

# Monthly Financial Report

July 2018



**CITY OF SEDONA**

December 3, 2018

# Monthly Financial Report

July 2018

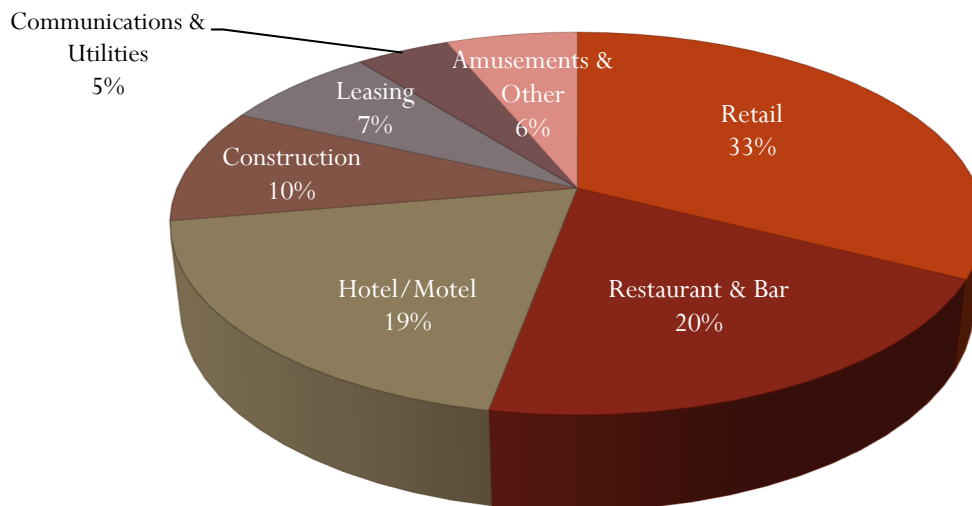
## Executive Summary

The City's largest revenue sources are sales and bed tax revenues. Year-to-date City sales taxes are 21% higher than the prior year and year-to-date **bed taxes are 11% higher** than the prior year. (See pg. 45) Excluding the impact of the additional half-cent sales tax for transportation projects effective March 1, 2018, **City sales taxes are 5% higher** than the prior year. (See pg. 46)

July YTD Increase (Decrease) Over Prior Year (General Fund Portion)	
City Sales Taxes	\$ 60,220
Bed Taxes	30,326
<b>Total</b>	<b>\$ 90,546</b>

The largest sales tax increases for the month were in the Retail (26%), Hotel/Motel (30%), and Communications & Utilities (25%). (See pg. 44) Some of these categories are heavily impacted by tourism, and the additional half-cent sales tax is also a factor in the increases.

## Sales Tax Revenues by Category



## Revenues

In total, **General Fund revenues are up 2%** over last year, and **Wastewater Fund revenues are up 3%** from last year. (See pgs. 28 & 32) **Total City revenues are up 11% over last year and at 7% of budget**, with 8% of the year completed so far. (see pg. 34)

All individual revenue categories are **expected to be generally on target or exceed targets** by the end of the fiscal year, except for the following:

- Other Intergovernmental (100% under YTD target) (See pg. 39)
  - A contingency of \$300,000 was included in case a significant grant opportunity arises. Grant revenues match grant expenditures. When grant expenditures are lower, the grant revenues are also lower. The effect is no net impact to the City's financial position.

## Expenditures

In total, **General Fund expenditures are at 11% of budget** for the year-to-date, and **Wastewater Fund expenditures are 4% of budget** for the year-to-date, with 8% of the year completed so far. (See pgs, 5 & 9) **Total City expenditures, excluding capital improvements and internal charges, are at 9% of the budget.** (See pg. 12)

Expenditures for each department are **expected to be on or under target** by the end of the fiscal year. City Manager's Office and General Services expenditures are high for one month but are on track due to the nature of semiannual payments for community contracts. (See pgs. 13 & 20)

Expenditures for capital improvements (0%) (See pg. 50) and streets rehabilitation and preservation (<1%) (See pg. 6) are not incurred consistently throughout the year and, as of July 2018, are overall under targets for the fiscal year.

## Report Format

The format for the City of Sedona Monthly Financial Report has been modified to provide both summarized financial information and additional historical information. The City's fiscal year (FY) is July 1 through June 30. This report for July 2018 is the first month of the current fiscal year, FY 2019, and **represents 8% of the fiscal year.**

The report consists of the following sections:

- **Executive Summary** – This summary includes a narrative discussion of the most significant information in this report.
- **Table of Contents** – The table of contents includes hyperlinks to the sections and tables in this report. It also includes the status for the City's expenditures and revenues, highlighted as follows:
  - **Green** represents a status favorable, including expenditures on or under target and revenues on or exceeding target. Comments have been included regarding any significant favorable status, better than the target by more than 10%.
  - **Yellow** represents a cautionary status indicating that the particular category should be observed but is expected to be on target by the end of the fiscal year. Comments have been included regarding the cautionary status.
  - **Red** represents an unfavorable status indicating that particular category is not expected to be on target by more than 10% by the end of the fiscal year. Comments have been included regarding the unfavorable status.
- **Expenditures and Revenues** – Expenditure and revenue Information has been provided both by fund (including the two Community Facilities Districts managed by the City) and by department for non capital improvement expenditures (excluding internal charges) and by type for revenues. The information includes:

- Year-to-date (YTD) expenditures and revenues for the current fiscal year and the four previous fiscal years
  - Total annual expenditures and revenues, excluding contingencies, for the four previous fiscal years and budget amounts for the current fiscal year
  - Comparison of YTD amounts to annual amounts, which is used to determine if current year YTD amounts are on target, and any applicable comments regarding the status compared to targets
  - Increases and decreases in YTD and annual amounts and color-coded explanations of significant increases and decreases
- **Sales & Bed Tax Revenues** – These revenues are the most significant funding sources for the City and historically have been susceptible to fluctuations in the economy. The information includes comparisons by taxing category and by month.
  - **Fund Summaries** – The City’s two most significant funds, the General Fund and the Wastewater Enterprise Fund, are presented with detailed comparisons of YTD amounts to the budgets and prior fiscal year. A summary of all City funds, plus the two Community Facilities Districts, is also included. The schedules include encumbrances, which represents the balance of purchase orders not yet fulfilled.
  - **Debt Outstanding** – A table of the City’s outstanding debt has been presented by fund with the remaining principal and interest payments for each. Bond payments are made on July 1 and January 1 in accordance with the bond debt repayment schedules. The capital lease payments installment purchase agreement payments are made annually when due.
  - **Capital Projects Summary** – A table of the current fiscal year capital improvement projects has been presented with the total project amounts for projects spanning more than one fiscal year.
  - **Investment Summaries** – A table of the investments held by the City has been presented with the average remaining duration of the portfolio, as well as the average yield of the portfolio compared to the policy benchmark. In addition, a table of the investment transactions has been presented including acquisitions, dispositions, investment earnings, and expenses.

## Additional Detail

This report provides broad summary information and analysis of the City’s financial data. Additional detailed information is offered on the City’s website at [www.sedonaaz.gov/transparency](http://www.sedonaaz.gov/transparency). It is a searchable, user-friendly site that citizens and other interested parties can use to access real-time financial data.

*For questions or additional information, contact:*

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(click on page number to navigate to that page)

	Page	% YTD	Status	Comments
<b>Portion of Fiscal Year Complete = 8.33%</b>				
<b>Total Expenditures by Fund</b>				
General Fund	5	11%	On Target for FY 2019	While expenditures are high, they are on track due to the significant annual and semiannual payments made in July.
<u>Special Revenue Funds:</u>				
Streets Fund	6	<1%	Under Target for FY 2019	Expenditures do not occur consistently throughout the fiscal year.
Grants, Donations & Other Funds	6	1%	Under Target for FY 2019	Expenditures do not occur consistently throughout the fiscal year.
Transportation Sales Tax Fund	7	0%	Under Target for FY 2019	
<u>Capital Projects Funds:</u>				
Development Impact Fees Fund	7	1%	Under Target for FY 2019	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Capital Improvements Fund	8	0%	Under Target for FY 2019	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Art in Public Places Fund	8	N/A	On Target for FY 2019	No projects planned for FY 2019.
Wastewater Enterprise Fund	9	4%	Under Target for FY 2019	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Info. Tech. Internal Service Fund	10	7%	Under Target for FY 2019	
<u>Community Facilities Districts:</u>				
Sedona Summit II	11	N/A	On Target for FY 2019	No projects planned for FY 2019.
Fairfield	11	N/A	On Target for FY 2019	No projects planned for FY 2019.
<b>Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)</b>				
Total Exp. (excl. Cap. Impr. & Internal Charges)	12	9%	On Target for FY 2019	While expenditures are high, they are on track due to the significant annual and semiannual payments made in July.
City Council	13	6%	Under Target for FY 2019	
City Manager's Office	13	36%	On Target for FY 2019	While expenditures are high, they are on track due to the significant semiannual payments made in July.
Human Resources	14	4%	Under Target for FY 2019	
Financial Services	15	5%	Under Target for FY 2019	
Information Technology	16	6%	Under Target for FY 2019	
City Attorney's Office	17	4%	Under Target for FY 2019	
City Clerk's Office	18	5%	Under Target for FY 2019	
Parks & Recreation	19	6%	Under Target for FY 2019	
General Services	20	14%	On Target for FY 2019	While expenditures are high, they are on track due to the significant semiannual payments made in July.
Debt Service	20	8%	On Target for FY 2019	
Community Development	21	6%	Under Target for FY 2019	
Public Works	22	3%	Under Target for FY 2019	
Economic Development	23	5%	Under Target for FY 2019	
Police	23	5%	Under Target for FY 2019	
Municipal Court	24	5%	Under Target for FY 2019	
Wastewater Administration	25	8%	Under Target for FY 2019	
Wastewater Capital	26	6%	Under Target for FY 2019	
Wastewater Operations	27	3%	Under Target for FY 2019	
<b>Total Revenues by Fund</b>				
General Fund	28	7%	Under Target for FY 2019	While revenues are slightly low due to timing of certain revenue collections, total revenues are expected to be on target by the end of the fiscal year.
<u>Special Revenue Funds:</u>				
Streets Fund	29	9%	Exceeds Target for FY 2019	
Grants, Donations & Other Funds	29	6%	Under Target for FY 2019	The FY 2018 budget includes \$300,000 of contingent grant revenues in case a significant grant opportunity arises.
Transportation Sales Tax Fund	30	7%	Under Target for FY 2019	fiscal year.
<u>Capital Projects Funds:</u>				
Development Impact Fees Fund	30	15%	Exceeds Target for FY 2019	
Capital Improvements Fund	31	<1%	Under Target for FY 2019	Revenues do not occur consistently throughout the fiscal year but are expected to be on target by the end of the fiscal year.
Art in Public Places Fund	31	53%	Exceeds Target for FY 2019	
Wastewater Enterprise Fund	32	8%	On Target for FY 2019	
Info. Tech. Internal Service Fund	32	8%	On Target for FY 2019	
<u>Community Facilities Districts:</u>				
Sedona Summit II	33	1%	Under Target for FY 2019	While revenues are low, in-lieu fees are mostly received near the end of the fiscal year and are expected to be on target by the end of the fiscal year.
Fairfield	33	<1%	Under Target for FY 2019	While revenues are low, in-lieu fees are mostly received near the end of the fiscal year and are expected to be on target by the end of the fiscal year.
<b>Total Revenues by Type</b>				
Total Revenues	34	7%	Under Target for FY 2019	While revenues are slightly low due to timing of certain revenue collections, total revenues are expected to be on target by the end of the fiscal year.
City Sales Taxes	35	8%	On Target for FY 2019	
Bed Taxes	36	7%	On Target for FY 2019	
In-Lieu	37	0%	On Target for FY 2019	While revenues are low, in lieu fees are mostly received near the end of the fiscal year and are expected to be on target by the end of the fiscal year.
Franchise Fees	37	0%	On Target for FY 2019	While revenues are low, franchise fees are received quarterly and are expected to be on target by the end of the fiscal year.
State Sales Taxes	38	8%	On Target for FY 2019	
Urban Revenue Sharing	38	8%	Under Target for FY 2019	Urban Revenue Sharing is expected to be approximately 3% or \$45,000 under target at the end of the fiscal year.
Vehicle License Taxes	39	8%	On Target for FY 2019	
Highway User	39	9%	Exceeds Target for FY 2019	
Other Intergovernmental	40	<1%	Under Target for FY 2019	The FY 2019 budget includes \$300,000 of contingent grant revenues in case a significant grant opportunity arises. In addition, grants and intergovernmental agreements are tied to capital projects and received based on the timing of the projects.
Licenses & Permits	41	8%	Under Target for FY 2019	Annual business license renewals are primarily received in November to December. Revenues are low but expected to be on target by the end of the fiscal year.
Charges for Services	41	8%	On Target for FY 2019	
Fines & Forfeitures	42	7%	Under Target for FY 2019	
Development Impact Fees	43	17%	Exceeds Target for FY 2019	This account will be monitored but, at this point, is not expected to be significantly under estimates at the end of the fiscal year.
Capacity Fees	43	9%	Exceeds Target for FY 2019	
Other Miscellaneous	44	10%	Exceeds Target for FY 2019	
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## Total Expenditures by Fund

### Total General Fund Expenditures

**On Target for FY 2019**

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 1,386,548	\$ 14,282,455	10%		
2016	\$ 1,971,360	\$ 14,907,362	13%	42%	4%
2017	\$ 2,019,966	\$ 16,799,273	12%	2%	13%
2018	\$ 2,181,133	\$ 19,379,409	11%	8%	15%
2019	\$ 2,236,192	\$ 20,940,181	11%	3%	8%

#### YTD Increase from FY 2015 to FY 2016:

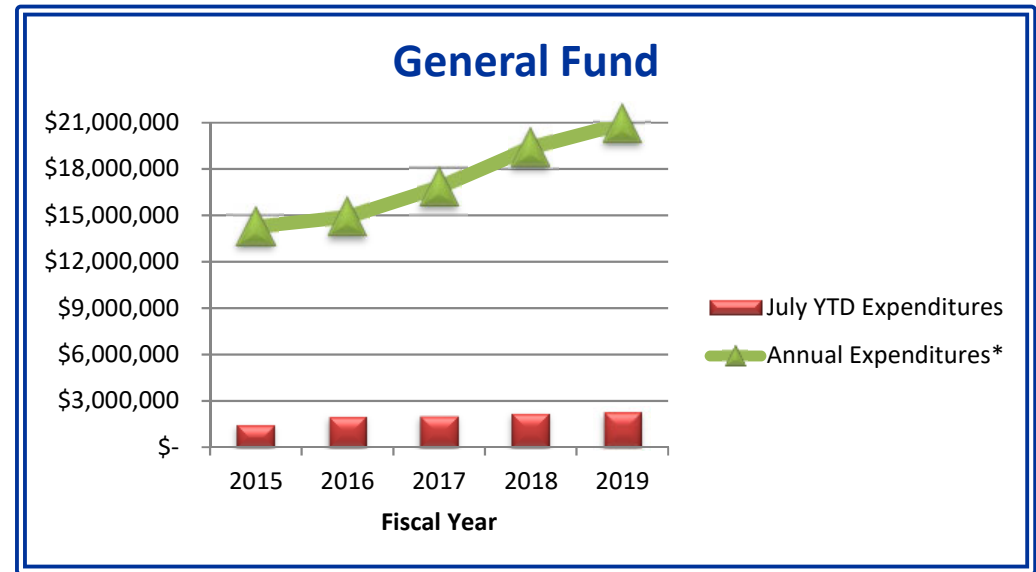
- (1) Salaries & Benefits represent the largest expenditure in the General Fund, and the increase is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.
- (2) Other differences are a result of timing of annual and semi-annual payments made earlier in the year, including some of the software license agreements and some of the community support payments.

#### Annual Increase from FY 2016 to FY 2017:

- (1) For FY 2017, Council approved the transfer of all streets related expenditures other than rehabilitation and pavement preservation to the General Fund. This increase to the General Fund was approximately \$818,000.
- (2) The allocation to the tourism management and destination marketing program increased approximately \$365,000 as a result of the higher bed tax revenue collections.
- (3) Salaries & Benefits increased approximately \$410,000. This was partly due to three new full-time positions and two part-time positions added in the budget process. In addition, salaries increased due to budgeted cost-of-living adjustments of 1.8% and average merit increases of 2.5%, as well as increases to benefits due to a 3% increase to the required contributions to the Public Safety Personnel Retirement System (PSPRS) and a 2% increase to health insurance premiums.

#### Annual Increase from FY 2017 to FY 2018:

- (1) The increase was partly due to payments related to the refunds of PSPRS contributions to employees that were deemed to be unconstitutional.
- (2) The allocation to tourism management and development increased approximately \$68,000 as a result of higher estimated bed tax revenue collections.
- (3) Accrued bond payments are approximately \$758,000 higher than the prior year.
- (4) Vacancy savings were experienced in the prior year, in addition to budgeted cost-of-living adjustments of 2.5% and average merit increases of 2.5%, as well as an increase of 30% to the required contributions to PSPRS and a 4% increase in health insurance premiums.
- (5) The increase is also partly due to additional lease payments of approximately \$73,000 for the assigned vehicle program for patrol officers.
- (6) Costs for the startup and ongoing costs of the paid parking program were approximately \$122,000.



\* For the current year, Annual Expenditures represents total budgeted expenditures, excluding contingencies. For the prior years, the Annual Expenditures represent total actual expenditures.

## Total Expenditures by Fund

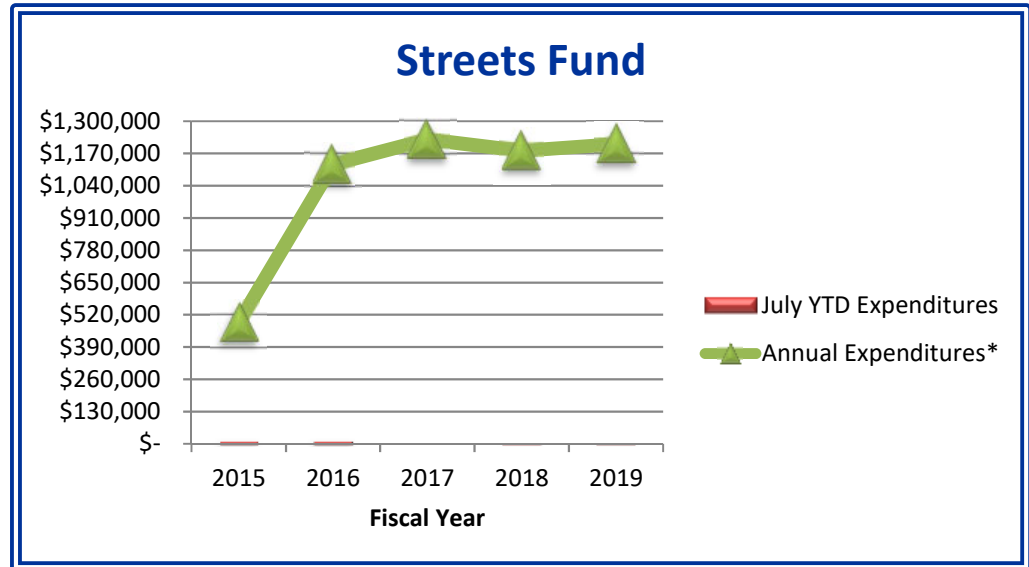
### Total Streets Fund Expenditures

**Under Target for FY 2019**

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 9,168	\$ 488,072	2%		
2016	\$ 9,405	\$ 1,126,227	1%	3%	131%
2017	\$ -	\$ 1,226,595	0%	-100%	9%
2018	\$ 1,867	\$ 1,181,500	<1%	∞	-4%
2019	\$ 3,409	\$ 1,207,380	<1%	83%	2%

**Increases/Decreases:** 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.

For FY 2017, the Council approved the transfer of all streets related expenditures other than rehabilitation and pavement preservation to the General Fund and increased the annual maintenance expectations to approximately 4.5 to 5.0 miles per year.

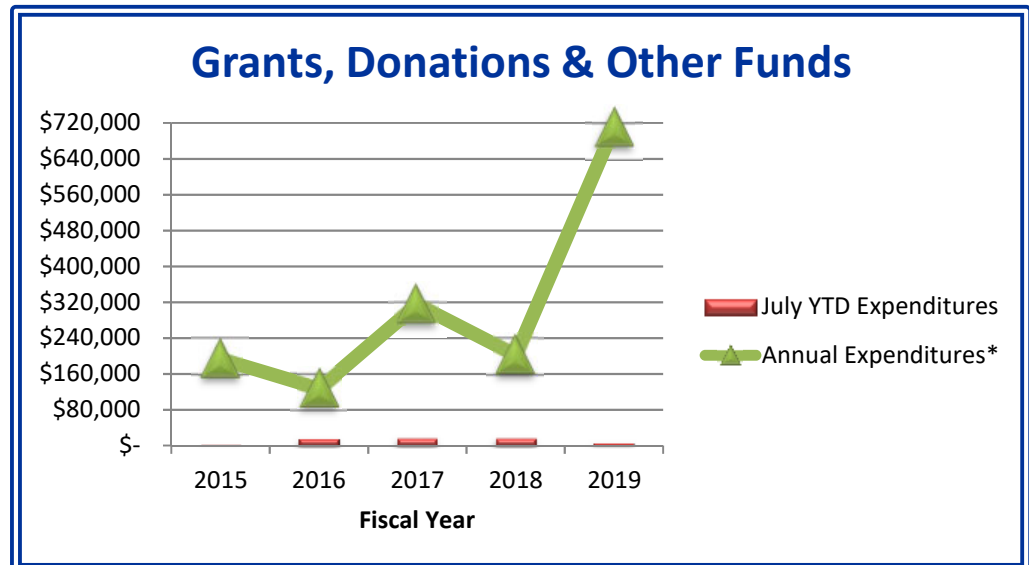


### Total Grants, Donations & Other Exp.

**Under Target for FY 2019**

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 1,015	\$ 193,488	1%		
2016	\$ 15,000	\$ 127,230	12%	1378%	-34%
2017	\$ 16,673	\$ 314,560	5%	11%	147%
2018	\$ 16,480	\$ 201,703	8%	-1%	-36%
2019	\$ 5,245	\$ 710,330	1%	-68%	252%

**Increases/Decreases:** The activity of the Grants & Donations Funds is based on the funding awarded and received during the year so spending will not necessarily be consistent from month to month or year to year.



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## Total Expenditures by Fund

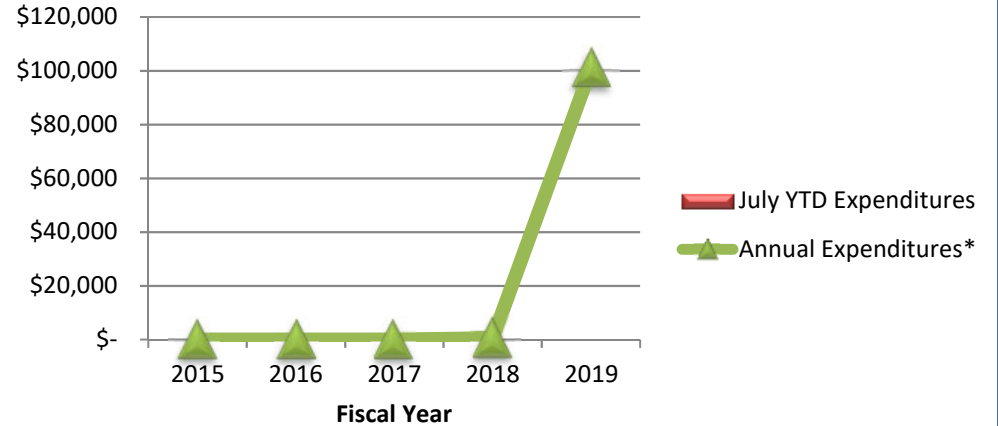
### Total Transportation Sales Tax Exp.

Under Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ -	\$ -	N/A		
2016	\$ -	\$ -	N/A	N/A	N/A
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ -	\$ 552	0%	N/A	∞
2019	\$ -	\$ 100,920	0%	N/A	18191%

The Transportation Sales Tax Fund was initiated in March 2018.

### Transportation Sales Tax Fund



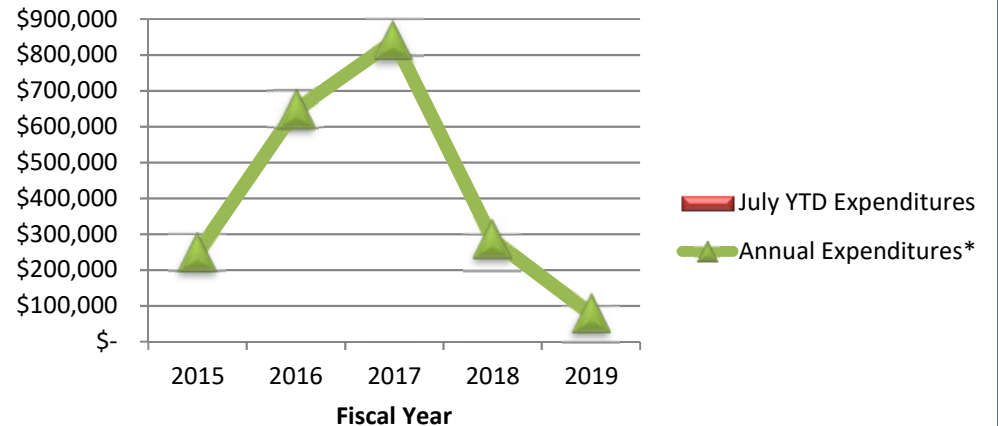
### Total Develop. Impact Fees Exp.

Under Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ -	\$ 247,614	0%		
2016	\$ -	\$ 647,006	0%	N/A	161%
2017	\$ 1,766	\$ 839,927	<1%	∞	30%
2018	\$ 1,891	\$ 284,626	1%	7%	-66%
2019	\$ 795	\$ 77,540	1%	-58%	-73%

**Increases/Decreases:** The activity of the Development Impact Fees Funds is based on the timing of budgeted capital improvement projects so spending will not necessarily be consistent from month to month or year to year.

### Development Impact Fees Funds



\* For the current year, Annual Expenditures represents total budgeted expenditures, excluding contingencies. For the prior years, the Annual Expenditures represent total actual expenditures.



## Total Expenditures by Fund

### Total Capital Improvements Fund Exp.

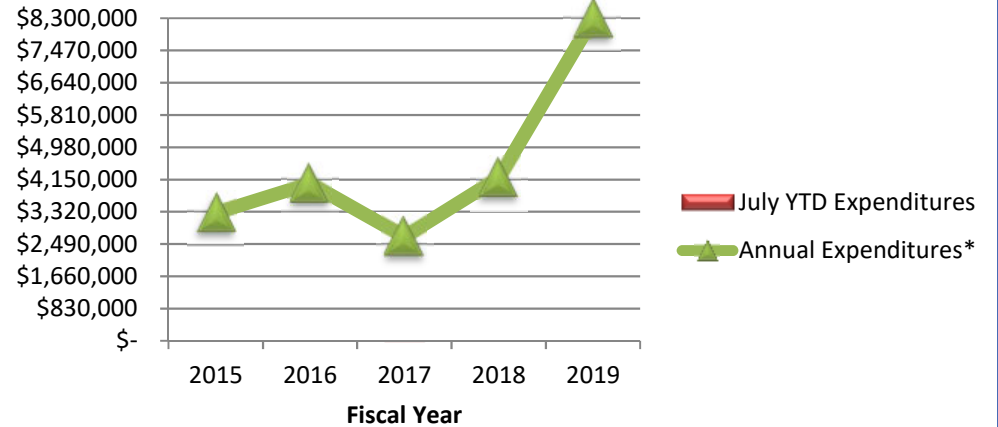
**Under Target for FY 2019**

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ -	\$ 3,293,016	0%		
2016	\$ -	\$ 4,045,969	0%	N/A	23%
2017	\$ (4,557)	\$ 2,677,559	<1%	∞	-34%
2018	\$ -	\$ 4,199,954	0%	<1%	57%
2019	\$ -	\$ 8,296,445	0%	N/A	98%

**Increases/Decreases:** The activity of the Capital Improvements Fund is based on the timing of budgeted capital improvement projects so spending will not necessarily be consistent from month to month or year to year.

For FY 2018, budgeted expenditures include approximately \$2.9 million for storm drainage projects and approximately \$4.6 million for streets and transportation projects.

