

Monthly Financial Report

November 2019



CITY OF SEDONA

March 10, 2020

Monthly Financial Report

November 2019

Executive Summary

The City's largest revenue sources are sales and bed tax revenues. Year-to-date **City sales taxes are 10% higher** than the prior year and year-to-date **bed taxes are 17% higher** than the prior year. (See pg. 49)

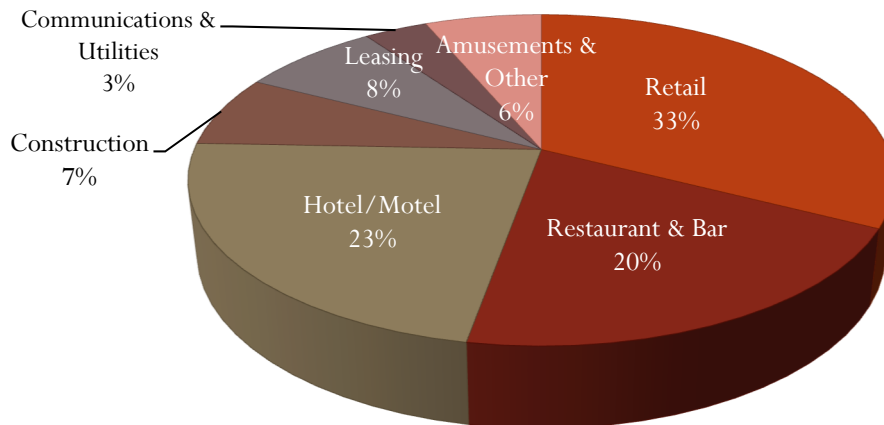
November YTD Increase (Decrease) Over Prior Year	
City Sales Taxes	\$ 862,031
Bed Taxes	317,136
Total	\$ 1,179,167

The largest sales tax increases for the month were in the Hotel/Motel (21%), Construction (43%), and Leasing (23%) categories. (See pg. 48)

Bed tax revenues increased 22% for the month. (See pg. 49) The average daily hotel rate was up (6.2%) while the hotel occupancy rate was down (3.9%) compared to November 2018. In addition, SB 1382, which requires all online marketplaces for short-term residential rentals to remit tax on behalf of the property owners, was effective January 1, 2019.

Year-to-date **City sales taxes are 12% over the budget projections** and year-to-date **bed taxes are 18% over the budget projections**. (See pg. 49)

Sales Tax Revenues by Category



Changes in the Monthly Financial Report

The Affordable Housing Fund was previously consolidated with the Grants, Donations & Other Funds. This fund is now separately presented in the Total Expenditures by Fund section (See pg. 7), Total Revenues by Fund section (See pg. 31), and All Funds Summary (See pg. 52).

In addition, a summary of the paid parking program has been added. (See pg. 53)

Revenues

In total, **General Fund revenues are up 10%** over last year, and **Wastewater Fund revenues are up 2%** from last year. (See pgs. 30 & 34) **Total City revenues are up 9% over last year and at 40% of budget**, with 42% of the year completed so far. (See pg. 37)

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:

- In-Lieu (94% under YTD target) (See pg. 40)
 - While the ongoing in lieu revenues are primarily received in the later part of the fiscal year, the budget included one-time Affordable Housing in lieu fees of \$625,000. At the time the budget was prepared, it was uncertain if the revenue would be received before or after June 30, 2019. This revenue was received just before the FY 2019 year-end, so the revenue will not be reported in FY 2020. While the in-lieu revenues will be low compared to budget, the revenue was received and will be used to covered budgeted Affordable Housing expenditures.
- Development Impact Fees (60% under YTD target) (See pg. 46)
 - Due to delays in some significant one-time development projects, revenues may be under target by the end of the fiscal year. However, sufficient balances exist in the Development Impact Fee Funds to cover the potential shortage.
- Capacity Fees (54% under YTD target) (See pg. 46)
 - Due to delays in some significant one-time development projects, revenues may be under 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 39% of budget** for the year-to-date, and **Wastewater Fund expenditures are 27% of budget** for the year-to-date, with 42% of the year completed so far. (See pgs. 6 & 11) **Total City expenditures, excluding capital improvements and internal charges, are at 36% of the budget.** (See pg. 14)

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 five months but are on track due to the nature of semiannual payments for community contracts. (See pgs. 16 and 23) Wastewater Administration expenditures are high for five months but are on track due to annual membership fees paid in July and the timing of other one-time costs. (See pg. 28)

Expenditures for capital improvements (14%) (See pgs. 55-56) and streets rehabilitation and preservation (2%) (See pg. 7) are not incurred consistently throughout the year and, as of November 2019, are overall well 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 November 2019 is the fifth month of the current fiscal year, FY 2020, and **represents 42% 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.
- **Paid Parking Program Summary** – A table of the City’s paid parking program has been presented with detailed comparisons of YTD amounts to the budgets and prior fiscal year. The table includes gross revenues less program support costs to arrive at net revenues of the program available for Uptown enhancements. The ending available balances represent the balances at the beginning of the year plus net revenues less costs for Uptown enhancements.
- **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. 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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	Page	% YTD	Status	Comments
Portion of Fiscal Year Complete = 41.67%				
Total Expenditures by Fund				
General Fund	6	39%	Under Target for FY 2020	
<u>Special Revenue Funds:</u>				
Streets Fund	7	2%	Under Target for FY 2020	Expenditures do not occur consistently throughout the fiscal year.
Affordable Housing Fund	7	1%	Under Target for FY 2020	Expenditures do not occur consistently throughout the fiscal year.
Grants, Donations & Other Funds	8	2%	Under Target for FY 2020	Expenditures do not occur consistently throughout the fiscal year.
Transportation Sales Tax Fund	8	26%	Under Target for FY 2020	
<u>Capital Projects Funds:</u>				
Development Impact Fees Funds	9	3%	Under Target for FY 2020	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Capital Improvements Fund	9	21%	Under Target for FY 2020	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Art in Public Places Fund	10	0%	Under Target for FY 2020	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Wastewater Enterprise Fund	11	27%	Under Target for FY 2020	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Info. Tech. Internal Service Fund	12	35%	Under Target for FY 2020	
<u>Community Facilities Districts:</u>				
Sedona Summit II	13	0%	Under Target for FY 2020	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Fairfield	13	62%	On Target for FY 2020	While expenditures are high, capital improvement expenditures do not occur consistently throughout the fiscal year and are on track based on the projects budgeted.
Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)				
Total Exp. (excl. Cap. Impr. & Internal Charges)	14	36%	Under Target for FY 2020	
City Council	15	37%	Under Target for FY 2020	
City Manager's Office	16	46%	On Target for FY 2020	While expenditures are high, they are on track due to the significant semiannual payments made in July and January.
Human Resources	17	36%	Under Target for FY 2020	
Financial Services	18	38%	Under Target for FY 2020	
Information Technology	19	34%	Under Target for FY 2020	
City Attorney's Office	20	32%	Under Target for FY 2020	
City Clerk's Office	21	40%	Under Target for FY 2020	
Parks & Recreation	22	40%	On Target for FY 2020	
General Services	23	43%	On Target for FY 2020	While expenditures are high, they are on track due to the significant semiannual payments made in July and January.
Debt Service	23	42%	On Target for FY 2020	
Community Development	24	29%	Under Target for FY 2020	
Public Works	25	28%	Under Target for FY 2020	
Economic Development	26	34%	Under Target for FY 2020	
Police	26	34%	Under Target for FY 2020	
Municipal Court	27	41%	On Target for FY 2020	
Wastewater Administration	28	48%	On Target for FY 2020	While expenditures are high, they are on track due to the significant annual payments made in July and other one-time costs.
Wastewater Capital	29	42%	On Target for FY 2020	
Wastewater Operations	29	25%	Under Target for FY 2020	
Total Revenues by Fund				
General Fund	30	43%	On Target for FY 2020	
<u>Special Revenue Funds:</u>				
Streets Fund	31	62%	Exceeds Target for FY 2020	
Affordable Housing Fund	31	2%	Under Target for FY 2020	A significant one-time revenue was received in FY 2019 but budgeted in FY 2020.
Grants, Donations & Other Funds	32	5%	Under Target for FY 2020	The FY 2019 budget includes \$300,000 of contingent grant revenues in case a significant grant opportunity arises.
Transportation Sales Tax Fund	32	44%	Exceeds Target for FY 2020	
<u>Capital Projects Funds:</u>				
Development Impact Fees Funds	33	19%	Under Target for FY 2020	Revenues do not occur consistently throughout the fiscal year and may be under target by the end of the fiscal year.
Capital Improvements Fund	33	23%	Under Target for FY 2020	While revenues are low due to timing of collections, revenues are expected to be on target by the end of the fiscal year.
Art in Public Places Fund	34	67%	Exceeds Target for FY 2020	
Wastewater Enterprise Fund	34	38%	Under Target for FY 2020	Revenues may be under target by the end of the fiscal year due to delays in one-time capacity fees.
Info. Tech. Internal Service Fund	35	39%	Under Target for FY 2020	While revenues are slightly low due to timing of collections, revenues are expected to be on target by the end of the fiscal year.
<u>Community Facilities Districts:</u>				
Sedona Summit II	36	5%	Under Target for FY 2020	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	36	26%	Under Target for FY 2020	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.
Total Revenues by Type				
Total Revenues	37	40%	Under Target for FY 2020	
City Sales Taxes	38	44%	On Target for FY 2020	
Bed Taxes	39	45%	Exceeds Target for FY 2020	
In-Lieu	40	2%	Under Target for FY 2020	In lieu fees are mostly received near the end of the fiscal year. In addition, significant budgeted one-time payments were received in the prior fiscal year. Revenues are expected to be under target at the end of the fiscal year.
Franchise Fees	40	28%	On Target for FY 2020	
State Sales Taxes	41	41%	On Target for FY 2020	
Urban Revenue Sharing	41	44%	Exceeds Target for FY 2020	
Vehicle License Taxes	42	41%	On Target for FY 2020	
Highway User	42	42%	On Target for FY 2020	
Other Intergovernmental	43	21%	Under Target for FY 2020	Revenues do not occur consistently throughout the fiscal year but are expected to be on target by the end of the fiscal year.
Licenses & Permits	44	37%	Under Target for FY 2020	
Charges for Services	44	42%	On Target for FY 2020	
Fines & Forfeitures	45	32%	Under Target for FY 2020	Late fees on wastewater billings and court fines are lower than anticipated but are not expected to be significantly lower than target by the end of the fiscal year.
Development Impact Fees	46	17%	Under Target for FY 2020	Revenues do not occur consistently throughout the fiscal year and may be under target by the end of the fiscal year.
Capacity Fees	46	19%	Under Target for FY 2020	Revenues do not occur consistently throughout the fiscal year and may be under target by the end of the fiscal year.
Other Miscellaneous	47	48%	Exceeds Target for FY 2020	
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Total Expenditures by Fund

Total General Fund Expenditures

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 6,078,000	\$ 14,907,362	41%		
2017	\$ 6,290,229	\$ 16,799,273	37%	3%	13%
2018	\$ 7,746,418	\$ 19,091,334	41%	23%	14%
2019	\$ 7,827,238	\$ 19,656,990	40%	1%	3%
2020	\$ 8,358,665	\$ 21,538,403	39%	7%	10%

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 \$310,000 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.

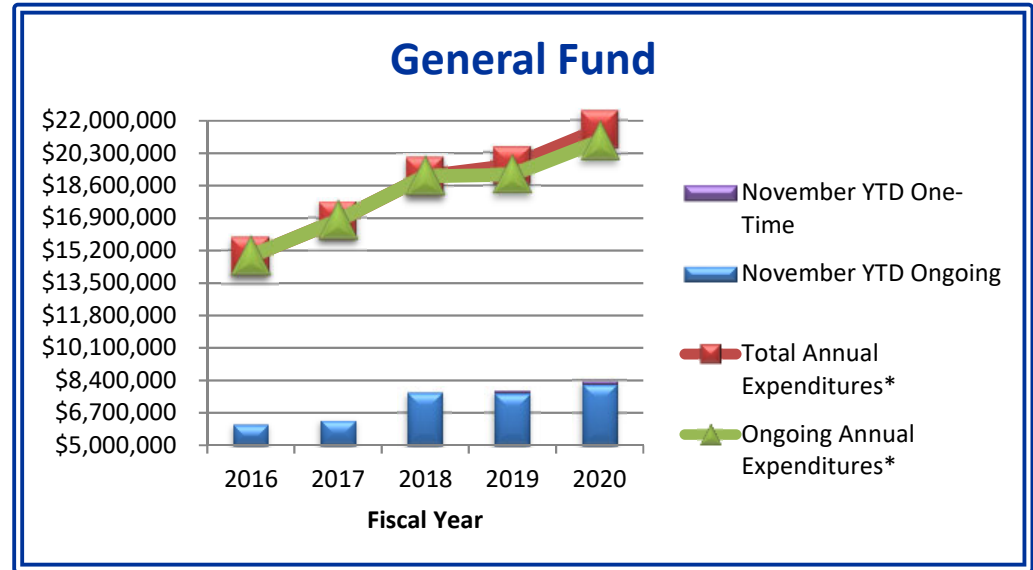
Annual Increase from FY 2017 to FY 2018:

- (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.

Annual Increase from FY 2019 to FY 2020:

- (1) Budgeted salaries and benefits increased by approximately \$1.1 million as a result of the following:
 - (a) Salaries were increased due to budgeted average merit increases of 2.6%.
 - (b) The most significant increases in benefits were a 5% increase to health insurance premiums and increase to the ASRS required contribution rate of approximately 3%.
 - (c) Added positions include two custodial maintenance workers, a transit manager, and a part-time administrative assistant.
 - (d) Vacancy savings occurred in the prior fiscal year.
- (2) The allocation to tourism management and development increased approximately \$316,000.
- (3) One-time capital expenditures include items a dump truck/snow plow.

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



Total Expenditures by Fund

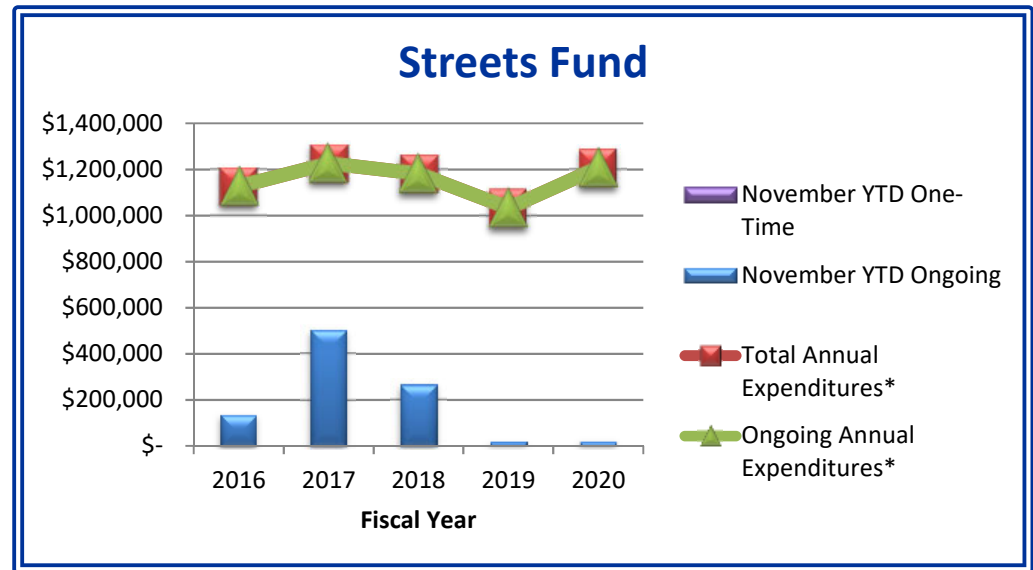
Total Streets Fund Expenditures

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 134,535	\$ 1,126,227	12%		
2017	\$ 499,774	\$ 1,226,595	41%	271%	9%
2018	\$ 264,562	\$ 1,181,500	22%	-47%	-4%
2019	\$ 18,900	\$ 1,032,566	2%	-93%	-13%
2020	\$ 21,380	\$ 1,206,020	2%	13%	17%

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.

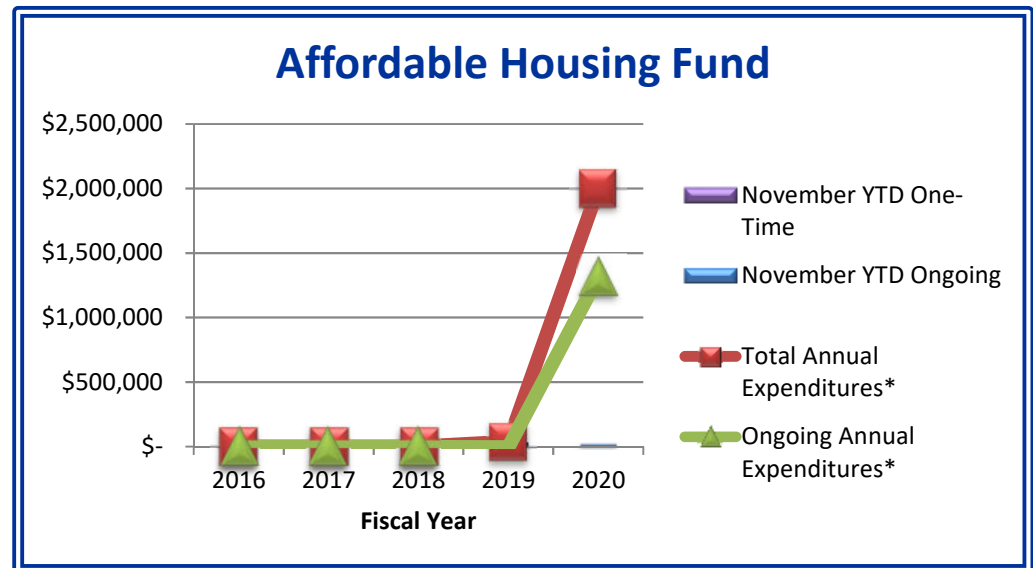


Total Affordable Housing Fund Exp.

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ -	\$ -	N/A	N/A	N/A
2019	\$ 38,374	\$ 38,451	100%	∞	∞
2020	\$ 19,297	\$ 2,000,000	1%	-50%	5101%

Increases/Decreases: Due to the nature of the activity in the Affordable Housing Fund, expenditures will not necessarily be consistent from month to month or year to year.



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

Total Expenditures by Fund

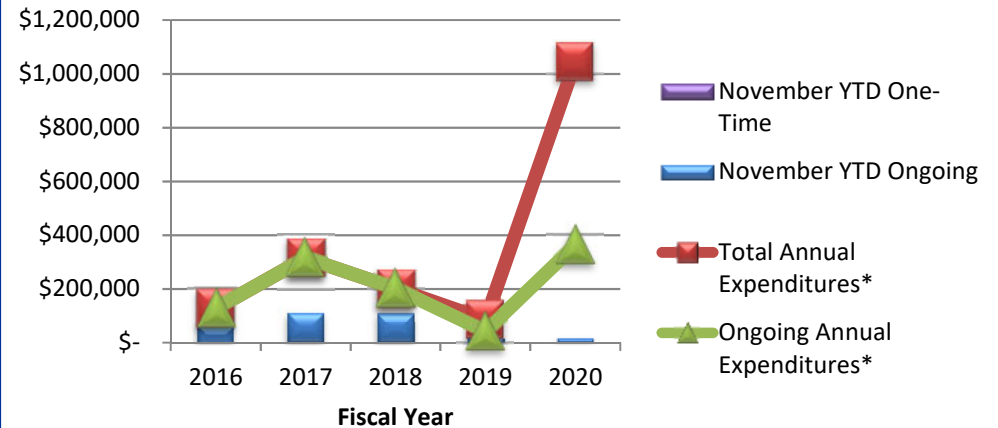
Total Grants, Donations & Other Exp.

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 66,953	\$ 127,230	53%		
2017	\$ 109,616	\$ 314,560	35%	64%	147%
2018	\$ 111,909	\$ 201,703	55%	2%	-36%
2019	\$ 18,548	\$ 84,724	22%	-83%	-58%
2020	\$ 16,652	\$ 1,045,245	2%	-10%	1134%

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.

Grants, Donations & Other Funds



Total Transportation Sales Tax Exp.

Under Target for FY 2020

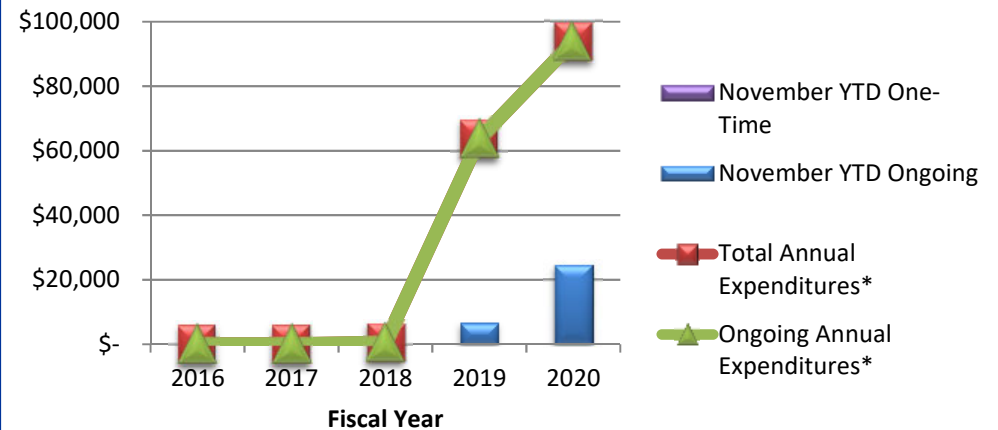
FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ -	\$ 552	0%	N/A	∞
2019	\$ 6,638	\$ 63,684	10%	∞	11442%
2020	\$ 24,407	\$ 93,870	26%	268%	47%

The Transportation Sales Tax Fund was initiated in March 2018.

YTD and Annual Increase from FY 2019 to FY 2020:

The increase is a result of vacancy savings in the prior year.

Transportation Sales Tax Fund



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

Total Expenditures by Fund

Total Develop. Impact Fees Exp.

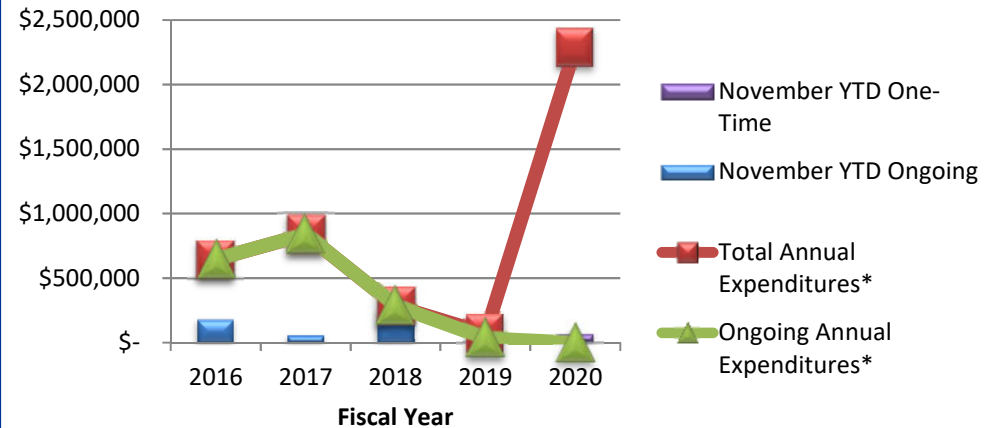
Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 176,757	\$ 647,006	27%		
2017	\$ 54,500	\$ 839,927	6%	-69%	30%
2018	\$ 259,981	\$ 284,626	91%	377%	-66%
2019	\$ 18,750	\$ 70,926	26%	-93%	-75%
2020	\$ 67,502	\$ 2,286,767	3%	260%	3124%

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.

For FY 2020, budgeted expenditures include \$1.8 million for streets and transportation projects.

Development Impact Fees Funds



Total Capital Improvements Fund Exp.

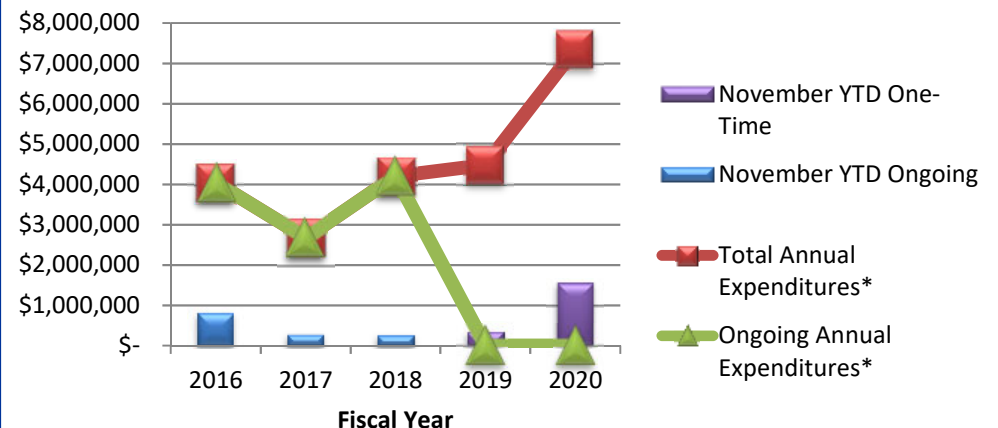
Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 813,326	\$ 4,045,969	20%		
2017	\$ 280,761	\$ 2,677,559	10%	-65%	-34%
2018	\$ 265,990	\$ 4,199,954	6%	-5%	57%
2019	\$ 343,725	\$ 4,481,715	8%	29%	7%
2020	\$ 1,549,299	\$ 7,349,840	21%	351%	64%

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 2020, budgeted expenditures include approximately \$6.3 million for Sedona in Motion projects.

