

Monthly Financial Report

April 2020



CITY OF SEDONA

June 23, 2020

Monthly Financial Report

April 2020

Executive Summary

The City's largest revenue sources are sales and bed tax revenues. Year-to-date **City sales taxes are 4% lower** than the prior year and year-to-date **bed taxes are 10% lower** than the prior year. (See pg. 49)

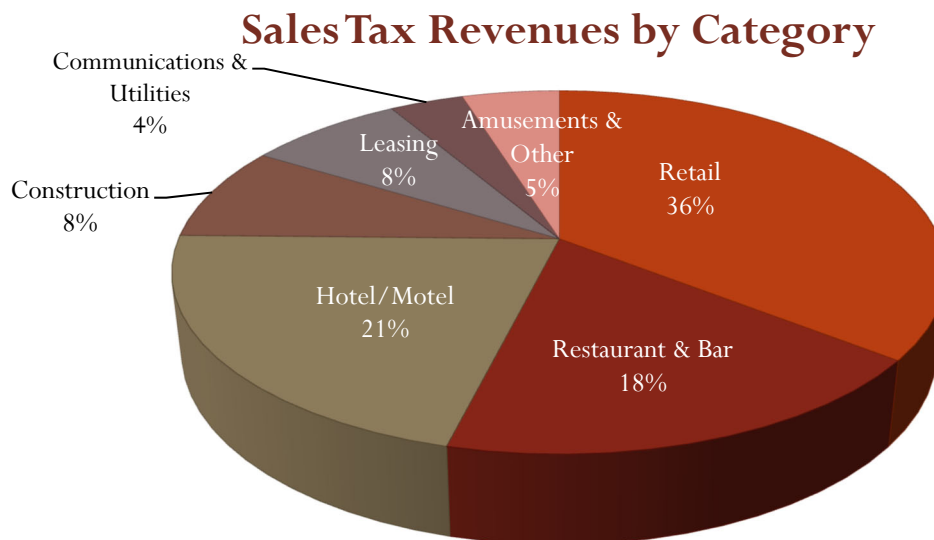
April YTD Increase (Decrease) Over Prior Year	
City Sales Taxes	\$ (772,338)
Bed Taxes	(378,409)
Total	\$ (1,150,747)

The only sales tax increase for the month was in the Construction (23%) category. (See pg. 48)

Significant decreases for the month were incurred in all other categories ranging from -3% to -97%. (See pg. 48) Decreases are primarily due COVID-19 closures for in addition to several taxpayers not submitting payments by the May 20, 2020 due date.

Bed tax revenues decreased 90% for the month. (See pg. 49) Both the hotel occupancy rate (-83.1%) and the average daily hotel rate (-62.1%) were down as a result of COVID-19.

Year-to-date **City sales taxes are 3% under the budget projections** and year-to-date **bed taxes are 8% under the budget projections**. (See pg. 48)



Due to the anticipated revenue losses as a result of the financial crisis caused by the COVID-19 closures, actions have been taken to freeze all nonessential expenditures. A financial management plan has been developed that may be implemented in a multi-tiered approach depending on how severe the City's revenue losses are. The tiers include options for expenditure reductions, use of accumulated reserves, and management of cash flows with debt financing.

Revenues

In total, **General Fund revenues are down 2%** from last year, and **Wastewater Fund revenues are up less than 1%** from last year. (See pgs. 29 & 33) **Total City revenues are down 3% from last year and at 76% of budget**, with 83% of the year completed so far. (See pg. 36)

All individual revenue categories are **showing to be generally on target or exceed targets**, except for the following:

- Bed Taxes (10% under YTD target) (See pg. 38)
 - Bed taxes have been heavily impacted by the COVID-19 closures. Revenues are anticipated to be under target for the year, and actions have been taken to freeze nonessential activities.
- In-Lieu (41% under YTD target) (See pg. 39)
 - 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.
- Vehicle License Taxes (5% under YTD target) (See pg. 42)
 - While slightly higher than the prior year, revenues are not showing the stronger growth that was projected during the budget process. This account will be monitored but is not expected to be significantly under estimates at the end of the fiscal year.
- Other Intergovernmental (67% under YTD target) (See pg. 43)
 - A contingency of \$300,000 was included in case a significant grant opportunity arises. Grant revenues match grant expenditures. When grant expenditures are lower, the grant revenues are also lower. The effect is no net impact to the City's financial position.
- Licenses & Permits (19% under YTD target) (See pg. 44)
 - Building permit revenues are not showing the growth that was projected during the budget process and may not reach budget anticipations by the end of the fiscal year. This account will be monitored to determine how significant the reductions may be.
- Fines & Forfeitures (18% under YTD target) (See pg. 45)
 - Due to a significant write-off of late fees and lower than anticipated court fines, revenues may not reach budget anticipations. This account will be monitored to determine how significant the reductions may be.
- Development Impact Fees (56% 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 (45% 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 77% of budget** for the year-to-date, and **Wastewater Fund expenditures are 70% of budget** for the year-to-date, with 83% of the year completed so far. (See pgs. 6 & 11) **Total City expenditures, excluding capital improvements and internal charges, are at 72% 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 ten 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 ten months but are on track due to annual membership fees paid in July and the timing of other one-time costs. (See pg. 27)

Expenditures for capital improvements (52%) (See pgs. 55-56) and streets rehabilitation and preservation (4%) (See pg. 7) are not incurred consistently throughout the year and, as of April 2020, 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 April 2020 is the tenth month of the current fiscal year, FY 2020, and **represents 83% 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:

Cherie R. Wright, CPA, CGFM

Director of Financial Services

City of Sedona

102 Roadrunner Drive

Sedona, AZ 86336

(928) 204-7185

cwright@sedonaaz.gov

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	Page	% YTD	Status	Comments
Portion of Fiscal Year Complete = 83.33%				
Total Expenditures by Fund				
General Fund	6	77%	Under Target for FY 2020	
<u>Special Revenue Funds:</u>				
Streets Fund	7	4%	Under Target for FY 2020	Expenditures do not occur consistently throughout the fiscal year.
Affordable Housing Fund	7	3%	Under Target for FY 2020	Expenditures do not occur consistently throughout the fiscal year.
Grants, Donations & Other Funds	8	5%	Under Target for FY 2020	Expenditures do not occur consistently throughout the fiscal year.
Transportation Sales Tax Fund	8	35%	Under Target for FY 2020	
<u>Capital Projects Funds:</u>				
Development Impact Fees Funds	9	30%	Under Target for FY 2020	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Capital Improvements Fund	9	57%	Under Target for FY 2020	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Art in Public Places Fund	10	N/A	On Target for FY 2020	No projects planned for FY 2020.
Wastewater Enterprise Fund	11	70%	Under Target for FY 2020	
Info. Tech. Internal Service Fund	12	72%	Under Target for FY 2020	
<u>Community Facilities Districts:</u>				
Sedona Summit II	13	27%	Under Target for FY 2020	Capital improvement expenditures do not occur consistently throughout the fiscal year.
Fairfield	13	62%	Under Target for FY 2020	
Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)				
Total Exp. (excl. Cap. Impr. & Internal Charges)	14	72%	Under Target for FY 2020	
City Council	15	66%	Under Target for FY 2020	
City Manager's Office	16	90%	On Target for FY 2020	While expenditures are high, they are on track due to the significant semiannual payments made in July and December/January.
Human Resources	17	67%	Under Target for FY 2020	
Financial Services	18	76%	Under Target for FY 2020	
Information Technology	19	71%	Under Target for FY 2020	
City Attorney's Office	20	61%	Under Target for FY 2020	
City Clerk's Office	21	79%	Under Target for FY 2020	
Parks & Recreation	22	64%	Under Target for FY 2020	
General Services	23	89%	On Target for FY 2020	While expenditures are high, they are on track due to the significant semiannual payments made in July and December/January.
Debt Service	24	83%	On Target for FY 2020	
Community Development	24	59%	Under Target for FY 2020	
Public Works	25	59%	Under Target for FY 2020	
Economic Development	26	69%	Under Target for FY 2020	
Police	26	68%	Under Target for FY 2020	
Municipal Court	27	76%	Under Target for FY 2020	
Wastewater Administration	27	85%	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	28	84%	On Target for FY 2020	
Wastewater Operations	28	64%	Under Target for FY 2020	
Total Revenues by Fund				
General Fund	29	80%	Under Target for FY 2020	Revenues are low due to the effects of the COVID-19 closures.
<u>Special Revenue Funds:</u>				
Streets Fund	30	103%	Exceeds Target for FY 2020	
Affordable Housing Fund	30	4%	Under Target for FY 2020	A significant one-time revenue was received in FY 2019 but budgeted in FY 2020.
Grants, Donations & Other Funds	31	13%	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	31	79%	Under Target for FY 2020	Revenues are low due to the effects of the COVID-19 closures.
<u>Capital Projects Funds:</u>				
Development Impact Fees Funds	32	42%	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	32	48%	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	33	157%	Exceeds Target for FY 2020	
Wastewater Enterprise Fund	33	76%	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	34	78%	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	35	95%	Exceeds Target for FY 2020	
Fairfield	35	76%	Under Target for FY 2020	
Total Revenues by Type				
Total Revenues	36	76%	Under Target for FY 2020	Revenues are low and will likely be under target at the end of the fiscal year.
City Sales Taxes	37	79%	On Target for FY 2020	While revenues are close to target, they are expected to budget under target at the end of the fiscal year.
Bed Taxes	38	75%	Under Target for FY 2020	Revenues are low due to the effects of the COVID-19 closures.
In-Lieu	39	49%	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	76%	On Target for FY 2020	While revenues are low, franchise fees are received quarterly and are expected to be on target by the end of the fiscal year.
State Sales Taxes	41	87%	Exceeds Target for FY 2020	
Urban Revenue Sharing	41	89%	Exceeds Target for FY 2020	
Vehicle License Taxes	42	79%	Under Target for FY 2020	Revenues are slightly low and not expected to be significantly under target at the end of the fiscal year.
Highway User	42	82%	On Target for FY 2020	
Other Intergovernmental	43	28%	Under Target for FY 2020	The FY 2019 budget includes \$300,000 of contingent grant revenues in case a significant grant opportunity arises.
Licenses & Permits	44	68%	Under Target for FY 2020	Revenues do not occur consistently throughout the fiscal year and may be under target at the end of the fiscal year.
Charges for Services	44	82%	On Target for FY 2020	
Fines & Forfeitures	45	69%	Under Target for FY 2020	Late fees on wastewater billings and court fines are lower than anticipated but and will likely be lower than target by the end of the fiscal year due to the suspension of late fees during the COVID-19 closures.
Development Impact Fees	46	37%	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	46%	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	113%	Exceeds Target for FY 2020	
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Total Expenditures by Fund

Total General Fund Expenditures Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 12,093,043	\$ 14,907,362	81%		
2017	\$ 13,473,202	\$ 16,799,273	80%	11%	13%
2018	\$ 15,843,482	\$ 19,091,334	83%	18%	14%
2019	\$ 15,698,886	\$ 19,656,990	80%	-1%	3%
2020	\$ 16,556,015	\$ 21,392,146	77%	5%	9%

YTD and Annual Increase from FY 2016 to FY 2017:

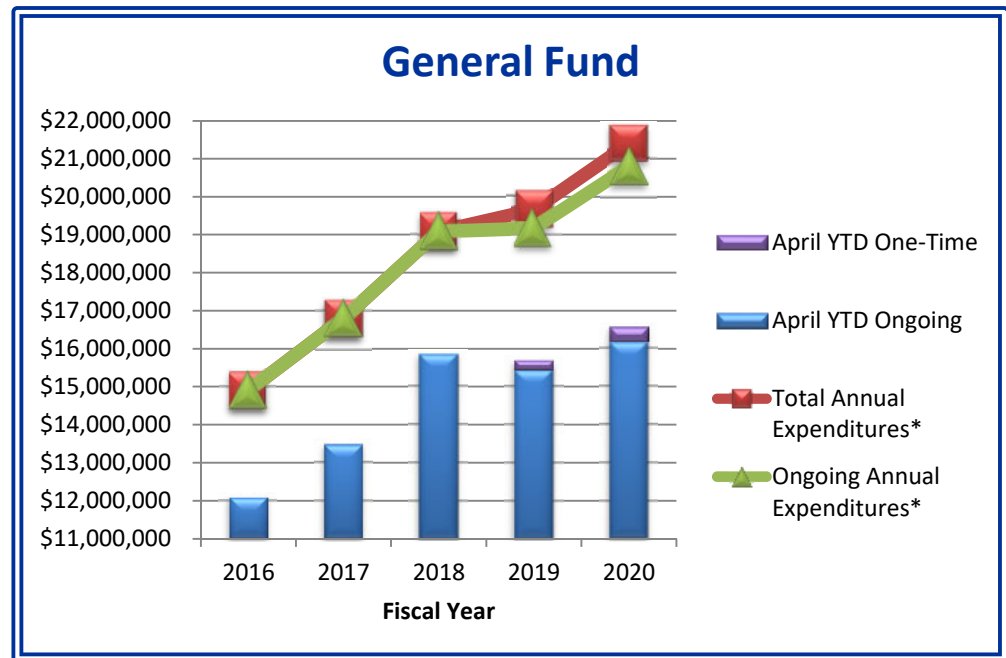
- (1) For FY 2017, Council approved the transfer of all streets related expenditures other than rehabilitation and pavement preservation to the General Fund. This increase to the General Fund was approximately \$818,000.
- (2) The allocation to the tourism management and destination marketing program 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 \$406,000 as a result of higher estimated bed tax revenue collections.
- (3) Accrued bond payments are approximately \$646,000 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 \$190,000 for the assigned vehicle program for patrol officers.

