in Attachment A – Total Sales Tax Worksheet, collections fluctuate from month to month.

As pointed out in prior reports, monthly fluctuations are also a result of when the collections were posted in the month. This is a timing issue and not an indicator that sales and bed taxes are dramatically increasing or dramatically decreasing. Table 4 on the next page illustrates that much of the monthly fluctuations is due to when the taxes are collected and posted.

Table 4 (Total City Sales Tax & Bed Tax)

Month Reported	Total RDS Reported Collections	Collections for Month Reported	Collections for Prior Periods	% Collected for Prior Periods	% Change from FY 2013
July, 2013	\$ 1,085,823	\$ 810,723	\$ 275,101	25%	-0.14%
August, 2013	939,470	686,800	252,670	27%	14.4%
September, 2013	1,327,888	946,676	382,211	29%	20.3%
October, 2013	903,592	739,127	164,465	18%	-28.0%
November, 2013	1,306,479	761,584	545,152	42%	0.2%
December, 2013	929,578	664,411	265,167	29%	-13.7%
January, 2014	938,266	617,044	321,222	34%	45.3%
February, 2014	929,703	637,841	291,862	31%	-13.3%

As presented in Attachment A, cumulative sales and bed taxes collected for the current fiscal year through February 2014 increased over fiscal year 2012-13 through February 2013 by 2.9%. Also impacting collections this year is the bed tax rate increase from 3.0% to 3.5%, effective January 1, 2014. Approximately \$19,116 is attributable to this change in rate for February and \$32,641 for the year to date. If you remove the increase due to the change in bed tax rate, the year to date increase over the prior year is 2.5%.

Attachment A also shows the fiscal year 2014 “seasonally budgeted” total sales and bed taxes of \$12,799,099 compared to the year to date collections of \$8,382,618 which is an increase over budget of 3.6%. The “seasonally budgeted” total is based on what the actual collections were by month for the past 4 years. If you remove the increase associated with the change in bed tax rate, collections would be 3.2% above budgeted projections.

In Attachment B – City Sales Tax Worksheet Excluding Bed Taxes the City collections for February 2014 decreased from February 2013 by 14.7%. While this may appear significant, the change from the prior year reflects when collections were posted, as reflected in Table 4 above. If you look at the month to month comparisons, you will see quite a bit of fluctuation both up and down. It is important to look at this number cumulatively. Collections for the fiscal year to date 2014 compared to fiscal year to date 2013 are up 2.5%.

In comparing the actual sales tax collections for this fiscal year to the seasonally adjusted monthly budget allocations, revenues are right on target with a very small variance from budget of .7% (less than 1%).

In Attachment C – City Bed Tax Worksheet, the City’s collections for bed taxes for February 2014 decreased by 5% from February 2013 collections. However, the cumulative collections (which provides a more complete financial picture) for July through February 2014 were 5.1% higher compared to the July through February 2013 collections. Taking in to account the \$32,641 in collections associated with the change in bed tax rate from 3.0% to 3.5% on January 1, 2014, collections for July through February 2014 were 2% higher than the prior year.

The City Council, by policy has approved an allocation of the sales tax to be split as follows; 65% to the General Fund and 35% to the Wastewater Fund. When comparing sales tax collections from the prior year within the General Fund or the Wastewater Fund, remember that

in the prior fiscal year (2013) the allocation was 60% to the General Fund and 40% to the Wastewater Fund. Attachment D – City Sales Tax Collection Summary, reflects the total city sales and bed tax numbers reflected in Attachments A through C, but presents the allocation between the two funds by month. This is provided for informational purposes only because the trends of collections have been discussed in the other Attachments.

State shared revenues are the state sales tax, income tax and the auto lieu tax (vehicle license tax) collected by Coconino and Yavapai County and distributed to the City. In Attachment E, collection for the month of February 2014 compared to February 2013 shows increases in State sales tax of 2.8%, State income tax of 8.2%, VLT (vehicle license tax) for Coconino County is down -5.4% and Yavapai County of -1.0%.

Collections for the fiscal year through February 2014 compared to fiscal year through February 2013 show increases in State sales taxes 6.7%, State income taxes 9.1%, VLT for Coconino County 2.1% and Yavapai County 5%.

As mentioned before, this increase in state sales taxes is a positive sign for the economy and for the City of Sedona. Presented in Tables 5 and 6, last fiscal year to date, the City had received 64.0% of the sales taxes compared to 66.1% for this fiscal year to date, 60.8% compared to 63.3% of the auto lieu taxes received fiscal year to date and 66.7% compared to 66.6% of the state income tax received fiscal year to date.

Table 5

State Shared Taxes	2012-2013 Budget	FY February 13 YTD		% of Budget Received to Date
		Actual	Variance	
Sales Taxes	\$ 838,795	\$ 537,022	\$ 301,773	64.0%
Auto Lieu Tax	\$ 521,246	\$ 316,748	\$ 204,498	60.8%
State Revenue Sharing (Income Tax)	\$ 1,024,552	\$ 683,097	\$ 341,455	66.7%

Table 6

State Shared Taxes	2013-2014 Budget	FY February 14 YTD		% of Budget Received to Date
		Actual	Variance	
Sales Taxes	\$ 866,854	\$ 573,228	\$ 293,626	66.1%
Auto Lieu Tax	\$ 521,935	\$ 330,482	\$ 191,453	63.3%
State Revenue Sharing (Income Tax)	\$ 1,119,108	\$ 745,174	\$ 373,934	66.6%

Expenditures

Total expenditures through February 2014 increased in comparison to the same period through February 2013 by 10.8%.

