

# Monthly Financial Report

October 2018



**CITY OF SEDONA**

February 4, 2019

# Monthly Financial Report

October 2018

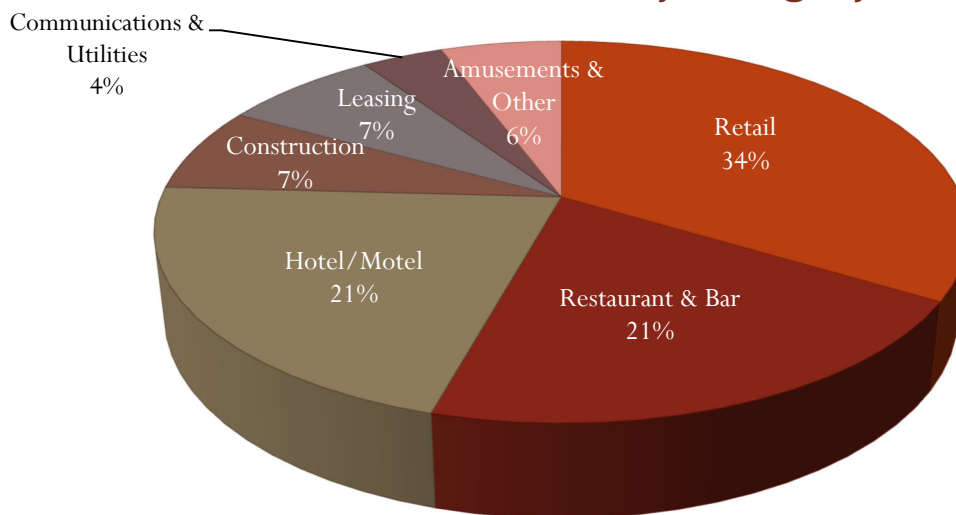
## Executive Summary

The City's largest revenue sources are sales and bed tax revenues. Year-to-date City sales taxes are 24% higher than the prior year and year-to-date **bed taxes are 9% 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 7% higher** than the prior year. (See pg. 46)

October YTD Increase (Decrease) Over Prior Year (General Fund Portion)	
City Sales Taxes	\$ 361,457
Bed Taxes	121,130
<b>Total</b>	<b>\$ 482,587</b>

The largest sales tax increases for the month were in the Retail (31%), Leasing (26%), and Communications & Utilities (28%) categories. (See pg. 44) Typically, the increases occur in the categories heavily impacted by tourism; however, other than impacts on Retail, the other categories are not typically impacted by tourism. This may be an indication of a leveling off of tourism activity, particularly since October has historically been one of the busier months. 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 5%** over last year, and **Wastewater Fund revenues are up 4%** from last year. (See pgs. 27 & 31) **Total City revenues are up 13% over last year and at 31% of budget**, with 33% of the year completed so far. (See pg. 33)

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:

- Urban Revenue Sharing (3% under YTD target) (See pg. 37)
  - The final allocation for Urban Revenue Sharing will be approximately \$45,000 less than the preliminary estimate originally provided. This is expected to be offset by other revenue categories that are anticipated to be higher than targets by the end of the fiscal year.
- Other Intergovernmental (95% 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.
- Licenses & Permits (18% under YTD target) (See pg. 40)
  - With the changes made to the business license requirements, this category is not expected to achieve the target by the end of the fiscal year; however, this is expected to be offset by other revenue categories that are anticipated to be higher than targets by the end of the fiscal year.
- Capacity Fees (33% under YTD target) (See pg. 42)
  - Capacity fees are not consistent from month to month or year to year. The revenues may not achieve the target by the end of the fiscal year; however, sufficient surpluses exist in the Wastewater Fund to cover the potential shortage in this category.

## Expenditures

In total, **General Fund expenditures are at 30% of budget** for the year-to-date, and **Wastewater Fund expenditures are 19% of budget** for the year-to-date, with 33% of the year completed so far. (See pgs. 6 & 10) **Total City expenditures, excluding capital improvements and internal charges, are at 28% of the budget.** (See pg. 13)

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 four months but are on track due to the nature of semiannual payments for community contracts. (See pgs. 14 & 21)

Expenditures for capital improvements (2%) (See pg. 50) and streets rehabilitation and preservation (1%) (See pg. 7) are not incurred consistently throughout the year and, as of October 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 October 2018 is the fourth month of the current fiscal year, FY 2019, and **represents 33% 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 and 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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**Table of Contents**

(click on page number to navigate to that page)

	Page	% YTD	Status	Comments
<b>Portion of Fiscal Year Complete = 33.33%</b>				
<b>Total Expenditures by Fund</b>				
General Fund	6	30%	Under Target for FY 2019	
<u>Special Revenue Funds:</u>				
Streets Fund	7	1%	Under Target for FY 2019	Expenditures do not occur consistently throughout the fiscal year.
Grants, Donations & Other Funds	7	7%	Under Target for FY 2019	Expenditures do not occur consistently throughout the fiscal year.
Transportation Sales Tax Fund	8	1%	Under Target for FY 2019	
<u>Capital Projects Funds:</u>				
Development Impact Fees Funds	8	13%	Under Target for FY 2019	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Capital Improvements Fund	9	2%	Under Target for FY 2019	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Art in Public Places Fund	9	N/A	On Target for FY 2019	No projects planned for FY 2019.
Wastewater Enterprise Fund	10	19%	Under Target for FY 2019	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Info. Tech. Internal Service Fund	11	28%	Under Target for FY 2019	
<u>Community Facilities Districts:</u>				
Sedona Summit II	12	N/A	On Target for FY 2019	No projects planned for FY 2019.
Fairfield	12	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)	13	28%	Under Target for FY 2019	
City Council	14	28%	Under Target for FY 2019	
City Manager's Office	14	42%	On Target for FY 2019	While expenditures are high, they are on track due to the significant semiannual payments made in July.
Human Resources	15	21%	Under Target for FY 2019	
Financial Services	16	24%	Under Target for FY 2019	
Information Technology	17	26%	Under Target for FY 2019	
City Attorney's Office	18	22%	Under Target for FY 2019	
City Clerk's Office	19	29%	Under Target for FY 2019	
Parks & Recreation	20	31%	Under Target for FY 2019	
General Services	21	43%	On Target for FY 2019	While expenditures are high, they are on track due to the significant semiannual payments made in July.
Debt Service	21	33%	On Target for FY 2019	
Community Development	22	29%	Under Target for FY 2019	
Public Works	23	19%	Under Target for FY 2019	
Economic Development	24	21%	Under Target for FY 2019	
Police	24	25%	Under Target for FY 2019	
Municipal Court	25	27%	Under Target for FY 2019	
Wastewater Administration	25	29%	Under Target for FY 2019	
Wastewater Capital	26	30%	Under Target for FY 2019	
Wastewater Operations	26	21%	Under Target for FY 2019	
<b>Total Revenues by Fund</b>				
General Fund	27	32%	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	28	36%	Exceeds Target for FY 2019	
Grants, Donations & Other Funds	28	14%	Under Target for FY 2019	The FY 2019 budget includes \$300,000 of contingent grant revenues in case a significant grant opportunity arises.
Transportation Sales Tax Fund	29	31%	Under Target for FY 2019	While revenues are slightly low due to timing of sales tax collections, revenues are expected to be on target by the end of the fiscal year.
<u>Capital Projects Funds:</u>				
Development Impact Fees Funds	29	48%	Exceeds Target for FY 2019	
Capital Improvements Fund	30	5%	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	30	232%	Exceeds Target for FY 2019	
Wastewater Enterprise Fund	31	33%	On Target for FY 2019	
Info. Tech. Internal Service Fund	31	33%	On Target for FY 2019	
<u>Community Facilities Districts:</u>				
Sedona Summit II	32	3%	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	32	22%	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	33	31%	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	34	32%	On Target for FY 2019	
Bed Taxes	35	33%	Exceeds Target for FY 2019	
In-Lieu	36	5%	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	36	29%	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	37	33%	On Target for FY 2019	
Urban Revenue Sharing	37	32%	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	38	36%	Exceeds Target for FY 2019	
Highway User	38	36%	Exceeds Target for FY 2019	
Other Intergovernmental	39	2%	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	40	27%	Under Target for FY 2019	Annual business license renewals are primarily received in November to December and the requirements for licensure were changes. Revenues are low and may not be on target by the end of the fiscal year.
Charges for Services	40	33%	On Target for FY 2019	
Fines & Forfeitures	41	33%	On Target for FY 2019	
Development Impact Fees	42	49%	Exceeds Target for FY 2019	
Capacity Fees	42	22%	Under Target for FY 2019	Revenues do not occur consistently throughout the fiscal year and may not be on target by the end of the fiscal year.
Other Miscellaneous	43	41%	Exceeds Target for FY 2019	
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## Total Expenditures by Fund

### Total General Fund Expenditures

**Under Target for FY 2019**

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 5,001,822	\$ 14,282,455	35%		
2016	\$ 5,113,353	\$ 14,907,362	34%	2%	4%
2017	\$ 5,286,843	\$ 16,799,273	31%	3%	13%
2018	\$ 6,593,841	\$ 19,379,409	34%	25%	15%
2019	\$ 6,381,894	\$ 20,950,031	30%	-3%	8%

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

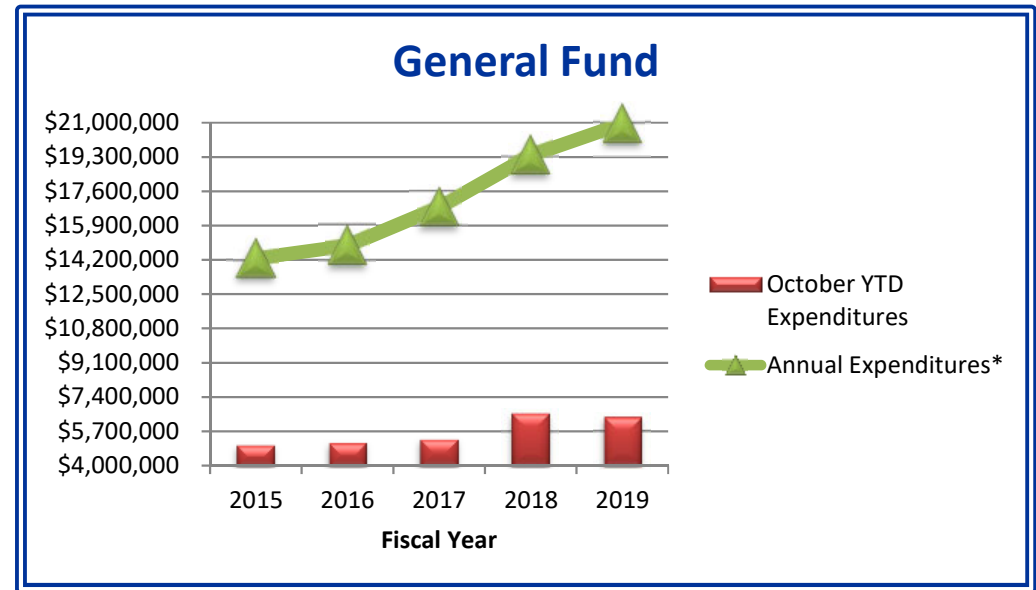
- (1) For FY 2017, Council approved the transfer of all streets related expenditures other than rehabilitation and pavement preservation to the General Fund. This increase to the General Fund was approximately \$818,000.
- (2) The allocation to the tourism management and destination marketing program 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.

#### YTD 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 the destination marketing program increases approximately \$217,000 as a result of higher estimated bed tax revenue collections.
- (3) Accrued bond payments are approximately \$248,000 higher than the prior year.
- (4) The increase is also due to a change in allocation of property and liability insurance premium payments. In FY 2017, a portion of the premium was charged directly to the Wastewater Fund. In FY 2018, the premium is allocated based on an indirect cost allocation plan.
- (5) 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.
- (6) The increase is also partly due to additional lease payments of approximately \$73,000 for the assigned vehicle program for patrol officers.

#### 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

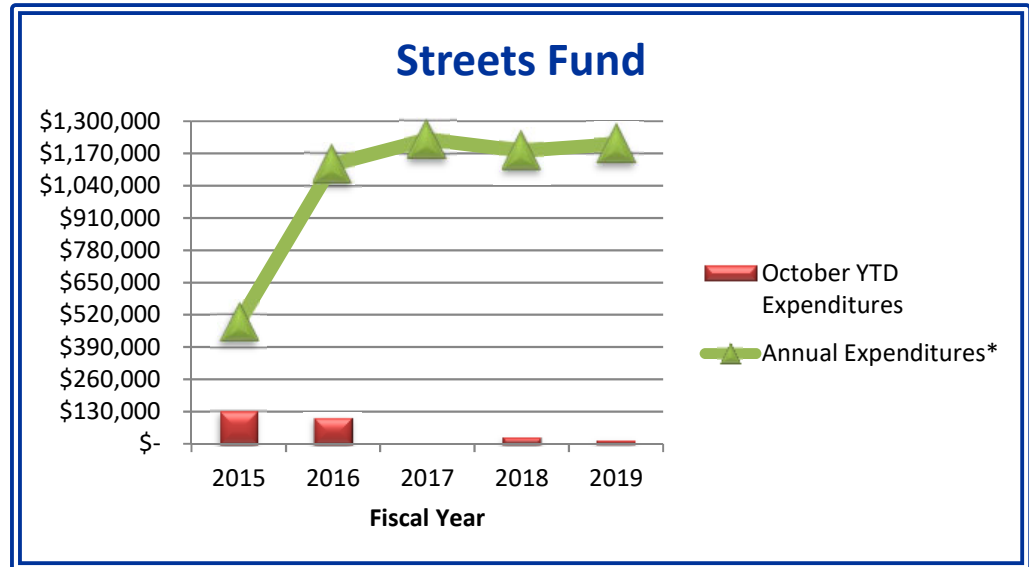
### Total Streets Fund Expenditures

Under Target for FY 2019

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 131,830	\$ 488,072	27%		
2016	\$ 104,919	\$ 1,126,227	9%	-20%	131%
2017	\$ -	\$ 1,226,595	0%	-100%	9%
2018	\$ 25,680	\$ 1,181,500	2%	∞	-4%
2019	\$ 13,810	\$ 1,207,380	1%	-46%	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.

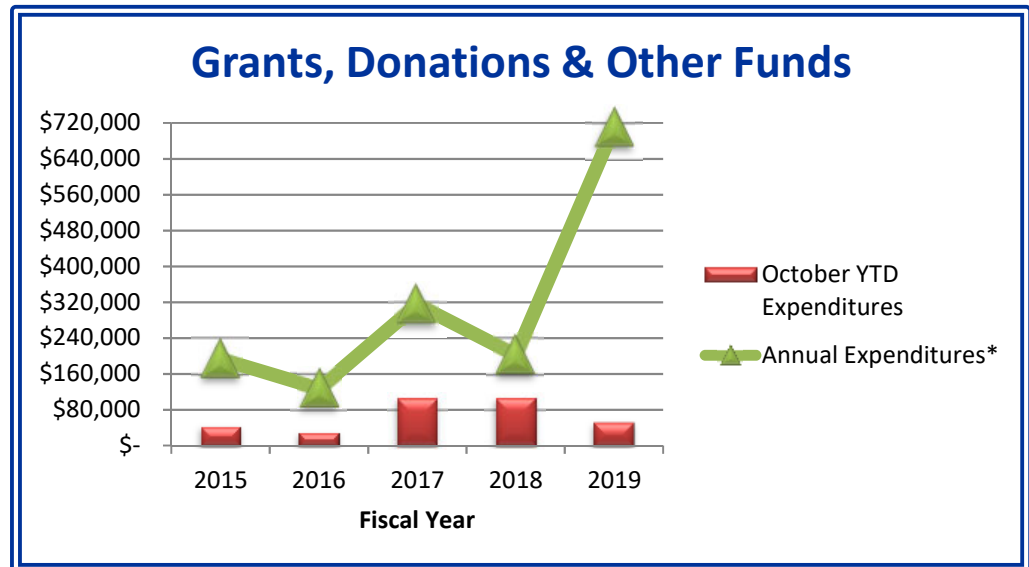


### Total Grants, Donations & Other Exp.

Under Target for FY 2019

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 42,497	\$ 193,488	22%		
2016	\$ 28,443	\$ 127,230	22%	-33%	-34%
2017	\$ 105,837	\$ 314,560	34%	272%	147%
2018	\$ 106,171	\$ 201,703	53%	<1%	-36%
2019	\$ 51,958	\$ 710,330	7%	-51%	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

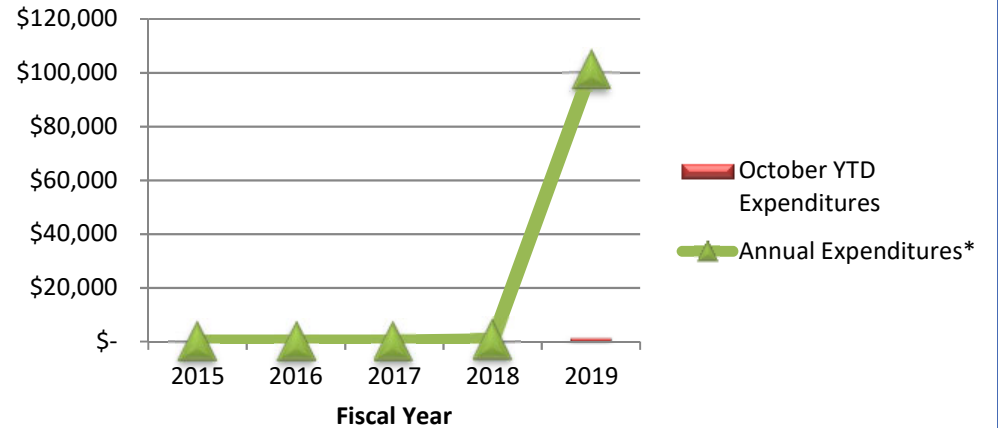
### Total Transportation Sales Tax Exp.

Under Target for FY 2019

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October 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	\$ 1,264	\$ 100,920	1%	∞	18191%

The Transportation Sales Tax Fund was initiated in March 2018.

### Transportation Sales Tax Fund



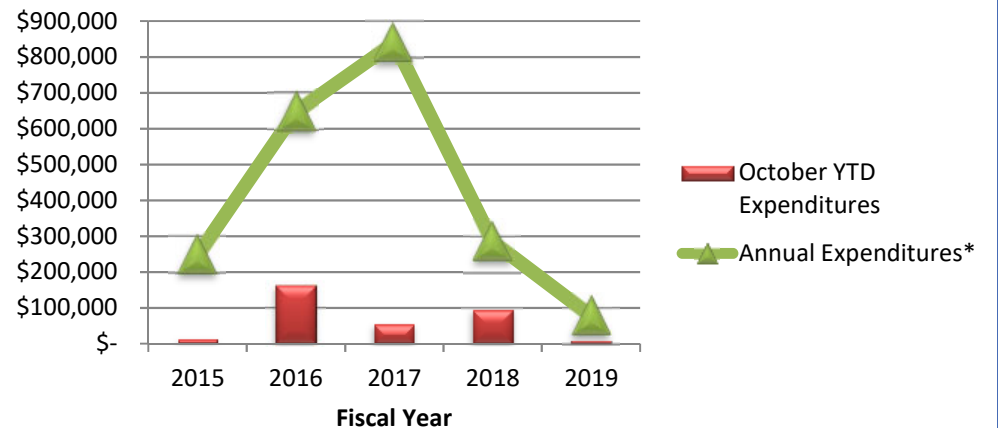
### Total Develop. Impact Fees Exp.

Under Target for FY 2019

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 12,080	\$ 247,614	5%		
2016	\$ 161,057	\$ 647,006	25%	1233%	161%
2017	\$ 52,734	\$ 839,927	6%	-67%	30%
2018	\$ 93,903	\$ 284,626	33%	78%	-66%
2019	\$ 9,790	\$ 77,540	13%	-90%	-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.

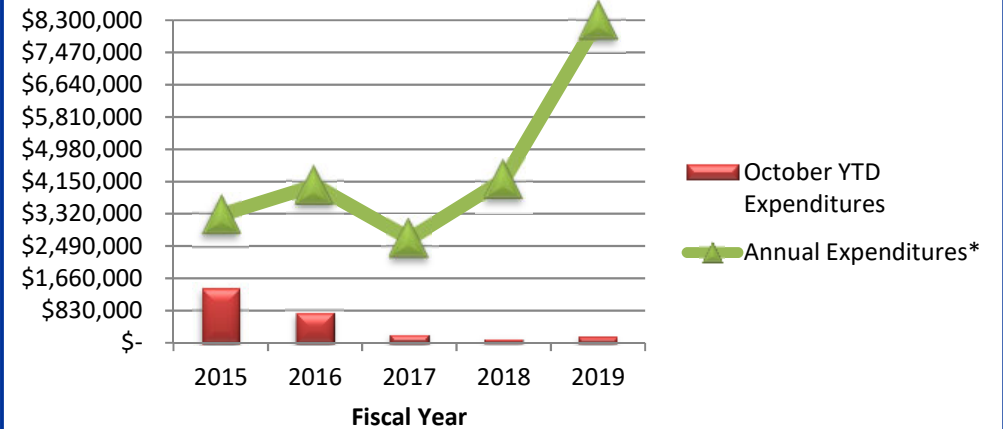
**Under Target for FY 2019**

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 1,389,376	\$ 3,293,016	42%		
2016	\$ 765,127	\$ 4,045,969	19%	-45%	23%
2017	\$ 216,808	\$ 2,677,559	8%	-72%	-34%
2018	\$ 105,634	\$ 4,199,954	3%	-51%	57%
2019	\$ 156,662	\$ 8,296,445	2%	48%	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 2019, 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.