Capital Improvements Fund



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

Total Expenditures by Fund

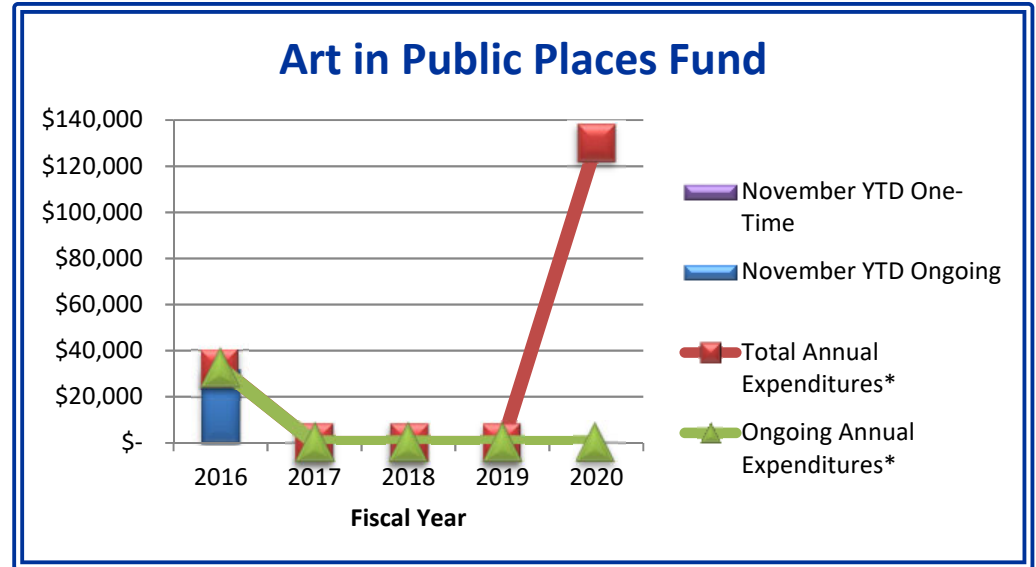
Total Art in Public Places Fund Exp.

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 32,500	\$ 32,500	100%		
2017	\$ -	\$ -	N/A	-100%	-100%
2018	\$ -	\$ -	N/A	N/A	N/A
2019	\$ -	\$ -	N/A	N/A	N/A
2020	\$ -	\$ 130,000	0%	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 2020, capital improvement projects include art installations in multiple roundabouts.



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

Total Expenditures by Fund

Total Wastewater Enterprise Fund Exp. Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 5,178,467	\$ 14,367,467	36%		
2017	\$ 4,797,049	\$ 10,625,910	45%	-7%	-26%
2018	\$ 3,194,084	\$ 9,924,662	32%	-33%	-7%
2019	\$ 3,331,862	\$ 9,682,040	34%	4%	-2%
2020	\$ 3,689,098	\$ 13,810,880	27%	11%	43%

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:

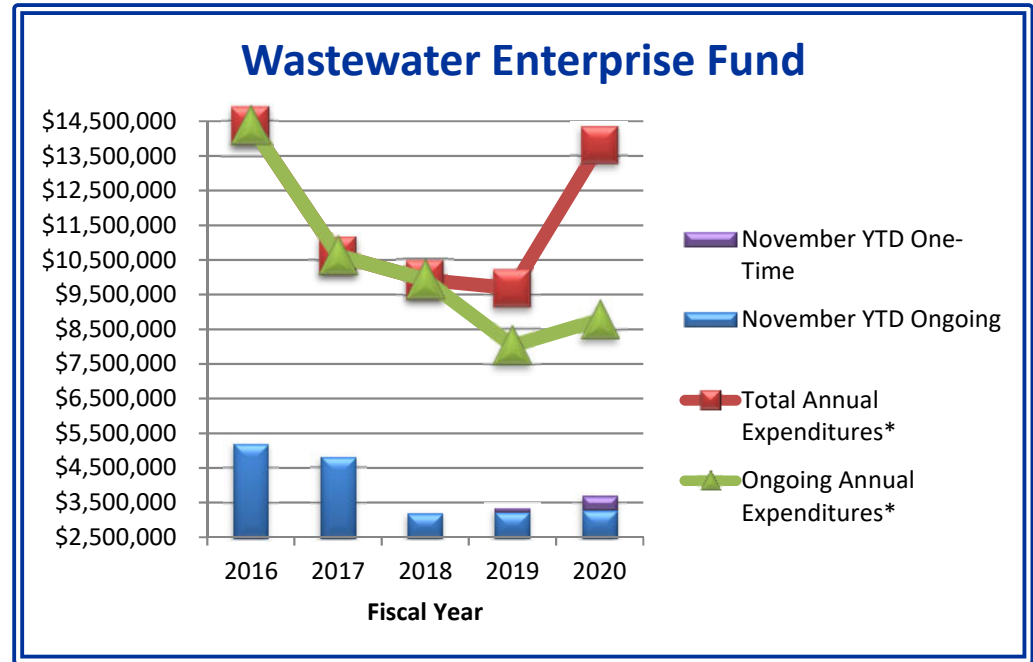
- (1) The decrease is largely due to the expenditures incurred for the injection well drilling in the prior year.
- (2) The debt service costs are approximately \$307,000 lower and are based on the monthly accruals of scheduled bond principal and interest payments.

YTD Increase from FY 2019 to FY 2020:

- (1) The increase is largely due to capital improvement expenditures incurred for the administration building remodel and the initiation of the tertiary filter upgrades.
- (2) The increase is also due to the down payment for a one-time purchase of a cattail cutter.
- (3) In addition, the debt service costs are approximately \$104,000 higher and are based on the monthly accruals of scheduled bond principal and interest payments.

Annual Increase from FY 2019 to FY 2020:

- (1) Budgeted capital improvement expenditures increased by approximately \$2.7 million, including improvements to lift stations, replacement of a sewer main and a grit reclassifier, tertiary filter upgrades, and an upgrade of the computerized plant control system.
- (2) The increase is also due to increases in maintenance costs such as sewer line and pump station repairs and maintenance.



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

Total Expenditures by Fund

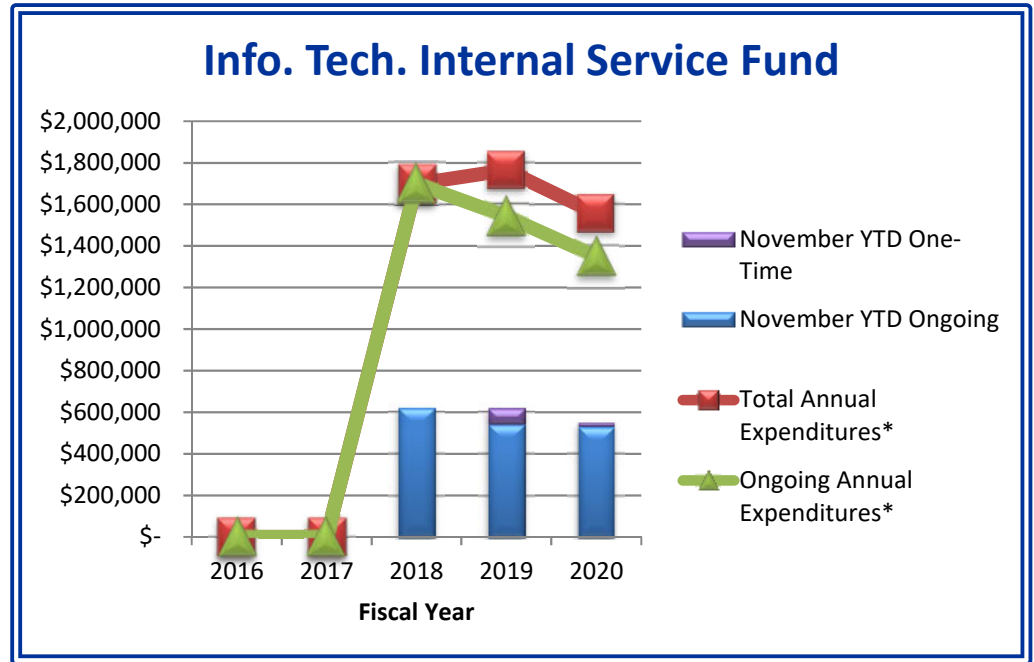
Total Info. Tech. Internal Svc. Fund Exp. Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 619,390	\$ 1,699,824	36%	∞	∞
2019	\$ 617,551	\$ 1,764,525	35%	<-1%	4%
2020	\$ 546,453	\$ 1,555,605	35%	-12%	-12%

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

YTD and Annual Decrease from FY 2019 to FY 2020:

The decrease is primarily due to an elimination of indirect cost allocations for information technology.



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

Total Expenditures by Fund

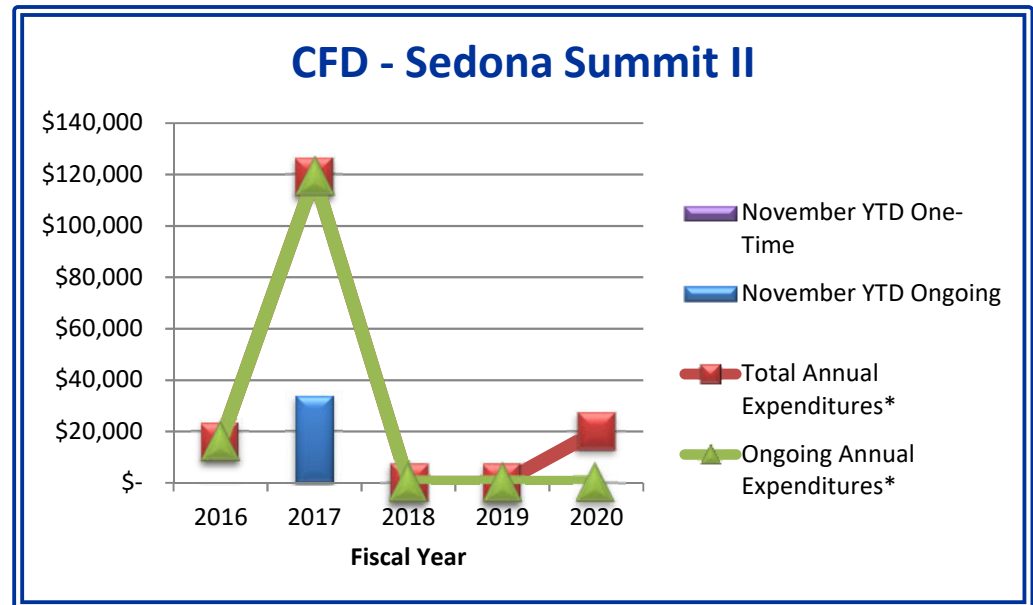
Total CFD - Sedona Summit II Exp.

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ -	\$ 16,064	0%		
2017	\$ 33,757	\$ 119,131	28%	∞	642%
2018	\$ -	\$ -	N/A	-100%	-100%
2019	\$ -	\$ -	N/A	N/A	N/A
2020	\$ -	\$ 20,000	0%	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 2020, capital improvement projects include improvements to the Brewer Road property.



Total CFD - Fairfield Expenditures

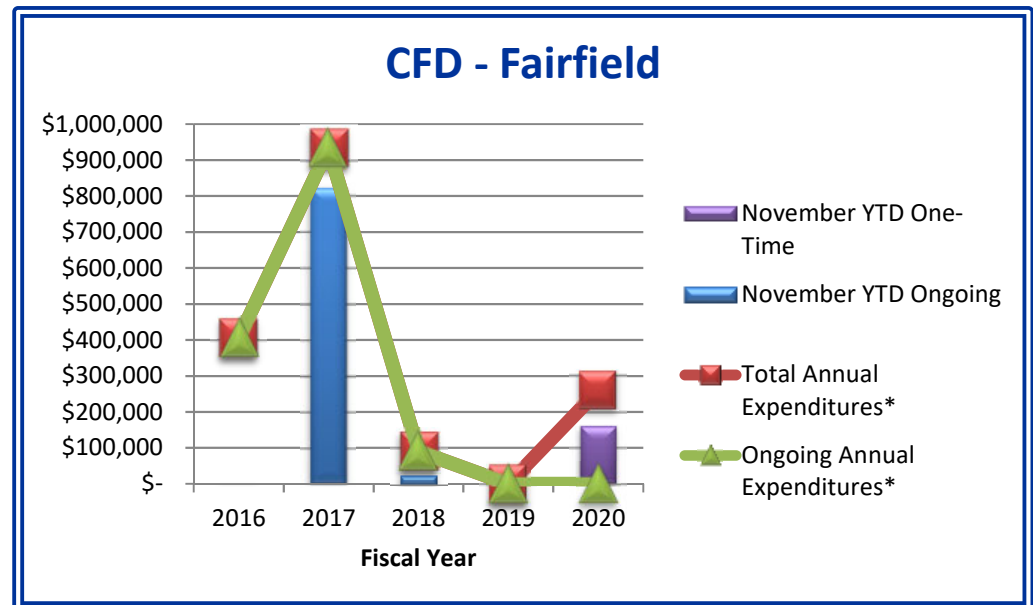
On Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ -	\$ 404,998	0%		
2017	\$ 823,191	\$ 934,239	88%	∞	131%
2018	\$ 25,659	\$ 90,207	28%	-97%	-90%
2019	\$ -	\$ -	N/A	-100%	-100%
2020	\$ 160,000	\$ 260,000	62%	∞	∞

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 2020, capital improvement projects include improvements at the Brewer Road property and improvements at Sunset Park.

On Target for FY 2020: The percentage of annual expenditures is slightly high for



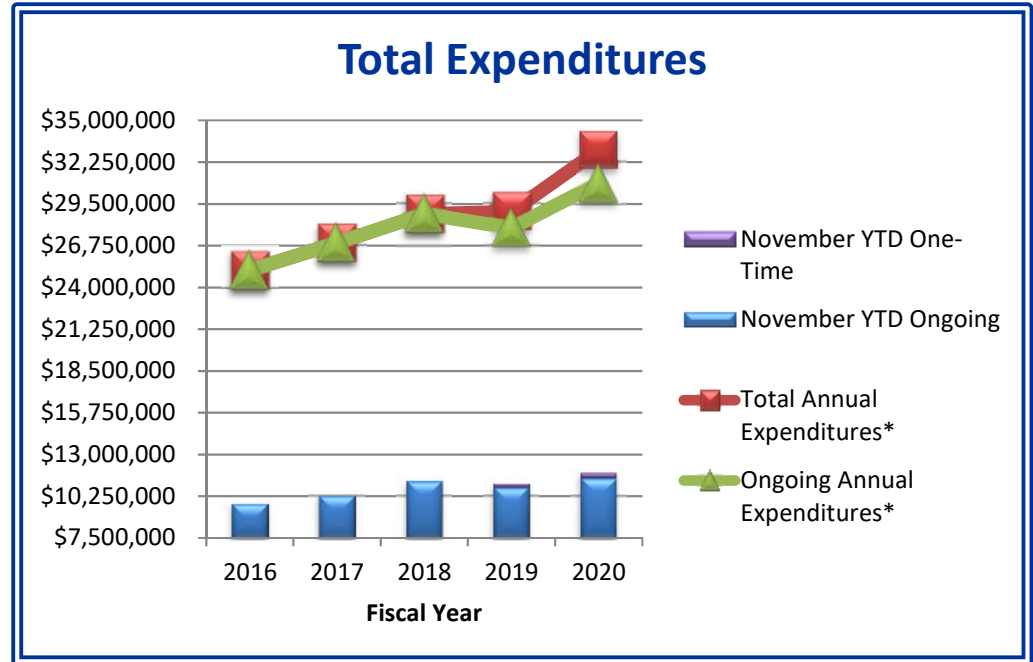
* For current year, Annual Expenditures represent total budgeted, excluding contingencies. For prior years, Annual Expenditures represent total actual.

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

FY	November YTD Expenditures	Annual Expenditures*	Under Target for FY 2020		
			% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 9,719,852	\$ 25,131,836	39%		
2017	\$ 10,290,841	\$ 26,917,407	38%	6%	7%
2018	\$ 11,199,721	\$ 28,830,925	39%	9%	7%
2019	\$ 11,065,338	\$ 28,986,656	38%	-1%	1%
2020	\$ 11,752,952	\$ 33,044,553	36%	6%	14%

Annual Increase from FY 2019 to FY 2020:

- (1) Salaries and benefits increased by approximately \$1.4 million as a result of the following:
 - (a) Salaries were increased due to budgeted average merit increases of 2.6%.
 - (b) The most significant increases in benefits were a 5% increase to health insurance premiums and increase to the ASRS required contribution rate of approximately 3%.
 - (c) Added positions include two custodial maintenance workers, a transit manager, a part-time administrative assistant, and a closed-circuit television (CCTV) van operator.
 - (d) Vacancy savings occurred in the prior fiscal year.
- (2) The allocation to tourism management and development increased approximately \$316,000.
- (3) One-time capital expenditures increased by approximately \$1.0 million and included items such as a CCTV van, a dump truck/snow plow, generator replacements, and carryover of a cattail cutter.
- (4) A CDBG grant award has been included for \$330,000.



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

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

City Council Expenditures

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 25,764	\$ 63,123	41%		
2017	\$ 19,645	\$ 60,524	32%	-24%	-4%
2018	\$ 26,243	\$ 64,087	41%	34%	6%
2019	\$ 24,803	\$ 63,929	39%	-5%	<-1%
2020	\$ 27,078	\$ 73,470	37%	9%	15%

YTD Increase from FY 2017 to FY 2018:

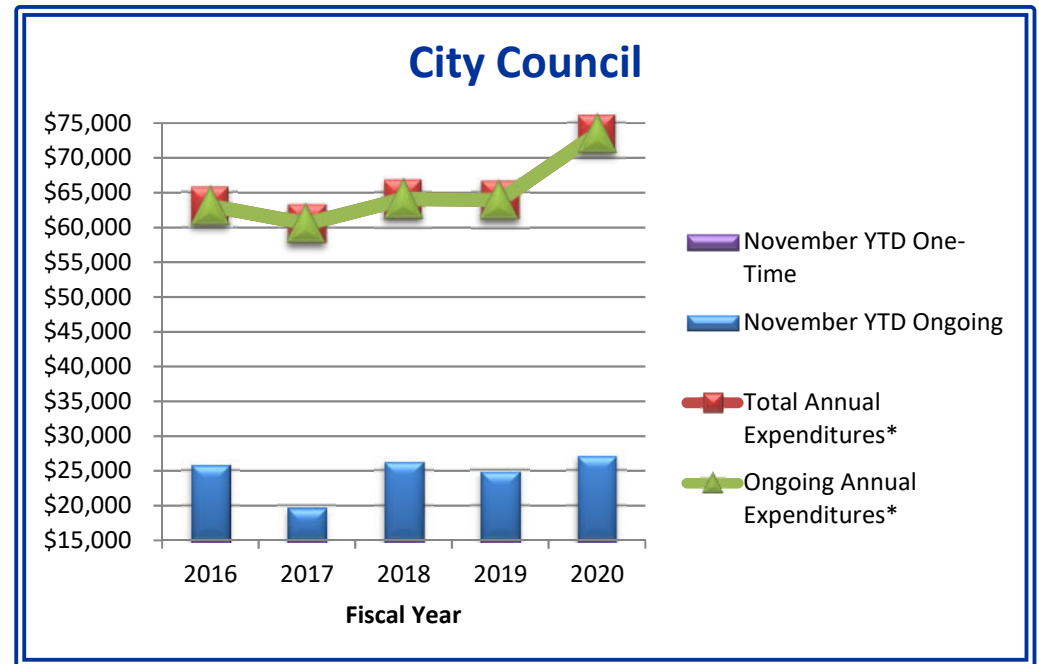
The decrease was primarily due to promotional items for the annual League conference purchased in the prior year and decreases in travel & training costs.

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.

Annual Increase from FY 2019 to FY 2020:

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



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

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

City Manager's Office Expenditures

On Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 260,442	\$ 745,235	35%		
2017	\$ 286,399	\$ 878,130	33%	10%	18%
2018	\$ 1,375,454	\$ 2,965,716	46%	380%	238%
2019	\$ 1,409,106	\$ 3,034,193	46%	2%	2%
2020	\$ 1,658,566	\$ 3,601,820	46%	18%	19%

Annual Increase from FY 2016 to FY 2017:

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

YTD and Annual Increase from FY 2018 to FY 2019:

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.

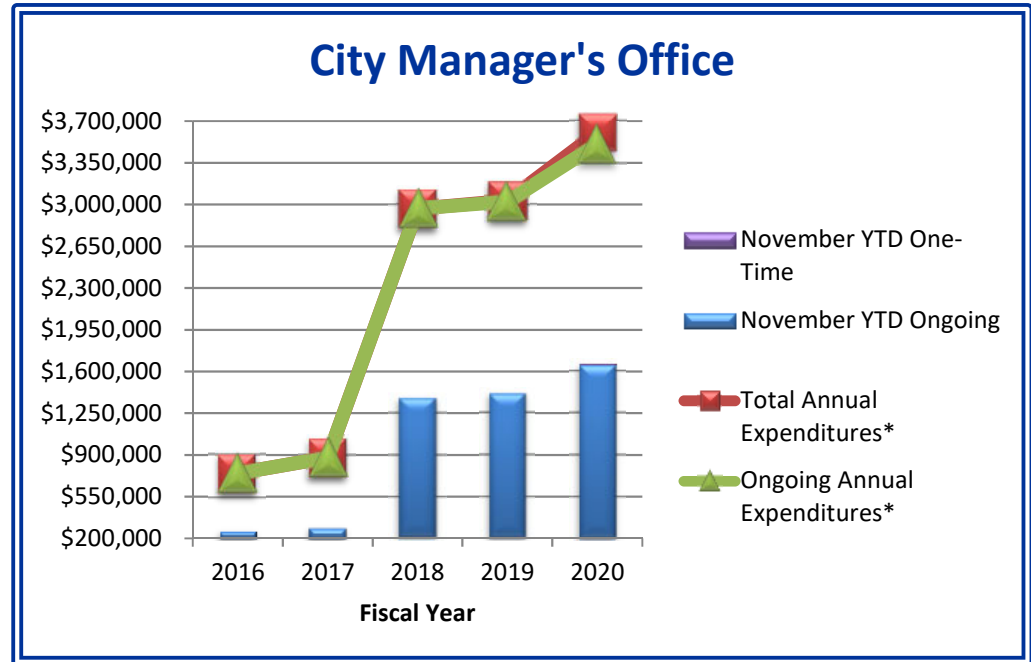
YTD Increase from FY 2019 to FY 2020:

- (1) The increase was partly due to an increase in the Chamber contract for tourism management & development costs.
- (2) The increase is also due to the transfer of sustainability costs from other departments including participation in the Oak Creek Watershed Council and the U.S. Forest Service trails maintenance agreement.

Annual Increase from FY 2019 to FY 2020:

- (1) The budgeted increase is partly due to an increase in the Chamber contract for tourism management & development costs.
- (2) The increase is also due to the transfer of sustainability costs from other departments, including participation in the Oak Creek Watershed Council, the U.S. Forest Service trails maintenance agreement, and the annual hazardous waste event.
- (3) Budget additions include electric vehicle charging infrastructure and development of a sustainability plan.

On Target for FY 2020: The percentage of annual expenditures is high for five months of the fiscal year (46% actual compared to five-month budget of 42%). Approximately 69% 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 2020.



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

Human Resources Expenditures

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 73,630	\$ 217,866	34%		
2017	\$ 94,714	\$ 255,942	37%	29%	17%
2018	\$ 86,110	\$ 260,124	33%	-9%	2%
2019	\$ 91,424	\$ 246,933	37%	6%	-5%
2020	\$ 108,900	\$ 302,850	36%	19%	23%

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:

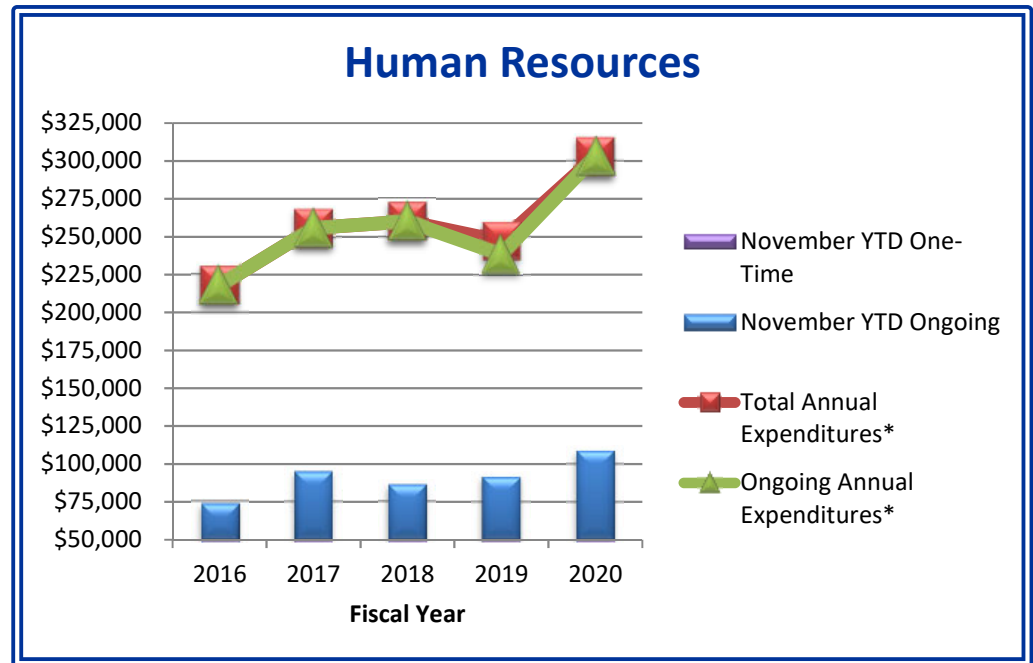
- (1) The increase is partly due to increases in recruitment and relocations costs.
- (2) Special programs costs are higher due an increase in costs for the volunteer appreciation event.
- (3) Prior to FY 2017, salary allocations to the Wastewater Enterprise Fund were coded to the Wastewater Administration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

YTD Increase from FY 2019 to FY 2020:

The increase was largely due to training costs for the implementation of the City's Lean Six Sigma program.

Annual Increase from FY 2019 to FY 2020:

Budget capacity was maintained for recruitment/relocation and employee exams costs.



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

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

Financial Services Expenditures

FY	November YTD Expenditures	Annual Expenditures*	Under Target for FY 2020		
			% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 168,390	\$ 450,225	37%		
2017	\$ 323,497	\$ 859,666	38%	92%	91%
2018	\$ 344,664	\$ 995,149	35%	7%	16%
2019	\$ 440,796	\$ 1,190,722	37%	28%	20%
2020	\$ 498,438	\$ 1,304,560	38%	13%	10%

YTD Increase from FY 2016 to FY 2017:

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

Annual Increase from FY 2016 to FY 2017:

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

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

Annual Increase from FY 2017 to FY 2018:

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

YTD Increase from FY 2018 to FY 2019:

- (1) Vacancy savings were experienced in FY 2018.
- (2) 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:

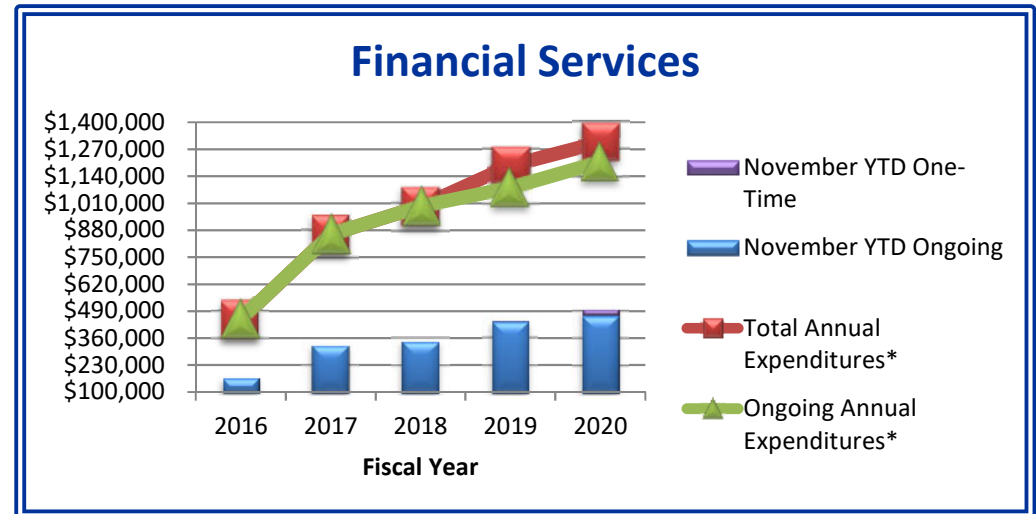
- (1) Vacancy savings were experienced in FY 2018.
- (2) Service charges increased due to an increase in the amount charged by the state for processing sales tax payments, the implementation of remittance processing for utility bills, and a reduction of compensating balances for pooled investments.
- (3) Professional services increased due to one-time costs for a wastewater rate study, a biennial development impact fee audit, and implementation of report writing software.