Annual Increase from FY 2017 to FY 2018:

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



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

Total Expenditures by Fund

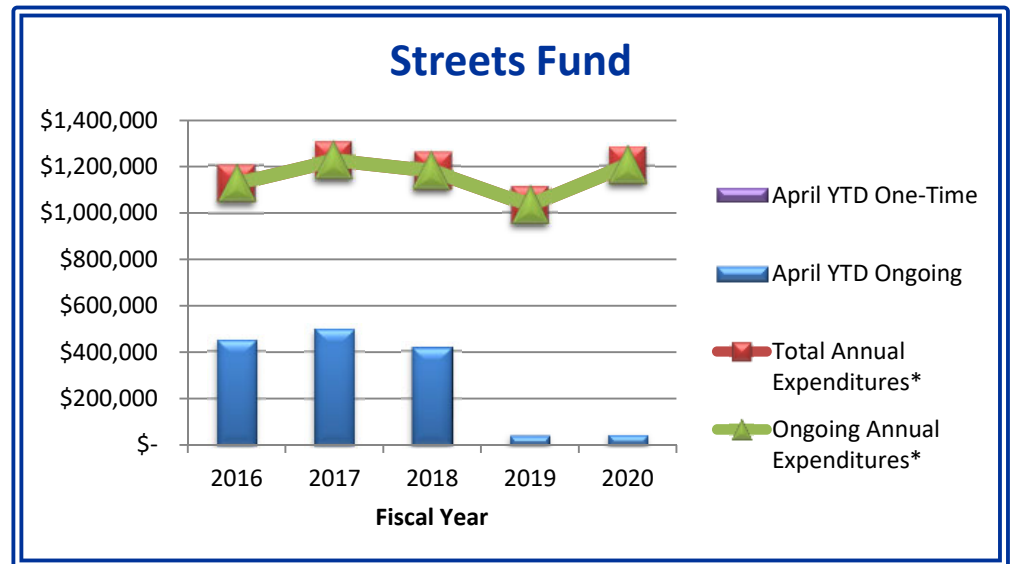
Total Streets Fund Expenditures

Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 451,415	\$ 1,126,227	40%		
2017	\$ 499,774	\$ 1,226,595	41%	11%	9%
2018	\$ 418,345	\$ 1,181,500	35%	-16%	-4%
2019	\$ 40,139	\$ 1,032,566	4%	-90%	-13%
2020	\$ 44,280	\$ 1,206,020	4%	10%	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.

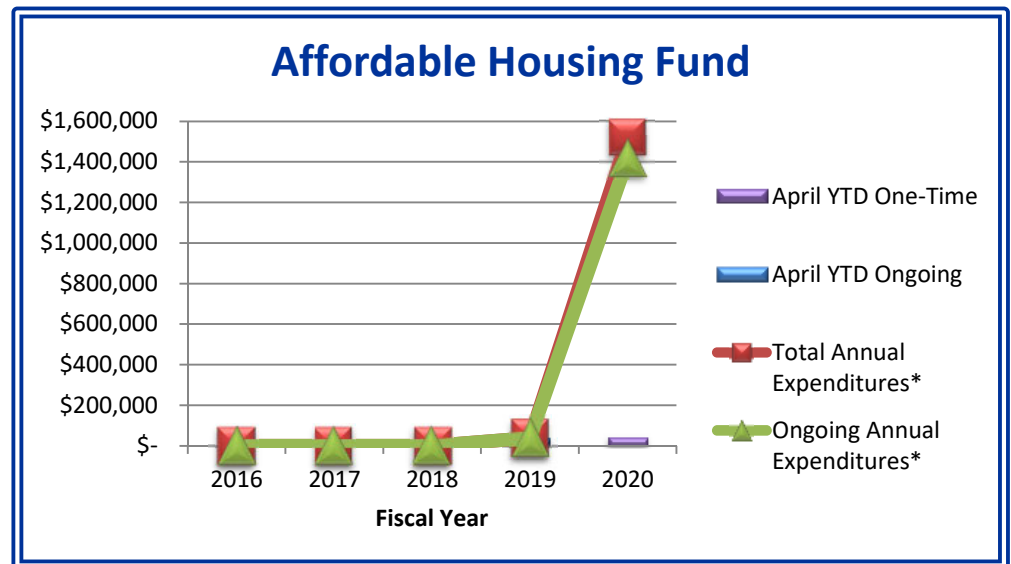


Total Affordable Housing Fund Exp.

Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April 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	\$ 41,633	\$ 1,520,000	3%	8%	3853%

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.



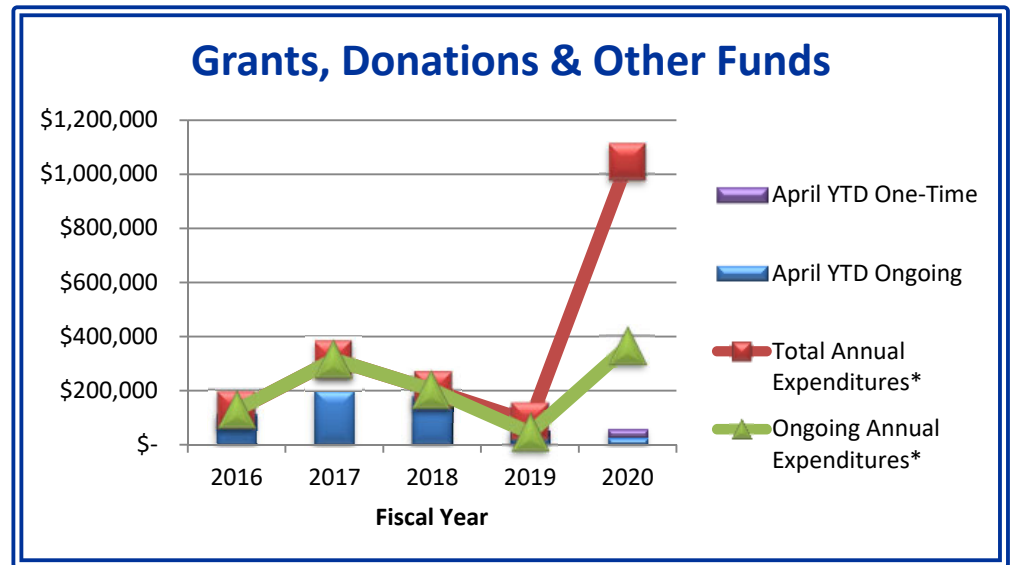
* For current year, Annual Expenditures represent total budgeted, excluding contingencies. For prior years, Annual Expenditures represent total actual.

Total Expenditures by Fund

Total Grants, Donations & Other Exp. Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 114,033	\$ 127,230	90%		
2017	\$ 199,458	\$ 314,560	63%	75%	147%
2018	\$ 180,956	\$ 201,703	90%	-9%	-36%
2019	\$ 52,744	\$ 84,724	62%	-71%	-58%
2020	\$ 56,315	\$ 1,045,245	5%	7%	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.



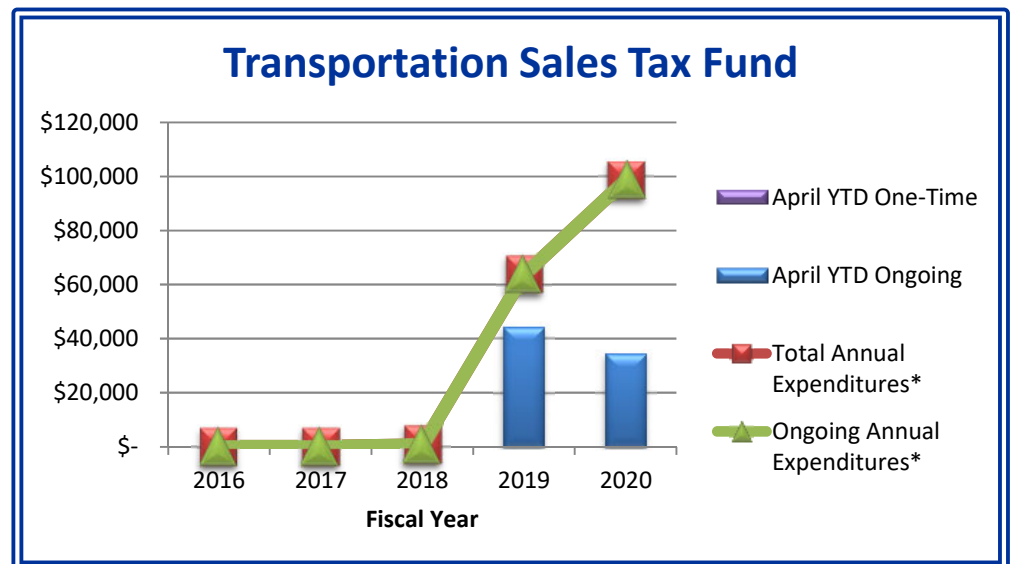
Total Transportation Sales Tax Exp. Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 26	\$ 552	5%	∞	∞
2019	\$ 44,206	\$ 63,684	69%	168498%	11442%
2020	\$ 34,232	\$ 98,620	35%	-23%	55%

The Transportation Sales Tax Fund was initiated in March 2018.

Annual Increase from FY 2019 to FY 2020:

The increase is 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.

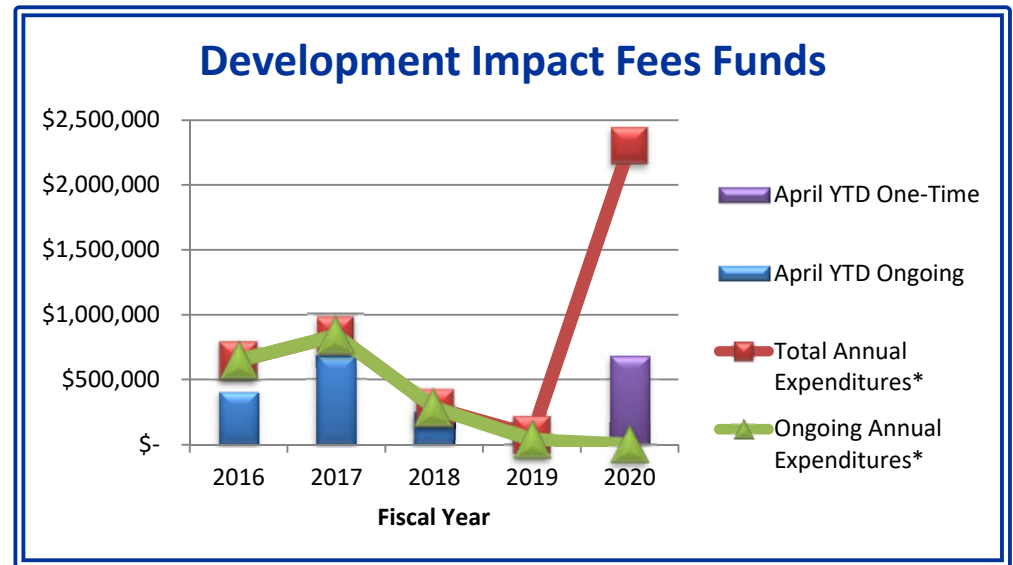
Total Expenditures by Fund

Total Develop. Impact Fees Exp. Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 408,504	\$ 647,006	63%		
2017	\$ 695,406	\$ 839,927	83%	70%	30%
2018	\$ 259,786	\$ 284,626	91%	-63%	-66%
2019	\$ 32,890	\$ 70,926	46%	-87%	-75%
2020	\$ 683,246	\$ 2,303,192	30%	1977%	3147%

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.