### Capital Improvements Fund



### Total Art in Public Places Fund Exp.

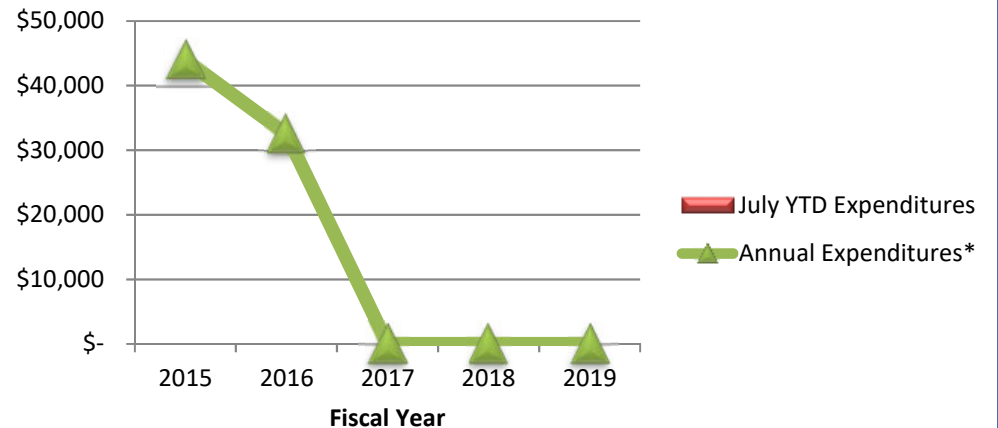
**On Target for FY 2019**

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ -	\$ 43,975	0%		
2016	\$ -	\$ 32,500	0%	N/A	-26%
2017	\$ -	\$ -	N/A	N/A	-100%
2018	\$ -	\$ -	N/A	N/A	N/A
2019	\$ -	\$ -	N/A	N/A	N/A

**Increases/Decreases:** The activity of the Art in Public Places Fund is based on the timing of budgeted arts projects so spending will not necessarily be consistent from month to month or year to year.

For FY 2019, no arts projects are planned to allow the balance in the Art in Public Places Fund to accumulate for additional projects in future fiscal years.

### Art in Public Places Fund



\* For the current year, Annual Expenditures represents total budgeted expenditures, excluding contingencies. For the prior years, the Annual Expenditures represent total actual expenditures.

## Total Expenditures by Fund

### Total Wastewater Enterprise Fund Exp.

**Under Target for FY 2019**

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 536,959	\$ 11,055,429	5%		
2016	\$ 657,491	\$ 14,367,467	5%	22%	30%
2017	\$ 580,385	\$ 10,625,910	5%	-12%	-26%
2018	\$ 517,695	\$ 9,924,662	5%	-11%	-7%
2019	\$ 556,496	\$ 13,710,749	4%	7%	38%

#### YTD Increase from FY 2015 to FY 2016:

- (1) The increase is partly a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.
- (2) Due to the timing of utility payments, approximately \$42,000 additional was recorded in July 2015 as compared to July 2014.

#### Annual Increase from FY 2015 to FY 2016:

The increase is primarily due to expenditures incurred for the plant upgrade and injection well drilling.

#### YTD Decrease from FY 2016 to FY 2017:

- (1) Salaries & Benefits decreased approximately \$21,000 and is largely a result of reallocations of the interdepartmental charges.
- (2) Debt service costs were approximately \$22,000 lower and are based on the monthly accruals of scheduled bond principal and interest payments.
- (3) Other differences were a result of timing of other costs including wetlands maintenance, postage refills, and solid waste disposal.

#### Annual Decrease from FY 2016 to FY 2017:

The decrease is primarily due to expenditures incurred for the plant upgrade and injection well drilling in the prior year.

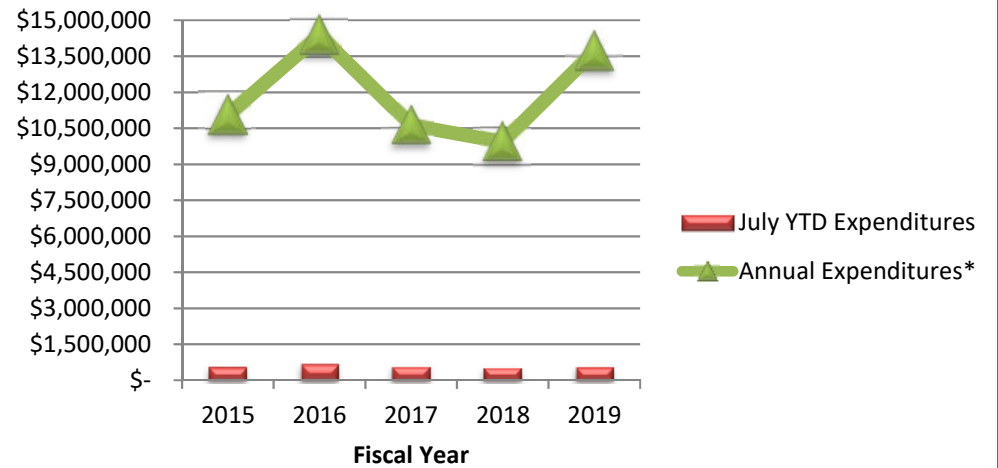
#### YTD Decrease from FY 2017 to FY 2018:

- (1) The debt service costs are approximately \$61,000 lower and are based on the monthly accruals of scheduled bond principal and interest payments.
- (2) Due to the timing of utility payments, approximately \$20,000 less was recorded in July 2017 as compared to July 2016.
- (3) Due to the timing of hardware and software maintenance contracts, approximately \$12,000 less was recorded in July 2017 as compared to July 2016.

#### Annual Increase from FY 2018 to FY 2019:

- (1) Budgeted capital improvement expenditures increased by approximately \$3.3 million, including improvements to lift stations, replacement of bar screens and tertiary filters, and a remodel of the administrative building.
- (2) The increase is also due to increases in maintenance costs such as sewer line cleaning and inspections, sewer line repairs, irrigation maintenance, and injection well maintenance.

### Wastewater Enterprise Fund



\* For the current year, Annual Expenditures represents total budgeted expenditures, excluding contingencies. For the prior years, the Annual Expenditures represent total actual expenditures.

## Total Expenditures by Fund

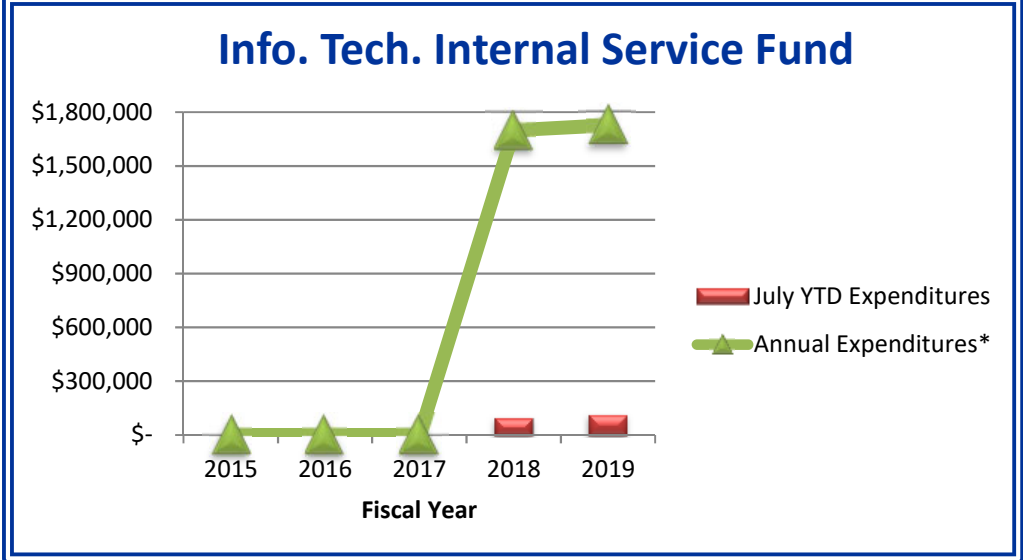
**Total Info. Tech. Internal Svc. Fund Exp.** Under Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ -	\$ -	N/A		
2016	\$ -	\$ -	N/A	N/A	N/A
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 93,031	\$ 1,699,824	5%	∞	∞
2019	\$ 112,920	\$ 1,727,361	7%	<b>21%</b>	2%

The Information Technology Internal Service Fund was initiated in FY 2018.

**YTD Increase from FY 2018 to FY 2019:**

- (1) The increase is partly the result of an increase in the Help Desk position from part-time to full-time.
- (2) The increase is also partly due to timing differences when payments of annual software maintenance contracts were made.



\* For the current year, Annual Expenditures represents total budgeted expenditures, excluding contingencies. For the prior years, the Annual Expenditures represent total actual expenditures.

## Total Expenditures by Fund

### Total CFD - Sedona Summit II Exp.

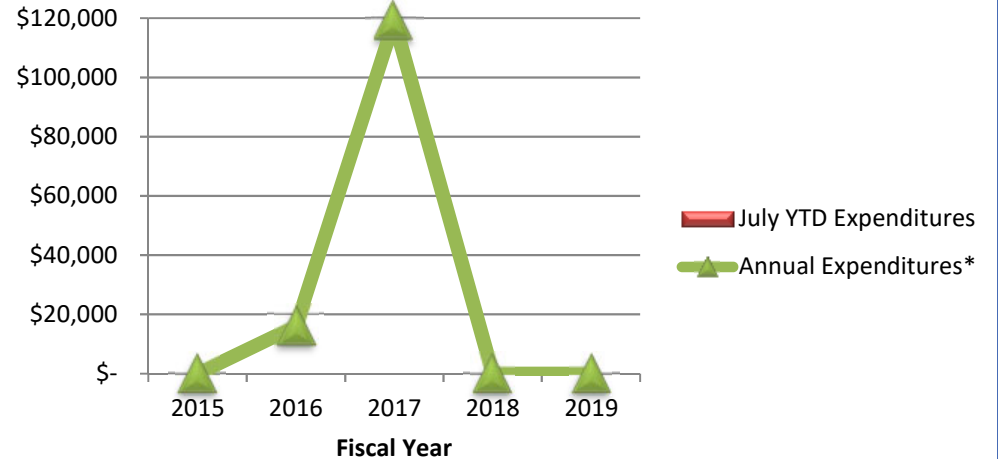
On Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ -	\$ -	N/A		
2016	\$ -	\$ 16,064	0%	N/A	∞
2017	\$ -	\$ 119,131	0%	N/A	642%
2018	\$ -	\$ -	N/A	N/A	-100%
2019	\$ -	\$ -	N/A	N/A	N/A

**Increases/Decreases:** The activity of the Sedona Summit II Community Facilities District is based on the timing of budgeted capital improvement projects so spending will not necessarily be consistent from month to month or year to year.

For FY 2019, no projects are planned to allow the balance in the Sedona Summit II CFD to accumulate for additional projects in future fiscal years.

### CFD - Sedona Summit II



### Total CFD - Fairfield Expenditures

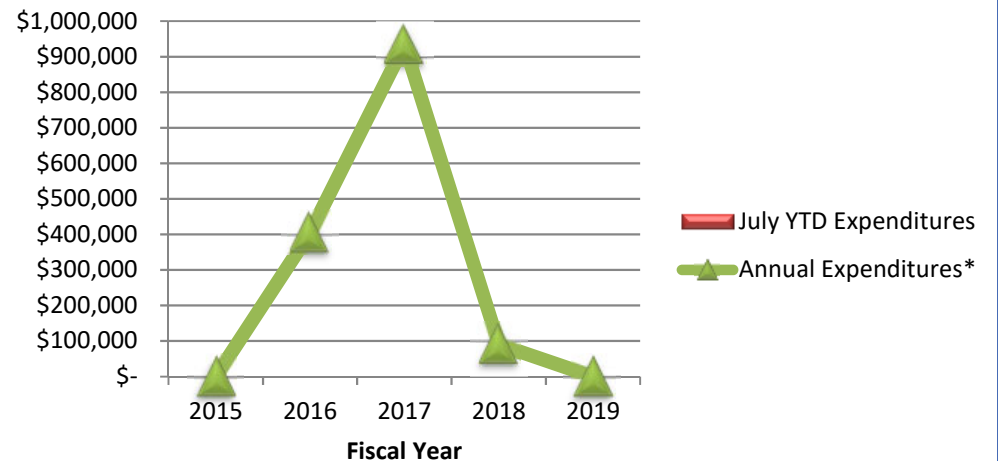
On Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ -	\$ -	N/A		
2016	\$ -	\$ 404,998	0%	N/A	∞
2017	\$ -	\$ 934,239	0%	N/A	131%
2018	\$ -	\$ 90,207	0%	N/A	-90%
2019	\$ -	\$ -	N/A	N/A	-100%

**Increases/Decreases:** The activity of the Fairfield Community Facilities District is based on the timing of budgeted capital improvement projects so spending will not necessarily be consistent from month to month or year to year.

For FY 2019, no projects are planned to allow the balance in the Fairfield CFD to accumulate for additional projects in future fiscal years.

### CFD - Fairfield



\* For the current year, Annual Expenditures represents total budgeted expenditures, excluding contingencies. For the prior years, the Annual Expenditures represent total actual expenditures.

## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

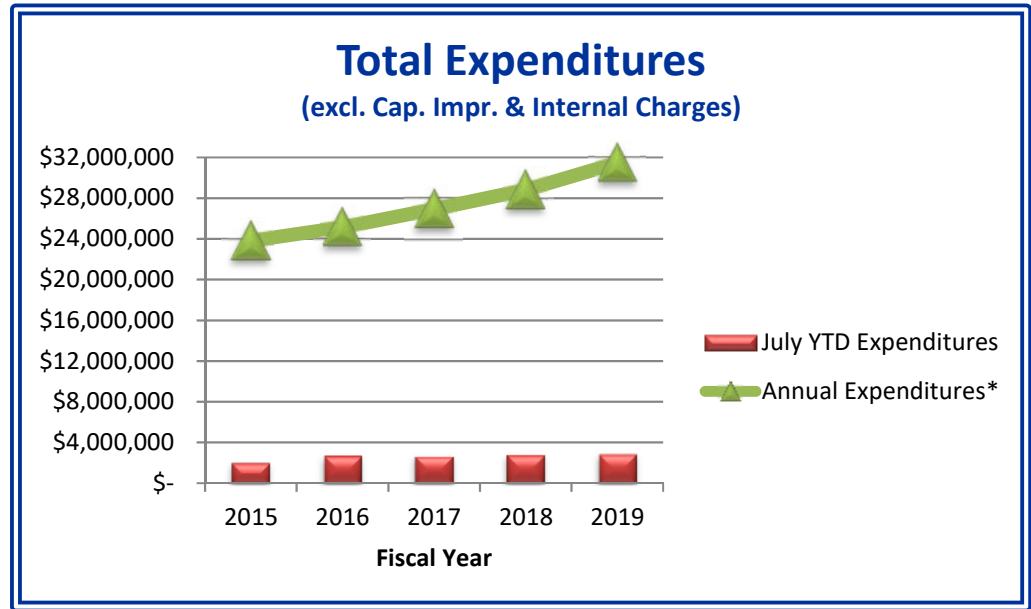
**Total Exp. (excl. Cap. Impr. & Internal Charges)**

**On Target for FY 2019**

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 1,933,690	\$ 23,818,402	8%		
2016	\$ 2,653,257	\$ 25,131,836	11%	37%	6%
2017	\$ 2,617,024	\$ 26,917,407	10%	-1%	7%
2018	\$ 2,673,043	\$ 28,805,925	9%	2%	7%
2019	\$ 2,774,598	\$ 31,457,524	9%	4%	9%

**YTD Increase from FY 2015 to FY 2016:**

- (1) The increase is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.
- (2) Other increases were the result of timing differences in payments for community support, utilities, annual software maintenance contracts, and wetlands maintenance.



**On Target for FY 2019:** The percentage of annual expenditures is high for one month of the fiscal year (9% actual compared to one-month budget of 8%). Significant annual and semiannual payments are made in July. Based on the timing and size of these payments, expenditures are on track for FY 2019.

\* For the current year, Annual Expenditures represents total budgeted expenditures, excluding contingencies and capital improvements. For the prior years, the Annual Expenditures represent total actual expenditures.

## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### City Council Expenditures

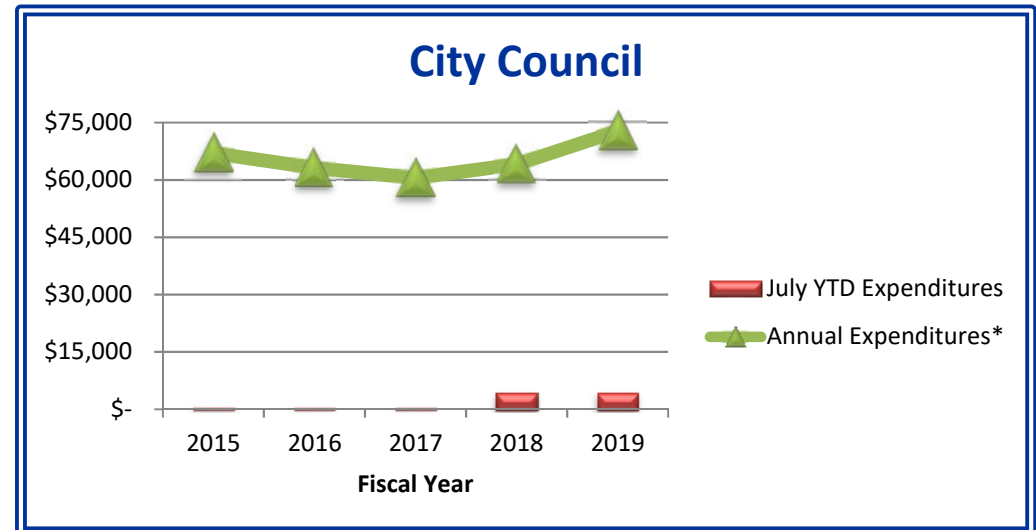
FY	July YTD Expenditures		Annual Expenditures*		Under Target for FY 2019		
					% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$	627	\$	66,995	1%		
2016	\$	401	\$	63,123	1%	-36%	-6%
2017	\$	401	\$	60,524	1%	<1%	-4%
2018	\$	4,132	\$	64,087	6%	930%	6%
2019	\$	4,130	\$	72,805	6%	<-1%	14%

**YTD Increase from FY 2017 to FY 2018:**

The increase is partly due to timing of Travel & Training payments.

**Annual Increase from FY 2018 to FY 2019:**

Budget capacity was maintained for Travel & Training and Special Programs.



### City Manager's Office Expenditures

FY	July YTD Expenditures		Annual Expenditures*		On Target for FY 2019		
					% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$	35,003	\$	704,983	5%		
2016	\$	44,774	\$	745,235	6%	28%	6%
2017	\$	38,938	\$	878,130	4%	-13%	18%
2018	\$	1,111,728	\$	2,965,716	37%	2755%	238%
2019	\$	1,132,421	\$	3,150,077	36%	2%	6%

**YTD Increase from FY 2015 to FY 2016:**

The increase is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.

**YTD Decrease from FY 2016 to FY 2017:**

The decrease is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2016 includes activity for one and a half pay periods, while July 2015 includes activity for two pay periods.

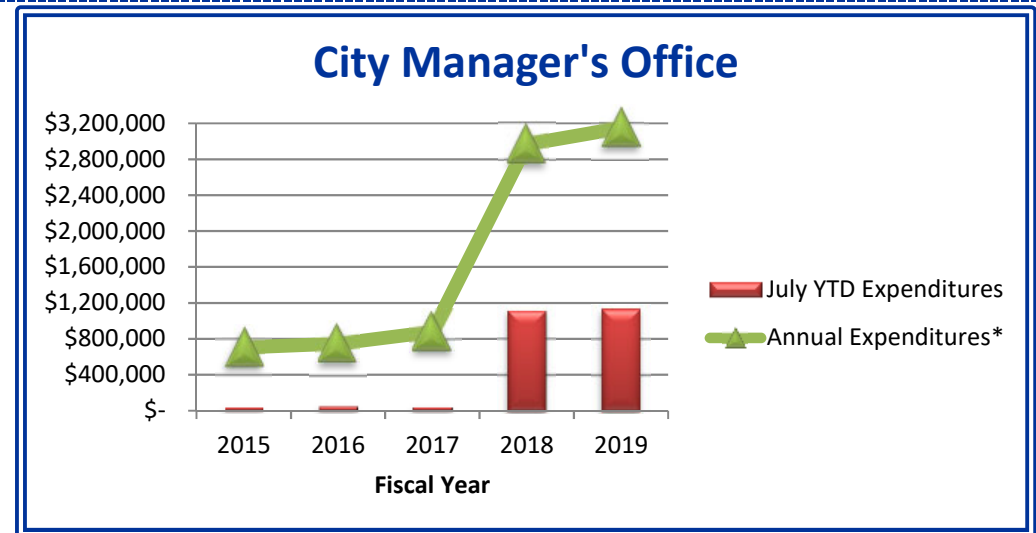
**Annual Increase from FY 2016 to FY 2017:**

The Economic Development program totaling approximately \$165,000 was initiated.

**YTD and Annual Increase from FY 2017 to FY 2018:**

The Tourism Management & Development costs were moved from General Services to the City Manager's Office budget, and the Economic Development program was moved to a separate department.

**On Target for FY 2019:** The percentage of annual expenditures is high for one month of the fiscal year (36% actual compared to one-month budget of 8%). Approximately 87% of the budget represents costs for the Tourism & Development program, and those costs are paid semiannually. One half of these contracts are paid in July and one half in December. Based on the timing and size of these payments, the City Manager's Office expenditures are on track for FY 2019.



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## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### Human Resources Expenditures

Under Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 8,127	\$ 191,432	4%		
2016	\$ 13,072	\$ 217,866	6%	61%	14%
2017	\$ 11,721	\$ 255,942	5%	-10%	17%
2018	\$ 12,256	\$ 260,124	5%	5%	2%
2019	\$ 12,602	\$ 311,110	4%	3%	20%

#### YTD Increase from FY 2015 to FY 2016:

The increase is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.

#### Annual Increase from FY 2015 to FY 2016:

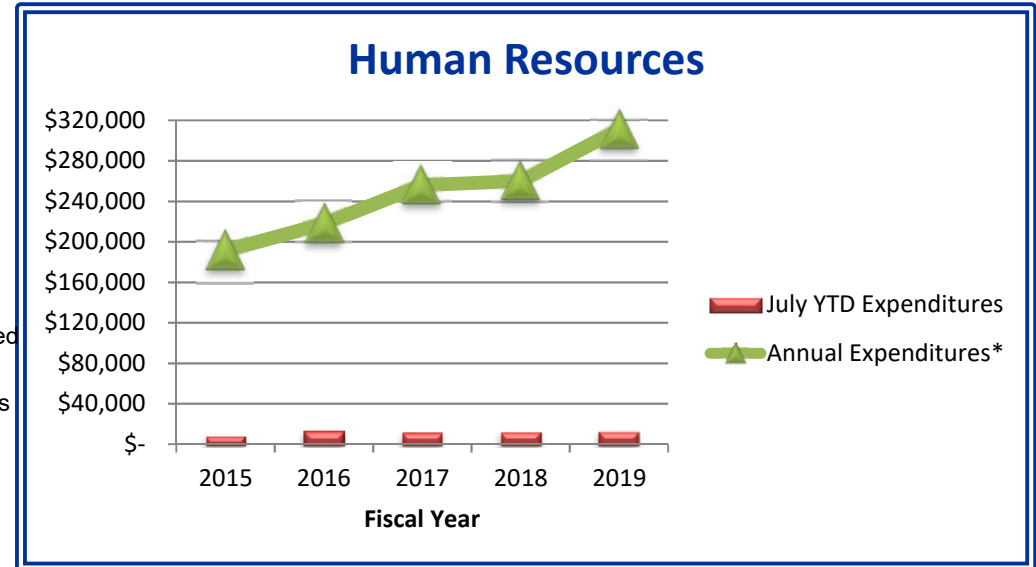
- (1) Increase in recruitment expenditures of \$6,500.
- (2) Salaries were increased due to budgeted cost-of-living adjustments of 1.3% and average merit increases of 2.5%. The most significant increase in benefits was a 7% increase to health insurance premiums.

#### Annual Increase from FY 2016 to FY 2017:

- (1) The increase is partly due to increases in recruitment and relocations costs.
- (2) Special programs costs are higher due an increase in costs for the volunteer appreciation event.
- (3) Prior to FY 2017, salary allocations to the Wastewater Enterprise Fund were coded to the Wastewater Administration Department. Starting in FY 2017, these are coded to each individual department within the Wastewater Enterprise Fund.

#### Annual Increase from FY 2018 to FY 2019:

- (1) Budget capacity was maintained for recruitment/relocation costs.
- (2) One-time city-wide Travel & Training costs were carried over from FY 2018.



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## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### Financial Services Expenditures

**Under Target for FY 2019**

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 13,201	\$ 416,550	3%		
2016	\$ 24,836	\$ 450,225	6%	88%	8%
2017	\$ 42,558	\$ 859,666	5%	71%	91%
2018	\$ 42,209	\$ 995,149	4%	-1%	16%
2019	\$ 62,864	\$ 1,359,850	5%	49%	37%

#### YTD Increase from FY 2015 to FY 2016:

The increase is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.

#### YTD Increase from FY 2016 to FY 2017:

Prior to FY 2017, salary and other cost allocations to the Wastewater Enterprise Fund were coded to the Wastewater Administration Department. Starting in FY 2017, these are coded to each individual department within the Wastewater Enterprise Fund. The Utility Billing function in Financial Services is a significant part of these allocations.

#### Annual Increase from FY 2016 to FY 2017:

- (1) Prior to FY 2017, salary and other cost allocations to the Wastewater Enterprise Fund were coded to the Wastewater Administration Department. Starting in FY 2017, these are coded to each individual department within the Wastewater Enterprise Fund. The Utility Billing function in Financial Services is a significant part of these allocations.
- (2) Salaries were increased due to budgeted cost-of-living adjustments of 1.8% and average merit increases of 2.5%. The most significant increase in benefits was a 2% increase to health insurance premiums.

#### Annual Increase from FY 2017 to FY 2018:

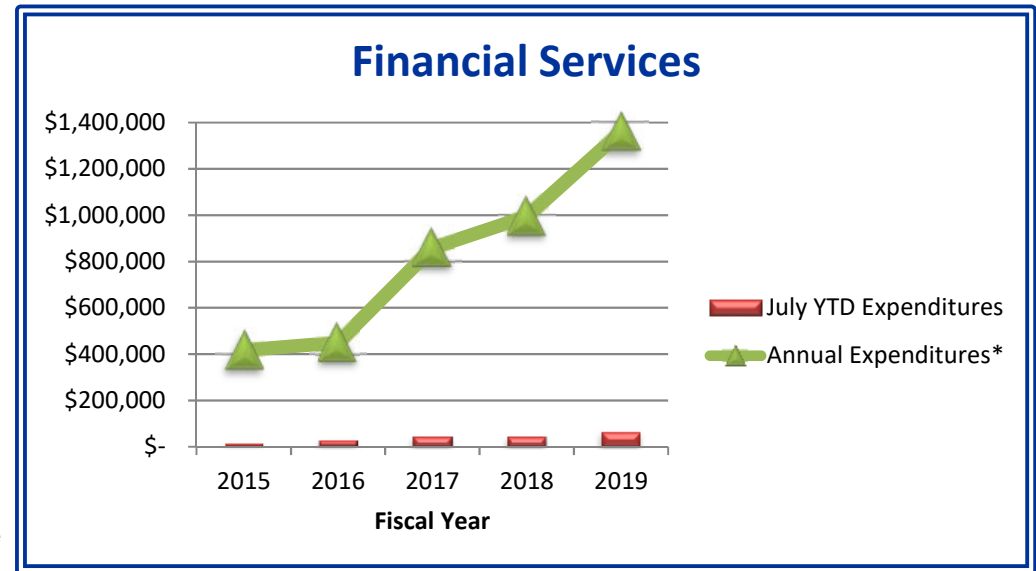
- (1) Service charges were moved from General Services to the Financial Services Department and increased to account for service charges applicable to the new paid parking program.
- (2) Vacancy savings were experienced in FY 2017.

#### YTD Increase from FY 2018 to FY 2019:

- (1) The increase was partly due to the timing of service charges and the reallocation of service charges applicable to the paid parking program from General Services.
- (2) Vacancy savings were experienced in FY 2018.