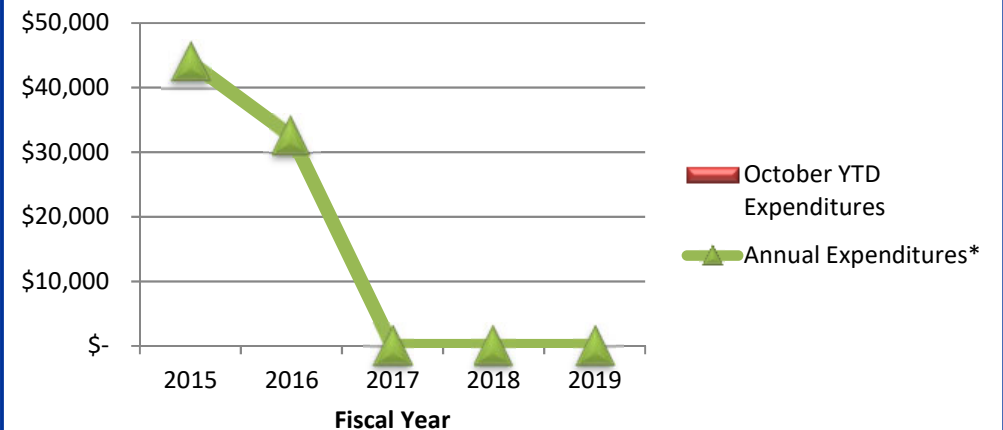
**On Target for FY 2019**

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October 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



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## Total Expenditures by Fund

### Total Wastewater Enterprise Fund Exp.

Under Target for FY 2019

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 2,710,593	\$ 11,055,429	25%		
2016	\$ 4,186,542	\$ 14,367,467	29%	54%	30%
2017	\$ 3,776,274	\$ 10,625,910	36%	-10%	-26%
2018	\$ 2,577,692	\$ 9,924,662	26%	-32%	-7%
2019	\$ 2,605,907	\$ 13,710,749	19%	1%	38%

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

The increase is primarily due to expenditures incurred for the plant upgrade.

**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) The decrease is largely due to the expenditures incurred for the plant upgrade in the prior year.

(2) Debt service costs were approximately \$93,000 lower and are based on the monthly accruals of scheduled bond principal and interest payments.

**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:**

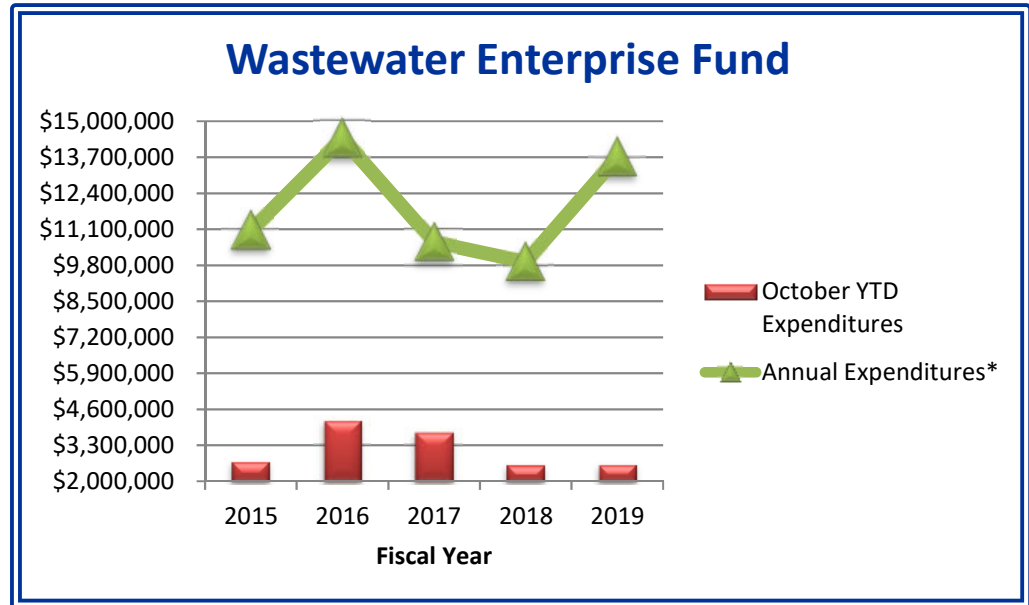
(1) The decrease is largely due to the expenditures incurred for the injection well drilling in the prior year.

(2) The debt service costs are approximately \$246,000 lower and are based on the monthly accruals of scheduled bond principal and interest payments.

**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.



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## Total Expenditures by Fund

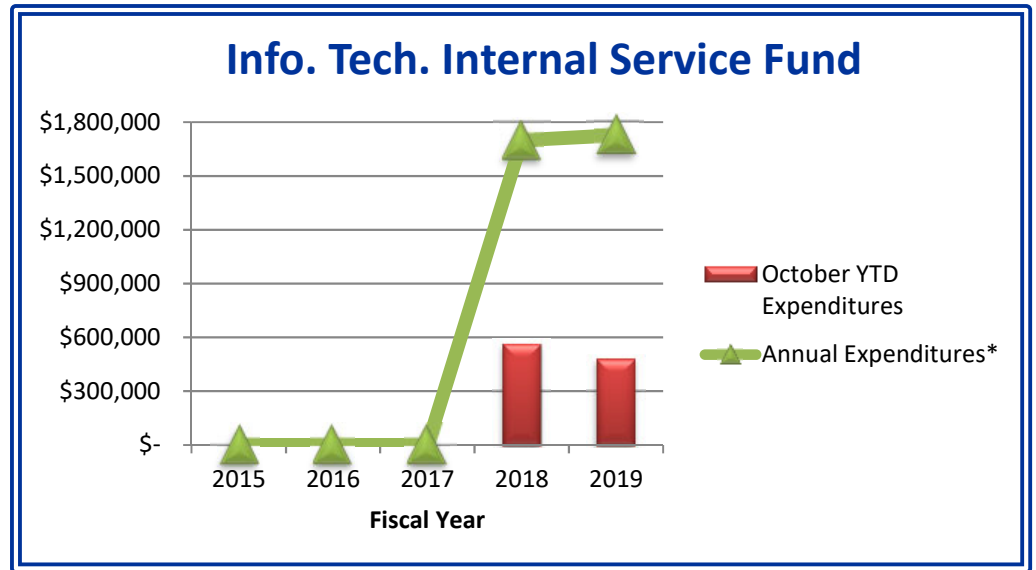
**Total Info. Tech. Internal Svc. Fund Exp.** Under Target for FY 2019

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ -	\$ -	N/A		
2016	\$ -	\$ -	N/A	N/A	N/A
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 565,342	\$ 1,699,824	33%	∞	∞
2019	\$ 479,481	\$ 1,727,511	28%	<b>-15%</b>	2%

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

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

The decrease is due to timing differences in hardware and software maintenance payments.



\* 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.

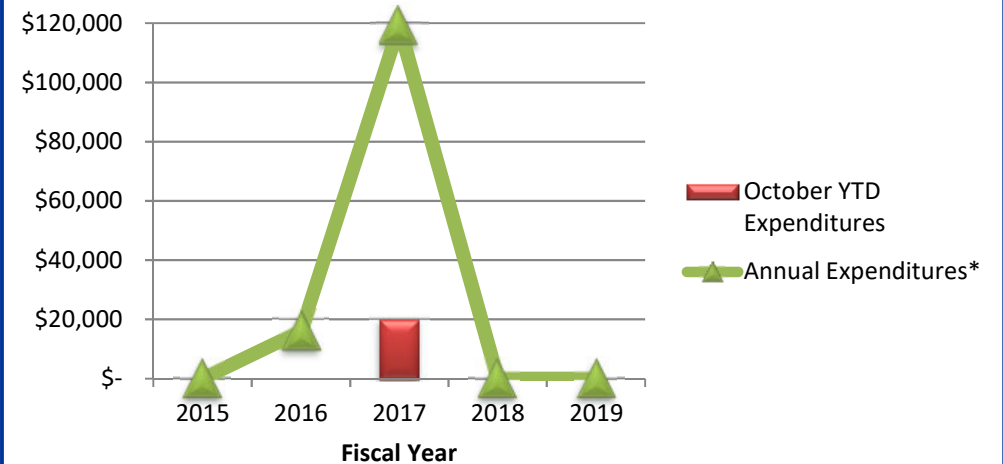
On Target for FY 2019

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ -	\$ -	N/A		
2016	\$ -	\$ 16,064	0%	N/A	∞
2017	\$ 20,032	\$ 119,131	17%	∞	642%
2018	\$ -	\$ -	N/A	-100%	-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

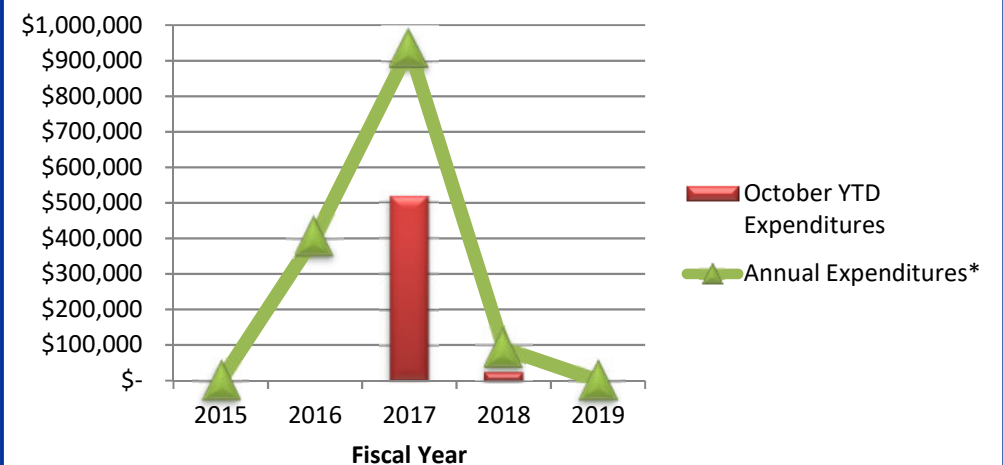
On Target for FY 2019

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ -	\$ -	N/A		
2016	\$ -	\$ 404,998	0%	N/A	∞
2017	\$ 518,259	\$ 934,239	55%	∞	131%
2018	\$ 25,659	\$ 90,207	28%	-95%	-90%
2019	\$ -	\$ -	N/A	-100%	-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



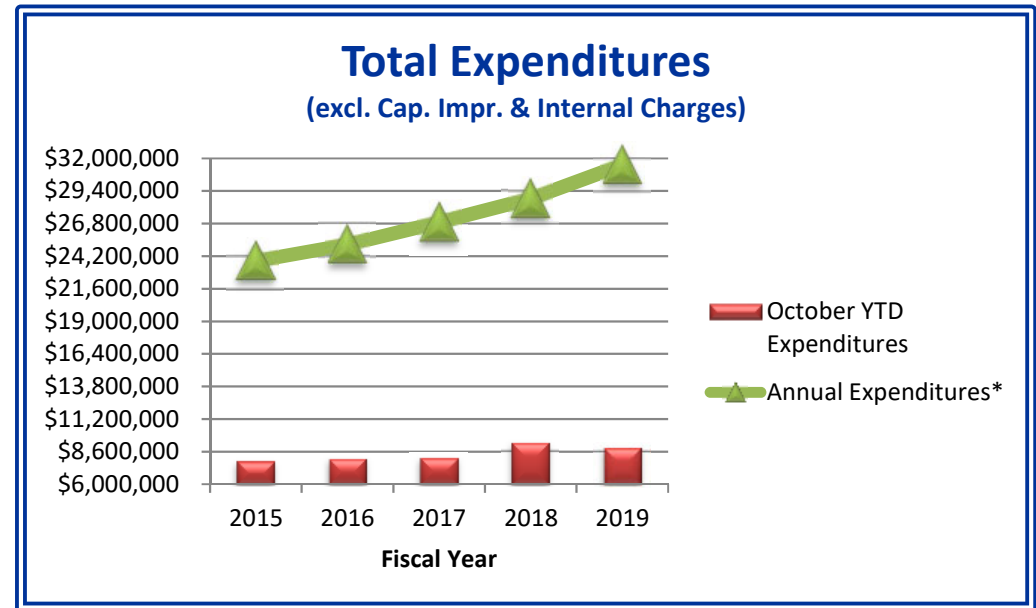
\* For the current year, Annual Expenditures represents total budgeted expenditures, excluding contingencies. For the prior years, the Annual Expenditures represent total actual expenditures.

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

<i>Total Exp. (excl. Cap. Impr. &amp; Internal Charges)</i>		Under Target for FY 2019				
FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual	
2015	\$ 7,811,694	\$ 23,818,402	33%			
2016	\$ 7,989,512	\$ 25,131,836	32%	2%	6%	
2017	\$ 8,082,569	\$ 26,917,407	30%	1%	7%	
2018	\$ 9,277,084	\$ 28,805,925	32%	15%	7%	
2019	\$ 8,895,179	\$ 31,490,024	28%	-4%	9%	

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

- (1) The increase was partly due to increases in payments for tourism management and development.
- (2) The increase was also partly due to payments related to the refunds of PSPRS contributions to employees that were deemed to be unconstitutional.
- (3) 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.
- (4) The Traffic Control Services program was added in FY 2018.
- (5) Vacancy savings were incurred in the prior year.
- (6) One-time capital costs were incurred including the purchase of a hot box for the Streets program, the replacement of the Posse Grounds Hub roof, equipping of the new police vehicles, upgrade of a police storage area network, and costs for the network connectivity at the Sinagua building.
- (7) The increase was also partly due to timing of vehicle lease payments, utility payments, and trails maintenance costs.



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

### City Council Expenditures

**Under Target for FY 2019**

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 15,596	\$ 66,995	23%		
2016	\$ 20,500	\$ 63,123	32%	31%	-6%
2017	\$ 14,685	\$ 60,524	24%	-28%	-4%
2018	\$ 22,256	\$ 64,087	35%	52%	6%
2019	\$ 20,032	\$ 72,805	28%	-10%	14%

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

The increase was primarily due to promotional items for the annual League conference and increases in Travel & Training costs.

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

The decrease was primarily due to promotional items for the annual League conference purchased in the prior year and decreases in Travel & Training costs.

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

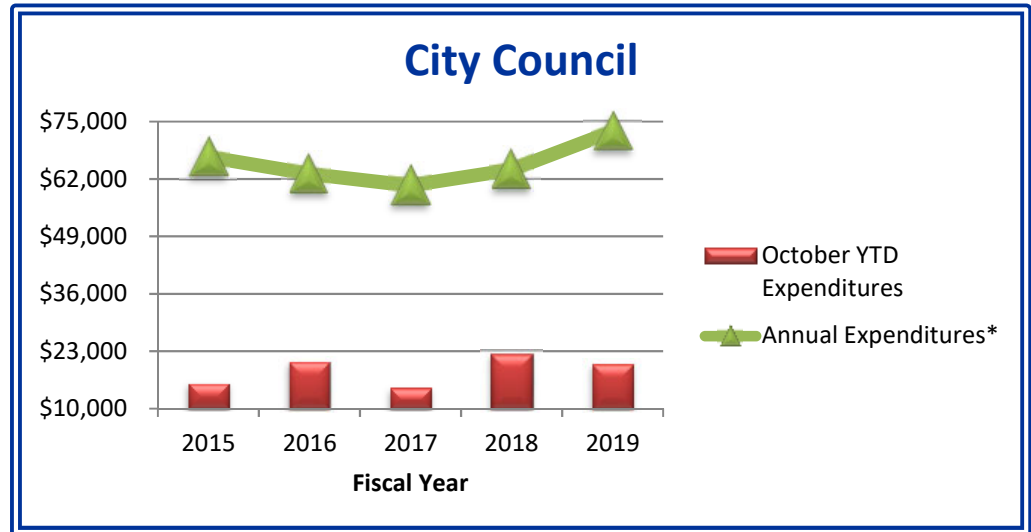
The increase is partly due to an increase in Travel & Training costs and vacancy savings incurred in the prior year.

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

The decrease is partly due to a decrease in 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

**On Target for FY 2019**

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 214,816	\$ 704,983	30%		
2016	\$ 207,355	\$ 745,235	28%	-3%	6%
2017	\$ 225,010	\$ 878,130	26%	9%	18%
2018	\$ 1,318,747	\$ 2,965,716	44%	486%	238%
2019	\$ 1,314,439	\$ 3,150,077	42%	<-1%	6%

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

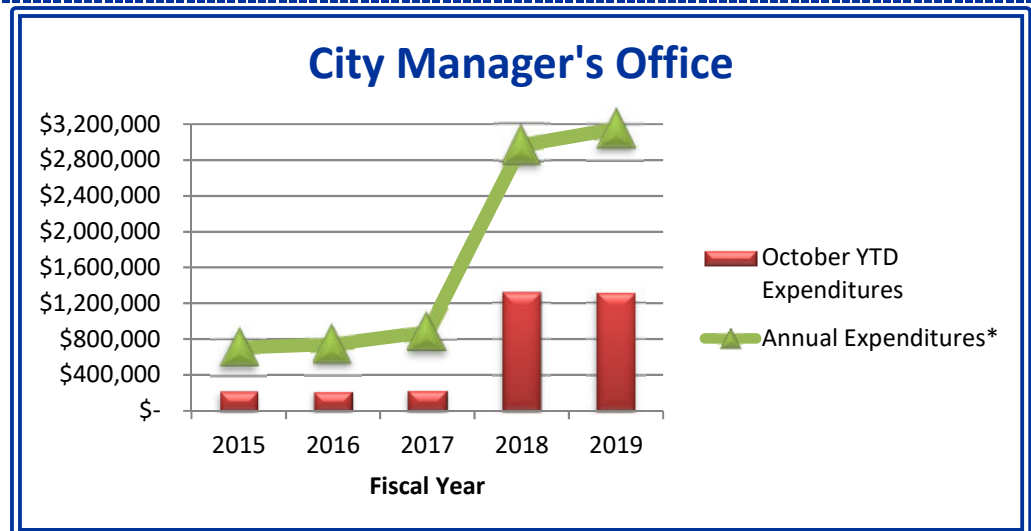
The Economic Development program totaling approximately \$165,000 was initiated.

**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 four months of the fiscal year (42% actual compared to four-month budget of 33%). 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	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 55,876	\$ 191,432	29%		
2016	\$ 58,807	\$ 217,866	27%	5%	14%
2017	\$ 76,327	\$ 255,942	30%	30%	17%
2018	\$ 70,323	\$ 260,124	27%	-8%	2%
2019	\$ 66,614	\$ 311,110	21%	-5%	20%

#### 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.

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

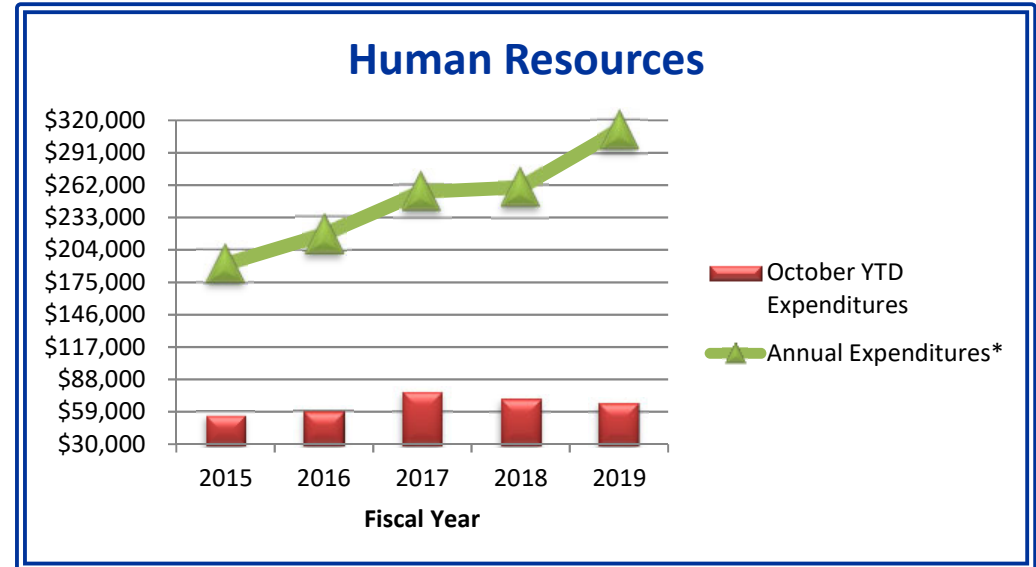
The increase is primarily due to increases in recruitment and relocations costs.

#### 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

FY	October YTD Expenditures	Annual Expenditures*	Under Target for FY 2019		
			% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 124,537	\$ 416,550	30%		
2016	\$ 139,610	\$ 450,225	31%	12%	8%
2017	\$ 247,002	\$ 859,666	29%	77%	91%
2018	\$ 266,557	\$ 995,149	27%	8%	16%
2019	\$ 332,247	\$ 1,359,850	24%	25%	37%

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

The increase is partly a result of a timing difference in payments for the financial audit and sales tax audits.