Table 7

Fund	7/1/12 to 02/28/13		7/1/13 to 02/28/14		% of Increase FY13 to FY14 through February
	Expenditures to Date	Variance	Expenditures to Date	Variance	
General Fund	\$ 7,138,149	\$ 769,612	\$ 7,907,761	\$ 769,612	10.78%

As explained with the revenue collections, it is important to compare the budgeted expenditures to the actual expenditures to date. If the expenditures are equal each month, by the end of February the City should have expended 66.6% (8.33% X 8 months). However, just as with revenues, there can be timing issues due to number of pay periods in a month, one-time large purchases, and annual contracts paid during a month, so trends over a number of years need to be developed to make sure the City is on target with past expenditure activity, and if not, further research as to the reasons why should be completed. This way if it appears that expenditures may exceed budget by fiscal year end, adjustments can be made before that happens. As reflected in Table 8, 60.5% of the FY14 General Fund Budget has been expended to date.

Table 8

Fund	2013-2014		7/1/13 to 02/28/14	Variance	% of Budget Expended to Date
	Expenditure	Budget	Expenditures to Date		
General Fund	\$	13,070,504	\$ 7,907,761	\$ 5,162,743	60.50%

Based on the percent of budgeted expenditures made from July through February 2013 compared to year to date expenditures in 2014 (58.1%), the expenditures are 2.4% more than the same time period last fiscal year, but still well below the 66.6%. Indicating that year-end totals will be slightly below budget (see Attachment G for estimated totals).

The General Fund unrestricted fund balance is presented on Attachment F and is \$15,051,987 at the end of February 2014. Attachment G presents more detail for the 2014 General Fund fiscal year budgeted revenues by source and department expenditures year to date through February 2014.

HURF (Street Fund)

The Streets Fund is funded through the State shared revenues of Highway User Revenue Funds (HURF) otherwise known as the gas tax. These dollars are restricted to use of streets/right-of-way maintenance and improvements.

Revenues collected in February	\$	58,125
Expenditures in February	\$	37,266
Positive cash flow for February 2014	\$	20,859

Fiscal Year totals through February 2014:

Total revenues received	\$	491,613
Total expenditures	\$	558,519
Cumulative FY negative cash flow	\$	(66,906)

Revenue

The HURF monies received for February 2014 decreased from February 2013 by just .1% (see Attachment E). Cumulative HURF revenue received for the current fiscal year through February 2014 increased over fiscal year 2012-13 through February 2013 by approximately 3.26% (Table 9).

Table 9

Fund	7/1/12 to 02/28/13 Revenues to Date	7/1/13 to 02/28/14 Revenues to Date	Variance	% of Increase FY12 to FY13 through February
Streets Fund	\$ 476,103	\$ 491,613	\$ 15,510	3.26%

As pointed out in the General Fund analysis, it is also important to review what the City budgeted for revenue in the current year. The following tables (Table 10 & 11) present the Budgeted Revenues for fiscal years 2013 and 2014, compared to actual revenue collections to date for July through February. Again, if revenues come in equally each month, by the end of January the City should have collected 66.6% of the year's revenue. As you can see in both this fiscal year to date and last, collections are just above 66.6% - at 68.5% and 67.8%, respectively.

Table 10

Fund	FY 2013 Budgeted Revenues	7/1/12 to 02/28/13 Revenues to Date	% of FY13 Budget Collected to Date
Streets Fund	\$ 694,758	\$ 476,103	68.53%

Table 11

Fund	FY 2014 Budgeted Revenues	7/1/13 to 02/28/14 Revenues to Date	% of FY14 Budget Collected to Date
Streets Fund	\$ 725,084	\$ 491,613	67.80%

Expenditures

As set forth in Table 12 (below) total expenditures through February 2014 have decreased significantly in comparison to the same period through February 2013. Much of the activity in the Streets Fund is from paving and maintenance projects, so spending will not necessarily be consistent from month-to-month or year-to-year. The Public Works department has confirmed that most of the budgeted expenditures will be spent by fiscal year-end.

Table 12

Fund	7/1/12 to 2/28/13 Expenditures to Date	7/1/13 to 2/28/14 Expenditures to Date	Variance	% of Increase FY13 to FY14 through February
Streets Fund	\$ 1,294,478	\$ 558,519	\$ (735,959)	-56.85%

The Streets Fund restricted fund balance is presented on Attachment F and is (\$66,906) at the end of February 2014. This does not include a transfer in from the General Fund that was budgeted at \$1.5 million and will be transferred depending on the actual expenditure amounts at fiscal year-end. The total expenditure budget for the HURF fund is \$2,266,077.

Wastewater Fund

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.

Revenues collected in February	\$	782,505
Expenditures in February	\$	264,407
Positive cash flow for February 2014	\$	518,098

Fiscal Year totals through February 2014:

Total revenues received	\$	6,550,428
Total expenditures	\$	3,616,784
Cumulative FY positive cash flow	\$	2,933,644

Revenues

Revenues collected from July through February for the current fiscal year are 4.3% less than collections from July through February of the prior fiscal year (see Table 13, below). This is primarily the result of reducing the portion of sales tax allocated to the Wastewater fund from 40% to 35% beginning July 1, 2013.

Table 13

Fund	7/1/12 to 02/28/13 Revenues to Date	7/1/13 to 02/28/14 Revenues to Date	Variance	% of Increase FY13 to FY14 through February
Wastewater Fund	\$ 6,846,982	\$ 6,550,428	\$ (296,554)	-4.33%

Revenue collections for July through February, 2014 are 64% of total 2014 fiscal year budgeted revenues (Table 15). This is slightly lower than 67.1% for the same period last fiscal year (Table 14).