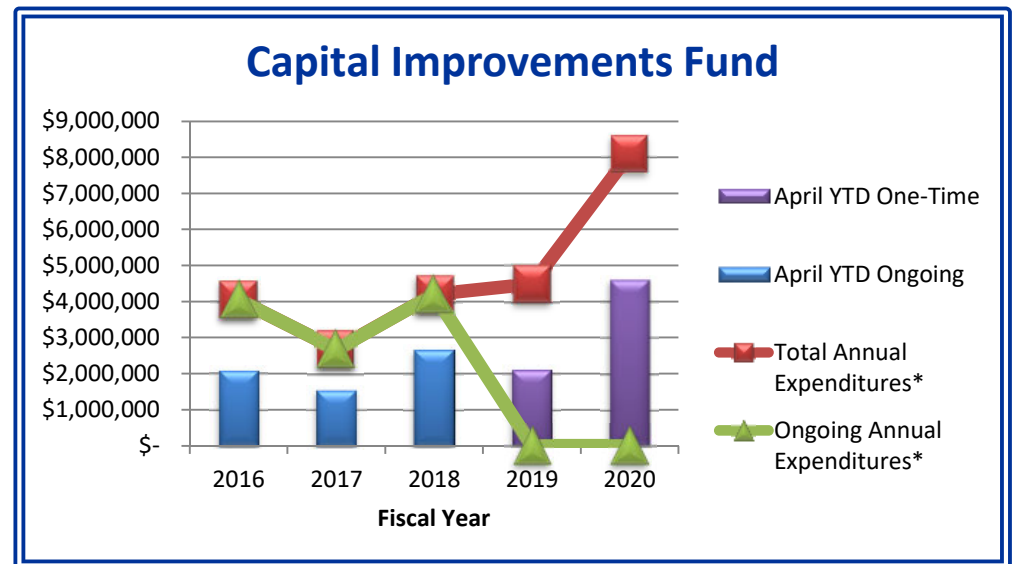


Total Capital Improvements Fund Exp. Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 2,083,139	\$ 4,045,969	51%		
2017	\$ 1,542,715	\$ 2,677,559	58%	-26%	-34%
2018	\$ 2,656,928	\$ 4,199,954	63%	72%	57%
2019	\$ 2,106,917	\$ 4,481,715	47%	-21%	7%
2020	\$ 4,592,045	\$ 8,087,206	57%	118%	80%

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 \$7.0 million for Sedona in Motion projects.



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

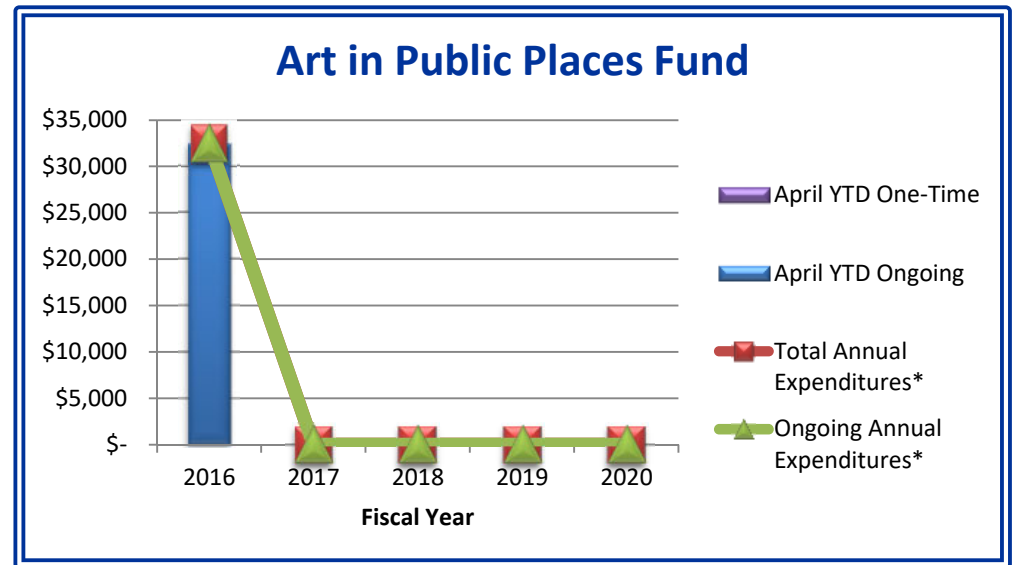
Total Expenditures by Fund

Total Art in Public Places Fund Exp. On Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April 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	-	-	N/A	N/A	N/A

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

For FY 2020, capital improvement projects included art installations in multiple roundabouts; however, this project has been delayed and the budget capacity transferred to other CIP projects.



* 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	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 11,031,194	\$ 14,367,467	77%		
2017	\$ 8,792,392	\$ 10,625,910	83%	-20%	-26%
2018	\$ 7,208,302	\$ 9,924,662	73%	-18%	-7%
2019	\$ 7,070,764	\$ 9,682,040	73%	-2%	-2%
2020	\$ 9,706,724	\$ 13,810,880	70%	37%	43%

YTD and 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:

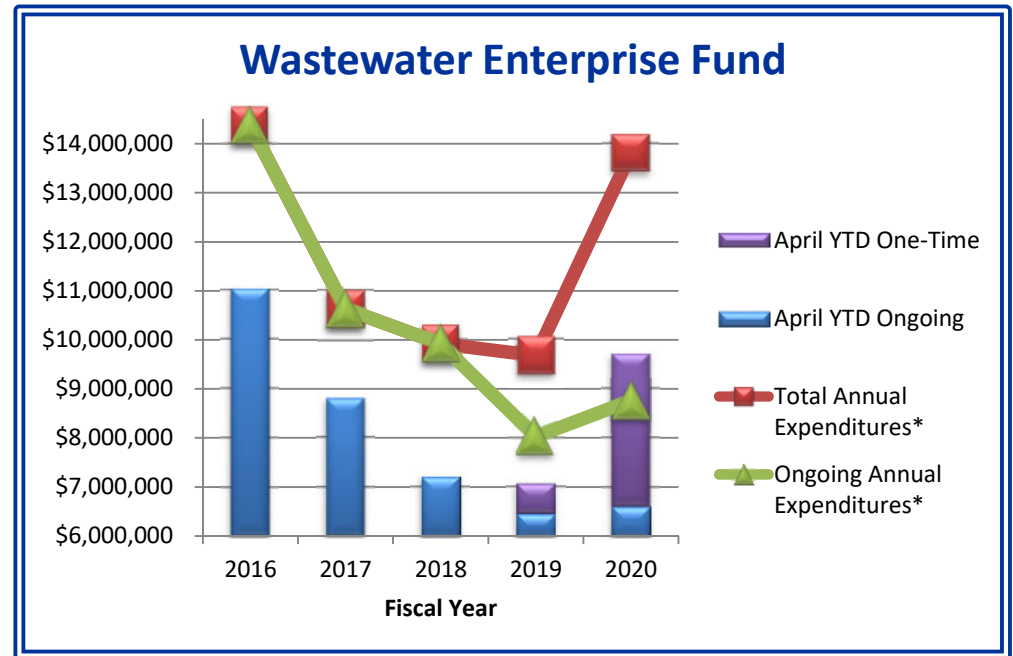
- (1) The decrease is largely due to the expenditures incurred for the injection well drilling in the prior year.
- (2) The debt service costs are approximately \$612,000 lower and are based on the monthly accruals of scheduled bond principal and interest payments.

YTD Increase from FY 2019 to FY 2020:

- (1) The increase is largely due to capital improvement expenditures incurred for the administration building remodel, the initiation of the tertiary filter upgrades, initiation of the SR179 sewer main replacement, and the continuation of the Mystic Hills and Chapel lift stations improvements.
- (2) The increase is also partly due to one-time capital purchases of a closed-circuit television van, a cattail cutter, and an air curtain burner.
- (2) In addition, the debt service costs are approximately \$211,000 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

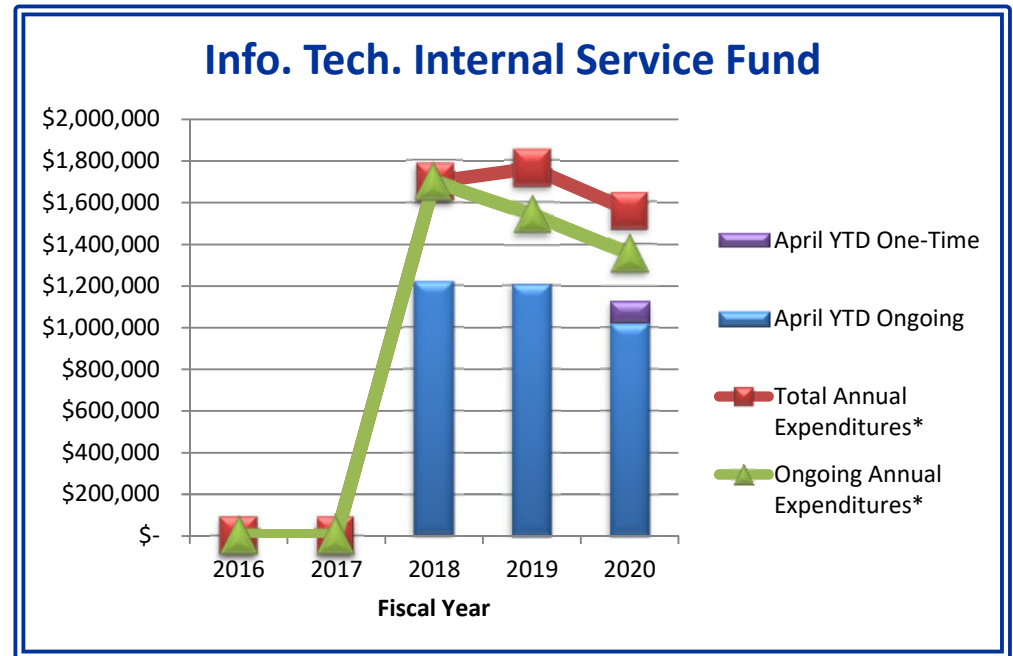
Total Info. Tech. Internal Svc. Fund Exp. Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 1,220,979	\$ 1,699,824	72%	∞	∞
2019	\$ 1,207,851	\$ 1,764,525	68%	-1%	4%
2020	\$ 1,127,394	\$ 1,561,621	72%	-7%	-11%

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

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.

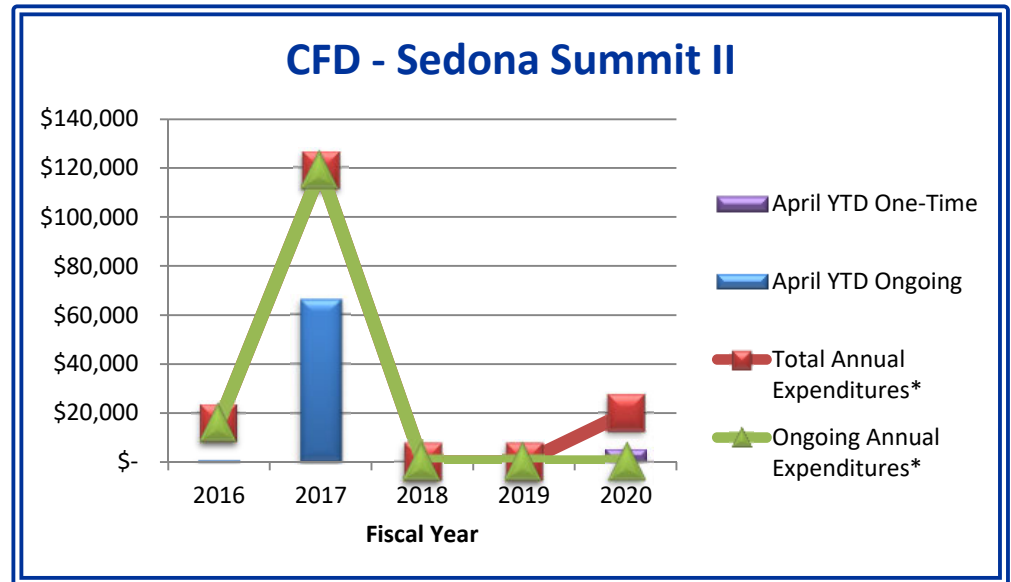
Total Expenditures by Fund

Total CFD - Sedona Summit II Exp. Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 827	\$ 16,064	5%		
2017	\$ 66,287	\$ 119,131	56%	7914%	642%
2018	\$ -	\$ -	N/A	-100%	-100%
2019	\$ -	\$ -	N/A	N/A	N/A
2020	\$ 5,300	\$ 20,000	27%	∞	∞

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.

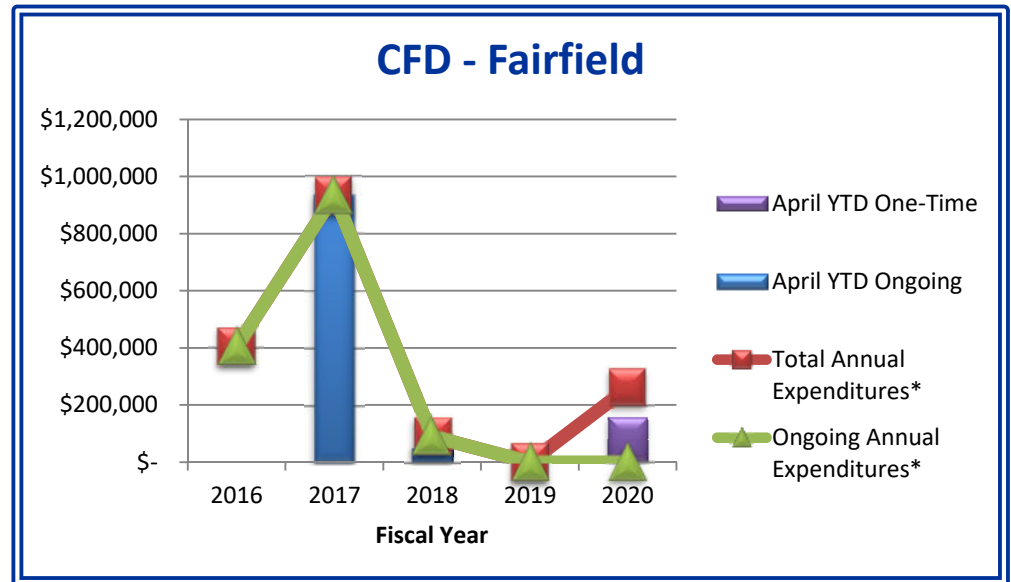


Total CFD - Fairfield Expenditures Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ -	\$ 404,998	0%		
2017	\$ 937,700	\$ 934,239	100%	∞	131%
2018	\$ 52,662	\$ 90,207	58%	-94%	-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.



