
INTEROFFICE MEMO

DATE: SEPTEMBER 17, 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 – JULY 2014**

I am pleased to present to you the monthly financial report for July 2014. Because this is the first month of the new 2014-2015 fiscal year (FY), which runs from July 1 to June 30, no additional year to date information is available. Similarly, the year-end projections that I have included in the previous months reports will be limited to budget figures for lack of additional insight this early in the fiscal year.

In order to provide a bit more information about the business community I have replaced Attachment D with a summary of gross sales by industry. This information is derived from the sales tax reports and is provided to better reflect how businesses are faring within the City of Sedona and hopefully track some trends in the economics.

As always this 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 July 2014 compared to the month of July 2013;
- 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 July 2014 versus the prior fiscal year;
- Total City Sales Tax collections (including bed tax and before allocation to Wastewater Fund) comparing July 2014 to July 2013;
- City Sales Tax collections (excluding bed taxes and before allocation to Wastewater Fund) comparing July 2014 to July 2013;
- Total Bed Taxes collections comparing July 2014 to July 2013;
- State Shared Revenue in General Fund (sales tax, income tax, vehicle license tax) comparing July 2014 to July 2013;
- HURF revenues comparing July 2014 to July 2013;
- Wastewater revenues comparing July 2014 to July 2013;

- Fund Balance for each of the funds as of July 31, 2014;
- Total budgeted revenues and expenditures by source and department for the General Fund through July 2014;
- Total budgeted revenues and expenditures by source and department for the Wastewater Fund through July 2014; and
- Total expenditures by fund for July, 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 82% of the total General Fund revenues. The total revenues collected and expenditures in the General Fund for the month of July, 2014 were as follows:

Revenues collected in July	\$	1,135,557
Expenditures in July	\$	1,221,552
Negative cash flow for July, 2014	\$	(85,995)

Total revenues collected through July 2014 increased in comparison to the same period through July 2013 by 10.73% (Table 1.)

Table 1

Fund	FY July 2014 Revenues	FY July 2015 Revenues	Difference	% of Change FY14 to FY15
General Fund	\$ 1,025,517	\$ 1,135,557	\$ 110,040	10.73%

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 2014 and 2015, compared to the actual revenue collections for July. If the revenues come in equally each month, by the end of July the City should have collected 8.33% (8.33% X 1 month) of the year's revenue. However, there can be timing issues due to fluctuations in sales tax and bed tax collections and some revenues are received quarterly not monthly, 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 for July 2014 (FY 2015) compared to the prior year's July (FY 2014), collections in the current year are nearly identical to the prior fiscal year. (Table 2 & 3).

Table 2

Fund	FY 2015 Budgeted Revenues	FY July 2015 Revenues	% of FY15 Budget Collected to Date
General Fund	\$ 15,143,892	\$ 1,135,557	7.50%

Table 3

Fund	FY 2014 Budgeted Revenues	FY July 2014 Revenues	% of FY14 Budget Collected to Date
General Fund	\$ 13,571,822	\$ 1,025,517	7.56%

The total sales and bed taxes combined for the month of July 2014 over July 2013 increased by 4.34%, but just .75% above budget. Adjusting for the additional \$24,362 associated with the .5% increase in Bed Tax rate that was effective 1-1-2015, the increase in total sales and bed taxes for July would be 2.09%. See Attachment A – Total Sales Tax Worksheet.

As pointed out in prior reports, some of the monthly fluctuations are the result of when the collections were posted in the month. This is a timing issue. Table 4 (below) illustrates that many of the monthly fluctuations are 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 Prior FY
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%
March, 2014	1,471,984	1,029,613	442,371	30%	1.7%
April, 2014	1,607,952	1,198,160	410,453	26%	39.8%
May, 2014	1,416,688	1,198,160	472,773	33%	24.3%
June, 2014	1,377,558	932,441	445,117	32%	2.8%
July, 2014	1,133,642	910,613	223,029	20%	4.3%

In Attachment B – City Sales Tax Worksheet Excluding Bed Taxes the City collections for July 2014 increased from July 2013 by 2.0%. In comparing the actual sales tax collections for this fiscal year to the seasonally adjusted monthly budget allocations, revenues are just .1% above budget.

In Attachment C – City Bed Tax Worksheet, the City’s collections for bed taxes for July 2014 increased by 19.1% from July 2013 collections. However, adjusting for the \$24,362 in collections associated with the change in bed tax rate from 3.0% to 3.5% on January 1, 2014, collections for July 2014 were limited to 2.8% higher than the prior year.

The City Council, by policy approved an allocation of the sales tax in the 2014-15 fiscal year (FY) to be split as follows; 70% to the General Fund and 30% 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 (2014) the allocation was 65% to the General Fund and 35% to the Wastewater Fund. In FY 2013 the allocation was 60% to the General Fund and 40% to the Wastewater Fund.

Attachment D presents the reported sales by business classes. This schedule has been added in order to better reflect how the business community is faring and the impact of local business activity on the City's sales tax revenues. Please note that while sales certainly drive the city's sales tax revenue there are some deviations. For example, city sales tax revenue information is presented in the month reported and will include sales from prior months (see Table 4). Additionally, the month the sales are report may not be the same month that the revenues are received by the city. Finally, the sales figures are netted and will include refunds or negative sales reports. In the month of July, 2014, a number of amended returns were filed for prior periods, totaling a negative \$1,143,607 in sales and a refund of \$33,628 in taxes. This is the primary reason for the decrease in Leasing sales for July as presented on Attachment D.