#### Annual Increase from FY 2018 to FY 2019:

- (1) Budget amounts were added in FY 2019 for a wastewater rate study, the biennial development impact fee audit, and implementation of report writing software.
- (2) Vacancy savings were experienced in FY 2018, and the FY 2019 budget amount accounts for full staffing.
- (3) Budget capacity was maintained for service charges and postage.



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## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### Information Technology Expenditures

Under Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 133,768	\$ 1,058,766	13%		
2016	\$ 184,658	\$ 853,746	22%	38%	-19%
2017	\$ 179,138	\$ 1,083,123	17%	-3%	27%
2018	\$ 70,872	\$ 1,238,666	6%	-60%	14%
2019	\$ 91,088	\$ 1,505,711	6%	29%	22%

#### YTD Increase from FY 2015 to FY 2016:

- (1) The increase is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.
- (2) Increases in annual software maintenance contracts were a result of timing differences of when payments were made.

#### Annual Decrease from FY 2015 to FY 2016:

The decrease is primarily due to the hardware and software upgrades performed in FY 2015.

#### Annual Increase from FY 2016 to FY 2017:

- (1) The increase is partly due to the replacement and upgrade of the storage area network and upgrade of a digital evidence logger recorder.
- (2) Prior to FY 2017, salary and other cost allocations to the Wastewater Enterprise Fund were coded to the Wastewater Administration Department. Starting in FY 2017, these are coded to each individual department within the Wastewater Enterprise Fund.
- (3) A part-time Support/Help Desk Technician position was added.
- (4) Communications costs previously recorded in the General Services Department were transferred to Information Technology.

#### YTD Decrease from FY 2017 to FY 2018:

The decrease is primarily due to timing differences when payments of annual software maintenance contracts were made.

#### Annual Increase from FY 2017 to FY 2018:

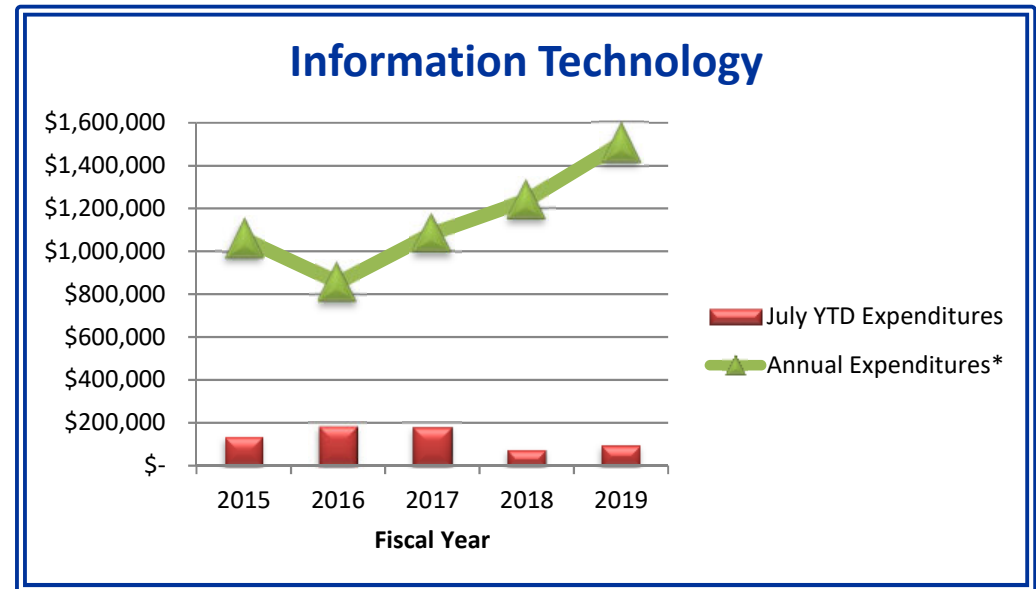
- (1) Hardware purchases included replacement of a server and a storage area network.
- (2) A generator failed during the year and needed to be replaced.
- (3) Software purchases included a migration to Microsoft 365 and budget automation software.

#### YTD Increase from FY 2018 to FY 2019:

- (1) The increase is partly the result of an increase in the Help Desk position from part-time to full-time.
- (2) The increase is also partly due to timing differences when payments of annual software maintenance contracts were made.

#### Annual Increase from FY 2018 to FY 2019:

- (1) Salary and benefits were increased due to an increase in the Help Desk position from part-time to full-time and estimated merit increases.
- (2) Hardware and software maintenance costs were budgeted to increase approximately \$66,000.
- (3) Training costs were increased for end user trainings.
- (4) Voice and data communication costs were budget to increase approximately \$22,000.
- (5) Hardware and software replacements and upgrades were budgeted to increase approximately \$40,000.



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## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### City Attorney's Office Expenditures

Under Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 22,242	\$ 490,736	5%		
2016	\$ 23,641	\$ 496,564	5%	6%	1%
2017	\$ 27,378	\$ 548,304	5%	16%	10%
2018	\$ 26,055	\$ 563,398	5%	-5%	3%
2019	\$ 26,590	\$ 736,323	4%	2%	31%

#### YTD Increase from FY 2016 to FY 2017:

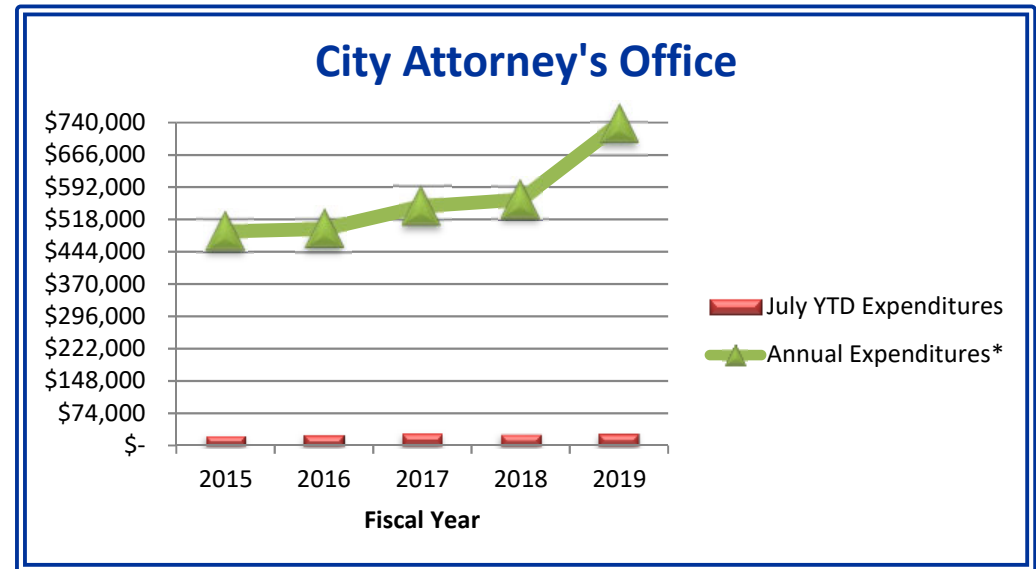
- (1) Prior to FY 2017, salary and other cost allocations to the Wastewater Enterprise Fund were coded to the Wastewater Administration Department. Starting in FY 2017, these are coded to each individual department within the Wastewater Enterprise Fund.
- (2) Salaries were increased due to budgeted cost-of-living adjustments of 1.8% and average merit increases of 2.5%. The most significant increase in benefits was a 2% increase to health insurance premiums.

#### Annual Increase from FY 2016 to FY 2017:

- (1) Prior to FY 2017, salary and other cost allocations to the Wastewater Enterprise Fund were coded to the Wastewater Administration Department. Starting in FY 2017, these are coded to each individual department within the Wastewater Enterprise Fund.
- (2) Budgeted amounts for payment of legal claims was transferred from the General Services Department.

#### Annual Increase from FY 2018 to FY 2019:

- (1) Vacancy savings were experienced in FY 2018.



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## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### City Clerk's Office Expenditures

Under Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 6,799	\$ 243,829	3%		
2016	\$ 13,979	\$ 219,942	6%	106%	-10%
2017	\$ 12,087	\$ 265,657	5%	-14%	21%
2018	\$ 14,489	\$ 251,368	6%	20%	-5%
2019	\$ 17,426	\$ 333,975	5%	20%	33%

#### YTD Increase from FY 2015 to FY 2016:

The increase is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.

#### Annual Decrease from FY 2015 to FY 2016:

FY2015 was an election year.

#### YTD Decrease from FY 2016 to FY 2017:

The decrease is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2016 includes activity for one and a half pay periods, while July 2015 includes activity for two pay periods.

#### Annual Increase from FY 2016 to FY 2017:

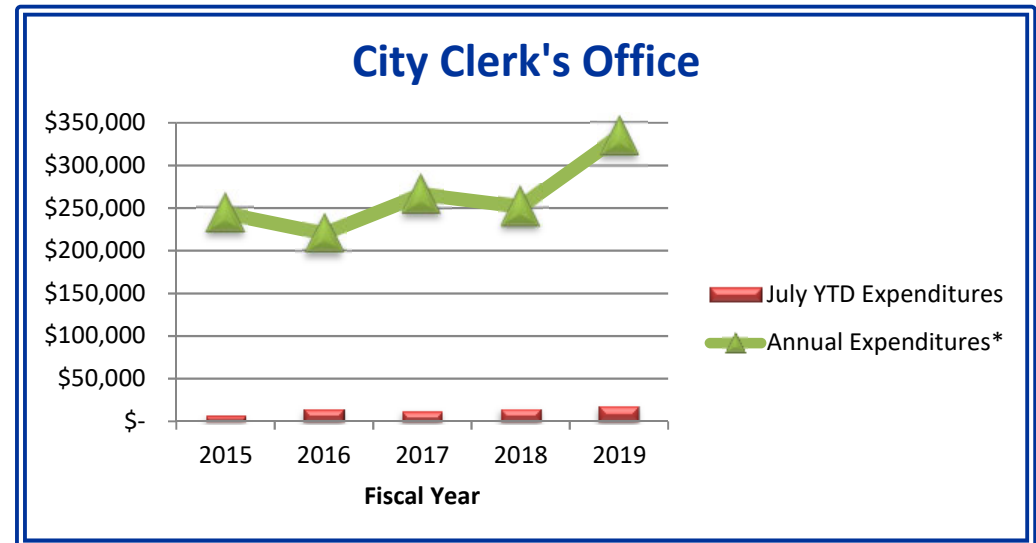
- (1) FY 2017 was an election year. Costs included the biennial election and the renewals of two franchise agreements.
- (2) Costs related to the City's electronics recycling event increased due to an increase in participation.
- (3) Prior to FY 2017, salary allocations to the Wastewater Enterprise Fund were coded to the Wastewater Administration Department. Starting in FY 2017, these are coded to each individual department within the Wastewater Enterprise Fund.
- (4) Salaries were increased due to budgeted cost-of-living adjustments of 1.8% and average merit increases of 2.5%. The most significant increase in benefits was a 2% increase to health insurance premiums.

#### YTD Increase from FY 2017 to FY 2018:

The increase was due to a timing difference in the accrual of health insurance costs.

#### YTD Increase from FY 2018 to FY 2019:

The increase was partly due to a increases in salaries and benefits for merit increases.



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## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### Parks & Recreation Expenditures

Under Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 23,762	\$ 506,788	5%		
2016	\$ 68,614	\$ 493,305	14%	189%	-3%
2017	\$ 70,302	\$ 608,478	12%	2%	23%
2018	\$ 45,911	\$ 605,545	8%	-35%	<-1%
2019	\$ 47,935	\$ 772,287	6%	4%	28%

#### YTD Increase from FY 2015 to FY 2016:

- (1) The increase is partly a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.
- (2) There were timing differences in when payments for the July 4th special event were recognized. FY 2016 includes \$15,000 of city-funded costs and \$15,000 of donation-funded costs.

#### Annual Increase from FY 2016 to FY 2017:

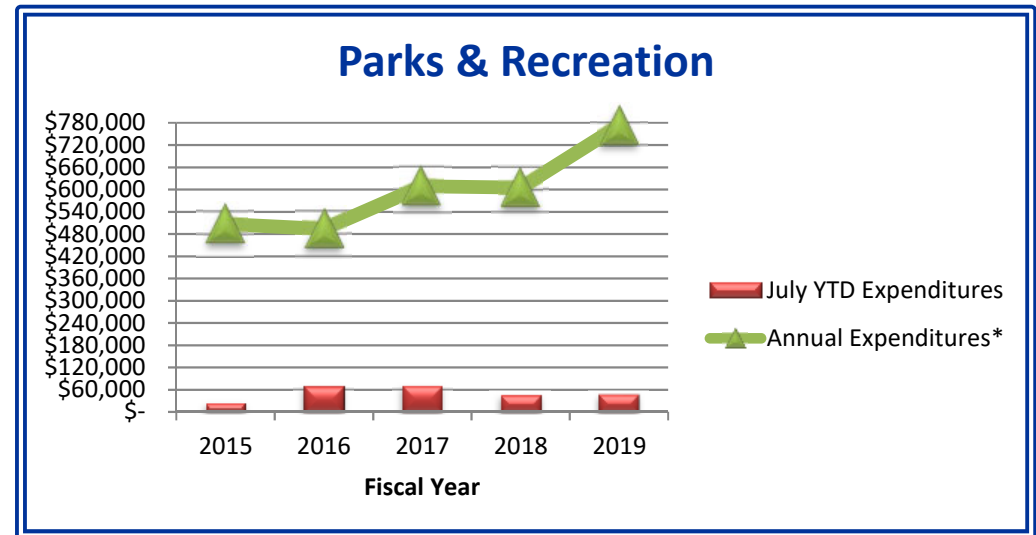
- (1) Salaries were increased due to budgeted cost-of-living adjustments of 1.8% and average merit increases of 2.5%. The most significant increase in benefits was a 2% increase to health insurance premiums.
- (2) Special events were increased approximately \$33,000 for additional events and enhancements of existing events.
- (3) Grant funding for the Wetlands Viewing Piers and the Sunset Park Tot Lot was included.

#### YTD Decrease from FY 2017 to FY 2018:

The decrease was mostly due to a reduction of costs for the July 4th special event.

#### Annual Increase from FY 2018 to FY 2019:

- (1) Vacancy savings were experienced in FY 2018.
- (2) The Uptown merchants requested \$40,000 be added to the holiday decorations budget from the paid parking monies designated for Uptown improvements.
- (3) Grant funding for trails maintenance and Yavapai-Apache Nation Prop 202 monies were included.



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## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### General Services Expenditures

On Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 809,889	\$ 3,889,467	21%		
2016	\$ 1,065,392	\$ 4,071,785	26%	32%	5%
2017	\$ 1,236,844	\$ 4,209,363	29%	16%	3%
2018	\$ 221,766	\$ 1,747,264	13%	-82%	-58%
2019	\$ 232,942	\$ 1,707,426	14%	5%	-2%

**YTD Increase from FY 2015 to FY 2016:**

The increase was a result of timing of some of the community support payments.

**YTD Increase from FY 2016 to FY 2017:**

- (1) The support for the Sedona Chamber of Commerce Visitor Center and the tourism management/destination marketing program were increased.
- (2) There were timing difference in when some of the community support payments were made.

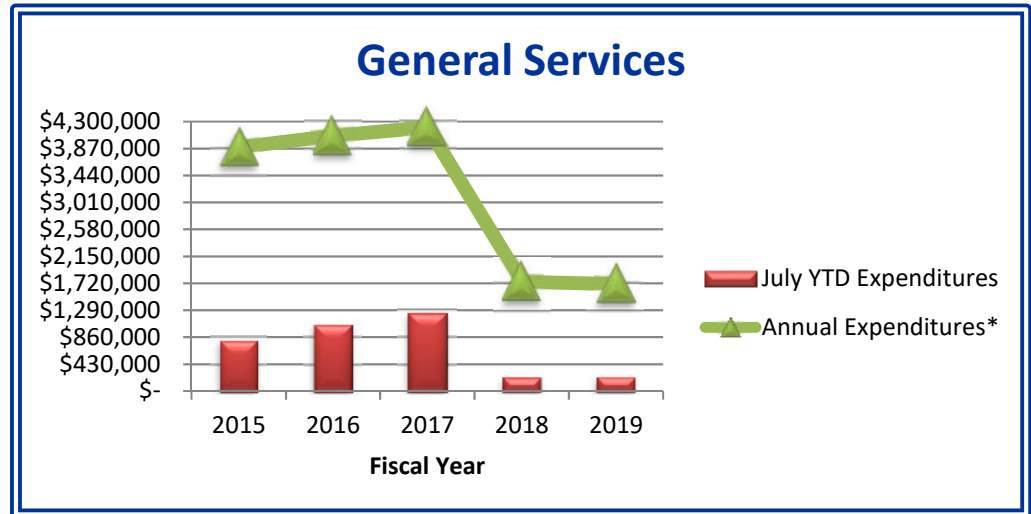
**YTD Decrease from FY 2017 to FY 2018:**

- (1) The debt service costs were moved to a separate departmental code in the general ledger.
- (2) Tourism Management & Development costs were moved to the City Manager's Office budget.
- (3) There were timing difference in when some of the community support payments were made.

**Annual Increase from FY 2018 to FY 2019:**

- (1) The debt service costs were moved to a separate departmental code in the general ledger.
- (2) Tourism Management & Development costs were moved to the City Manager's Office budget.

**On Target for FY 2019:** The percentage of annual expenditures is high for one month of the fiscal year (14% actual compared to one-month budget of 8%). Approximately 67% of the budget represents costs for community service contracts, and those costs are paid semiannually. One half of these contracts are generally paid in either July or August and the other half in December or January. Based on the timing and size of these payments, the General Services Department expenditures are on track for FY 2019.

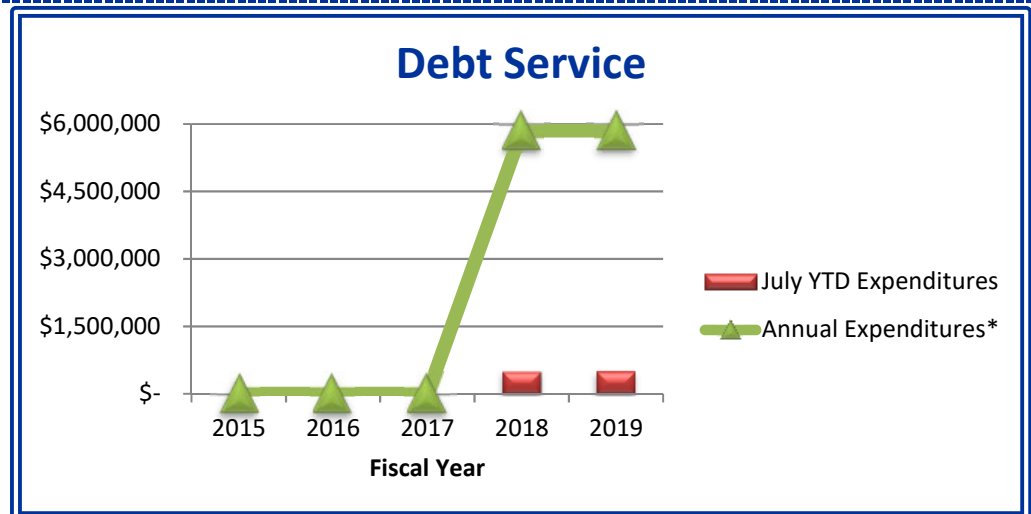


### Debt Service Expenditures

On Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ -	\$ -	N/A		
2016	\$ -	\$ -	N/A	N/A	N/A
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 489,186	\$ 5,853,030	8%	∞	∞
2019	\$ 490,337	\$ 5,854,419	8%	<1%	<1%

Debt Service costs were moved to a separate departmental code in the general ledger starting in FY 2018.



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## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### Community Development Expenditures

Under Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 46,981	\$ 1,054,199	4%		
2016	\$ 107,036	\$ 1,201,326	9%	128%	14%
2017	\$ 62,244	\$ 1,576,171	4%	-42%	31%
2018	\$ 96,903	\$ 1,550,218	6%	56%	-2%
2019	\$ 91,547	\$ 1,578,425	6%	-6%	2%

**YTD Increase from FY 2015 to FY 2016:**

- (1) The increase is partly a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.
- (2) The increase was also the result of the purchase of a replacement vehicle for Code Enforcement.

**Annual Increase from FY 2015 to FY 2016:**

- (1) A part-time Administrative Assistant was transferred from the Public Works Department.
- (2) A Senior Planner position was added.
- (3) A replacement vehicle for Code Enforcement was purchased for approximately \$24,000.
- (4) CDBG administration costs of approximately \$22,000 were incurred in FY 2016.

**YTD Decrease from FY 2016 to FY 2017:**

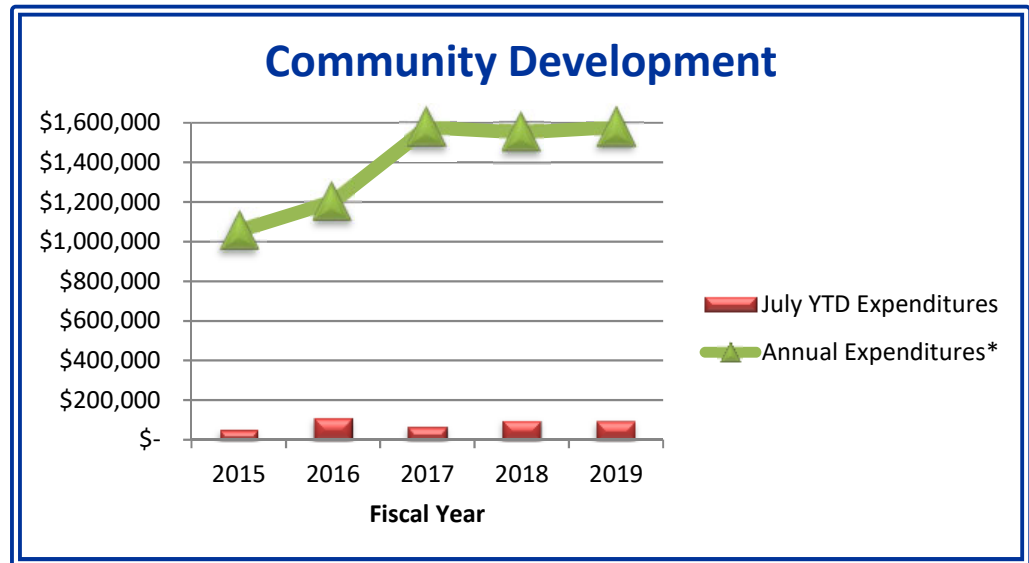
- (1) The decrease is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2016 includes activity for one and a half pay periods, while July 2015 includes activity for two pay periods.
- (2) The decrease was also the result of the purchase of a replacement vehicle for Code Enforcement during FY 2016.

**Annual Increase from FY 2016 to FY 2017:**

- (1) A significant portion of the increase is due to Community Development Block Grant (CDBG) expenditures. The City has typically received CDBG awards every three years.
- (2) The increase is also related to the update of the Land Development Code, amendments to the Community Plan, and development of a wireless master plan.
- (3) A new file storage system was purchased for approximately \$22,000.
- (4) Historic Preservation Grants were included for \$20,000.
- (5) Salaries were increased due to budgeted cost-of-living adjustments of 1.8% and average merit increases of 2.5%. The most significant increase in benefits was a 2% increase to health insurance premiums.

**YTD Increase from FY 2017 to FY 2018:**

- (1) A portion of the increase is due to Community Development Block Grant (CDBG) expenditures. The grant is on a different fiscal year, and some of the final expenditures were incurred in FY 2018.
- (2) The increase is also due to vacancy savings in the prior fiscal year.



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## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### Public Works Expenditures

Under Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 77,390	\$ 2,278,004	3%		
2016	\$ 133,733	\$ 3,214,005	4%	73%	41%
2017	\$ 139,567	\$ 4,397,351	3%	4%	37%
2018	\$ 170,081	\$ 4,705,978	4%	22%	7%
2019	\$ 169,171	\$ 5,073,740	3%	-1%	8%

#### YTD Increase from FY 2015 to FY 2016:

- (1) The increase is partly a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.
- (2) Due to the timing of utility payments, approximately \$29,000 additional was recorded in July 2015 as compared to July 2014.

#### Annual Increase from FY 2015 to FY 2016:

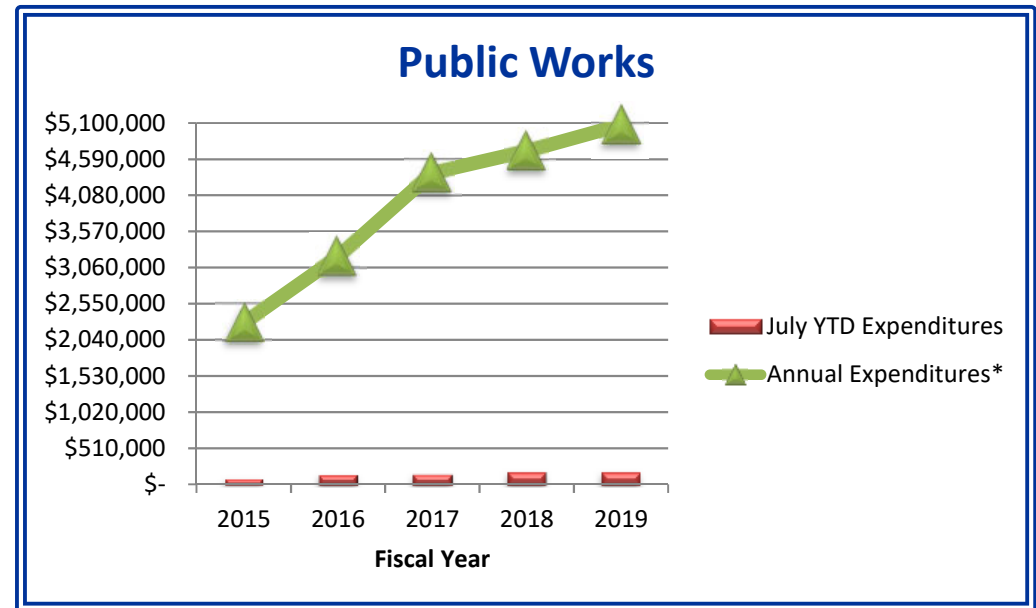
- (1) The increase was partly due to increased expenditures for road rehabilitation and maintenance.
- (2) An Assistant Engineer position and an Associate Engineer position were added in FY 2016.
- (3) The increase was partly due to increases in utility costs.
- (4) Improvements were made to the Teen Center and roof installations were made for the City Hall parking structure.

#### Annual Increase from FY 2016 to FY 2017:

- (1) The increase was primarily due to increased expenditures for road rehabilitation and maintenance.
- (2) Prior to FY 2017, salary and other cost allocations for Capital Projects Management to the Wastewater Enterprise Fund were coded to the Wastewater Department. Starting in FY 2017, these are coded to each individual department within the Wastewater Enterprise Fund.
- (3) Salaries and benefits increased due to the implementation of a traffic control services program, vacancy savings in the prior year, and budgeted cost-of-living adjustments of 1.8% and average merit increases of 2.5%.

#### YTD Increase from FY 2017 to FY 2018:

- (1) The increase was partly due to a timing difference in the accrual of health insurance costs.
- (2) The increase was also partly due to the addition of the Traffic Control Services program.



\* For the current year, Annual Expenditures represents total budgeted expenditures, excluding contingencies and capital improvements. For the prior years, the Annual Expenditures represent total actual expenditures.

## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### Economic Development Expenditures

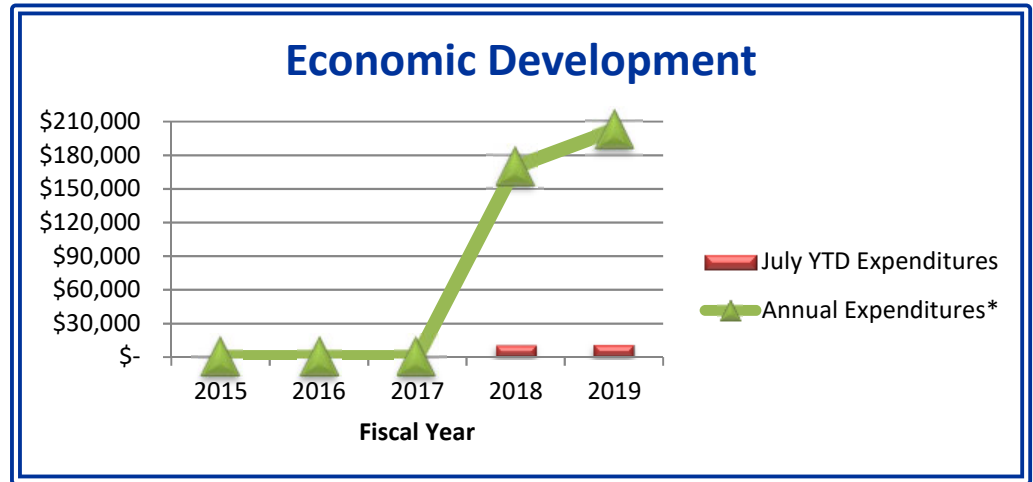
**Under Target for FY 2019**

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ -	\$ -	N/A		
2016	\$ -	\$ -	N/A	N/A	N/A
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 9,936	\$ 169,978	6%	∞	∞
2019	\$ 10,691	\$ 202,500	5%	8%	19%

The Economic Development program was moved to its own department in FY 2018.