#### 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:

- 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.
- 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:

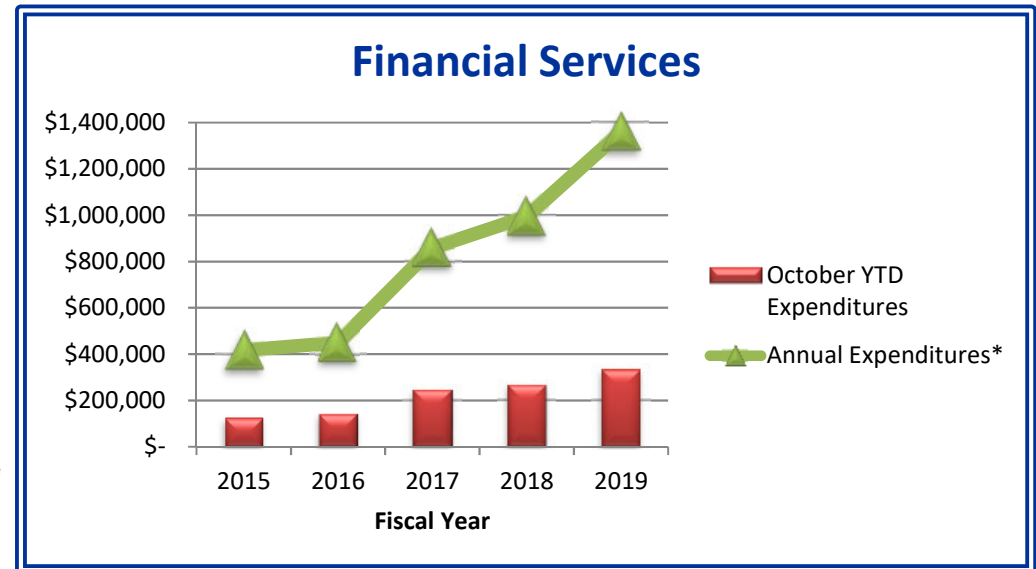
- Service charges were moved from General Services to the Financial Services Department and increased to account for service charges applicable to the new paid parking program.
- Vacancy savings were experienced in FY 2017.

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

- Vacancy savings were experienced in FY 2018.
- Service charges increased due to an increase in the amount charged by the state for processing sales tax payments, the implementation of remittance processing for utility bills, and a reduction of compensating balances for pooled investments.

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

- Budget amounts were added in FY 2019 for a wastewater rate study, the biennial development impact fee audit, and implementation of report writing software.
- Vacancy savings were experienced in FY 2018, and the FY 2019 budget amount accounts for full staffing.
- 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	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 424,467	\$ 1,058,766	40%		
2016	\$ 371,435	\$ 853,746	44%	-12%	-19%
2017	\$ 403,411	\$ 1,083,123	37%	9%	27%
2018	\$ 477,687	\$ 1,238,666	39%	18%	14%
2019	\$ 395,800	\$ 1,505,861	26%	-17%	22%

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

The increase is primarily due to the equipping of new police vehicles, upgrade of a police storage area network and server upgrade, purchase of budget automation software, and costs for the network connectivity at the Sinagua Building.

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

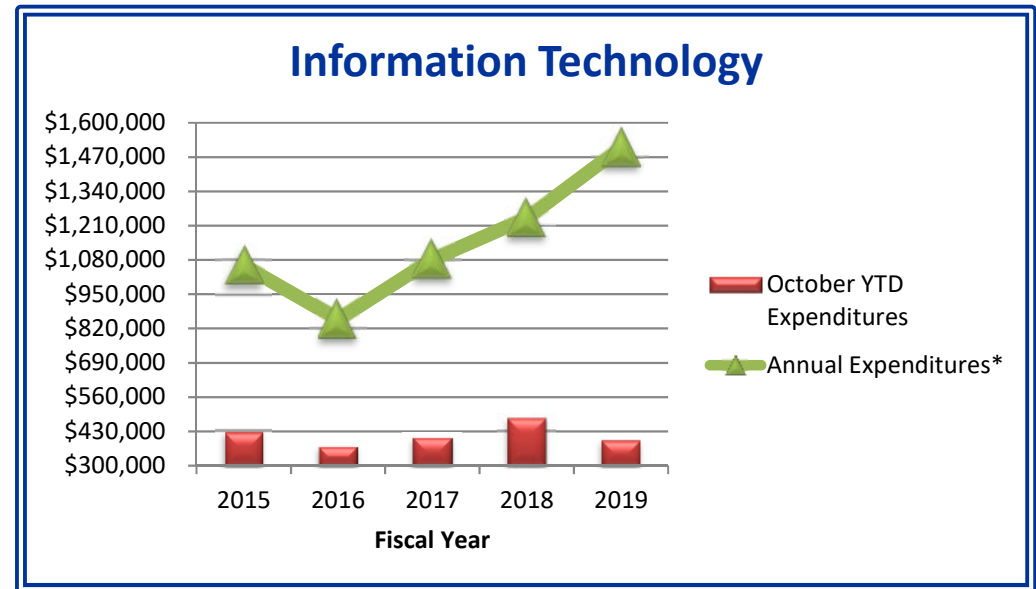
- (1) Hardware purchases included replacement of a server and a storage area network.
- (2) A generator failed during the year and needed to be replaced.
- (3) Software purchases included a migration to Microsoft 365 and budget automation software.

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

The decrease is primarily due to timing of hardware and software maintenance payments.

#### 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	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 139,447	\$ 490,736	28%		
2016	\$ 142,340	\$ 496,564	29%	2%	1%
2017	\$ 133,483	\$ 548,304	24%	-6%	10%
2018	\$ 171,588	\$ 563,398	30%	29%	3%
2019	\$ 162,480	\$ 736,323	22%	-5%	31%

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

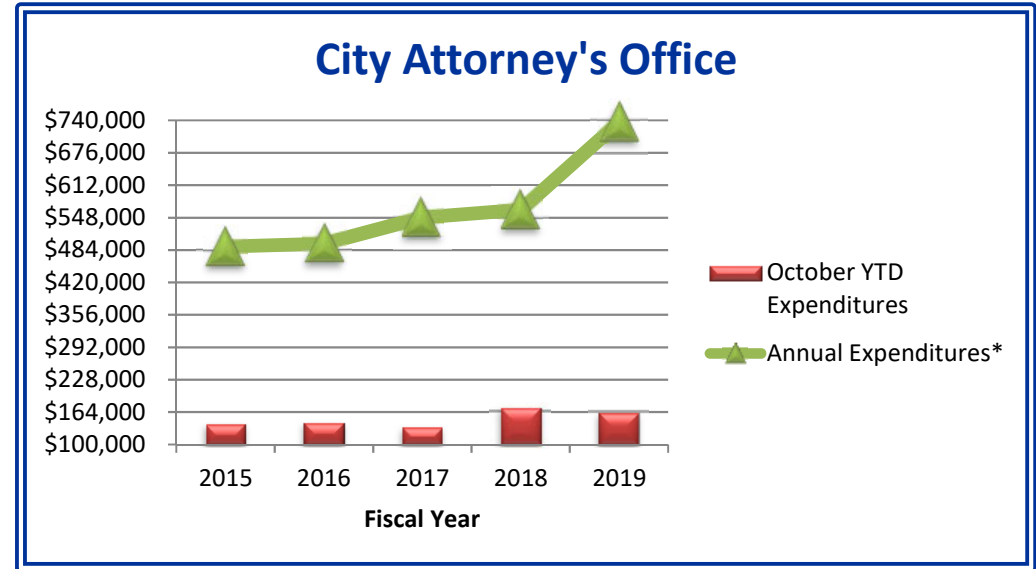
- (1) Prior to FY 2017, salary and other cost allocations to the Wastewater Enterprise Fund were coded to the Wastewater Administration Department. Starting in FY 2017, these are coded to each individual department within the Wastewater Enterprise Fund.
- (2) Budgeted amounts for payment of legal claims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

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

The increase is primarily due to costs associated with claims for sewage cleanup and vacancy savings incurred in the prior year.

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

- (1) Vacancy savings were experienced in FY 2018.
- (2) Budgeted capacity was included for any potential payment of legal claims and services.



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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	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 78,679	\$ 243,829	32%		
2016	\$ 63,909	\$ 219,942	29%	-19%	-10%
2017	\$ 87,877	\$ 265,657	33%	38%	21%
2018	\$ 73,146	\$ 251,368	29%	-17%	-5%
2019	\$ 95,383	\$ 333,975	29%	30%	33%

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

The decrease is primarily due to elections costs in the prior year.

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

FY 2017 was an election year. Costs included the biennial election and the renewals of two franchise agreements.

**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.

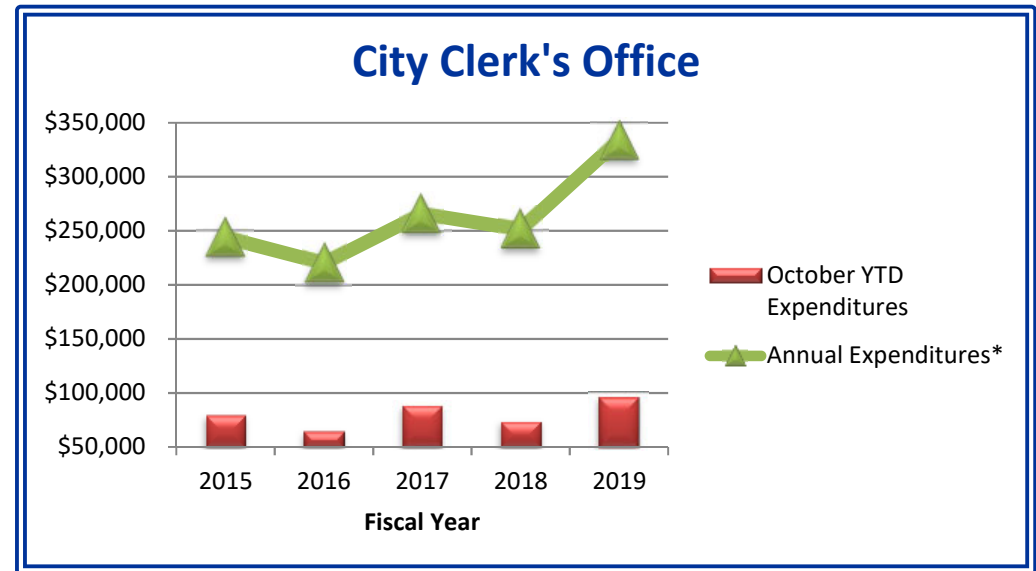
(4) Salaries were increased due to budgeted cost-of-living adjustments of 1.8% and average merit increases of 2.5%. The most significant increase in benefits was a 2% increase to health insurance premiums.

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

FY2017 was an election year.

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

The increase is largely due to election costs.



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

### Parks & Recreation Expenditures

Under Target for FY 2019

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 141,939	\$ 506,788	28%		
2016	\$ 190,790	\$ 493,305	39%	34%	-3%
2017	\$ 202,096	\$ 608,478	33%	6%	23%
2018	\$ 193,683	\$ 605,545	32%	-4%	<-1%
2019	\$ 240,939	\$ 772,287	31%	24%	28%

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

The increase is primarily due to a timing difference in special events payments.

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

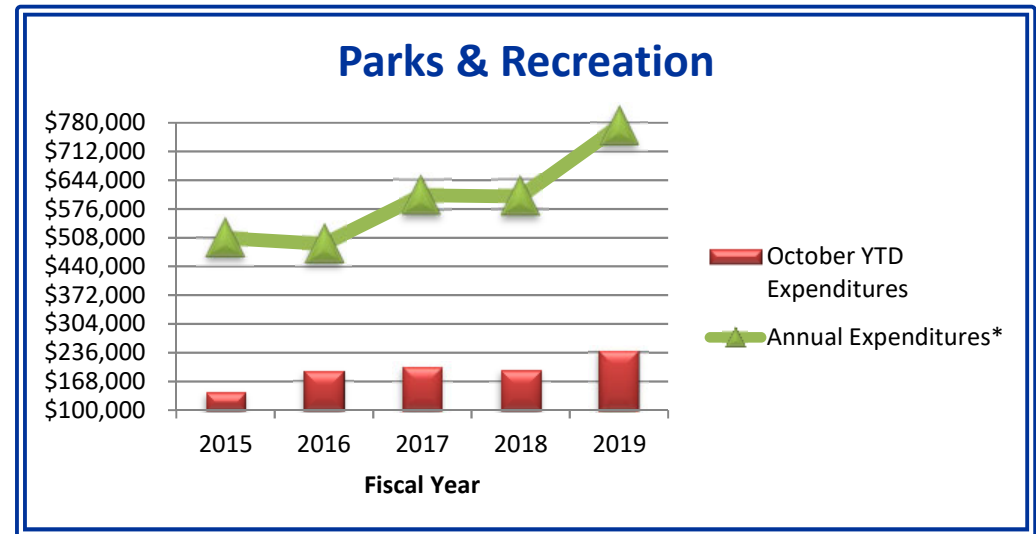
- (1) Salaries were increased due to budgeted cost-of-living adjustments of 1.8% and average merit increases of 2.5%. The most significant increase in benefits was a 2% increase to health insurance premiums.
- (2) Special events were increased approximately \$33,000 for additional events and enhancements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

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

- (1) The increase is partly due to payments for holiday decorations authorized from the paid parking monies designated for Uptown improvements.
- (2) The increase is also due to timing differences in other special events payments.

#### 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**

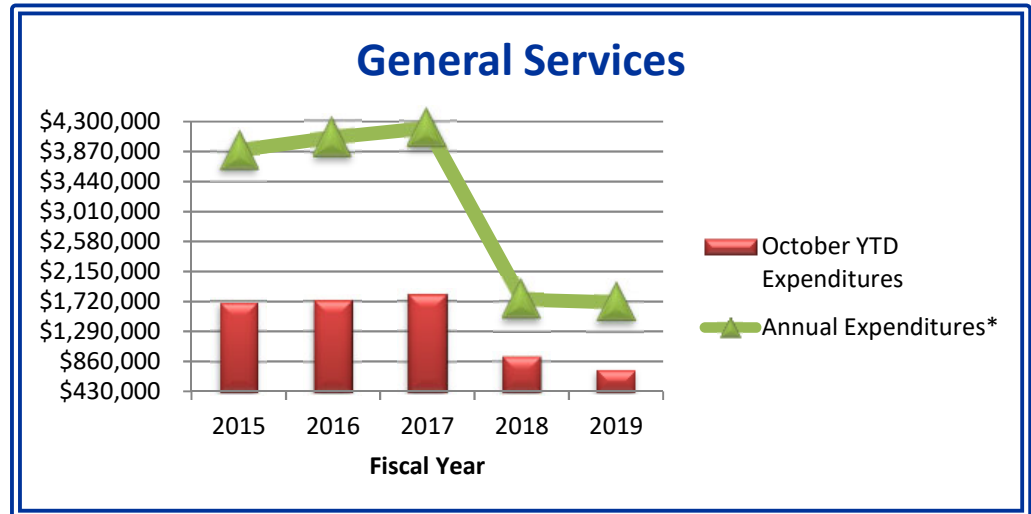
FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 1,703,337	\$ 3,889,467	44%		
2016	\$ 1,733,693	\$ 4,071,785	43%	2%	5%
2017	\$ 1,815,724	\$ 4,209,363	43%	5%	3%
2018	\$ 937,987	\$ 1,747,264	54%	-48%	-58%
2019	\$ 736,912	\$ 1,707,426	43%	-21%	-2%

**YTD and Annual 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.

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

The decrease is due to one-time payments in the prior year related to the refund of PSPRS contributions to employees that were deemed unconstitutional.



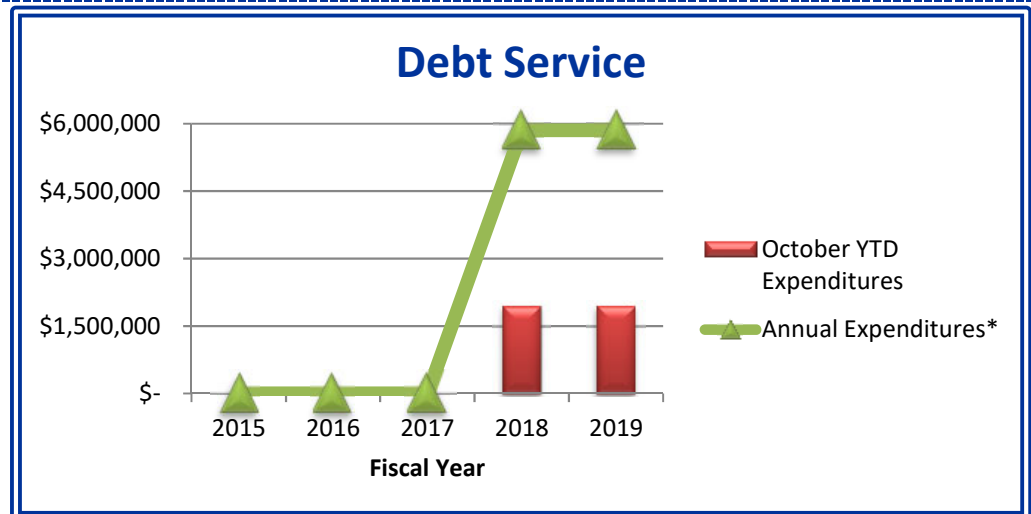
**On Target for FY 2019:** The percentage of annual expenditures is high for four months of the fiscal year (43% actual compared to four-month budget of 33%). Approximately 67% of the budget represents costs for community service contracts, and those costs are paid semiannually. One half of these contracts 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	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ -	\$ -	N/A		
2016	\$ -	\$ -	N/A	N/A	N/A
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 1,946,242	\$ 5,853,030	33%	∞	∞
2019	\$ 1,950,849	\$ 5,854,419	33%	<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	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 308,045	\$ 1,054,199	29%		
2016	\$ 356,637	\$ 1,201,326	30%	16%	14%
2017	\$ 421,246	\$ 1,576,171	27%	18%	31%
2018	\$ 494,788	\$ 1,550,218	32%	17%	-2%
2019	\$ 457,514	\$ 1,578,425	29%	-8%	2%

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

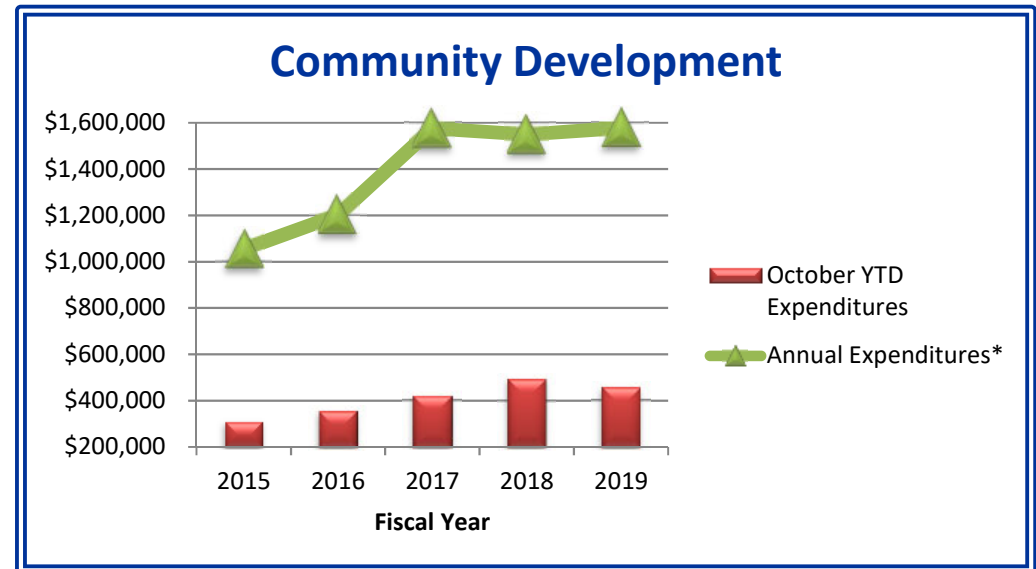
The increase is primarily due to Community Development Block Grant (CDBG) expenditures. The City has typically received CDBG awards every three years.

#### 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.
- (3) In addition, the increase was due to costs incurred for the Land Development Code update.



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

### Public Works Expenditures

**Under Target for FY 2019**

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 687,681	\$ 2,278,004	30%		
2016	\$ 716,632	\$ 3,214,005	22%	4%	41%
2017	\$ 809,856	\$ 4,397,351	18%	13%	37%
2018	\$ 1,104,845	\$ 4,705,978	23%	36%	7%
2019	\$ 970,194	\$ 5,073,590	19%	-12%	8%

**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.

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

- (1) 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.
- (2) In addition, salaries and benefits increased due to vacancy savings in the prior year, and budgeted cost-of-living adjustments of 1.8% and average merit increases of 2.5%.