The business class with the largest growth in sales from July 2013 to July 2014 was Construction. Restaurant and Bars saw a significant decline of 25%. Hotel and Motels activity remained fairly constant with a 2.5% increase in sales. The additional decrease in Retail sales of 13.9% would indicate that day trips to Sedona in July were down but that visitation by overnight guests was consistent with the prior year. This conclusion makes sense given the closure of Oak Creek Canyon to recreational visitors for most of July and the potential for flooding from monsoons in the area that was publicized locally.

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 July 2014 compared to July 2013 shows increases in State sales tax of 2.0%, State income tax of 8.5%, VLT (vehicle license tax) for Coconino County is up 12% and Yavapai County up 8%.

Expenditures

Total expenditures for July 2014 (FY 2015) increased in comparison to July 2013 (FY 2014) by 92.17% (Table 5). At first glance, this appears extraordinary, however there are several reasons for the increase that are not indicative of spending for the remainder of the year.

First, in order to better present the City's financial picture, we have spread the annual debt service requirements equally over the twelve month period, instead of recognizing this expenditure at the end of the year when the large principal payments are made. *(The impact of this change is greater in the Wastewater fund but does add \$63,634 to the July General Fund expenditures).* Second, the City's commitment to destination marketing started in July with a payment of \$462,500 or (50%) of the estimated funding for FY 2015. Additionally, the payment to the Sedona Chamber of Commerce of \$161,750 contributing to operations of the Visitor Center at 50% of the annual amount was made in July instead of later in the fiscal year. These

three changes in July expenditures total \$687,884 and exceed the difference between July FY 2014 and July FY 2015.

Table 5

Fund	FY July 2014 Expenditures	FY July 2015 Expenditures	Difference	% of Change FY14 to FY15
General Fund	\$ 635,654	\$ 1,221,552	\$ 585,898	92.17%

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 July the City should have expended 8.33% (8.33% X 1 month) of the budget. As reflected in Table 6, 8.24% of the FY14 General Fund Budget has been expended this fiscal year.

Table 6

Fund	2014-2015 Expenditure Budget	FY July 2015 Expenditures	Difference	% of Budget Expended to Date
General Fund	\$ 14,829,308	\$ 1,221,552	\$ 13,607,756	8.24%

The General Fund estimated unrestricted fund balance is presented on Attachment F and is \$16,621,341 at the end of July 2014. Attachment G provides an estimate based on budget of the fund balances as of June 30, 2015. Attachment H presents more detail for the 2015 General Fund fiscal year budgeted revenues by source and department expenditures year to date through July 31, 2014.

HURF (Street Fund)

The Streets Fund is primarily 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 July	\$	72,881
Expenditures in July	\$	9,168
Cash flow for July, 2014	\$	63,713

Revenue

The HURF funds received for July 2014 (FY 2015) increased from July 2013 (FY 2014) by 8.46% (see Attachment E and Table 7).

Table 7

Fund	FY July 2014 Revenues	FY July 2015 Revenues	Difference	% of Change FY14 to FY15
Streets Fund	\$ 67,196	\$ 72,881	\$ 5,685	8.46%

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 8 & 9) present the Budgeted Revenues for fiscal years 2014 and 2015, compared to actual revenue collections to date for July. Again, if revenues come in equally each month, by the end of July the City should have collected 8.33% of the year's revenue. As you can see in both this fiscal year to date and last, collections are above 9% - at 9.27% and 9.53%, respectively.

Table 8

Fund	FY 2014 Budgeted Revenues	FY July 2014 Revenues	% of FY14 Budget Collected to Date
Streets Fund	\$ 725,084	\$ 67,196	9.27%

Table 9

Fund	FY 2015 Budgeted Revenues	FY July 2015 Revenues	% of FY15 Budget Collected to Date
Streets Fund	\$ 765,140	\$ 72,881	9.53%

Expenditures

As set forth in Table 10 (below) total expenditures for July 2014 (FY 2015) have decreased in comparison to the same period through July 2013 (FY 2014). As pointed out in the past, 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.

Table 10

Fund	FY July 2014 Expenditures	FY July 2015 Expenditures	Difference	% of Change FY14 to FY15
Streets Fund	\$ 24,264	\$ 9,168	\$ (15,096)	-62.22%

The Streets Fund restricted fund balance is presented on Attachment F and is \$63,713 at the end of July 2014. Please note that the estimated fund balance as of June 30, 2015 based on budget is \$0. The reason for this is that the Streets Fund is subsidized by the General Fund through an annual transfers and the state shared HURF funds are not nearly enough to fund the needed streets maintenance and improvement projects of the City. The total expenditure budget for the HURF fund in FY 2015 is \$1,275,140.

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 July	\$	789,827
Expenditures in July	\$	506,147
Cash flow for July, 2014	\$	283,680

Revenues

Revenues collected for July are just .25% less than collections from July of the prior fiscal year (see Table 11). While wastewater rates were increased by an overall 4% beginning July 1, 2014, *(after the revenue neutral cost of service adjustments)* the sales tax allocated to the Wastewater fund was reduced from 35% to 30% beginning July 1, 2014. The result is almost revenue neutrality.

Table 11

Fund	FY July 2014 Revenues	FY July 2015 Revenues	Difference	% of Change FY14 to FY15
Wastewater Fund	\$ 791,814	\$ 789,827	\$ (1,987)	-0.25%

Revenue collections for July 2014 (FY 2015) are 7.85% of total FY 2015 fiscal year budgeted revenues (Table 12). This is a little higher than 7.76% for the same period last fiscal year (Table 13).