#### Annual Increase from FY 2018 to FY 2019:

- (1) The increase was partly due to an approved Decision Package to increase the marketing budget for economic development programs.
- (2) Salaries and benefits were also increased based on estimated merit increases.



### Police Expenditures

**Under Target for FY 2019**

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 206,117	\$ 3,770,582	5%		
2016	\$ 297,073	\$ 3,826,416	8%	44%	1%
2017	\$ 255,642	\$ 4,080,748	6%	-14%	7%
2018	\$ 253,793	\$ 4,593,303	6%	-1%	13%
2019	\$ 248,029	\$ 5,218,836	5%	-2%	14%

#### YTD Increase from FY 2015 to FY 2016:

The increase is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.

#### YTD Decrease from FY 2016 to FY 2017:

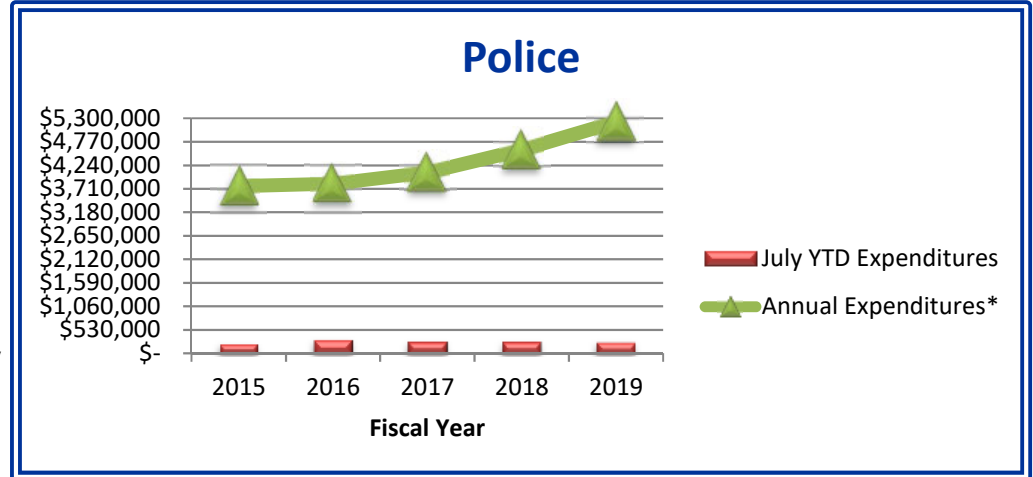
The decrease is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2016 includes activity for one and a half pay periods, while July 2015 includes activity for two pay periods.

#### Annual Increase from FY 2017 to FY 2018:

- (1) Vacancy savings were experienced in FY 2017.
- (2) The PSPRS required contribution rate increased approximately 30%.
- (3) The increase is also partly due to additional lease payments for the completion of the assigned vehicle program for patrol officers.

#### Annual Increase from FY 2018 to FY 2019:

- (1) Contributions to the Public Safety Personnel Retirement System (PSPRS) were increased to pay down the unfunded liability.
- (2) Vacancy savings were experienced in FY 2018, in addition to underfilled positions.



\* For the current year, Annual Expenditures represents total budgeted expenditures, excluding contingencies and capital improvements. For the prior years, the Annual Expenditures represent total actual expenditures.



## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### Municipal Court Expenditures

Under Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 12,823	\$ 291,684	4%		
2016	\$ 18,556	\$ 307,281	6%	45%	5%
2017	\$ 15,573	\$ 322,022	5%	-16%	5%
2018	\$ 16,941	\$ 358,670	5%	9%	11%
2019	\$ 22,760	\$ 413,890	5%	34%	15%

**YTD Increase from FY 2015 to FY 2016:**

The increase is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.

**YTD Decrease from FY 2016 to FY 2017:**

The decrease is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2016 includes activity for one and a half pay periods, while July 2015 includes activity for two pay periods.

**Annual Increase from FY 2017 to FY 2018:**

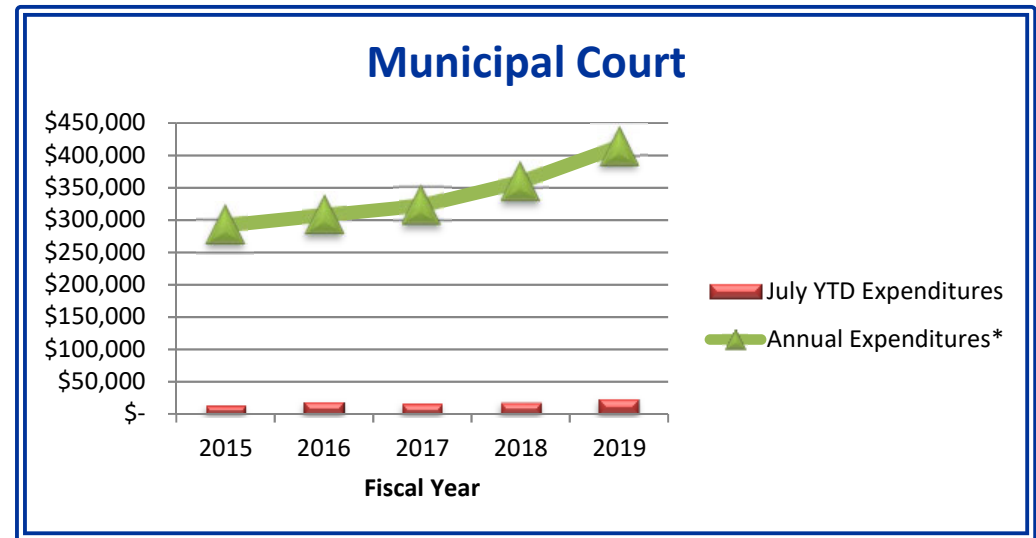
- (1) Salary and benefit costs were approximately \$17,000 higher partly due to vacancy savings experienced in FY 2017.
- (2) Court appointed attorney costs were approximately \$22,000 higher.

**YTD Increase from FY 2018 to FY 2019:**

The increase is primarily a result of the increase of a Court Clerk position from part-time to full-time.

**Annual Increase from FY 2018 to FY 2019:**

The increase is primarily a result of the increase of a Court Clerk position from part-time to full-time and a grant for security equipment.



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## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### Wastewater Administration Expenditures

Under Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 483,015	\$ 6,394,431	8%		
2016	\$ 533,395	\$ 6,503,494	8%	10%	2%
2017	\$ 438,933	\$ 5,465,854	8%	-18%	-16%
2018	\$ 11,133	\$ 218,100	5%	-97%	-96%
2019	\$ 19,532	\$ 251,730	8%	75%	15%

#### YTD Increase from FY 2015 to FY 2016:

- (1) The increase is partly a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.
- (2) Debt service costs are approximately \$18,000 higher and are based on the monthly accruals of scheduled bond principal and interest payments.
- (3) Other differences were a result of timing of other costs including annual software maintenance contracts and postage refills.

#### YTD Decrease from FY 2016 to FY 2017:

- (1) Prior to FY 2017, salary and other cost allocations to the Wastewater Enterprise Fund were coded to the Wastewater Administration Department. Starting in FY 2017, these are coded to each individual department within the Wastewater Enterprise Fund.
- (2) Debt service costs are approximately \$22,000 lower and are based on the monthly accruals of schedule bond principal and interest payments.

#### Annual Decrease from FY 2016 to FY 2017:

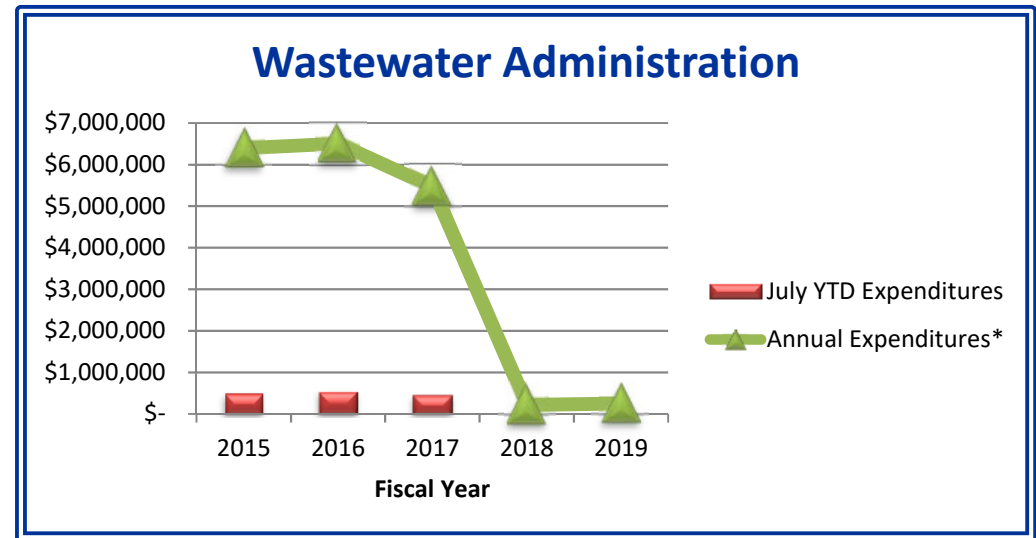
- (1) Prior to FY 2017, salary and other cost allocations to the Wastewater Enterprise Fund were coded to the Wastewater Administration Department. Starting in FY 2017, these are coded to each individual department within the Wastewater Enterprise Fund.
- (2) Debt service costs are approximately \$261,000 lower.

#### YTD and Annual Decrease from FY 2017 to FY 2018:

The debt service costs were moved to a separate departmental code in the general ledger.

#### YTD and Annual Increase from FY 2018 to FY 2019:

The increase is primarily due to vacancy savings in FY 2018.



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## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### Wastewater Capital Projects Mgmt Exp.

**Under Target for FY 2019**

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 6,104	\$ 131,783	5%		
2016	\$ 8,234	\$ 176,040	5%	35%	34%
2017	\$ 3,987	\$ 64,796	6%	-52%	-63%
2018	\$ 3,110	\$ 57,580	5%	-22%	-11%
2019	\$ 3,531	\$ 57,730	6%	14%	<1%

**YTD Increase from FY 2015 to FY 2016:**

The increase is largely a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.

**Annual Increase from FY 2015 to FY 2016:**

(1) Salaries were increased due to budgeted cost-of-living adjustments of 1.3% and average merit increases of 2.5%. The most significant increase in benefits was a 7% increase to health insurance premiums.

(2) A master plan was started during FY 2016 for the wastewater collection system.

**YTD and Annual Decrease from FY 2016 to FY 2017:**

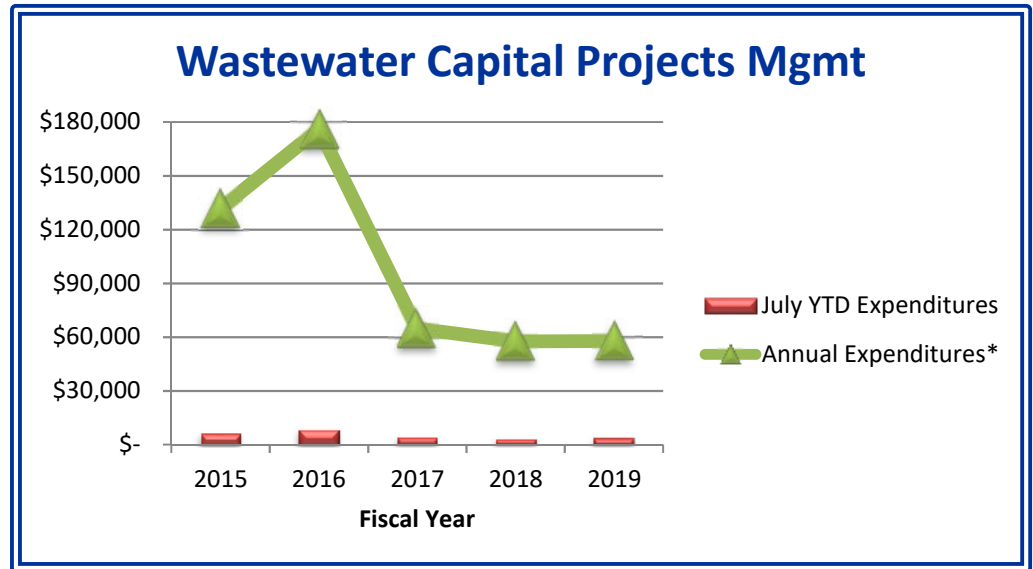
Prior to FY 2017, salary allocations for Capital Projects Management to the Wastewater Enterprise Fund were coded to the Wastewater Department. Starting in FY 2017, these are coded to each individual departments within the Wastewater Enterprise Fund.

**YTD and Annual Decrease from FY 2017 to FY 2018:**

The decrease is primarily due to vacancy savings in FY 2018.

**YTD Increase from FY 2018 to FY 2019:**

The increase is primarily due to vacancy savings in FY 2018.



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## Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

### Wastewater Operations Expenditures

Under Target for FY 2019

FY	July YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - July YTD	% Increase - Annual
2015	\$ 47,841	\$ 2,328,173	2%		
2016	\$ 115,862	\$ 2,291,483	5%	142%	-2%
2017	\$ 81,711	\$ 2,241,279	4%	-29%	-2%
2018	\$ 72,545	\$ 2,607,751	3%	-11%	16%
2019	\$ 91,002	\$ 2,856,690	3%	25%	10%

#### YTD Increase from FY 2015 to FY 2016:

- (1) The increase is partly a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2015 includes activity for two pay periods, while July 2014 includes activity for one pay period.
- (2) Due to the timing of utility payments, approximately \$41,000 additional was recorded in July 2015 as compared to July 2014.
- (3) Other differences were a result of timing of other costs including wetlands maintenance.

#### YTD Decrease from FY 2016 to FY 2017:

- (1) The decrease is partly a result of a timing difference in the number of pay periods recorded in the month of July. This is primarily due to the payroll dates and year-end accruals recorded in June. July 2016 includes activity for one and a half pay periods, while July 2015 includes activity for two pay periods.
- (2) Other differences were a result of timing of other costs including wetlands maintenance and solid waste disposal.

#### YTD Decrease from FY 2017 to FY 2018:

Due to the timing of utility payments, approximately \$20,000 less was recorded in July 2017 as compared to July 2016.

#### Annual Increase from FY 2017 to FY 2018:

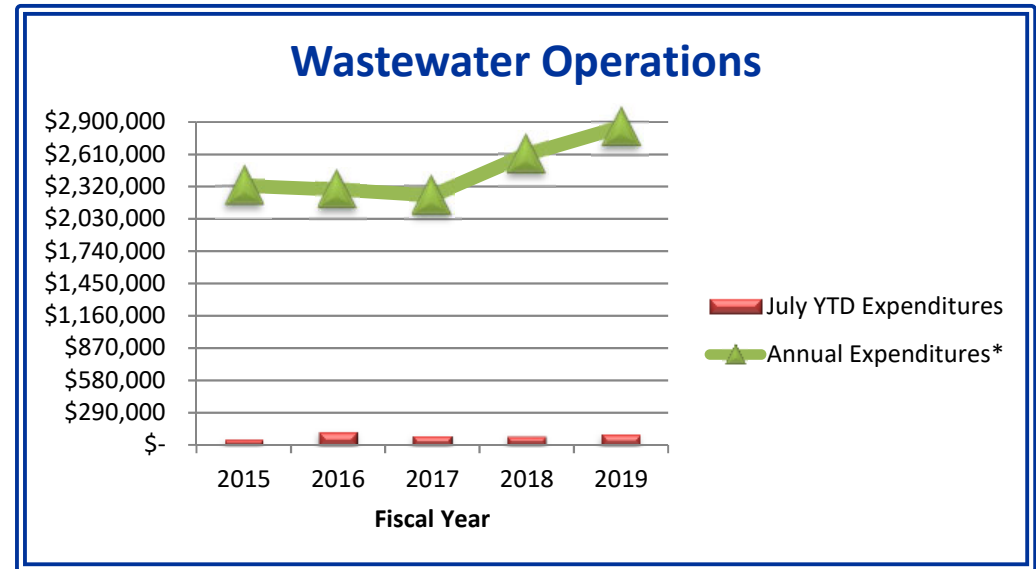
The increase is largely a result of a generator replacement and rental.

#### YTD Increase from FY 2018 to FY 2019:

The increase is primarily a result of a timing difference in electric utility payments between FY 2018 and FY 2019.

#### Annual Increase from FY 2018 to FY 2019:

The increase is primarily due to increases in maintenance costs such as sewer line cleaning and inspections, sewer line repairs, irrigation maintenance, and injection well maintenance.



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## Total Revenues by Fund

### Total General Fund Revenues

**Under Target for FY 2019**

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 1,479,152	\$ 17,191,008	9%		
2016	\$ 1,208,246	\$ 18,612,738	6%	-18%	8%
2017	\$ 1,788,647	\$ 25,135,539	7%	48%	35%
2018	\$ 1,995,363	\$ 27,601,475	7%	12%	10%
2019	\$ 2,035,902	\$ 28,043,840	7%	2%	2%

#### YTD Decrease from FY 2015 to FY 2016:

An accounting entry was recorded in July 2014 to accrue sales tax audit revenue that was deferred in the prior year for approximately \$343,000.

#### YTD Increase from FY 2016 to FY 2017:

- (1) An accounting change was made in the recording of City sales taxes in FY 2017. Previously, the portion of City sales tax designated for the Wastewater Fund subsidy was recorded as revenue in the Wastewater Fund. For FY 2017, the entire City sales tax collections are recorded in the General Fund, and the subsidy to the Wastewater Fund is recorded as a transfer. In addition, the subsidy was reduced from 30% to 25%.

- (2) Bed tax revenues increased 46%. Of this amount, 10% represents an increase in late payments (collection of taxes for prior taxing periods) and 29% represents payments made on time in FY 2017 that were made late in FY 2016.

#### Annual Increase from FY 2016 to FY 2017:

- (1) An accounting change was made in the recording of City sales taxes in FY 2017. Previously, the portion of City sales tax designated for the Wastewater Fund subsidy was recorded as revenue in the Wastewater Fund. For FY 2017, the entire City sales tax collections are recorded in the General Fund, and the subsidy to the Wastewater Fund is recorded as a transfer. In addition, the subsidy was reduced from 30% to 25%.
- (2) Bed tax revenues increased 27%, and City sales tax revenues increased 9%.

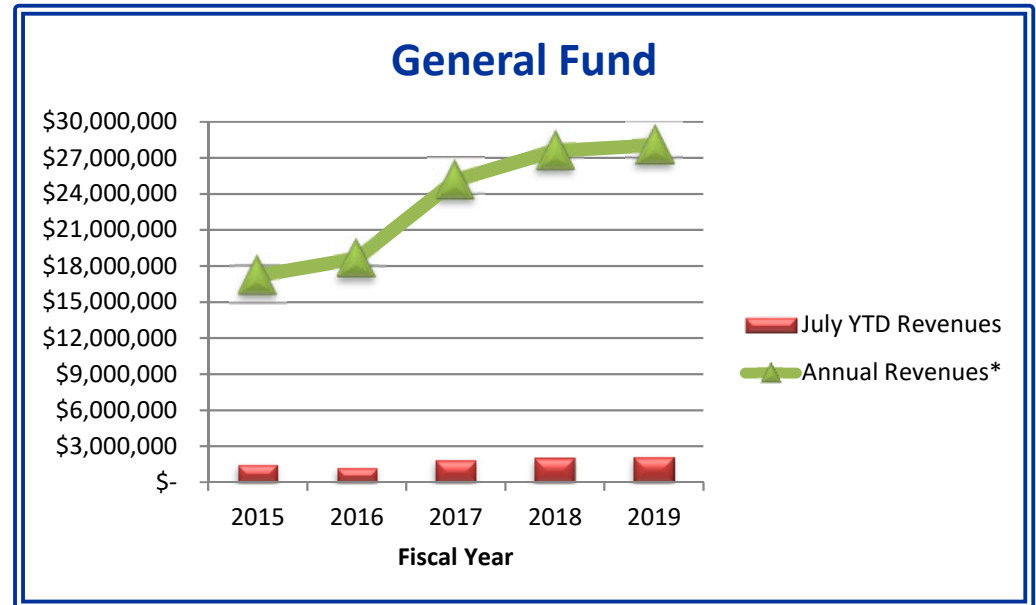
#### YTD Increase from FY 2017 to FY 2018:

- (1) The increase was partly due to insurance proceeds for the City Hall flood damage.
- (2) The increase was also partly due to the implementation of the paid parking program.
- (3) In addition, sales tax revenues increased 6% over the prior year, largely in the Construction and Leasing categories.

#### Annual Increase from FY 2017 to FY 2018:

- (1) City sales taxes increased 13% and bed tax revenues increased 16%. The increases are partly due to increases in tourism categories, as well as increases due to the change in legislation regarding short-term rentals effective January 1, 2017.
- (2) In addition, the paid parking program was initiated the end of June 2017. Charges for services include additional revenues related to the program of approximately \$565,000.

**Under Target for FY 2019:** Sales and bed tax revenues are not received consistently throughout the year and are lower in the summer months. These revenues are on target with the expectation for the month of July. In addition, franchise fees and in lieu fees are received and accrued quarterly. Due to the effect of the timing of these revenues, year-to-date revenues are low budget expected to be on target by the end of the fiscal year.



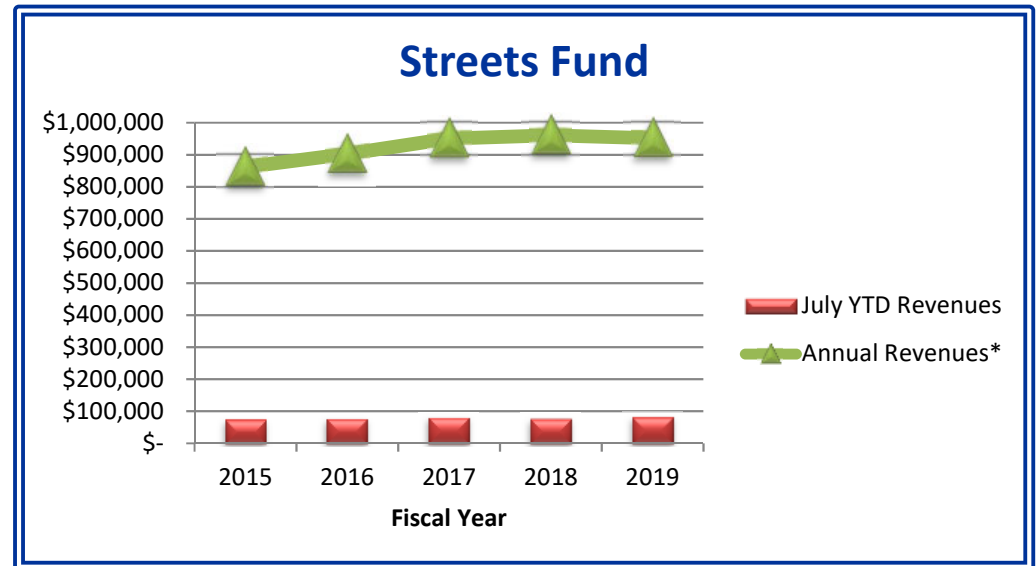
\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

## Total Revenues by Fund

### Total Streets Fund Revenues

Exceeds Target for FY 2019

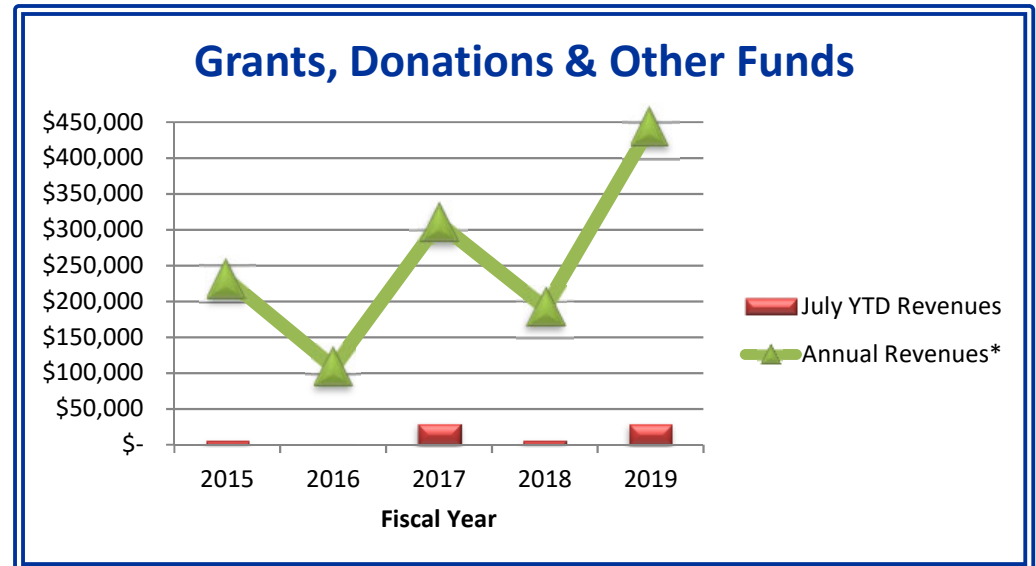
FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 72,881	\$ 862,099	8%		
2016	\$ 75,010	\$ 902,994	8%	3%	5%
2017	\$ 80,077	\$ 950,751	8%	7%	5%
2018	\$ 76,292	\$ 960,751	8%	-5%	1%
2019	\$ 83,308	\$ 952,220	9%	9%	-1%



### Total Grants, Donations & Other Rev.

Under Target for FY 2019

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 5,111	\$ 230,824	2%		
2016	\$ 142	\$ 108,649	<1%	-97%	-53%
2017	\$ 28,650	\$ 309,408	9%	2051%	185%
2018	\$ 5,111	\$ 191,824	3%	-82%	-38%
2019	\$ 28,231	\$ 443,700	6%	452%	131%



**Increases/Decreases:** The activity of the Grants & Donations Funds is based on the funding awarded and received during the year so revenues will not necessarily be consistent from month to month or year to year.

**Under Target for FY 2019:** The FY 2018 budget includes \$300,000 of contingent grant revenues in case a significant grant opportunity arises.

\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

## Total Revenues by Fund

### Total Transportation Sales Tax Rev.

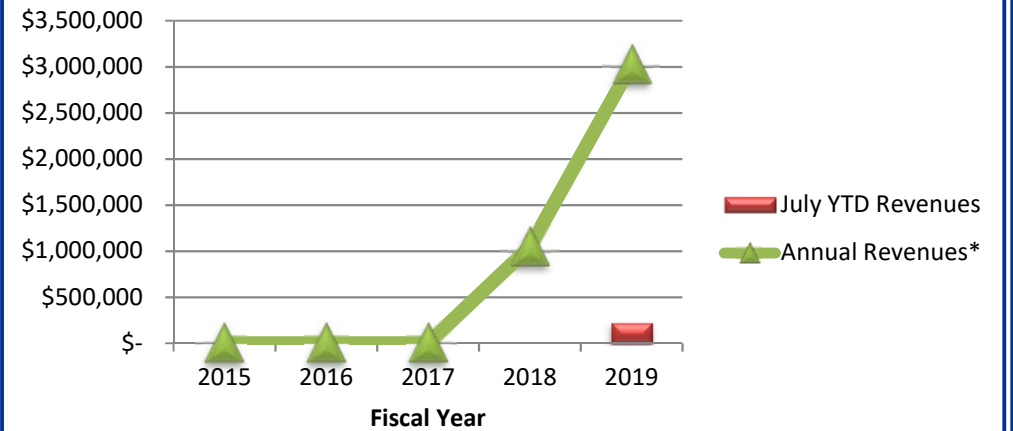
**Under Target for FY 2019**

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ -	\$ -	N/A		
2016	\$ -	\$ -	N/A	N/A	N/A
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ -	\$ 1,045,367	0%	N/A	∞
2019	\$ 217,248	\$ 3,021,550	7%	∞	189%

The Transportation Sales Tax Fund was initiated in FY 2018.