YTD Increase from FY 2019 to FY 2020:

- (1) A part-time Administrative Assistant position was added.
- (2) One-time costs associated with wastewater rate study, biennial development impact fee audit, and implementation of report writing software were incurred.
- (3) There were timing differences in payments for both the financial audit and sales tax audits, as well as postage reloads with the utility bill printing vendor.

Annual Increase from FY 2019 to FY 2020:

Budgeted increases included the addition of a part-time Administrative Assistant position and carryovers for the wastewater rate study, biennial development impact fee audit, and implementation of report writing software.



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

Information Technology Expenditures

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 419,580	\$ 853,746	49%		
2017	\$ 465,196	\$ 1,083,123	43%	11%	27%
2018	\$ 507,072	\$ 1,238,666	41%	9%	14%
2019	\$ 511,740	\$ 1,284,242	40%	1%	4%
2020	\$ 489,018	\$ 1,435,460	34%	-4%	12%

Annual Increase from FY 2016 to FY 2017:

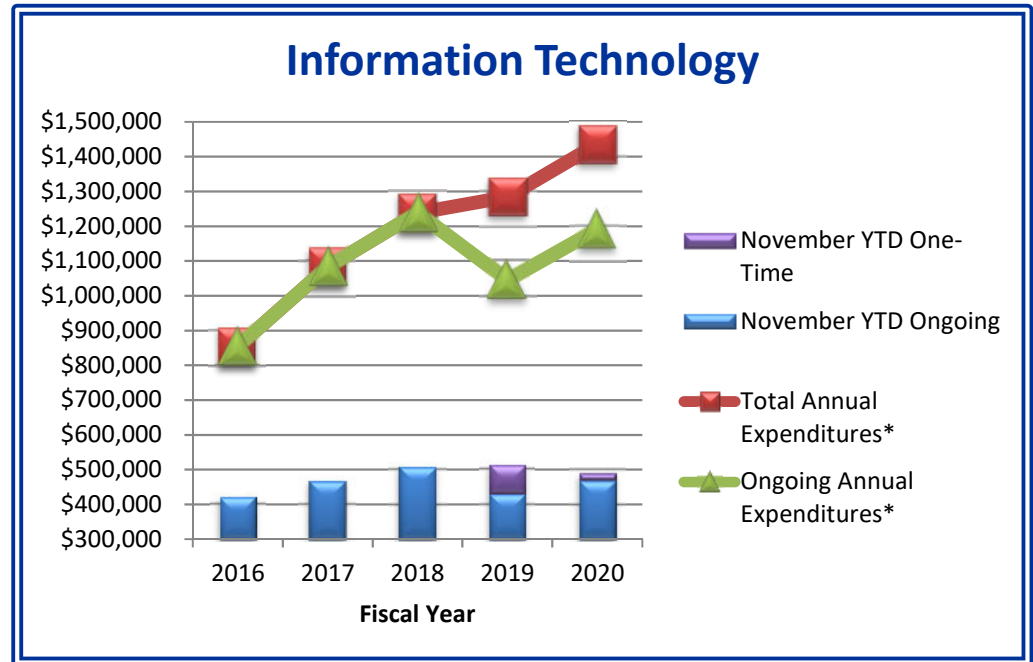
- (1) The increase is partly due to the replacement and upgrade of the storage area network and upgrade of a digital evidence logger recorder.
- (2) Prior to FY 2017, salary and other cost allocations to the Wastewater Enterprise Fund were coded to the Wastewater Administration Department. Starting in 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.

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.

Annual Increase from FY 2019 to FY 2020:

The budgeted increase is primarily due to estimated increases in software maintenance and licensing costs.



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

City Attorney's Office Expenditures

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 188,385	\$ 496,564	38%		
2017	\$ 169,664	\$ 548,304	31%	-10%	10%
2018	\$ 209,719	\$ 563,398	37%	24%	3%
2019	\$ 232,401	\$ 546,348	43%	11%	-3%
2020	\$ 261,111	\$ 805,530	32%	12%	47%

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.

YTD Increase from FY 2018 to FY 2019:

The increase was primarily due to costs associated with City Hall flood damages.

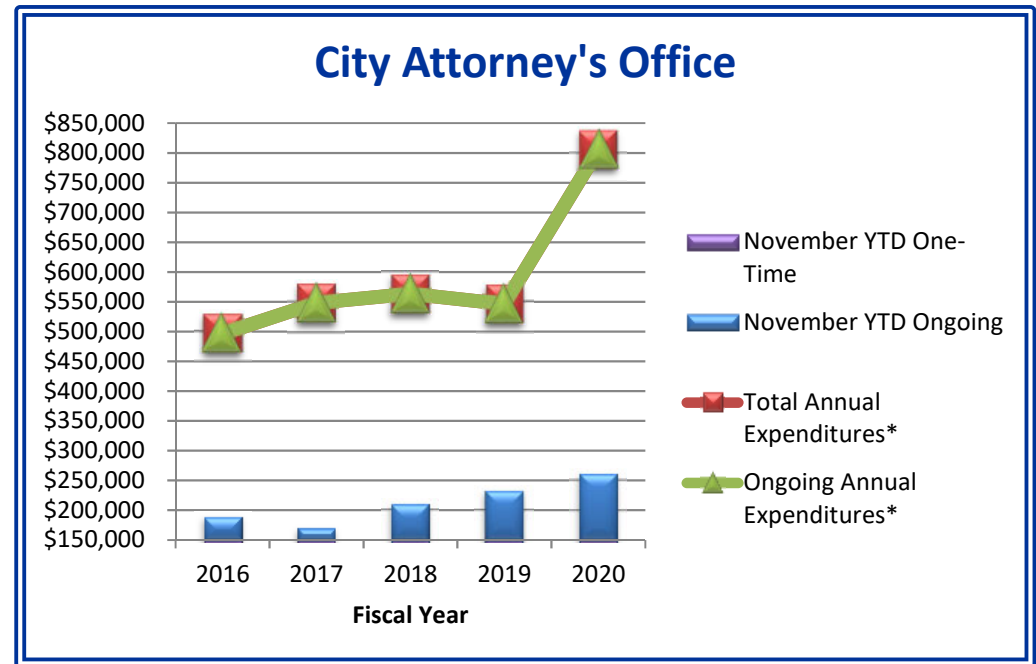
YTD Increase from FY 2019 to FY 2020:

The increase is primarily due to restructuring of the Associate City Attorney position to an Assistant City Attorney position.

Annual Increase from FY 2019 to FY 2020:

(1) The increase is partly due to restructuring of the Associate City Attorney position to an Assistant City Attorney position.

(2) Budgeted capacity was also 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 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 81,122	\$ 219,942	37%		
2017	\$ 106,875	\$ 265,657	40%	32%	21%
2018	\$ 93,408	\$ 251,368	37%	-13%	-5%
2019	\$ 114,621	\$ 301,095	38%	23%	20%
2020	\$ 106,298	\$ 267,860	40%	-7%	-11%

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) 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 with the Wastewater Enterprise Fund.

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:

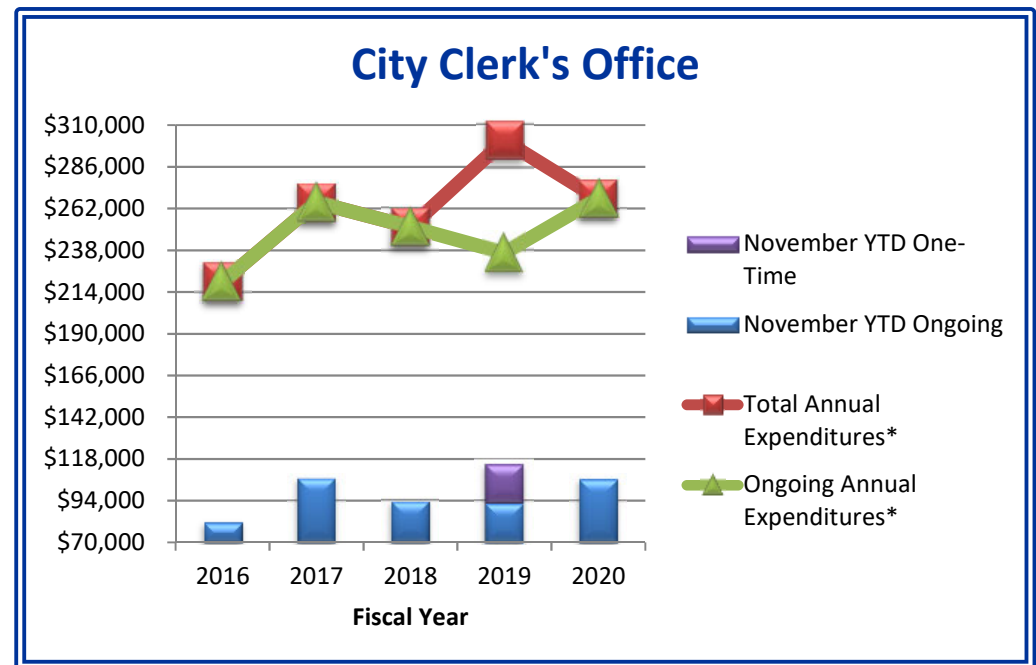
FY2017 was an election year.

YTD and Annual Increase from FY 2018 to FY 2019:

The increase is largely due to election costs.

Annual Decrease from FY 2019 to FY 2020:

The decrease is largely due to election costs in the prior year.



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

Parks & Recreation Expenditures

On Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 230,764	\$ 493,305	47%		
2017	\$ 240,781	\$ 608,478	40%	4%	23%
2018	\$ 232,063	\$ 605,545	38%	-4%	<-1%
2019	\$ 292,646	\$ 679,128	43%	26%	12%
2020	\$ 315,698	\$ 780,440	40%	8%	15%

Annual Increase from FY 2017 to FY 2018:

- (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:

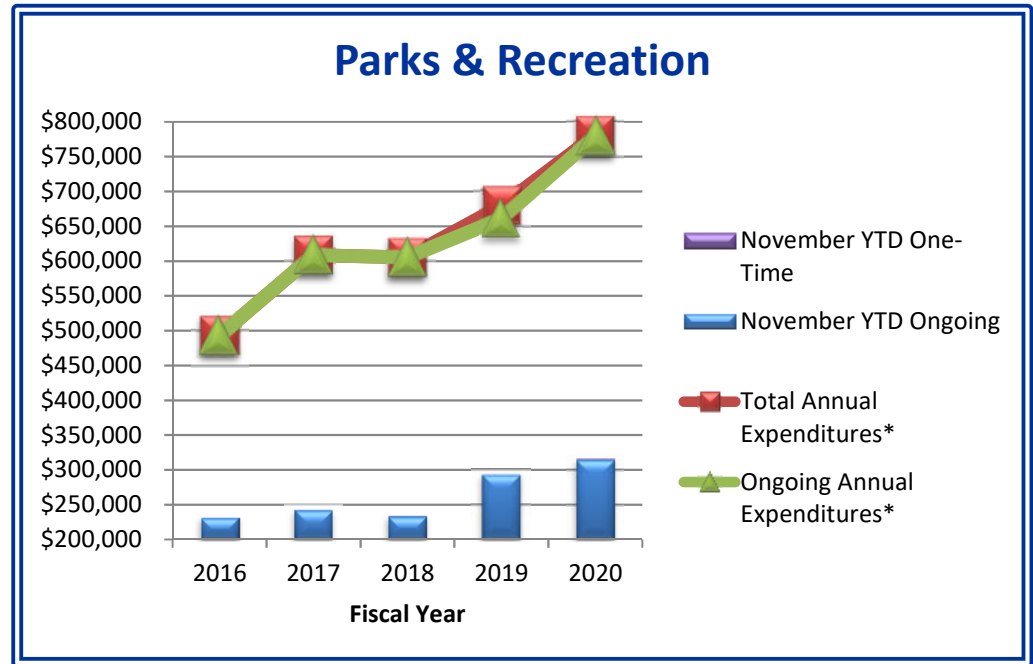
- (1) The increase is partly due to payments for holiday decorations authorized from the paid parking monies designated for Uptown improvements.
- (2) The increase is also due to timing differences in other special events payments.

Annual Increase from FY 2018 to FY 2019:

An increase in donations allowed for an increase in special events costs.

Annual Increase from FY 2019 to FY 2020:

- (1) The Uptown merchants requested an additional \$40,000 be added to the holiday decorations budget from the paid parking monies designated for Uptown improvements.
- (2) Budget capacity is available in case of availability to increase staffing at the swimming pool.



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

General Services Expenditures

On Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 1,911,749	\$ 4,071,785	47%		
2017	\$ 1,880,872	\$ 4,209,363	45%	-2%	3%
2018	\$ 951,919	\$ 1,747,264	54%	-49%	-58%
2019	\$ 746,597	\$ 1,573,590	47%	-22%	-10%
2020	\$ 817,482	\$ 1,898,106	43%	9%	21%

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.

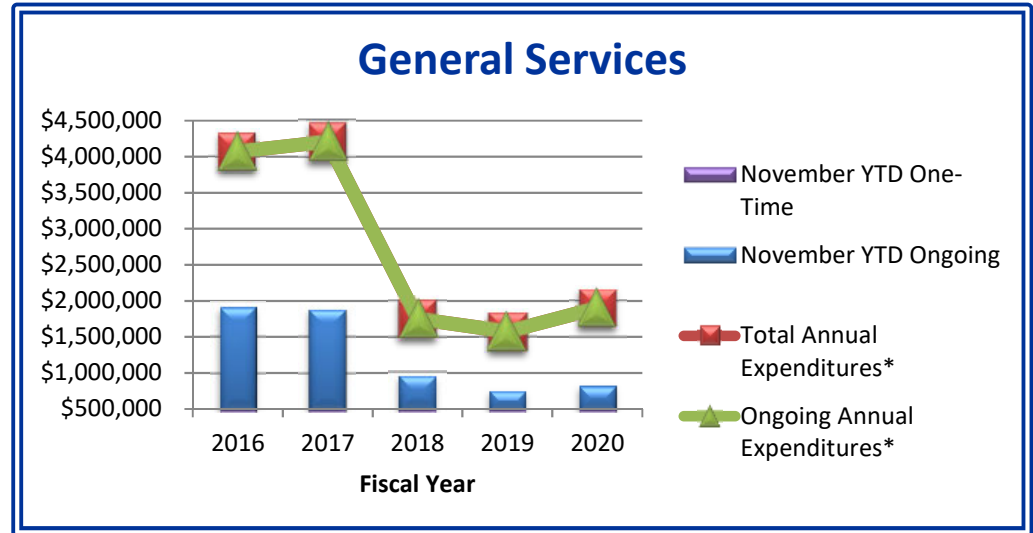
YTD and Annual Decrease from FY 2018 to FY 2019:

The decrease is primarily due to payments related to the prior year refunds of PSPRS contributions to employees that were deemed to be unconstitutional.

Annual Increase from FY 2019 to FY 2020:

The increase is largely due to an increase in the support for Sedona Recycles and the carryover of costs for the expansion of the Verde Lynx transit system.

On Target for FY 2020: The percentage of annual expenditures is high for five months of the fiscal year (43% actual compared to five-month budget of 42%). Approximately 65% 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 2020.

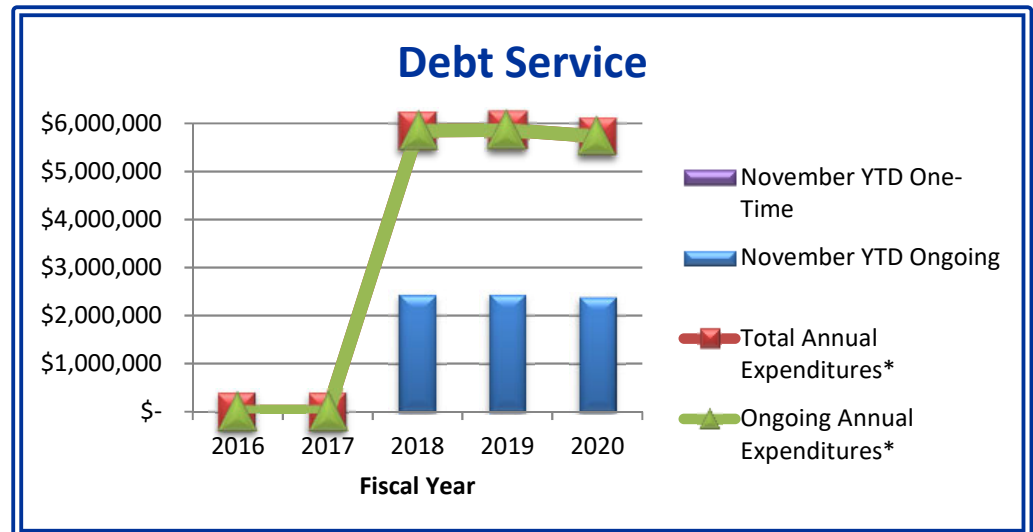


Debt Service Expenditures

On Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 2,431,928	\$ 5,853,030	42%	∞	∞
2019	\$ 2,437,687	\$ 5,864,449	42%	<1%	<1%
2020	\$ 2,383,019	\$ 5,729,775	42%	-2%	-2%

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



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

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

Community Development Expenditures

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 448,257	\$ 1,201,326	37%		
2017	\$ 529,861	\$ 1,576,171	34%	18%	31%
2018	\$ 615,296	\$ 1,550,218	40%	16%	-2%
2019	\$ 611,573	\$ 1,468,592	42%	-1%	-5%
2020	\$ 570,948	\$ 1,951,210	29%	-7%	33%

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:

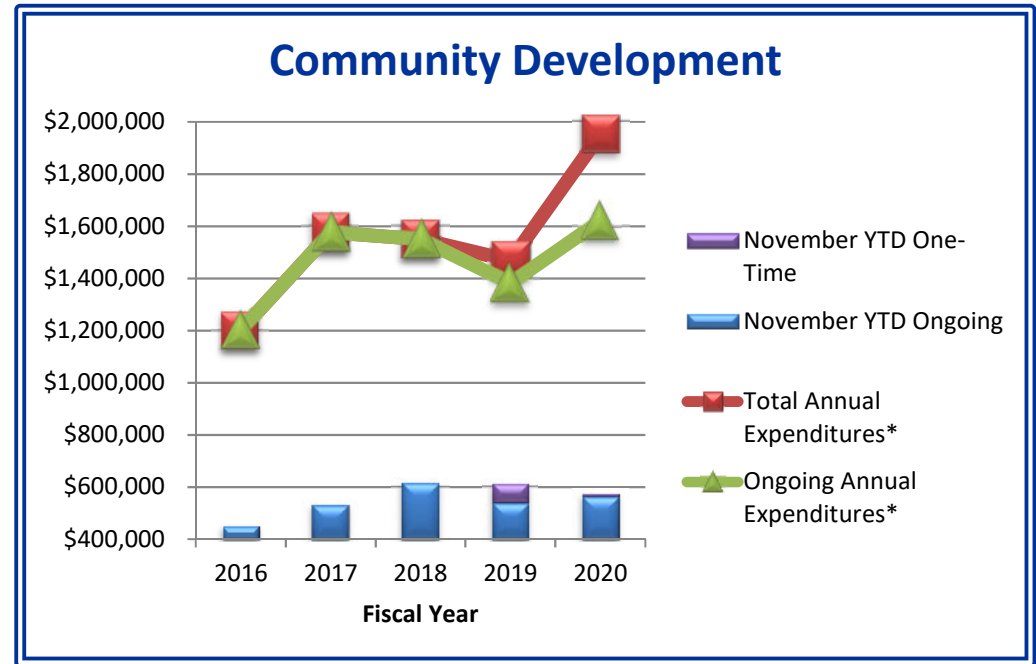
- (1) A significant portion of the increase is due to Community Development Block Grant (CDBG) expenditures. The City has typically received CDBG awards every three years.
- (2) The increase is also related to the update of the Land Development Code, amendments to the Community Plan, and development 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:

The increase is primarily 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.

Annual Increase from FY 2019 to FY 2020:

The increase is primarily due to a Community Development Block Grant (CDBG) award.



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

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

Public Works Expenditures

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 914,353	\$ 3,214,005	28%		
2017	\$ 1,605,864	\$ 4,397,351	37%	76%	37%
2018	\$ 1,589,929	\$ 4,705,978	34%	-1%	7%
2019	\$ 1,272,740	\$ 4,554,481	28%	-20%	-3%
2020	\$ 1,490,735	\$ 5,241,815	28%	17%	15%

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 Decrease from FY 2018 to FY 2019:

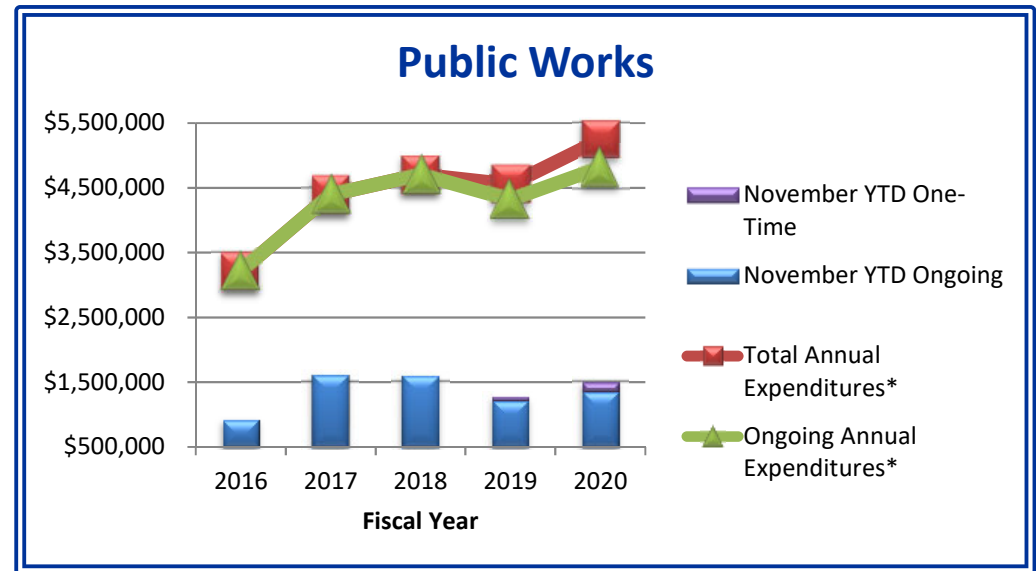
- (1) The decrease was partly due to one-time capital purchases in the prior year for a hot box for the Streets program, replacement of the Posse Grounds Hub roof, and a variable message sign for the Transportation Services program.
- (2) The decrease was also partly due to the timing of streets maintenance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

YTD Increase from FY 2019 to FY 2020:

- (1) The increase is partly due to one-time facilities maintenance costs including replacement of the pergola in the City Hall courtyard, roof repairs, small remodel projects, and other miscellaneous facilities projects.
- (2) The increase is also partly due to vacancy savings incurred in the prior year.
- (3) The increase is also due to timing of streets maintenance costs.

Annual Increase from FY 2019 to FY 2020:

- (1) Budgeted increases include various facility improvements and the additional of a dump truck/snow plow.
- (2) The increase is also a result of vacancy savings in the prior year.



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

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

Economic Development Expenditures

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 59,078	\$ 169,978	35%	∞	∞
2019	\$ 67,962	\$ 215,831	31%	15%	27%
2020	\$ 87,341	\$ 253,830	34%	29%	18%

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

YTD Increase from FY 2018 to FY 2019:

The increase was primarily due to salaries and benefits increases.

Annual Increase from FY 2018 to FY 2019:

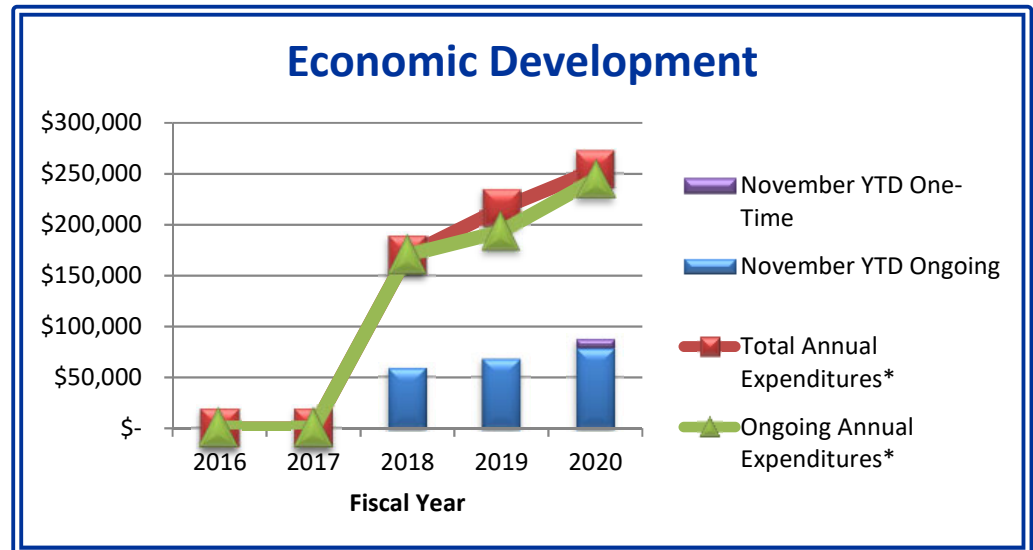
The increase was due to expenditures related to the Rural Business Development Grant and additional program marketing.

YTD Increase from FY 2019 to FY 2020:

- (1) The increase was partly due to costs associated with the AmeriCorps volunteer position.
- (2) The increase was also due to the timing of support payments for VVREO.