Table 12

Fund	FY 2015 Budgeted Revenues	FY July 2015 Revenues	% of FY15 Budget Collected to Date
Wastewater Fund	\$ 10,061,916	\$ 789,827	7.85%

Table 13

Fund	FY 2014 Budgeted Revenues	FY July 2014 Revenues	% of FY14 Budget Collected to Date
Wastewater Fund	\$ 10,202,441	\$ 791,814	7.76%

Expenses

A more detailed breakdown of both expenses revenues for the Wastewater Fund is presented as Attachment I. Overall, the expenses for the fund are at 4% of budget. As mentioned earlier

in this report, in this new fiscal year debt service expenses will be recognized on a monthly basis to better represent the financial picture of the funds. Because debt service is such a significant portion (38% of FY 2015 Budget) of the Wastewater expenses, this amounts to \$435,028 per month for this fund. Capital expenses are the second largest portion of the budget at 32% of the annual FY 2015 budget. As mentioned in prior reports, capital expenditures are typically not consistent from month-to-month or year-to-year and will create big increases and decreases in such comparisons.

The Wastewater estimated fund balance is presented on Attachment F and is \$18,547,230 for July, 2014.

Summary

In summary, July, 2014 presents a stable financial picture for the City. It is too early in the year to make any significant predictions but the figures are consistent with the FY 2015 budgeted revenues and expenditures.

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 Sales by Customer Classification
- Attachment E – State Shared Revenue
- Attachment F – Fund Balances Revenue vs. Expenses Summary: July 2014
- Attachment G – Estimated Fund Balances Revenues vs. Expenses: FY 2015
- Attachment H – General Fund Revenue and Expense Budget Comparison
- Attachment I – Wastewater Fund Revenue and Expense Budget Comparison
- Attachment J – Fund Expenditure Budget Comparison

Attachment A - City of Sedona

Total Sales Tax Worksheet*

July 1, 2014

Month	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	2015 Budget	2015 Collections	Budget Variance	% Change from 2014	% Change from Budget
July	1,181,174	1,069,178	1,253,632	1,252,755	1,073,215	1,140,395	1,101,956	1,088,014	1,086,522	1,125,247	1,133,642	8,395	4.34%	0.75%
August	1,095,421	1,058,491	1,230,340	1,090,523	1,001,376	917,875	864,440	819,342	937,493	934,761				
September	1,049,959	1,032,607	1,137,149	1,017,988	990,181	1,022,615	1,187,427	1,104,196	1,328,651	1,060,554				
October	1,139,917	1,178,952	1,155,616	1,601,792	1,089,433	1,105,755	1,056,689	1,255,918	904,003	1,211,006				
November	1,331,960	1,331,215	1,361,830	1,191,160	1,075,186	1,119,830	782,513	1,086,679	1,308,479	1,044,351				
December	1,074,367	1,156,793	1,132,785	963,540	851,434	933,873	823,212	1,076,903	932,384	923,625				
January	1,052,208	1,092,120	1,026,332	938,932	906,327	1,184,462	863,249	645,615	955,059	905,124				
February	810,751	918,581	909,590	731,583	681,004	949,379	1,027,743	1,072,545	930,028	887,854				
March	1,102,828	1,076,654	985,533	1,027,075	917,669	989,770	1,113,254	1,448,814	1,472,664	1,091,884				
April	1,316,931	1,383,320	1,406,892	1,130,233	1,218,124	1,078,369	1,166,803	1,150,427	1,607,952	1,145,652				
May	1,371,983	1,452,116	1,345,307	1,414,982	1,201,785	1,385,563	1,386,404	1,141,710	1,419,017	1,300,248				
June	1,370,439	1,415,780	1,309,472	1,172,116	1,128,769	1,071,808	1,144,613	1,356,956	1,395,955	1,168,794				
Total	\$13,897,940	\$14,165,807	\$14,254,478	\$13,532,679	\$12,134,503	\$12,899,694	\$12,518,303	\$13,247,119	\$14,278,206	\$12,799,099	\$1,133,642	\$8,395	4.34%	0.75%