**Under Target for FY 2019:** Sales taxes are not received consistently throughout the year and are lower during the summer months. Year-to-date revenues are low but on target for this point in the fiscal year.

### Transportation Sales Tax Fund



### Total Develop. Impact Fees Revenues

**Exceeds Target for FY 2019**

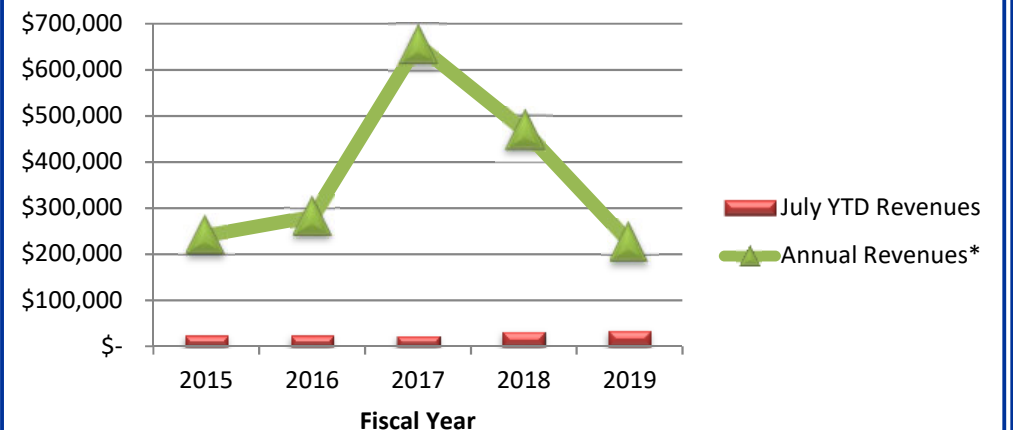
FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 23,228	\$ 240,561	10%		
2016	\$ 22,882	\$ 281,497	8%	-1%	17%
2017	\$ 21,047	\$ 654,256	3%	-8%	132%
2018	\$ 31,544	\$ 469,218	7%	50%	-28%
2019	\$ 34,389	\$ 225,190	15%	9%	-52%

**Annual Increase from FY 2016 to FY 2017:**

The increase was primarily due to fees assessed with the permitting of the new Marriott facility and the new CVS.

**Other Increases/Decreases:** The activity of the Development Impact Fees Funds is based on development and permitting so revenues will not necessarily be consistent from month to month or year to year. As the City approaches build-out, these revenues are expected to decrease.

### Development Impact Fees Funds



\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

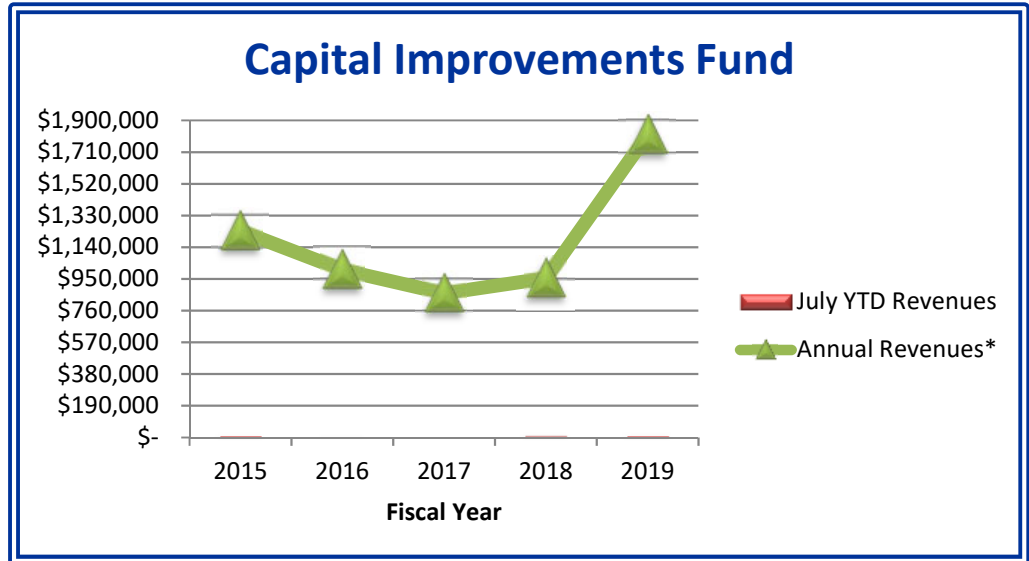
## Total Revenues by Fund

### Total Capital Improvements Fund Rev. Under Target for FY 2019

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 6,863	\$ 1,238,120	1%		
2016	\$ 2,897	\$ 1,003,733	<1%	-58%	-19%
2017	\$ 1,911	\$ 863,346	<1%	-34%	-14%
2018	\$ 5,893	\$ 954,092	1%	208%	11%
2019	\$ 7,578	\$ 1,814,591	<1%	29%	90%

**Increases/Decreases:** The activity of the Capital Improvements Fund is based on the timing of budgeted capital improvement projects and the receipt of funding designated for those projects so revenues will not necessarily be consistent from month to month or year to year.

**Under Target for FY 2019:** Due to the effect of the timing of these revenues, year-to-date revenues are low but expected to be on target by the end of the fiscal year.



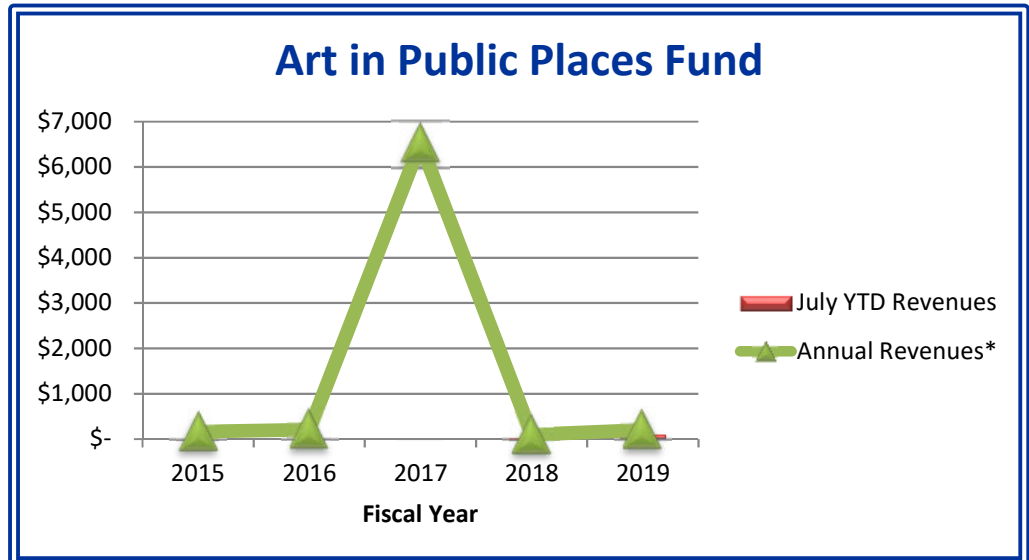
### Total Art in Public Places Fund Rev. Exceeds Target for FY 2019

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 2	\$ 161	1%		
2016	\$ 4	\$ 204	2%	77%	27%
2017	\$ 14	\$ 6,528	<1%	233%	3106%
2018	\$ 32	\$ 98	33%	135%	-99%
2019	\$ 105	\$ 200	53%	224%	105%

**Annual Increase from FY 2016 to FY 2017:**

The increase was primarily due to contributions in lieu of the City's public art requirement.

**Other Increases/Decreases:** The Art in Public Places Fund relies primarily on transfers from other funds. Minimal revenues are received, and for several years have only consisted of interest earnings, with the exception of FY 2017.



\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.



## Total Revenues by Fund

### Total Wastewater Enterprise Fund Rev. On Target for FY 2019

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 789,827	\$ 10,190,631	8%		
2016	\$ 813,130	\$ 11,026,791	7%	3%	8%
2017	\$ 541,126	\$ 7,180,562	8%	-33%	-35%
2018	\$ 582,897	\$ 7,195,914	8%	8%	<1%
2019	\$ 600,620	\$ 7,110,300	8%	3%	-1%

#### YTD Decrease from FY 2016 to FY 2017:

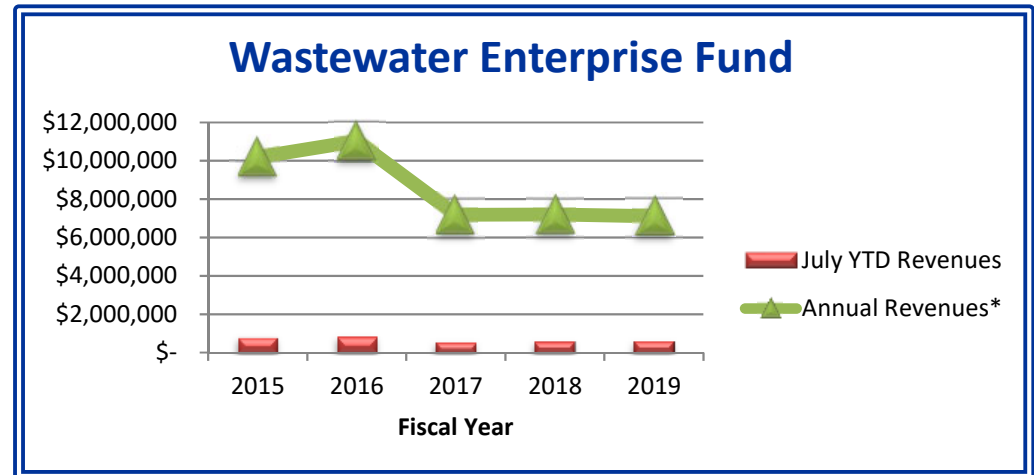
(1) An accounting change was made in the recording of City sales taxes in FY 2017. Previously, the portion of City sales tax designated for the Wastewater Fund subsidy was recorded as revenue. For FY 2017, the entire City sales tax collections are recorded in the General Fund, and the subsidy to the Wastewater Fund is recorded as a transfer. In addition, the subsidy was reduced from 30% to 25%.

(2) An adjustment was made to eliminate receivables recorded for capacity fees for certain properties not connected to the sewer. Since property owners have not given notice that the connections will be made, these fees are not currently due. When connections are made, the capacity fees will be owed at the current rate.

#### YTD Decrease from FY 2016 to FY 2017:

(1) An accounting change was made in the recording of City sales taxes in FY 2017. Previously, the portion of City sales tax designated for the Wastewater Fund subsidy was recorded as revenue. For FY 2017, the entire City sales tax collections are recorded in the General Fund, and the subsidy to the Wastewater Fund is recorded as a transfer. In addition, the subsidy was reduced from 30% to 25%.

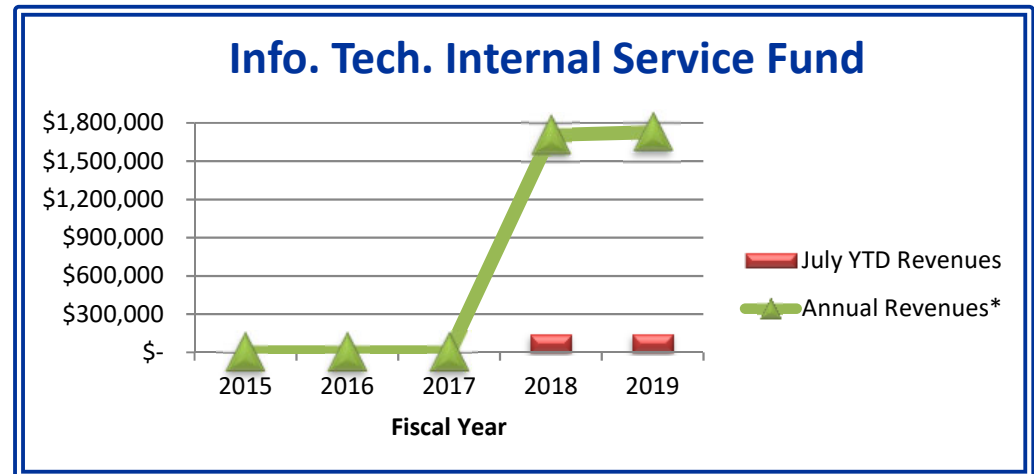
(2) In FY 2016, the City received approximately \$112,000 from APS as incentive payments for implementation of energy savings measures on projects.



### Total Info. Tech. Internal Svc. Fund Rev. On Target for FY 2019

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	-	-	N/A		
2016	-	-	N/A	N/A	N/A
2017	-	-	N/A	N/A	N/A
2018	\$ 137,303	\$ 1,705,824	8%	∞	∞
2019	\$ 139,863	\$ 1,727,300	8%	2%	1%

The Information Technology Internal Service Fund was initiated in FY 2018.



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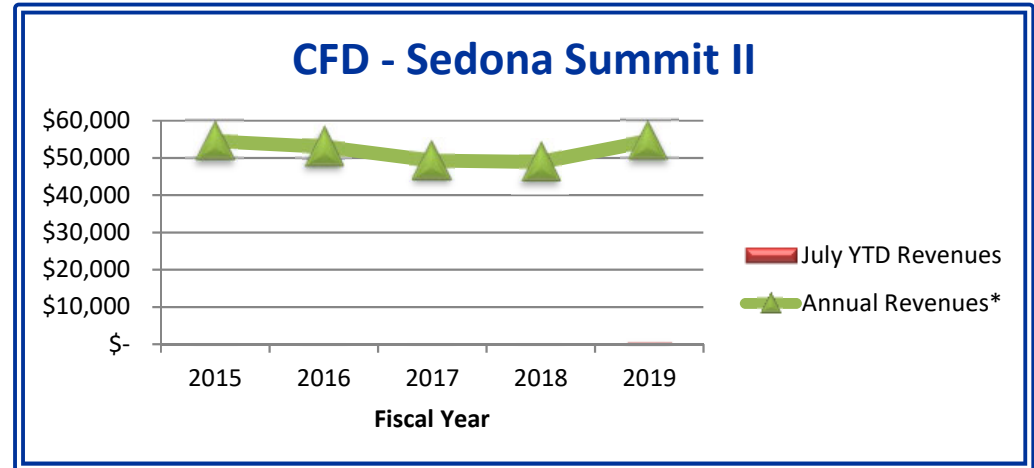
## Total Revenues by Fund

### Total CFD - Sedona Summit II Revenues Under Target for FY 2019

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 3	\$ 54,429	<1%		
2016	\$ 105	\$ 52,969	<1%	3544%	-3%
2017	\$ 20	\$ 49,312	<1%	-81%	-7%
2018	\$ 49	\$ 48,910	<1%	145%	-1%
2019	\$ 414	\$ 54,550	1%	739%	12%

**Annual Increase from FY 2018 to FY 2019:**

The FY 2019 revenues include an increase in estimated interest earnings.



**Under Target for FY 2019:** The CFD in lieu fees are received quarterly, with the largest payments typically in the second and third quarters of the fiscal year. Due to the effect of the timing of these revenues, year-to-date revenues are low but on target for this point in the fiscal year.

### Total CFD - Fairfield Revenues Under Target for FY 2019

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 22	\$ 121,137	<1%		
2016	\$ 39	\$ 123,983	<1%	72%	2%
2017	\$ 157	\$ 153,156	<1%	307%	24%
2018	\$ 384	\$ 120,508	<1%	145%	-21%
2019	\$ 301	\$ 141,800	<1%	-22%	18%

**Annual Increase from FY 2016 to FY 2017:**

The increase is partly due to the timing of in lieu fee payments. Approximately \$30,000 of FY 2016 revenue was recognized in FY 2017 due to the lateness of receipt.\*\*

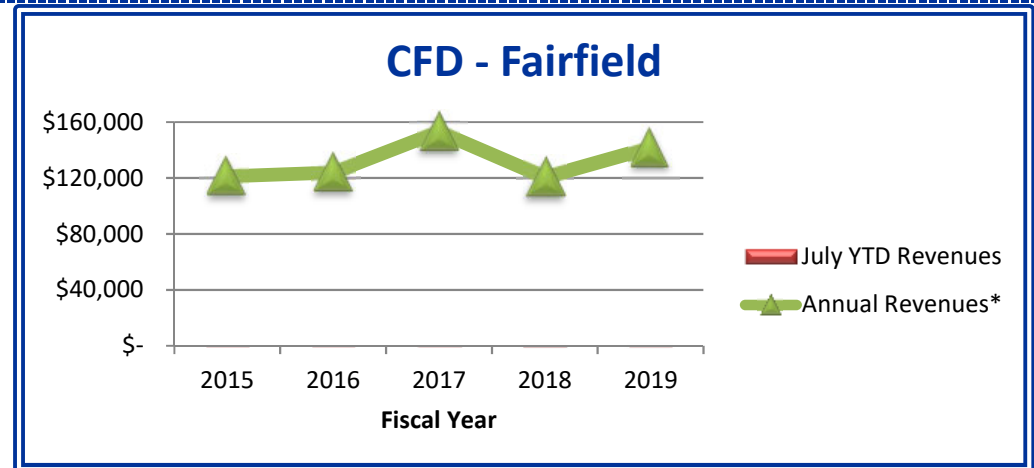
**Annual Decrease from FY 2017 to FY 2018:**

The decrease is partly due to the timing of in lieu fees for the Community Facilities Districts. Approximately \$30,000 of FY 2016 revenue was recognized in FY 2017 due to the lateness of receipt.\*\*

**Annual Increase from FY 2018 to FY 2019:**

The FY 2019 budget was based on preliminary estimates. FY 2018 revenues were expected to be higher at the time projections were developed, and the FY 2019 projection may also be slightly high.

**Under Target for FY 2019:** The CFD in lieu fees are received quarterly, with the largest payments typically in the second and third quarters of the fiscal year. Due to the effect of the timing of these revenues, year-to-date revenues are low but expected to be on target by the end of the fiscal year.



\*\*Revenues are recognized when they are measurable and available. The period of availability is defined as 60 days. These revenues were received after the period of availability.

\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

## Total Revenues by Type

### Total Revenues

**Under Target for FY 2019**

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 2,377,496	\$ 30,128,970	8%		
2016	\$ 2,122,455	\$ 32,113,557	7%	-11%	7%
2017	\$ 2,461,648	\$ 35,302,858	7%	16%	10%
2018	\$ 2,834,870	\$ 40,293,980	7%	15%	14%
2019	\$ 3,147,959	\$ 43,535,241	7%	11%	8%

**YTD Decrease from FY 2015 to FY 2016:**

An accounting entry was recorded in July 2014 to accrue sales tax audit revenue that was deferred in the prior year for approximately \$343,000.

**YTD Increase from FY 2016 to FY 2017:**

The most significant increases were in the categories of sales tax and bed tax.

**Annual Increase from FY 2016 to FY 2017:**

The most significant increases were in the categories of sales tax, bed tax, development impact fees, and capacity fees.

**YTD Increase from FY 2017 to FY 2018:**

The most significant increases were in the categories of charges for services and other miscellaneous revenues.

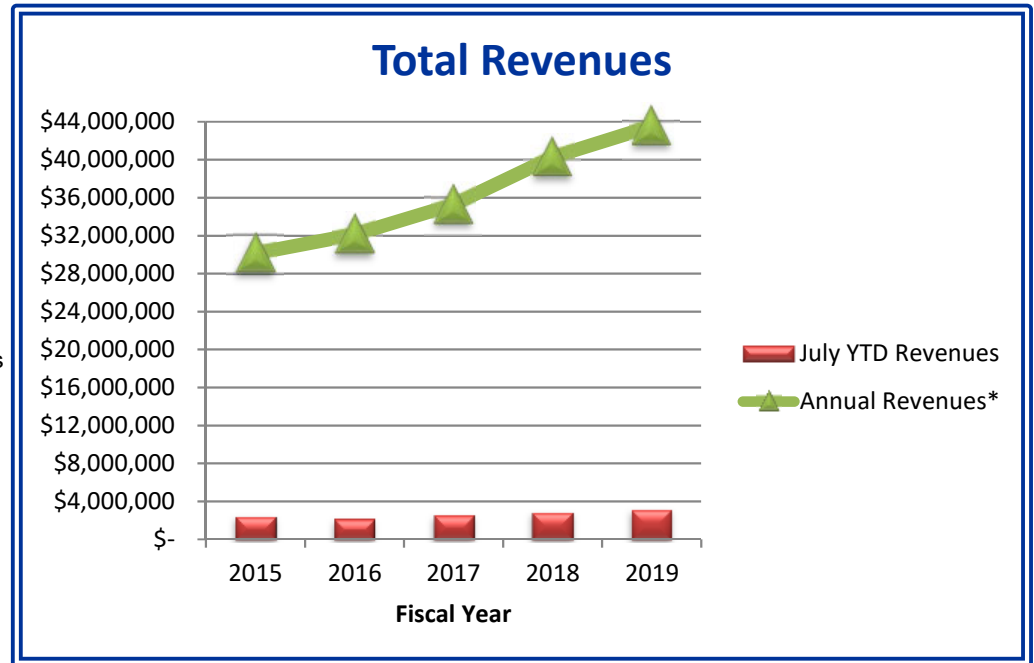
**Annual Increase from FY 2017 to FY 2018:**

The most significant increases were in the categories of sales tax, bed tax, charges for services, and other miscellaneous revenues.

**YTD Increase from FY 2018 to FY 2019:**

The most significant increases were in the categories of sales tax and bed tax.

**Under Target for FY 2019:** Sales and bed taxes are not received consistently throughout the year and are lower during the summer months. These revenues are on target with expectations for month of July. In addition, in lieu fees and franchise fees are received quarterly. Total revenues are expected to be on target by the end of the fiscal year.



\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

## Total Revenues by Type

### City Sales Tax Revenues

On Target for FY 2019

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 1,306,232	\$ 13,613,056	10%		
2016	\$ 983,225	\$ 14,999,612	7%	-25%	10%
2017	\$ 1,219,320	\$ 16,268,459	7%	24%	8%
2018	\$ 1,297,282	\$ 18,393,517	7%	6%	13%
2019	\$ 1,574,181	\$ 20,928,500	8%	21%	14%

**YTD Decrease from FY 2015 to FY 2016:**

An accounting entry was recorded in July 2014 to accrue sales tax audit revenue that was deferred in the prior year for approximately \$343,000.

**Annual Increase from FY 2015 to FY 2016:**

The increase was mostly attributable to increases in the Restaurant & Bar, Hotel/Motel and Retail categories. These are largely impacted by the level of tourism activity.

**YTD Increase from FY 2016 to FY 2017:**

Most of the increase was attributable the Restaurant & Bar, and Hotel/Motel categories. A portion of these increases were a result of new businesses and increases in activity, but a portion was also related to collection of timely payments in FY 2017 that were paid late in FY 2016.

**Annual Increase from FY 2017 to FY 2018:**

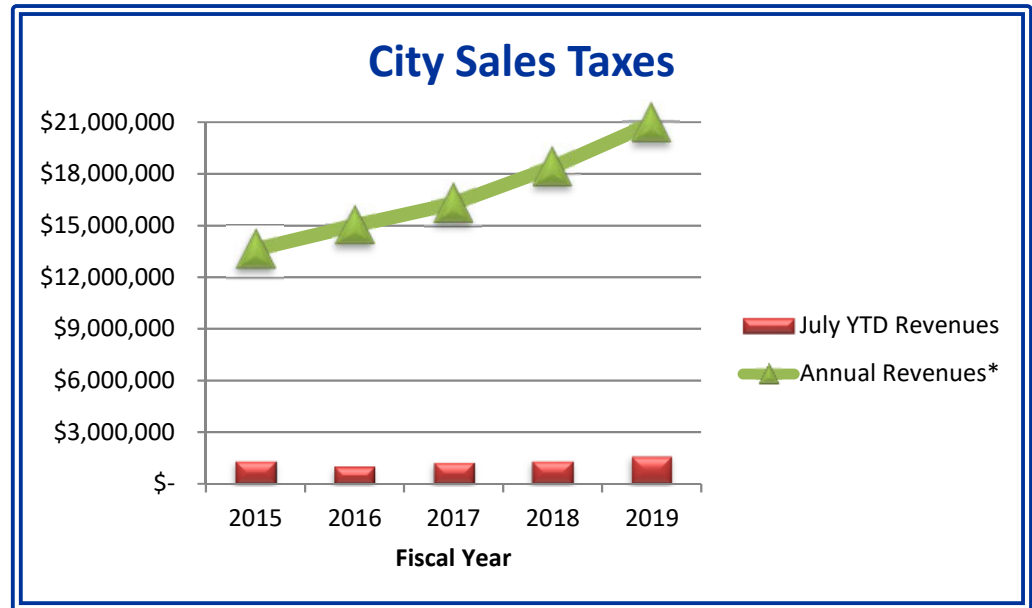
The increase was partly due to the increase in the sales tax rate for transportation projects.

**YTD Increase from FY 2018 to FY 2019:**

The increase was partly due to the increase in the sales tax rate for transportation projects. In addition, the most significant increases were in the Retail, Hotel/Motel, and Communications & Utilities categories.

**Annual Increase from FY 2018 to FY 2019:**

The estimated increase was partly due to the increase in the sales tax rate for transportation projects, in addition to continued increases in the economy.



See [City Sales Tax Revenues by Category](#) and [City Sales Taxes by Month](#) for more information.

\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

## Total Revenues by Type

### Bed Tax Revenues

**On Target for FY 2019**

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 177,362	\$ 2,659,290	7%		
2016	\$ 187,568	\$ 3,010,334	6%	6%	13%
2017	\$ 273,893	\$ 3,811,727	7%	46%	27%
2018	\$ 272,841	\$ 4,431,680	6%	<-1%	16%
2019	\$ 303,167	\$ 4,446,000	7%	11%	<1%

#### Annual Increase from FY 2015 to FY 2016:

The continued increase in the bed tax revenues was largely due to the effects of the implementation of the tourism management and destination marketing program.

#### YTD Increase from FY 2016 to FY 2017:

A portion of the increase represents an increase in late payments (collection of taxes for prior taxing periods) and payments made on time in FY 2017 that were made late in FY 2016.

#### Annual Increase from FY 2016 to FY 2017:

(1) A portion of the increase represents an increase in late payments (collection of taxes for prior taxing periods) and payments made on time in FY 2017 that were made late in FY 2016.

(2) A portion of the increase is a result of the change in legislation regarding short-term residential rentals effective January 1, 2017.

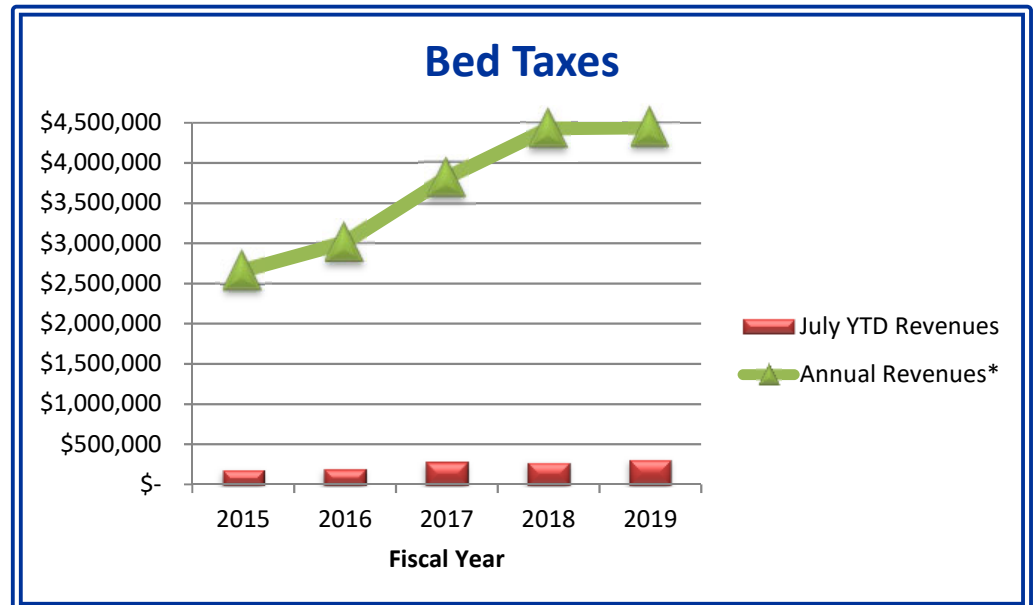
(3) The increase is also a result of the effects of the implementation of the tourism management and destination marketing program.