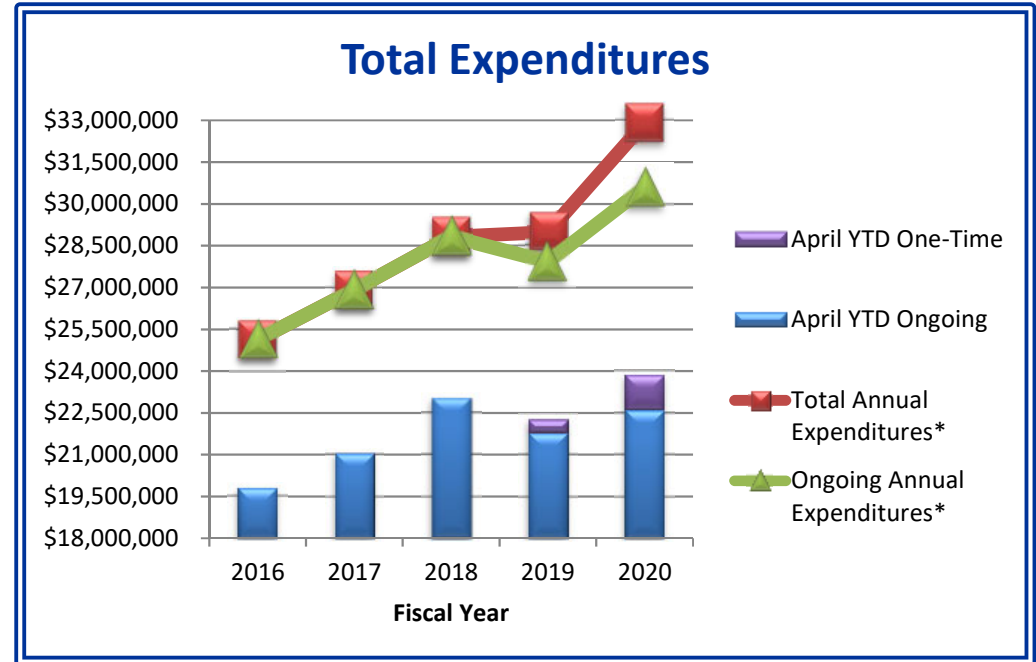
* For current year, Annual Expenditures represent total budgeted, excluding contingencies. For prior years, Annual Expenditures represent total actual.

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

Total Exp. (excl. Cap. Impr. & Internal Charges)			Under Target for FY 2020		
FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 19,794,531	\$ 25,131,836	79%		
2017	\$ 21,056,043	\$ 26,917,407	78%	6%	7%
2018	\$ 23,005,634	\$ 28,830,925	80%	9%	7%
2019	\$ 22,267,057	\$ 28,986,656	77%	-3%	1%
2020	\$ 23,853,113	\$ 32,909,062	72%	7%	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)

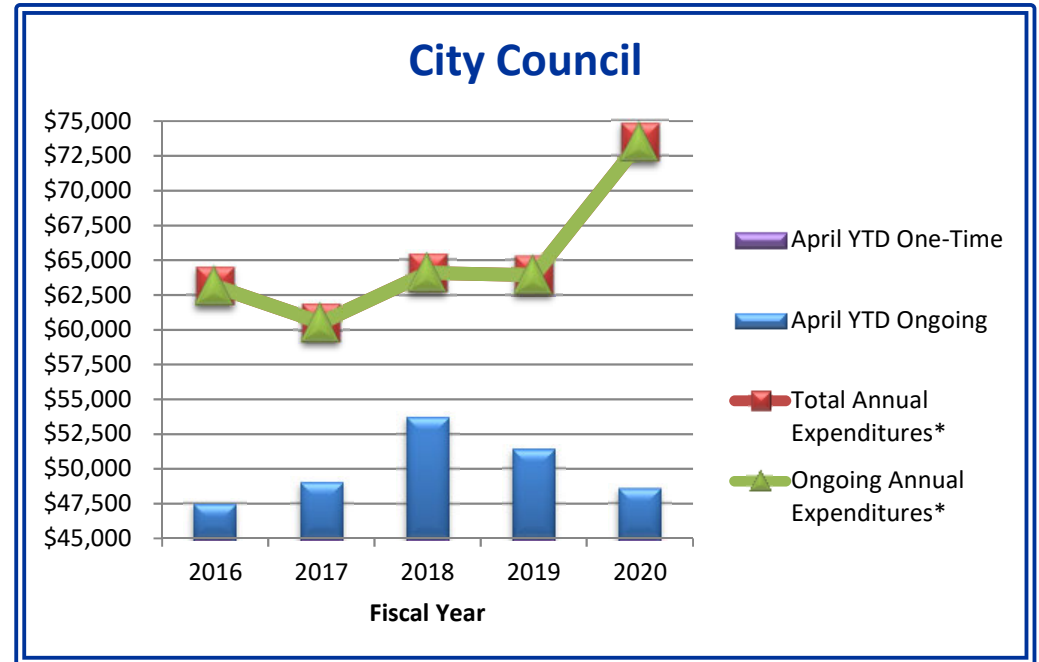
City Council Expenditures

Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 47,494	\$ 63,123	75%		
2017	\$ 49,024	\$ 60,524	81%	3%	-4%
2018	\$ 53,737	\$ 64,087	84%	10%	6%
2019	\$ 51,390	\$ 63,929	80%	-4%	<-1%
2020	\$ 48,566	\$ 73,470	66%	-5%	15%

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	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 582,599	\$ 745,235	78%		
2017	\$ 676,951	\$ 878,130	77%	16%	18%
2018	\$ 2,797,490	\$ 2,965,716	94%	313%	238%
2019	\$ 2,840,095	\$ 3,034,193	94%	2%	2%
2020	\$ 3,244,731	\$ 3,598,820	90%	14%	19%

YTD and 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.

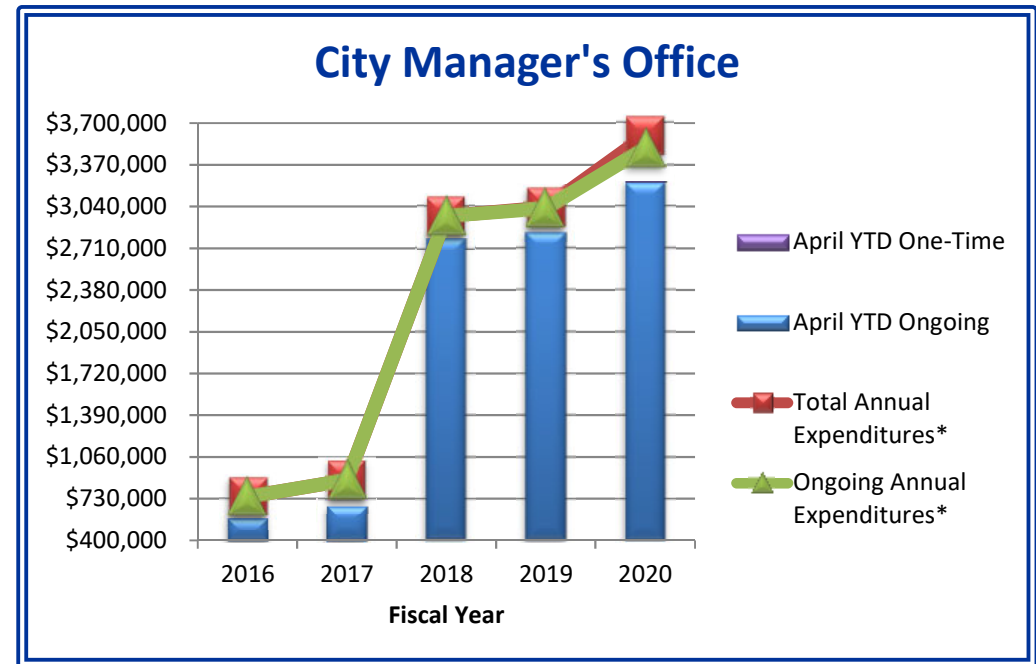
YTD Increase from FY 2019 to FY 2020:

- (1) The increase is primarily a result of an increase in the Chamber contract for Tourism Management & Development costs.
- (2) The increase is also due to the transfer of the U.S. Forest Service trails maintenance agreement and participation in the Oak Creek Watershed Council from Public Works.
- (3) The increase is also due to one-time costs for the addition of an AmeriCorps volunteer position and the electric vehicle charging infrastructure.

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 ten months of the fiscal year (90% actual compared to ten-month budget of 83%). 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 or January. Based on the timing and size of these payments, the City Manager's Office expenditures are on track for FY 2020.



* 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)

Human Resources Expenditures

Under Target for FY 2020

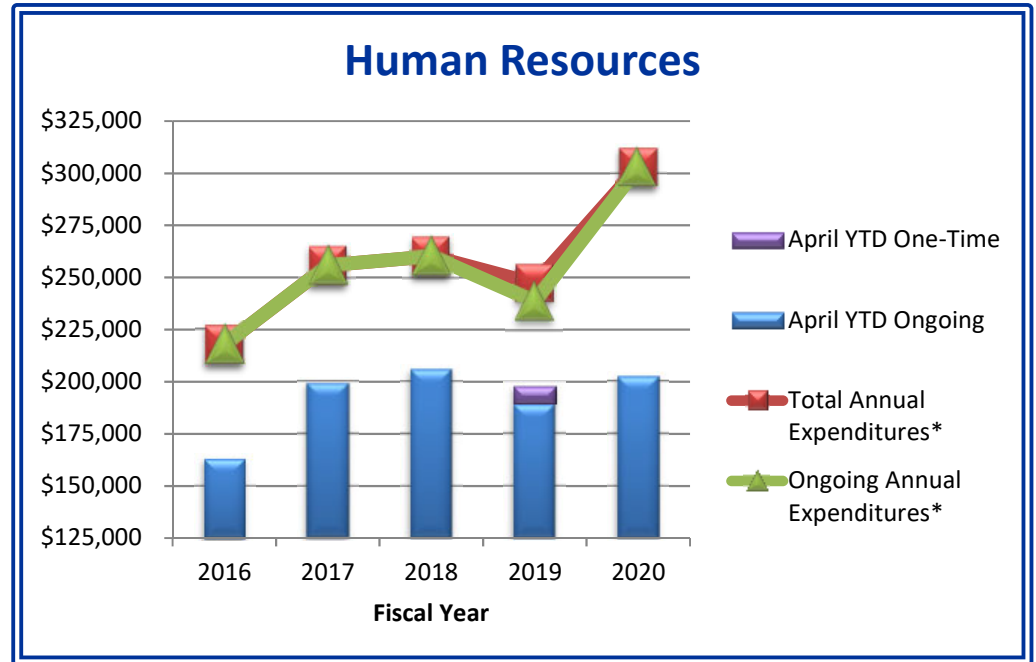
FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 163,000	\$ 217,866	75%		
2017	\$ 199,041	\$ 255,942	78%	22%	17%
2018	\$ 205,738	\$ 260,124	79%	3%	2%
2019	\$ 197,468	\$ 246,933	80%	-4%	-5%
2020	\$ 202,200	\$ 302,850	67%	2%	23%

YTD and Annual Increase from FY 2016 to FY 2017:

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

Annual Increase from FY 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	April YTD Expenditures	Annual Expenditures*	Under Target for FY 2020		
			% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 351,735	\$ 450,225	78%		
2017	\$ 675,421	\$ 859,666	79%	92%	91%
2018	\$ 798,945	\$ 995,149	80%	18%	16%
2019	\$ 896,628	\$ 1,190,722	75%	12%	20%
2020	\$ 987,160	\$ 1,304,560	76%	10%	10%

YTD and 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.

YTD and 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.
- (3) Professional services increased due to one-time costs for a wastewater rate study and implementation of report writing software.