cumulative averages

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

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

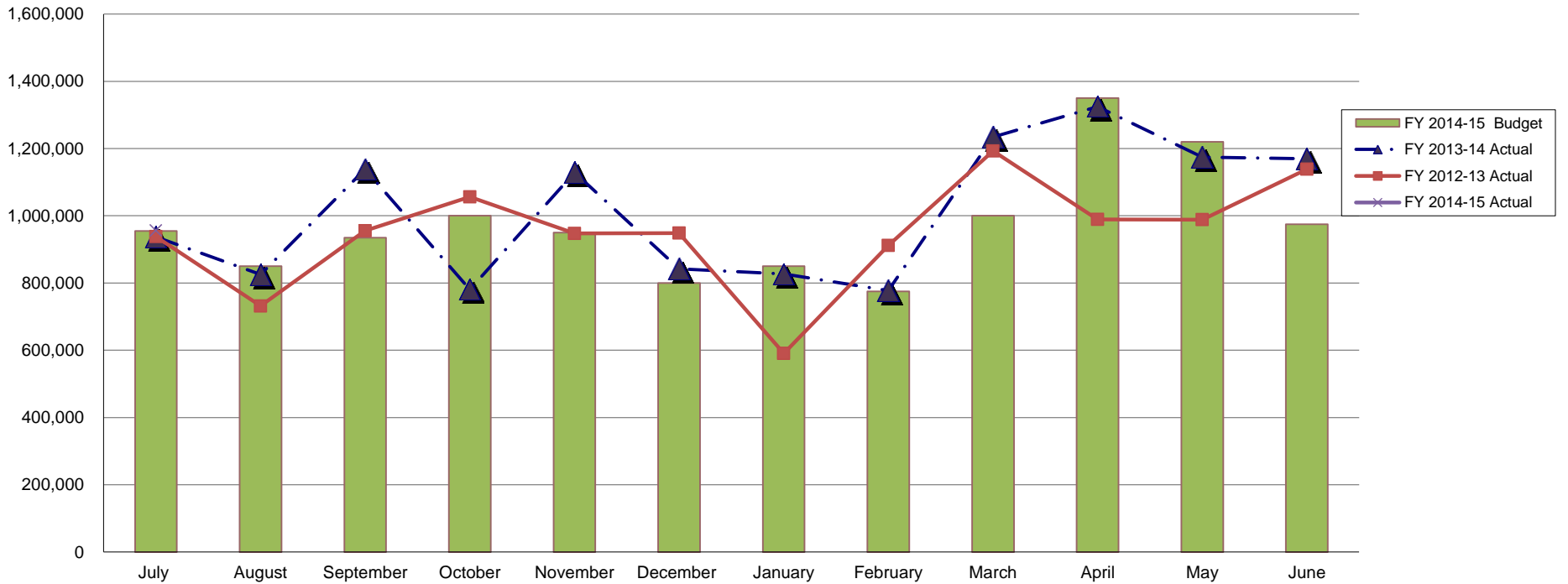
Total City Sales Tax Comparison



Attachment B - City of Sedona
City Sales Tax Worksheet Excluding Bed Tax
July 1, 2014

Month	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	2014 FY	2015 Collections	2015 Budget	Budget Variance	% Change from 2014	% Change from Budget
July	996,957	974,527	1,090,471	1,091,663	960,327	990,290	1,007,417	937,988	937,622	\$956,280	955,000	1,280	2.0%	0.1%
August	959,309	936,208	1,078,206	946,048	905,211	811,116	772,215	731,765	825,310		850,000			
September	935,943	913,440	995,314	900,249	879,793	903,806	1,074,275	955,485	1,138,765		935,000			
October	993,857	1,028,001	1,003,308	1,404,914	917,945	946,879	957,297	1,056,130	781,123		1,000,000			
November	1,132,828	1,150,409	1,153,786	1,050,768	955,527	963,330	722,572	947,436	1,129,307		950,000			
December	945,040	1,030,312	996,414	849,411	743,467	802,029	767,186	948,476	841,884		800,000			
January	932,005	984,569	922,971	845,338	844,478	1,089,035	784,573	590,805	826,930		850,000			
February	721,147	829,764	820,913	652,309	618,218	867,842	555,349	911,795	777,367		775,000			
March	946,908	952,748	865,714	895,830	791,810	877,814	831,578	1,193,049	1,234,256		1,000,000			
April	1,136,679	1,189,178	1,205,553	978,642	1,086,706	931,961	1,001,545	989,177	1,324,875		1,350,000			
May	1,168,552	1,236,550	1,134,980	1,185,283	1,035,951	1,274,314	1,181,525	988,778	1,174,385		1,220,000			
June	1,284,106	1,236,953	1,087,411	1,015,169	968,830	969,086	1,015,347	1,138,780	1,169,572		975,000			
Total	\$12,153,331	\$12,462,660	\$12,355,039	\$11,815,623	\$10,708,262	\$11,427,502	\$10,670,880	\$11,389,664	\$12,161,396		\$956,280	\$11,660,000	1,280	2.0%