Table 14

Fund	FY 2013 Budgeted Revenues	7/1/12 to 02/28/13 Revenues to Date	% of FY13 Budget Collected to Date
Wastewater Fund	\$ 10,202,441	\$ 6,846,982	67.11%

Table 15

Fund	FY 2014 Budgeted Revenues	7/1/13 to 02/28/14 Revenues to Date	% of FY14 Budget Collected to Date
Wastewater Fund	\$ 10,221,580	\$ 6,550,428	64.08%

Expenses

Unlike the General Fund expenditures, there is much less consistency in month-to-month comparisons of the Wastewater expenses. For example, the percent of budget expended in the Wastewater Fund for the first eight months of 2014 is only 30% (see Table 16), compared to the 66.6%, if funds are expended equally each month (as already discussed). At first glance, it may appear that the Wastewater fund will be well below budget for expenses. But, it is very important to consider that 50% of this funds total expense budget is debt service and most of that (43% or \$5.3 million) is not paid until June, the last month of the fiscal year. Additionally, a portion (22%) of the Wastewater Fund's budgeted expenses are related to capital projects, which are characterized by inconsistent spending on a month-to-month basis.

Table 16

	Actual YTD		Variance	% of Budget
	2014 Budget	2/28/2014		
Wastewater Administration				
Debt Service (Interest and Principal)	\$ 6,092,237	\$ 793,909	\$ 5,298,328	13%
Wages and Benefits	\$ 632,828	\$ 464,799	\$ 168,029	73%
Purchased goods and services	\$ 275,990	\$ 157,050	\$ 118,940	57%
Total Program Budget	\$ 7,001,055	\$ 1,415,758	\$ 5,585,297	20%
Wastewater Capital				
Wages and Benefits	\$ 112,186	\$ 70,542	\$ 41,644	63%
Capital	\$ 2,580,633	\$ 904,516	\$ 1,676,117	35%
Total Program Budget	\$ 2,692,819	\$ 975,058	\$ 1,717,761	36%
Wastewater Treatment Plant				
Wages and Benefits	\$ 682,663	\$ 409,249	\$ 273,414	60%
Purchased goods and services	\$ 369,209	\$ 53,180	\$ 316,029	14%
Maintenance	\$ 917,565	\$ 432,863	\$ 484,702	47%
Utilities	\$ 555,549	\$ 330,676	\$ 224,873	60%
Total Program Budget	\$ 2,524,986	\$ 1,225,968	\$ 1,299,018	49%
Total Wastewater Fund Expense Budget	\$ 12,218,860	\$ 3,616,784	\$ 8,602,076	30%

The Wastewater Fund balance is presented on Attachment F and is \$20,281,214 at the end of February 2014. Please note that capital costs will appear as projects are completed and the debt service paid at year end will reduce the projected Wastewater Fund balance.

Summary

In summary, as of February 2014, there are no concerns regarding the collections of the revenue or expenditures to date compared to the budgeted amounts for the fiscal year. Overall, revenues are on track and expenditures are expected to be slightly below budget at year end. We will continue to monitor and report on a monthly basis.

Please feel free to contact me with any questions.

- Attachment A – Total Sales Tax Worksheet
- Attachment B – City Sales Tax Worksheet Excluding Bed Tax
- Attachment C – City Bed Tax Worksheet
- Attachment D – City Sales Tax Collection Summary
- Attachment E – State Shared Revenue
- Attachment F – Fund Balances Revenue vs. Expenses Summary
- Attachment G – General Fund Revenue and Expense Budget Comparison
- Attachment H - Fund Expenditure Budget Comparison