Annual Increase from FY 2018 to FY 2019:

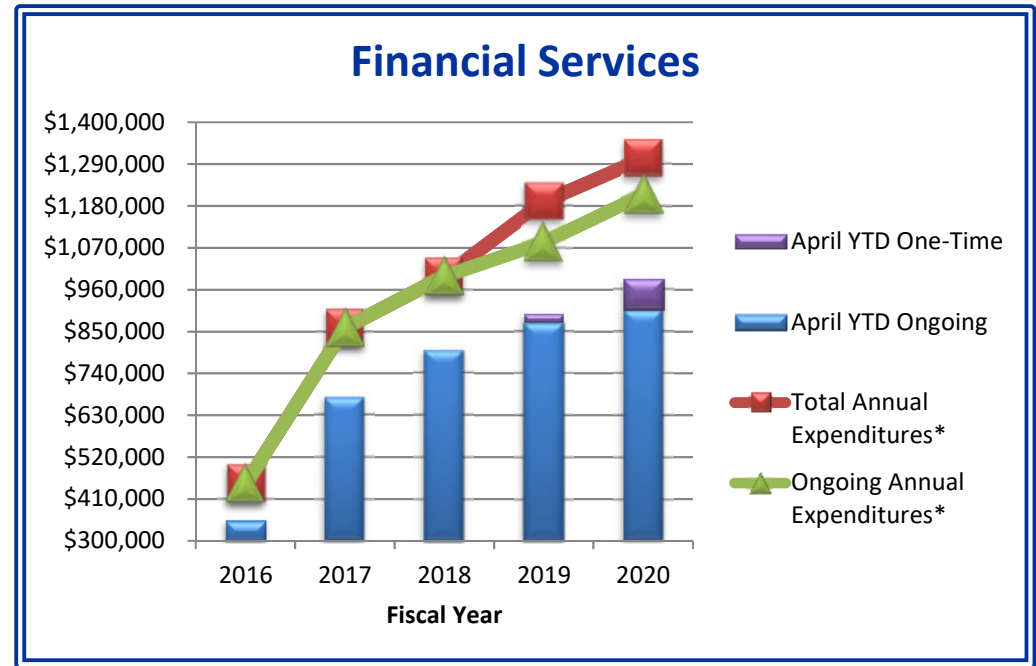
- (1) Vacancy savings were experienced in FY 2018.
- (2) Service charges increased due to an increase in the amount charged by the state for processing sales tax payments, the implementation of remittance processing for utility bills, and a reduction of compensating balances for pooled investments.
-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

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.



* 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)

Information Technology Expenditures

Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 733,074	\$ 853,746	86%		
2017	\$ 905,450	\$ 1,083,123	84%	24%	27%
2018	\$ 983,223	\$ 1,238,666	79%	9%	14%
2019	\$ 1,006,860	\$ 1,284,242	78%	2%	4%
2020	\$ 1,018,919	\$ 1,438,476	71%	1%	12%

YTD and Annual Increase from FY 2016 to FY 2017:

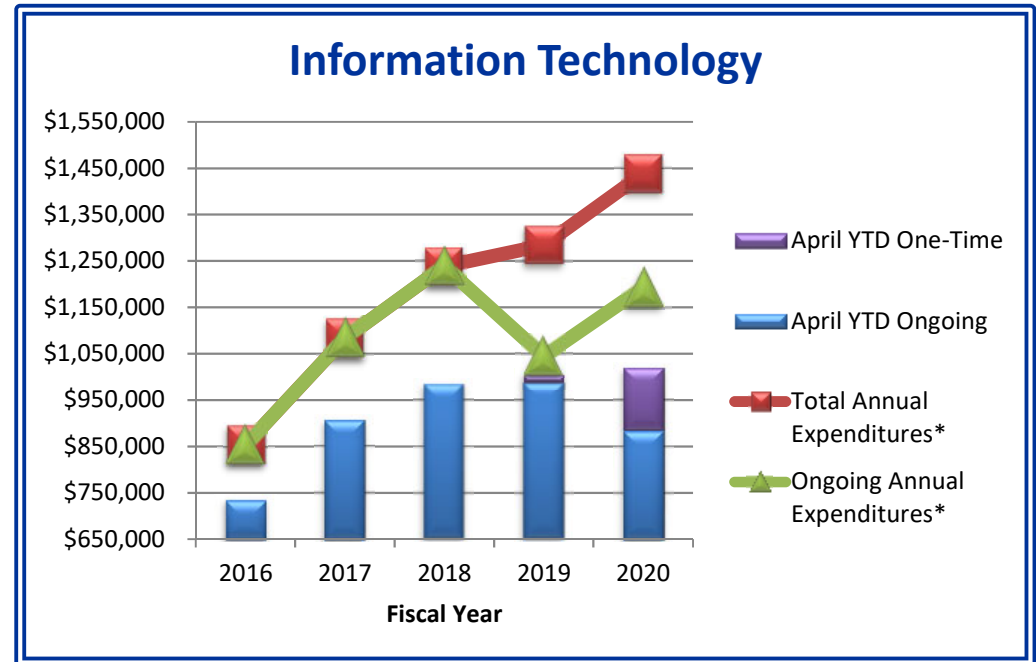
- (1) The increase is partly due to the replacement and upgrade of the storage area network and upgrade of a digital evidence logger recorder.
- (2) Prior to FY 2017, salary and other cost allocations to the Wastewater Enterprise Fund were coded to the Wastewater Administration Department. Starting in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



* 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 Attorney's Office Expenditures

Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 394,741	\$ 496,564	79%		
2017	\$ 395,539	\$ 548,304	72%	<1%	10%
2018	\$ 452,355	\$ 563,398	80%	14%	3%
2019	\$ 439,320	\$ 546,348	80%	-3%	-3%
2020	\$ 493,621	\$ 805,530	61%	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 vacancy savings incurred in the prior year.

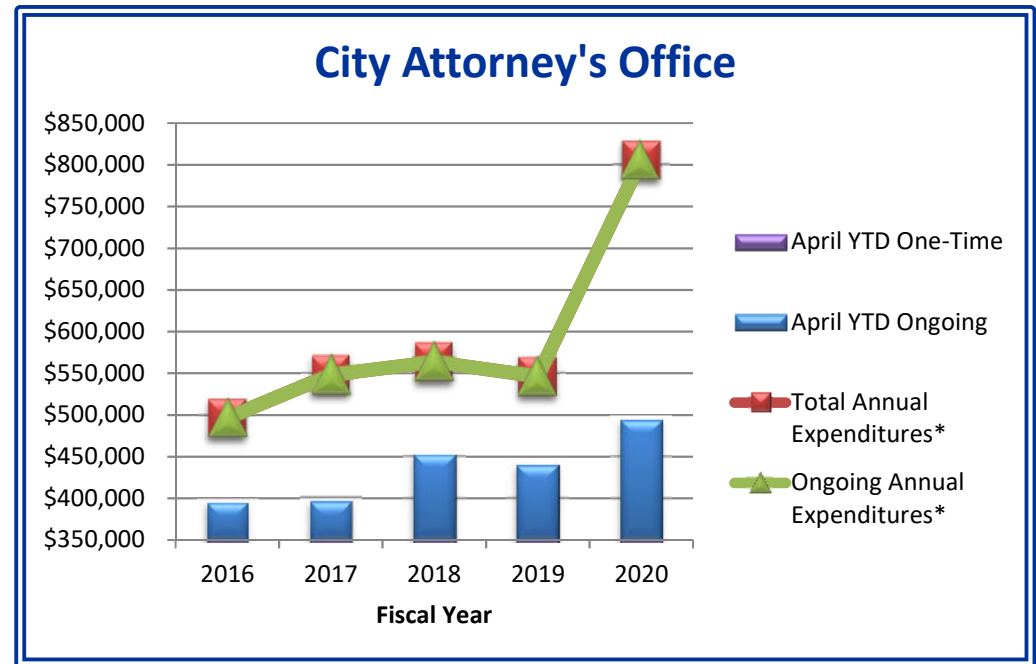
YTD Increase from FY 2019 to FY 2020:

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.



* 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 Clerk's Office Expenditures

Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 171,889	\$ 219,942	78%		
2017	\$ 215,601	\$ 265,657	81%	25%	21%
2018	\$ 190,095	\$ 251,368	76%	-12%	-5%
2019	\$ 216,773	\$ 301,095	72%	14%	20%
2020	\$ 210,849	\$ 267,860	79%	-3%	-11%

YTD and 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:

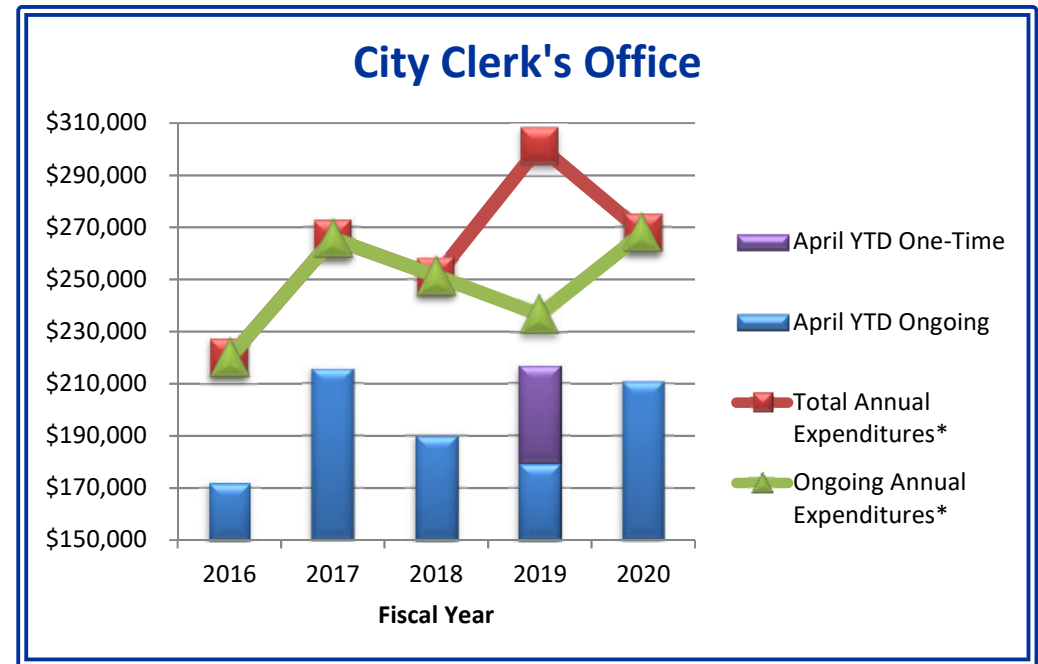
FY 2017 was an election year.

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.



* 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)

Parks & Recreation Expenditures

Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 405,089	\$ 493,305	82%		
2017	\$ 456,400	\$ 608,478	75%	13%	23%
2018	\$ 477,599	\$ 605,545	79%	5%	<-1%
2019	\$ 521,051	\$ 679,128	77%	9%	12%
2020	\$ 502,726	\$ 780,440	64%	-4%	15%

YTD and Annual Increase from FY 2017 to FY 2018:

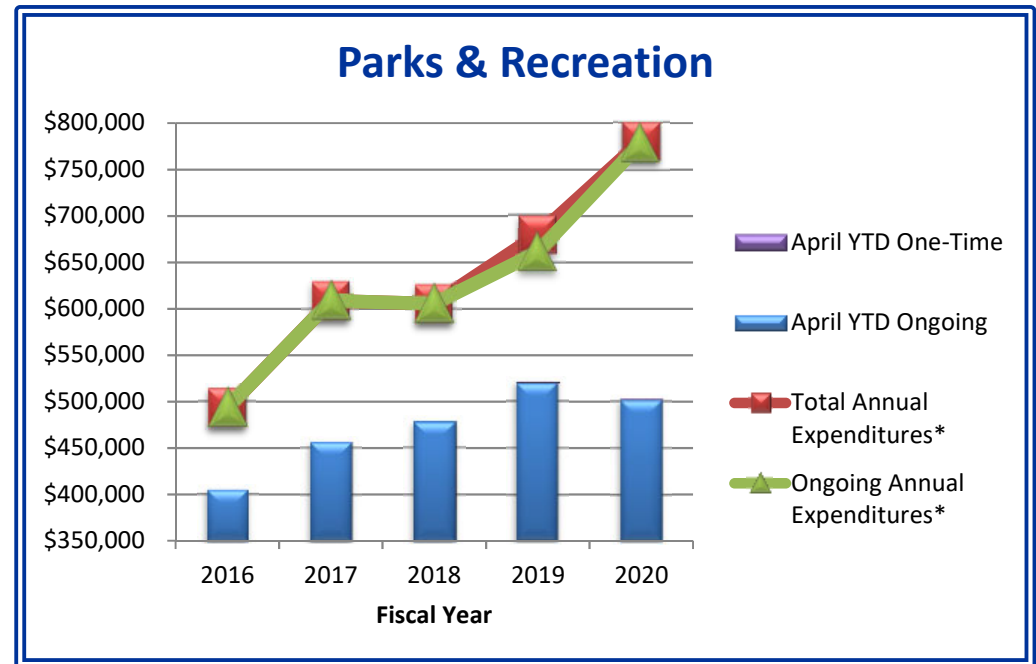
- (1) Salaries were increased due to budgeted cost-of-living adjustments of 1.8% and average merit increases of 2.5%. The most significant increase in benefits was a 2% increase to health insurance premiums.
- (2) Special events were increased approximately \$33,000 for additional events and enhancements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

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.