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

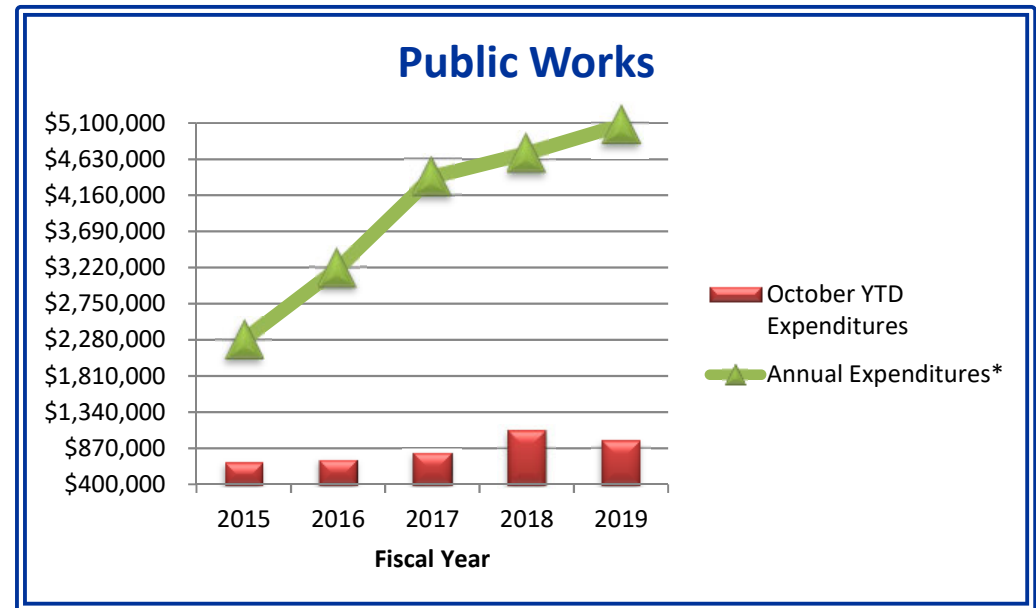
- (1) The increase was primarily due to increased expenditures for road rehabilitation and maintenance.
- (2) Prior to FY 2017, salary and other cost allocations for Capital Projects Management to the Wastewater Enterprise Fund were coded to the Wastewater Department. Starting in FY 2017, these are coded 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 the purchase of a hot box for the Streets program and the replacement of the Posse Grounds Hub roof.
- (2) The increase was also partly due to the timing of the City's wastewater payments and increases to utility costs.
- (3) The Traffic Control Services program was added in FY 2018.
- (4) Shared trails maintenance costs with the US Forest Service were not incurred in the prior year.
- (5) In addition, there were timing differences and increases to streets maintenance and transfer of parks grounds maintenance costs.

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

- (1) The decrease was partly due to one-time capital purchases in the prior year for a hot box for the Streets program, replacement of the Posse Grounds Hub roof, and a variable message sign for the Transportation Services program.
- (2) The decrease was also partly due to the timing of streets maintenance and trails maintenance costs.



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

### Economic Development Expenditures

**Under Target for FY 2019**

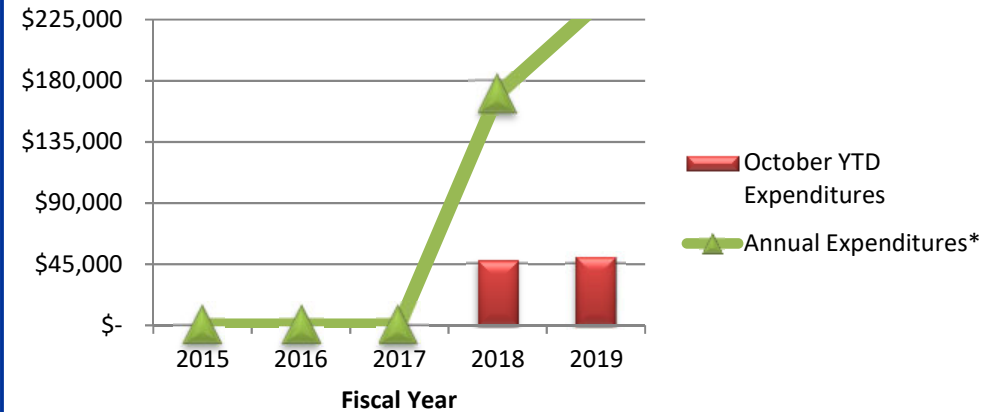
FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ -	\$ -	N/A		
2016	\$ -	\$ -	N/A	N/A	N/A
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 47,328	\$ 169,978	28%	∞	∞
2019	\$ 49,759	\$ 235,000	21%	5%	38%

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.
- (3) A Rural Business Development Grant has been award for \$21,500.

### Economic Development



### Police Expenditures

**Under Target for FY 2019**

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 1,196,054	\$ 3,770,582	32%		
2016	\$ 1,155,007	\$ 3,826,416	30%	-3%	1%
2017	\$ 1,141,494	\$ 4,080,748	28%	-1%	7%
2018	\$ 1,366,501	\$ 4,593,303	30%	20%	13%
2019	\$ 1,285,933	\$ 5,218,836	25%	-6%	14%

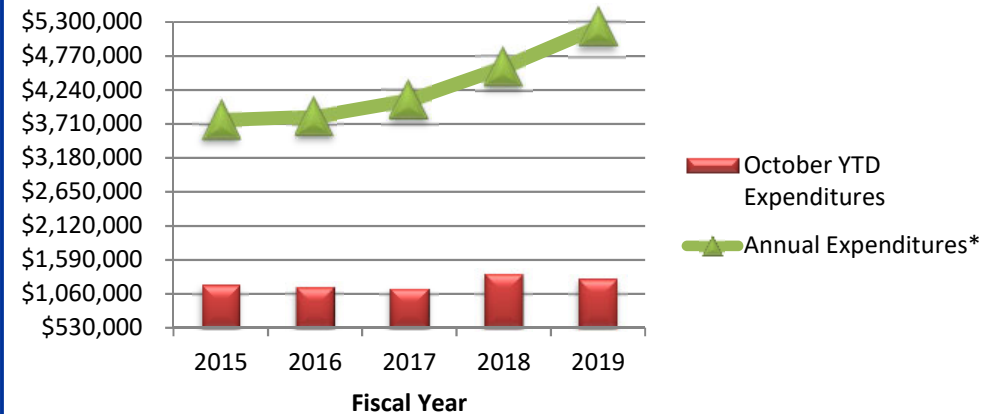
#### YTD and Annual Increase from FY 2017 to FY 2018:

- (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.

### Police



\* 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	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 85,676	\$ 291,684	29%		
2016	\$ 90,001	\$ 307,281	29%	5%	5%
2017	\$ 87,842	\$ 322,022	27%	-2%	5%
2018	\$ 91,623	\$ 358,670	26%	4%	11%
2019	\$ 112,911	\$ 413,890	27%	23%	15%

**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.

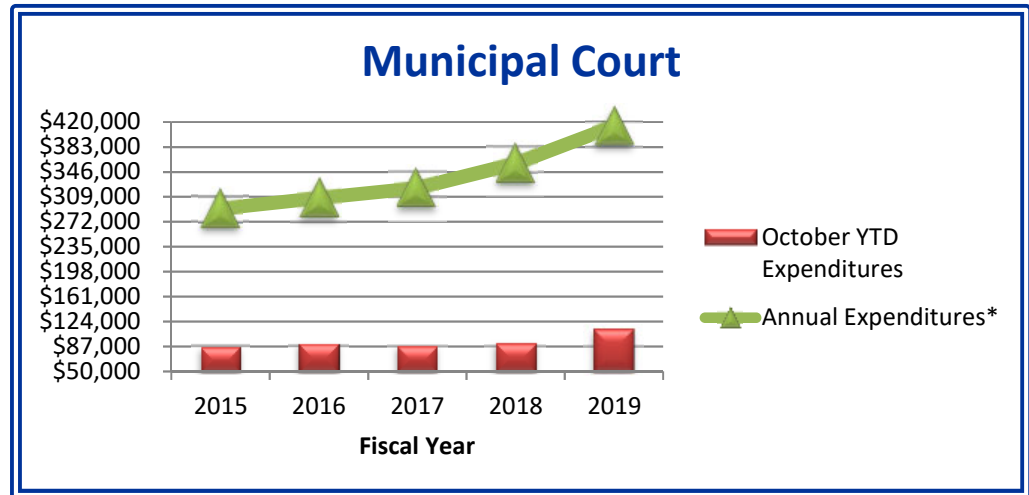
(2) Court appointed attorney costs were approximately \$22,000 higher.

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

The increase is largely 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.



### Wastewater Administration Expenditures

**Under Target for FY 2019**

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 2,078,804	\$ 6,394,431	33%		
2016	\$ 2,148,845	\$ 6,503,494	33%	3%	2%
2017	\$ 1,816,042	\$ 5,465,854	33%	-15%	-16%
2018	\$ 84,628	\$ 218,100	39%	-95%	-96%
2019	\$ 73,606	\$ 251,730	29%	-13%	15%

**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 \$90,000 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:**

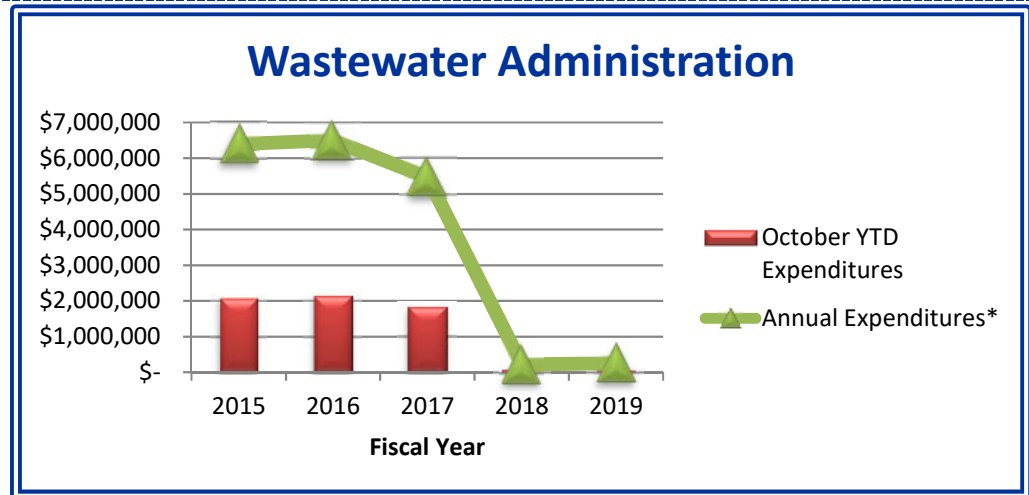
The debt service costs were moved to a separate departmental code in the general ledger.

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

The decrease was due to a replacement vehicle purchase in the prior year.

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

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



\* 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)

### Wastewater Capital Projects Mgmt Exp.

**Under Target for FY 2019**

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 40,762	\$ 131,783	31%		
2016	\$ 35,702	\$ 176,040	20%	-12%	34%
2017	\$ 22,234	\$ 64,796	34%	-38%	-63%
2018	\$ 16,323	\$ 57,580	28%	-27%	-11%
2019	\$ 17,161	\$ 57,730	30%	5%	<1%

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

The decrease is largely a result of vacancy savings incurred.

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

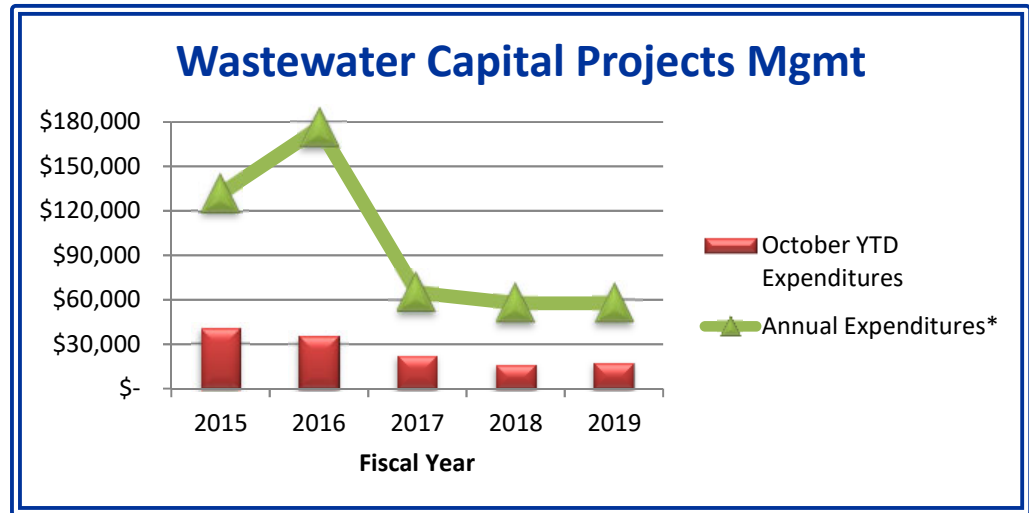
- (1) Salaries were increased due to budgeted cost-of-living adjustments of 1.3% and average merit increases of 2.5%. The most significant increase in benefits was a 7% increase to health insurance premiums.
- (2) A master plan was started during FY 2016 for the wastewater collection system.

**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.



### Wastewater Operations Expenditures

**Under Target for FY 2019**

FY	October YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - October YTD	% Increase - Annual
2015	\$ 515,978	\$ 2,328,173	22%		
2016	\$ 558,248	\$ 2,291,483	24%	8%	-2%
2017	\$ 578,242	\$ 2,241,279	26%	4%	-2%
2018	\$ 592,832	\$ 2,607,751	23%	3%	16%
2019	\$ 612,408	\$ 2,856,690	21%	3%	10%

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

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

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

The increase is mostly due to budget capacity for plant operations maintenance including irrigation maintenance, injection well maintenance, wetlands maintenance, preventative maintenance, and pump/motor rebuild/repairs.



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## Total Revenues by Fund

### Total General Fund Revenues

**Under Target for FY 2019**

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 5,410,112	\$ 17,191,008	31%		
2016	\$ 5,442,168	\$ 18,612,738	29%	1%	8%
2017	\$ 7,857,464	\$ 25,135,539	31%	44%	35%
2018	\$ 8,597,243	\$ 27,601,469	31%	9%	10%
2019	\$ 9,026,633	\$ 28,043,840	32%	5%	2%

#### 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 36%, and City sales tax revenues increased 20%.

#### 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%.

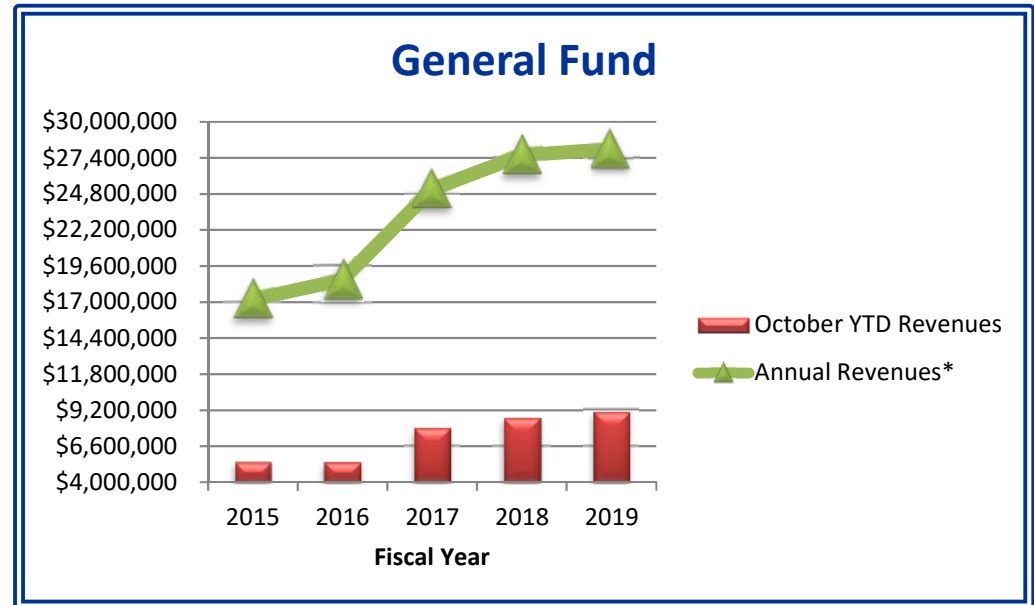
(2) Bed tax revenues increased 27%, and City sales tax revenues increased 9%.

#### 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 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 October. In addition, in lieu revenues and franchise fees are received quarterly and are on target for this point in the fiscal year. 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

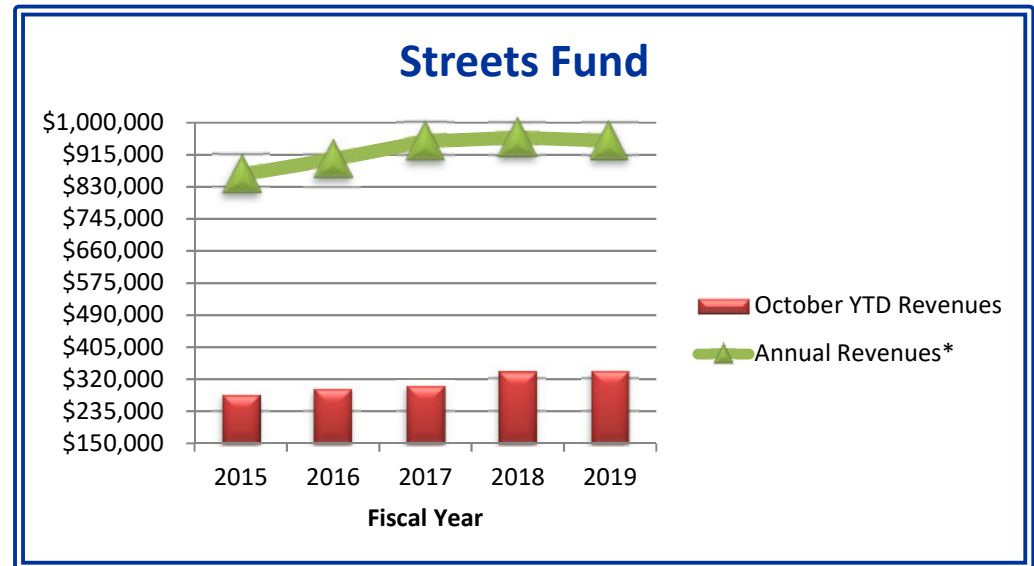
### Total Streets Fund Revenues

**Exceeds Target for FY 2019**

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 278,498	\$ 862,099	32%		
2016	\$ 294,538	\$ 902,994	33%	6%	5%
2017	\$ 302,037	\$ 950,751	32%	3%	5%
2018	\$ 338,785	\$ 960,751	35%	<b>12%</b>	1%
2019	\$ 341,188	\$ 952,220	36%	1%	-1%

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

An unbudgeted one-time additional State funding for FY 2018 resulted in an extra \$35,343 for Sedona.



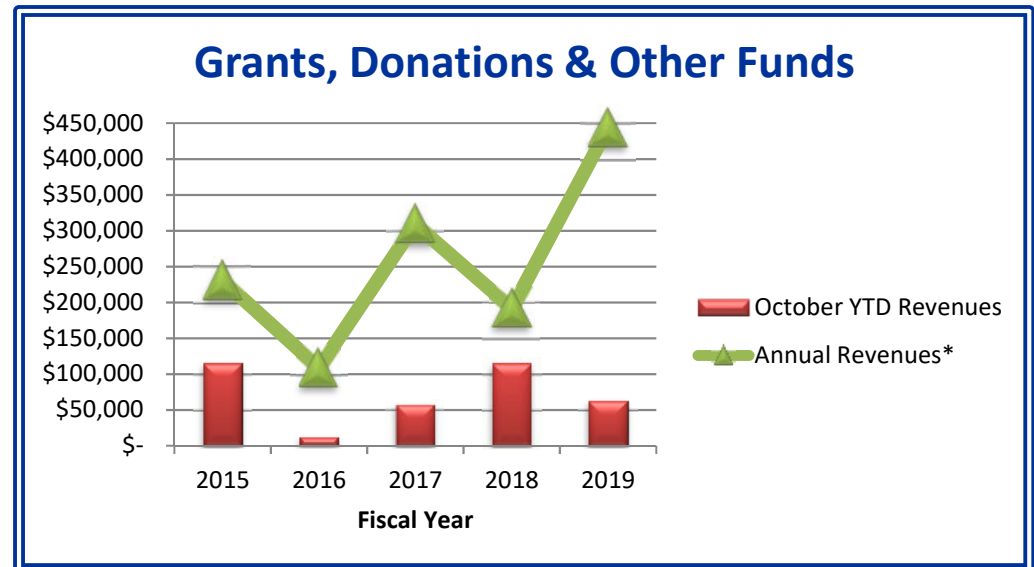
### Total Grants, Donations & Other Rev.

**Under Target for FY 2019**

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 114,924	\$ 230,824	50%		
2016	\$ 12,179	\$ 108,649	11%	-89%	-53%
2017	\$ 57,333	\$ 309,408	19%	371%	185%
2018	\$ 114,924	\$ 191,824	60%	100%	-38%
2019	\$ 62,695	\$ 443,700	14%	-45%	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.