Attachment A - City of Sedona

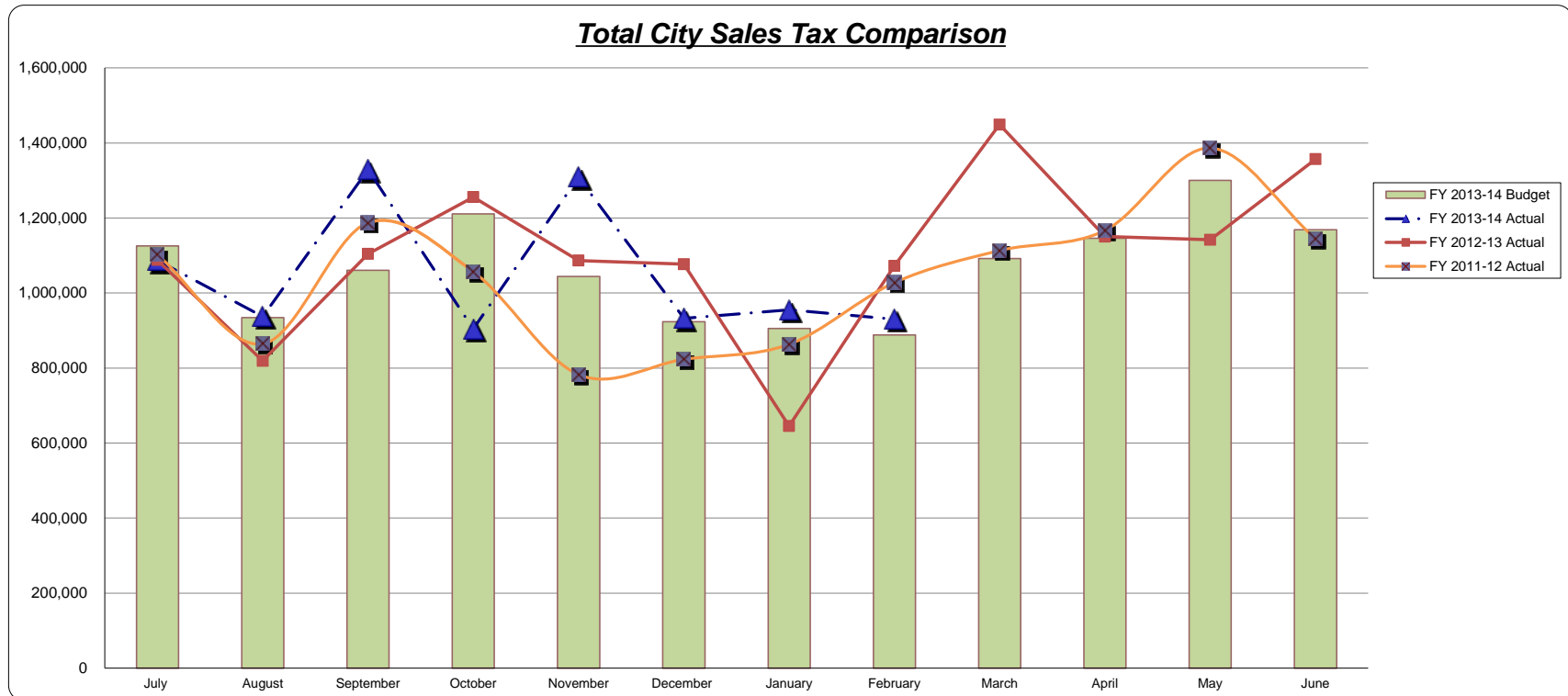
Total Sales Tax Worksheet*

February 28, 2014

Month	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	2014 Budget	2014 Collections	Budget Variance	% Change from 2013	% Change from Budget
July	1,021,011	1,181,174	1,069,178	1,253,632	1,252,755	1,073,215	1,140,395	1,101,956	1,088,014	1,125,247	1,086,522	(38,725)	-0.14%	-3.44%
August	1,043,646	1,095,421	1,058,491	1,230,340	1,090,523	1,001,376	917,875	864,440	819,342	934,761	937,493	2,732	14.42%	0.29%
September	972,637	1,049,959	1,032,607	1,137,149	1,017,988	990,181	1,022,615	1,187,427	1,104,196	1,060,554	1,328,651	268,096	20.33%	25.28%
October	1,090,521	1,139,917	1,178,952	1,155,616	1,601,792	1,089,433	1,105,755	1,056,689	1,255,918	1,211,006	904,003	(307,003)	-28.02%	-25.35%
November	1,116,598	1,331,960	1,331,215	1,361,830	1,191,160	1,075,186	1,119,830	782,513	1,086,679	1,044,351	1,308,479	264,128	20.41%	25.29%
December	944,662	1,074,367	1,156,793	1,132,785	963,540	851,434	933,873	823,212	1,076,903	923,625	932,384	8,759	-13.42%	0.95%
January	918,105	1,052,208	1,092,120	1,026,332	938,932	906,327	1,184,462	863,249	645,615	905,124	955,059	49,936	47.93%	5.52%
February	739,579	810,751	918,581	909,590	731,583	681,004	949,379	1,027,743	1,072,545	887,854	930,028	42,174	-13.29%	4.75%
March	880,416	1,102,828	1,076,654	985,533	1,027,075	917,669	989,770	1,113,254	1,448,814	1,091,884	0	0		
April	1,153,061	1,316,931	1,383,320	1,406,892	1,130,233	1,218,124	1,078,369	1,166,803	1,150,427	1,145,652	0	0		
May	1,214,920	1,371,983	1,452,116	1,345,307	1,414,982	1,201,785	1,385,563	1,386,404	1,141,710	1,300,248	0	0		
June	1,182,999	1,370,439	1,415,780	1,309,472	1,172,116	1,128,769	1,071,808	1,144,613	1,356,956	1,168,794	0	0		
Total	\$12,278,155	\$13,897,940	\$14,165,807	\$14,254,478	\$13,532,679	\$12,134,503	\$12,899,694	\$12,518,303	\$13,247,119	\$12,799,099	\$8,382,618	\$290,097	2.86%	3.58%

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

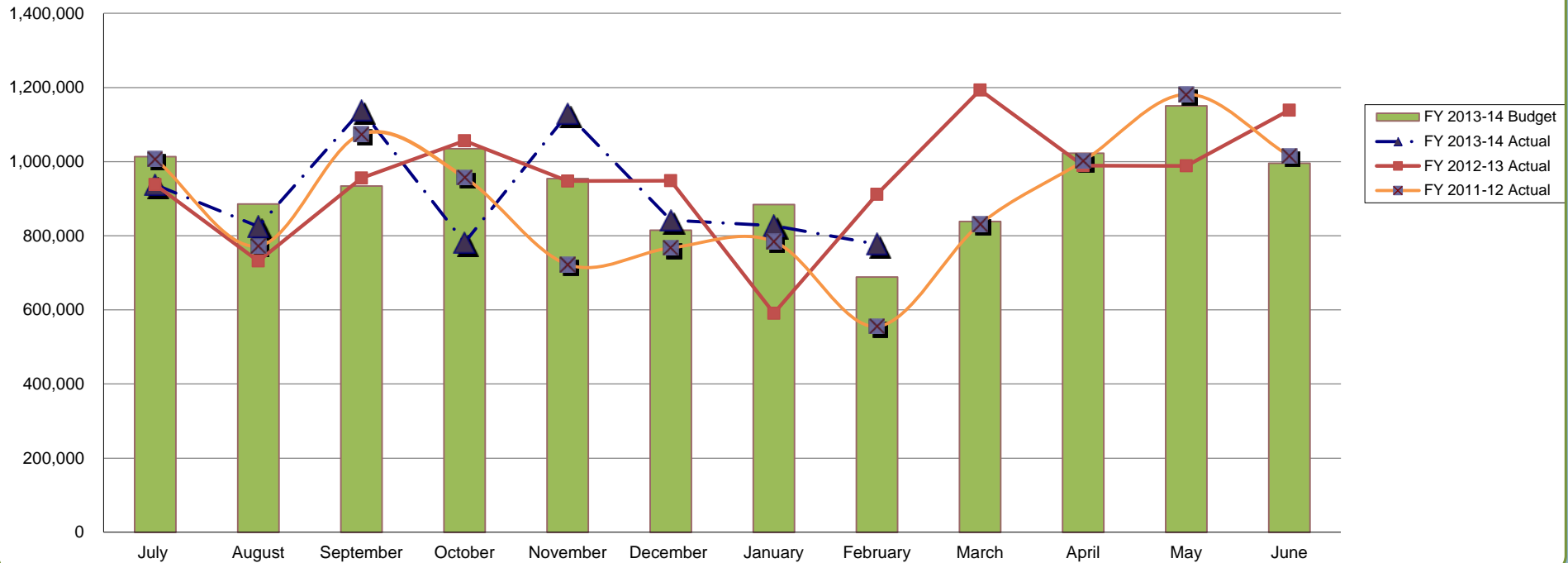
** The fiscal year is July 1 through June 30.