* 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)

General Services Expenditures

On Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 3,547,518	\$ 4,071,785	87%		
2017	\$ 3,604,192	\$ 4,209,363	86%	2%	3%
2018	\$ 1,643,629	\$ 1,747,264	94%	-54%	-58%
2019	\$ 1,457,401	\$ 1,573,590	93%	-11%	-10%
2020	\$ 1,689,355	\$ 1,898,106	89%	16%	21%

YTD and Annual Decrease from FY 2017 to FY 2018:

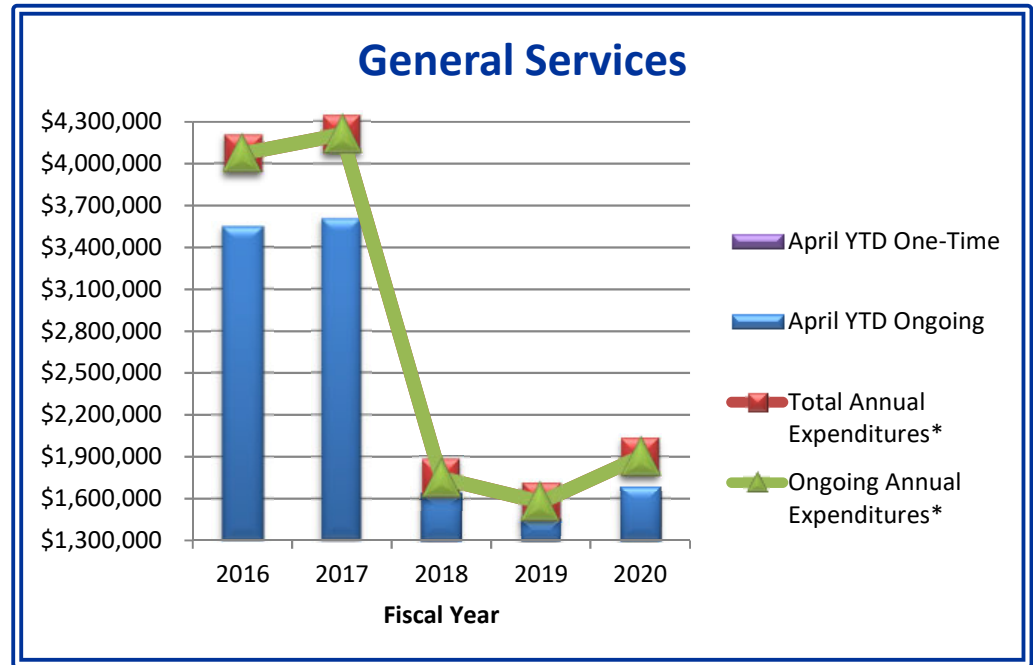
- (1) The debt service costs were moved to a separate departmental code in the general ledger.
- (2) Tourism Management & Development costs were moved to the City Manager's Office budget.

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.

YTD and Annual Increase from FY 2019 to FY 2020:

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



On Target for FY 2020: The percentage of annual expenditures is high for ten months of the fiscal year (89% actual compared to ten-month budget of 83%). 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.

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

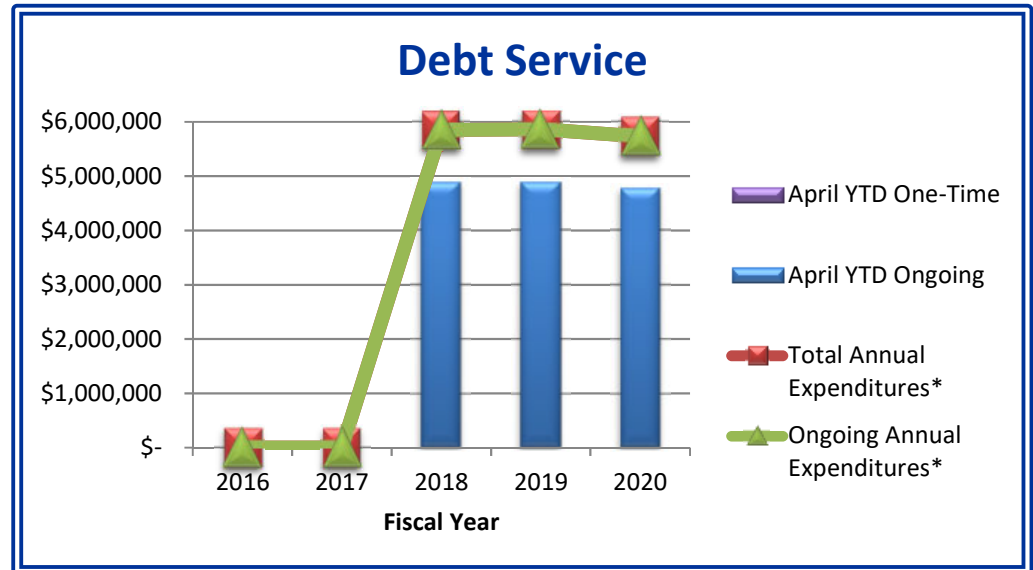
Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

Debt Service Expenditures

On Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 4,879,578	\$ 5,853,030	83%	∞	∞
2019	\$ 4,879,935	\$ 5,864,449	83%	<1%	<1%
2020	\$ 4,772,059	\$ 5,729,775	83%	-2%	-2%

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



Community Development Expenditures

Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 960,146	\$ 1,201,326	80%		
2017	\$ 1,155,267	\$ 1,576,171	73%	20%	31%
2018	\$ 1,197,184	\$ 1,550,218	77%	4%	-2%
2019	\$ 1,189,952	\$ 1,468,592	81%	-1%	-5%
2020	\$ 1,149,846	\$ 1,954,210	59%	-3%	33%

YTD and 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.

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	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 2,072,379	\$ 3,214,005	64%		
2017	\$ 3,018,422	\$ 4,397,351	69%	46%	37%
2018	\$ 3,130,129	\$ 4,705,978	67%	4%	7%
2019	\$ 2,616,840	\$ 4,554,481	57%	-16%	-3%
2020	\$ 3,008,959	\$ 5,098,024	59%	15%	12%

YTD Increase from FY 2016 to FY 2017:

- (1) The increase was 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.

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:

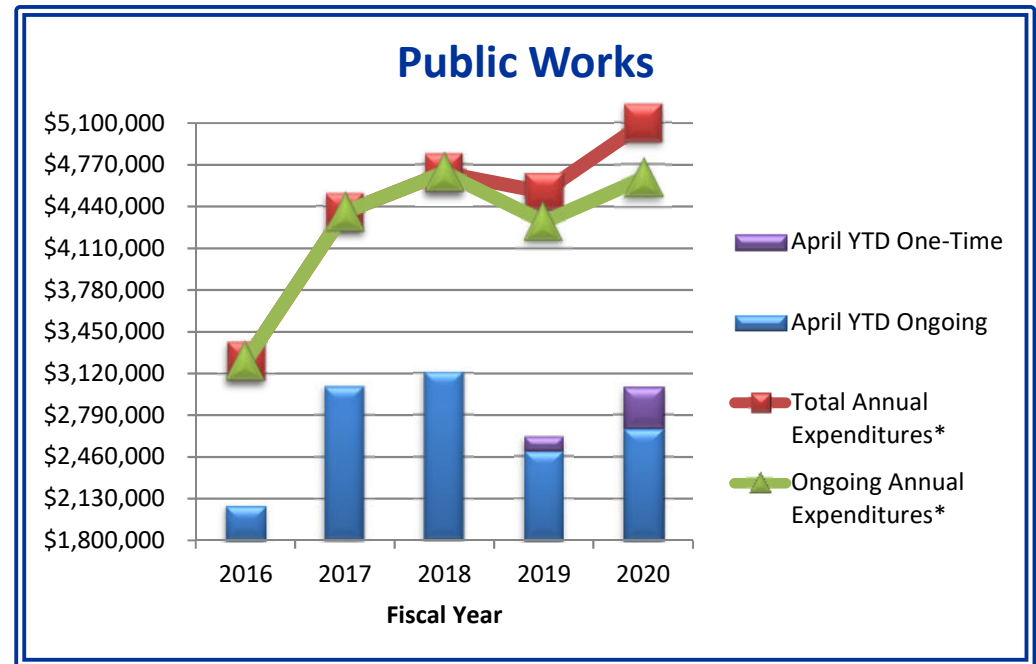
- (1) The decrease was partly due to one-time capital purchases in the prior year for a hot box for the Streets program, replacement of the Posse Grounds Hub roof, and a variable message sign for the Transportation Services program, and restoration costs due to flood damage at City Hall.
- (2) The decrease 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, demolition of carports, 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 and increases in right-of-way landscaping/tree removal costs and asphalt repairs.

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	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 133,427	\$ 169,978	78%	∞	∞
2019	\$ 159,230	\$ 215,831	74%	19%	27%
2020	\$ 174,402	\$ 253,830	69%	10%	18%

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

YTD and 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.

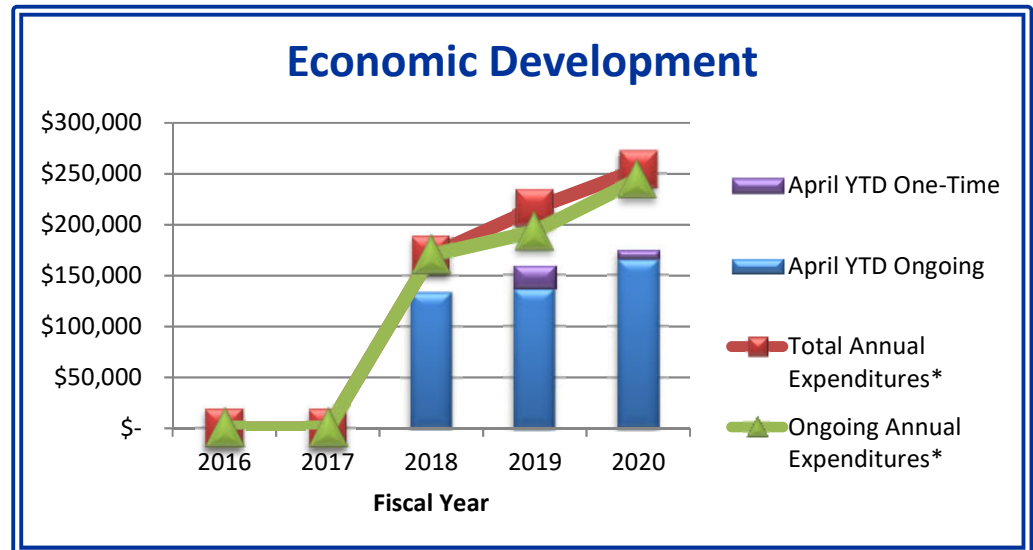
YTD Increase from FY 2019 to FY 2020:

(1) The increase was partly due to costs associated with the AmeriCorps volunteer position.

(2) The increase was also due to increases in advertising costs and the development of an entrepreneurial program.

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	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 2,985,898	\$ 3,826,416	78%		
2017	\$ 3,228,016	\$ 4,080,748	79%	8%	7%
2018	\$ 3,713,652	\$ 4,618,303	80%	15%	13%
2019	\$ 3,520,824	\$ 4,888,499	72%	-5%	6%
2020	\$ 3,669,249	\$ 5,381,262	68%	4%	10%

YTD and Annual Increase from FY 2017 to FY 2018:

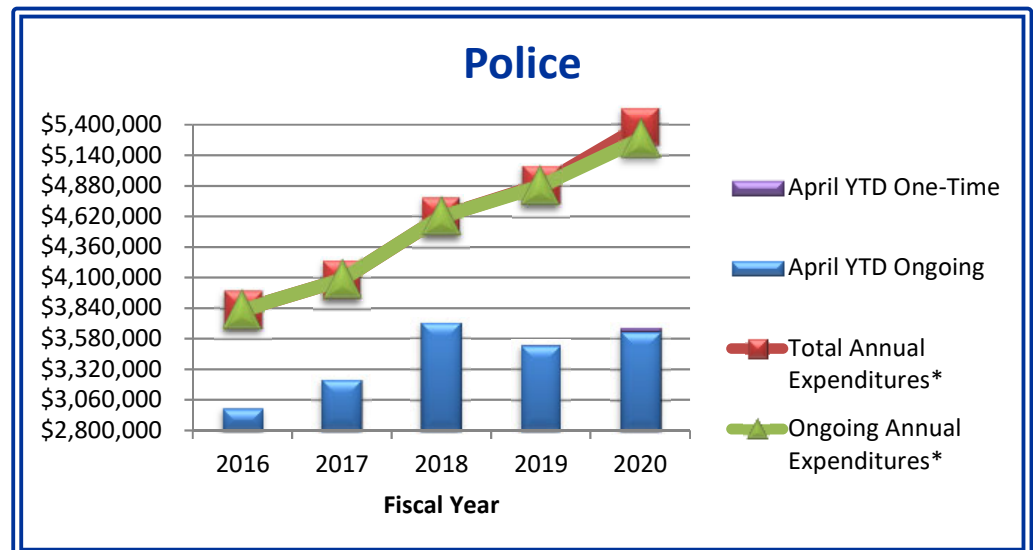
(1) Vacancy savings were experienced in FY 2017.