#### Annual Increase from FY 2017 to FY 2018:

A portion of the increase represents an increase as a result of the change in legislation regarding short-term residential rentals.

#### YTD Increase from FY 2018 to FY 2019:

The increase was partially a result of increased average daily room rates, in addition to continued impacts resulting from the change in legislation regarding short-term residential rentals.



See [Bed Taxes by Month](#) for more information.

\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

## Total Revenues by Type

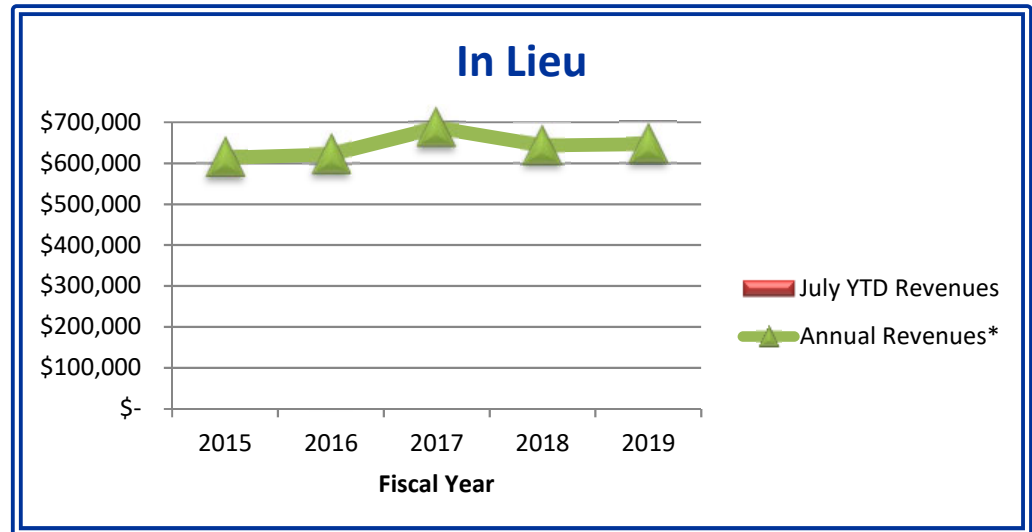
### In Lieu Revenues

**On Target for FY 2019**

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ -	\$ 613,430	0%		
2016	\$ 100	\$ 621,391	<1%	∞	1%
2017	\$ -	\$ 686,301	0%	-100%	10%
2018	\$ -	\$ 643,087	0%	N/A	-6%
2019	\$ -	\$ 646,700	0%	N/A	1%

#### Annual Increase from FY 2016 to FY 2017:

- (1) The increase is partly due to the timing of in lieu fees for the Community Facilities Districts. Approximately \$20,000 of FY 2016 revenue was recognized in FY 2017 due to the lateness of receipt.\*\*
- (2) The increase is also due to the receipt of one-time Arts and Affordable Housing in-lieu revenues received in FY 2017.



**On Target for FY 2019:** The in lieu fees are received quarterly, with the largest payments typically in the second and third quarters of the fiscal year. Due to the effect of the timing of these revenues, year-to-date revenues are low but on target for this point in the fiscal year.

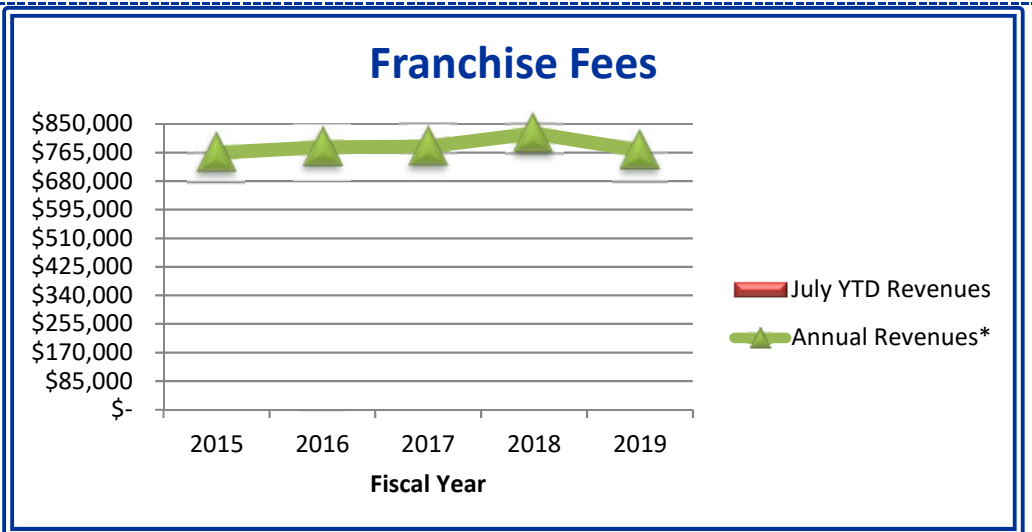
\*\*Revenues are recognized when they are measurable and available. The period of availability is defined as 60 days. These revenues were received after the period of availability.

### Franchise Fee Revenues

**On Target for FY 2019**

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ -	\$ 764,473	0%		
2016	\$ 2,500	\$ 781,223	<1%	∞	2%
2017	\$ -	\$ 783,413	0%	-100%	<1%
2018	\$ -	\$ 822,122	0%	N/A	5%
2019	\$ -	\$ 771,800	0%	N/A	-6%

**On Target for FY 2019:** The franchise fees are received quarterly. Due to the effect of the timing of these revenues, year-to-date revenues are low but on target for this point in the fiscal year.



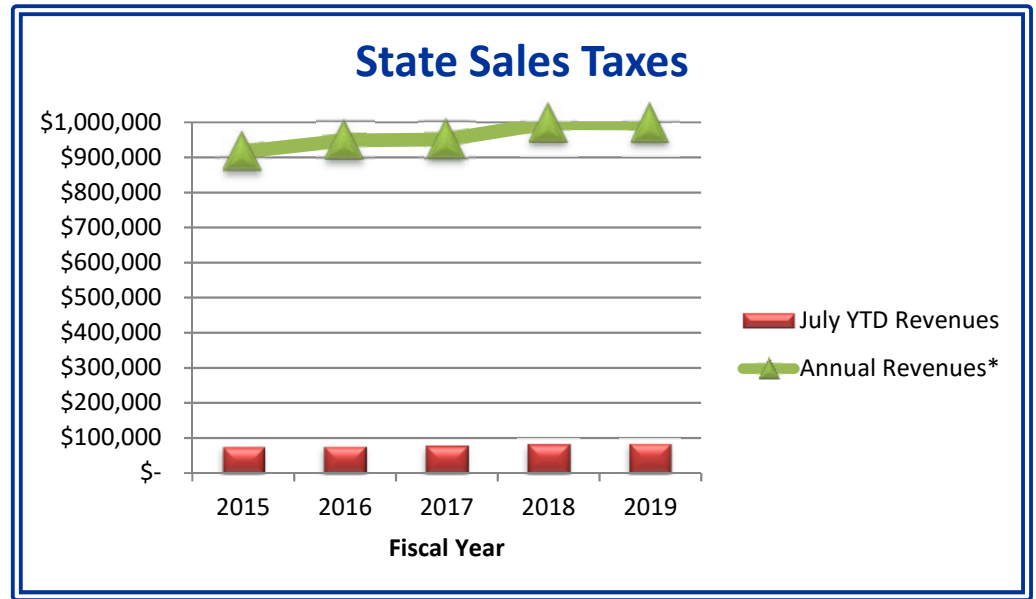
\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

## Total Revenues by Type

### State Sales Tax Revenues

**On Target for FY 2019**

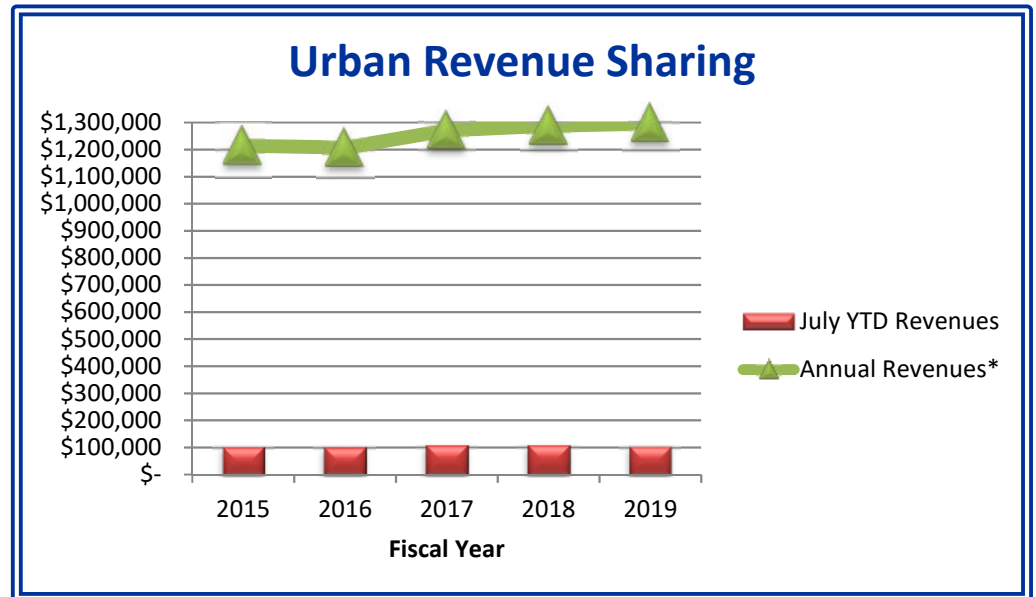
FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 71,673	\$ 916,721	8%		
2016	\$ 75,535	\$ 948,696	8%	5%	3%
2017	\$ 76,552	\$ 950,879	8%	1%	<1%
2018	\$ 80,787	\$ 998,202	8%	6%	5%
2019	\$ 83,998	\$ 996,500	8%	4%	<-1%



### Urban Revenue Sharing Revenues

**Under Target for FY 2019**

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 101,193	\$ 1,214,315	8%		
2016	\$ 100,644	\$ 1,207,731	8%	-1%	-1%
2017	\$ 105,976	\$ 1,270,897	8%	5%	5%
2018	\$ 107,314	\$ 1,287,767	8%	1%	1%
2019	\$ 104,304	\$ 1,297,000	8%	-3%	1%



**Under Target for FY 2019:** Urban Revenue Sharing in state-shared income taxes. The State provides a preliminary estimate of each city's and town's allocation, which is based on population. The final allocation for the year will be approximately \$1.25 million, approximately \$45,000 less than originally estimated.

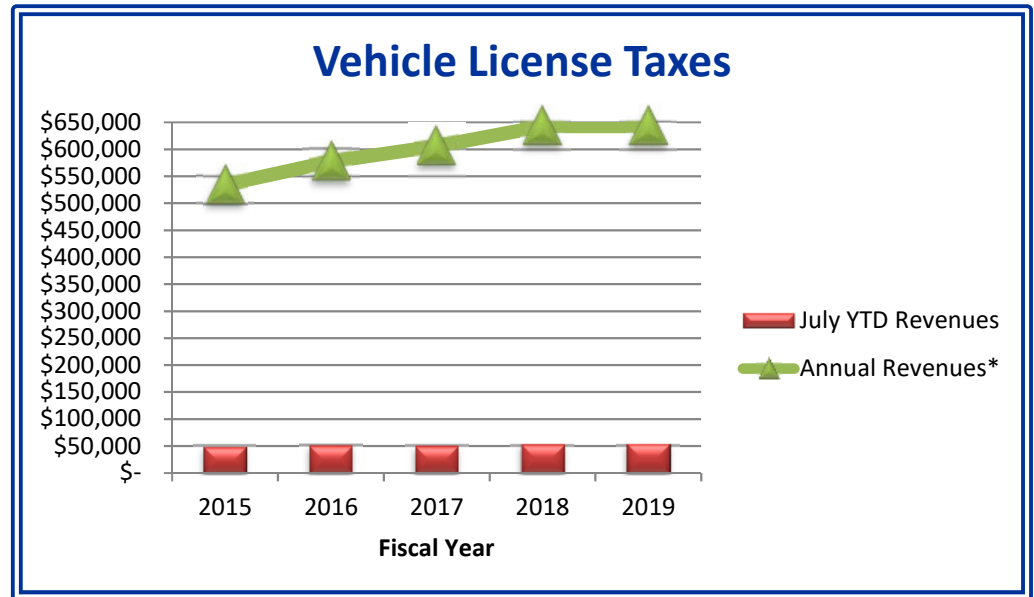
\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

## Total Revenues by Type

### Vehicle License Tax Revenues

On Target for FY 2019

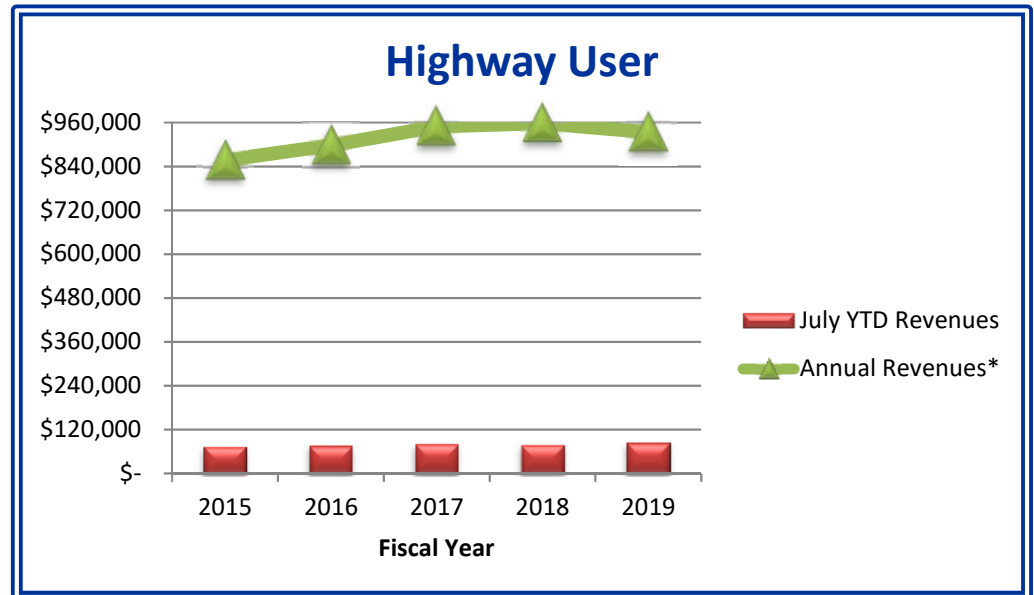
FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 48,060	\$ 534,404	9%		
2016	\$ 49,933	\$ 577,681	9%	4%	8%
2017	\$ 49,612	\$ 606,030	8%	-1%	5%
2018	\$ 52,883	\$ 642,895	8%	7%	6%
2019	\$ 53,681	\$ 642,600	8%	2%	<-1%



### Highway User Revenues

Exceeds Target for FY 2019

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 72,881	\$ 857,363	9%		
2016	\$ 75,010	\$ 897,406	8%	3%	5%
2017	\$ 80,077	\$ 949,028	8%	7%	6%
2018	\$ 76,292	\$ 958,278	8%	-5%	1%
2019	\$ 82,631	\$ 933,200	9%	8%	-3%



**Increases/Decreases:** The activity of the Highway User revenues is based on gasoline sales within each county and across the state and allocated primarily based on population. The amount can fluctuate based on the portion that the legislature appropriates to the state Highway User Revenue Fund.

\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.



## Total Revenues by Type

### Other Intergovernmental Revenues

**Under Target for FY 2019**

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 16,539	\$ 1,347,854	1%		
2016	\$ 330	\$ 874,083	<1%	-98%	-35%
2017	\$ 27,311	\$ 956,757	3%	8186%	9%
2018	\$ -	\$ 1,048,665	0%	-100%	10%
2019	\$ 113	\$ 1,954,591	<1%	∞	86%

#### YTD Decrease from FY 2015 to FY 2016:

The decrease is primarily due to grant activity, which is based on the funding awarded and received so revenues will not necessarily be consistent from month to month or year to year.

#### Annual Decrease from FY 2015 to FY 2016:

The increase is primarily due to grant activity and outside participation in capital projects, which is based on the funding awarded and received and timing of capital projects so revenues will not necessarily be consistent from month to month or year to year.

#### YTD Increase from FY 2016 to FY 2017:

The increase is primarily due to grant activity, which is based on the funding awarded and received so revenues will not necessarily be consistent from month to month or year to year.

#### YTD Decrease from FY 2017 to FY 2018:

The decrease is primarily due to grant activity, which is based on the funding awarded and received so revenues will not necessarily be consistent from month to month or year to year.

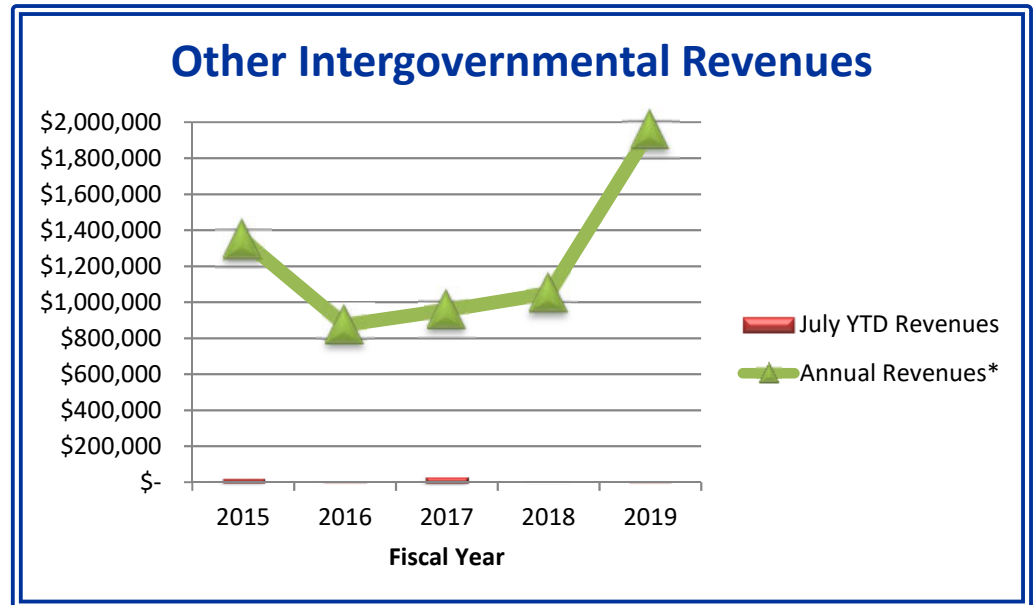
#### Annual Increase from FY 2017 to FY 2018:

The increase was primarily due to increases in grant funding and intergovernmental agreements.

#### Annual Increase from FY 2018 to FY 2019:

The increase was primarily due to anticipated increases in grant funding for capital projects.

**Under Target for FY 2019:** The FY 2019 budget includes \$300,000 of contingent grant revenues in case a significant grant opportunity arises. In addition, grants and intergovernmental agreements tied to various projects are received as awarded or based on the timing of the project. Due to the effect of the timing of these revenues, year-to-date revenues are low and may be under target by the end of the fiscal year due to the contingent revenues.



\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

## Total Revenues by Type

### License & Permit Revenues

**Under Target for FY 2019**

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 30,295	\$ 473,367	6%		
2016	\$ 51,634	\$ 496,777	10%	70%	5%
2017	\$ 24,279	\$ 478,016	5%	-53%	-4%
2018	\$ 31,854	\$ 456,278	7%	31%	-5%
2019	\$ 27,319	\$ 350,180	8%	-14%	-23%

**YTD Increase from FY 2015 to FY 2016:**

The increase was primarily due to a result of increases in building permits.

**YTD Decrease from FY 2016 to FY 2017:**

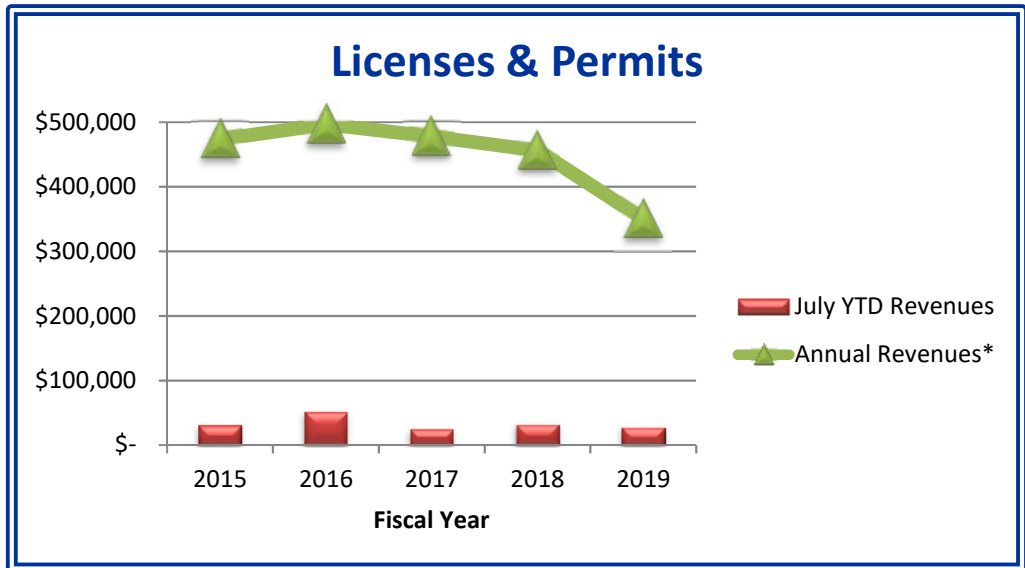
The decrease was primarily due to a result of decreases in building permits.

**YTD Increase from FY 2017 to FY 2018:**

The increase was primarily due to a result of increases in building permits.

**YTD and Annual Decrease from FY 2018 to FY 2019:**

The decrease was primarily due to a result of a reclassification of charges for services previously classified as licenses and permits.



**Under Target for FY 2019:** Annual business license renewals are primarily received in November to December. Due to the effect of the timing of these revenues, year-to-date revenues are slightly low but expected to be on target by the end of the fiscal year.

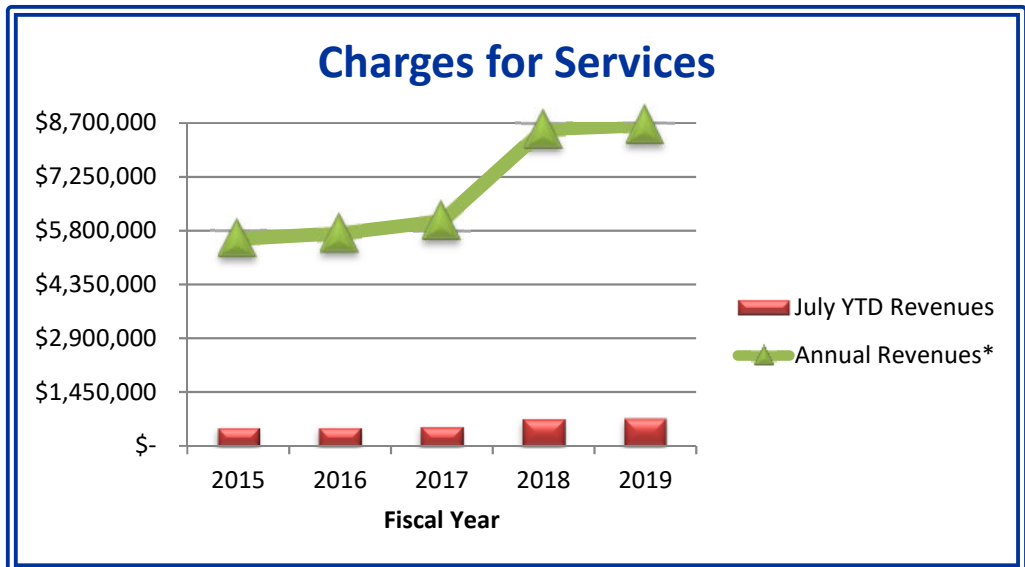
### Charges for Services Revenues

**On Target for FY 2019**

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 478,920	\$ 5,580,031	9%		
2016	\$ 482,317	\$ 5,729,286	8%	1%	3%
2017	\$ 506,224	\$ 6,057,534	8%	5%	6%
2018	\$ 702,099	\$ 8,528,856	8%	39%	41%
2019	\$ 721,257	\$ 8,641,040	8%	3%	1%

**YTD and Annual Increase from FY 2017 to FY 2018:**

The increase was primarily due to the start of the paid parking program and the indirect cost allocations to fund the Information Technology Internal Services Fund.



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## Total Revenues by Type

### Fines & Forfeitures Revenues

**Under Target for FY 2019**

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 25,409	\$ 277,682	9%		
2016	\$ 26,723	\$ 241,071	11%	5%	-13%
2017	\$ 17,494	\$ 186,404	9%	-35%	-23%
2018	\$ 20,008	\$ 333,546	6%	14%	79%
2019	\$ 20,230	\$ 281,990	7%	1%	-15%

**Annual Decrease from FY 2015 to FY 2016:**

The decrease was primarily due to a decrease in court fines collected.

**YTD Decrease from FY 2016 to FY 2017:**

The decrease was primarily due to a decrease in court fines collected.

**Annual Decrease from FY 2016 to FY 2017:**

- (1) The decrease was partly due to an decrease in court fines and court enhancement fees collected.
- (2) The decrease was also partly due to a reduction in delinquent wastewater accounts resulting in lower late fees on wastewater billings and a significant write-off of late fees.

**YTD Increase from FY 2017 to FY 2018:**

The increase was primarily due to an increase in court fines collected, which is partly due to the start of the paid parking program and the related fines.

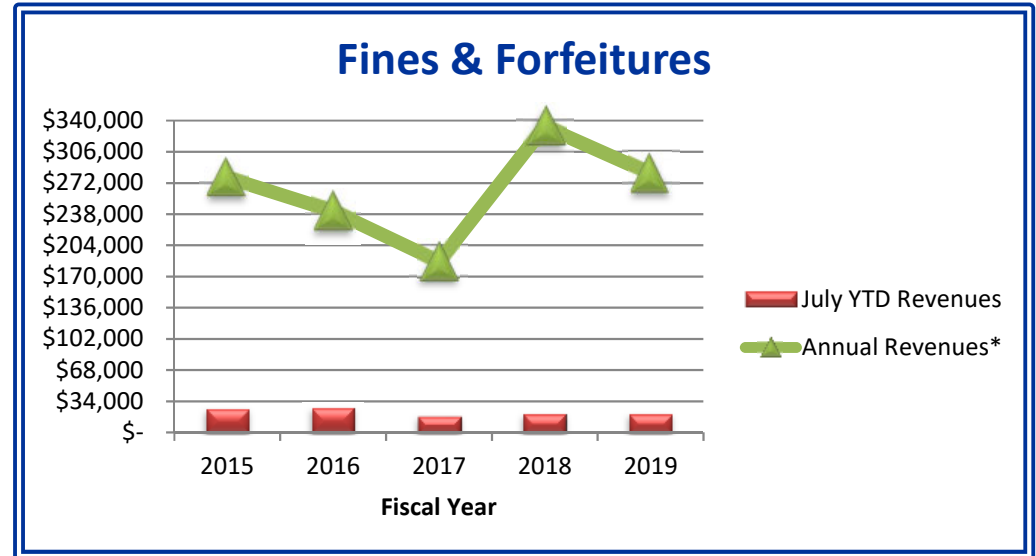
**Annual Increase from FY 2017 to FY 2018:**

- (1) The increase was primarily due to an increase in court fines collected, which is partly due to the start of the paid parking program and the related fines.
- (2) The increase was also partly due to a significant write-off of late fees in the prior year.

**Annual Decrease from FY 2018 to FY 2019:**

The decrease was primarily due to a conservative estimate of court fines based on averages of past collections.

**Under Target for FY 2019:** Fines and forfeitures are slightly low due to lower court fines and lower late fees on wastewater billings. This account will be monitored but, at this point, is not expected to be significantly under estimates at the end of the fiscal year.