Attachment B - City of Sedona
City Sales Tax Worksheet Excluding Bed Tax
February 28, 2014

Month	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	2014 Budget	2014 Collections	Budget Variance	% Change from 2013	% Change from Budget
July	910,058	996,957	974,527	1,090,471	1,091,663	960,327	990,290	1,007,417	937,988	1,013,429	937,622	(75,807)	-0.04%	-7.48%
August	929,412	959,309	936,208	1,078,206	946,048	905,211	811,116	772,215	731,765	885,764	825,310	(60,454)	12.78%	-6.83%
September	864,026	935,943	913,440	995,314	900,249	879,793	903,806	1,074,275	955,485	934,429	1,138,765	204,336	19.18%	21.87%
October	926,902	993,857	1,028,001	1,003,308	1,404,914	917,945	946,879	957,297	1,056,130	1,035,190	781,123	(254,067)	-26.04%	-24.54%
November	966,713	1,132,828	1,150,409	1,153,786	1,050,768	955,527	963,330	722,572	947,436	954,161	1,129,307	175,146	19.20%	18.36%
December	829,911	945,040	1,030,312	996,414	849,411	743,467	802,029	767,186	948,476	815,328	841,884	26,556	-11.24%	3.26%
January	837,052	932,005	984,569	922,971	845,338	844,478	1,089,035	784,573	590,805	884,131	826,930	(57,200)	39.97%	-6.47%
February	674,747	721,147	829,764	820,913	652,309	618,218	867,842	555,349	911,795	688,442	777,367	88,925	-14.74%	12.92%
March	791,033	946,908	952,748	865,714	895,830	791,810	877,814	831,578	1,193,049	838,346	0			
April	993,347	1,136,679	1,189,178	1,205,553	978,642	1,086,706	931,961	1,001,545	989,177	1,022,993	0			
May	1,083,436	1,168,552	1,236,550	1,134,980	1,185,283	1,035,951	1,274,314	1,181,525	988,778	1,150,359	0			
June	1,034,180	1,284,106	1,236,953	1,087,411	1,015,169	968,830	969,086	1,015,347	1,138,780	995,594	0			
Total	\$10,840,817	\$12,153,331	\$12,462,660	\$12,355,039	\$11,815,623	\$10,708,262	\$11,427,502	\$10,670,880	\$11,389,664	\$11,218,166	\$7,258,309	47,435	2.52%	0.66%