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## Total Revenues by Fund

### Total Transportation Sales Tax Rev.

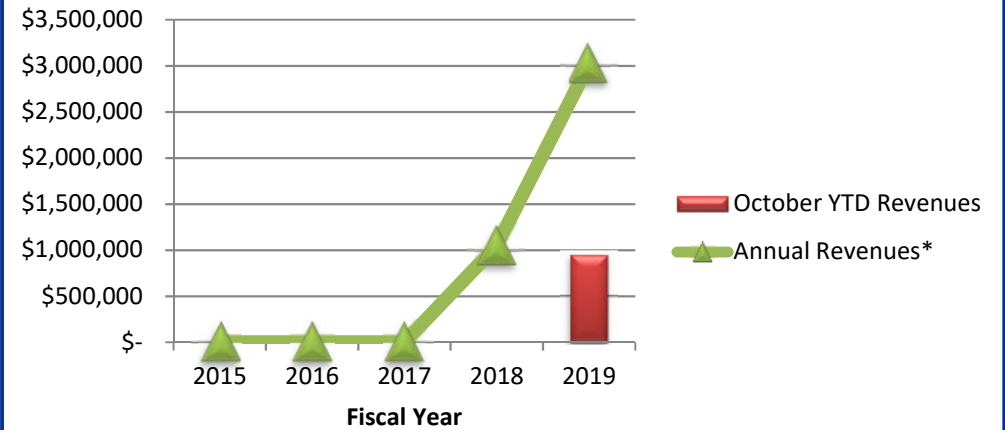
**Under Target for FY 2019**

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October 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	\$ 943,383	\$ 3,021,550	31%	∞	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**

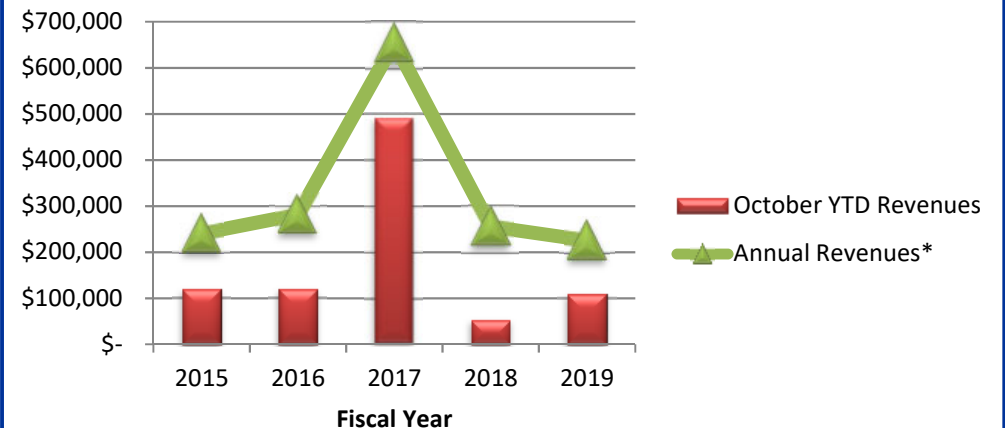
FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 117,983	\$ 240,561	49%		
2016	\$ 118,099	\$ 281,497	42%	<1%	17%
2017	\$ 490,547	\$ 654,256	75%	315%	132%
2018	\$ 52,071	\$ 255,051	20%	-89%	-61%
2019	\$ 108,663	\$ 225,190	48%	109%	-12%

**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

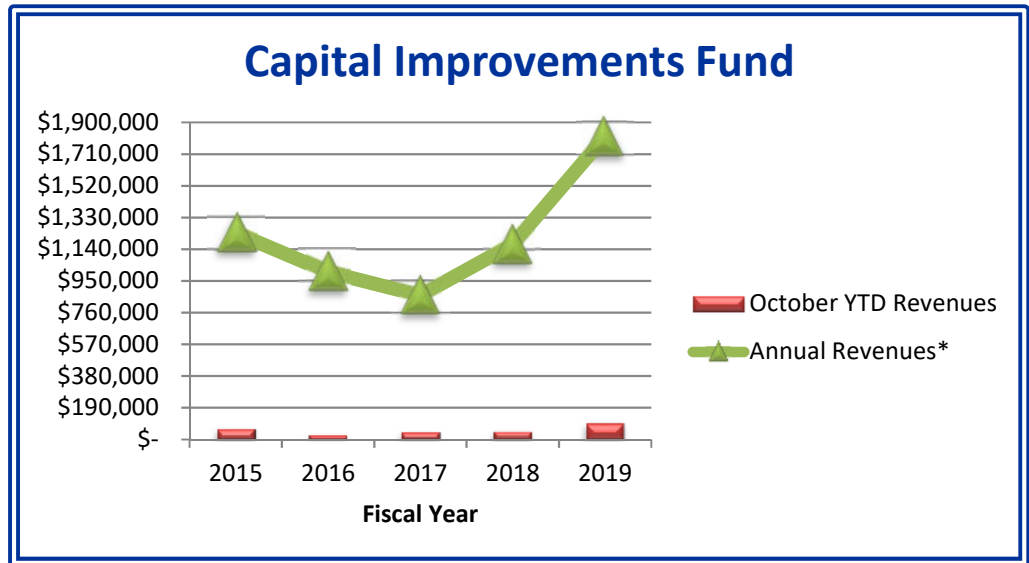
### Total Capital Improvements Fund Rev.

**Under Target for FY 2019**

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 60,763	\$ 1,238,120	5%		
2016	\$ 26,357	\$ 1,003,733	3%	-57%	-19%
2017	\$ 42,808	\$ 863,346	5%	62%	-14%
2018	\$ 48,090	\$ 1,168,259	4%	12%	35%
2019	\$ 94,374	\$ 1,814,591	5%	96%	55%

**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.

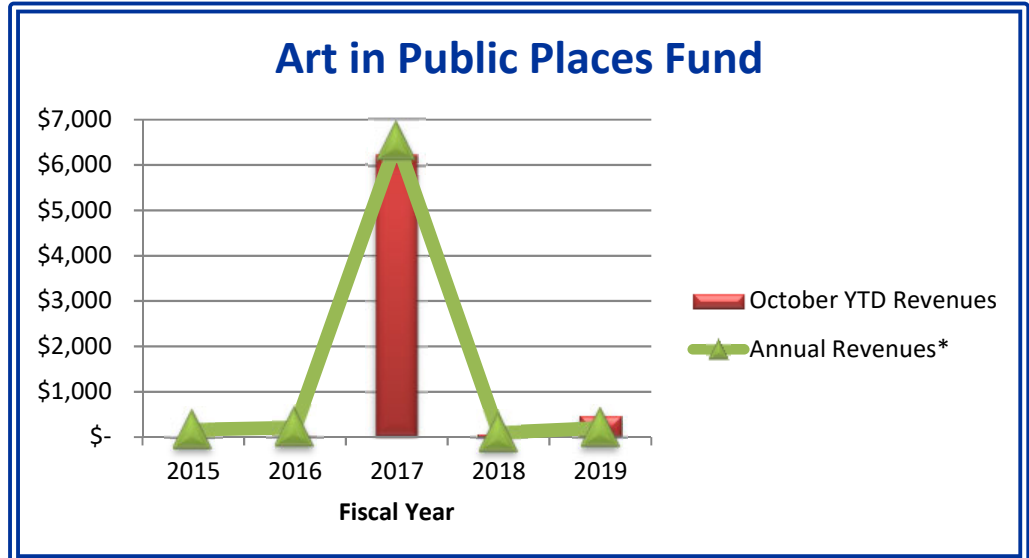
**Exceeds Target for FY 2019**

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 11	\$ 161	7%		
2016	\$ 20	\$ 204	10%	91%	27%
2017	\$ 6,256	\$ 6,528	96%	30730%	3106%
2018	\$ 79	\$ 98	81%	-99%	-99%
2019	\$ 465	\$ 200	232%	491%	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	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 3,282,064	\$ 10,190,631	32%		
2016	\$ 3,370,828	\$ 11,026,791	31%	3%	8%
2017	\$ 2,898,304	\$ 7,180,562	40%	-14%	-35%
2018	\$ 2,217,255	\$ 7,195,914	31%	-23%	<1%
2019	\$ 2,312,152	\$ 7,110,300	33%	4%	-1%

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

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%.

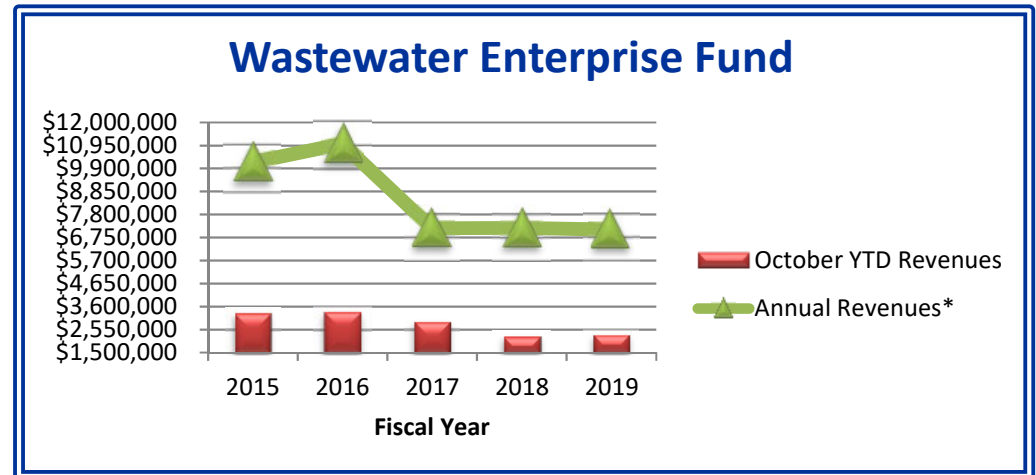
**Annual Decrease from FY 2016 to FY 2017:**

(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.

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

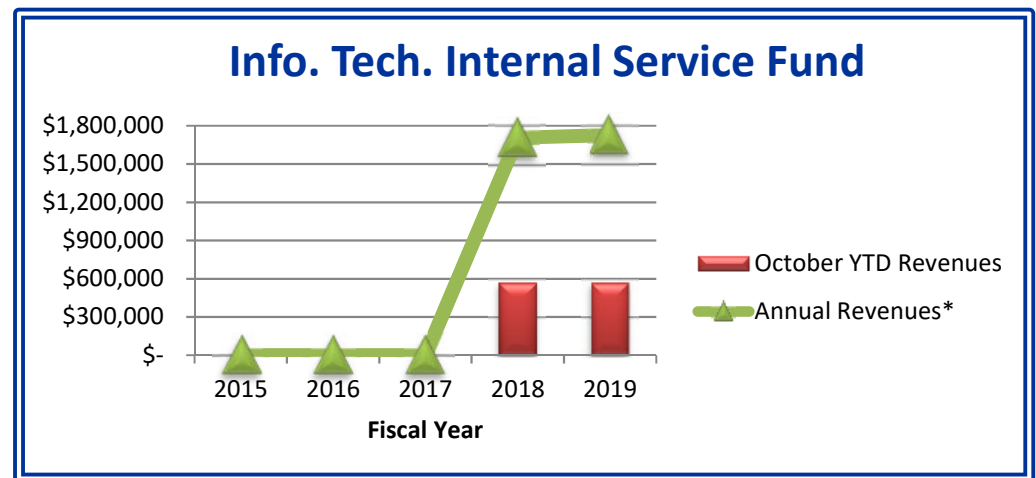
The decrease was primarily due to one-time significant capacity fees received in the prior year.



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

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ -	\$ -	N/A		
2016	\$ -	\$ -	N/A	N/A	N/A
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 564,438	\$ 1,705,824	33%	∞	∞
2019	\$ 564,058	\$ 1,727,300	33%	<-1%	1%

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



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



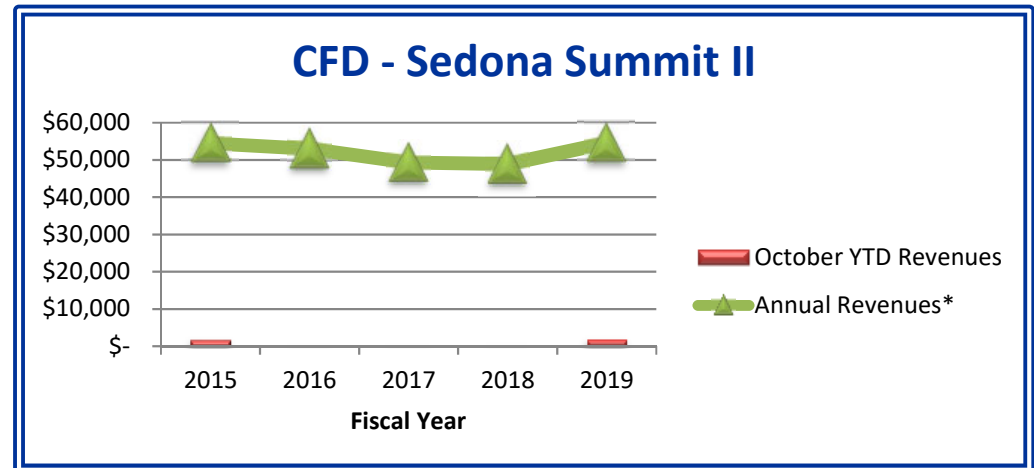
## Total Revenues by Fund

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

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 1,591	\$ 54,429	3%		
2016	\$ 124	\$ 52,969	<1%	-92%	-3%
2017	\$ 83	\$ 49,312	<1%	-33%	-7%
2018	\$ 161	\$ 48,910	<1%	95%	-1%
2019	\$ 1,638	\$ 54,550	3%	917%	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	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 92	\$ 121,137	<1%		
2016	\$ 58,736	\$ 123,983	47%	63564%	2%
2017	\$ 643	\$ 153,156	<1%	-99%	24%
2018	\$ 574	\$ 120,508	<1%	-11%	-21%
2019	\$ 30,605	\$ 141,800	22%	5236%	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.\*\*

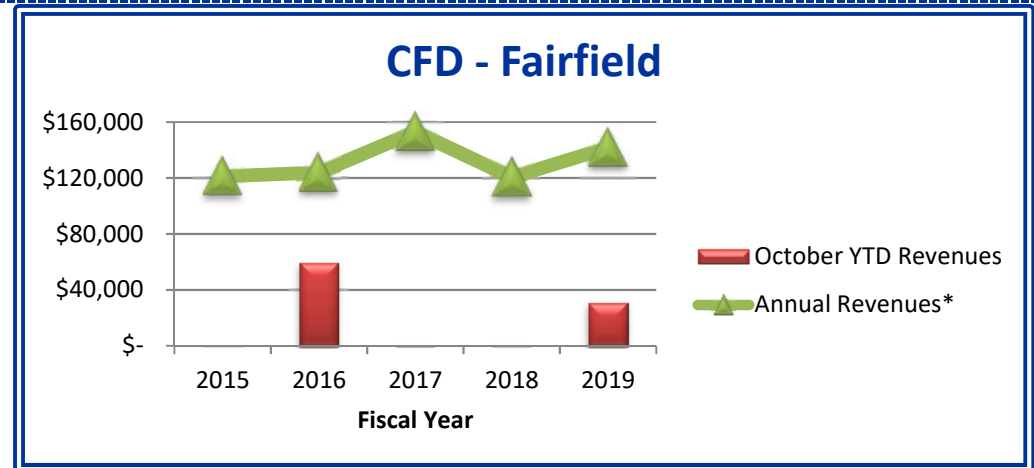
**Annual Decrease from FY 2017 to FY 2018:**

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	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 9,276,202	\$ 30,128,970	31%		
2016	\$ 9,323,049	\$ 32,113,557	29%	1%	7%
2017	\$ 11,655,474	\$ 35,302,858	33%	25%	10%
2018	\$ 11,933,619	\$ 40,293,974	30%	2%	14%
2019	\$ 13,485,852	\$ 43,535,241	31%	13%	8%

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

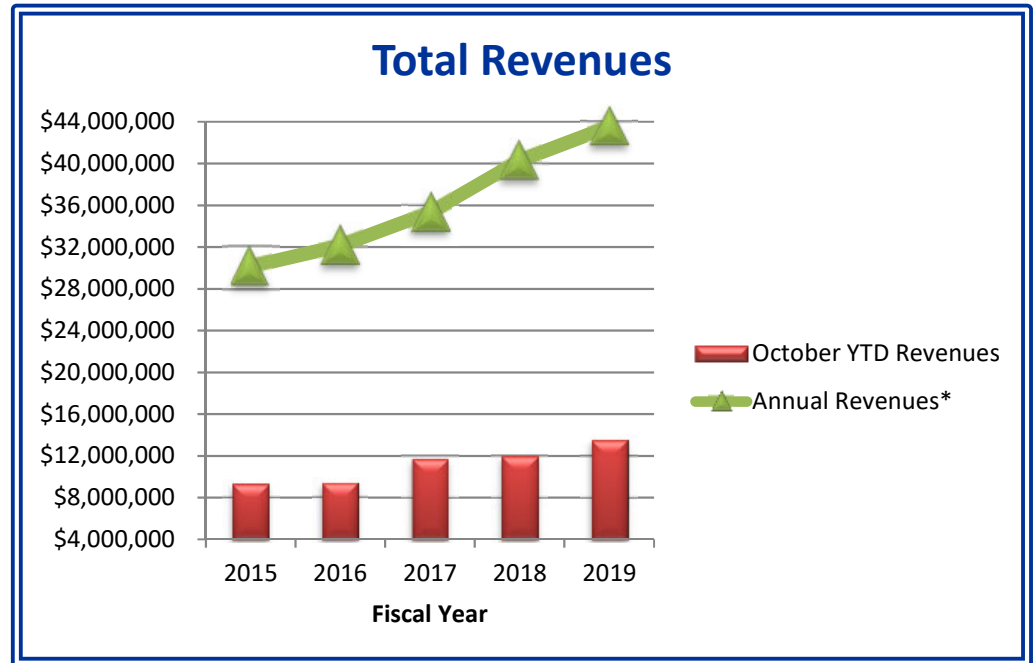
The most significant increases were in the categories of sales tax, bed tax, development impact fees, and capacity fees.

**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, bed tax, and other miscellaneous revenues.



**Under Target for FY 2019:** Sales 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 October. In lieu revenues and franchise fees are received quarterly and are on target for this point in the fiscal year. 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	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 4,457,018	\$ 13,613,056	33%		
2016	\$ 4,356,614	\$ 14,999,612	29%	-2%	10%
2017	\$ 5,218,512	\$ 16,268,459	32%	20%	8%
2018	\$ 5,484,400	\$ 18,393,517	30%	5%	13%
2019	\$ 6,782,148	\$ 20,928,500	32%	24%	14%

**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 to the Restaurant & Bar and Hotel/Motel categories. These are largely impacted by the level of tourism activity.

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

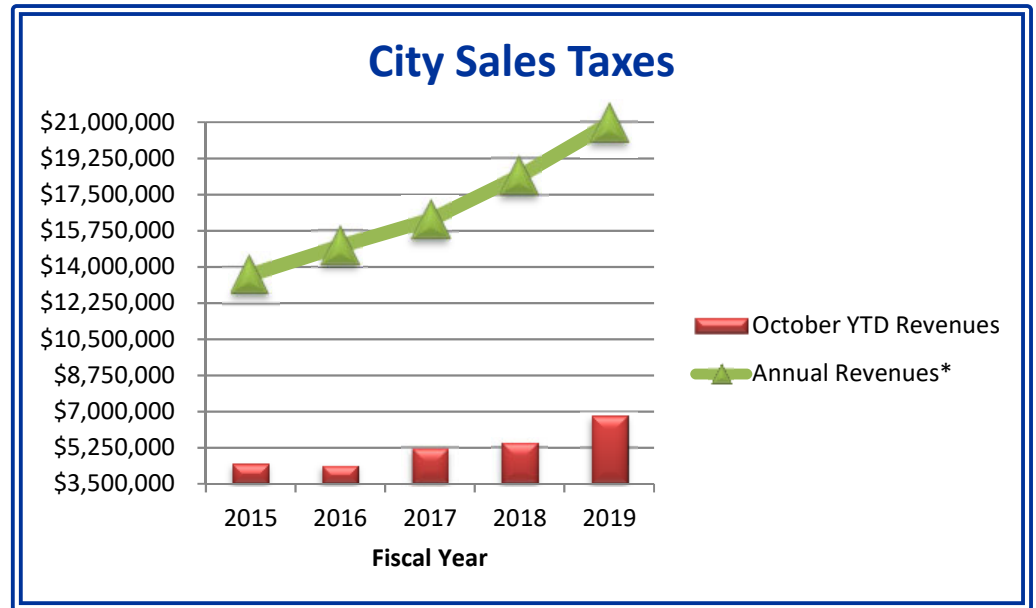
The increase was partly due to the increase in the sales tax rate for transportation projects.

**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

**Exceeds Target for FY 2019**

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 777,763	\$ 2,659,290	29%		
2016	\$ 840,390	\$ 3,010,334	28%	8%	13%
2017	\$ 1,142,869	\$ 3,811,727	30%	36%	27%
2018	\$ 1,336,914	\$ 4,431,680	30%	17%	16%
2019	\$ 1,458,043	\$ 4,446,000	33%	9%	<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:

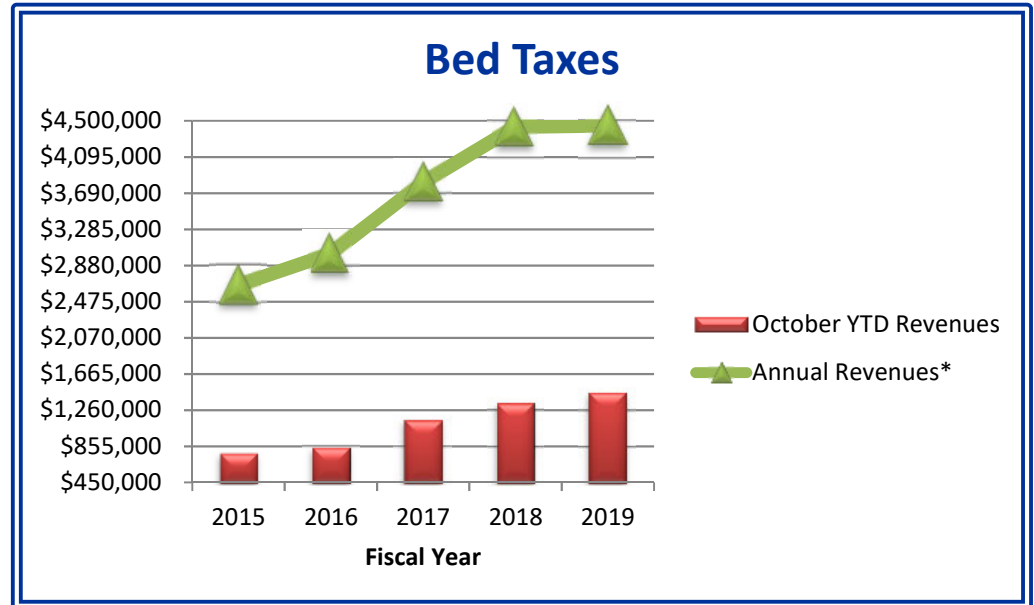
(1) A portion of the increase represents an increase in late payments (collection of taxes for prior taxing periods) and payments made on time in FY 2017 that were made late in FY 2016.