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## Total Revenues by Type

### Development Impact Fee Revenues

Exceeds Target for FY 2019

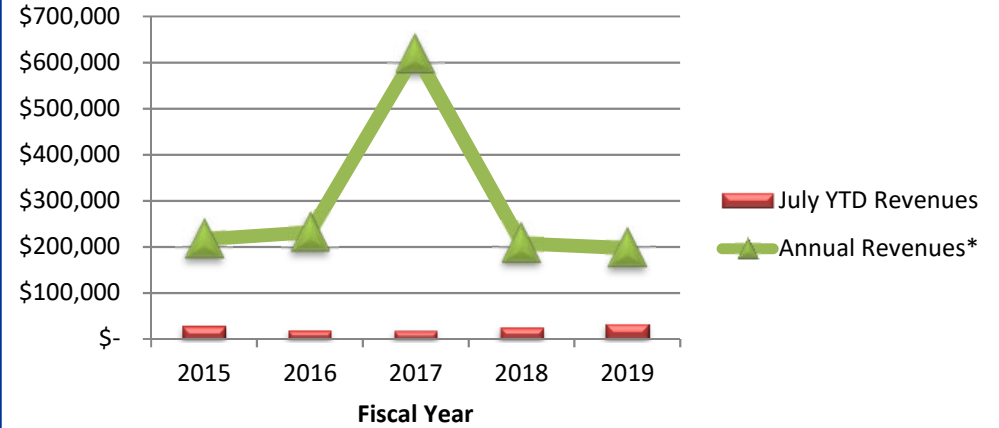
FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 27,836	\$ 216,039	13%		
2016	\$ 18,548	\$ 231,772	8%	-33%	7%
2017	\$ 18,401	\$ 618,740	3%	-1%	167%
2018	\$ 24,711	\$ 207,076	12%	34%	-67%
2019	\$ 32,745	\$ 197,410	17%	33%	-5%

#### Annual Increase from FY 2016 to FY 2017:

The increase was primarily due to fees assessed with the permitting of the new Marriott facility and the new CVS.

**Other Increases/Decreases:** The activity of the development impact fees is based on development and permitting so revenues will not necessarily be consistent from month to month or year to year. As the City approaches build-out, these revenues are expected to decrease.

### Development Impact Fees



### Capacity Fee Revenues

Exceeds Target for FY 2019

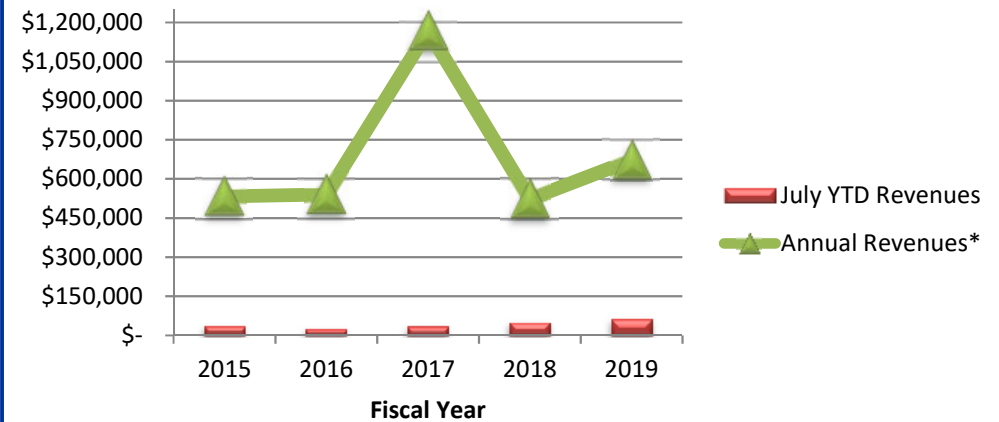
FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ 35,464	\$ 533,054	7%		
2016	\$ 24,422	\$ 541,045	5%	-31%	1%
2017	\$ 34,312	\$ 1,167,388	3%	40%	116%
2018	\$ 48,868	\$ 523,013	9%	42%	-55%
2019	\$ 63,217	\$ 673,300	9%	29%	29%

#### Annual Increase from FY 2016 to FY 2017:

The increase was primarily due to fees assessed with the permitting of the new Marriott facility and the new CVS.

**Other Increases/Decreases:** The activity of the capacity fees is based on development and permitting so revenues will not necessarily be consistent from month to month or year to year. As the City approaches build-out, these revenues are expected to decrease.

### Capacity Fees



\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

## Total Revenues by Type

### Other Miscellaneous Revenues

**Exceeds Target for FY 2019**

FY	July YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - July YTD	% Increase - Annual
2015	\$ (14,368)	\$ 527,894	<1%		
2016	\$ 43,966	\$ 955,449	5%	406%	81%
2017	\$ 28,198	\$ 511,285	6%	-36%	-46%
2018	\$ 119,931	\$ 1,018,997	12%	325%	99%
2019	\$ 81,116	\$ 774,430	10%	-32%	-24%

**YTD Increase from FY 2015 to FY 2016:**

The increase was primarily due to an increase in the interest earnings in LGIP.

**Annual Increase from FY 2015 to FY 2016:**

- (1) One-time incentive payments were received from APS during FY 2016.
- (2) Interest earnings in LGIP accounts were higher than the prior year.
- (3) Outside participation in capital projects is not always consistent from year to year.

**YTD Decrease from FY 2016 to FY 2017:**

The decrease was primarily due to a decrease in the interest earnings in LGIP.

**Annual Decrease from FY 2016 to FY 2017:**

- (1) The decrease was mostly due to losses and a decrease in the interest earnings in LGIP accounts.
- (2) One-time Insurance proceeds were received in FY 2016.
- (3) Outside participation in capital projects is not always consistent from year to year.

**YTD Increase from FY 2017 to FY 2018:**

- (1) The increase was partly due to an increase in the interest earnings in LGIP accounts.
- (2) The increase was also partly due to insurance proceeds for the City Hall flood damage.

**Annual Increase from FY 2017 to FY 2018:**

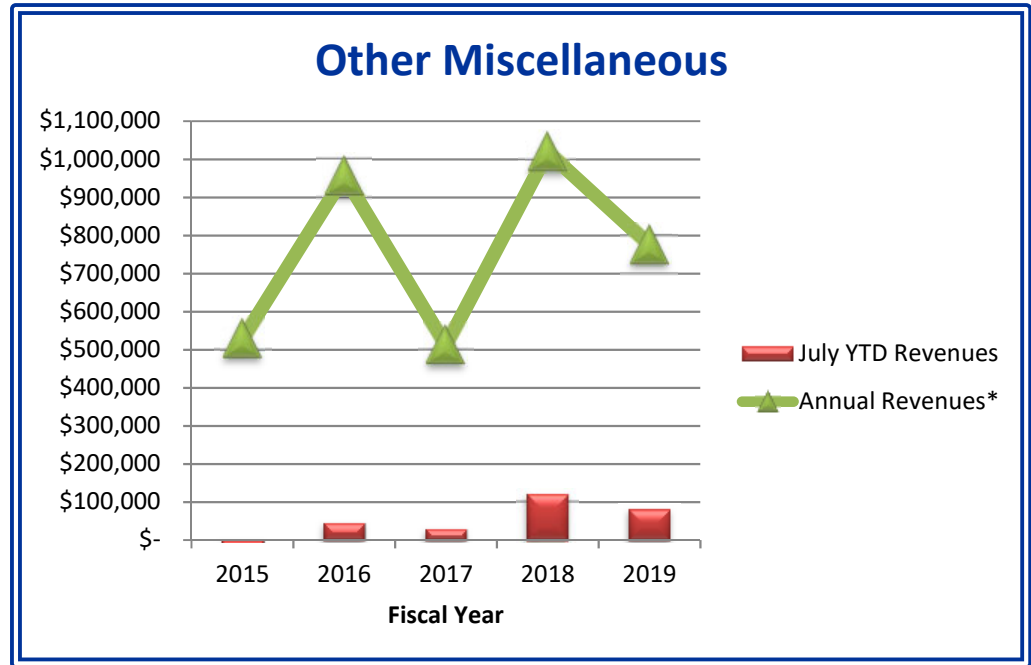
- (1) The increase was largely due to settlement proceeds from the SunEdison case.
- (2) Outside participation in capital projects is not always consistent from year to year.
- (3) The increase was also partly due to insurance proceeds for the City Hall flood damage.

**YTD Decrease from FY 2018 to FY 2019:**

The decrease was primarily due to a insurance proceeds in the prior year for the City Hall flood damage.

**Annual Decrease from FY 2018 to FY 2019:**

The increase was primarily due to settlement proceeds from the SunEdison case received in the prior year.



\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

## Sales Tax Revenues by Category

Month	Retail	Restaurant & Bar	Hotel/Motel	Construction	Leasing	Communi- cations & Utilities	Amusements & Other	Totals
<b>City Sales Tax Revenues by Category and by Month</b>								
<b>July 2017</b>	<b>\$ 405,651</b>	<b>\$ 290,870</b>	<b>\$ 233,497</b>	<b>\$ 130,130</b>	<b>\$ 96,984</b>	<b>\$ 56,096</b>	<b>\$ 84,054</b>	<b>\$ 1,297,282</b>
August 2017	442,767	229,455	222,833	92,378	113,929	49,826	54,581	1,205,769
September 2017	466,648	283,825	277,177	88,527	115,180	51,827	77,409	1,360,593
October 2017	502,962	365,374	411,819	86,727	110,624	45,942	97,309	1,620,757
November 2017	485,821	268,925	307,229	198,990	104,083	43,974	64,851	1,473,873
December 2017	498,310	288,611	258,125	73,559	135,942	43,195	63,478	1,361,220
January 2018	396,894	212,332	205,778	71,552	106,778	31,446	47,306	1,072,086
February 2018	471,067	283,432	315,588	76,304	100,448	44,581	57,517	1,348,937
March 2018	660,730	436,101	522,441	87,237	114,337	62,564	145,287	2,028,697
April 2018	643,010	455,800	502,582	120,470	131,121	32,883	128,821	2,014,687
May 2018	614,778	399,324	436,983	146,778	134,919	58,114	111,127	1,902,023
June 2018	596,564	345,393	358,987	97,412	132,093	64,208	112,938	1,707,595
<b>Total FY 2018</b>	<b>\$ 6,185,202</b>	<b>\$ 3,859,442</b>	<b>\$ 4,053,039</b>	<b>\$ 1,270,064</b>	<b>\$ 1,396,438</b>	<b>\$ 584,656</b>	<b>\$ 1,044,678</b>	<b>\$ 18,393,519</b>

<b>July 2018</b>	<b>\$ 511,610</b>	<b>\$ 321,144</b>	<b>\$ 304,687</b>	<b>\$ 153,287</b>	<b>\$ 114,969</b>	<b>\$ 70,252</b>	<b>\$ 98,233</b>	<b>\$ 1,574,182</b>
August 2018	-	-	-	-	-	-	-	-
September 2018	-	-	-	-	-	-	-	-
October 2018	-	-	-	-	-	-	-	-
November 2018	-	-	-	-	-	-	-	-
December 2018	-	-	-	-	-	-	-	-
January 2019	-	-	-	-	-	-	-	-
February 2019	-	-	-	-	-	-	-	-
March 2019	-	-	-	-	-	-	-	-
April 2019	-	-	-	-	-	-	-	-
May 2019	-	-	-	-	-	-	-	-
June 2019	-	-	-	-	-	-	-	-
<b>Total Year-to-Date FY 2019</b>	<b>\$ 511,610</b>	<b>\$ 321,144</b>	<b>\$ 304,687</b>	<b>\$ 153,287</b>	<b>\$ 114,969</b>	<b>\$ 70,252</b>	<b>\$ 98,233</b>	<b>\$ 1,574,182</b>

### Current Month Comparison to Same Month Last Year

<b>July 2018 vs. July 2019</b>	<b>\$ 105,959</b>	<b>\$ 30,274</b>	<b>\$ 71,190</b>	<b>\$ 23,157</b>	<b>\$ 17,985</b>	<b>\$ 14,156</b>	<b>\$ 14,179</b>	<b>\$ 276,900</b>
<b>Change from July to July</b>	<b>26%</b>	<b>10%</b>	<b>30%</b>	<b>18%</b>	<b>19%</b>	<b>25%</b>	<b>17%</b>	<b>21%</b>

### Year-to-Date Comparison to Year-to-Date Last Year

<b>Difference in YTD</b>	<b>\$ 105,959</b>	<b>\$ 30,274</b>	<b>\$ 71,190</b>	<b>\$ 23,157</b>	<b>\$ 17,985</b>	<b>\$ 14,156</b>	<b>\$ 14,179</b>	<b>\$ 276,900</b>
<b>% Change from Prior YTD</b>	<b>26%</b>	<b>10%</b>	<b>30%</b>	<b>18%</b>	<b>19%</b>	<b>25%</b>	<b>17%</b>	<b>21%</b>

## Sales & Bed Tax Revenues by Month

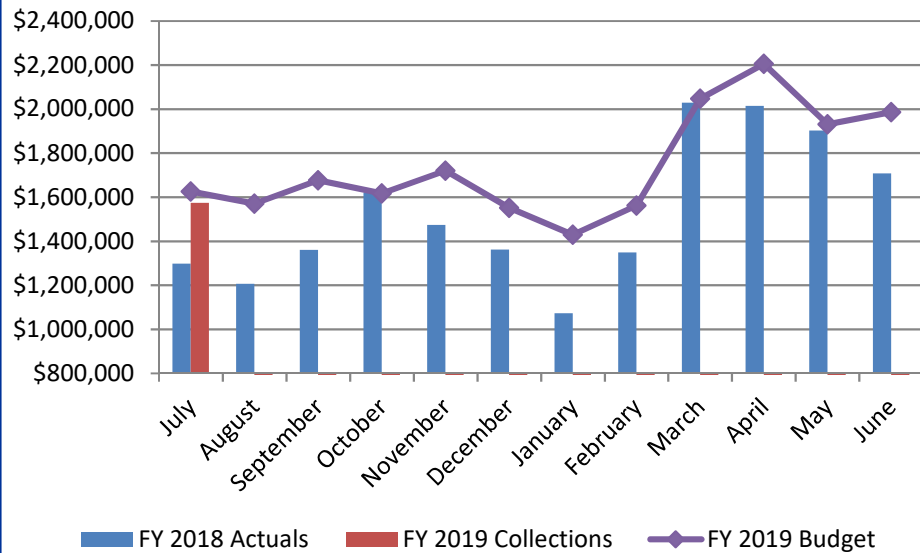
### City Sales Tax Revenues

Month	FY 2018 Actuals	FY 2019 Collections	Actual Variance	FY 2019 Budget	Budget Variance
July	\$ 1,297,282	\$ 1,574,181	21%	\$ 1,625,890	-3%
August	1,205,770	-	-	1,571,690	-
September	1,360,591	-	-	1,677,560	-
October	1,620,757	-	-	1,618,200	-
November	1,473,873	-	-	1,720,080	-
December	1,361,221	-	-	1,551,680	-
January	1,072,086	-	-	1,429,350	-
February	1,348,938	-	-	1,562,740	-
March	2,028,697	-	-	2,047,660	-
April	2,014,685	-	-	2,205,570	-
May	1,902,023	-	-	1,931,850	-
June	1,707,594	-	-	1,986,230	-
<b>Totals</b>	<b>\$ 18,393,517</b>	<b>\$ 1,574,181</b>	<b>21%</b>	<b>\$ 20,928,500</b>	<b>-3%</b>

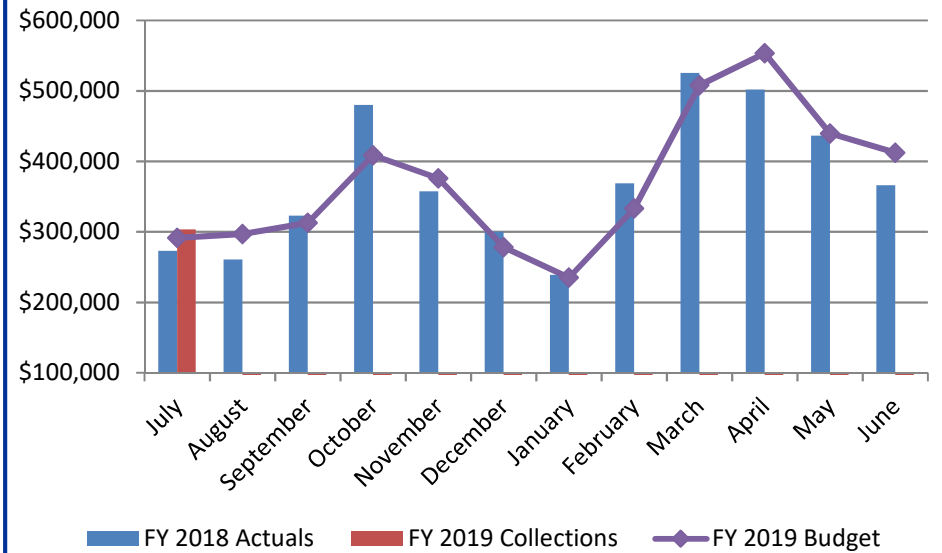
### Bed Tax Revenues

Month	FY 2018 Actuals	FY 2019 Collections	Actual Variance	FY 2019 Budget	Budget Variance
July	\$ 272,841	\$ 303,167	11%	\$ 291,340	4%
August	260,798	-	-	296,840	-
September	323,072	-	-	312,700	-
October	480,203	-	-	408,650	-
November	357,617	-	-	376,110	-
December	300,077	-	-	278,390	-
January	238,911	-	-	235,030	-
February	368,899	-	-	333,320	-
March	525,190	-	-	508,210	-
April	501,573	-	-	553,570	-
May	436,389	-	-	439,370	-
June	366,110	-	-	412,470	-
<b>Totals</b>	<b>\$ 4,431,680</b>	<b>\$ 303,167</b>	<b>11%</b>	<b>\$ 4,446,000</b>	<b>4%</b>

### City Sales Tax Revenues



### Bed Tax Revenues



**General Fund Summary**

	FY 2019 Budget	FY 2019 YTD Actuals	Encumbrances	FY 2019 YTD Including Encumbrances	% of Budget	FY 2018 YTD Actuals	Actual Variance
<b>Revenues</b>							
<u>Taxes:</u>							
City Sales Taxes	\$ 17,951,600	\$ 1,357,502		\$ 1,357,502	8%	\$ 1,297,282	5%
Bed Taxes	4,446,000	303,167		303,167	7%	272,841	11%
Contingent Bed Taxes	550,000	-		-	0%	-	N/A
Franchise Fees	771,800	-		-	0%	-	N/A
<u>State Shared Revenues:</u>							
State Shared Sales Taxes	996,500	83,998		83,998	8%	80,787	4%
Urban Revenue Sharing	1,297,000	104,304		104,304	8%	107,314	-3%
Vehicle License Taxes	642,600	53,681		53,681	8%	52,883	2%
<u>Other Intergovernmental:</u>							
Grants	20,000	113		113	1%	-	∞
Other	10,000	-		-	0%	-	N/A
In Lieu Fees	456,100	-		-	0%	-	N/A
Licenses & Permits	350,180	27,319		27,319	8%	31,854	-14%
Charges for Services	767,240	70,561		70,561	9%	56,202	26%
Fines & Forfeitures	185,440	13,942		13,942	8%	12,229	14%
<u>Other Revenues:</u>							
Interest Earnings	85,050	8,513		8,513	10%	26,807	-68%
Rental Income	36,280	6,569		6,569	18%	1,720	282%
Miscellaneous	28,050	6,233		6,233	22%	55,446	-89%
<b>Total Revenues</b>	<b>\$ 28,593,840</b>	<b>\$ 2,035,902</b>		<b>\$ 2,035,902</b>	<b>7%</b>	<b>\$ 1,995,363</b>	<b>2%</b>
<b>Expenditures</b>							
<u>General Government:</u>							
City Council	\$ 75,305	\$ 4,130	\$ -	\$ 4,130	5%	\$ 4,132	<-1%
City Manager's Office	765,017	39,823	30,290	70,113	9%	43,142	-8%
Human Resources	311,110	12,602	-	12,602	4%	12,256	3%
Financial Services	1,089,800	55,795	-	55,795	5%	37,650	48%
City Attorney's Office	636,323	26,590	-	26,590	4%	26,055	2%
City Clerk's Office	300,525	16,740	-	16,740	6%	14,489	16%
General Services	570,599	45,324	68,000	113,324	20%	192,266	-76%
Community Development	948,295	59,652	97,500	157,152	17%	38,623	54%
Public Works	609,700	20,422	-	20,422	3%	18,091	13%
Municipal Court	402,690	22,760	-	22,760	6%	16,941	34%
<u>Public Safety:</u>							
General Services	69,285	32,393	32,393	64,785	94%	-	∞
Community Development	560,320	29,853	20,000	49,853	9%	38,813	-23%
Police	5,473,586	245,105	47,929	293,034	5%	253,793	-3%
<u>Public Works &amp; Streets:</u>							
Public Works	2,357,710	96,364	32,000	128,364	5%	91,940	5%
<u>Culture &amp; Recreation:</u>							
City Manager's Office	90,610	4,398	-	4,398	5%	5,386	-18%
Parks & Recreation	711,430	45,614	103,852	149,466	21%	45,911	-1%
General Services	470,392	-	-	-	0%	12,000	-100%
Community Development	39,480	2,042	-	2,042	5%	2,987	-32%
Public Works	717,240	38,080	4,500	42,580	6%	43,578	-13%
<u>Economic Development:</u>							
City Manager's Office	2,176,400	1,088,200	1,088,200	2,176,400	100%	1,063,200	2%
Economic Development:	202,500	10,691	-	10,691	5%	9,936	8%
<u>Health &amp; Welfare:</u>							
City Manager's Office	118,050	-	-	-	0%	-	N/A
City Clerk's Office	33,450	686	-	686	2%	-	∞
General Services	274,365	137,183	137,183	274,365	100%	-	∞
Public Works	55,000	-	-	-	0%	-	N/A
<u>Public Transportation:</u>							
General Services	328,585	18,043	18,043	36,085	11%	17,500	3%
Debt Service	1,415,414	118,022	-	118,022	8%	119,294	-1%
Indirect Cost Allocations	516,700	65,680	-	65,680	13%	73,151	-10%
Contingencies	655,707	-	-	-	0%	-	N/A
Net Addition to Equipment Replacement Reserve	(379,700)	-	-	-	0%	-	N/A
<b>Total Expenditures</b>	<b>\$ 21,595,888</b>	<b>\$ 2,236,192</b>	<b>\$ 1,679,888</b>	<b>\$ 3,916,080</b>	<b>18%</b>	<b>\$ 2,181,133</b>	<b>3%</b>
<u>Other Financing Sources (Uses)</u>							
Transfers to Capital Improvements Fund	\$ (2,248,900)	\$ (147,408)		\$ (147,408)	7%	\$ -	∞
Transfers to Wastewater Fund	(4,487,900)	(339,375)		(339,375)	8%	(324,320)	<-1%
Transfers to Affordable Housing Fund	(100,000)	(8,333)		(8,333)	8%	-	∞
Transfers to Streets Fund	(253,200)	(21,100)		(21,100)	8%	(2,949)	<-1%
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (7,090,000)</b>	<b>\$ (516,217)</b>		<b>\$ (516,217)</b>	<b>7%</b>	<b>\$ (327,269)</b>	<b>&lt;-1%</b>
<u>Fund Balances</u>							
Beginning Fund Balance, July 1, as restated	\$ 8,453,089	\$ 9,235,819		\$ 9,235,819	109%	\$ 10,524,998	-12%
<u>Ending Fund Balance, July 31:</u>							
Operating Reserve	\$ 5,866,642	\$ 5,467,668		\$ 5,467,668	93%	\$ 5,869,181	-7%
Debt Service Reserve	300,000	300,000		300,000	100%	800,000	-63%
Equipment Replacement Reserve	586,750	288,075		288,075	49%	288,075	<1%
Budget Carryovers Reserve	-	-		-	N/A	463,400	-100%
Committed for Tourism Management	-	250,538		250,538	∞	-	∞
Assigned for Uptown Improvements	-	480,699		480,699	∞	-	∞
Prior Year Surplus to be Appropriated	-	1,045,917		1,045,917	∞	-	∞
Unrestricted Fund Balance	1,607,649	686,415		686,415	43%	2,591,302	-74%
<b>Total Ending Fund Balance, July 31</b>	<b>\$ 8,361,041</b>	<b>\$ 8,519,312</b>		<b>\$ 6,839,424</b>	<b>82%</b>	<b>\$ 10,011,958</b>	<b>-15%</b>



## Wastewater Enterprise Fund Summary

	FY 2019 Budget	FY 2019 YTD Actuals	Encum- brances	FY 2019 YTD Including Encumbrances	% of Budget	FY 2018 YTD Actuals	Actual Variance
<b>Revenues</b>							
Charges for Services	\$ 6,145,000	\$ 510,374		\$ 510,374	8%	\$ 508,451	<1%
Capacity Fees	673,300	63,217		63,217	9%	48,868	29%
Fines & Forfeitures	69,750	4,458		4,458	6%	6,070	-27%
<u>Other Revenues:</u>							
Interest Earnings	206,050	18,525		18,525	9%	19,183	-3%
Miscellaneous	16,200	4,047		4,047	25%	325	1145%
<b>Total Revenues</b>	<b>\$ 7,110,300</b>	<b>\$ 600,620</b>		<b>\$ 600,620</b>	<b>8%</b>	<b>\$ 582,897</b>	<b>3%</b>
<b>Expenditures</b>							
<u>Wastewater Administration:</u>							
Salaries & Benefits	\$ 191,750	\$ 11,260	\$ -	\$ 11,260	6%	\$ 4,451	153%
Other Expenditures	59,980	8,272	-	8,272	14%	6,682	24%
<u>Wastewater Operations:</u>							
Salaries & Benefits	791,730	51,123	-	51,123	6%	46,699	9%
Utilities	532,800	34,852	-	34,852	7%	13,391	160%
Maintenance	949,800	115	38,823	38,938	4%	8,495	-99%
Other Expenditures	1,162,960	4,912	44,536	49,448	4%	3,959	24%
<u>Wastewater Capital Projects:</u>							
Salaries & Benefits	97,760	5,823	-	5,823	6%	8,499	-31%
Other Expenditures	1,890	-	-	-	0%	-	N/A
Capital Improvement Projects	4,467,484	-	1,027,725	1,027,725	23%	-	N/A
<u>Indirect Cost/Departmental Allocations:</u>							
City Manager's Office	59,650	3,267	-	3,267	5%	3,929	-17%
Human Resources	46,410	2,122	-	2,122	5%	2,213	-4%
Financial Services	677,690	28,237	-	28,237	4%	21,551	31%
Information Technology	216,460	10,187	-	10,187	5%	12,279	-17%
City Attorney's Office	157,540	2,366	-	2,366	2%	2,088	13%
City Clerk's Office	3,870	229	-	229	6%	319	-28%
General Services	68,630	6,957	-	6,957	10%	16	44327%
Public Works	294,790	14,459	-	14,459	5%	13,232	9%
Debt Service	4,439,005	372,315	-	372,315	8%	369,892	1%
Contingencies	100,000	-	-	-	0%	-	N/A
Net Addition to Equipment Replacement Reserve	(509,450)	-	-	-	0%	-	N/A
Net Addition to Major Maintenance Reserve	(71,150)	-	-	-	0%	-	N/A
<b>Total Expenditures</b>	<b>\$ 13,739,599</b>	<b>\$ 556,496</b>	<b>\$ 1,111,085</b>	<b>\$ 1,667,581</b>	<b>12%</b>	<b>\$ 517,695</b>	<b>7%</b>
<b>Other Financing Sources (Uses)</b>							
Transfers from General Fund	\$ 4,487,900	\$ 339,375		\$ 339,375	8%	\$ 324,320	5%
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 4,487,900</b>	<b>\$ 339,375</b>		<b>\$ 339,375</b>	<b>8%</b>	<b>\$ 324,320</b>	<b>5%</b>
<b>Fund Balances</b>							
Beginning Fund Balance, July 1, as restated	\$ 13,528,390	\$ 15,977,604		\$ 15,977,604	118%	\$ 14,203,882	12%
<u>Ending Fund Balance, July 31:</u>							
Operating Reserve	\$ 1,804,570	\$ 1,668,835		\$ 1,668,835	92%	\$ 1,509,956	11%
Debt Service Reserve	4,052,000	4,052,000		4,052,000	100%	4,052,000	<1%
Equipment Replacement Reserve	531,050	151,691		151,691	29%	151,691	<1%
Major Maintenance Reserve	71,150	-		-	0%	-	N/A
Capital Improvements Reserve	1,225,000	4,467,484		4,467,484	365%	4,467,484	<1%
Budget Carryovers Reserve	-	-		-	N/A	110,930	-100%
Unrestricted Fund Balance	3,703,221	6,021,093		4,910,009	133%	4,301,343	40%
<b>Total Ending Fund Balance, July 31</b>	<b>\$ 11,386,991</b>	<b>\$ 16,361,103</b>		<b>\$ 15,250,019</b>	<b>134%</b>	<b>\$ 14,593,404</b>	<b>12%</b>