City Sales Tax Comparison

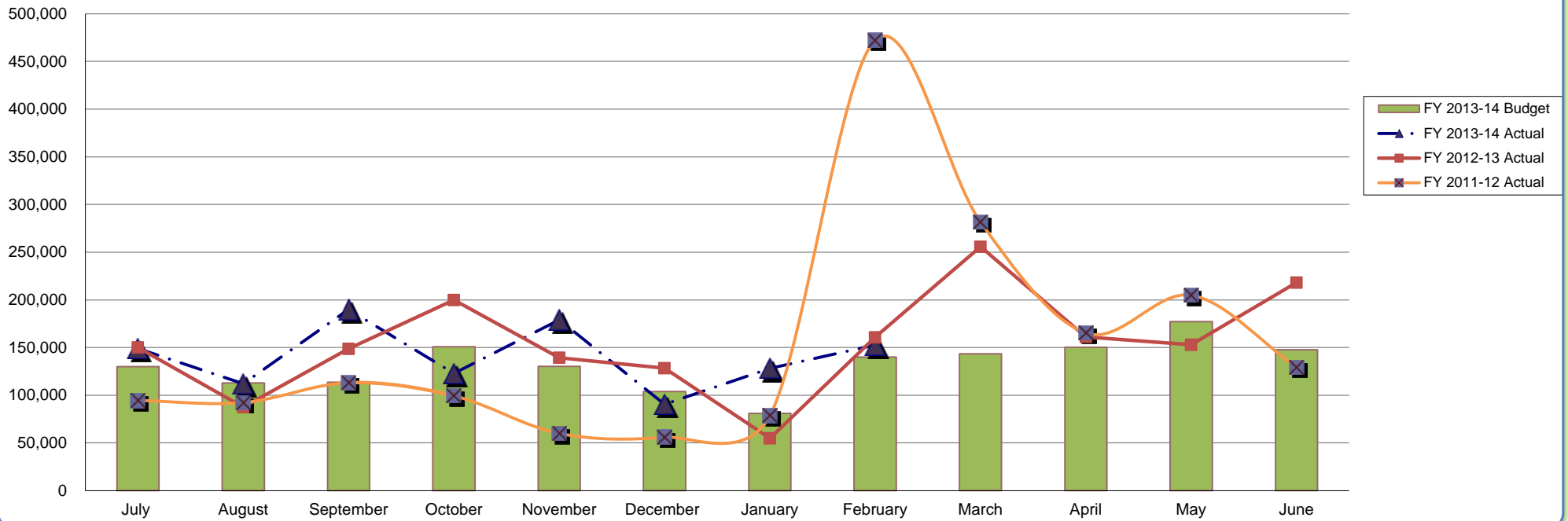


Attachment C - City of Sedona
City BED Tax Worksheet*
February 28, 2014

Month	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	2014 Budget	2014 Collections*	Budget Variance	% Change from 2013	% Change from Budget
July	110,953	184,217	94,651	163,161	161,092	112,888	150,106	94,538	150,026	129,929	148,900	18,970	-0.75%	14.60%
August	114,234	136,112	122,283	152,135	144,475	96,165	106,760	92,226	87,577	112,811	112,183	(628)	28.10%	-0.56%
September	108,611	114,016	119,167	141,835	117,740	110,387	118,808	113,153	148,710	113,666	189,886	76,220	27.69%	67.06%
October	163,619	146,060	150,951	152,308	196,878	171,488	158,876	99,392	199,788	150,777	122,880	(27,897)	-38.49%	-18.50%
November	149,885	199,132	180,805	208,044	140,392	119,659	156,500	59,941	139,243	130,264	179,171	48,907	28.68%	37.54%
December	114,751	129,327	126,481	136,372	114,129	107,967	131,845	56,026	128,427	103,847	90,500	(13,347)	-29.53%	-12.85%
January	81,053	120,203	107,551	103,361	93,595	61,849	95,428	78,675	54,811	80,966	128,129	47,163	133.76%	58.25%
February	64,832	89,605	88,817	88,677	79,274	62,786	81,537	472,393	160,750	139,899	152,660	12,761	-5.03%	9.12%
March	89,383	155,920	123,907	119,819	131,246	125,860	111,956	281,677	255,765	143,444	0			
April	159,715	180,252	194,142	201,339	151,591	131,418	146,407	165,257	161,250	150,238	0			
May	131,484	203,431	215,566	210,327	229,699	165,834	111,249	204,880	152,932	177,328	0			
June	148,818	86,333	178,827	222,061	156,948	159,939	102,722	129,266	218,176	147,763	0			
Total	\$1,437,338	\$1,744,609	\$1,703,147	\$1,899,439	\$1,717,057	\$1,426,241	\$1,472,193	\$1,847,423	\$1,857,455	\$1,580,933	\$1,124,308	\$162,148	5.14%	16.85%

* Effective January 1, 2014 the bed tax rate was increased from 3.0% to 3.5%. For the months of January and February 2014, \$32,641 can be attributed to the change in bed tax rate.

City BED Tax Comparison



Attachment D CITY SALES TAX COLLECTION SUMMARY

		CITY SALES TAX		ALLOCATED TO GENERAL FUND	CITY SALES TAX		ALLOCATED TO WASTEWATER FUND	TOTAL SALES TAX COLLECTED		COLLECTION MONTH	
	BED TAX										
July	-0.8%	\$148,900	8.3%	\$609,455	\$758,354	-12.5%	\$328,168	\$328,168	-0.1%	\$1,086,522	June
August	28.1%	\$112,183	22.2%	\$536,452	\$648,635	-1.3%	\$288,859	\$288,859	14.4%	\$937,493	July
September	27.7%	\$189,886	29.1%	\$740,197	\$930,083	4.3%	\$398,568	\$398,568	20.3%	\$1,328,651	August
October	-38.5%	\$122,880	-19.9%	\$507,730	\$630,610	-35.3%	\$273,393	\$273,393	-28.0%	\$904,003	September
November	28.7%	\$179,171	29.1%	\$734,050	\$913,221	4.3%	\$395,258	\$395,258	20.4%	\$1,308,479	October
December	-29.5%	\$90,500	-3.8%	\$547,224	\$637,724	-22.3%	\$294,659	\$294,659	-13.4%	\$932,384	November
January	133.8%	\$128,129	51.6%	\$537,505	\$665,634	22.5%	\$289,426	\$289,426	47.9%	\$955,059	December
February	-5.0%	\$152,660	-7.6%	\$505,289	\$657,949	-25.4%	\$272,079	\$272,079	-13.3%	\$930,028	January
March		\$0		\$0	\$0		\$0	\$0		\$0	February
April		\$0		\$0	\$0		\$0	\$0		\$0	March
May		\$0		\$0	\$0		\$0	\$0		\$0	April
June		\$0		\$0	\$0		\$0	\$0		\$0	May
TOTAL 2013-2014		\$1,124,309		\$4,717,901	\$5,842,210		\$2,540,408	\$2,540,408		\$8,382,618	
TOTAL FY 2012-2013		\$1,069,332		\$4,247,928			\$2,831,952			\$8,149,211	
DIFFERENCE		\$54,977		\$469,973			(\$291,544)			\$233,407	
% INCR/DECR		5.14%		11.06%			-10.29%			2.86%	
				Total City Sales Tax comparison	2.52%						

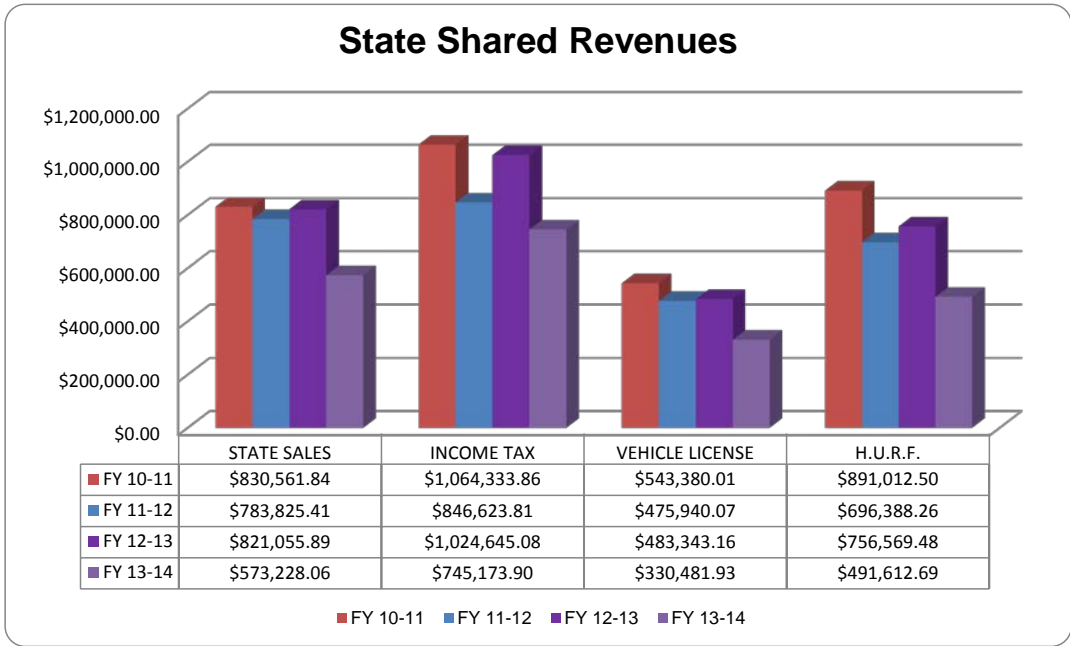
Attachment E
ARIZONA DEPARTMENT OF REVENUE
2013-2014
STATE SHARED REVENUE