(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.

#### YTD and 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.



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

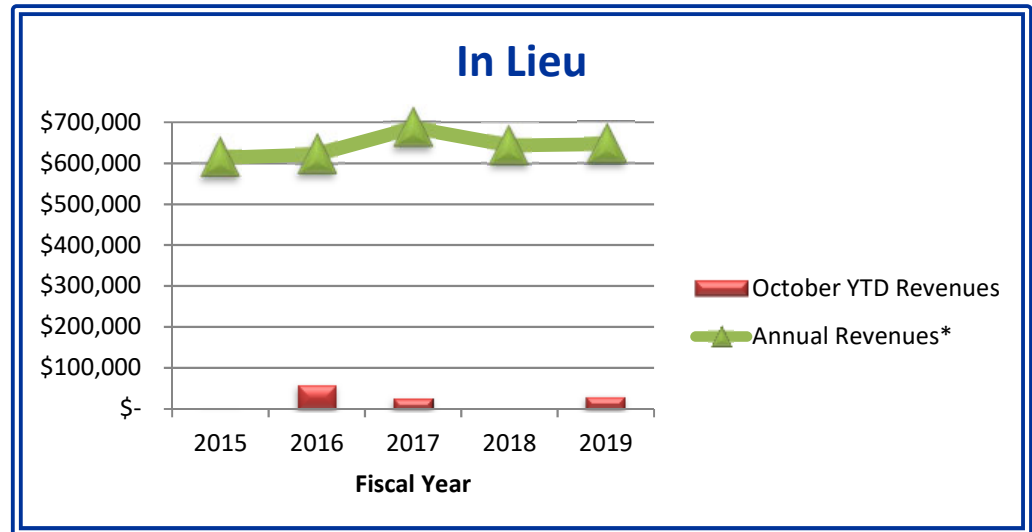
### In Lieu Revenues

**On Target for FY 2019**

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 1,580	\$ 613,430	<1%		
2016	\$ 58,653	\$ 621,391	9%	3613%	1%
2017	\$ 25,998	\$ 686,301	4%	-56%	10%
2018	\$ -	\$ 643,087	0%	-100%	-6%
2019	\$ 30,259	\$ 646,700	5%	∞	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.

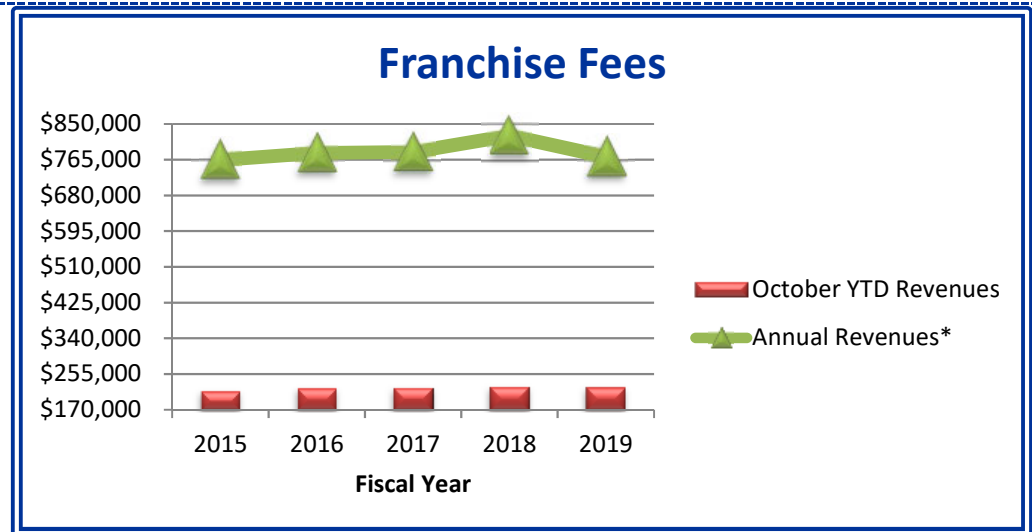
\*\*Revenues are recognized when they are measurable and available. The period of availability is defined as 60 days. These revenues were received after the period of availability.

### Franchise Fee Revenues

**On Target for FY 2019**

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 213,271	\$ 764,473	28%		
2016	\$ 220,012	\$ 781,223	28%	3%	2%
2017	\$ 221,090	\$ 783,413	28%	<1%	<1%
2018	\$ 223,873	\$ 822,122	27%	1%	5%
2019	\$ 223,223	\$ 771,800	29%	<-1%	-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.



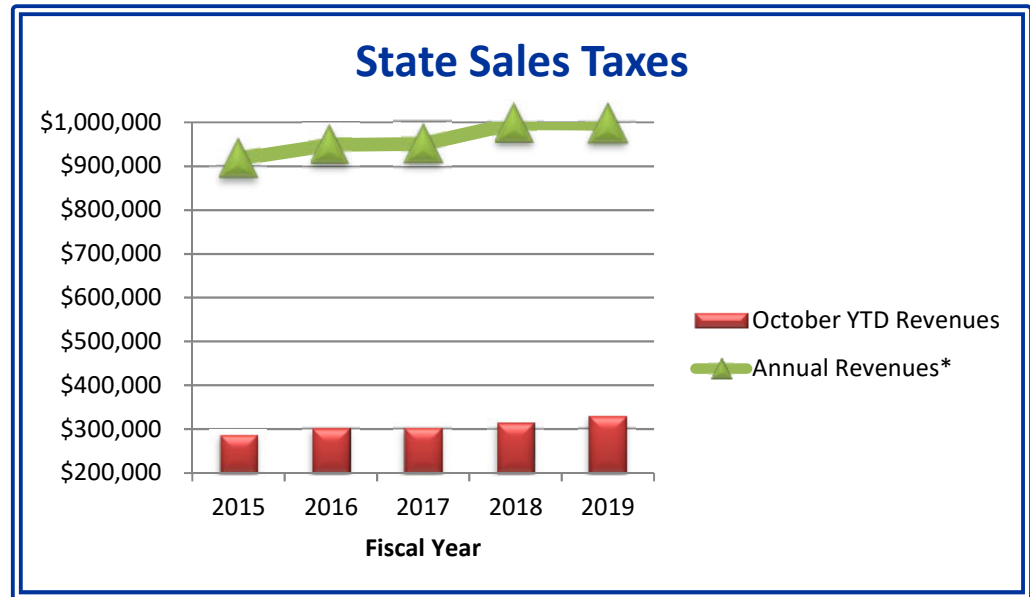
\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

## Total Revenues by Type

### State Sales Tax Revenues

**On Target for FY 2019**

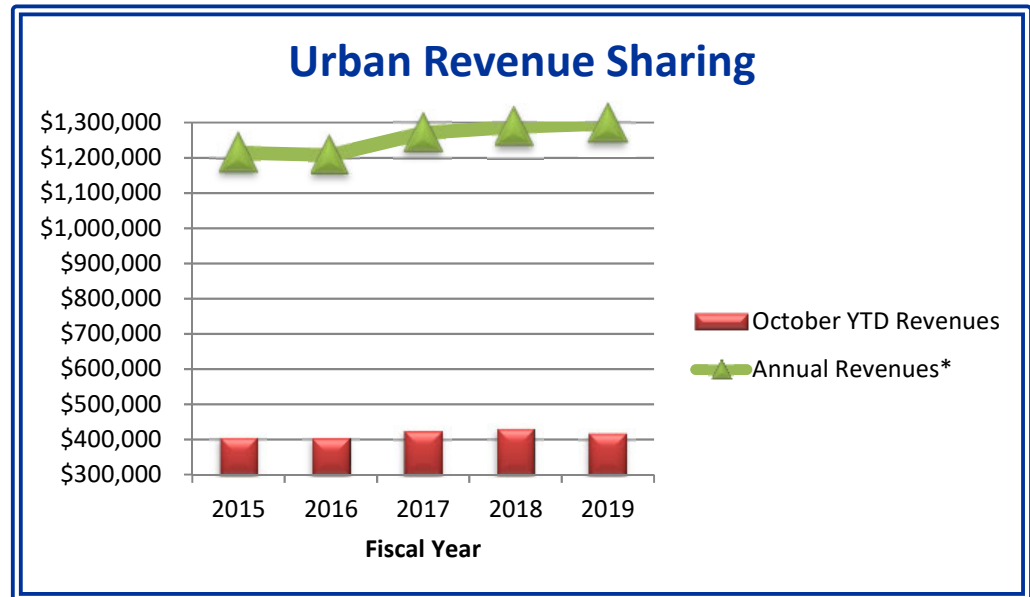
FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 286,253	\$ 916,721	31%		
2016	\$ 301,539	\$ 948,696	32%	5%	3%
2017	\$ 302,540	\$ 950,879	32%	<1%	<1%
2018	\$ 314,348	\$ 998,202	31%	4%	5%
2019	\$ 328,254	\$ 996,500	33%	4%	<-1%



### Urban Revenue Sharing Revenues

**Under Target for FY 2019**

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 404,772	\$ 1,214,315	33%		
2016	\$ 402,577	\$ 1,207,731	33%	-1%	-1%
2017	\$ 423,903	\$ 1,270,897	33%	5%	5%
2018	\$ 429,256	\$ 1,287,767	33%	1%	1%
2019	\$ 417,224	\$ 1,297,000	32%	-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.

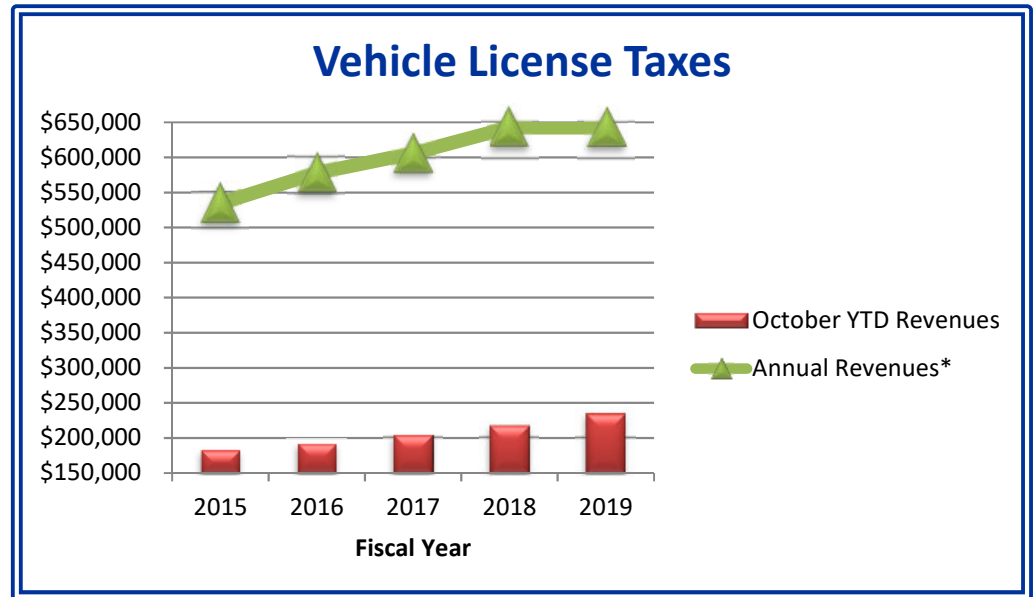
\* For the current year, Annual Revenues represents total budgeted revenues, excluding contingencies. For the prior years, the Annual Revenues represent total actual revenues.

## Total Revenues by Type

### Vehicle License Tax Revenues

Exceeds Target for FY 2019

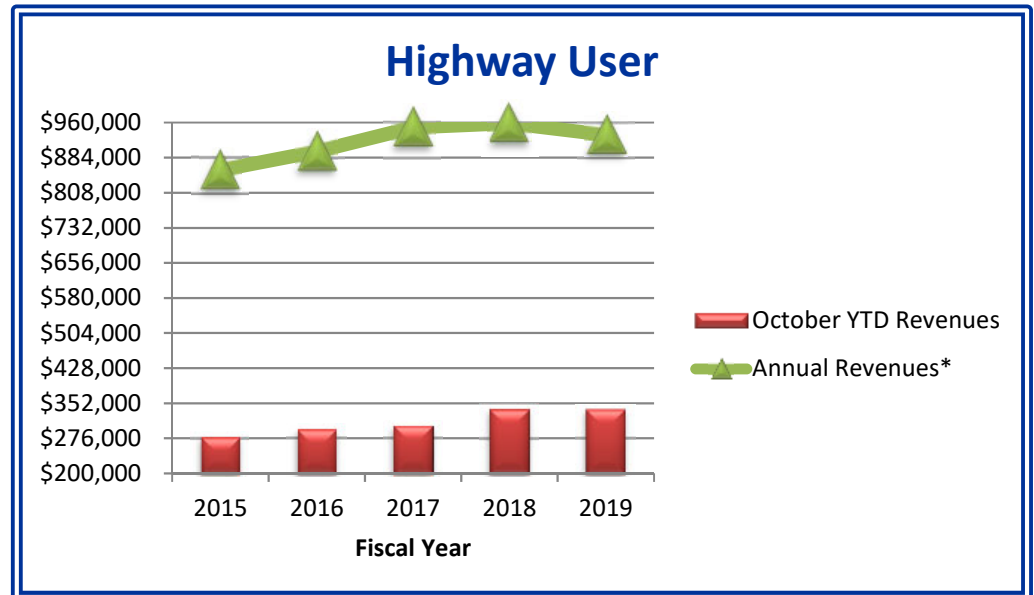
FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 182,751	\$ 534,404	34%		
2016	\$ 191,808	\$ 577,681	33%	5%	8%
2017	\$ 203,580	\$ 606,030	34%	6%	5%
2018	\$ 216,886	\$ 642,895	34%	7%	6%
2019	\$ 234,039	\$ 642,600	36%	8%	<-1%



### Highway User Revenues

Exceeds Target for FY 2019

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 278,498	\$ 857,363	32%		
2016	\$ 294,538	\$ 897,406	33%	6%	5%
2017	\$ 302,036	\$ 949,028	32%	3%	6%
2018	\$ 338,443	\$ 958,278	35%	12%	1%
2019	\$ 337,579	\$ 933,200	36%	<-1%	-3%



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

An unbudgeted one-time additional State funding for FY 2018 resulted in an extra \$35,343 for Sedona.

**Other 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	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 175,103	\$ 1,347,854	13%		
2016	\$ 26,818	\$ 874,083	3%	-85%	-35%
2017	\$ 75,309	\$ 956,757	8%	181%	9%
2018	\$ 122,349	\$ 1,048,665	12%	62%	10%
2019	\$ 32,629	\$ 1,954,591	2%	-73%	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 Increase from FY 2017 to FY 2018:**

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.

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

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

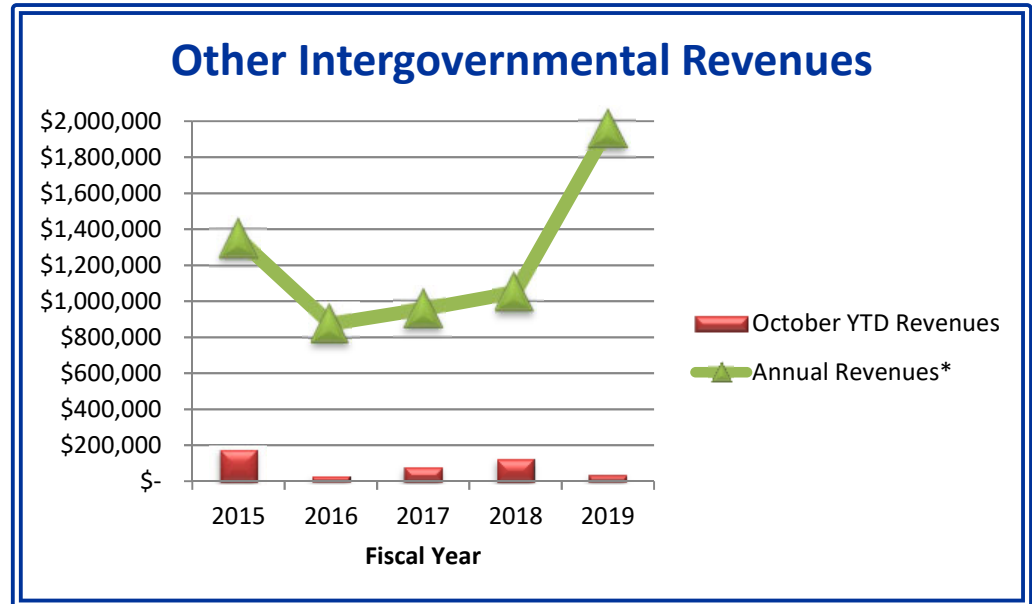
**YTD Decrease from FY 2018 to FY 2019:**

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 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	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 107,040	\$ 473,367	23%		
2016	\$ 241,665	\$ 496,777	49%	126%	5%
2017	\$ 192,463	\$ 478,016	40%	-20%	-4%
2018	\$ 166,948	\$ 456,278	37%	-13%	-5%
2019	\$ 95,551	\$ 350,180	27%	-43%	-23%

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

The increase was primarily due to a result of increases in building permits and the earlier processing of business license renewals.

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

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

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

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

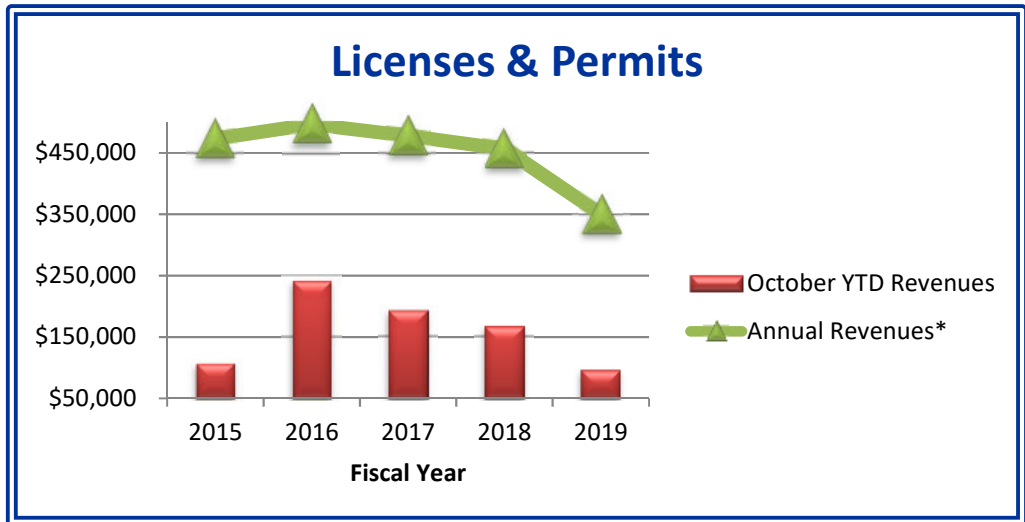
#### YTD Decrease from FY 2018 to FY 2019:

The decrease was primarily due to a later processing business license renewals due to the timing of approvals for fee increases.

#### 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 and changes in the requirements for licensure, year-to-date revenues are slightly low and may be under target at the end of the fiscal year.



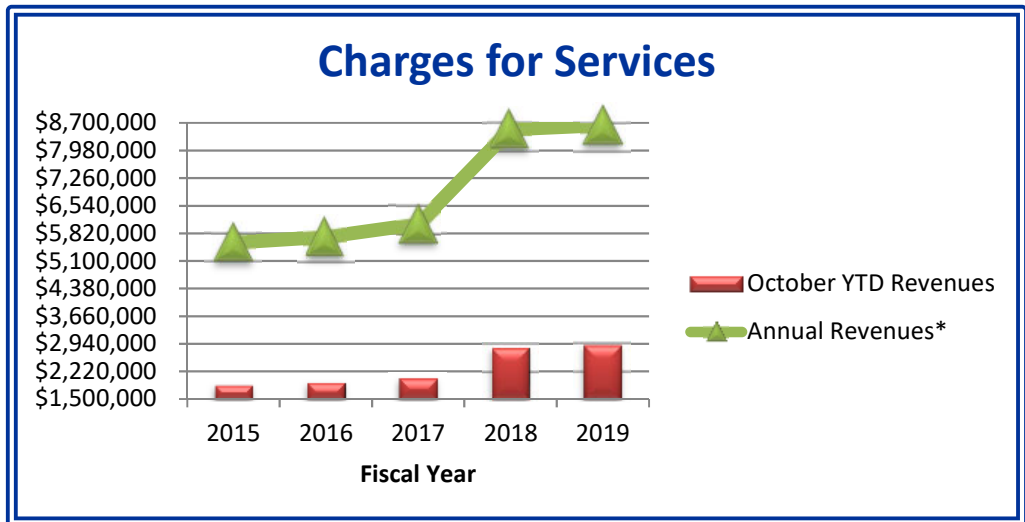
### Charges for Services Revenues

**On Target for FY 2019**

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 1,862,459	\$ 5,580,031	33%		
2016	\$ 1,924,287	\$ 5,729,286	34%	3%	3%
2017	\$ 2,023,658	\$ 6,057,534	33%	5%	6%
2018	\$ 2,825,402	\$ 8,528,856	33%	40%	41%
2019	\$ 2,887,874	\$ 8,641,040	33%	2%	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

**On Target for FY 2019**

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 99,245	\$ 277,682	36%		
2016	\$ 99,748	\$ 241,071	41%	1%	-13%
2017	\$ 66,425	\$ 186,404	36%	-33%	-23%
2018	\$ 103,153	\$ 333,546	31%	55%	79%
2019	\$ 92,248	\$ 281,990	33%	-11%	-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 and a reduction in delinquent wastewater accounts resulting in lower late fees on wastewater billings.