(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

Under Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 242,929	\$ 307,281	79%		
2017	\$ 241,136	\$ 322,022	75%	-1%	5%
2018	\$ 280,311	\$ 358,670	78%	16%	11%
2019	\$ 301,955	\$ 383,746	79%	8%	7%
2020	\$ 318,971	\$ 422,199	76%	6%	10%

YTD and Annual Increase from FY 2017 to FY 2018:

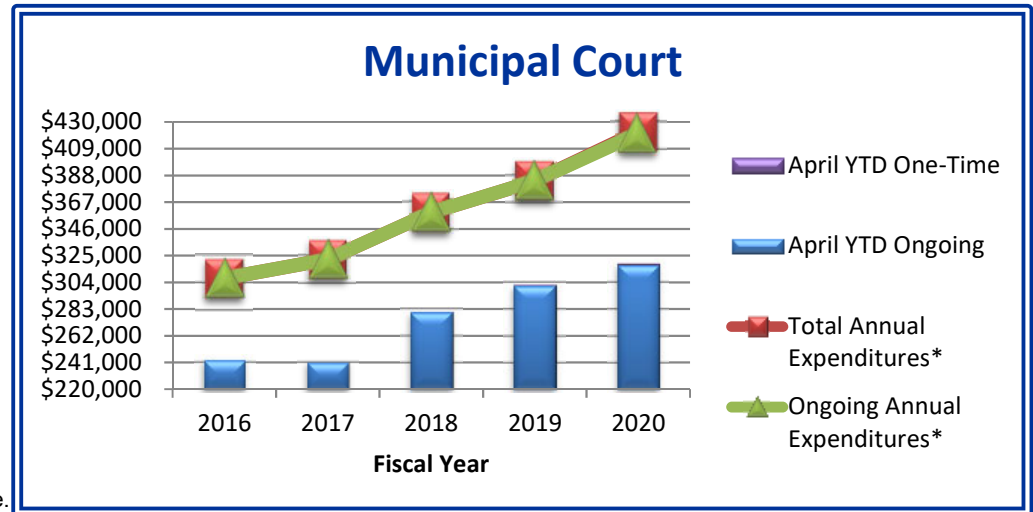
(1) Salary and benefit costs were approximately \$17,000 higher partly due to vacancy savings experienced in FY 2017.

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

Annual Increase from FY 2019 to FY 2020:

(1) Salary and benefit costs were approximately \$25,000 higher partly due to vacancy savings experienced in FY 2019 and a reclassification of the judge position from part-time to full-time.

(2) The budget also includes approximately \$16,000 for grant funding related to security needs for the new courtroom.



Wastewater Administration Expenditures

On Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 5,395,065	\$ 6,503,494	83%		
2017	\$ 4,545,614	\$ 5,465,854	83%	-16%	-16%
2018	\$ 171,249	\$ 218,100	79%	-96%	-96%
2019	\$ 192,926	\$ 250,153	77%	13%	15%
2020	\$ 183,192	\$ 215,691	85%	-5%	-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 \$261,000 lower.

YTD and Annual Decrease from FY 2017 to FY 2018:

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

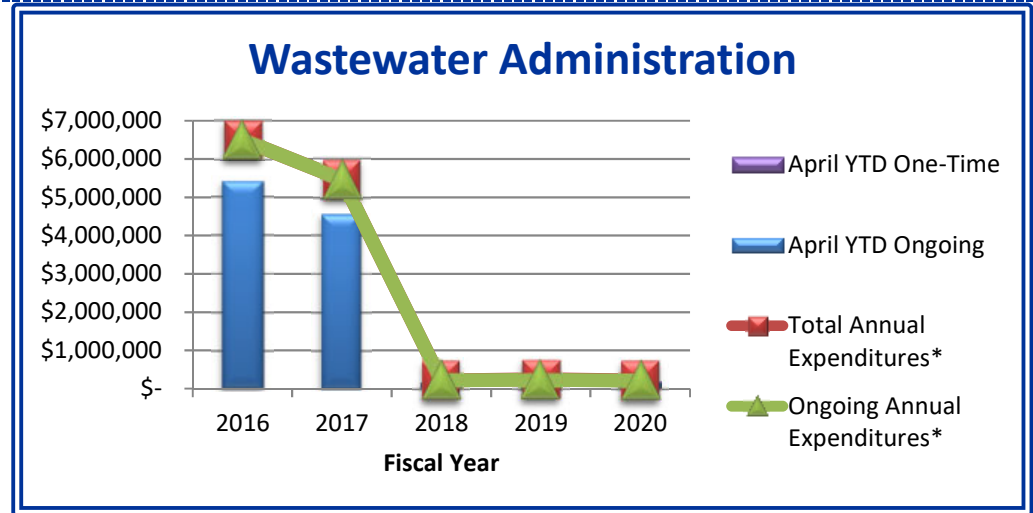
YTD and Annual Increase from FY 2018 to FY 2019:

The increase 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 ten months of the fiscal year (85% actual compared to ten-month budget of 83%) 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 Administration Department expenditures are on track for FY 2020.



* 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)

Wastewater Capital Projects Mgmt Exp. On Target for FY 2020

FY	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 96,068	\$ 176,040	55%		
2017	\$ 57,256	\$ 64,796	88%	-40%	-63%
2018	\$ 45,488	\$ 57,580	79%	-21%	-11%
2019	\$ 47,166	\$ 58,376	81%	4%	1%
2020	\$ 66,662	\$ 79,300	84%	41%	36%

YTD and Annual Decrease from FY 2016 to FY 2017:

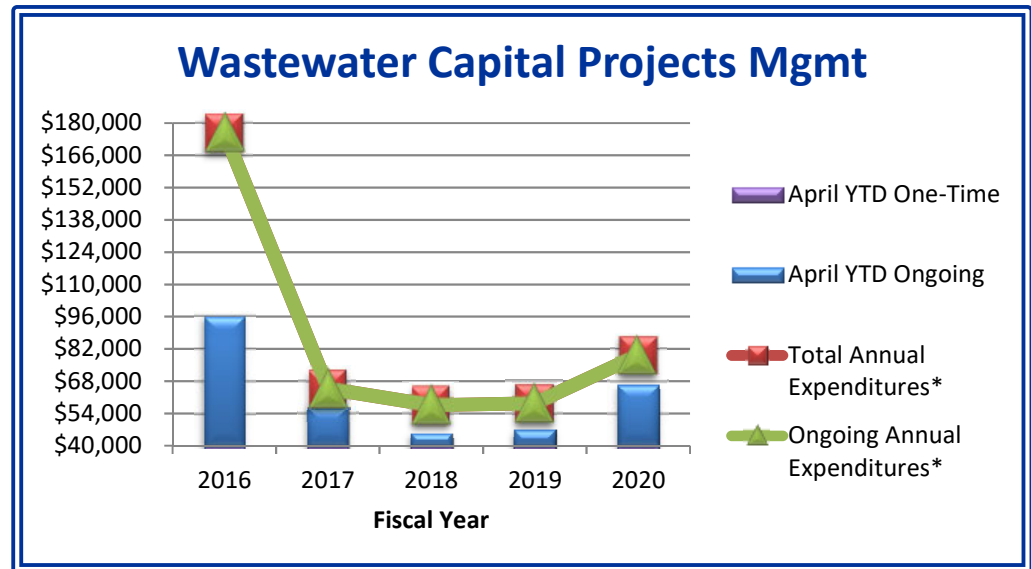
Prior to FY 2017, salary allocations for Capital Projects Management to the Wastewater Enterprise Fund were coded to the Wastewater Department. Starting in FY 2017, these are coded to each individual departments within the Wastewater Enterprise Fund.

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	April YTD Expenditures	Annual Expenditures*	% of Annual Exp.	% Increase - April YTD	% Increase - Annual
2016	\$ 1,644,908	\$ 2,291,483	72%		
2017	\$ 1,632,715	\$ 2,241,279	73%	-1%	-2%
2018	\$ 1,851,804	\$ 2,607,751	71%	13%	16%
2019	\$ 1,731,241	\$ 2,382,350	73%	-7%	-9%
2020	\$ 2,111,643	\$ 3,304,659	64%	22%	39%

YTD and Annual Increase from FY 2017 to FY 2018:

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

YTD Increase from FY 2019 to FY 2020:

The increase is due to one-time capital items, including a closed-circuit television van, a cattail cutter, and an air curtain burner.

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

Under Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 14,791,375	\$ 18,612,738	79%		
2017	\$ 20,068,358	\$ 25,135,539	80%	36%	35%
2018	\$ 22,278,193	\$ 27,601,469	81%	11%	10%
2019	\$ 23,461,811	\$ 29,367,300	80%	5%	6%
2020	\$ 23,019,546	\$ 28,842,120	80%	-2%	-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 26%, and City sales tax revenues increased 9%.

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 Decrease from FY 2019 to FY 2020:

(1) City sales taxes increased 7% 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.

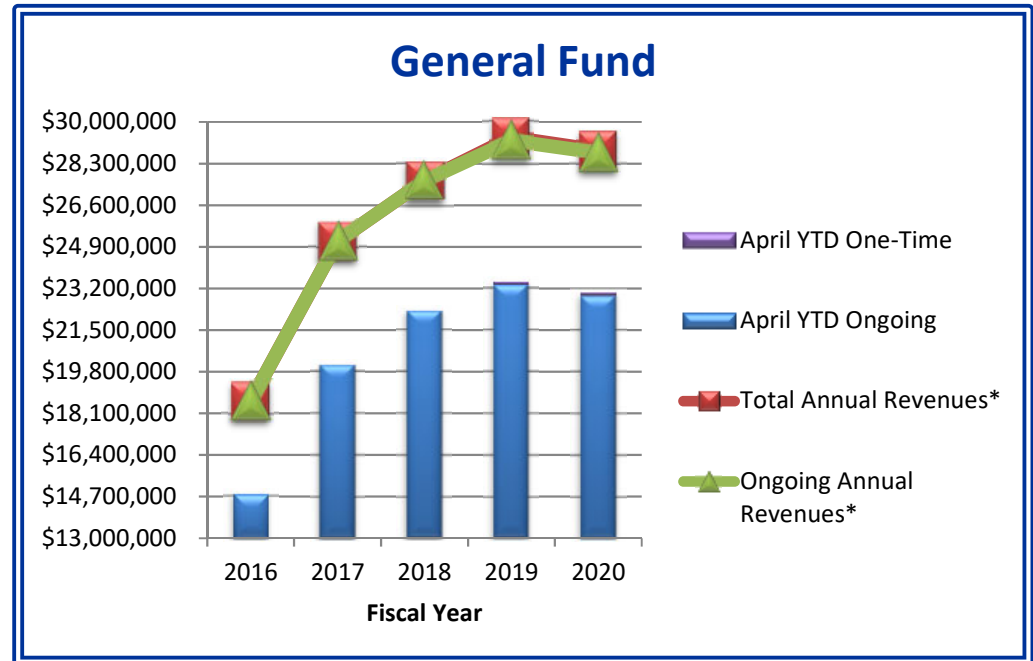
(2) In addition, the paid parking program was initiated the end of June 2017. Charges for services include additional revenues related to the program of approximately \$458,000.

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.

Under Target for FY 2020: Franchise fees are received quarterly and are on target for this point in the fiscal year. In addition, sales and bed tax revenues have slowed due to the effects of the COVID-19 closures. Year-to-date revenues are low and expected to be under target at the end of the fiscal year.



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Total Revenues by Fund

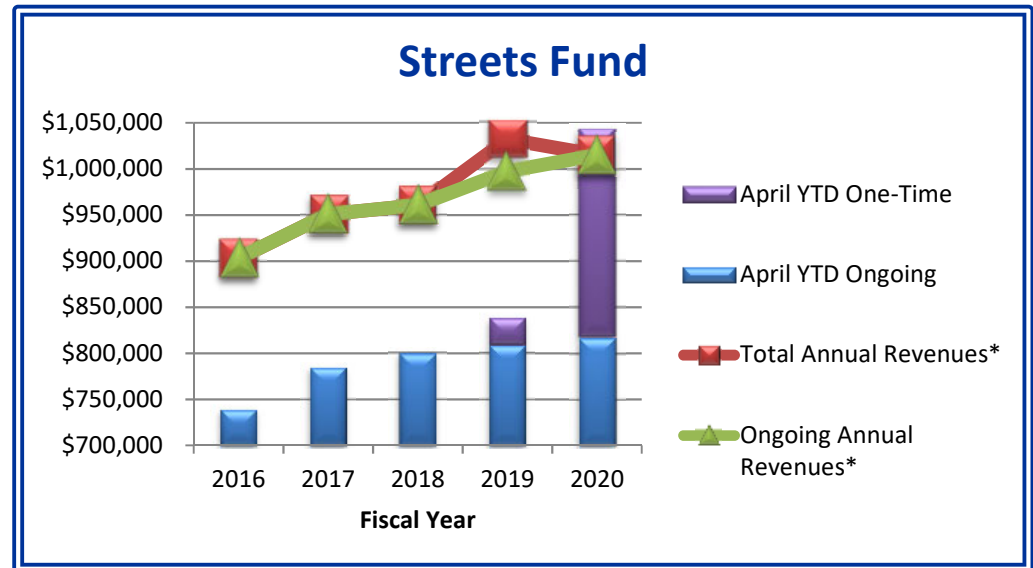
Total Streets Fund Revenues

Exceeds Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 738,601	\$ 902,994	82%		
2017	\$ 784,364	\$ 950,751	82%	6%	5%
2018	\$ 799,168	\$ 960,751	83%	2%	1%
2019	\$ 837,710	\$ 1,032,078	81%	5%	7%
2020	\$ 1,043,118	\$ 1,015,260	103%	25%	-2%

YTD Increase from FY 2019 to FY 2020:

The increase is primarily 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.