GENERAL FUND:

STREETS FUND:

	STATE SALES TAX		STATE INCOME TAX		VEHICLE LICENSE TAX				H.U.R.F.	
					COCONINO COUNTY		YAVAPAI COUNTY			
July	5.34%	\$70,280	9.22%	\$93,259	4.09%	\$9,742	4.00%	\$34,372	10.84%	\$67,196
August	8.17%	\$67,333	9.22%	\$93,259	-2.28%	\$10,311	-0.86%	\$34,905	-2.33%	\$63,464
September	6.78%	\$68,844	9.22%	\$93,259	7.99%	\$9,193	13.52%	\$31,802	2.32%	\$64,163
October	4.98%	\$67,859	9.22%	\$93,259	0.39%	\$9,679	2.87%	\$34,519	4.67%	\$59,962
November	5.90%	\$68,875	9.22%	\$93,259	-2.50%	\$8,164	3.48%	\$28,846	1.57%	\$58,340
December	6.31%	\$71,415	9.22%	\$93,259	9.02%	\$8,972	12.83%	\$30,124	-0.33%	\$58,718
January	12.54%	\$90,351	9.22%	\$93,259	6.75%	\$9,145	7.71%	\$33,114	10.17%	\$61,645
February	2.75%	\$68,271	8.17%	\$92,360	-5.41%	\$8,038	-1.04%	\$29,557	-0.12%	\$58,124
March										
April										
May										
June										
TOTAL 2013-2014		\$573,228		\$745,174		\$73,243		\$257,239		\$491,613
TOTAL 2012-2013		\$537,022		\$683,097		\$71,732		\$245,016		\$476,103
DIFFERENCE		\$36,207		\$62,077		\$1,511		\$12,223		\$15,509
% INCR/DECR		6.74%		9.09%		2.11%		4.99%		3.26%

\$2,140,497



Attachment F - Fund Balances

Revenue vs Expenses Summary

Fiscal Year: 2013-2014
 Fiscal Period: February



City of Sedona

102 Roadrunner Drive
 Sedona, AZ 86336

Fund	Description	Fund Balance 7/1/2013*	Revenues Feb-14	Expenses Feb-14	Revenue over Expenditure YTD	Fund Balance 2/28/2014
10	General Fund	14,295,776	8,663,972	7,907,761	756,211	15,051,987
		<u>14,295,776</u>	<u>8,663,972</u>	<u>7,907,761</u>	<u>756,211</u>	<u>15,051,987</u>
11	Streets Fund	0	491,613	558,519	-66,906	-66,906
16	Grants Fund	159,832	48,595	65,118	-16,523	143,309
18	P.A.N.T. Fund	0	0	0	0	0
		<u>159,832</u>	<u>540,208</u>	<u>623,637</u>	<u>-83,429</u>	<u>76,403</u>
20	Development Impact Fees Fund	3,548,809	271,395	37,127	234,268	3,783,077
22	Capital Fund	5,903,143	825,502	1,699,024	-873,522	5,029,621
24	CFD Summit Fund	61,141	14	0	14	61,155
25	CFD Fairfield Fund	845,817	116	15,055	-14,939	830,878
26	Art In Public Places Fund	47,060	44	3,930	-3,886	43,174
		<u>10,405,970</u>	<u>1,097,071</u>	<u>1,755,136</u>	<u>-658,065</u>	<u>9,747,905</u>
59	Wastewater Enterprise Fund	17,347,570	6,550,428	3,616,784	2,933,644	20,281,214
		<u>17,347,570</u>	<u>6,550,428</u>	<u>3,616,784</u>	<u>2,933,644</u>	<u>20,281,214</u>
	Report Totals:	<u>42,209,148</u>	<u>16,851,679</u>	<u>13,903,318</u>	<u>2,948,361</u>	<u>45,157,509</u>

*Reports prior to September 2013 were unaudited, these are now audited fund balances for FY13.