Annual Increase from FY 2019 to FY 2020:

Budgeted increases the addition of an AmeriCorps volunteer position, implementation of a regional economic development plan, and a marketing plan.



Police Expenditures

Under Target for FY 2020

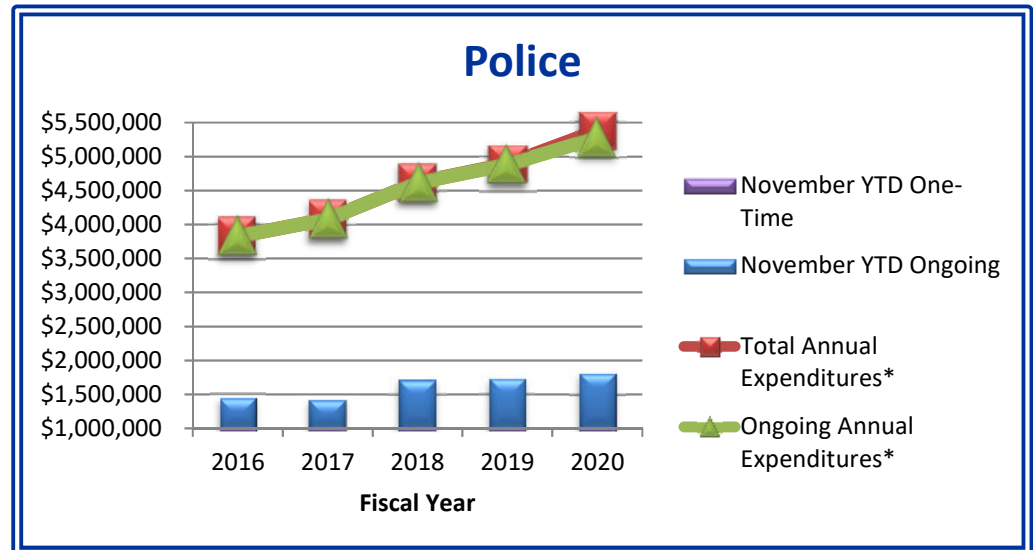
FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 1,442,710	\$ 3,826,416	38%		
2017	\$ 1,416,797	\$ 4,080,748	35%	-2%	7%
2018	\$ 1,710,448	\$ 4,618,303	37%	21%	13%
2019	\$ 1,723,379	\$ 4,888,499	35%	1%	6%
2020	\$ 1,806,024	\$ 5,381,262	34%	5%	10%

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 2019 to FY 2020:

The budgeted increase was the result of the addition of a Police Records Clerk position and vacancy savings in the prior year.



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

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

Municipal Court Expenditures

On Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 114,342	\$ 307,281	37%		
2017	\$ 109,366	\$ 322,022	34%	-4%	5%
2018	\$ 119,145	\$ 358,670	33%	9%	11%
2019	\$ 150,743	\$ 383,746	39%	27%	7%
2020	\$ 170,447	\$ 416,915	41%	13%	9%

Annual Increase from FY 2017 to FY 2018:

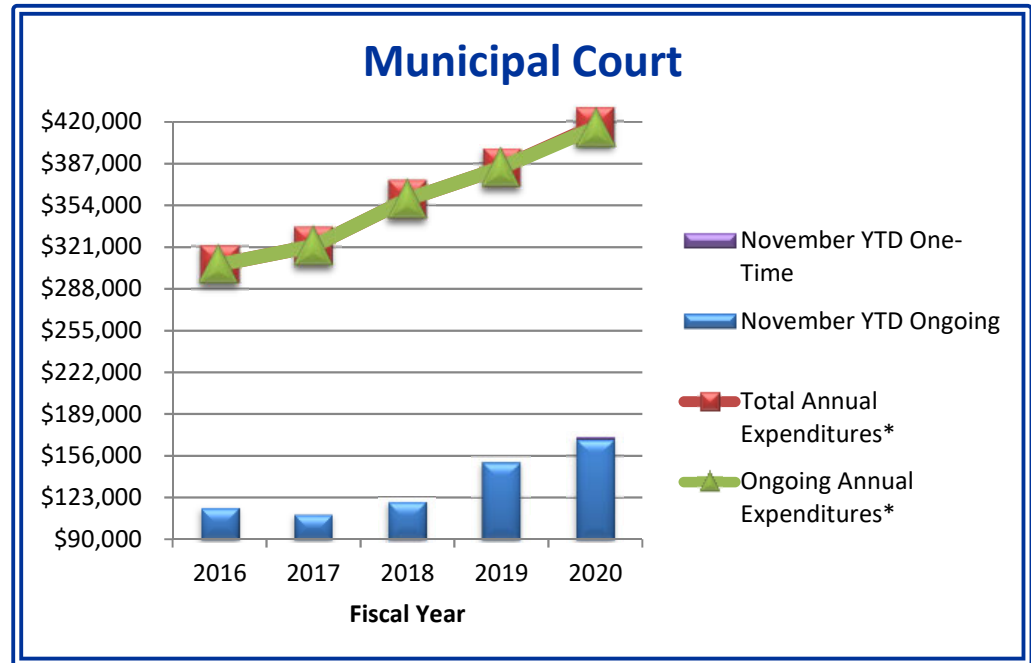
- (1) Salary and benefit costs were approximately \$17,000 higher partly due to vacancy savings experienced in FY 2017.
- (2) Court appointed attorney costs were approximately \$22,000 higher.

YTD Increase from FY 2018 to FY 2019:

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

YTD Increase from FY 2019 to FY 2020:

- (1) Salary and benefit costs were approximately \$8,000 higher partly due to vacancy savings experienced in FY 2019.
- (2) Court appointed attorney costs were approximately \$8,000 higher.



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

Wastewater Administration Expenditures

On Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 2,701,281	\$ 6,503,494	42%		
2017	\$ 2,255,095	\$ 5,465,854	41%	-17%	-16%
2018	\$ 93,129	\$ 218,100	43%	-96%	-96%
2019	\$ 97,134	\$ 250,153	39%	4%	15%
2020	\$ 102,777	\$ 215,691	48%	6%	-14%

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 scheduled 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.

Annual Increase from FY 2018 to FY 2019:

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

Annual Decrease from FY 2019 to FY 2020:

The budgeted decrease was primarily due to reallocation of positions between programs.

On Target for FY 2020: The percentage of annual expenditures is slightly high for five months of the fiscal year (48% actual compared to five-month budget of 42%) due to annual membership fees paid in July and other one-time costs associated with the administration building remodel. Based on the timing and size of these payments, the Wastewater



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

Wastewater Capital Projects Mgmt Exp.

On Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 44,503	\$ 176,040	25%		
2017	\$ 28,015	\$ 64,796	43%	-37%	-63%
2018	\$ 20,825	\$ 57,580	36%	-26%	-11%
2019	\$ 23,781	\$ 58,376	41%	14%	1%
2020	\$ 33,165	\$ 79,300	42%	39%	36%

YTD and Annual Decrease from FY 2016 to FY 2017:

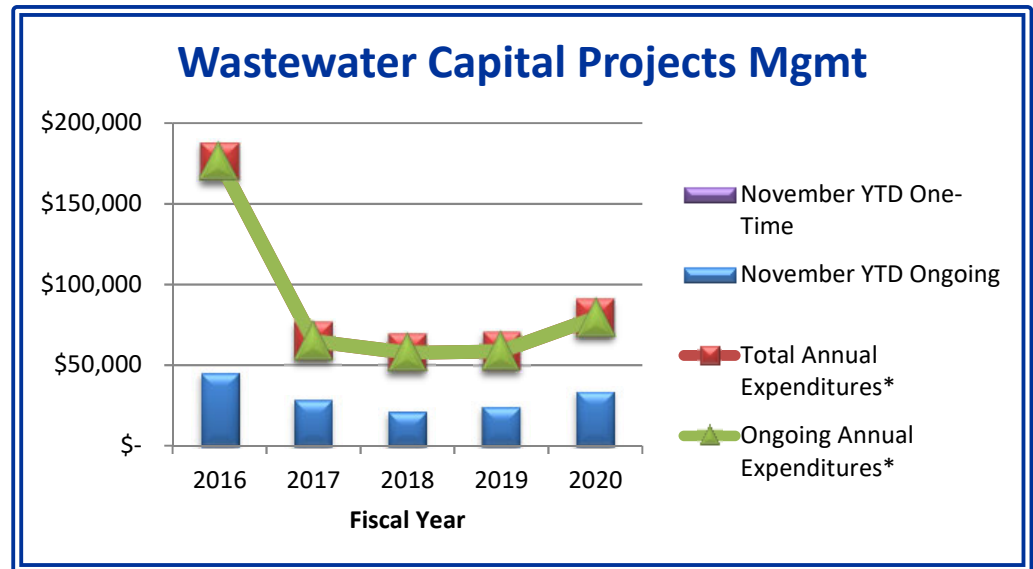
Prior to FY 2017, salary allocations for Capital Projects Management to the Wastewater Enterprise Fund were coded to the Wastewater Department. Starting in FY 2017, these are coded to each individual departments within the Wastewater Enterprise Fund.

YTD and Annual Decrease from FY 2017 to FY 2018:

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

YTD and Annual Increase from FY 2019 to FY 2020:

The increase is primarily due to change in allocations of positions to the Capital Projects Management program.



Wastewater Operations Expenditures

Under Target for FY 2020

FY	November YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - November YTD	% Increase - Annual
2016	\$ 694,580	\$ 2,291,483	30%		
2017	\$ 758,200	\$ 2,241,279	34%	9%	-2%
2018	\$ 733,293	\$ 2,607,751	28%	-3%	16%
2019	\$ 816,205	\$ 2,382,350	34%	11%	-9%
2020	\$ 825,909	\$ 3,304,659	25%	1%	39%

Annual Increase from FY 2017 to FY 2018:

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

YTD Increase from FY 2018 to FY 2019:

The increase is due to increases for irrigation maintenance, biosolids disposal, and sewer line cleaning/repairs.

Annual Increase from FY 2019 to FY 2020:

(1) Budget additions include a closed-circuit television van and an additional position to operate the van, generator replacements, carryover of the cattail cutter, and an air curtain burner.

(2) In addition, operational maintenance costs were budgeted high to accommodate potential pump station and sewer line repair/maintenance costs.



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

Total Revenues by Fund

Total General Fund Revenues

FY	November YTD Revenues	Annual Revenues*	On Target for FY 2020		
			% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 7,046,400	\$ 18,612,738	38%		
2017	\$ 9,635,677	\$ 25,135,539	38%	37%	35%
2018	\$ 10,774,513	\$ 27,601,469	39%	12%	10%
2019	\$ 11,258,527	\$ 29,367,300	38%	4%	6%
2020	\$ 12,363,475	\$ 28,842,120	43%	10%	-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 23%, and City sales tax revenues increased 12%.

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 increase 9%.

YTD Increase from FY 2019 to FY 2020:

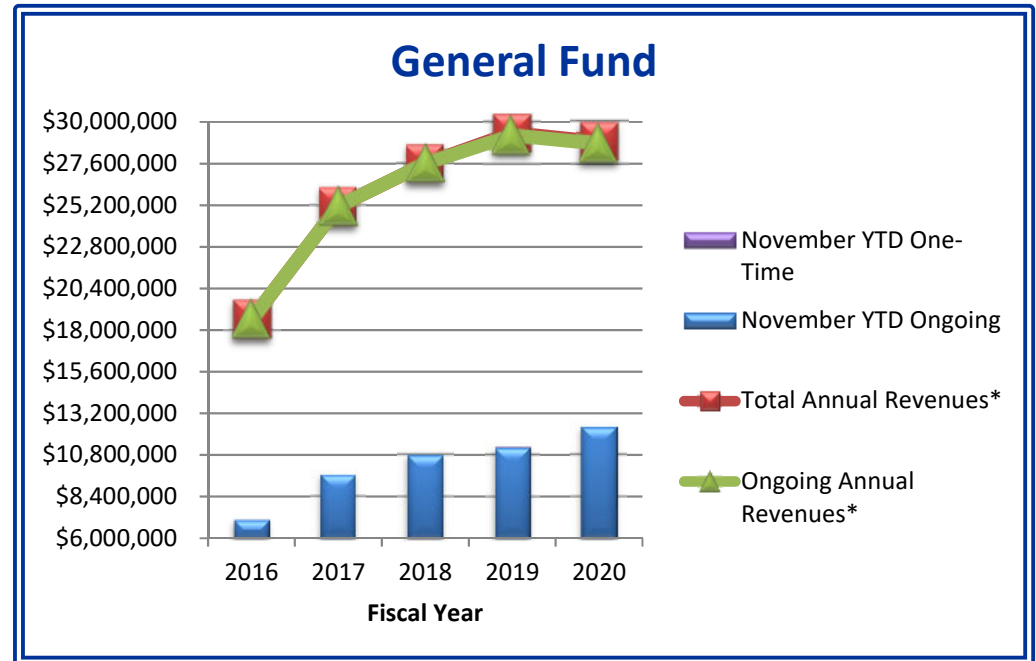
- (1) City sales taxes increased 8% and bed tax revenues increased 18%. The increases are partly due to increases in tourism categories, as well as increases due to the change in legislation regarding short-term rentals effective January 1, 2017.
- (2) In addition, the paid parking program was initiated the end of June 2017. Charges for services include additional revenues related to the program of approximately \$220,000.

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.

YTD Increase from FY 2019 to FY 2020:

City sales taxes increased 10% and bed tax revenues increased 17%.



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Total Revenues by Fund

Total Streets Fund Revenues

Exceeds Target for FY 2020

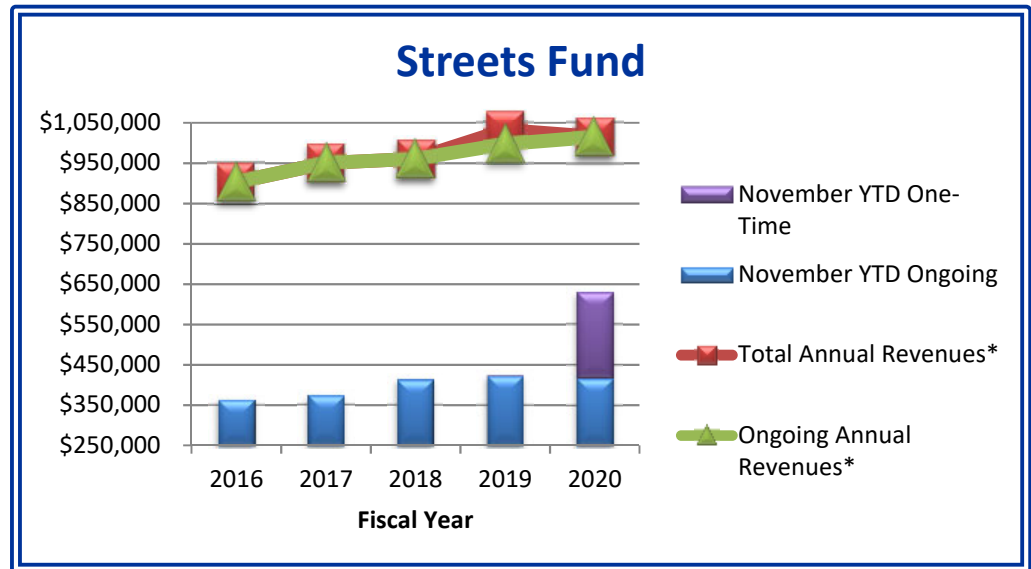
FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 363,657	\$ 902,994	40%		
2017	\$ 372,709	\$ 950,751	39%	2%	5%
2018	\$ 412,200	\$ 960,751	43%	11%	1%
2019	\$ 422,368	\$ 1,032,078	41%	2%	7%
2020	\$ 629,039	\$ 1,015,260	62%	49%	-2%

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.

YTD Increase from FY 2019 to FY 2020:

The increase is due to a one-time state allocation of \$18 million to cities and towns for street and highway projects. Funds must be spent in the same manner as Highway User revenues.



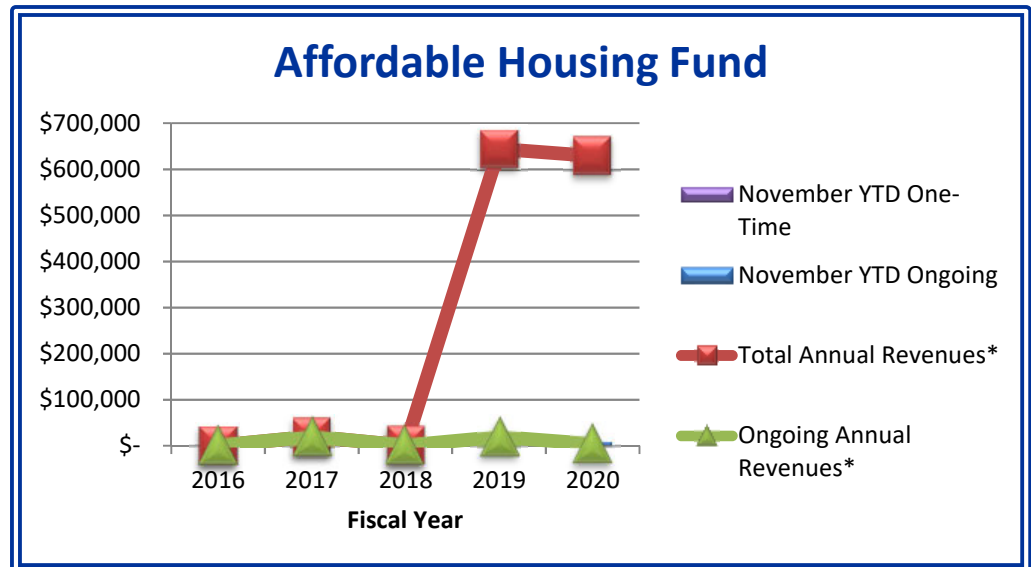
Total Affordable Housing Fund Rev.

Under Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ 19,800	\$ 19,800	100%	∞	∞
2018	\$ -	\$ 98	0%	-100%	-100%
2019	\$ 1,493	\$ 644,214	<1%	∞	658403%
2020	\$ 9,655	\$ 629,010	2%	547%	-2%

Increases/Decreases: Due to the nature of the activity of the Affordable Housing Fund, revenues will not necessarily be consistent from month to month or year to year.

Under Target for FY 2020: A significant one-time Affordable Housing in lieu fee was received in FY 2019 but budgeted in FY 2020. Due to the effect of the timing of these revenues, revenues are low and are expected to be under target by the end of the fiscal year.



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Total Revenues by Fund

Total Grants, Donations & Other Rev.

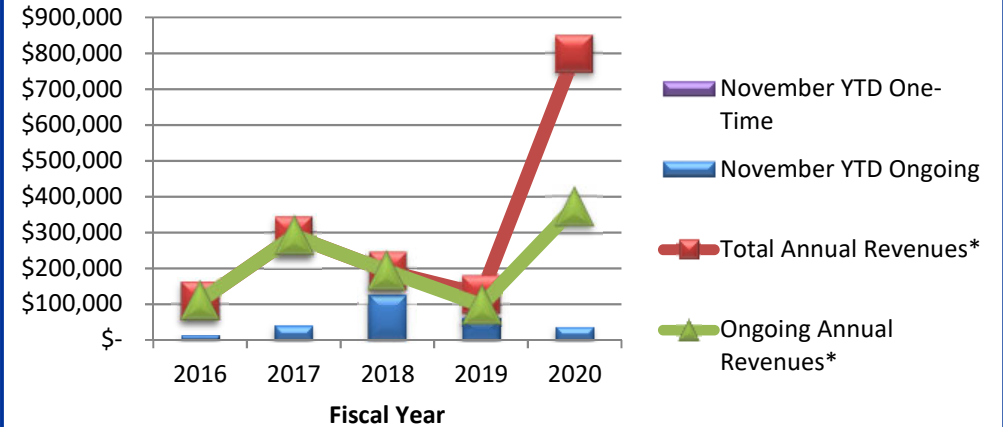
Under Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 13,986	\$ 108,649	13%		
2017	\$ 38,906	\$ 289,608	13%	178%	167%
2018	\$ 128,627	\$ 191,726	67%	231%	-34%
2019	\$ 66,507	\$ 126,649	53%	-48%	-34%
2020	\$ 36,502	\$ 797,145	5%	-45%	529%

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 2020: The FY 2020 budget includes \$300,000 of contingent grant revenues in case a significant grant opportunity arises.

Grants, Donations & Other Funds



Total Transportation Sales Tax Rev.

Exceeds Target for FY 2020

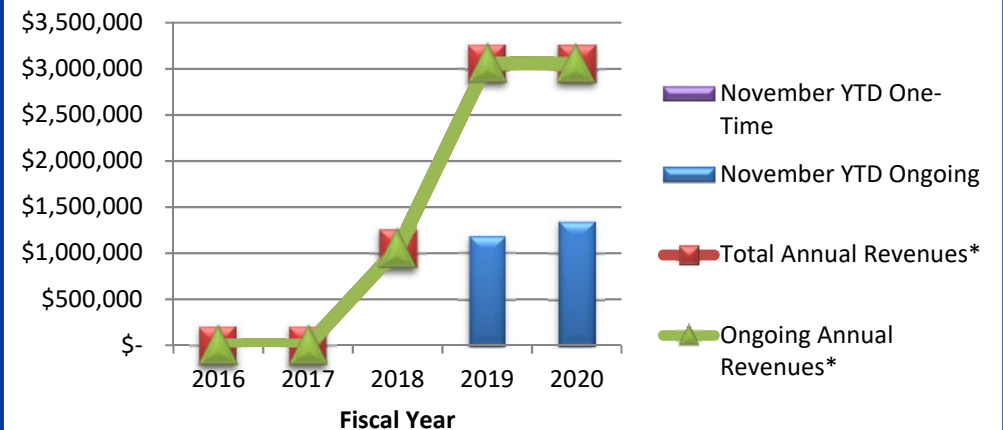
FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ -	\$ 1,045,367	0%	N/A	∞
2019	\$ 1,180,091	\$ 3,062,947	39%	∞	193%
2020	\$ 1,344,510	\$ 3,056,500	44%	14%	<-1%

The Transportation Sales Tax Fund was initiated in FY 2018.

YTD Increase from FY 2019 to FY 2020:

The increase was primarily due to an increase in sales tax revenue collections.

Transportation Sales Tax Fund



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

Total Revenues by Fund

Total Develop. Impact Fees Revenues

Under Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 121,575	\$ 281,497	43%		
2017	\$ 478,432	\$ 654,256	73%	294%	132%
2018	\$ 64,353	\$ 255,051	25%	-87%	-61%
2019	\$ 135,273	\$ 384,847	35%	110%	51%
2020	\$ 127,621	\$ 671,170	19%	-6%	74%

Annual Increase from FY 2016 to FY 2017:

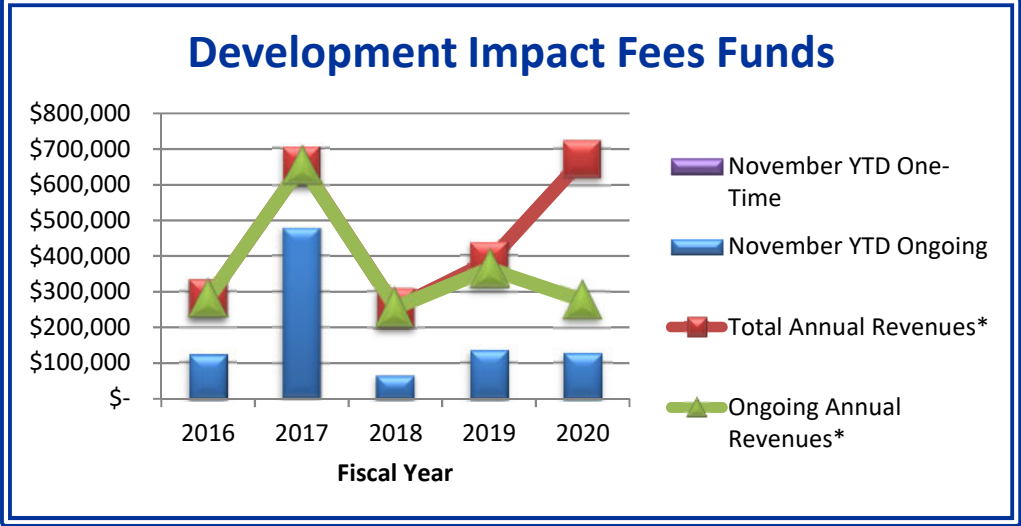
The increase was primarily due to fees assessed with the permitting of the new Marriott facility and the new CVS.

Annual Increase from FY 2019 to FY 2020:

The budgeted increase is for anticipated one-time significant development projects.

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.

Under Target for FY 2020: 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 delays in some significant one-time development projects.



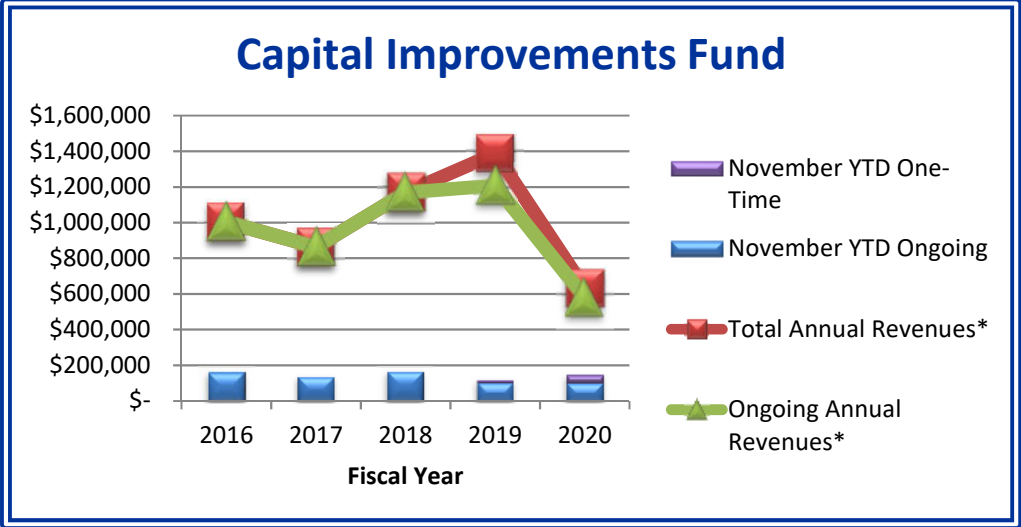
Total Capital Improvements Fund Rev.

Under Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 160,673	\$ 1,003,733	16%		
2017	\$ 132,522	\$ 863,346	15%	-18%	-14%
2018	\$ 165,390	\$ 1,168,259	14%	25%	35%
2019	\$ 114,908	\$ 1,386,445	8%	-31%	19%
2020	\$ 143,217	\$ 631,000	23%	25%	-54%

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 2020: 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.



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Total Revenues by Fund

Total Art in Public Places Fund Rev.