**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:**

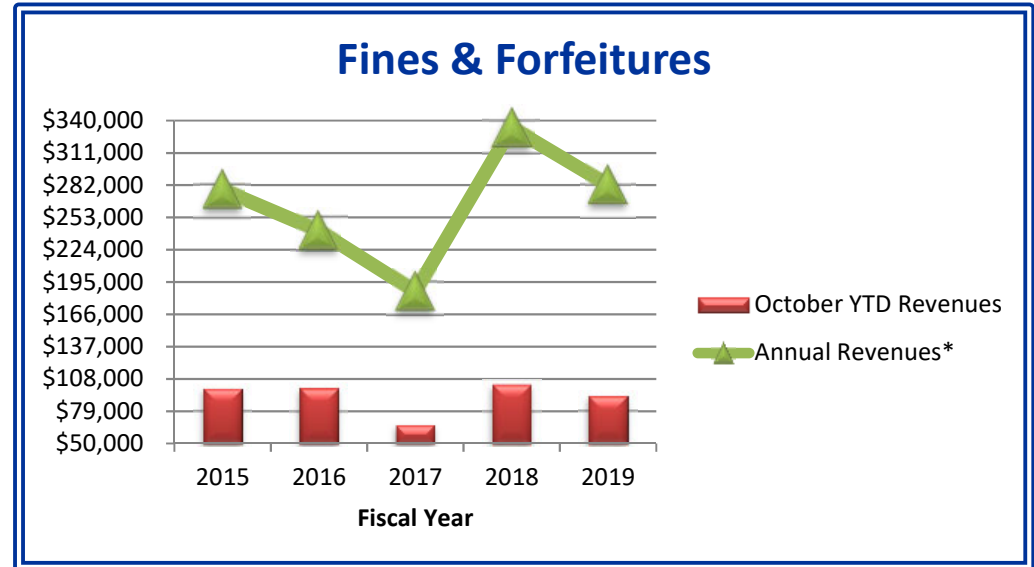
- (1) The increase was primarily due to an increase in court fines collected, which is partly due to the start of the paid parking program and the related fines.
- (2) The increase was also partly due to a significant write-off of late fees in the prior year.

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

- (1) The increase was partly due to a decrease in towing fees.
- (2) The increase was also partly due to lower late fees on wastewater billings.

**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.



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## Total Revenues by Type

### Development Impact Fee Revenues

Exceeds Target for FY 2019

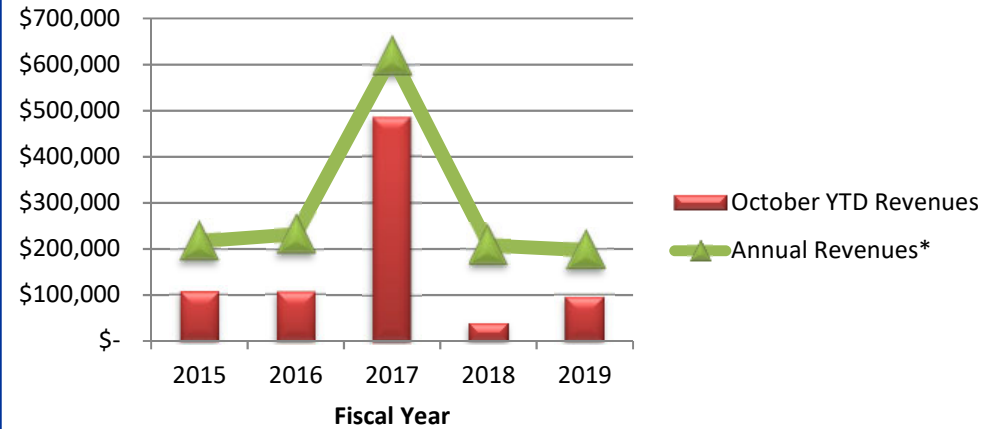
FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 107,598	\$ 216,039	50%		
2016	\$ 105,998	\$ 231,772	46%	-1%	7%
2017	\$ 485,310	\$ 618,740	78%	358%	167%
2018	\$ 38,691	\$ 207,076	19%	-92%	-67%
2019	\$ 96,277	\$ 197,410	49%	149%	-5%

#### 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

Under Target for FY 2019

FY	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 156,568	\$ 533,054	29%		
2016	\$ 111,178	\$ 541,045	21%	-29%	1%
2017	\$ 888,500	\$ 1,167,388	76%	699%	116%
2018	\$ 105,368	\$ 523,013	20%	-88%	-55%
2019	\$ 150,462	\$ 673,300	22%	43%	29%

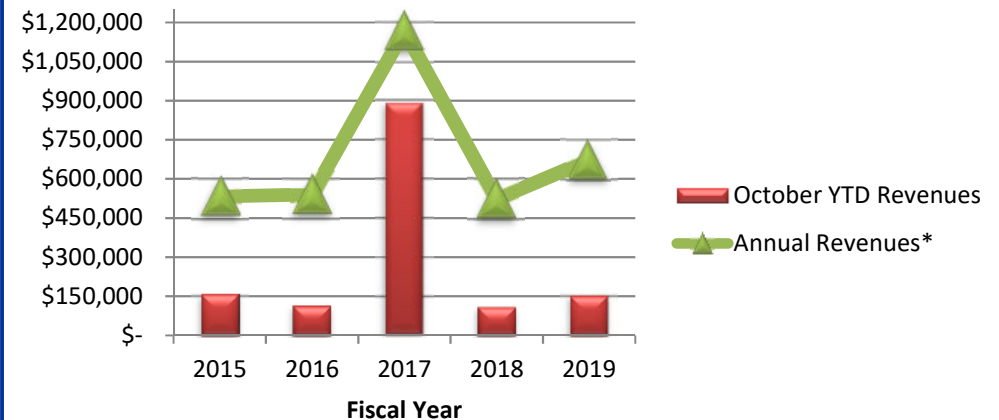
#### Annual Increase from FY 2016 to FY 2017:

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.

**Under Target for FY 2019:** Capacity fees are not consistent from month to month or year to year. The revenues are low and may not achieve the target by the end of the fiscal year.

### 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	October YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - October YTD	% Increase - Annual
2015	\$ 166,285	\$ 527,894	31%		
2016	\$ 147,223	\$ 955,449	15%	-11%	81%
2017	\$ 83,279	\$ 511,285	16%	-43%	-46%
2018	\$ 227,589	\$ 1,018,991	22%	173%	99%
2019	\$ 320,042	\$ 774,430	41%	41%	-24%

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

The decrease was primarily due to the timing of donations and outside participation in capital projects.

**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 losses and a decrease in the interest earnings in LGIP accounts.

**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.
- (3) In addition, unanticipated donations of \$15,000 were received for park benches.
- (4) The increase was also partly due to an increase in auction proceeds for the disposal of assets.

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

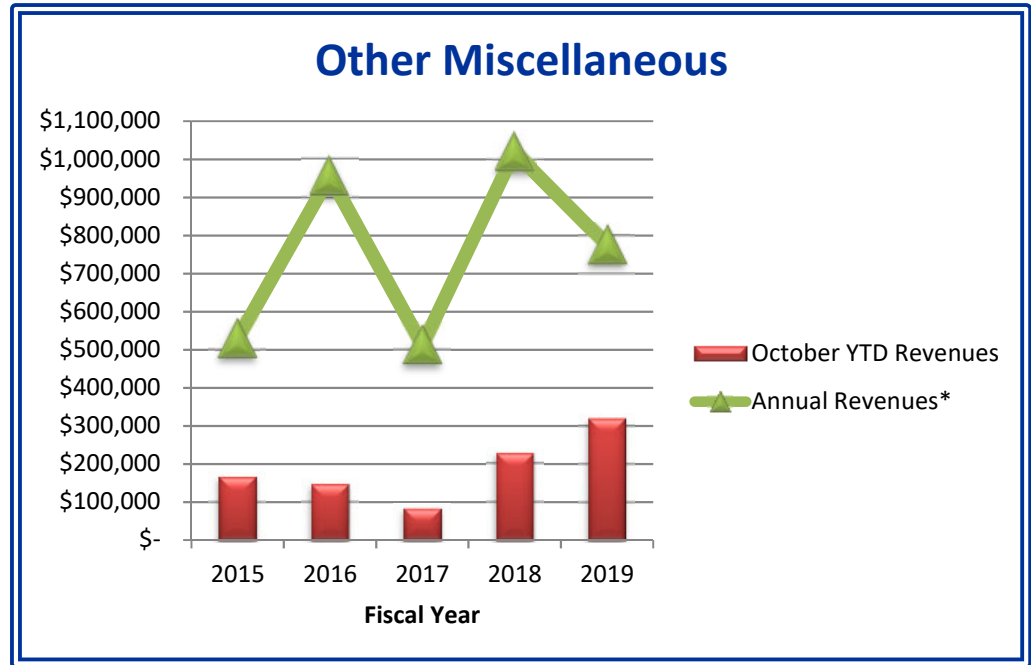
- (1) The increase was largely due to settlement proceeds from the SunEdison case.
- (2) Outside participation in capital projects is not always consistent from year to year.
- (3) The increase was also partly due to insurance proceeds for the City Hall flood damage.

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

The increase was primarily due to an increase in the interest earnings on pooled investments.

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

The decrease 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>								
July 2017	\$ 405,651	\$ 290,870	\$ 233,497	\$ 130,130	\$ 96,984	\$ 56,096	\$ 84,054	\$ 1,297,282
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
<b>October 2017</b>	<b>502,962</b>	<b>365,374</b>	<b>411,819</b>	<b>86,727</b>	<b>110,624</b>	<b>45,942</b>	<b>97,309</b>	<b>1,620,757</b>
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>

July 2018	\$ 511,610	\$ 321,144	\$ 304,687	\$ 153,287	\$ 114,969	\$ 70,252	\$ 98,233	\$ 1,574,182
August 2018	509,887	306,811	294,710	109,552	123,711	66,746	86,895	1,498,312
September 2018	599,890	355,203	394,429	129,832	124,029	65,334	94,961	1,763,678
<b>October 2018</b>	<b>656,954</b>	<b>421,517</b>	<b>467,790</b>	<b>92,980</b>	<b>139,574</b>	<b>58,732</b>	<b>108,431</b>	<b>1,945,978</b>
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>\$ 2,278,341</b>	<b>\$ 1,404,675</b>	<b>\$ 1,461,616</b>	<b>\$ 485,651</b>	<b>\$ 502,283</b>	<b>\$ 261,064</b>	<b>\$ 388,520</b>	<b>\$ 6,782,150</b>

### Current Month Comparison to Same Month Last Year

<b>October 2018 vs. October 2019</b>	<b>\$ 153,992</b>	<b>\$ 56,143</b>	<b>\$ 55,971</b>	<b>\$ 6,253</b>	<b>\$ 28,950</b>	<b>\$ 12,790</b>	<b>\$ 11,122</b>	<b>\$ 325,221</b>
<b>Change from October to October</b>	<b>31%</b>	<b>15%</b>	<b>14%</b>	<b>7%</b>	<b>26%</b>	<b>28%</b>	<b>11%</b>	<b>20%</b>

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

<b>Difference in YTD</b>	<b>\$ 460,313</b>	<b>\$ 235,151</b>	<b>\$ 316,290</b>	<b>\$ 87,889</b>	<b>\$ 65,566</b>	<b>\$ 57,373</b>	<b>\$ 75,167</b>	<b>\$ 1,297,749</b>
<b>% Change from Prior YTD</b>	<b>25%</b>	<b>20%</b>	<b>28%</b>	<b>22%</b>	<b>15%</b>	<b>28%</b>	<b>24%</b>	<b>24%</b>

## Sales & Bed Tax Revenues by Month

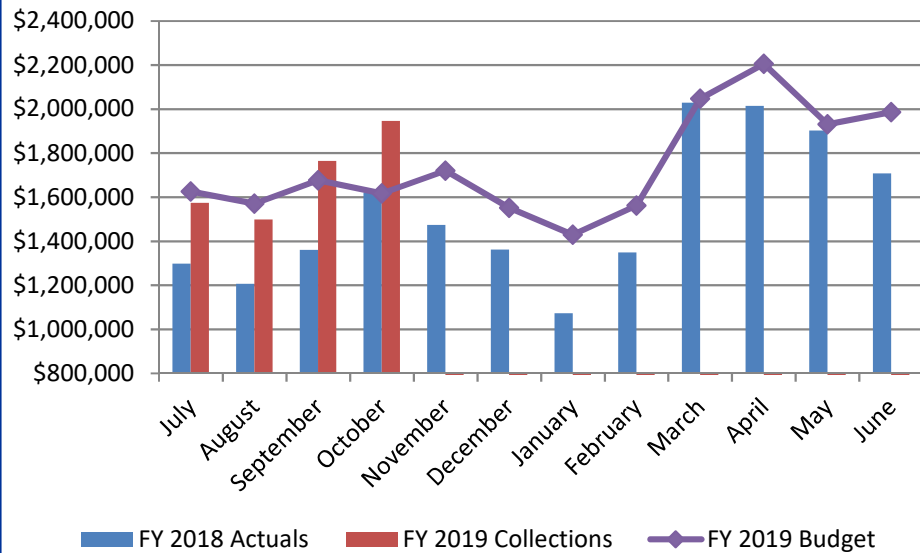
### City Sales Tax Revenues

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	1,498,313	24%	1,571,690	-5%
September	1,360,591	1,763,676	30%	1,677,560	5%
October	1,620,757	1,945,977	20%	1,618,200	20%
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>\$ 6,782,148</b>	<b>24%</b>	<b>\$ 20,928,500</b>	<b>4%</b>

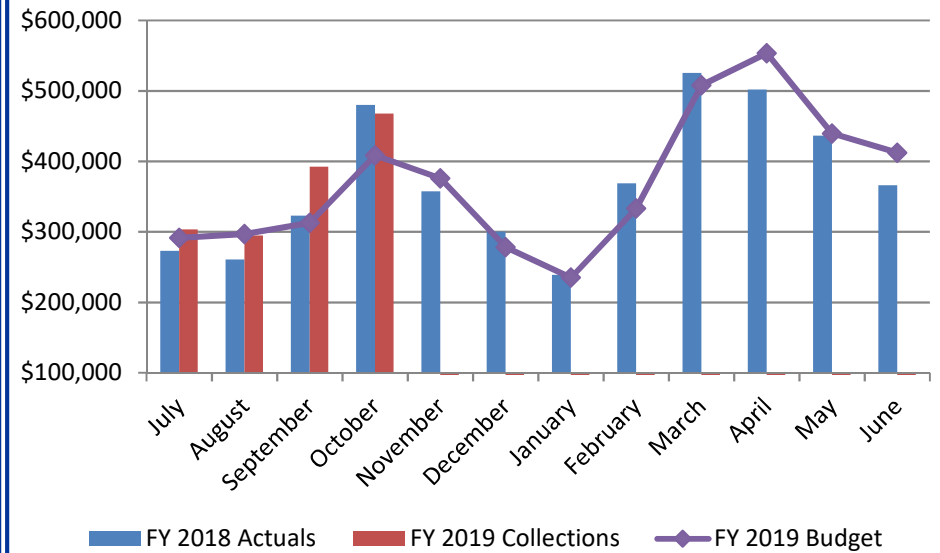
### Bed Tax Revenues

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	294,795	13%	296,840	-1%
September	323,072	392,461	21%	312,700	26%
October	480,203	467,620	-3%	408,650	14%
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>\$ 1,458,043</b>	<b>9%</b>	<b>\$ 4,446,000</b>	<b>11%</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	\$ 5,845,857		\$ 5,845,857	33%	\$ 5,484,400	7%
Bed Taxes	4,446,000	1,458,043		1,458,043	33%	1,336,914	9%
Contingent Bed Taxes	550,000	-		-	0%	-	N/A
Franchise Fees	771,800	223,223		223,223	29%	223,873	<-1%
<u>State Shared Revenues:</u>							
State Shared Sales Taxes	996,500	328,254		328,254	33%	314,348	4%
Urban Revenue Sharing	1,297,000	417,224		417,224	32%	429,256	-3%
Vehicle License Taxes	642,600	234,039		234,039	36%	216,886	8%
<u>Other Intergovernmental:</u>							
Grants	20,000	704		704	4%	4,700	-85%
Other	10,000	-		-	0%	-	N/A
In Lieu Fees	456,100	-		-	0%	-	N/A
Licenses & Permits	350,180	95,551		95,551	27%	166,948	-43%
Charges for Services	767,240	272,568		272,568	36%	219,445	24%
Fines & Forfeitures	185,440	66,943		66,943	36%	69,595	-4%
<u>Other Revenues:</u>							
Interest Earnings	85,050	29,679		29,679	35%	52,197	-43%
Rental Income	36,280	20,874		20,874	58%	22,375	-7%
Miscellaneous	28,050	33,674		33,674	120%	56,307	-40%
<b>Total Revenues</b>	<b>\$ 28,593,840</b>	<b>\$ 9,026,633</b>		<b>\$ 9,026,633</b>	<b>32%</b>	<b>\$ 8,597,243</b>	<b>5%</b>
<b>Expenditures</b>							
<u>General Government:</u>							
City Council	\$ 75,305	\$ 20,032	\$ -	\$ 20,032	27%	\$ 22,256	-10%
City Manager's Office	765,017	189,989	30,290	220,279	29%	218,341	-13%
Human Resources	311,110	66,614	-	66,614	21%	70,323	-5%
Financial Services	1,089,800	287,738	184,660	472,397	43%	237,909	21%
City Attorney's Office	636,323	162,480	-	162,480	26%	149,335	9%
City Clerk's Office	300,525	92,099	-	92,099	31%	73,146	26%
General Services	570,599	309,420	-	309,420	54%	537,228	-42%
Community Development	948,295	242,741	77,909	320,650	34%	223,812	8%
Public Works	609,700	160,054	1,715	161,769	27%	168,105	-5%
Municipal Court	402,690	112,911	-	112,911	28%	90,712	24%
<u>Public Safety:</u>							
General Services	69,285	36,706	32,393	69,098	100%	29,261	25%
Community Development	560,320	166,252	-	166,252	30%	169,261	-2%
Police	5,473,586	1,283,009	31,180	1,314,189	24%	1,356,762	-5%
<u>Public Works &amp; Streets:</u>							
Public Works	2,357,560	507,207	24,446	531,653	23%	569,278	-11%
<u>Culture &amp; Recreation:</u>							
City Manager's Office	90,610	21,585	-	21,585	24%	23,316	-7%
Parks & Recreation	711,430	230,279	68,026	298,305	42%	185,090	24%
General Services	470,392	235,196	235,196	470,392	100%	228,000	3%
Community Development	39,480	10,147	-	10,147	26%	14,787	-31%
Public Works	717,240	232,548	436	232,983	32%	288,452	-19%
<u>Economic Development:</u>							
City Manager's Office	2,176,400	1,088,200	1,088,200	2,176,400	100%	1,077,090	1%
Economic Development:	212,500	49,759	-	49,759	23%	47,328	5%
<u>Health &amp; Welfare:</u>							
City Manager's Office	118,050	14,665	-	14,665	12%	-	∞
City Clerk's Office	33,450	3,284	-	3,284	10%	-	∞
General Services	274,365	137,183	137,183	274,365	100%	125,999	9%
Public Works	55,000	-	-	-	0%	-	N/A
<u>Public Transportation:</u>							
General Services	328,585	18,408	18,043	36,450	11%	17,500	5%
Debt Service	1,415,414	471,090	-	471,090	33%	476,167	-1%
Indirect Cost Allocations	516,700	232,302	-	232,302	45%	194,383	20%
Contingencies	645,707	-	-	-	0%	-	N/A
Net Addition to Equipment Replacement Reserve	(379,700)	-	-	-	0%	-	N/A
<b>Total Expenditures</b>	<b>\$ 21,595,738</b>	<b>\$ 6,381,894</b>	<b>\$ 1,929,676</b>	<b>\$ 8,311,570</b>	<b>38%</b>	<b>\$ 6,593,841</b>	<b>-3%</b>
<u>Other Financing Sources (Uses)</u>							
Transfers to Capital Improvements Fund	\$ (2,248,900)	\$ (591,183)		\$ (591,183)	26%	\$ -	∞
Transfers to Wastewater Fund	(4,487,900)	(1,461,464)		(1,461,464)	33%	(1,370,977)	<-1%
Transfers to Affordable Housing Fund	(100,000)	(33,333)		(33,333)	33%	-	∞
Transfers to Streets Fund	(253,200)	(84,400)		(84,400)	33%	(11,796)	<-1%
<b>Total Other Financing Sources (Uses)</b>	<b>\$ (7,090,000)</b>	<b>\$ (2,170,381)</b>		<b>\$ (2,170,381)</b>	<b>31%</b>	<b>\$ (1,382,773)</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, October 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	-	183,313		183,313	∞	-	∞
Assigned for Uptown Improvements	-	479,149		479,149	∞	-	∞
Prior Year Surplus to be Appropriated	-	1,045,917		1,045,917	∞	-	∞
Unrestricted Fund Balance	1,607,799	1,946,055		1,946,055	121%	3,724,970	-48%
<b>Total Ending Fund Balance, October 31</b>	<b>\$ 8,361,191</b>	<b>\$ 9,710,177</b>		<b>\$ 7,780,501</b>	<b>93%</b>	<b>\$ 11,145,626</b>	<b>-13%</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	\$ 2,051,195		\$ 2,051,195	33%	\$ 2,040,910	1%
Capacity Fees	673,300	150,462		150,462	22%	105,368	43%
Fines & Forfeitures	69,750	17,520		17,520	25%	24,699	-29%
<u>Other Revenues:</u>							
Interest Earnings	206,050	87,628		87,628	43%	43,978	99%
Miscellaneous	16,200	5,347		5,347	33%	2,300	132%
<b>Total Revenues</b>	<b>\$ 7,110,300</b>	<b>\$ 2,312,152</b>		<b>\$ 2,312,152</b>	<b>33%</b>	<b>\$ 2,217,255</b>	<b>4%</b>
<b>Expenditures</b>							
<u>Wastewater Administration:</u>							
Salaries & Benefits	\$ 191,750	\$ 56,149	\$ -	\$ 56,149	29%	\$ 27,956	101%
Other Expenditures	59,980	17,456	-	17,456	29%	56,672	-69%
<u>Wastewater Operations:</u>							
Salaries & Benefits	791,730	240,031	-	240,031	30%	233,305	3%
Utilities	532,800	178,752	-	178,752	34%	180,072	-1%
Maintenance	949,800	132,585	84,640	217,225	23%	77,287	72%
Other Expenditures	1,091,810	61,040	62,239	123,279	11%	102,169	-40%
<u>Wastewater Capital Projects:</u>							
Salaries & Benefits	97,760	28,819	-	28,819	29%	23,622	22%
Other Expenditures	1,890	-	-	-	0%	30	-100%
Capital Improvement Projects	4,467,484	74,520	953,382	1,027,901	23%	27,597	170%
<u>Indirect Cost/Departmental Allocations:</u>							
City Manager's Office	59,650	15,320	-	15,320	26%	19,475	-21%
Human Resources	46,410	10,710	-	10,710	23%	12,246	-13%
Financial Services	677,690	151,501	-	151,501	22%	130,418	16%
Information Technology	216,460	49,045	9,845	58,889	27%	66,912	-27%
City Attorney's Office	157,540	24,771	-	24,771	16%	34,409	-28%
City Clerk's Office	3,870	1,049	-	1,049	27%	1,586	-34%
General Services	68,630	7,112	-	7,112	10%	32,824	-78%
Public Works	294,790	77,289	-	77,289	26%	81,039	-5%
Debt Service	4,439,005	1,479,759	-	1,479,759	33%	1,470,076	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>\$ 13,668,449</b>	<b>\$ 2,605,907</b>	<b>\$ 1,110,106</b>	<b>\$ 3,716,014</b>	<b>27%</b>	<b>\$ 2,577,692</b>	<b>1%</b>
<b>Other Financing Sources (Uses)</b>							
Transfers from General Fund	\$ 4,487,900	\$ 1,461,464		\$ 1,461,464	33%	\$ 1,370,977	7%
<b>Total Other Financing Sources (Uses)</b>	<b>\$ 4,487,900</b>	<b>\$ 1,461,464</b>		<b>\$ 1,461,464</b>	<b>33%</b>	<b>\$ 1,370,977</b>	<b>7%</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, October 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	4,392,964		4,392,964	359%	4,467,484	-2%
Budget Carryovers Reserve	-	-		-	N/A	110,930	-100%
Unrestricted Fund Balance	3,774,371	6,879,822		5,769,716	153%	4,922,361	40%
<b>Total Ending Fund Balance, October 31</b>	<b>\$ 11,458,141</b>	<b>\$ 17,145,313</b>		<b>\$ 16,035,206</b>	<b>140%</b>	<b>\$ 15,214,422</b>	<b>13%</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, October 31, 2018
General Fund	\$ 9,235,819	\$ 9,026,633	\$ 21,595,738	\$ 6,381,894	\$ 1,929,676	\$ 8,311,570	38%	\$ (2,170,381)	\$ 9,710,177
<b>Special Revenue Funds</b>									
Streets Fund	\$ 549,742	\$ 341,188	\$ 1,207,380	\$ 13,810	\$ -	\$ 13,810	1%	\$ 84,400	\$ 961,520
Grants, Donations & Other Funds	\$ 610,371	\$ 62,695	\$ 710,330	\$ 51,958	\$ 649	\$ 52,607	7%	\$ 33,333	\$ 654,441
Transportation Sales Tax Fund	\$ 1,044,816	\$ 943,383	\$ 100,920	\$ 1,264	\$ -	\$ 1,264	1%	\$ -	\$ 1,986,934
<b>Capital Projects Funds</b>									
Development Impact Fees Funds	\$ 2,722,932	\$ 108,663	\$ 77,540	\$ 9,790	\$ 18,330	\$ 28,120	36%	\$ -	\$ 2,821,805
Capital Improvements Fund	\$ 14,875,000	\$ 94,374	\$ 8,296,445	\$ 156,662	\$ 1,020,164	\$ 1,176,826	14%	\$ 590,513	\$ 15,403,225
Art in Public Places Fund	\$ 94,397	\$ 465	\$ -	\$ -	\$ -	\$ -	N/A	\$ 670	\$ 95,532
Wastewater Enterprise Fund	\$ 15,977,604	\$ 2,312,152	\$ 13,668,449	\$ 2,605,907	\$ 1,110,106	\$ 3,716,014	27%	\$ 1,461,464	\$ 17,145,313
Information Technology Internal Service Fund	\$ 195,285	\$ 564,058	\$ 1,727,511	\$ 479,481	\$ 32,715	\$ 512,196	30%	\$ -	\$ 279,862
<b>Total All City Funds</b>	<b>\$ 45,305,966</b>	<b>\$ 13,453,610</b>	<b>\$ 47,384,313</b>	<b>\$ 9,700,766</b>	<b>\$ 4,111,641</b>	<b>\$ 13,812,406</b>	<b>29%</b>	<b>\$ -</b>	<b>\$ 49,058,809</b>
<b>Community Facilities Districts</b>									
Sedona Summit II	\$ 292,469	\$ 1,638	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ 294,107
Fairfield	\$ 30,998	\$ 30,605	\$ -	\$ -	\$ -	\$ -	N/A	\$ -	\$ 61,604