General Fund
Special Revenue Fund
Capital Fund
Wastewater Fund

Attachment G - General Ledger
 General Fund Budget Comparison
 February, 2014

Department	Description	Budget	YTD Actual	Variance	% of Budget	Estimated Year End Actuals	% of Budget
10	GENERAL FUND						
	REVENUES BY SOURCE						
	CITY SALES TAX	\$ 7,291,808	\$ 4,772,037	\$ 2,519,771	65%	\$ 7,320,000	100%
	BED TAX***	\$ 1,580,933	\$ 1,124,309	\$ 456,624	71%	\$ 1,845,000	117%
	FRANCHISE FEES*	\$ 742,073	\$ 376,463	\$ 365,610	51%	\$ 742,000	100%
	VEHICLE LICENSE TAXES	\$ 521,935	\$ 330,482	\$ 191,453	63%	\$ 522,000	100%
	STATE SALES TAX	\$ 866,754	\$ 573,228	\$ 293,526	66%	\$ 875,000	101%
	STATE INCOME TAX	\$ 1,119,108	\$ 745,174	\$ 373,934	67%	\$ 1,119,000	100%
	IN-LIEU FEES**	\$ 304,500	\$ 38,881	\$ 265,619	13%	\$ 305,000	100%
	FINES & FORFEITURES	\$ 282,414	\$ 90,237	\$ 192,177	32%	\$ 155,000	55%
	LICENSES & PERMITS	\$ 272,583	\$ 281,172	\$ (8,589)	103%	\$ 341,000	125%
	CHARGES FOR SERVICES	\$ 119,580	\$ 37,652	\$ 81,928	31%	\$ 83,000	69%
	INTEREST	\$ 249,109	\$ 80,146	\$ 168,963	32%	\$ 200,000	80%
	MISCELLANEOUS	\$ 221,025	\$ 214,191	\$ 6,834	97%	\$ 311,500	141%
	TOTAL GENERAL FUND REVENUES	\$ 13,571,822	\$ 8,663,972	\$ 4,907,850	64%	\$ 13,818,500	102%
	EXPENDITURES BY DEPARTMENT						
5210	CITY COUNCIL	\$ 53,840	\$ 33,455	\$ 20,385	62%	\$ 53,840	100%
5220	CITY MANAGER	\$ 698,982	\$ 444,090	\$ 254,892	64%	\$ 691,992	99%
5221	HUMAN RESOURCES	\$ 181,238	\$ 127,255	\$ 53,983	70%	\$ 181,238	100%
5222	FINANCIAL SERVICES	\$ 473,470	\$ 261,086	\$ 212,384	55%	\$ 435,592	92%
5224	INFORMATION TECHNOLOGY	\$ 738,277	\$ 528,084	\$ 210,193	72%	\$ 738,277	100%
5230	LEGAL	\$ 460,686	\$ 299,332	\$ 161,354	65%	\$ 460,686	100%
5240	CITY CLERK	\$ 239,306	\$ 133,238	\$ 106,068	56%	\$ 239,306	100%
5242	PARKS & RECREATION	\$ 359,249	\$ 204,698	\$ 154,551	57%	\$ 359,249	100%
5245	GENERAL SERVICES	\$ 3,043,110	\$ 1,944,935	\$ 1,098,175	64%	\$ 3,043,110	100%
5310	COMMUNITY DEVELOPMENT	\$ 1,146,286	\$ 598,826	\$ 547,460	52%	\$ 1,100,435	96%
5320	PUBLIC WORKS	\$ 1,845,964	\$ 1,143,248	\$ 702,716	62%	\$ 1,845,964	100%
5510	POLICE	\$ 3,517,752	\$ 2,023,731	\$ 1,494,021	58%	\$ 3,482,574	99%
5520	MUNICIPAL COURT	\$ 312,344	\$ 165,783	\$ 146,561	53%	\$ 306,097	98%
	TOTAL GENERAL FUND EXPENDITURES	\$ 13,070,504	\$ 7,907,761	\$ 5,162,743	61%	\$ 12,938,361	99%
	NET CHANGE TO FUND BALANCE	\$ 501,318	\$ 756,211	\$ (254,893)	151%	\$ 880,139	176%

*Franchise Fees are paid quarterly.

**Paid annually and typically in arrears.

*** City Bed tax rate increased from 3.0% to 3.5%, effective 01-01-2014, \$32,641 is attributable to the change in bed tax rate for January and February.

Attachment H - General Ledger
Fund Expenditure Comparison
February, 2014

Department	Description	Budget	YTD Actual	Variance	% of Budget	Estimated Year End Expenditures	% of Budget
10	<u>GENERAL FUND</u>	\$ 13,070,504	\$ 7,907,761	\$ 5,992,961	61%	\$ 12,938,361	99%
11	<u>STREETS FUND EXPENDITURES</u>	\$ 2,266,077	\$ 558,519	\$ 1,707,558	25%	\$ 2,039,469	90%
16	<u>GRANTS FUND</u>	\$ 1,058,500	\$ 65,118	\$ 993,382	6%	\$ 317,550	30%
18	<u>P.A.N.T. FUND</u>	\$ 84,056	\$ -	\$ 84,056	0%	\$ 84,056	100%
20	<u>DEVELOPMENT IMPACT FEES FUND</u>	\$ 1,943,000	\$ 37,127	\$ 1,905,873	2%	\$ 1,043,000	54%
22	<u>CAPITAL FUND</u>	\$ 4,669,302	\$ 1,699,024	\$ 2,970,278	36%	\$ 3,819,302	82%
25	<u>CFD FAIRFIELD FUND</u>	\$ 770,000	\$ 15,055	\$ 754,945	2%	\$ 25,000	3%
26	<u>ARTS IN PUBLIC PLACES FUND</u>	\$ 65,000	\$ 3,930	\$ 61,070	6%	\$ 10,000	15%
59	<u>WASTEWATER ENTERPRISE FUND</u>						
5250	WASTEWATER ADMINISTRATION	\$ 7,001,055	\$ 1,415,758	\$ 5,585,297	20%	\$ 6,575,482	94%
5252	WASTEWATER CAPITAL	\$ 2,692,819	\$ 975,059	\$ 1,717,760	36%	\$ 2,288,896	85%
5253	WASTEWATER TREATMENT PLANT	\$ 2,524,986	\$ 1,225,967	\$ 1,299,019	49%	\$ 2,348,237	93%
	TOTAL WASTEWATER FUND EXPENSES	\$ 12,218,860	\$ 3,616,784	\$ 8,602,076	30%	\$ 11,212,615	92%
	TOTAL EXPENDITURES/EXPENSES ALL FUNDS	\$ 36,145,299	\$ 13,903,318	\$ 23,072,199	38%	\$ 31,489,353	87.1%