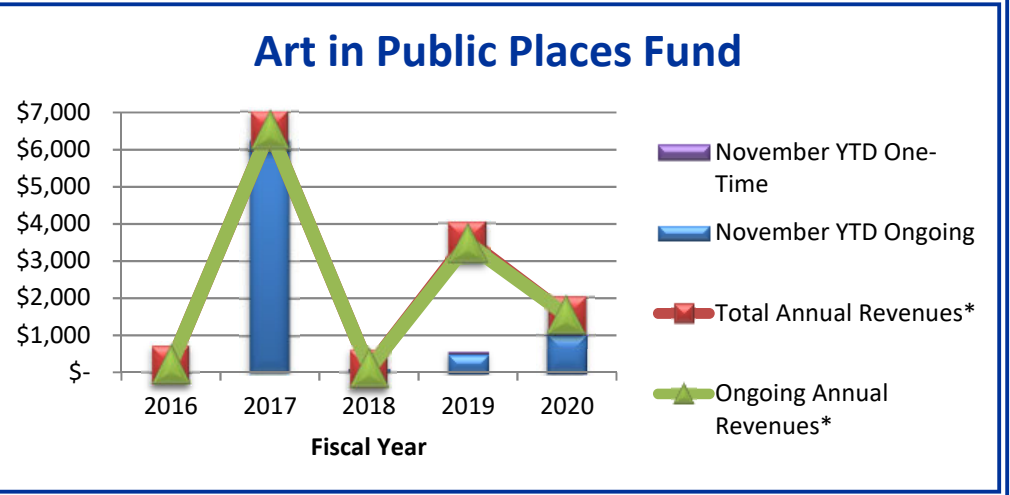
Exceeds Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 25	\$ 204	13%		
2017	\$ 6,269	\$ 6,528	96%	24514%	3106%
2018	\$ 88	\$ 98	90%	-99%	-99%
2019	\$ 549	\$ 3,536	16%	525%	3523%
2020	\$ 1,020	\$ 1,530	67%	86%	-57%

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.



Total Wastewater Enterprise Fund Rev.

Under Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 4,323,124	\$ 11,026,791	39%		
2017	\$ 3,393,464	\$ 7,180,562	47%	-22%	-35%
2018	\$ 2,716,504	\$ 7,195,914	38%	-20%	<1%
2019	\$ 2,908,083	\$ 7,398,305	39%	7%	3%
2020	\$ 2,959,524	\$ 7,813,213	38%	2%	6%

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%.

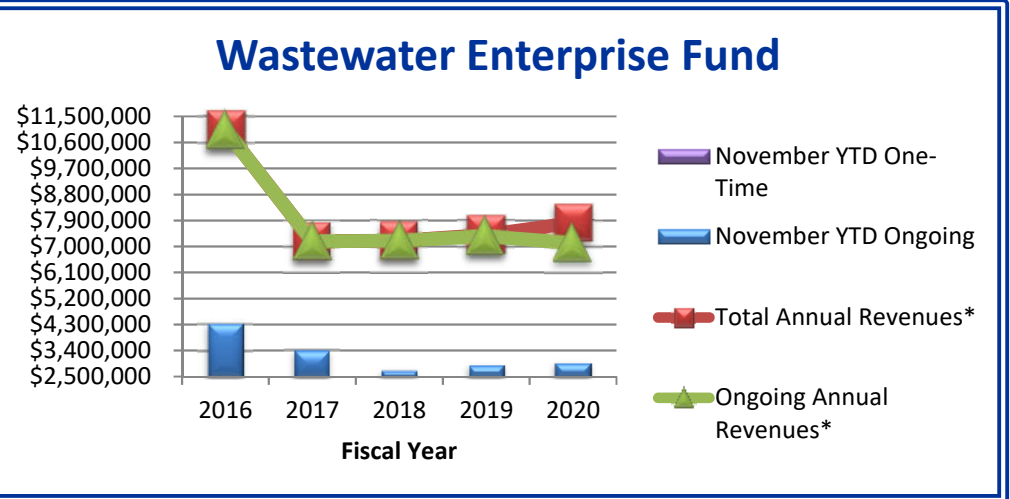
(2) In FY 2016, the City received approximately \$112,000 from APS as incentive payments for implementation of energy savings measures on projects.

YTD Decrease from FY 2017 to FY 2018:

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

Under Target for FY 2020: Revenues are low due to anticipated significant one-time capacity fees not yet received. Due to the effect of the timing of these revenues, revenues may be under target by the end of the fiscal year due to delays in some significant one-time development projects.

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



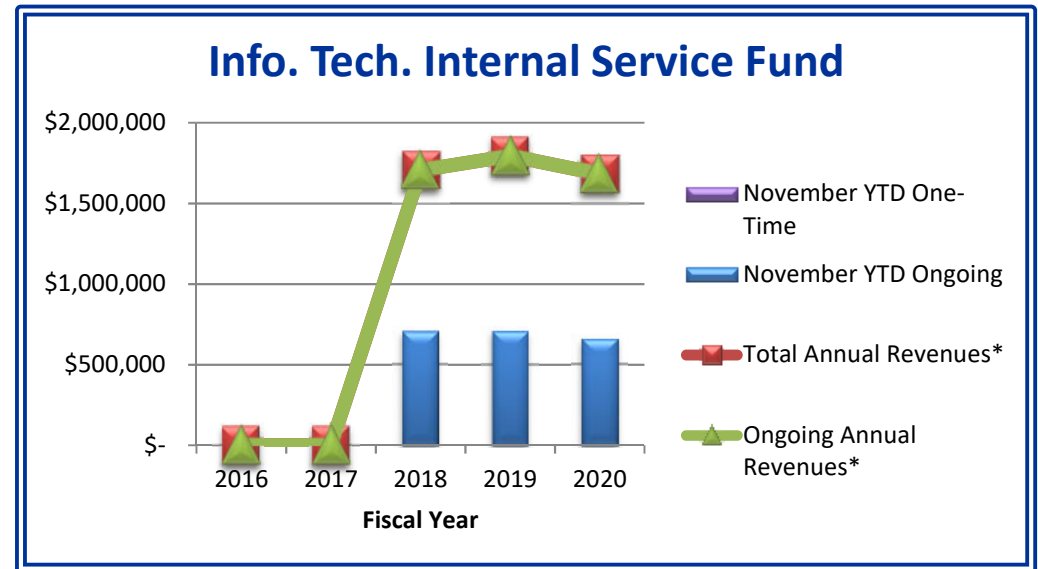
Total Revenues by Fund

Total Info. Tech. Internal Svc. Fund Rev. **Under Target for FY 2020**

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 704,344	\$ 1,705,824	41%	∞	∞
2019	\$ 708,894	\$ 1,795,609	39%	1%	5%
2020	\$ 654,954	\$ 1,681,840	39%	-8%	-6%

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

Under Target for FY 2020: Revenues are slightly low due to lower than anticipated indirect cost allocations to the fund. 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.



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Total Revenues by Fund

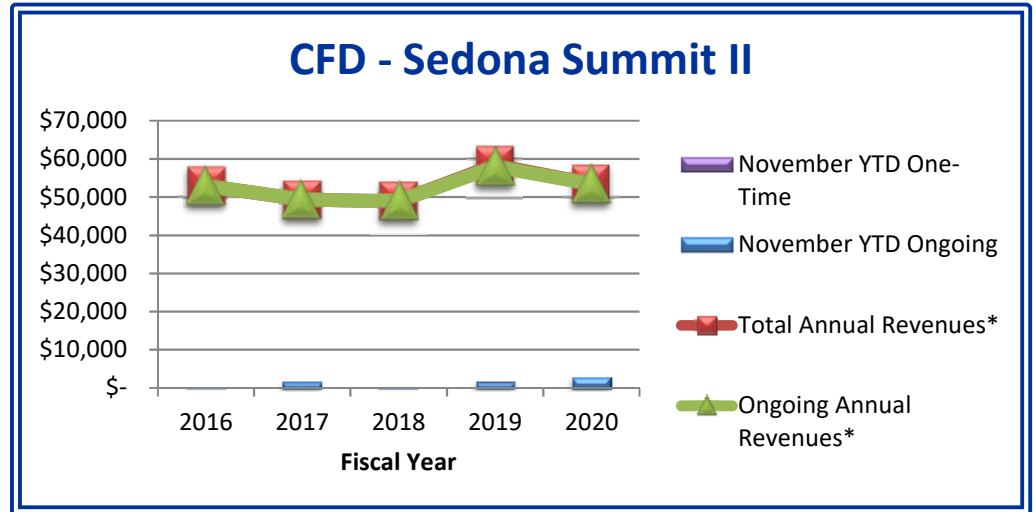
Total CFD - Sedona Summit II Revenues Under Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 130	\$ 52,969	<1%		
2017	\$ 1,600	\$ 49,312	3%	1129%	-7%
2018	\$ 187	\$ 48,910	<1%	-88%	-1%
2019	\$ 1,896	\$ 58,332	3%	912%	19%
2020	\$ 2,846	\$ 53,450	5%	50%	-8%

Annual Increase from FY 2018 to FY 2019:

The increase in revenues was due to interest earnings.

Under Target for FY 2020: 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 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 58,788	\$ 123,983	47%		
2017	\$ 30,512	\$ 153,156	20%	-48%	24%
2018	\$ 574	\$ 120,508	<1%	-98%	-21%
2019	\$ 30,659	\$ 124,324	25%	5246%	3%
2020	\$ 31,558	\$ 122,900	26%	3%	-1%

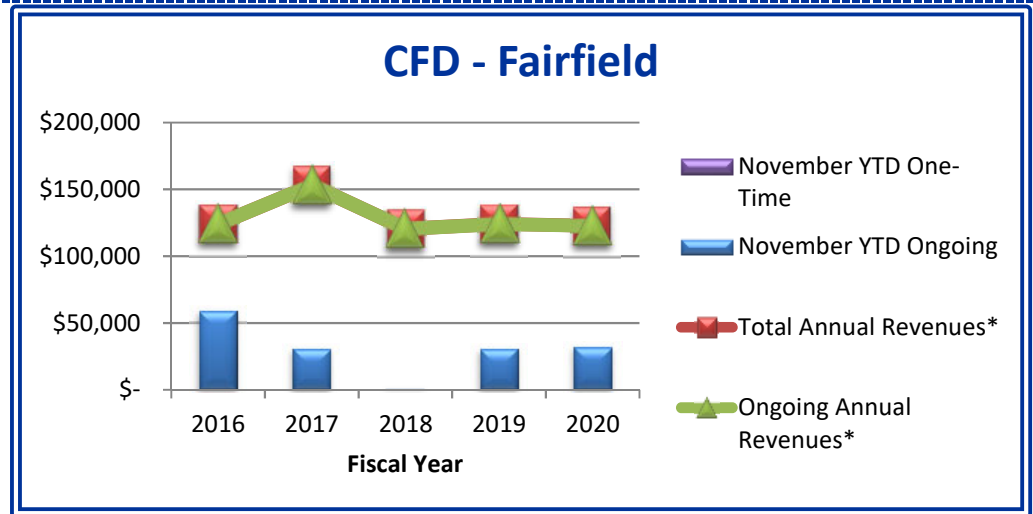
Annual Increase from FY 2016 to FY 2017:

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.**

Under Target for FY 2020: 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 represent the total budgeted, excluding contingencies. For prior years, Annual Revenues represent the total actual.

Total Revenues by Type

Total Revenues

Under Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 12,088,358	\$ 32,113,557	38%		
2017	\$ 14,109,889	\$ 35,302,858	40%	17%	10%
2018	\$ 14,966,781	\$ 40,293,974	37%	6%	14%
2019	\$ 16,829,249	\$ 45,384,586	37%	12%	13%
2020	\$ 18,303,921	\$ 45,315,138	40%	9%	<-1%

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:

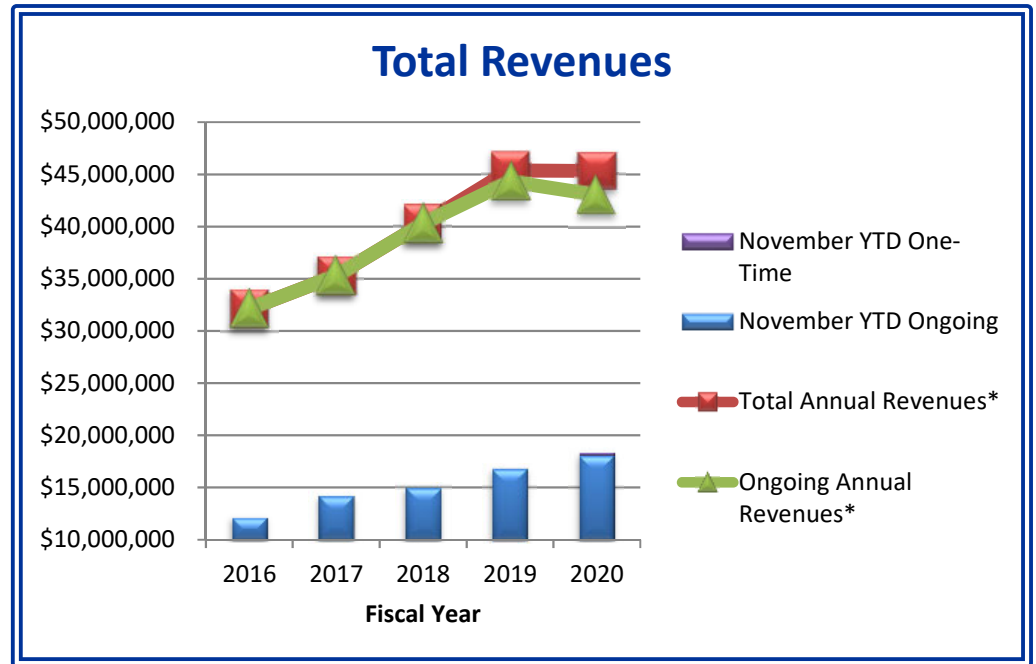
The most significant increases were in the categories of sales tax, bed tax, charges for services, and other miscellaneous revenues.

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.

Annual Increase from FY 2018 to FY 2019:

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



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

Total Revenues by Type

City Sales Tax Revenues

On Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 5,774,483	\$ 14,999,612	38%		
2017	\$ 6,471,906	\$ 16,268,459	40%	12%	8%
2018	\$ 6,958,273	\$ 18,393,517	38%	8%	13%
2019	\$ 8,479,204	\$ 21,381,693	40%	22%	16%
2020	\$ 9,341,235	\$ 21,245,800	44%	10%	-1%

YTD Increase from FY 2016 to FY 2017:

Most of the increase was attributable to the Restaurant & Bar, Hotel/Motel, and Leasing categories.

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:

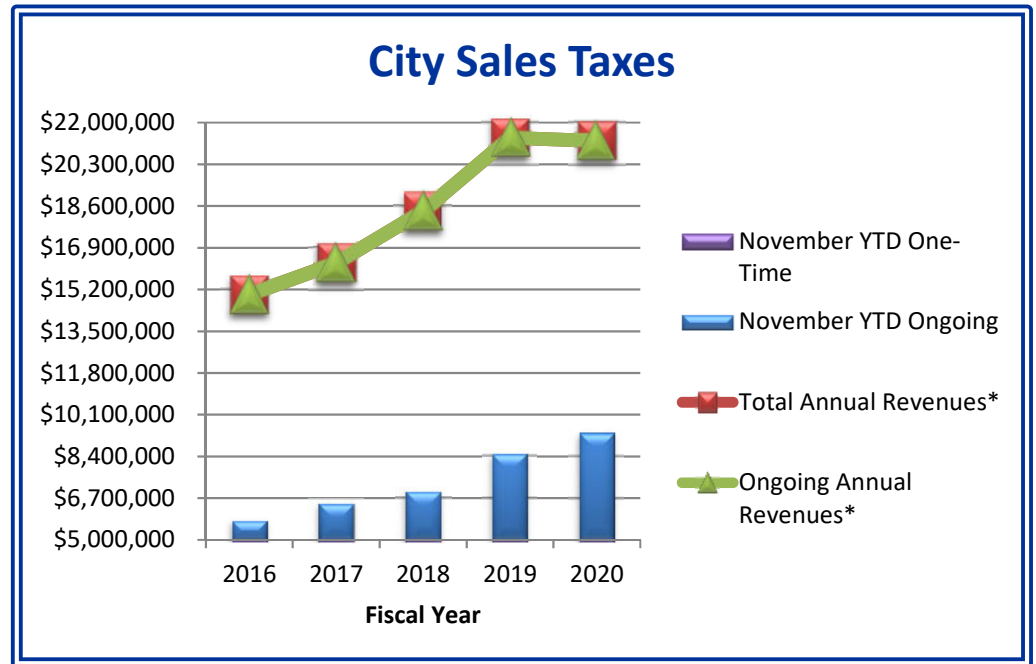
The increase was partly due to the increase in the sales tax rate for transportation projects. In addition, the most significant increases were in the Retail, Hotel/Motel, and Communications & Utilities categories.

Annual Increase from FY 2018 to FY 2019:

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

YTD Increase from FY 2019 to FY 2020:

The most significant increases were in the Hotel/Motel and Amusements & Other categories.



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

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

Total Revenues by Type

Bed Tax Revenues

Exceeds Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 1,169,510	\$ 3,010,334	39%		
2017	\$ 1,433,211	\$ 3,811,727	38%	23%	27%
2018	\$ 1,694,531	\$ 4,431,680	38%	18%	16%
2019	\$ 1,823,115	\$ 4,788,239	38%	8%	8%
2020	\$ 2,140,251	\$ 4,769,300	45%	17%	<-1%

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, as well as a result of the effects of the implementation of the destination marketing program..

Annual Increase from FY 2016 to FY 2017:

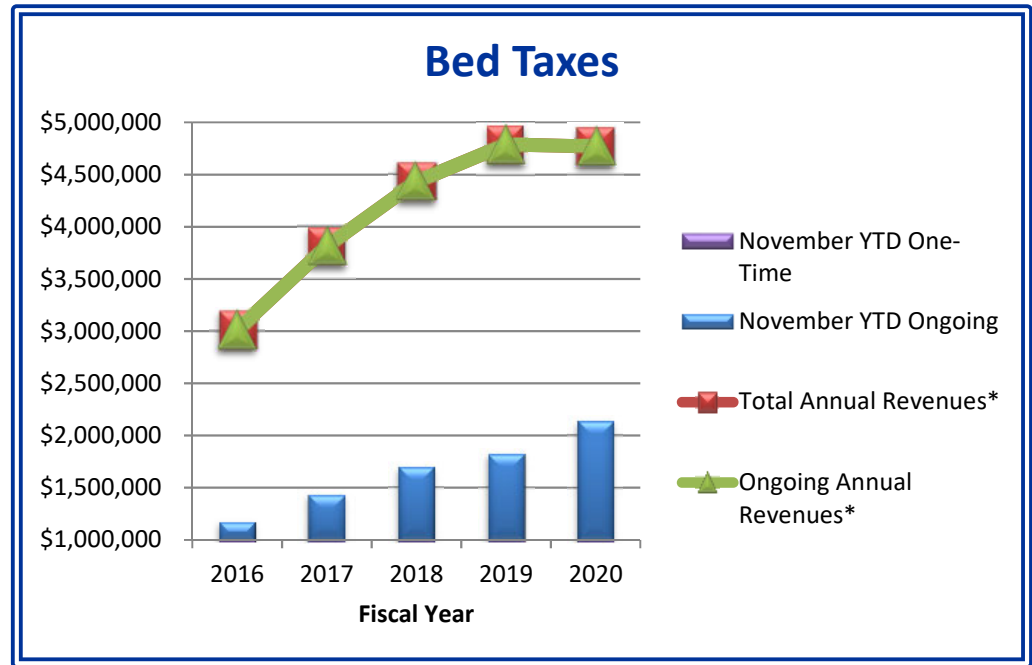
- (1) A portion of the increase represents an increase in late payments (collection of taxes for prior taxing periods) and payments made on time in FY 2017 that were made late in FY 2016.
- (2) A portion of the increase is a result of the change in legislation regarding short-term residential rentals 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.

YTD Increase from FY 2019 to FY 2020:

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



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

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

Total Revenues by Type

In Lieu Revenues

Under Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 58,653	\$ 621,391	9%		
2017	\$ 57,220	\$ 686,301	8%	-2%	10%
2018	\$ -	\$ 643,087	0%	-100%	-6%
2019	\$ 30,259	\$ 1,280,721	2%	∞	99%
2020	\$ 30,836	\$ 1,292,400	2%	2%	1%

Annual Increase from FY 2016 to FY 2017:

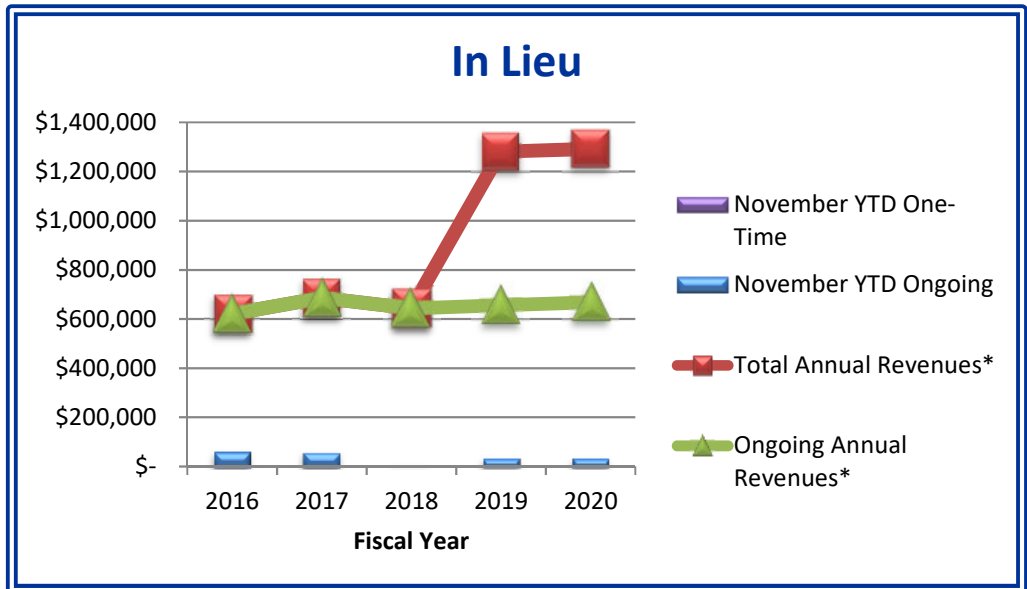
- (1) The increase is partly due to the timing of in lieu fees for the Community Facilities Districts. Approximately \$20,000 of FY 2016 revenue was recognized in FY 2017 due to the lateness of receipt.**
- (2) The increase is also due to the receipt of one-time Arts and Affordable Housing in-lieu revenues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

Annual Increase from FY 2018 to FY 2019:

The increase is primarily due to the one-time receipt of significant Affordable Housing in lieu revenues.

Under Target for FY 2020: The in lieu fees are received quarterly, with the largest payments typically in the second and third quarters of the fiscal year. In addition, a significant one-time Affordable Housing in lieu fee was received in FY 2019 but budgeted in FY 2020. Due to the effect of the timing of these revenues, year-to-date revenues are low and expected to be under target at 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.

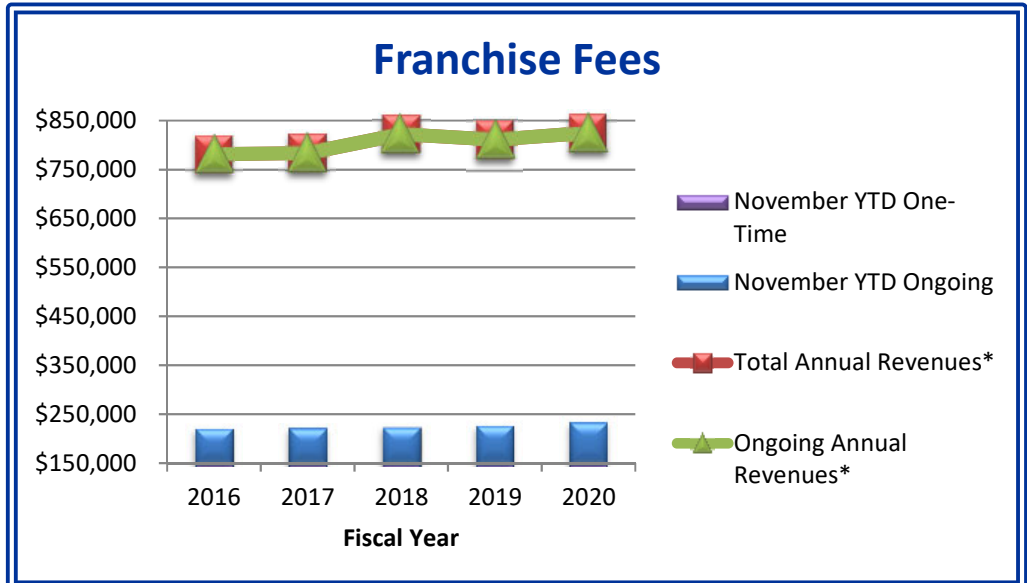


Franchise Fee Revenues

On Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 220,012	\$ 781,223	28%		
2017	\$ 221,090	\$ 783,413	28%	<1%	<1%
2018	\$ 223,873	\$ 822,122	27%	1%	5%
2019	\$ 225,953	\$ 810,916	28%	1%	-1%
2020	\$ 233,315	\$ 825,100	28%	3%	2%

On Target for FY 2020: The franchise fees are primarily 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.



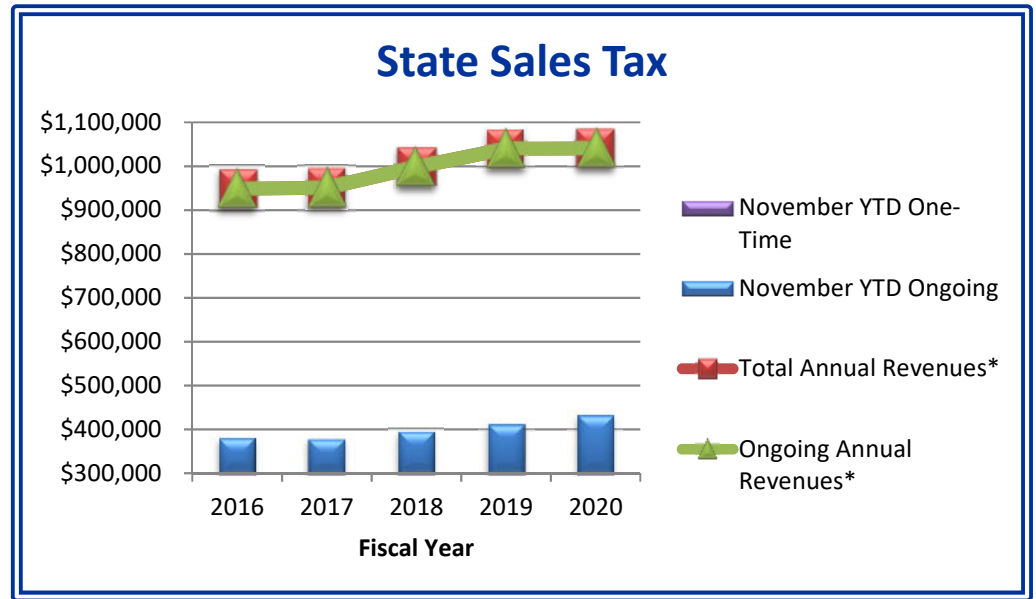
* For the current year, Annual Revenues represent the total budgeted, excluding contingencies. For prior years, Annual Revenues represent the total actual.