City Sales Tax Comparison

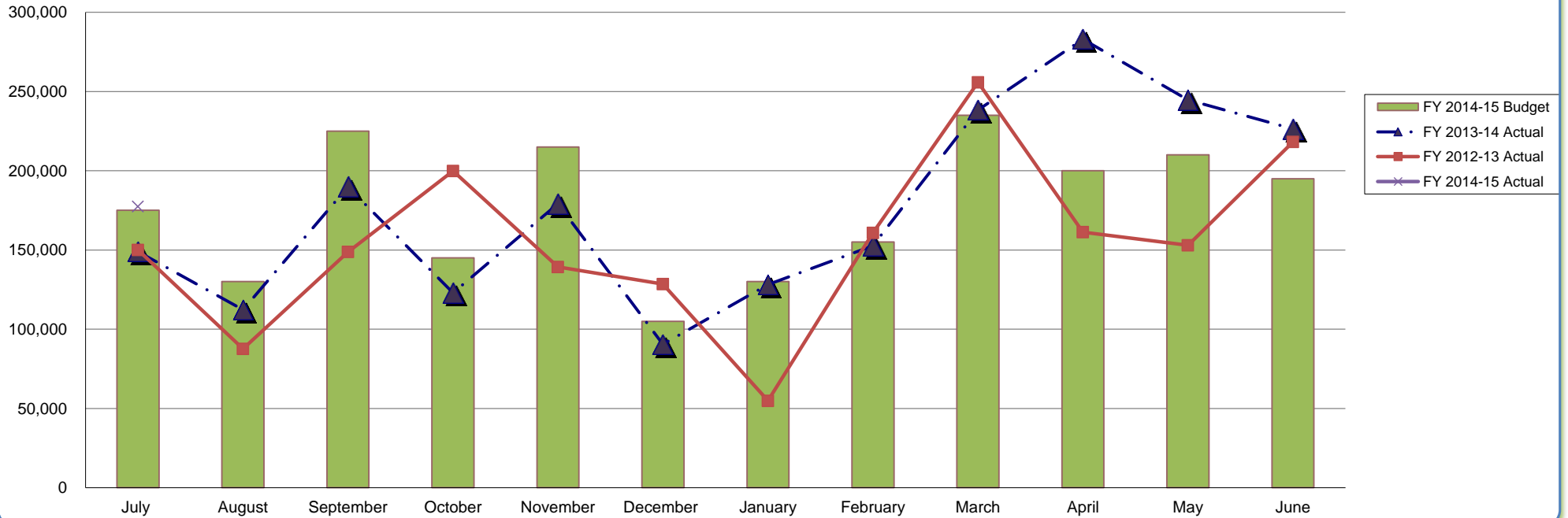


Attachment C - City of Sedona
City *BED* Tax Worksheet*
July 1, 2014

Month	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	2015 Collections	2015 Budget	Budget Variance	% Change from 2014	% Change from Budget
July	184,217	94,651	163,161	161,092	112,888	150,106	94,538	150,026	148,900	\$177,362	175,000	2,362	19.1%	1.3%
August	136,112	122,283	152,135	144,475	96,165	106,760	92,226	87,577	112,183		130,000			
September	114,016	119,167	141,835	117,740	110,387	118,808	113,153	148,710	189,886		225,000			
October	146,060	150,951	152,308	196,878	171,488	158,876	99,392	199,788	122,880		145,000			
November	199,132	180,805	208,044	140,392	119,659	156,500	59,941	139,243	179,171		215,000			
December	129,327	126,481	136,372	114,129	107,967	131,845	56,026	128,427	90,500		105,000			
January	120,203	107,551	103,361	93,595	61,849	95,428	78,675	54,811	128,129		130,000			
February	89,605	88,817	88,677	79,274	62,786	81,537	472,393	160,750	152,660		155,000			
March	155,920	123,907	119,819	131,246	125,860	111,956	281,677	255,765	238,408		235,000			
April	180,252	194,142	201,339	151,591	131,418	146,407	165,257	161,250	283,077		200,000			
May	203,431	215,566	210,327	229,699	165,834	111,249	204,880	152,932	244,632		210,000			
June	86,333	178,827	222,061	156,948	159,939	102,722	129,266	218,176	226,383		195,000			
Total	\$1,744,609	\$1,703,147	\$1,899,439	\$1,717,057	\$1,426,241	\$1,472,193	\$1,847,423	\$1,857,455	\$2,116,809	\$177,362	\$2,120,000	\$2,362	19.1%	1.3%

* Effective January 1, 2014 the bed tax rate was increased from 3.0% to 3.5%. For the months of January through June, 2014, \$172,806 can be attributed to the change in bed tax rate and for July, 2014 \$24,362.