## All Funds Summary

	Beginning Fund Balance, July 1, 2018	Revenues	Budgeted Expenditures	Actual Expenditures	Encumbrances	Expenditures Including Encumbrances	% of Budget	Net Interfund Transfers	Ending Fund Balance, July 31, 2018
General Fund	\$ 9,235,819	\$ 2,035,902	\$ 21,595,888	\$ 2,236,192	\$ 1,679,888	\$ 3,916,080	18%	\$ (516,217)	\$ 8,519,312
<b>Special Revenue Funds</b>									
Streets Fund	\$ 549,742	\$ 83,308	\$ 1,207,380	\$ 3,409	\$ -	\$ 3,409	<1%	\$ 21,100	\$ 650,741
Grants, Donations & Other Funds	\$ 610,371	\$ 28,231	\$ 710,330	\$ 5,245	\$ -	\$ 5,245	1%	\$ 8,333	\$ 641,690
Transportation Sales Tax Fund	\$ 1,044,816	\$ 217,248	\$ 100,920	\$ -	\$ -	\$ -	0%	\$ -	\$ 1,262,064
<b>Capital Projects Funds</b>									
Development Impact Fees Funds	\$ 2,722,932	\$ 34,389	\$ 77,540	\$ 795	\$ 24,940	\$ 25,735	33%	\$ -	\$ 2,756,526
Capital Improvements Fund	\$ 14,875,000	\$ 7,578	\$ 8,296,445	\$ -	\$ 537,058	\$ 537,058	6%	\$ 147,408	\$ 15,029,987
Art in Public Places Fund	\$ 94,397	\$ 105	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ 94,502
Wastewater Enterprise Fund	\$ 15,977,604	\$ 600,620	\$ 13,739,599	\$ 556,496	\$ 1,111,085	\$ 1,667,581	12%	\$ 339,375	\$ 16,361,103
Information Technology Internal Service Fund	\$ 195,285	\$ 139,863	\$ 1,727,361	\$ 112,920	\$ 47,318	\$ 160,238	9%	\$ -	\$ 222,228
<b>Total All City Funds</b>	<b>\$ 45,305,966</b>	<b>\$ 3,147,244</b>	<b>\$ 47,455,463</b>	<b>\$ 2,915,057</b>	<b>\$ 3,400,289</b>	<b>\$ 6,315,347</b>	<b>13%</b>	<b>\$ -</b>	<b>\$ 45,538,152</b>
<b>Community Facilities Districts</b>									
Sedona Summit II	\$ 292,469	\$ 414	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ 292,883
Fairfield	\$ 30,998	\$ 301	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ 31,299

**Debt Outstanding\***

Bond Issue/Lease	Maturity Dates	Interest Rates	General Fund			Development Impact Fee Funds			Wastewater Fund			Grand Totals		
			Remaining Principal Payments	Remaining Interest Payments	Total	Remaining Principal Payments	Remaining Interest Payments	Total	Remaining Principal Payments	Remaining Interest Payments	Total	Remaining Principal Payments	Remaining Interest Payments	Total
<b>City Excise Tax Revenue Bonds</b>														
Series 2007	7/1/2019	4.0-4.125%	\$ 745,000	\$ 30,731	\$ 775,731	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 745,000	\$ 30,731	\$ 775,731
Series 2012	7/1/2025-2026	4.5%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,395,000	\$ 2,837,475	\$ 11,232,475	\$ 8,395,000	\$ 2,837,475	\$ 11,232,475
Series 2014	7/1/2019	0.66%	\$ 380,523	\$ 2,511	\$ 383,034	\$ 9,477	\$ 63	\$ 9,540	\$ -	\$ -	\$ -	\$ 390,000	\$ 2,574	\$ 392,574
Series 2015	7/1/2019	1.3%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,000,000	\$ 52,000	\$ 4,052,000	\$ 4,000,000	\$ 52,000	\$ 4,052,000
Second Series 2015	7/1/2019-2027	1.94%	\$ 7,655,000	\$ 747,434	\$ 8,402,434	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,655,000	\$ 747,434	\$ 8,402,434
<b>Sedona Wastewater Municipal Property Corporation Excise Tax Revenue Bonds</b>														
Series 1998**	7/1/2020-2024	5.20-5.24%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,305,000	\$ 15,245,000	\$ 21,550,000	\$ 6,305,000	\$ 15,245,000	\$ 21,550,000
<b>Capital Leases</b>														
Ford Motor Credit	1/31/2019-2020	4.75%	\$ 218,919	\$ 15,719	\$ 234,638	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 218,919	\$ 15,719	\$ 234,638
Ford Motor Credit	10/14/2018-2020	5.20%	\$ 196,194	\$ 20,749	\$ 216,943	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 196,194	\$ 20,749	\$ 216,943
<b>Installment Purchase Agreements</b>														
Christmas Light Decorators***	9/30/2018	0.00%	\$ 11,465	\$ -	\$ 11,465	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,465	\$ -	\$ 11,465
<b>Grand Totals</b>			<b>\$ 9,207,101</b>	<b>\$ 817,145</b>	<b>\$ 10,024,245</b>	<b>\$ 9,477</b>	<b>\$ 63</b>	<b>\$ 9,540</b>	<b>\$ 18,700,000</b>	<b>\$ 18,134,475</b>	<b>\$ 36,834,475</b>	<b>\$ 27,916,578</b>	<b>\$ 18,951,682</b>	<b>\$ 46,868,260</b>

\* Bond semiannual interest payments made on July 1, 2018 were as follows:

General Fund	\$ 1,332,445
Development Impact Fee Funds	10,149
Wastewater Fund	4,160,368
<b>Total</b>	<b>\$ 5,502,962</b>

\*\*The Series 1998 bonds are comprised of capital appreciation bonds (CABs). CABs offer an investment return on an initial principal amount and are reinvested at a stated compounded rate until maturity. At maturity, the investor receives a single payment (the "maturity value") representing both the initial principal amount and the total investment return. The next maturity date is not until July 1, 2020.

\*\*\*The installment purchase agreement with Christmas Light Decorators was a 3-year agreement with no stated interest rate. The final annual payment will be made in FY 2018-19.

**Capital Projects Summary**

Project	Funding Source	Total Project to Date			FY 2019 to Date		
		Budget	Actuals	% of Budget	Budget	Actuals	% of Budget
<b>Municipal Court</b>							
Sinagua Courtroom Remodel (MC-01)	Court Restricted Revenues	\$ 213,500	\$ 13,425	6%	\$ 194,000	\$ -	0%
	Capital Reserves	\$ 50,000	\$ 13,070	26%	\$ 20,700	\$ -	0%
	<b>Project Total</b>	<b>\$ 263,500</b>	<b>\$ 26,495</b>	<b>10%</b>	<b>\$ 214,700</b>	<b>\$ -</b>	<b>0%</b>
<b>Parks &amp; Recreation</b>							
Improvements at Ranger Station (PR-03) (estimated to resume in FY2020)	CFD - Sedona Summit II	\$ 91,600	\$ 85,214	93%	\$ -	\$ -	N/A
	CFD - Fairfield	\$ 170,000	\$ 171,527	101%	\$ -	\$ -	N/A
	<b>Project Total</b>	<b>\$ 261,600</b>	<b>\$ 256,740</b>	<b>98%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
Shade Structures & Playground Equipment (PR-05) (estimated to resume in FY2021)	Development Impact Fees	\$ 30,630	\$ 24,490	80%	\$ -	\$ -	N/A
Dog Park Upgrade (PR-08) (estimated to resume in FY2022)	Development Impact Fees	\$ 292,983	\$ 278,197	95%	\$ -	\$ -	N/A
Bike Skills Park (PR-07) (estimated to resume in FY2022)	Development Impact Fees	\$ 104,000	\$ 103,785	100%	\$ -	\$ -	N/A
	Outside Participation	\$ 37,096	\$ 37,096	100%	\$ -	\$ -	N/A
	Grant	\$ 20,600	\$ -	0%	\$ -	\$ -	N/A
	Donations	\$ 3,000	\$ 3,000	100%	\$ -	\$ -	N/A
	Capital Reserves	\$ 110,000	\$ 138,901	126%	\$ -	\$ -	N/A
	<b>Project Total</b>	<b>\$ 274,696</b>	<b>\$ 282,782</b>	<b>103%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
<b>Police</b>							
Police Station Remodel (PD-03)	Capital Reserves	\$ 20,000	\$ 2,999	15%	\$ 18,000	\$ -	0%
Shooting Range Improvements (PD-04)	RICO Monies	\$ 66,388	\$ 41,388	62%	\$ -	\$ -	N/A
	Development Impact Fees	\$ 95,000	\$ 95,000	100%	\$ -	\$ -	N/A
	Capital Reserves	\$ 558,989	\$ 353,260	63%	\$ 49,160	\$ -	0%
	<b>Project Total</b>	<b>\$ 720,377</b>	<b>\$ 489,648</b>	<b>68%</b>	<b>\$ 49,160</b>	<b>\$ -</b>	<b>0%</b>
Radio infrastructure (PD-02)	Capital Reserves	\$ 393,173	\$ 93,173	24%	\$ 231,500	\$ -	0%
<b>Public Works</b>							
Uptown Enhancements (PW-01)	Paid Parking Revenues	\$ 400,000	\$ -	0%	\$ 400,000	\$ -	0%
Recycle Drop Off Locations (PW-02)	Capital Reserves	\$ 137,000	\$ -	0%	\$ 137,000	\$ -	0%
<b>Sedona in Motion</b>							
Unspecified Projects (SIM-00)	Capital Reserves	\$ 539,477	\$ -	0%	\$ 365,257	\$ -	0%
Uptown Roadway Improvements (SIM-01)	Capital Reserves	\$ 3,549,000	\$ 59,704	2%	\$ 1,699,000	\$ -	0%
Uptown Parking Improvements (SIM-03a)	Capital Reserves	\$ 150,000	\$ 13,463	9%	\$ 133,906	\$ -	0%
	Paid Parking Revenues	\$ 80,000	\$ -	0%	\$ 80,000	\$ -	0%
	<b>Project Total</b>	<b>\$ 230,000</b>	<b>\$ 13,463</b>	<b>6%</b>	<b>\$ 213,906</b>	<b>\$ -</b>	<b>0%</b>
Wayfinding Signage (SIM-03b)	Capital Reserves	\$ 300,000	\$ -	0%	\$ 150,000	\$ -	0%
	Transportation Sales Tax	\$ 150,000	\$ -	0%	\$ -	\$ -	N/A
	<b>Project Total</b>	<b>\$ 450,000</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>0%</b>
Pedestrian Crossing at Tlaquepaque (SIM-04c)	Capital Reserves	\$ 60,523	\$ -	0%	\$ 60,523	\$ -	0%
SR 89A & SR 179 Right Turn Y Roundabout Bypass (SIM-04d)	Capital Reserves	\$ 307,500	\$ -	0%	\$ -	\$ -	N/A
	Grant	\$ 1,369,419	\$ -	0%	\$ 268,645	\$ -	0%
	Bed Tax Allocation	\$ 268,645	\$ -	0%	\$ 268,645	\$ -	0%
	Transportation Sales Tax	\$ 793,274	\$ -	0%	\$ -	\$ -	N/A
	<b>Project Total</b>	<b>\$ 2,738,838</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 537,290</b>	<b>\$ -</b>	<b>0%</b>
Portal Lane to Ranger Road Connection (SIM-05a)	Capital Reserves	\$ 760,000	\$ 24,936	3%	\$ 731,000	\$ -	0%
Forest Road Connection (SIM-05b)	Capital Reserves	\$ 520,000	\$ -	0%	\$ 120,000	\$ -	0%
	Transportation Sales Tax	\$ 800,000	\$ -	0%	\$ -	\$ -	N/A
	<b>Project Total</b>	<b>\$ 1,320,000</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 120,000</b>	<b>\$ -</b>	<b>0%</b>
Enhanced Tranist Service - Tourism (SIM-08)	Capital Reserves	\$ 30,000	\$ -	0%	\$ 30,000	\$ -	0%
	Grant	\$ 160,000	\$ -	0%	\$ 160,000	\$ -	0%
	Outside Participation	\$ 10,000	\$ -	0%	\$ 10,000	\$ -	0%
	<b>Project Total</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>0%</b>
Bicycle & Pedestrian Improvements (SIM-11)	Capital Reserves	\$ 45,000	\$ 1,488	3%	\$ 43,560	\$ -	0%
Travel Information System (SIM-12) (estimated to resume in FY2020)	Capital Reserves	\$ 150,000	\$ -	0%	\$ 81,500	\$ -	0%
<b>Storm Drainage</b>							
Coffee Pot Drainage Basin - Little Elf Drive Area (SD-02)	Capital Reserves	\$ 1,622,000	\$ -	0%	\$ 1,622,000	\$ -	0%
	Yavapai County Flood Control	\$ 350,000	\$ -	0%	\$ 350,000	\$ -	0%
	Development Impact Fees	\$ 23,000	\$ -	0%	\$ 23,000	\$ -	0%
	<b>Project Total</b>	<b>\$ 1,995,000</b>	<b>\$ -</b>	<b>0%</b>	<b>\$ 1,995,000</b>	<b>\$ -</b>	<b>0%</b>
Juniper Hills Area Improvements (SD-07)	Coconino County Flood Control	\$ 513,175	\$ 65,787	13%	\$ 450,000	\$ -	0%
	Capital Reserves	\$ 436,825	\$ -	0%	\$ 427,825	\$ -	0%
	<b>Project Total</b>	<b>\$ 950,000</b>	<b>\$ 65,787</b>	<b>7%</b>	<b>\$ 877,825</b>	<b>\$ -</b>	<b>0%</b>
Storm Drainage Easement Acquisition (SD-09)	Development Impact Fees	\$ 65,260	\$ 45,260	69%	\$ 20,000	\$ -	0%
<b>Streets &amp; Transportation</b>							
Dry Creek Road Overlay (ST-01)	Capital Reserves	\$ 106,358	\$ 71,580	67%	\$ 34,778	\$ -	0%
	Grant	\$ 353,446	\$ -	0%	\$ 353,446	\$ -	0%
	<b>Project Total</b>	<b>\$ 459,804</b>	<b>\$ 71,580</b>	<b>16%</b>	<b>\$ 388,224</b>	<b>\$ -</b>	<b>0%</b>
Sanborn Drive/Thunder Mountain Road Overlay (ST-02) (estimated to resume in FY2020)	Capital Reserves	\$ 595,646	\$ 142,226	24%	\$ -	\$ -	N/A
	Grant	\$ 353,454	\$ -	0%	\$ -	\$ -	N/A
	<b>Project Total</b>	<b>\$ 949,100</b>	<b>\$ 142,226</b>	<b>15%</b>	<b>\$ -</b>	<b>\$ -</b>	<b>N/A</b>
<b>Wastewater</b>							
WWRP Recharge Wells (WW-06) (estimated to resume in FY2021)	Wastewater Fees	\$ 11,153,258	\$ 5,477,698	49%	\$ -	\$ -	N/A
Wastewater Collections System Improvements (WW-01)	Wastewater Fees	\$ 2,625,000	\$ 73,806	3%	\$ 2,575,000	\$ -	0%
WWRP Bar Screen and Filter System Upgrades (WW-02)	Wastewater Fees	\$ 1,900,000	\$ 298,498	16%	\$ 1,601,470	\$ -	0%
WWRP Odor Control (WW-05) (estimated to resume in FY2020)	Wastewater Fees	\$ 24,660	\$ 24,660	100%	\$ -	\$ -	N/A
WWRP Headworks Replacement	Wastewater Fees	\$ 480,000	\$ 450,738	94%	\$ 6,014	\$ -	0%
SCADA System & Configuration Upgrade (WW-04) (estimated to resume in FY2020)	Wastewater Fees	\$ 185,000	\$ -	0%	\$ -	\$ -	N/A
Remodel or Expand WWRP Administrative Building	Wastewater Fees	\$ 295,000	\$ 5,525	2%	\$ 285,000	\$ -	0%
<b>Grand Totals</b>		<b>\$ 33,918,879</b>	<b>\$ 8,209,895</b>	<b>24%</b>	<b>\$ 13,000,929</b>	<b>\$ -</b>	<b>0%</b>

Investment Holdings Summary

CUSIP	Issuer	Settlement Date	Maturity Date	Initial Duration	Remaining Duration as of July 31, 2018 (In Years)	Coupon	Yield	Benchmark at Time of Purchase	Par Value	Book Value	Fair Market Value as of July 31, 2018	Realized Gain/Loss	Unrealized Gain/Loss*	Accrued Interest Not Yet Recorded	% of Investment Pool
<b>U.S. Government Agency Securities</b>															
3137EADG1	Federal Home Loan Mortgage Corporation	6/19/2018	5/30/2019	0.9	0.8	1.750%	2.300%	1.730%	\$ 1,000,000	\$ 994,870	\$ 994,869	\$ -	\$ (1)	\$ 1,486	2.32%
3133EGEF8	Federal Farm Credit Bank	12/20/2017	6/13/2019	1.5	0.9	1.180%	1.785%	1.090%	\$ 1,116,000	\$ 1,106,176	\$ 1,104,182	\$ -	\$ (1,994)	\$ 1,118	2.58%
76116FAA5	Resolution Funding Corporation	12/21/2017	10/15/2019	1.8	1.2	0.000%	1.841%	1.090%	\$ 1,033,000	\$ 999,566	\$ 1,000,270	\$ -	\$ 705	\$ -	2.33%
3134GBG97	Federal Home Loan Mortgage Corporation	9/28/2017	9/28/2020	3.0	2.2	1.375%-2.500%	1.750%	1.010%	\$ 2,000,000	\$ 2,000,000	\$ 1,965,220	\$ -	\$ (34,780)	\$ 2,336	4.67%
3133EH4R1	Federal Farm Credit Bank	12/28/2017	9/28/2020	2.8	2.2	2.120%	2.120%	1.090%	\$ 1,000,000	\$ 1,000,000	\$ 979,733	\$ -	\$ (20,267)	\$ 1,801	2.34%
3133EGRN7	Federal Farm Credit Bank	9/8/2017	2/17/2021	3.4	2.6	1.470%	1.570%	1.010%	\$ 1,000,000	\$ 996,659	\$ 966,139	\$ -	\$ (30,520)	\$ 1,248	2.33%
3130AC6V1	Federal Home Loan Bank	9/14/2017	3/15/2021	3.5	2.6	1.850%	1.850%	1.010%	\$ 2,000,000	\$ 2,000,000	\$ 1,940,932	\$ -	\$ (59,068)	\$ 3,142	4.67%
3134GBP89	Federal Home Loan Mortgage Corporation	10/26/2017	4/26/2021	3.5	2.7	1.850%	1.850%	1.100%	\$ 2,000,000	\$ 2,000,000	\$ 1,949,618	\$ -	\$ (50,382)	\$ 3,142	4.67%
3133EHUS0	Federal Farm Credit Bank	8/16/2017	8/16/2021	4.0	3.0	1.875%	1.875%	0.930%	\$ 2,000,000	\$ 2,000,000	\$ 1,935,468	\$ -	\$ (64,532)	\$ 3,185	4.67%
3130AC6J8	Federal Home Loan Bank	8/28/2017	2/28/2022	4.5	3.6	2.000%	2.000%	0.930%	\$ 2,000,000	\$ 2,000,000	\$ 1,928,546	\$ -	\$ (71,454)	\$ 3,397	4.67%
3134GBUP5	Federal Home Loan Mortgage Corporation	8/28/2017	6/29/2022	4.8	3.9	1.625%-4.000%	2.526%	0.930%	\$ 2,175,000	\$ 2,175,000	\$ 2,156,191	\$ -	\$ (18,809)	\$ 3,233	5.08%
3130AC2B9	Federal Home Loan Bank	8/22/2017	8/22/2022	5.0	4.1	1.750%-3.000%	2.375%	0.930%	\$ 2,000,000	\$ 2,000,000	\$ 1,967,140	\$ -	\$ (32,860)	\$ 2,973	4.67%
3130ABZG4	Federal Home Loan Bank	8/30/2017	8/26/2022	5.0	4.1	2.150%	2.150%	0.930%	\$ 1,000,000	\$ 1,000,000	\$ 961,729	\$ -	\$ (38,271)	\$ 1,826	2.34%
3130ACA79	Federal Home Loan Bank	9/8/2017	9/8/2022	5.0	4.1	1.750%-4.000%	2.438%	1.010%	\$ 2,000,000	\$ 2,000,000	\$ 1,960,464	\$ -	\$ (39,536)	\$ 2,973	4.67%
3134GBR79	Federal Home Loan Mortgage Corporation	10/27/2017	10/27/2022	5.0	4.2	1.750%-3.750%	2.338%	1.100%	\$ 2,000,000	\$ 2,000,000	\$ 1,978,382	\$ -	\$ (21,618)	\$ 2,973	4.67%
<b>Subtotals</b>									<b>\$ 24,324,000</b>	<b>\$ 24,272,270.77</b>	<b>\$ 23,788,883</b>	<b>\$ -</b>	<b>\$ (483,388)</b>	<b>\$ 34,833</b>	<b>56.70%</b>
<b>Negotiable Certificates of Deposit</b>															
61747MXT3	Morgan Stanley Bank NA	8/10/2017	8/12/2019	2.0	1.0	1.700%	1.700%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 357	0.58%
87270LAS2	TIAA FSB	9/18/2017	9/12/2019	2.0	1.1	1.700%	1.700%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 357	0.58%
02006L5J8	Ally Bank Midvale Utah	9/14/2017	9/16/2019	2.0	1.1	1.750%	1.750%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 367	0.58%
20033AVN3	Comenity Capital Bank	8/9/2017	8/10/2020	3.0	2.0	1.950%	1.950%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 277	0.58%
3814PMJ3	Goldman Sachs Bank USA	8/9/2017	8/10/2020	3.0	2.0	1.900%	1.900%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 399	0.58%
02587CGG9	American Express FSB	9/12/2017	9/14/2020	3.0	2.1	1.950%	1.950%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 409	0.58%
319141HQ3	First Bank of Highland Park	9/14/2017	9/14/2020	3.0	2.1	1.800%	1.800%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 378	0.58%
14042RHJ5	Capital One, NA	10/12/2017	10/13/2020	3.0	2.2	2.000%	2.000%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 420	0.58%
20786ABY0	ConnectOne Bank	12/28/2017	12/28/2020	3.0	2.4	2.200%	2.200%	1.090%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 45	0.58%
1404204E7	Capital One Bank USA NA	8/9/2017	8/9/2021	4.0	3.0	2.100%	2.100%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 441	0.58%
254673AF3	Discover Bank	8/9/2017	8/9/2021	4.0	3.0	2.100%	2.100%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 441	0.58%
05580AKJ2	BMW Bank	9/15/2017	9/15/2021	4.0	3.1	2.100%	2.100%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 441	0.58%
88413QBR8	Third Federal Savings & Loan	9/15/2017	9/15/2021	4.0	3.1	2.000%	2.000%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 420	0.58%
29266N6P7	EnerBank USA	10/13/2017	10/13/2021	4.0	3.2	2.000%	2.000%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 244	0.58%
02587DV47	American Express Centurion	8/8/2017	8/8/2022	5.0	4.0	2.350%	2.350%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 493	0.58%
795450C37	Sallie Mae Bank	8/9/2017	8/9/2022	5.0	4.0	2.350%	2.350%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 493	0.58%
87164XSH0	Synchrony Bank	10/6/2017	10/6/2022	5.0	4.2	2.250%	2.250%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 472	0.58%
06740KLD7	Barclays Bank	10/18/2017	10/18/2022	5.0	4.2	2.300%	2.300%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 482	0.58%
32056GCV0	First Internet Bank of Indiana	12/28/2017	12/28/2022	5.0	4.4	2.400%	2.400%	1.090%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 49	0.58%
<b>Subtotals</b>									<b>\$ 4,693,000</b>	<b>\$ 4,693,000</b>	<b>\$ 4,693,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,981</b>	<b>10.96%</b>
<b>AZ State Treasurer Local Government Investment Pool (LGIP)</b>															
N/A	Pool 5	N/A	N/A	N/A	0.0	N/A	2.070%	N/A	\$ 3,059,812	\$ 3,059,812	\$ 3,059,812	\$ -	\$ -	\$ -	7.15%
N/A	Pool 7	N/A	N/A	N/A	0.0	N/A	1.830%	N/A	\$ 786,457	\$ 786,457	\$ 786,457	\$ -	\$ -	\$ -	1.84%
N/A	Pool 500	N/A	N/A	N/A	0.0	N/A	2.280%	N/A	\$ 8,611,511	\$ 8,611,511	\$ 8,611,511	\$ -	\$ -	\$ -	20.12%
<b>Subtotals</b>									<b>\$ 12,457,780</b>	<b>\$ 12,457,780</b>	<b>\$ 12,457,780</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>29.10%</b>
<b>Government Money Market Fund</b>															
N/A	Wells Fargo Sweep Account	N/A	N/A	N/A	0.0	N/A	1.764%	N/A	\$ 1,385,774	\$ 1,385,774	\$ 1,385,774	\$ -	\$ -	\$ -	3.24%
<b>Averages/Grand Totals</b>					<b>2.0</b>	<b>2.099%</b>	<b>\$ 42,860,555</b>	<b>\$ 42,808,825</b>	<b>\$ 42,325,437</b>	<b>\$ -</b>	<b>\$ (483,388)</b>	<b>\$ 41,814</b>	<b>100.00%</b>		

Benchmark per Policy (LGIP Pool 5) 2.070%

\* Unrealized gains and losses would only be realized if the City chose to sell its investments prior to maturity and are based on the fair market value as reported by the City's safekeeping agent. The City plans to hold investments until maturity unless there is a compelling reason to sell.

## Investment Transactions Summary

CUSIP	Issuer	Transaction Type	Activity During July 2018
<b>Acquisitions</b>			
			<b>Subtotal</b> \$ -
<b>Dispositions</b>			
N/A	LGIP Pool 5	Withdrawal	\$ 8,670
N/A	LGIP Pool 7	Withdrawal	\$ 1,375
N/A	LGIP Pool 500	Withdrawal	\$ 480,564
N/A	Wells Fargo Sweep Account	Withdrawal	\$ 6,774,316
			<b>Subtotal</b> \$ <b>7,264,924</b>
<b>Earnings</b>			
20033AVN3	Comenity Capital Bank	Monthly Interest	\$ 396
20033AVN3	Comenity Capital Bank	Interest Accrued to FY2018	\$ (277)
29266N6P7	EnerBank USA	Monthly Interest	\$ 406
29266N6P7	EnerBank USA	Interest Accrued to FY2018	\$ (230)
32056GCV0	First Internet Bank of Indiana	Monthly Interest	\$ 487
32056GCV0	First Internet Bank of Indiana	Interest Accrued to FY2018	\$ (32)
20786ABY0	ConnectOne Bank	Monthly Interest	\$ 447
20786ABY0	ConnectOne Bank	Interest Accrued to FY2018	\$ (30)
N/A	LGIP Pool 5	Monthly Gain/Loss	\$ 5,387
N/A	LGIP Pool 5	Recovery from Lehman Brothers	\$ 9,239
N/A	LGIP Pool 7	Monthly Gain/Loss	\$ 1,223
N/A	LGIP Pool 7	Recovery from Lehman Brothers	\$ 3,561
N/A	LGIP Pool 500	Monthly Gain/Loss	\$ 13,007
N/A	Wells Fargo Sweep Account	Monthly Dividends	\$ 2,778
			<b>Subtotal</b> \$ <b>36,362</b>
<b>Expenses</b>			
N/A	N/A	Custody Charges	\$ 112
N/A	N/A	Wire Fees	\$ 188
			<b>Subtotal</b> \$ <b>300</b>
<b>Net Transactions for July 2018</b>			<b>\$ (7,228,863)</b>