Total Revenues by Type

State Sales Tax Revenues

On Target for FY 2020

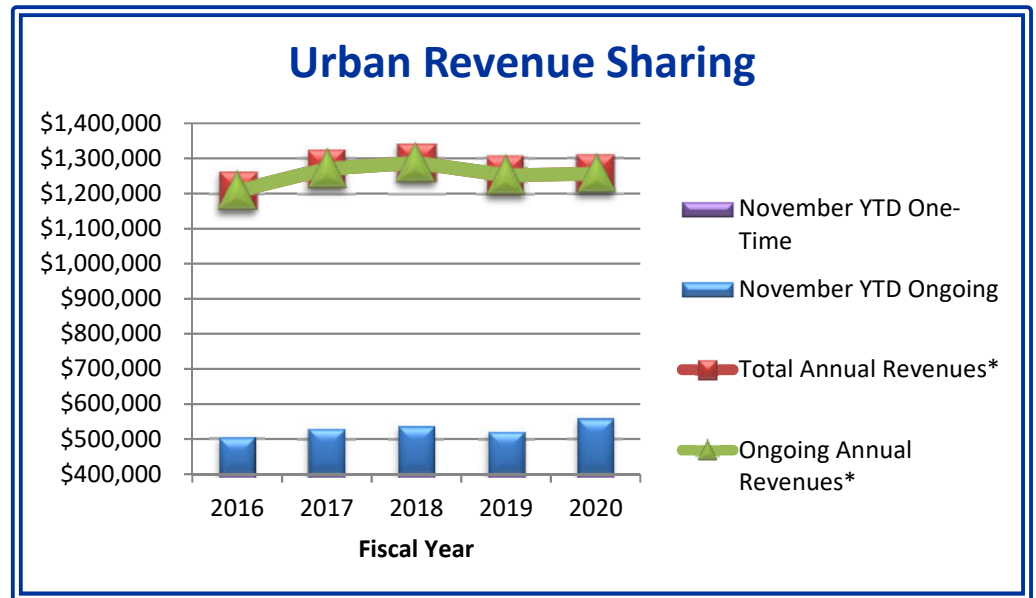
FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 379,167	\$ 948,696	40%		
2017	\$ 377,848	\$ 950,879	40%	<-1%	<-1%
2018	\$ 393,487	\$ 998,202	39%	4%	5%
2019	\$ 411,613	\$ 1,039,635	40%	5%	4%
2020	\$ 431,368	\$ 1,040,600	41%	5%	<-1%



Urban Revenue Sharing Revenues

Exceeds Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 503,221	\$ 1,207,731	42%		
2017	\$ 529,879	\$ 1,270,897	42%	5%	5%
2018	\$ 536,570	\$ 1,287,767	42%	1%	1%
2019	\$ 521,532	\$ 1,251,688	42%	-3%	-3%
2020	\$ 556,861	\$ 1,256,100	44%	7%	<-1%



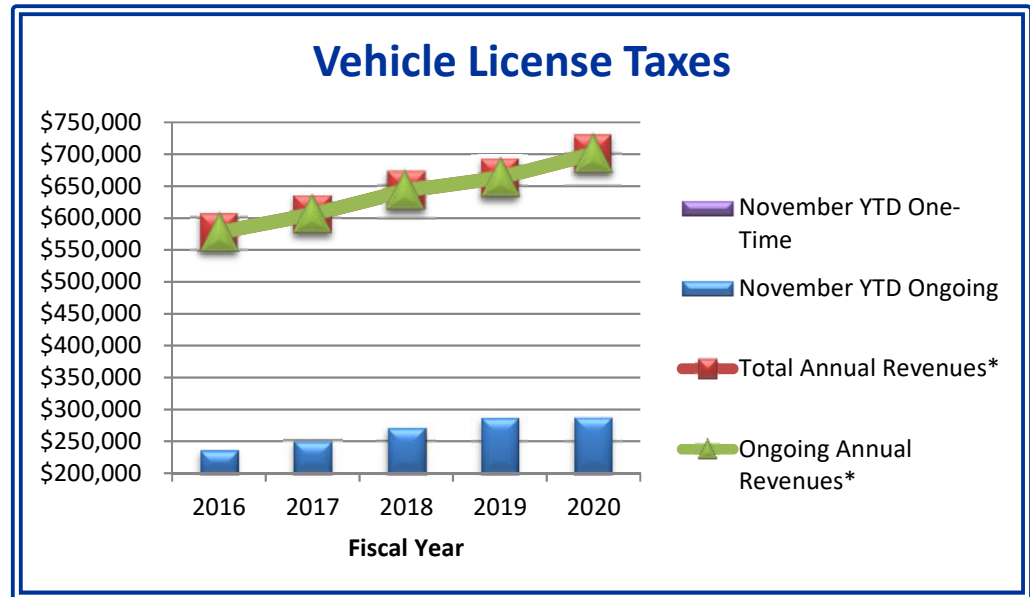
* For the current year, Annual Revenues represent the total budgeted, excluding contingencies. For prior years, Annual Revenues represent the total actual.

Total Revenues by Type

Vehicle License Tax Revenues

On Target for FY 2020

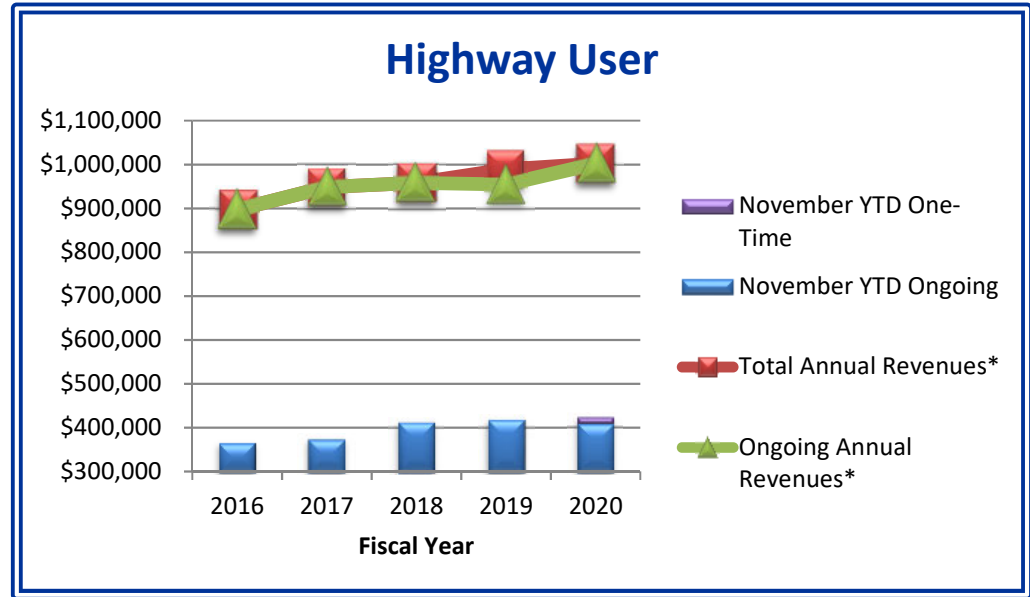
FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 235,753	\$ 577,681	41%		
2017	\$ 249,059	\$ 606,030	41%	6%	5%
2018	\$ 270,618	\$ 642,895	42%	9%	6%
2019	\$ 286,349	\$ 662,934	43%	6%	3%
2020	\$ 287,505	\$ 700,800	41%	<1%	6%



Highway User Revenues

On Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 363,657	\$ 897,406	41%		
2017	\$ 372,708	\$ 949,028	39%	2%	6%
2018	\$ 411,764	\$ 958,278	43%	10%	1%
2019	\$ 417,896	\$ 988,814	42%	1%	3%
2020	\$ 422,176	\$ 1,001,830	42%	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.

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 represent the total budgeted, excluding contingencies. For prior years, Annual Revenues represent the total actual.

Total Revenues by Type

Other Intergovernmental Revenues

Under Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 188,917	\$ 874,083	22%		
2017	\$ 173,382	\$ 956,757	18%	-8%	9%
2018	\$ 245,310	\$ 1,048,665	23%	41%	10%
2019	\$ 39,823	\$ 944,725	4%	-84%	-10%
2020	\$ 235,491	\$ 1,117,215	21%	491%	18%

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 is primarily due to increases in grant funding and intergovernmental agreements.

YTD Decrease from FY 2018 to FY 2019:

(1) The decrease is partly 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.

(2) The decrease was also due to a change in the way Coconino County Flood Control monies are distributed.

Annual Decrease from FY 2018 to FY 2019:

The decrease is primarily due to decreases in grant funding.

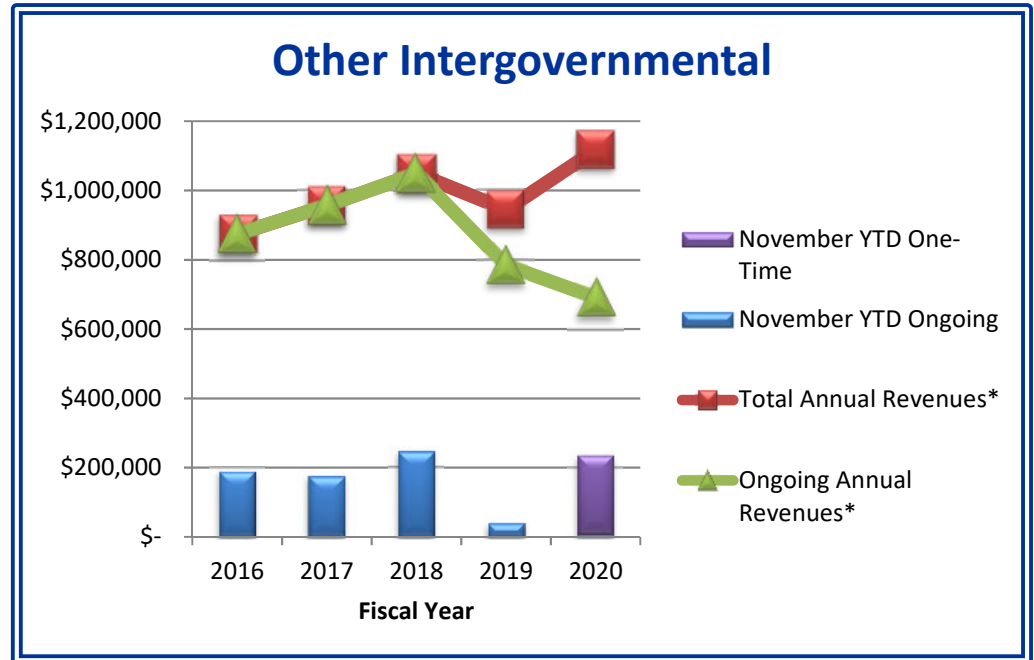
YTD Increase from FY 2019 to FY 2020:

The increase is due to an unbudgeted one-time state allocation of \$18 million to cities and towns for street and highway projects. Funds must be spent in the same manner as Highway User revenues.

Annual Increase from FY 2019 to FY 2020:

The increase is primarily due to anticipated Community Development Block Grant (CDBG) funding.

Under Target for FY 2020: 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 but are expected to be on target by the end of the fiscal year.



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

Total Revenues by Type

License & Permit Revenues

Under Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 266,492	\$ 496,777	54%		
2017	\$ 207,603	\$ 478,016	43%	-22%	-4%
2018	\$ 203,410	\$ 456,278	45%	-2%	-5%
2019	\$ 163,452	\$ 381,501	43%	-20%	-16%
2020	\$ 149,360	\$ 401,050	37%	-9%	5%

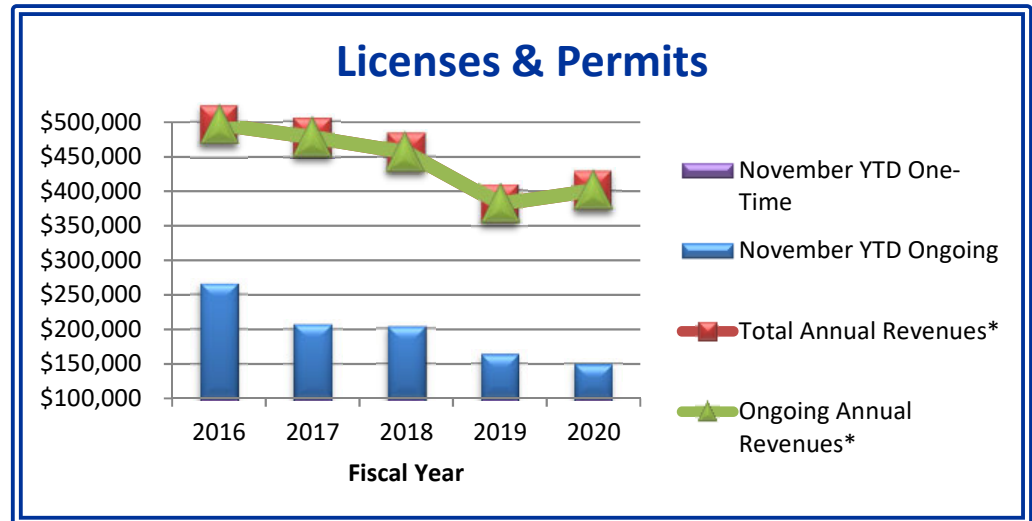
YTD Decrease from FY 2016 to FY 2017:

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

YTD and Annual Decrease from FY 2018 to FY 2019:

- (1) The decrease was partly due to a change in business license requirements eliminating the need for businesses without a physical presence in the City limits to obtain a license.
- (2) The decrease was also a result of a reclassification of charges for services previously classified as licenses and permits.

Under Target for FY 2020: While building permit revenues are not necessarily consistent from month to month, they are lower than anticipated at the time budgeted and could reach budget anticipations later in the fiscal year. This account will be monitored but, at this point, is not expected to be significantly under estimates at the end of the fiscal year.



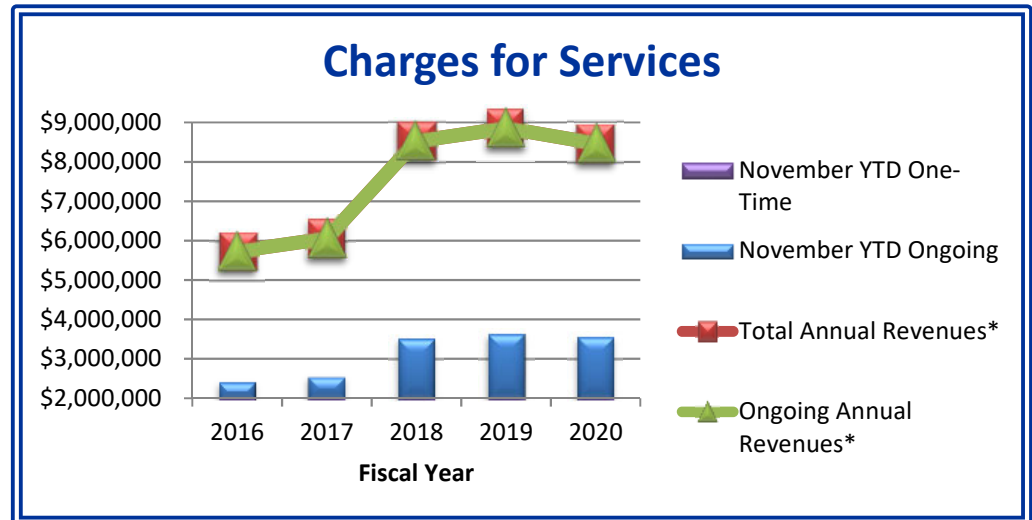
Charges for Services Revenues

On Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 2,398,443	\$ 5,729,286	42%		
2017	\$ 2,535,641	\$ 6,057,534	42%	6%	6%
2018	\$ 3,504,146	\$ 8,528,856	41%	38%	41%
2019	\$ 3,620,493	\$ 8,855,382	41%	3%	4%
2020	\$ 3,539,965	\$ 8,472,823	42%	-2%	-4%

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.



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

Total Revenues by Type

Fines & Forfeitures Revenues

Under Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 118,707	\$ 241,071	49%		
2017	\$ 84,606	\$ 186,404	45%	-29%	-23%
2018	\$ 119,043	\$ 333,546	36%	41%	79%
2019	\$ 119,265	\$ 295,737	40%	<1%	-11%
2020	\$ 95,561	\$ 296,960	32%	-20%	<1%

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.

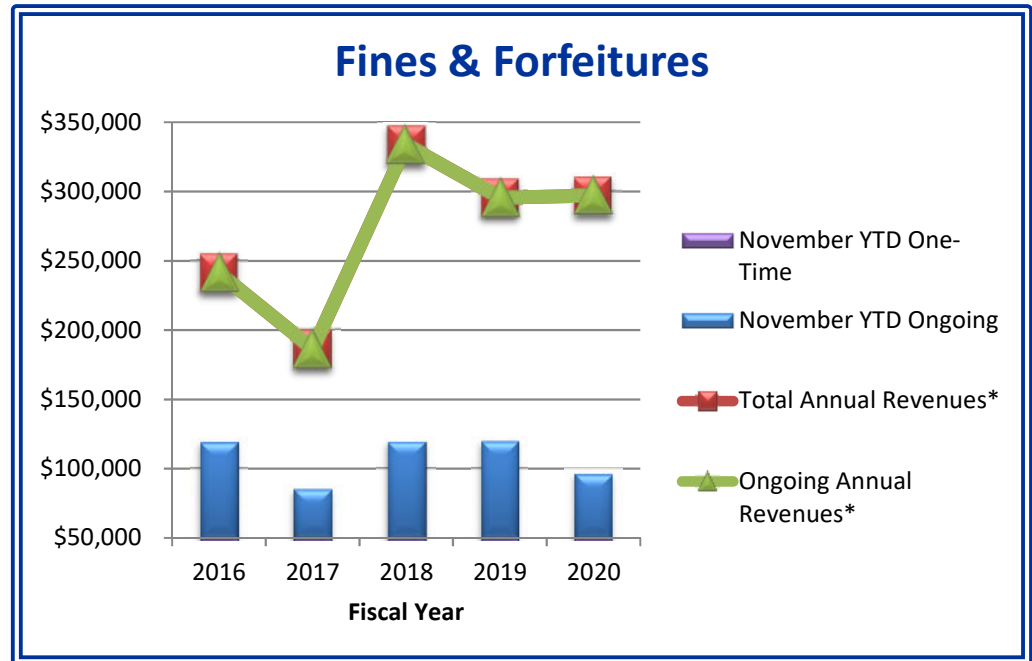
Annual Decrease from FY 2018 to FY 2019:

- (1) The decrease was partly due to a reduction in court fines collected.
- (2) The decrease was partly due to a reduction in towing fees.

YTD Decrease from FY 2019 to FY 2020:

- (1) The decrease was largely due to a significant write-off of wastewater late fees.
- (2) The decrease was also partly due to a reduction in court fines collected.

Under Target for FY 2020: Fines and forfeitures are low due to a significant write-off of late fees on wastewater billings and lower than anticipated court fines. This account will be monitored but, at this point, is not expected to be significantly under estimates at the end of the fiscal year.



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

Total Revenues by Type

Development Impact Fee Revenues

Under Target for FY 2020

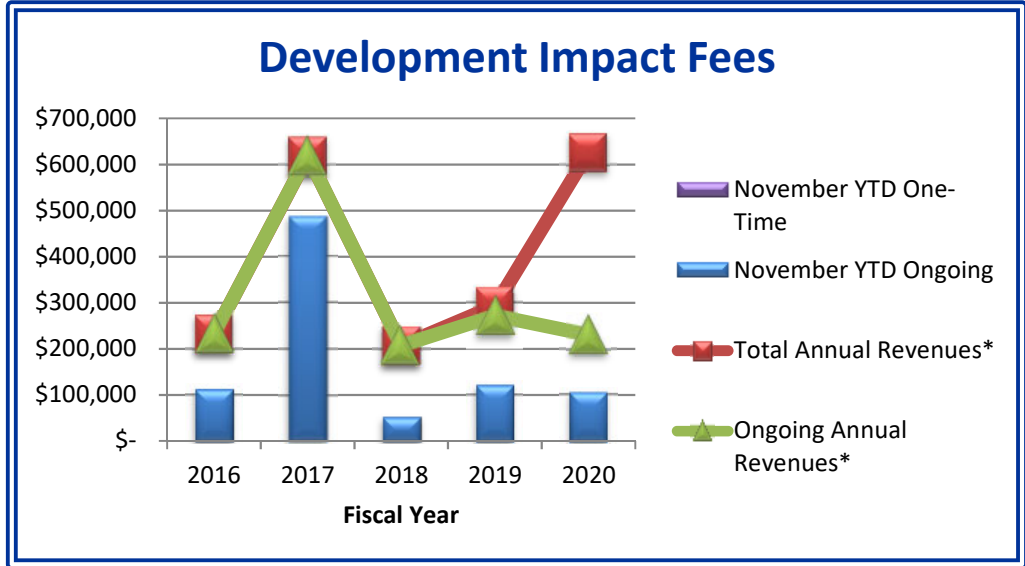
FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 111,352	\$ 231,772	48%		
2017	\$ 485,310	\$ 618,740	78%	336%	167%
2018	\$ 50,727	\$ 207,076	24%	-90%	-67%
2019	\$ 120,361	\$ 292,546	41%	137%	41%
2020	\$ 104,124	\$ 626,350	17%	-13%	114%

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.

Under Target for FY 2020: Development impact fees are not consistent from month to month or year to year. The revenues are low and may be under target by the end of the fiscal year due to delays in some significant one-time development projects.



Capacity Fee Revenues

Under Target for FY 2020

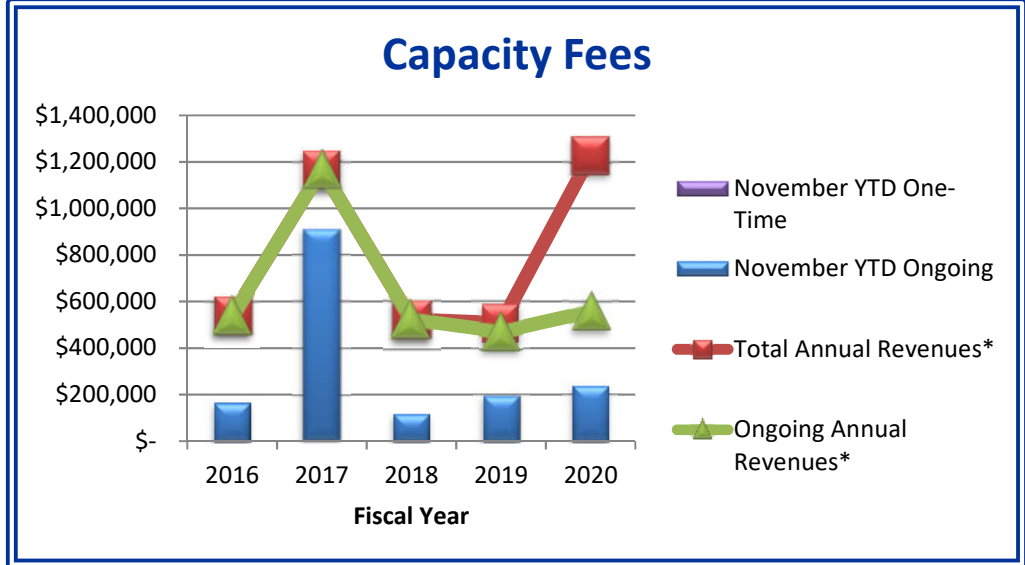
FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 163,542	\$ 541,045	30%		
2017	\$ 908,344	\$ 1,167,388	78%	455%	116%
2018	\$ 115,439	\$ 523,013	22%	-87%	-55%
2019	\$ 194,487	\$ 507,170	38%	68%	-3%
2020	\$ 235,917	\$ 1,227,000	19%	21%	142%

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 2020: Capacity fees are not consistent from month to month or year to year. The revenues are low and may be under target by the end of the fiscal year due to delays in some significant one-time development projects.



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

Total Revenues by Type

Other Miscellaneous Revenues

Exceeds Target for FY 2020

FY	November YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - November YTD	% Increase - Annual
2016	\$ 136,448	\$ 955,449	14%		
2017	\$ 2,083	\$ 511,285	<1%	-98%	-46%
2018	\$ 239,593	\$ 1,018,991	24%	11400%	99%
2019	\$ 375,448	\$ 1,902,883	20%	57%	87%
2020	\$ 499,956	\$ 1,041,810	48%	33%	-45%

YTD Decrease from FY 2016 to FY 2017:

The decrease was primarily due to 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) The increase was also due to an increase in the interest earnings in LGIP accounts and pooled investment accounts.
- (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 in the LGIP accounts.

Annual Increase from FY 2018 to FY 2019:

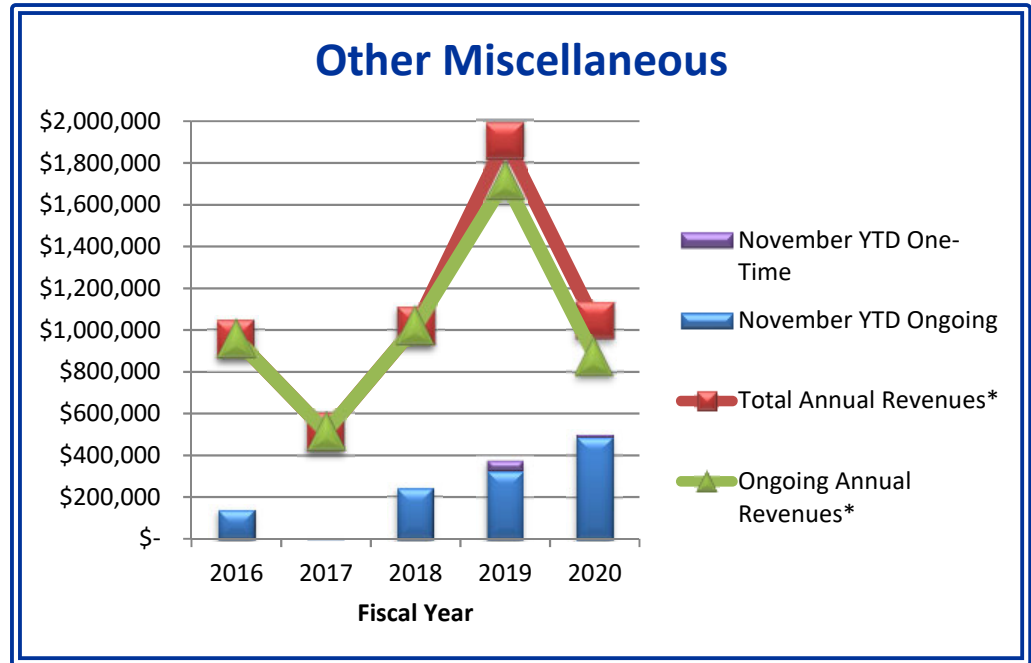
The increase was largely due to unrealized gain in market values of investments and increased interest earnings.