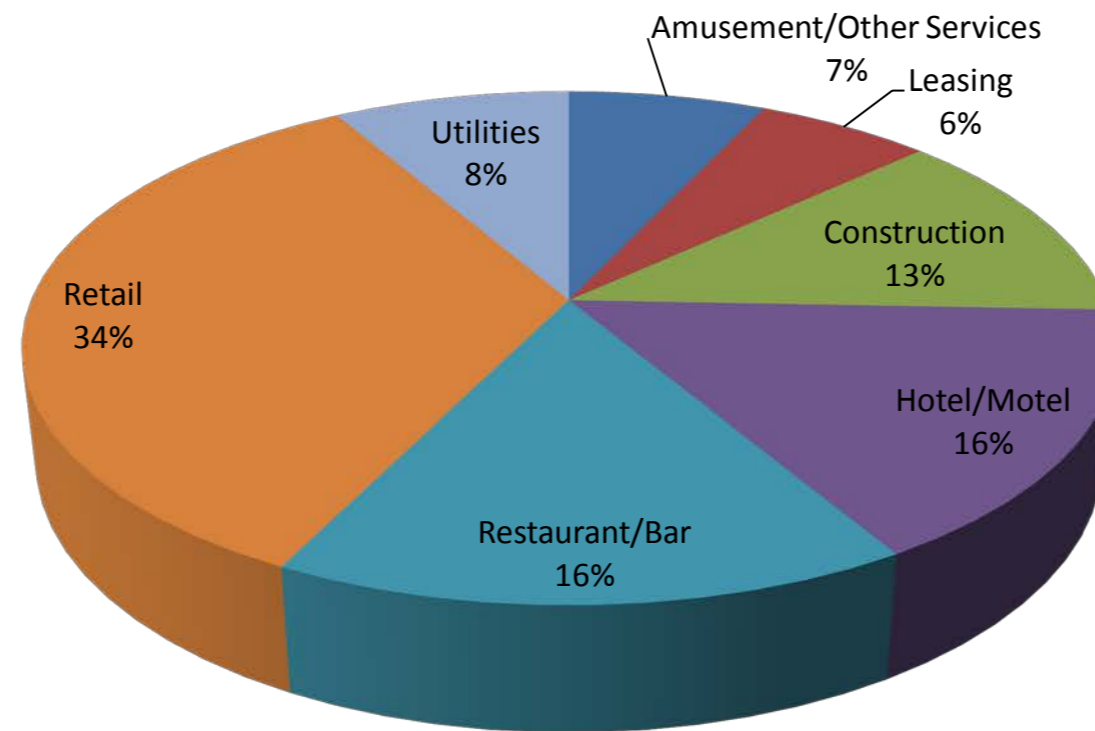
City *BED* Tax Comparison



**Attachment D
City of Sedona
Transaction Privilege Tax Sales by Business Class
For Month Collected**

Month	Other Services	Leasing	Construction	Hotel/Motel	Restaurant & Bar	Retail	Utilities	Total
July 2013	2,254,927	2,488,371	2,719,576	4,898,529	6,709,879	12,624,534	2,575,478	\$ 34,271,294
August 2013	1,210,111	3,322,154	2,333,099	3,736,842	4,762,535	11,084,005	2,414,829	\$ 28,863,575
September 2013	2,442,066	3,223,396	2,427,297	6,428,123	7,953,619	13,803,545	2,244,875	\$ 38,522,921
October 2013	1,922,321	2,199,771	1,696,366	5,038,731	4,653,838	11,372,870	1,782,048	\$ 28,665,945
November 2013	3,593,258	2,410,839	2,925,545	5,628,040	5,916,858	14,459,350	1,734,015	\$ 36,667,905
December 2013	1,521,828	2,193,503	2,929,164	3,573,118	5,141,517	13,017,824	1,833,111	\$ 30,210,065
January 2014	1,547,555	2,126,455	2,512,578	3,944,884	4,582,902	11,440,850	1,942,314	\$ 28,097,538
February 2014	1,749,301	1,876,200	2,932,662	3,928,853	4,362,197	9,000,791	651,072	\$ 24,501,076
March 2014	2,999,660	3,098,707	3,001,259	6,569,873	6,982,597	16,400,342	2,964,588	\$ 42,017,026
April 2014	3,781,846	2,535,383	7,242,969	8,034,009	7,754,006	14,858,577	1,756,416	\$ 45,963,206
May 2014	2,458,751	2,348,609	3,287,836	6,968,333	8,369,419	15,054,922	1,898,065	\$ 40,385,935
June 2014	2,498,207	2,706,821	3,532,733	6,448,341	6,673,869	15,605,185	2,344,699	\$ 39,809,855
July 2014	2,210,021	1,950,827	3,944,905	5,019,463	5,034,379	10,864,018	2,642,321	\$ 31,665,934
July 2014 vs. July 2013	-2.0%	-21.6%	45.1%	2.5%	-25.0%	-13.9%	2.6%	-7.6%

**City of Sedona
July 2014
Transaction Privilege Tax Sales by Business Class**

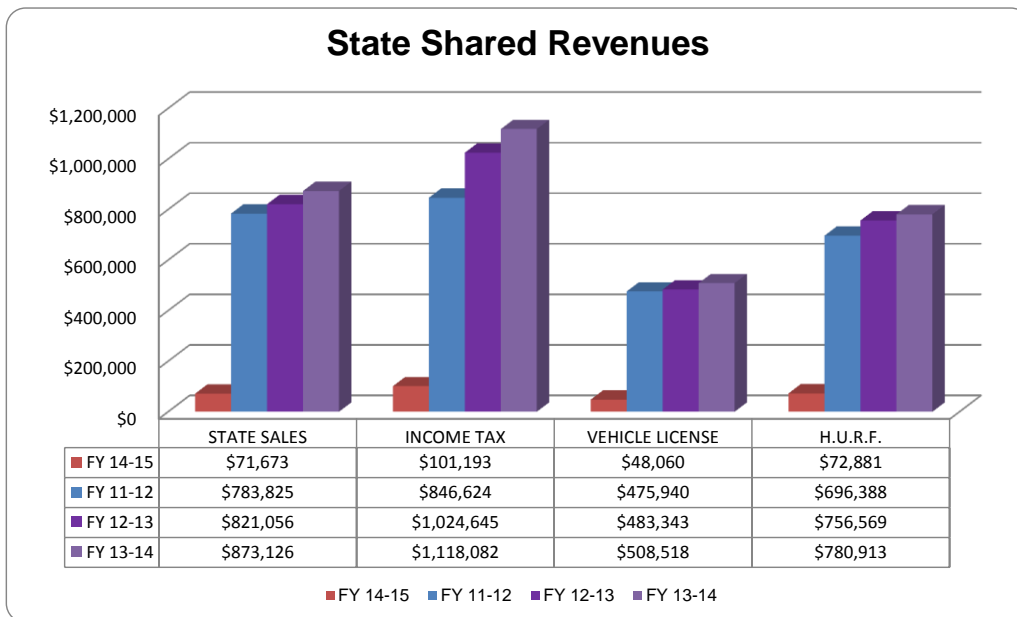


**Attachment E
ARIZONA DEPARTMENT OF REVENUE
2014-2015
STATE SHARED REVENUE**

GENERAL FUND:

STREETS FUND:

	STATE SALES TAX		STATE INCOME TAX		VEHICLE LICENSE TAX		H.U.R.F.			
					COCONINO COUNTY	YAVAPAI COUNTY				
July	1.98%	\$71,673	8.5%	\$101,193	12.01%	\$10,912	8.08%	\$37,148	8.46%	\$72,881
August										
September										
October										
November										
December										
January										
February										
March										
April										
May										
June										
TOTAL 2014-2015		\$71,673		\$101,193		\$10,912		\$37,148		\$72,881
TOTAL 2013-2014		\$70,280		\$93,259		\$9,742		\$34,372		\$67,196
<i>DIFFERENCE</i>		\$1,393		\$7,934		\$1,170		\$2,776		\$5,685
% INCR/DECR		1.98%		8.51%		12.01%		8.08%		8.46%