**Debt Outstanding<sup>(1)</sup>**

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 <sup>(2)</sup>	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%	\$ 134,082	\$ 10,547	\$ 144,629	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 134,082	\$ 10,547	\$ 144,629
<b>Installment Purchase Agreements</b>														
Christmas Light Decorators <sup>(3)</sup>	9/30/2018	0.00%	\$ 6,246	\$ -	\$ 6,246	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,246	\$ -	\$ 6,246
Christmas Light Decorators <sup>(4)</sup>	9/30/2021	0.00%	\$ 33,872	\$ -	\$ 33,872	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,872	\$ -	\$ 33,872
<b>Grand Totals</b>			<b>\$ 9,173,642</b>	<b>\$ 806,942</b>	<b>\$ 9,980,585</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>\$ 27,883,119</b>	<b>\$ 18,941,480</b>	<b>\$ 46,824,599</b>

<sup>(1)</sup>A capital lease payment was made on October 10, 2018 for \$72,314.

<sup>(2)</sup>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.

<sup>(3)</sup>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.

<sup>(4)</sup>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 2020-21.

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%	\$ 305,257	\$ -	0%
Uptown Roadway Improvements (SIM-01)	Capital Reserves	\$ 3,549,000	\$ 112,598	3%	\$ 1,699,000	\$ 52,894	3%
Uptown Parking Improvements (SIM-03a)	Capital Reserves	\$ 150,000	\$ 13,463	9%	\$ 133,906	\$ -	0%
	Paid Parking Revenues	\$ 80,000	\$ 1,550	2%	\$ 80,000	\$ 1,550	2%
	<b>Project Total</b>	<b>\$ 230,000</b>	<b>\$ 15,013</b>	<b>7%</b>	<b>\$ 213,906</b>	<b>\$ 1,550</b>	<b>1%</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	\$ 31,086	4%	\$ 731,000	\$ 6,150	1%
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	\$ 29,490	18%	\$ 160,000	\$ 29,490	18%
	Outside Participation	\$ 10,000	\$ -	0%	\$ 10,000	\$ -	0%
	<b>Project Total</b>	<b>\$ 200,000</b>	<b>\$ 29,490</b>	<b>15%</b>	<b>\$ 200,000</b>	<b>\$ 29,490</b>	<b>15%</b>
Bicycle & Pedestrian Improvements (SIM-11)	Capital Reserves	\$ 45,000	\$ 9,443	21%	\$ 103,560	\$ 7,955	8%
Travel Information System (SIM-12)	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	\$ 39,747	11%	\$ 350,000	\$ 39,747	11%
	Development Impact Fees	\$ 23,000	\$ -	0%	\$ 23,000	\$ -	0%
	<b>Project Total</b>	<b>\$ 1,995,000</b>	<b>\$ 39,747</b>	<b>2%</b>	<b>\$ 1,995,000</b>	<b>\$ 39,747</b>	<b>2%</b>
Juniper Hills Area Improvements (SD-07)	Coconino County Flood Control	\$ 513,175	\$ 84,313	16%	\$ 450,000	\$ 18,526	4%
	Capital Reserves	\$ 436,825	\$ -	0%	\$ 427,825	\$ -	0%
	<b>Project Total</b>	<b>\$ 950,000</b>	<b>\$ 84,313</b>	<b>9%</b>	<b>\$ 877,825</b>	<b>\$ 18,526</b>	<b>2%</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	\$ 71,930	68%	\$ 34,778	\$ 350	1%
	Grant	\$ 353,446	\$ -	0%	\$ 353,446	\$ -	0%
	<b>Project Total</b>	<b>\$ 459,804</b>	<b>\$ 71,930</b>	<b>16%</b>	<b>\$ 388,224</b>	<b>\$ 350</b>	<b>&lt;1%</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	\$ 142,312	5%	\$ 2,575,000	\$ 68,506	3%
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	\$ 456,752	95%	\$ 6,014	\$ 6,014	100%
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>\$ 8,441,076</b>	<b>25%</b>	<b>\$ 13,000,929</b>	<b>\$ 231,181</b>	<b>2%</b>

Investment Holdings Summary

CUSIP	Issuer	Settlement Date	Maturity Date	Initial Duration	Remaining Duration as of October 31, 2018 (In Years)	Remaining Coupon Rates	Yield	Benchmark at Time of Purchase	Par Value	Book Value	Fair Market Value as of October 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	0.6	1.750%	2.300%	1.730%	\$ 1,000,000	\$ 994,870	\$ 995,518	\$ -	\$ 648	\$ 5,897	2.12%
3133EGEF8	Federal Farm Credit Bank	12/20/2017	6/13/2019	1.5	0.6	1.180%	1.785%	1.090%	\$ 1,116,000	\$ 1,106,176	\$ 1,107,002	\$ -	\$ 826	\$ 4,438	2.36%
76116FAA5	Resolution Funding Corporation	12/21/2017	10/15/2019	1.8	1.0	0.000%	1.841%	1.090%	\$ 1,033,000	\$ 999,566	\$ 1,006,365	\$ -	\$ 6,799	\$ -	2.13%
3134GBG97	Federal Home Loan Mortgage Corporation	9/28/2017	9/28/2020	3.0	1.9	1.375%-2.500%	1.750%	1.010%	\$ 2,000,000	\$ 2,000,000	\$ 1,966,176	\$ -	\$ (33,824)	\$ 2,486	4.26%
3133EH4R1	Federal Farm Credit Bank	12/28/2017	9/28/2020	2.8	1.9	2.120%	2.120%	1.090%	\$ 1,000,000	\$ 1,000,000	\$ 979,410	\$ -	\$ (20,590)	\$ 1,917	2.13%
3133EGRN7	Federal Farm Credit Bank	9/8/2017	2/17/2021	3.4	2.3	1.470%	1.570%	1.010%	\$ 1,000,000	\$ 996,659	\$ 967,581	\$ -	\$ (29,078)	\$ 3,021	2.12%
3130AC6V1	Federal Home Loan Bank	9/14/2017	3/15/2021	3.5	2.4	1.850%	1.850%	1.010%	\$ 2,000,000	\$ 2,000,000	\$ 1,951,102	\$ -	\$ (48,898)	\$ 4,663	4.26%
3134GBP89	Federal Home Loan Mortgage Corporation	10/26/2017	4/26/2021	3.5	2.5	1.850%	1.850%	1.100%	\$ 2,000,000	\$ 2,000,000	\$ 1,940,110	\$ -	\$ (59,890)	\$ 507	4.26%
3133EHUS0	Federal Farm Credit Bank	8/16/2017	8/16/2021	4.0	2.8	1.875%	1.875%	0.930%	\$ 2,000,000	\$ 2,000,000	\$ 1,940,830	\$ -	\$ (59,170)	\$ 7,808	4.26%
3130AC6J8	Federal Home Loan Bank	8/28/2017	2/28/2022	4.5	3.3	2.000%	2.000%	0.930%	\$ 2,000,000	\$ 2,000,000	\$ 1,924,282	\$ -	\$ (75,718)	\$ 7,014	4.26%
3134GBUP5	Federal Home Loan Mortgage Corporation	8/28/2017	6/29/2022	4.8	3.7	1.750%-4.000%	2.526%	0.930%	\$ 2,175,000	\$ 2,175,000	\$ 2,157,889	\$ -	\$ (17,111)	\$ 3,575	4.63%
3130AC2B9	Federal Home Loan Bank	8/22/2017	8/22/2022	5.0	3.8	1.750%-3.000%	2.375%	0.930%	\$ 2,000,000	\$ 2,000,000	\$ 1,970,114	\$ -	\$ (29,886)	\$ 6,712	4.26%
3130ABZG4	Federal Home Loan Bank	8/30/2017	8/26/2022	5.0	3.8	2.150%	2.150%	0.930%	\$ 1,000,000	\$ 1,000,000	\$ 961,071	\$ -	\$ (38,929)	\$ 3,829	2.13%
3130ACA79	Federal Home Loan Bank	9/8/2017	9/8/2022	5.0	3.9	1.750%-4.000%	2.438%	1.010%	\$ 2,000,000	\$ 2,000,000	\$ 1,961,910	\$ -	\$ (38,090)	\$ 4,986	4.26%
3134GBR79	Federal Home Loan Mortgage Corporation	10/27/2017	10/27/2022	5.0	4.0	1.750%-3.750%	2.338%	1.100%	\$ 2,000,000	\$ 2,000,000	\$ 1,979,268	\$ -	\$ (20,732)	\$ 438	4.26%
<b>Subtotals</b>									<b>\$ 24,324,000</b>	<b>\$ 24,272,271</b>	<b>\$ 23,808,628</b>	<b>\$ -</b>	<b>\$ (463,643)</b>	<b>\$ 57,291</b>	<b>51.68%</b>
<b>Negotiable Certificates of Deposit</b>															
61747MXT3	Morgan Stanley Bank NA	8/10/2017	8/12/2019	2.0	0.8	1.700%	1.700%	0.930%	\$ 247,000	\$ 247,000	\$ 245,216	\$ -	\$ (1,784)	\$ 943	0.53%
87270LAS2	TIAA FSB	9/18/2017	9/12/2019	2.0	0.9	1.700%	1.700%	1.010%	\$ 247,000	\$ 247,000	\$ 245,038	\$ -	\$ (1,962)	\$ 564	0.53%
02006L5J8	Ally Bank Midvale Utah	9/14/2017	9/16/2019	2.0	0.9	1.750%	1.750%	1.010%	\$ 247,000	\$ 247,000	\$ 245,125	\$ -	\$ (1,875)	\$ 533	0.53%
20033AVN3	Comenity Capital Bank	8/9/2017	8/10/2020	3.0	1.8	1.950%	1.950%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 290	0.53%
3814PMJ3	Goldman Sachs Bank USA	8/9/2017	8/10/2020	3.0	1.8	1.900%	1.900%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,067	0.53%
02587CGG9	American Express FSB	9/12/2017	9/14/2020	3.0	1.9	1.950%	1.950%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 620	0.53%
319141HQ3	First Bank of Highland Park	9/14/2017	9/14/2020	3.0	1.9	1.800%	1.800%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,498	0.53%
14042RJH5	Capital One, NA	10/12/2017	10/13/2020	3.0	2.0	2.000%	2.000%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 244	0.53%
20786ABY0	ConnectOne Bank	12/28/2017	12/28/2020	3.0	2.2	2.200%	2.200%	1.090%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 45	0.53%
1404204E7	Capital One Bank USA NA	8/9/2017	8/9/2021	4.0	2.8	2.100%	2.100%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,180	0.53%
254673AF3	Discover Bank	8/9/2017	8/9/2021	4.0	2.8	2.100%	2.100%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,180	0.53%
05580AKJ2	BMW Bank	9/15/2017	9/15/2021	4.0	2.9	2.100%	2.100%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 654	0.53%
88413QBR8	Third Federal Savings & Loan	9/15/2017	9/15/2021	4.0	2.9	2.000%	2.000%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 623	0.53%
29266N6P7	EnerBank USA	10/13/2017	10/13/2021	4.0	3.0	2.000%	2.000%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 244	0.53%
02587DV47	American Express Centurion	8/8/2017	8/8/2022	5.0	3.8	2.350%	2.350%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,336	0.53%
795450C37	Sallie Mae Bank	8/9/2017	8/9/2022	5.0	3.8	2.350%	2.350%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,320	0.53%
87164XSH0	Synchrony Bank	10/6/2017	10/6/2022	5.0	3.9	2.250%	2.250%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 381	0.53%
06740KLD7	Barclays Bank	10/18/2017	10/18/2022	5.0	4.0	2.300%	2.300%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 202	0.53%
32056GCV0	First Internet Bank of Indiana	12/28/2017	12/28/2022	5.0	4.2	2.400%	2.400%	1.090%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 49	0.53%
<b>Subtotals</b>									<b>\$ 4,693,000</b>	<b>\$ 4,693,000</b>	<b>\$ 4,687,378</b>	<b>\$ -</b>	<b>\$ (5,622)</b>	<b>\$ 12,971</b>	<b>9.99%</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	2.200%	N/A	\$ 8,089,723	\$ 8,089,723	\$ 8,089,723	\$ -	\$ -	\$ -	17.23%
N/A	Pool 7	N/A	N/A	N/A	0.0	N/A	2.100%	N/A	\$ 38,436	\$ 38,436	\$ 38,436	\$ -	\$ -	\$ -	0.08%
N/A	Pool 500	N/A	N/A	N/A	0.0	N/A	2.340%	N/A	\$ 8,644,087	\$ 8,644,087	\$ 8,644,087	\$ -	\$ -	\$ -	18.41%
<b>Subtotals</b>									<b>\$ 16,772,246</b>	<b>\$ 16,772,246</b>	<b>\$ 16,772,246</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>35.71%</b>
<b>Government Money Market Fund</b>															
N/A	Wells Fargo Sweep Account	N/A	N/A	N/A	0.0	N/A	2.010%	N/A	\$ 1,225,504	\$ 1,225,504	\$ 1,225,504	\$ -	\$ -	\$ -	2.61%
<b>Averages/Grand Totals</b>					<b>1.7</b>		<b>2.141%</b>		<b>\$ 47,014,751</b>	<b>\$ 46,963,021</b>	<b>\$ 46,493,757</b>	<b>\$ -</b>	<b>\$ (469,264)</b>	<b>\$ 70,262</b>	<b>100.00%</b>

Benchmark per Policy (LGIP Pool 5) 2.200%

\* 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 October 2018
<b>Acquisitions</b>			
N/A	LGIP Pool 5	Purchase	\$ 1,500,000
N/A	Wells Fargo Sweep Account	Contribution	\$ 94,494
<b>Subtotal</b>			<b>\$ 1,594,494</b>
<b>Dispositions</b>			
<b>Subtotal</b>			<b>\$ -</b>
<b>Earnings</b>			
20033AVN3	Comenity Capital Bank	Monthly Interest	\$ 396
29266N6P7	EnerBank USA	Monthly Interest	\$ 406
32056GCV0	First Internet Bank of Indiana	Monthly Interest	\$ 487
20786ABY0	ConnectOne Bank	Monthly Interest	\$ 447
3134GBUP5	Federal Home Loan Mortgage Corporation	Quarterly interest	\$ 9,516
3134GBUP5	Federal Home Loan Mortgage Corporation	Interest Accrued to FY2018	\$ (104)
87164XSH0	Synchrony Bank	Semi-annual interest	\$ 2,786
87164XSH0	Synchrony Bank	Interest Accrued to FY2018	\$ (1,294)
14042RJH5	Capital One, NA	Semi-annual interest	\$ 2,477
14042RJH5	Capital One, NA	Interest Accrued to FY2018	\$ (1,069)
06740KLD7	Barclays Bank	Semi-annual interest	\$ 2,848
06740KLD7	Barclays Bank	Interest Accrued to FY2018	\$ (1,136)
3134GBP89	Federal Home Loan Mortgage Corporation	Semi-annual interest	\$ 18,500
3134GBP89	Federal Home Loan Mortgage Corporation	Interest Accrued to FY2018	\$ (6,589)
3134GBR79	Federal Home Loan Mortgage Corporation	Semi-annual interest	\$ 17,500
3134GBR79	Federal Home Loan Mortgage Corporation	Interest Accrued to FY2018	\$ (6,137)
N/A	LGIP Pool 5	Monthly Gain/Loss	\$ 13,109
N/A	LGIP Pool 7	Monthly Gain/Loss	\$ 68
N/A	LGIP Pool 500	Monthly Gain/Loss	\$ 1,321
N/A	Wells Fargo Sweep Account	Monthly Dividends	\$ 1,827
<b>Subtotal</b>			<b>\$ 55,358</b>
<b>Expenses</b>			
N/A	N/A	Custody Charges	\$ 112
N/A	N/A	Wire Fees	\$ 218
<b>Subtotal</b>			<b>\$ 330</b>
<b>Net Transactions for October 2018</b>			<b>\$ 1,649,522</b>