YTD Increase from FY 2019 to FY 2020:

The increase was primarily due to an increase in the interest earnings in LGIP accounts and pooled investment accounts.

Annual Decrease from FY 2019 to FY 2020:

- (1) The decrease was primarily due to conservative estimates of interest earnings.
- (2) In addition, unrealized gains and losses in market values of investments are not budgeted. There was a significant unrealized gain in market values in the prior year.



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

Sales Tax Revenues by Category

Month	Retail	Restaurant & Bar	Hotel/Motel	Construction	Leasing	Communications & Utilities	Amusements & Other	Totals
City Sales Tax Revenues by Category and by Month								
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
October 2018	656,954	421,517	467,790	92,980	139,574	58,732	108,431	1,945,978
November 2018	599,965	356,589	368,420	105,784	125,669	55,670	84,959	1,697,056
December 2018	579,093	310,204	380,453	121,126	141,714	57,334	58,214	1,648,138
January 2019	509,544	283,021	309,652	93,062	121,730	64,327	56,674	1,438,010
February 2019	481,411	271,508	294,460	87,584	137,780	58,382	64,516	1,395,641
March 2019	710,090	492,066	579,585	122,056	161,264	56,678	176,372	2,298,111
April 2019	698,174	445,837	574,212	108,855	142,153	52,398	148,883	2,170,512
May 2019	657,613	425,555	480,668	132,555	129,000	54,546	168,039	2,047,976
June 2019	590,382	377,501	390,862	145,159	159,996	58,414	133,851	1,856,165
Total FY 2019	\$ 7,104,613	\$ 4,366,956	\$ 4,839,928	\$ 1,401,832	\$ 1,621,589	\$ 718,813	\$ 1,280,028	\$ 21,333,759
July 2019	\$ 556,523	\$ 338,347	\$ 385,663	\$ 125,895	\$ 126,406	\$ 65,539	\$ 113,873	\$ 1,712,246
August 2019	533,678	335,441	340,211	103,131	132,515	67,910	170,141	1,683,027
September 2019	609,904	407,547	457,079	137,927	147,723	74,529	100,956	1,935,665
October 2019	685,931	433,018	511,731	128,867	152,000	59,328	125,885	2,096,760
November 2019	667,306	394,346	447,089	151,139	155,136	58,249	88,212	1,961,477
December 2019	-	-	-	-	-	-	-	-
January 2020	-	-	-	-	-	-	-	-
February 2020	-	-	-	-	-	-	-	-
March 2020	-	-	-	-	-	-	-	-
April 2020	-	-	-	-	-	-	-	-
May 2020	-	-	-	-	-	-	-	-
June 2020	-	-	-	-	-	-	-	-
Total Year-to-Date FY 2020	\$ 3,053,342	\$ 1,908,699	\$ 2,141,773	\$ 646,959	\$ 713,780	\$ 325,555	\$ 599,067	\$ 9,389,175
Current Month Comparison to Same Month Last Year								
November 2019 vs. November 2020	\$ 67,341	\$ 37,757	\$ 78,669	\$ 45,355	\$ 29,467	\$ 2,579	\$ 3,253	\$ 264,421
Change from November to November	11%	11%	21%	43%	23%	5%	4%	16%
Year-to-Date Comparison to Year-to-Date Last Year								
Difference in YTD	\$ 175,036	\$ 147,435	\$ 311,737	\$ 55,524	\$ 85,828	\$ 8,821	\$ 125,588	\$ 909,969
% Change from Prior YTD	6%	8%	17%	9%	14%	3%	27%	11%

NOTE: For this table only, certain anticipated refunds have been adjusted in the prior months to enhance comparability.

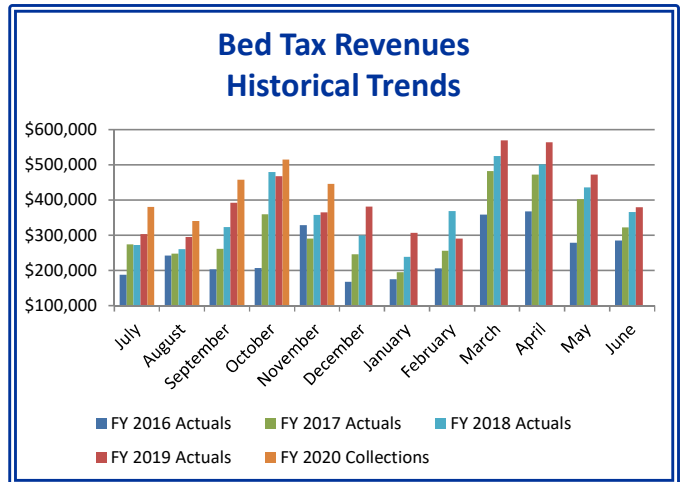
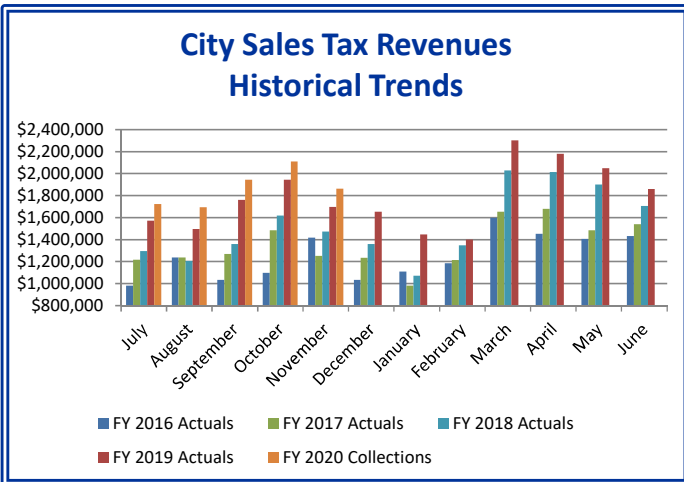
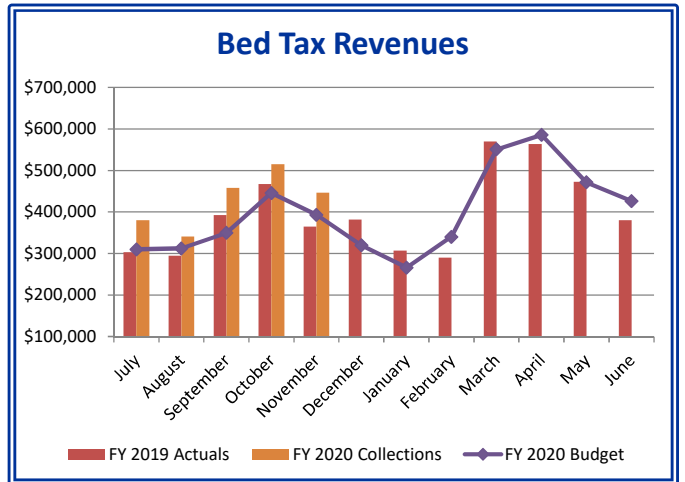
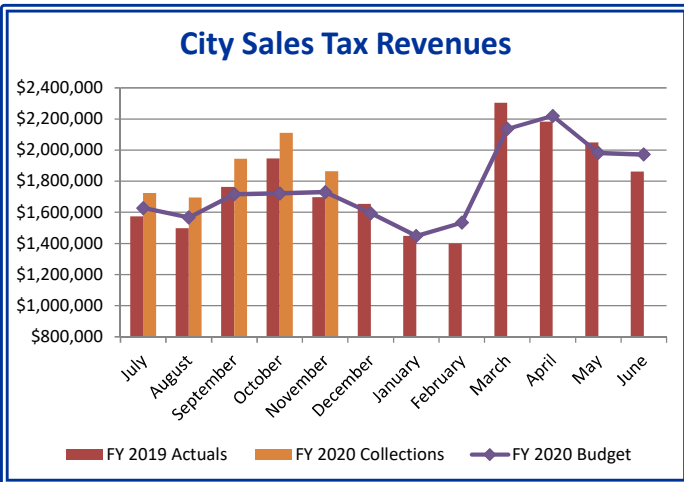
Sales & Bed Tax Revenues by Month

City Sales Tax Revenues

Month	FY 2019 Actuals	FY 2020 Collections	Actual Variance	FY 2020 Budget	Budget Variance
July	\$ 1,574,181	\$ 1,723,855	10%	\$ 1,627,120	6%
August	1,498,313	1,696,471	13%	1,566,580	8%
September	1,763,676	1,945,122	10%	1,716,410	13%
October	1,945,977	2,110,869	8%	1,721,600	23%
November	1,697,056	1,864,918	10%	1,729,920	8%
December	1,654,427	-	-	1,593,830	-
January	1,449,428	-	-	1,448,090	-
February	1,400,316	-	-	1,533,550	-
March	2,304,663	-	-	2,136,000	-
April	2,182,014	-	-	2,219,810	-
May	2,049,526	-	-	1,981,570	-
June	1,862,115	-	-	1,971,320	-
Totals	\$ 21,381,693	\$ 9,341,235	10%	\$ 21,245,800	12%

Bed Tax Revenues

Month	FY 2019 Actuals	FY 2020 Collections	Actual Variance	FY 2020 Budget	Budget Variance
July	\$ 303,167	\$ 380,276	25%	\$ 309,810	23%
August	294,795	340,704	16%	312,080	9%
September	392,461	457,901	17%	349,640	31%
October	467,620	515,088	10%	445,380	16%
November	365,072	446,282	22%	393,260	13%
December	381,736	-	-	319,520	-
January	306,838	-	-	265,820	-
February	290,354	-	-	340,060	-
March	569,565	-	-	550,840	-
April	563,908	-	-	585,610	-
May	472,623	-	-	471,170	-
June	380,099	-	-	426,110	-
Totals	\$ 4,788,239	\$ 2,140,251	17%	\$ 4,769,300	18%



Historical Changes - City Sales Tax

- Early FY 2020:** Effective October 1, 2019, all retail marketplaces are required to collect and remit taxes. This is the result of Wayfair v. South Dakota; however, many of the marketplaces were already collecting and remitting taxes.
- Mid FY 2019:** Effective January 1, 2019, all online marketplaces (not just AirBnB) are required to remit short-term residential rental taxes on behalf of property owners. This impacts the Hotel/Motel category.
- Late FY 2018:** The tax rate increased from 3.0% to 3.5% effective March 1, 2018.
- Mid FY 2017:** Effective January 1, 2017, the City is no longer allowed to prohibit short-term residential rentals. This impacts the Hotel/Motel category.
- Mid FY 2016:** The state took over collections effective January 1, 2016. For several months, tax collections were higher as a result of more timely payments by taxpayers presumably because they did not have to file a separate form with the City.

Historical Changes - Bed Tax

- Mid FY 2019:** Effective January 1, 2019, all online marketplaces (not just AirBnB) are required to remit short-term residential rental taxes on behalf of property owners.
- Mid FY 2017:** Effective January 1, 2017, the City is no longer allowed to prohibit short-term residential rentals.
- Mid FY 2016:** The state took over collections effective January 1, 2016. For several months, tax collections were higher as a result of more timely payments by taxpayers presumably because they did not have to file a separate form with the City.

General Fund Summary							
	FY 2020 Budget	FY 2020 YTD Actuals	Encumbrances	FY 2020 YTD Including Encumbrances	% of Budget	FY 2019 YTD Actuals	Actual Variance
Revenues							
<u>Taxes:</u>							
City Sales Taxes	\$ 18,217,100	\$ 8,033,124		\$ 8,033,124	44%	\$ 7,308,152	10%
Bed Taxes	4,769,300	2,140,251		2,140,251	45%	1,823,115	17%
Franchise Fees	825,100	233,315		233,315	28%	225,953	3%
<u>State Shared Revenues:</u>							
State Shared Sales Taxes	1,040,600	431,368		431,368	41%	411,613	5%
Urban Revenue Sharing	1,256,100	556,861		556,861	44%	521,532	7%
Vehicle License Taxes	700,800	287,505		287,505	41%	286,349	<-1%
<u>Other Intergovernmental:</u>							
Grants	20,000	1,971		1,971	10%	873	126%
Other	2,000	123		123	6%	-	∞
In Lieu Fees	496,500	-		-	0%	-	N/A
Licenses & Permits	401,050	149,360		149,360	37%	163,452	-9%
Charges for Services	625,300	318,486		318,486	51%	337,492	-6%
Fines & Forfeitures	206,760	78,329		78,329	38%	87,067	-10%
<u>Other Revenues:</u>							
Interest Earnings	127,310	62,420		62,420	49%	37,147	68%
Donations & Contributions	-	-		-	N/A	-	N/A
Rental Income	45,000	20,973		20,973	47%	22,366	-6%
Miscellaneous	109,200	49,390		49,390	45%	33,418	48%
Total Revenues	\$ 28,842,120	\$ 12,363,475		\$ 12,363,475	43%	\$ 11,258,527	10%
Expenditures							
<u>General Government:</u>							
City Council	\$ 75,970	\$ 27,078	\$ -	\$ 27,078	36%	\$ 24,803	9%
City Manager's Office	753,280	281,033	-	281,033	37%	266,896	5%
Human Resources	302,850	108,900	27,480	136,380	45%	91,424	19%
Financial Services	1,179,560	448,188	133,938	582,126	49%	385,054	16%
City Attorney's Office	705,530	254,111	-	254,111	36%	232,401	9%
City Clerk's Office	267,860	106,298	-	106,298	40%	109,989	-3%
General Services	528,155	283,619	-	283,619	54%	319,106	-11%
Community Development	796,585	297,825	-	297,825	37%	298,015	<-1%
Public Works	643,495	282,647	71,960	354,608	55%	184,032	54%
Municipal Court	393,350	167,055	-	167,055	42%	150,743	11%
<u>Public Safety:</u>							
General Services	71,293	37,710	33,397	71,106	100%	36,706	3%
Community Development	666,745	238,550	67,238	305,788	46%	225,066	6%
Police	5,521,792	1,780,563	29,150	1,809,712	33%	1,716,774	4%
<u>Public Works & Streets:</u>							
Public Works	2,410,895	784,678	70,345	855,023	35%	685,295	15%
<u>Culture & Recreation:</u>							
City Manager's Office	95,430	32,956	-	32,956	35%	29,665	11%
Parks & Recreation	759,240	309,553	-	309,553	41%	280,212	10%
General Services	484,974	242,487	242,487	484,974	100%	235,196	3%
Community Development	37,880	13,415	-	13,415	35%	14,027	-4%
Public Works	738,595	292,154	16,896	309,050	42%	243,175	20%
<u>Economic Development:</u>							
City Manager's Office	2,492,500	1,246,250	1,246,250	2,492,500	100%	1,088,200	15%
Economic Development:	244,330	87,341	-	87,341	36%	66,947	30%
<u>Health & Welfare:</u>							
City Manager's Office	258,330	98,095	-	98,095	38%	-	∞
City Clerk's Office	-	-	-	-	N/A	4,632	-100%
General Services	382,870	191,435	191,435	382,870	100%	137,183	40%
<u>Public Transportation:</u>							
General Services	413,714	61,464	18,602	80,066	19%	18,408	234%
Debt Service	1,036,750	429,779	-	429,779	41%	588,779	-27%
Indirect Cost Allocations	653,880	255,480	-	255,480	39%	271,608	-6%
Contingencies	300,000	-	-	-	0%	-	N/A
Net Addition to Equipment Replacement Reserve	(386,950)	-	-	-	0%	-	N/A
Total Expenditures	\$ 21,828,903	\$ 8,358,665	\$ 2,149,177	\$ 10,507,842	48%	\$ 7,704,335	8%
Other Financing Sources (Uses)							
Transfers to Capital Improvements Fund	\$ (2,416,627)	\$ (892,053)		\$ (892,053)	37%	\$ (738,592)	<-1%
Transfers to Wastewater Fund	(3,447,000)	(2,032,094)		(2,032,094)	59%	(1,827,038)	<-1%
Transfers to Affordable Housing Fund	(1,100,000)	(458,333)		(458,333)	42%	(41,667)	<-1%
Transfers to Development Impact Fees Funds	(31,786)	-		-	0%	-	N/A
Transfers to Streets Fund	(190,760)	(79,483)		(79,483)	42%	(105,500)	25%
Total Other Financing Sources (Uses)	\$ (7,186,173)	\$ (3,461,964)		\$ (3,461,964)	48%	\$ (2,712,796)	<-1%
Fund Balances							
Beginning Fund Balance, July 1	\$ 11,093,317	\$ 12,129,553		\$ 12,129,553	109%	\$ 9,235,819	31%
<u>Ending Fund Balance, November 30:</u>							
Operating Reserve	\$ 6,173,831	\$ 6,173,831		\$ 6,173,831	100%	\$ 6,099,611	1%
Debt Service Reserve	-	-		-	N/A	300,000	-100%
Equipment Replacement Reserve	952,725	658,622		658,622	69%	658,622	<1%
Budget Carryovers Reserve	-	-		-	N/A	408,510	-100%
Committed for Tourism Management	-	11,275		11,275	∞	11,275	<1%
Committed for Affordable Housing	-	304,754		304,754	∞	-	∞
Assigned for Uptown Improvements	428,654	897,010		897,010	209%	667,285	34%
Prior Year Surplus to be Appropriated	1,787,859	3,345,639		3,345,639	187%	-	∞
Unrestricted Fund Balance	1,577,292	1,281,268		1,281,268	81%	1,931,912	-34%
Total Ending Fund Balance, November 30	\$ 10,920,361	\$ 12,672,399		\$ 10,523,223	96%	\$ 10,077,215	26%

Wastewater Enterprise Fund Summary

	FY 2020 Budget	FY 2020 YTD Actuals	Encum- brances	FY 2020 YTD Including Encumbrances	% of Budget	FY 2019 YTD Actuals	Actual Variance
Revenues							
Charges for Services	\$ 6,166,183	\$ 2,569,456		\$ 2,569,456	42%	\$ 2,574,044	<-1%
Capacity Fees	1,227,000	235,917		235,917	19%	194,487	21%
Fines & Forfeitures	65,900	6,563		6,563	10%	22,640	-71%
<u>Other Revenues:</u>							
Interest Earnings	321,330	145,218		145,218	45%	111,216	31%
Miscellaneous	32,800	2,371		2,371	7%	5,697	-58%
Total Revenues	\$ 7,813,213	\$ 2,959,524		\$ 2,959,524	38%	\$ 2,908,083	2%
Expenditures							
<u>Wastewater Administration:</u>							
Salaries & Benefits	\$ 171,540	\$ 72,603	\$ -	\$ 72,603	42%	\$ 77,615	-6%
Other Expenditures	44,151	30,174	-	30,174	68%	19,519	55%
<u>Wastewater Operations:</u>							
Salaries & Benefits	1,036,940	366,031	-	366,031	35%	332,103	10%
Utilities	511,000	189,311	-	189,311	37%	217,067	-13%
Maintenance	780,316	101,971	36,944	138,916	18%	176,401	-42%
Other Expenditures	1,599,353	168,596	433,893	602,489	38%	72,498	133%
<u>Wastewater Capital Projects:</u>							
Salaries & Benefits	123,130	50,295	-	50,295	41%	39,717	27%
Other Expenditures	2,130	232	-	232	11%	-	∞
Capital Improvement Projects	4,074,000	271,770	3,776,717	4,048,487	99%	85,823	217%
<u>Indirect Cost/Departmental Allocations:</u>							
City Manager's Office	57,030	22,360	-	22,360	39%	21,337	5%
Human Resources	45,710	16,640	-	16,640	36%	14,437	15%
Financial Services	578,100	234,500	35,406	269,906	47%	202,762	16%
Information Technology	218,685	73,812	33,000	106,812	49%	59,572	24%
City Attorney's Office	165,590	22,870	-	22,870	14%	28,786	-21%
City Clerk's Office	5,920	2,220	-	2,220	38%	1,332	67%
General Services	68,530	19,010	-	19,010	28%	7,160	165%
Public Works	258,680	93,464	-	93,464	36%	103,978	-10%
Debt Service	4,693,025	1,953,240	-	1,953,240	42%	1,848,907	6%
Contingencies	100,000	-	-	-	0%	-	N/A
Net Addition to Equipment Replacement Reserve	(524,000)	-	-	-	0%	-	N/A
Net Addition to Major Maintenance Reserve	(109,350)	-	-	-	0%	-	N/A
Total Expenditures	\$ 13,900,480	\$ 3,689,098	\$ 4,315,961	\$ 8,005,059	58%	\$ 3,309,015	11%
Other Financing Sources (Uses)							
Transfers from General Fund	\$ 3,447,000	\$ 2,032,094		\$ 2,032,094	59%	\$ 1,827,038	11%
Total Other Financing Sources (Uses)	\$ 3,447,000	\$ 2,032,094		\$ 2,032,094	59%	\$ 1,827,038	11%
Fund Balances							
Beginning Fund Balance, July 1	\$ 17,599,586	\$ 18,293,936		\$ 18,293,936	104%	\$ 15,977,963	14%
<u>Ending Fund Balance, November 30:</u>							
Operating Reserve	\$ 1,955,335	\$ 1,955,335		\$ 1,955,335	100%	\$ 1,700,939	15%
Equipment Replacement Reserve	975,641	581,959		581,959	60%	581,959	<1%
Major Maintenance Reserve	180,500	16,286		16,286	9%	16,286	<1%
Capital Improvements Reserve	1,748,232	3,728,230		3,728,230	213%	4,000,000	-7%
Budget Carryovers Reserve	-	-		-	N/A	340,100	-100%
Unrestricted Fund Balance	10,099,611	13,314,647		8,998,686	89%	10,764,785	24%
Total Ending Fund Balance, November 30	\$ 14,959,319	\$ 19,596,457		\$ 15,280,496	102%	\$ 17,404,069	13%

All Funds Summary

	Beginning Fund Balance, July 1, 2019	Revenues	Budgeted Expenditures	Actual Expenditures	Encumbrances	Expenditures Including Encumbrances	% of Budget	Net Interfund Transfers	Ending Fund Balance, November 30, 2019
General Fund	\$ 12,129,553	\$ 12,363,475	\$ 21,828,903	\$ 8,358,665	\$ 2,149,177	\$ 10,507,842	48%	\$ (3,461,964)	\$ 12,672,399
Special Revenue Funds									
Streets Fund	\$ 802,453	\$ 629,039	\$ 1,206,020	\$ 21,380	\$ -	\$ 21,380	2%	\$ 79,483	\$ 1,489,595
Affordable Housing Fund	\$ 991,919	\$ 9,655	\$ 2,000,000	\$ 19,297	\$ 281,645	\$ 300,942	15%	\$ 458,333	\$ 1,440,610
Grants, Donations & Other Funds	\$ 367,141	\$ 36,502	\$ 1,045,245	\$ 16,652	\$ 25,000	\$ 41,652	4%	\$ -	\$ 386,990
Transportation Sales Tax Fund	\$ 4,044,079	\$ 1,344,510	\$ 93,870	\$ 24,407	\$ -	\$ 24,407	26%	\$ -	\$ 5,364,181
Capital Projects Funds									
Development Impact Fees Funds	\$ 3,036,853	\$ 127,621	\$ 2,286,767	\$ 67,502	\$ 1,695,938	\$ 1,763,441	77%	\$ -	\$ 3,096,972
Capital Improvements Fund	\$ 13,612,588	\$ 143,217	\$ 7,349,840	\$ 1,549,299	\$ 2,728,966	\$ 4,278,265	58%	\$ 877,853	\$ 13,084,359
Art in Public Places Fund	\$ 127,743	\$ 1,020	\$ 130,000	\$ -	\$ -	\$ -	0%	\$ 14,200	\$ 142,963
Wastewater Enterprise Fund	\$ 18,293,936	\$ 2,959,524	\$ 13,900,480	\$ 3,689,098	\$ 4,315,961	\$ 8,005,059	58%	\$ 2,032,094	\$ 19,596,457
Information Technology Internal Service Fund	\$ 452,312	\$ 654,954	\$ 1,555,605	\$ 546,453	\$ 63,055	\$ 609,508	39%	\$ -	\$ 560,813
Total All City Funds	\$ 53,858,576	\$ 18,269,518	\$ 51,396,730	\$ 14,292,754	\$ 11,259,742	\$ 25,552,496	50%	\$ -	\$ 57,835,340
Community Facilities Districts									
Sedona Summit II	\$ 350,801	\$ 2,846	\$ 20,000	\$ -	\$ -	\$ -	0%	\$ -	\$ 353,647
Fairfield	\$ 155,322	\$ 31,558	\$ 260,000	\$ 160,000	\$ -	\$ 160,000	62%	\$ -	\$ 26,880

Paid Parking Program Summary

	FY 2020 Budget	FY 2020 YTD Actuals	% of Budget	FY 2019 YTD Actuals	Actual Variance	Total FY 2019 Actuals
Revenues						
Paid Parking Fees	\$ 265,000	\$ 219,606	83%	\$ 245,733	-11%	\$ 586,354
Total Revenues	\$ 265,000	\$ 219,606	83%	\$ 245,733	-11%	\$ 586,354
Program Support Costs						
Financial Services	\$ 41,909	\$ 17,348	41%	\$ 18,917	-8%	\$ 48,054
Police	36,615	15,525	42%	8,072	92%	41,504
Total Program Support Costs	\$ 78,524	\$ 32,873	42%	\$ 26,988	22%	\$ 89,558
Net Revenues	\$ 186,476	\$ 186,733	100%	\$ 218,745	-15%	\$ 496,795
Uptown Enhancement Costs						
Christmas Decorations	\$ 80,000	\$ 81,770	102%	\$ 27,070	202%	\$ 40,000
Additional Traffic Control Assistant Hours	-	-	N/A	3,539	-100%	8,321
Uptown Lighting Improvements	4,000	-	0%	-	N/A	62,414
Uptown Walkway Improvements	32,000	-	0%	-	N/A	9,300
Parking Study	60,000	34,080	57%	1,550	2099%	31,332
Other Uptown Enhancement Projects	179,699	-	0%	-	N/A	-
Total Uptown Enhancement Costs	\$ 355,699	\$ 115,850	33%	\$ 32,159	260%	\$ 151,367
Fund Balances						
Beginning Balance, July 1	\$ 428,654	\$ 826,127	193%	\$ 480,699	72%	\$ 480,699
Total Ending Fund Balance, November 30	\$ 259,431	\$ 897,010	346%	\$ 667,285	34%	\$ 826,127

Debt Outstanding

Bond Issue/Lease	Maturity Dates	Interest Rates	General Fund			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
City Excise Tax Revenue Bonds											
Series 2012	7/1/2025-2026	4.5%	\$ -	\$ -	\$ -	\$ 8,395,000	\$ 2,459,700	\$ 10,854,700	\$ 8,395,000	\$ 2,459,700	\$ 10,854,700
Second Series 2015	7/1/2020-2027	1.94%	\$ 7,550,000	\$ 673,180	\$ 8,223,180	\$ -	\$ -	\$ -	\$ 7,550,000	\$ 673,180	\$ 8,223,180
Sedona Wastewater Municipal Property Corporation Excise Tax Revenue Bonds											
Series 1998 ⁽¹⁾	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
Capital Leases											
Ford Motor Credit	1/31/2020	4.75%	\$ 111,999	\$ 5,320	\$ 117,319	\$ -	\$ -	\$ -	\$ 111,999	\$ 5,320	\$ 117,319
Ford Motor Credit	10/14/2020	5.20%	\$ 68,740	\$ 3,575	\$ 72,314	\$ -	\$ -	\$ -	\$ 68,740	\$ 3,575	\$ 72,314
MidState Energy	12/20/2019-2030	3.60%	\$ 373,498	\$ 94,761	\$ 468,259	\$ -	\$ -	\$ -	\$ 373,498	\$ 94,761	\$ 468,259
Installment Purchase Agreements											
American Christmas ⁽²⁾	11/15/2020-2021	0.00%	\$ 83,685	\$ -	\$ 83,685	\$ -	\$ -	\$ -	\$ 83,685	\$ -	\$ 83,685
Grand Totals			\$ 8,187,921	\$ 776,836	\$ 8,964,757	\$ 14,700,000	\$ 17,704,700	\$ 32,404,700	\$ 22,887,921	\$ 18,481,536	\$ 41,369,457

⁽¹⁾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.