Attachment F - Fund Balances

Revenue vs Expenses Summary

Fiscal Year: 2014-2015
 Fiscal Period: July



City of Sedona

102 Roadrunner Drive
 Sedona, AZ 86336

Fund	Description	Fund Balance 7/1/2014*	Revenues Jul-14	Expenses Jul-14	Revenue over Expenditure YTD	Fund Balance 7/31/2014
10	General Fund	16,707,336	1,135,557	1,221,552	-85,995	16,621,341
		<u>16,707,336</u>	<u>1,135,557</u>	<u>1,221,552</u>	<u>-85,995</u>	<u>16,621,341</u>
11	Streets Fund	0	72,881	9,168	63,713	63,713
16	Grants Fund	126,847	5,517	1,015	4,502	131,349
		<u>126,847</u>	<u>78,398</u>	<u>10,183</u>	<u>68,215</u>	<u>195,062</u>
20	Development Impact Fees Fund	3,055,871	23,228	0	23,228	3,079,099
22	Capital Fund	3,441,932	6,863	0	6,863	3,448,795
26	Art In Public Places Fund	66,607	2	0	2	66,609
		<u>6,564,410</u>	<u>30,093</u>	<u>0</u>	<u>30,093</u>	<u>6,594,503</u>
59	Wastewater Enterprise Fund	18,263,550	789,827	506,147	283,680	18,547,230
		<u>18,263,550</u>	<u>789,827</u>	<u>506,147</u>	<u>283,680</u>	<u>18,547,230</u>
Report Totals:		<u>41,662,143</u>	<u>2,033,875</u>	<u>1,737,882</u>	<u>295,993</u>	<u>41,958,136</u>

*Unaudited Fund Balance Amounts

General Fund
Special Revenue Fund
Capital Fund
Wastewater Fund

Attachment G - Estimated Year-End Fund Balances

Budgeted Revenue vs Expenses Summary

Fiscal Year: 2014-2015
 Fiscal Period: Budget Summary



City of Sedona

102 Roadrunner Drive
 Sedona, AZ 86336

Fund	Description	Fund Balance*	Revenues & Transfers In	Expenses & Transfers Out	Revenue over Expenditure YTD	Projected Fund Balance
		7/1/2014	2015	2015		6/30/2015
10	General Fund	16,707,336	15,314,054	21,270,672	-5,956,618	10,750,718
		<u>16,707,336</u>	<u>15,314,054</u>	<u>21,270,672</u>	<u>-5,956,618</u>	<u>10,750,718</u>
11	Streets Fund	0	1,265,140	1,275,140	-10,000	-10,000
16	Grants Fund	126,847	550,000	579,705	-29,705	97,142
		<u>126,847</u>	<u>1,815,140</u>	<u>1,854,845</u>	<u>-39,705</u>	<u>87,142</u>
20	Development Impact Fees Fund	3,055,871	214,845	2,474,092	-2,259,247	796,624
22	Capital Fund	3,441,932	6,995,751	5,829,673	1,166,078	4,608,010
26	Art In Public Places Fund	66,607	52,573	76,000	-23,427	43,180
		<u>6,564,410</u>	<u>7,263,169</u>	<u>8,379,765</u>	<u>-1,116,596</u>	<u>5,447,814</u>
59	Wastewater Enterprise Fund	18,263,550	10,061,916	13,543,721	-3,481,805	14,781,745
		<u>18,263,550</u>	<u>10,061,916</u>	<u>13,543,721</u>	<u>-3,481,805</u>	<u>14,781,745</u>
Report Totals:		<u>41,662,143</u>	<u>34,454,279</u>	<u>45,049,003</u>	<u>-10,594,724</u>	<u>31,067,419</u>

*Unaudited Fund Balance Amounts

General Fund
Special Revenue Fund
Capital Fund
Wastewater Fund

Attachment H - General Ledger
 General Fund Budget Comparison
 Through July 31, 2014

Department	Description	Budget	YTD Actual	Difference	% of Budget	Estimated Year End Actuals	% of Budget
10	GENERAL FUND						
	REVENUES BY SOURCE						
	CITY SALES TAX	\$ 8,255,000	\$ 674,544	\$ 7,580,456	8%	\$ 8,255,000	100%
	BED TAX***	\$ 2,120,000	\$ 177,362	\$ 1,942,638	8%	\$ 2,120,000	100%
	FRANCHISE FEES*	\$ 757,000	\$ -	\$ 757,000	0%	\$ 757,000	100%
	VEHICLE LICENSE TAXES	\$ 553,660	\$ 48,060	\$ 505,600	9%	\$ 553,660	100%
	STATE SALES TAX	\$ 906,000	\$ 71,673	\$ 834,327	8%	\$ 906,000	100%
	STATE INCOME TAX	\$ 1,214,232	\$ 101,193	\$ 1,113,039	8%	\$ 1,214,232	100%
	IN-LIEU FEES**	\$ 410,000	\$ -	\$ 410,000	0%	\$ 410,000	100%
	FINES & FORFEITURES	\$ 164,500	\$ 17,645	\$ 146,855	11%	\$ 164,500	100%
	LICENSES & PERMITS	\$ 301,300	\$ 30,195	\$ 271,105	10%	\$ 301,300	100%
	CHARGES FOR SERVICES	\$ 71,440	\$ 15,238	\$ 56,202	21%	\$ 71,440	100%
	INTEREST	\$ 168,810	\$ (10,883)	\$ 179,693	-6%	\$ 168,810	100%
	MISCELLANEOUS	\$ 221,950	\$ 10,530	\$ 211,420	5%	\$ 221,950	100%
	TOTAL GENERAL FUND REVENUES	\$ 15,143,892	\$ 1,135,557	\$ 14,008,335	7%	\$ 15,143,892	100%
	EXPENDITURES BY DEPARTMENT						
5210	CITY COUNCIL	\$ 71,276	\$ 114	\$ 71,162	0%	\$ 71,276	100%
5220	CITY MANAGER	\$ 790,854	\$ 18,131	\$ 772,723	2%	\$ 790,854	100%
5221	HUMAN RESOURCES	\$ 193,966	\$ 4,806	\$ 189,160	2%	\$ 193,966	100%
5222	FINANCIAL SERVICES	\$ 460,678	\$ 7,007	\$ 453,671	2%	\$ 460,678	100%
5224	INFORMATION TECHNOLOGY	\$ 1,146,051	\$ 125,274	\$ 1,020,777	11%	\$ 1,146,051	100%
5230	LEGAL	\$ 481,027	\$ 12,193	\$ 468,834	3%	\$ 481,027	100%
5240	CITY CLERK	\$ 280,498	\$ 4,003	\$ 276,495	1%	\$ 280,498	100%
5242	PARKS & RECREATION	\$ 466,510	\$ 18,230	\$ 448,280	4%	\$ 466,510	100%
5245	GENERAL SERVICES	\$ 2,947,790	\$ 746,255	\$ 2,201,535	25%	\$ 2,947,790	100%
5310	COMMUNITY DEVELOPMENT	\$ 1,183,336	\$ 32,182	\$ 1,151,154	3%	\$ 1,183,336	100%
5320	PUBLIC WORKS	\$ 1,918,181	\$ 41,628	\$ 1,876,553	2%	\$ 1,918,181	100%
5510	POLICE	\$ 3,756,494	\$ 141,309	\$ 3,615,185	4%	\$ 3,756,494	100%
5520	MUNICIPAL COURT	\$ 302,881	\$ 6,786	\$ 296,095	2%	\$ 302,881	100%
	DEBT SERVICE	\$ 829,766	\$ 63,634	\$ 766,132	8%	\$ 829,766	100%
	TOTAL GENERAL FUND EXPENDITURES	\$ 14,829,308	\$ 1,221,552	\$ 13,607,756	8%	\$ 14,829,308	100%
	TO FUND BALANCE BEFORE TRANSFERS	\$ 314,584	\$ (85,995)	\$ 400,579	-27%	\$ 314,584	100%

*Franchise Fees are paid quarterly.

Attachment I - General Ledger
Wastewater Fund Budget Comparison
Through July 31, 2014

Revenue	Actual YTD				Estimated Year End	
	2015 Budget	07/31/2014	Difference	% of Budget	Actuals	% of Budget
Service Fees	\$ 5,998,000	\$ 476,771	\$ 5,521,229	8%	\$ 5,998,000	100%
Sales Tax	\$ 3,615,000	\$ 289,090	\$ 3,325,910	8%	\$ 3,615,000	100%
Capacity Fees	\$ 256,000	\$ 35,464	\$ 220,536	14%	\$ 256,000	100%
Other Revenue	\$ 192,916	\$ (11,498)	\$ 204,414	-6%	\$ 192,916	100%
Total Fund Revenue	\$ 10,061,916	\$ 789,827	\$ 9,272,089	8%	\$ 10,061,916	100%
Expenses						
Administration						
Debt Service (Interest and Principal)	\$ 5,171,583	\$ 435,028	\$ 4,736,555	8%	\$ 5,171,583	100%
Wages and Benefits	\$ 687,026	\$ 19,565	\$ 667,461	3%	\$ 687,026	100%
Purchased goods and services	\$ 405,149	\$ 13,548	\$ 391,601	3%	\$ 405,149	100%
Total Administration	\$ 6,263,758	\$ 468,141	\$ 5,795,617	7%	\$ 6,263,758	100%
Wastewater Capital						
Wages and Benefits	\$ 126,141	\$ 3,845	\$ 122,296	3%	\$ 126,141	100%
Capital	\$ 4,351,725	\$ -	\$ 4,351,725	0%	\$ 4,351,725	100%
Total Capital	\$ 4,477,866	\$ 3,845	\$ 4,474,021	0%	\$ 4,477,866	100%
Wastewater Treatment Plant						
Wages and Benefits	\$ 656,853	\$ 19,563	\$ 637,290	3%	\$ 656,853	100%
Purchased goods and services	\$ 510,629	\$ 9,537	\$ 501,092	2%	\$ 510,629	100%
Maintenance	\$ 1,018,425	\$ 4,833	\$ 1,013,592	0%	\$ 1,018,425	100%
Utilities	\$ 531,109	\$ 228	\$ 530,881	0%	\$ 531,109	100%
Total Operating	\$ 2,717,016	\$ 34,161	\$ 2,682,855	1%	\$ 2,717,016	100%
Total Wastewater Fund Expense Budget	\$ 13,458,640	\$ 506,147	\$ 12,952,493	4%	\$ 13,458,640	100%
Net Change to Fund Balance	\$ (3,396,724)	\$ 649,250	\$ (3,680,404)	-19%	\$ (3,396,724)	100%

Transfers between funds excluded from this report.

Attachment J - General Ledger
Fund Expenditure Comparison
Through July 31, 2014

Department	Description	Budget	YTD Actual	Difference	% of Budget
10	<u>GENERAL FUND</u>	\$ 14,829,308	\$ 1,221,552	\$ 13,607,756	8%
11	<u>STREETS FUND EXPENDITURES</u>	\$ 1,275,140	\$ 9,168	\$ 1,265,972	1%
16	<u>GRANTS FUND</u>	\$ 579,705	\$ 1,015	\$ 578,690	0%
20	<u>DEVELOPMENT IMPACT FEES FUND</u>	\$ 2,474,092	\$ -	\$ 2,474,092	0%
22	<u>CAPITAL FUND</u>	\$ 5,692,269	\$ -	\$ 5,692,269	0%
26	<u>ARTS IN PUBLIC PLACES FUND</u>	\$ 76,000	\$ -	\$ 76,000	0%
	<u>WASTEWATER ENTERPRISE FUND</u>	\$ 13,458,640	\$ 506,147	\$ 4,464,160	4%
	TOTAL EXPENDITURES/EXPENSES ALL FUNDS	\$ 38,385,154	\$ 1,737,882	\$ 28,158,939	5%

Transfers between funds excluded from this report.