⁽²⁾The installment purchase agreement with American Christmas is a 3-year agreement with no stated interest rate.

Capital Projects Summary							
Project	Funding Source	Total Project to Date			FY 2020 to Date		
		Budget	Actuals	% of Budget	Budget	Actuals	% of Budget
Arts & Culture							
Art in the Roundabouts (AC-02)	1% for the Arts	\$ 410,000	\$ -	0%	\$ 130,000	\$ -	0%
Information Technology							
Citywide Business Software (IT-01)	Capital Reserves	\$ 1,000,000	\$ -	0%	\$ 100,000	\$ -	0%
Municipal Court							
Sinagua Courtroom Remodel (MC-01)	Court Restricted Revenues	\$ 247,930	\$ 15,716	6%	\$ 232,830	\$ -	0%
	Capital Reserves	\$ 40,870	\$ 13,070	32%	\$ 27,800	\$ -	0%
	Project Total	\$ 288,800	\$ 28,786	10%	\$ 260,630	\$ -	0%
Parks & Recreation							
Evaluation of Posse Grounds Park (PR-02)	Capital Reserves	\$ 598,124	\$ -	0%	\$ 60,000	\$ -	0%
Improvements at Ranger Station (PR-03)	CFD - Sedona Summit II	\$ 155,214	\$ 85,214	55%	\$ 20,000	\$ -	0%
	CFD - Fairfield	\$ 361,527	\$ 171,527	47%	\$ 100,000	\$ -	0%
	Development Impact Fees	\$ 1,008,971	\$ -	0%	\$ 104,018	\$ -	0%
	Capital Reserves	\$ 1,156,029	\$ -	0%	\$ 25,982	\$ -	0%
	Project Total	\$ 2,681,741	\$ 256,740	10%	\$ 250,000	\$ -	0%
Sunset Park Improvements (PR-04)	Capital Reserves	\$ 25,000	\$ 35,599	142%	\$ 28,800	\$ 28,718	100%
	Grant	\$ 20,600	\$ 1,198	6%	\$ -	\$ -	N/A
	CFD - Fairfield	\$ 160,000	\$ 160,000	100%	\$ 160,000	\$ 160,000	100%
	Project Total	\$ 205,600	\$ 196,797	96%	\$ 188,800	\$ 188,718	100%
Shade Structures & Playground Equipment (PR-05) (estimated to resume in FY2021)	Development Impact Fees	\$ 24,490	\$ 24,490	100%	\$ -	\$ -	N/A
	CFD - Sedona Summit II	\$ 50,000	\$ -	0%	\$ -	\$ -	N/A
	CFD - Fairfield	\$ 165,000	\$ -	0%	\$ -	\$ -	N/A
	Capital Reserves	\$ 225,000	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 464,490	\$ 24,490	5%	\$ -	\$ -	N/A
Bike Skills Park (PR-07)	Development Impact Fees	\$ 180,341	\$ 103,785	58%	\$ 26,628	\$ -	0%
	Outside Participation	\$ 37,096	\$ 37,096	100%	\$ -	\$ -	N/A
	Donations	\$ 3,000	\$ 3,000	100%	\$ -	\$ -	N/A
	Capital Reserves	\$ 242,861	\$ 135,901	56%	\$ 37,372	\$ -	0%
	Project Total	\$ 463,298	\$ 279,782	60%	\$ 64,000	\$ -	0%
Police							
Radio infrastructure (PD-02)	Capital Reserves	\$ 1,020,211	\$ 248,033	24%	\$ 100,000	\$ 4,093	4%
Police Station Remodel (PD-03)	Capital Reserves	\$ 2,226,816	\$ 3,999	0%	\$ 201,887	\$ -	0%
	Development Impact Fees	\$ 263,184	\$ -	0%	\$ 25,113	\$ -	0%
	Project Total	\$ 3,510,211	\$ 252,032	7%	\$ 327,000	\$ 4,093	1%
Shooting Range Improvements (PD-04)	RICO Monies	\$ 66,388	\$ 41,388	62%	\$ 25,000	\$ -	0%
	Development Impact Fees	\$ 231,421	\$ 151,497	65%	\$ 199,031	\$ 56,497	28%
	Capital Reserves	\$ 407,385	\$ 439,031	108%	\$ 26,223	\$ 10,122	39%
	Project Total	\$ 705,194	\$ 631,916	90%	\$ 250,254	\$ 66,619	27%
Public Works							
Uptown Enhancements Unspecified Projects (PW-01)	Paid Parking Revenues	\$ 5,283,985	\$ -	0%	\$ 215,699	\$ -	0%
	1% for the Arts	\$ 50,000	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 5,333,985	\$ -	0%	\$ 215,699	\$ -	0%
Sedona in Motion							
Unspecified Projects (SIM-00)	Capital Reserves	\$ 600,000	\$ -	0%	\$ 454,724	\$ -	0%
Uptown Roadway Improvements (SIM-01)	Capital Reserves	\$ 3,666,825	\$ 2,069,270	56%	\$ 2,991,421	\$ 1,263,305	42%
	Development Impact Fees	\$ 1,155,179	\$ -	0%	\$ 1,155,179	\$ -	0%
	Project Total	\$ 4,822,004	\$ 2,069,270	43%	\$ 4,146,600	\$ 1,263,305	30%
Uptown Parking Improvements (SIM-03a)	Capital Reserves	\$ 163,463	\$ 13,463	8%	\$ 150,000	\$ -	0%
	Paid Parking Revenues	\$ 100,000	\$ 65,412	65%	\$ 60,000	\$ 34,080	57%
	Project Total	\$ 263,463	\$ 78,874	30%	\$ 210,000	\$ 34,080	16%
Wayfinding Signage (SIM-03b)	Capital Reserves	\$ 450,000	\$ 47,078	10%	\$ 200,000	\$ 6,963	3%
Pedestrian Crossing at Tlaquepaque (SIM-04c)	Capital Reserves	\$ 303,571	\$ 59,839	20%	\$ 297,099	\$ -	0%
	Transportation Sales Tax	\$ 1,947,479	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 2,251,050	\$ 59,839	3%	\$ 297,099	\$ -	0%
SR 89A & SR 179 Right Turn Y Roundabout Bypass (SIM-04d)	Capital Reserves	\$ 132,614	\$ -	0%	\$ 132,614	\$ -	0%
	Bed Tax Allocation	\$ 270,419	\$ 259,081	96%	\$ 17,711	\$ -	0%
	Transportation Sales Tax	\$ 793,274	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 1,196,307	\$ 259,081	22%	\$ 150,325	\$ -	0%
Portal Lane to Ranger Road Connection (SIM-05a)	Capital Reserves	\$ 439,608	\$ 22,075	5%	\$ 40,000	\$ 2,840	7%
	Development Impact Fees	\$ 313,167	\$ -	0%	\$ 134,214	\$ -	0%
	Project Total	\$ 752,775	\$ 22,075	3%	\$ 174,214	\$ 2,840	2%
Forest Road Connection (SIM-05b)	Capital Reserves	\$ 1,744,486	\$ 47,034	3%	\$ 86,864	\$ -	0%
	Development Impact Fees	\$ 1,385,450	\$ 277	0%	\$ 537,484	\$ 277	<1%
	Project Total	\$ 3,129,936	\$ 47,311	2%	\$ 624,348	\$ 277	<1%
Enhanced Transit Service (SIM-08)	Capital Reserves	\$ 1,150,000	\$ 36,494	3%	\$ 1,120,000	\$ 18,980	2%
	Grant	\$ 160,000	\$ 160,000	100%	\$ -	\$ 11,383	-
	Outside Participation	\$ 10,000	\$ 20,000	200%	\$ -	\$ -	N/A
	Transportation Sales Tax	\$ 4,480,000	\$ -	0%	\$ -	\$ -	N/A
	Unidentified	\$ 45,500,000	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 51,300,000	\$ 216,494	0%	\$ 1,120,000	\$ 30,363	3%
Posse Grounds Parking Improvements & Soldiers Pass Shared Use Path (SIM-11b)	Capital Reserves	\$ 668,000	\$ -	0%	\$ 73,000	\$ -	0%
Schnebley Hill Shared Use Path (SIM-11d)	Capital Reserves	\$ 216,488	\$ 3,758	2%	\$ 12,000	\$ -	0%
Navoti Drive to Dry Creek Road Shared Use Path (SIM-11e)	Capital Reserves	\$ 155,000	\$ 14,279	9%	\$ 40,545	\$ 14,279	35%
Chapel Road Shared Use Path (SIM-11h)	Capital Reserves	\$ 620,000	\$ 12,108	2%	\$ 70,835	\$ 12,108	17%
Thunder Mountain/Sanborn Shared Use Path & Drainage Improvements (SIM-11g)	Yavapai County Flood Control	\$ 150,000	\$ 71,094	47%	\$ 150,000	\$ 71,094	47%
	Development Impact Fees	\$ 73,000	\$ -	0%	\$ 73,000	\$ -	0%
	Transportation Sales Tax	\$ 820,000	\$ -	0%	\$ -	\$ -	N/A
	Capital Reserves	\$ 1,257,000	\$ -	0%	\$ 63,935	\$ -	0%
	Project Total	\$ 2,300,000	\$ 71,094	3%	\$ 286,935	\$ 71,094	25%
Dry Creek Road Shared Use Path (SIM-11i) (estimated to resume in FY2021)	Capital Reserves	\$ 39,979	\$ 27,260	68%	\$ 39,661	\$ 26,942	68%
	Transportation Sales Tax	\$ 1,460,021	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 1,500,000	\$ 27,260	2%	\$ 39,661	\$ 26,942	68%
STPS Wayfinding Program (SIM-11k)	Capital Reserves	\$ 27,900	\$ -	0%	\$ 27,900	\$ -	0%
Shared Use Path Expert Review (SIM-11l)	Capital Reserves	\$ 14,972	\$ 4,735	32%	\$ 14,972	\$ 4,735	32%
Travel Information System (SIM-12a)	Capital Reserves	\$ 524,312	\$ 99,301	19%	\$ 4,801	\$ 4,801	100%
	Development Impact Fees	\$ 54,000	\$ -	0%	\$ -	\$ -	N/A
	Transportation Sales Tax	\$ 391,188	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 969,500	\$ 99,301	10%	\$ 4,801	\$ 4,801	100%
Traffic Video Cameras (SIM-12b)	Capital Reserves	\$ 77,000	\$ 19,458	25%	\$ 30,000	\$ 548	2%

Capital Projects Summary							
Project	Funding Source	Total Project to Date			FY 2020 to Date		
		Budget	Actuals	% of Budget	Budget	Actuals	% of Budget
Storm Drainage							
Coffee Pot Drainage Basin - Little Elf Drive Area (SD-02)	Capital Reserves	\$ 1,537,000	\$ 1,507,031	98%	\$ 15,000	\$ 4,611	31%
	Yavapai County Flood Control	\$ 350,000	\$ 350,000	100%	\$ -	\$ -	N/A
	Development Impact Fees	\$ 23,000	\$ 24,920	108%	\$ -	\$ -	N/A
	Project Total	\$ 1,910,000	\$ 1,881,950	99%	\$ 15,000	\$ 4,611	31%
Juniper Hills Area Improvements (SD-07)	Coconino County Flood Control	\$ 591,185	\$ 595,302	101%	\$ -	\$ -	N/A
	Capital Reserves	\$ 291,262	\$ 232,984	80%	\$ 5,000	\$ 1,184	24%
	Project Total	\$ 882,447	\$ 828,285	94%	\$ 5,000	\$ 1,184	24%
Storm Drainage Easement Acquisition (SD-09)	Development Impact Fees	\$ 65,261	\$ 45,260	69%	\$ 20,000	\$ -	0%
	Capital Reserves	\$ 105,000	\$ -	0%	\$ 5,000	\$ -	0%
	Project Total	\$ 170,261	\$ 45,260	27%	\$ 25,000	\$ -	0%
Stormwater Master Plan Update & Project Implementations (SD-10)	Coconino County Flood Control	\$ 100,000	\$ -	0%	\$ -	\$ -	N/A
	Yavapai County Flood Control	\$ 450,000	\$ -	0%	\$ 100,000	\$ -	0%
	Capital Reserves	\$ 200,000	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 750,000	\$ -	0%	\$ 100,000	\$ -	0%
Sunset Drive Crossing Drainage Improvements (SD-11)	Yavapai County Flood Control	\$ 450,000	\$ 13,543	3%	\$ 100,000	\$ 13,543	14%
	Transportation Sales Tax	\$ 120,000	\$ -	0%	\$ -	\$ -	N/A
	Capital Reserves	\$ 575,000	\$ -	0%	\$ 35,000	\$ -	0%
	Project Total	\$ 1,145,000	\$ 13,543	1%	\$ 135,000	\$ 13,543	10%
Streets & Transportation							
Sanborn Drive/Thunder Mountain Road Overlay (ST-02) <i>(estimated to resume in FY2021)</i>	Capital Reserves	\$ 594,772	\$ 171,369	29%	\$ -	\$ -	N/A
	Grant	\$ 353,454	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 948,226	\$ 171,369	18%	\$ -	\$ -	N/A
Shelby Drive/Sunset Drive Improvements (ST-04)	Grant	\$ 500,000	\$ -	0%	\$ -	\$ -	N/A
	Capital Reserves	\$ 750,000	\$ 14,970	2%	\$ 187,995	\$ 14,970	8%
	Project Total	\$ 1,250,000	\$ 14,970	1%	\$ 187,995	\$ 14,970	8%
Wastewater							
Lift Station Replacements (WW-01A)	Wastewater Fees	\$ 2,834,806	\$ 682,094	24%	\$ 1,667,365	\$ 45,661	3%
SR179 Sewer Main Replacement (WW-01B)	Wastewater Fees	\$ 690,000	\$ 19,036	3%	\$ 180,880	\$ 19,036	11%
Brewer Road Force Main Valve Replacements (WW-01C) <i>(expected to move forward in F</i>	Wastewater Fees	\$ 190,000	\$ -	0%	\$ -	\$ -	N/A
WWRP Tertiary Filter Upgrades (WW-02)	Wastewater Fees	\$ 2,005,983	\$ 881,789	44%	\$ 1,140,512	\$ 76,904	7%
Remodel or Expand WWRP Administrative Building (WW-03)	Wastewater Fees	\$ 371,198	\$ 387,726	104%	\$ 130,346	\$ 130,169	100%
SCADA System & Configuration Upgrade (WW-03) <i>(expected to move forward in FY2020)</i>	Wastewater Fees	\$ 310,000	\$ -	0%	\$ -	\$ -	N/A
WWRP Odor Control (WW-05) <i>(estimated to resume in FY2023)</i>	Wastewater Fees	\$ 24,660	\$ 24,660	100%	\$ -	\$ -	N/A
WWRP Recharge Wells (WW-06) <i>(estimated to resume in FY2023)</i>	Wastewater Fees	\$ 11,153,258	\$ 5,477,698	49%	\$ -	\$ -	N/A
WWRP Grit Classifier Replacement (WW-12) <i>(expected to move forward in FY2020)</i>	Wastewater Fees	\$ 150,000	\$ -	0%	\$ 124,415	\$ -	0%
Estimated Carryover - Unspecified Projects (WW-99)	Wastewater Fees	\$ -	\$ -	N/A	\$ 830,481	\$ -	0%
Grand Totals		\$ 111,946,677	\$ 15,150,941	14%	\$ 14,366,337	\$ 2,037,843	14%

Investment Holdings Summary

CUSIP	Issuer	Settlement Date	Maturity Date	Initial Duration	Remaining Duration as of November 30, 2019 (In Years)	Remaining Coupon Rates	Yield	Benchmark at Time of Purchase	Par Value	Book Value	Fair Market Value as of November 30, 2019	Realized Gain/Loss	Unrealized Gain/Loss*	Accrued Interest Not Yet Recorded	% of Investment Pool	
U.S. Government Agency Securities																
3134GBG97	Federal Home Loan Mortgage Corporation	9/28/2017	9/28/2020	3.0	0.8	1.750%-2.500%	1.750%	1.010%	\$ 2,000,000	\$ 2,000,000	\$ 2,000,764	\$ -	\$ 764	\$ 6,041	3.73%	
3133EGRN7	Federal Farm Credit Bank	9/8/2017	2/17/2021	3.4	1.2	1.470%	1.570%	1.010%	\$ 1,000,000	\$ 996,659	\$ 997,616	\$ -	\$ 957	\$ 4,229	1.86%	
3130AC6V1	Federal Home Loan Bank	9/14/2017	3/15/2021	3.5	1.3	1.850%	1.850%	1.010%	\$ 2,000,000	\$ 2,000,000	\$ 1,997,632	\$ -	\$ (2,368)	\$ 7,704	3.73%	
3134GBP89	Federal Home Loan Mortgage Corporation	10/26/2017	4/26/2021	3.5	1.4	1.850%	1.850%	1.100%	\$ 2,000,000	\$ 2,000,000	\$ 2,004,990	\$ -	\$ 4,990	\$ 3,548	3.73%	
3133EHUS0	Federal Farm Credit Bank	8/16/2017	8/16/2021	4.0	1.7	1.875%	1.875%	0.930%	\$ 2,000,000	\$ 2,000,000	\$ 1,988,762	\$ -	\$ (11,238)	\$ 10,890	3.73%	
3130AC2B9	Federal Home Loan Bank	8/22/2017	8/22/2022	5.0	2.7	1.750%-3.000%	2.375%	0.930%	\$ 2,000,000	\$ 2,000,000	\$ 2,000,280	\$ -	\$ 280	\$ 9,589	3.73%	
3133EKWZ5	Federal Farm Credit Bank	7/31/2019	7/24/2023	4.0	3.6	2.200%	2.145%	2.430%	\$ 2,000,000	\$ 2,004,174	\$ 2,005,836	\$ -	\$ 1,662	\$ 15,551	3.74%	
3134GTR96	Federal Home Loan Mortgage Corporation	7/31/2019	7/30/2024	5.0	4.7	2.300%	2.240%	2.430%	\$ 2,000,000	\$ 2,005,646	\$ 2,001,598	\$ -	\$ (4,048)	\$ 14,974	3.74%	
									Subtotals	\$ 15,000,000	\$ 15,006,479	\$ 14,997,478	\$ -	\$ (9,001)	\$ 72,526	28.01%
Negotiable Certificates of Deposit																
20033AVN3	Comenity Capital Bank	8/9/2017	8/10/2020	3.0	0.7	1.950%	1.950%	0.930%	\$ 247,000	\$ 247,000	\$ 247,786	\$ -	\$ 786	\$ 264	0.46%	
38148PMJ3	Goldman Sachs Bank USA	8/9/2017	8/10/2020	3.0	0.7	1.900%	1.900%	0.930%	\$ 247,000	\$ 247,000	\$ 247,695	\$ -	\$ 695	\$ 1,440	0.46%	
02587CGG9	American Express FSB	9/12/2017	9/14/2020	3.0	0.8	1.950%	1.950%	1.010%	\$ 247,000	\$ 247,000	\$ 247,871	\$ -	\$ 871	\$ 1,016	0.46%	
319141HQ3	First Bank of Highland Park	9/14/2017	9/14/2020	3.0	0.8	1.800%	1.800%	1.010%	\$ 247,000	\$ 247,000	\$ 247,579	\$ -	\$ 579	\$ 938	0.46%	
14042RJH5	Capital One, NA	10/12/2017	10/13/2020	3.0	0.9	2.000%	2.000%	1.100%	\$ 247,000	\$ 247,000	\$ 248,062	\$ -	\$ 1,062	\$ 650	0.46%	
20786ABY0	ConnectOne Bank	12/28/2017	12/28/2020	3.0	1.1	2.200%	2.200%	1.090%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 30	0.46%	
1404204E7	Capital One Bank USA NA	8/9/2017	8/9/2021	4.0	1.7	2.100%	2.100%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,606	0.46%	
254673AF3	Discover Bank	8/9/2017	8/9/2021	4.0	1.7	2.100%	2.100%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,606	0.46%	
05580AKJ2	BMW Bank North America	9/15/2017	9/15/2021	4.0	1.8	2.100%	2.100%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,080	0.46%	
88413QBR8	Third Federal Savings & Loan	9/15/2017	9/15/2021	4.0	1.8	2.000%	2.000%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,029	0.46%	
29266N6P7	EnerBank USA	10/13/2017	10/13/2021	4.0	1.9	2.000%	2.000%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 230	0.46%	
02587DV47	American Express Centurion	8/8/2017	8/8/2022	5.0	2.7	2.350%	2.350%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,813	0.46%	
795450C37	Sallie Mae Bank	8/9/2017	8/9/2022	5.0	2.7	2.350%	2.350%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,797	0.46%	
87164XSH0	Synchrony Bank	10/6/2017	10/6/2022	5.0	2.9	2.250%	2.250%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 837	0.46%	
06740KLD7	Barclays Bank	10/18/2017	10/18/2022	5.0	2.9	2.300%	2.300%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 669	0.46%	
32056GCV0	First Internet Bank of Indiana	12/28/2017	12/28/2022	5.0	3.1	2.400%	2.400%	1.090%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 503	0.46%	
44329MA45	HSBC Bank USA	8/13/2019	8/13/2024	5.0	4.7	2.300%	2.300%	2.300%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,697	0.46%	
									Subtotals	\$ 4,199,000	\$ 4,199,000	\$ 4,202,993	\$ -	\$ 3,993	\$ 17,204	7.84%
AZ State Treasurer Local Government Investment Pool (LGIP)																
N/A	Pool 5	N/A	N/A	N/A	0.0	N/A	1.810%	N/A	\$ 22,435,191	\$ 22,435,191	\$ 22,435,191	\$ -	\$ -	\$ -	41.88%	
N/A	Pool 7	N/A	N/A	N/A	0.0	N/A	1.690%	N/A	\$ 34,786	\$ 34,786	\$ 34,786	\$ -	\$ -	\$ -	0.06%	
N/A	Pool 500	N/A	N/A	N/A	0.0	N/A	2.240%	N/A	\$ 9,144,309	\$ 9,144,309	\$ 9,144,309	\$ -	\$ -	\$ -	17.07%	
									Subtotals	\$ 31,614,286	\$ 31,614,286	\$ 31,614,286	\$ -	\$ -	\$ -	59.01%
Government Money Market Fund																
N/A	Wells Fargo Sweep Account	N/A	N/A	N/A	0.0	N/A	1.504%	N/A	\$ 2,752,144	\$ 2,752,144	\$ 2,752,144	\$ -	\$ -	\$ -	5.14%	
Averages/Grand Totals					0.8		1.940%		\$ 53,565,430	\$ 53,571,909	\$ 53,566,901	\$ -	\$ (5,008)	\$ 89,731	100.00%	

Benchmark per Policy (LGIP Pool 5) 1.810%

* 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 November 2019
Acquisitions			
N/A	LGIP Pool 5	Purchase	\$ 5,500,000
N/A	LGIP Pool 500	Purchase	\$ 1,500,000
N/A	Wells Fargo Sweep Account	Contribution	\$ 827,962
Subtotal			\$ 7,827,962
Dispositions			
3133EKYM2(1)	Federal Farm Credit Bank	Early Call	\$ 2,000,000
3133EKYM2(2)	Federal Farm Credit Bank	Early Call	\$ 2,000,000
3130ABZG4	Federal Home Loan Bank	Early Call	\$ 1,000,000
3130AC6J8	Federal Home Loan Bank	Early Call	\$ 2,000,000
Subtotal			\$ 7,000,000
Earnings			
20033AVN3	Comenity Capital Bank	Monthly Interest	\$ 409
29266N6P7	EnerBank USA	Monthly Interest	\$ 420
32056GCV0	First Internet Bank of Indiana	Monthly Interest	\$ 503
20786ABY0	ConnectOne Bank	Monthly Interest	\$ 462
3133EKYM2(1)	Federal Farm Credit Bank	Early Call - Accrued Interest	\$ 11,000
3133EKYM2(2)	Federal Farm Credit Bank	Early Call - Accrued Interest	\$ 11,000
3130ABZG4	Federal Home Loan Bank	Early Call - Accrued Interest	\$ 5,375
3130AC6J8	Federal Home Loan Bank	Early Call - Accrued Interest	\$ 10,000
N/A	LGIP Pool 5	Monthly Gain/Loss	\$ 30,280
N/A	LGIP Pool 7	Monthly Gain/Loss	\$ 49
N/A	LGIP Pool 500	Monthly Gain/Loss	\$ 6,906
N/A	Wells Fargo Sweep Account	Monthly Dividends	\$ 2,205
Subtotal			\$ 78,608
Expenses			
N/A	N/A	Custody Charges	\$ 97
N/A	N/A	Wire Fees	\$ 146
Subtotal			\$ 243
Net Transactions for November 2019			\$ 906,326