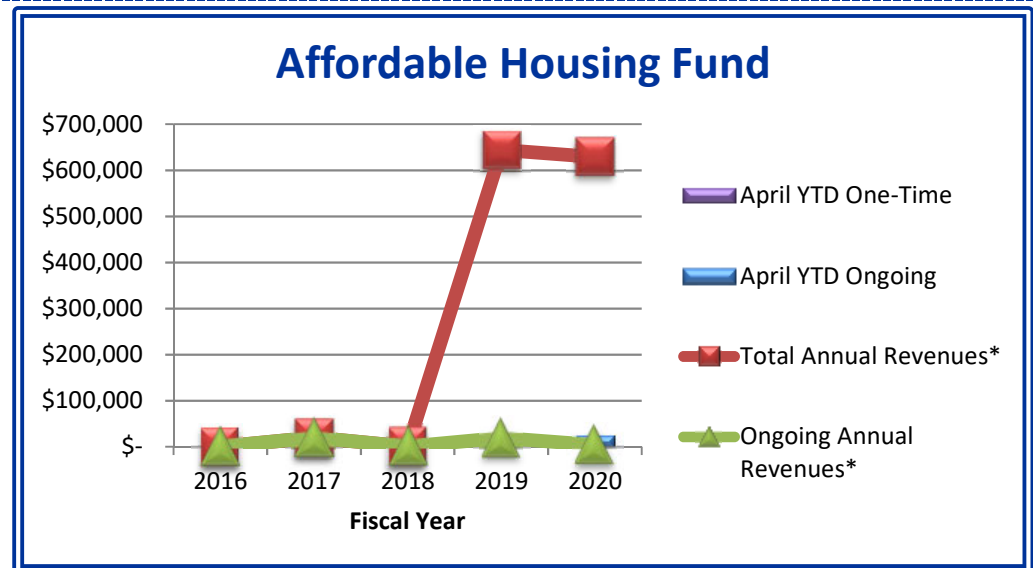
Total Affordable Housing Fund Rev.

Under Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ 19,800	\$ 19,800	100%	∞	∞
2018	\$ -	\$ 98	0%	-100%	-100%
2019	\$ 4,632	\$ 644,214	1%	∞	658403%
2020	\$ 24,748	\$ 629,010	4%	434%	-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.



* 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 Grants, Donations & Other Rev.

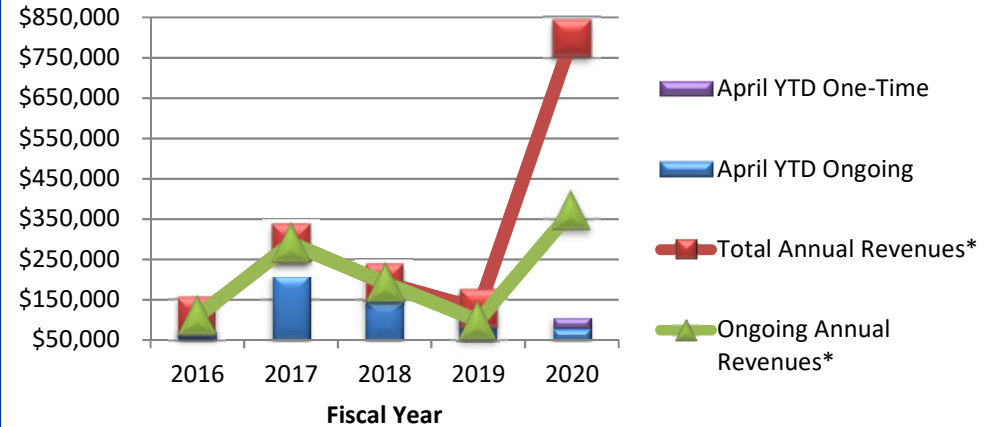
Under Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 72,357	\$ 108,649	67%		
2017	\$ 209,658	\$ 289,608	72%	190%	167%
2018	\$ 147,576	\$ 191,726	77%	-30%	-34%
2019	\$ 125,187	\$ 126,649	99%	-15%	-34%
2020	\$ 104,566	\$ 797,145	13%	-16%	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.

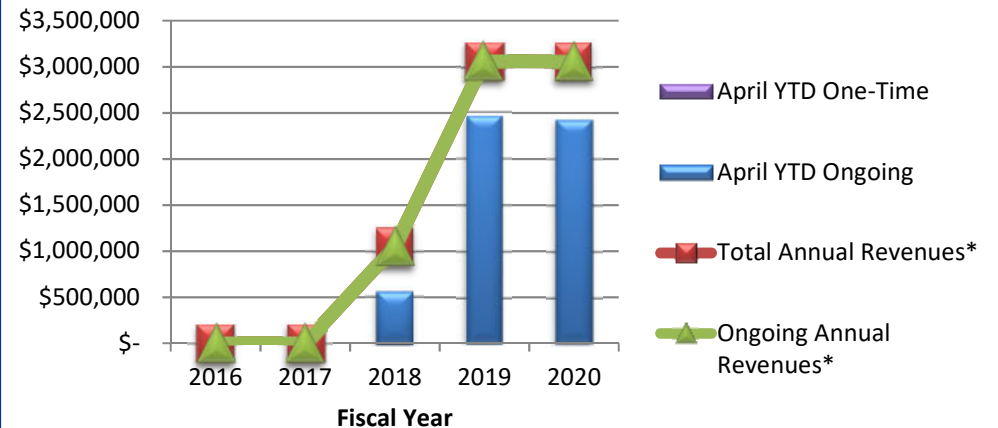
Under Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 556,476	\$ 1,045,367	53%	∞	∞
2019	\$ 2,459,507	\$ 3,062,947	80%	342%	193%
2020	\$ 2,418,389	\$ 3,056,500	79%	-2%	<-1%

The Transportation Sales Tax Fund was initiated in FY 2018.

Under Target for FY 2020: Due to the effects of COVID-19 closures, year-to-date revenues are low and expected to be under target at the end of the fiscal year.

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	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 245,314	\$ 281,497	87%		
2017	\$ 605,970	\$ 654,256	93%	147%	132%
2018	\$ 197,624	\$ 255,051	77%	-67%	-61%
2019	\$ 280,808	\$ 384,847	73%	42%	51%
2020	\$ 279,915	\$ 671,170	42%	<-1%	74%

YTD and Annual Increase from FY 2016 to FY 2017:

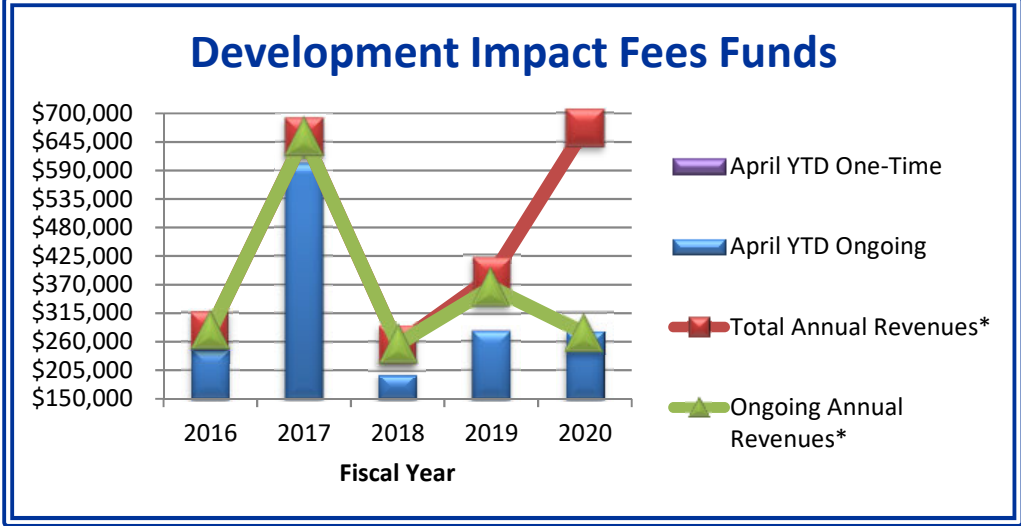
The increase was primarily due to fees assessed with the permitting of the new Marriott facility and the new CVS.

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.



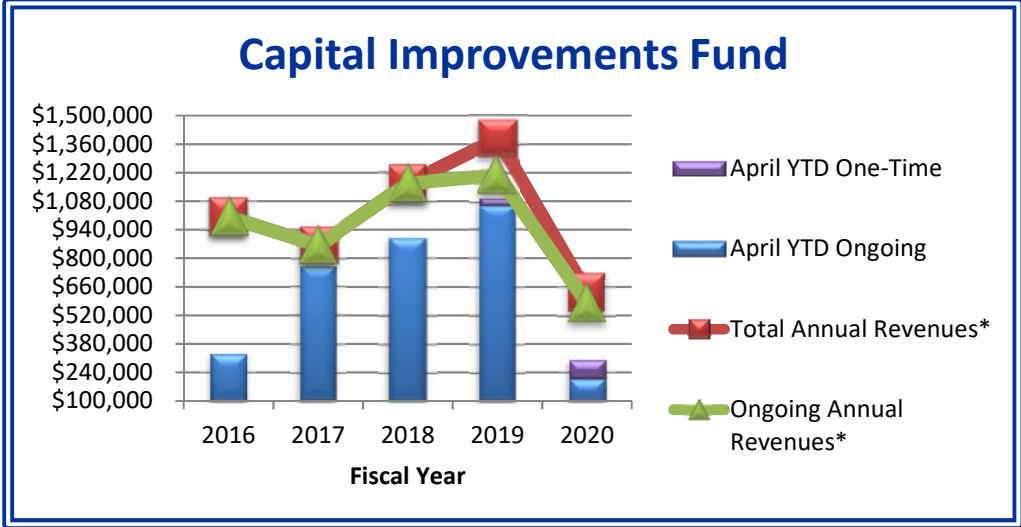
Total Capital Improvements Fund Rev.

Under Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 328,676	\$ 1,003,733	33%		
2017	\$ 763,527	\$ 863,346	88%	132%	-14%
2018	\$ 897,651	\$ 1,168,259	77%	18%	35%
2019	\$ 1,100,659	\$ 1,386,445	79%	23%	19%
2020	\$ 301,134	\$ 631,000	48%	-73%	-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.



* 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 Art in Public Places Fund Rev.

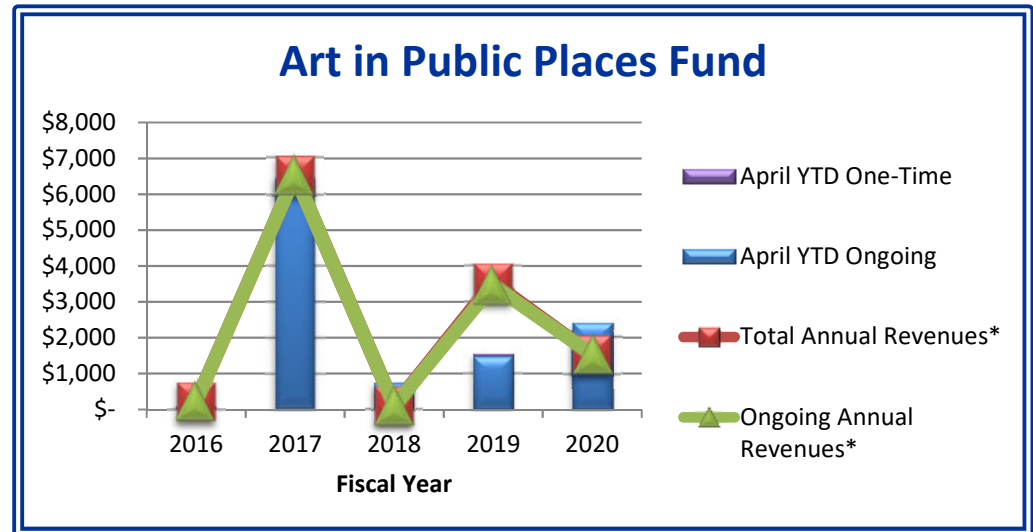
Exceeds Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 101	\$ 204	49%		
2017	\$ 6,455	\$ 6,528	99%	6320%	3106%
2018	\$ 732	\$ 98	750%	-89%	-99%
2019	\$ 1,550	\$ 3,536	44%	112%	3523%
2020	\$ 2,405	\$ 1,530	157%	55%	-57%

YTD and 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

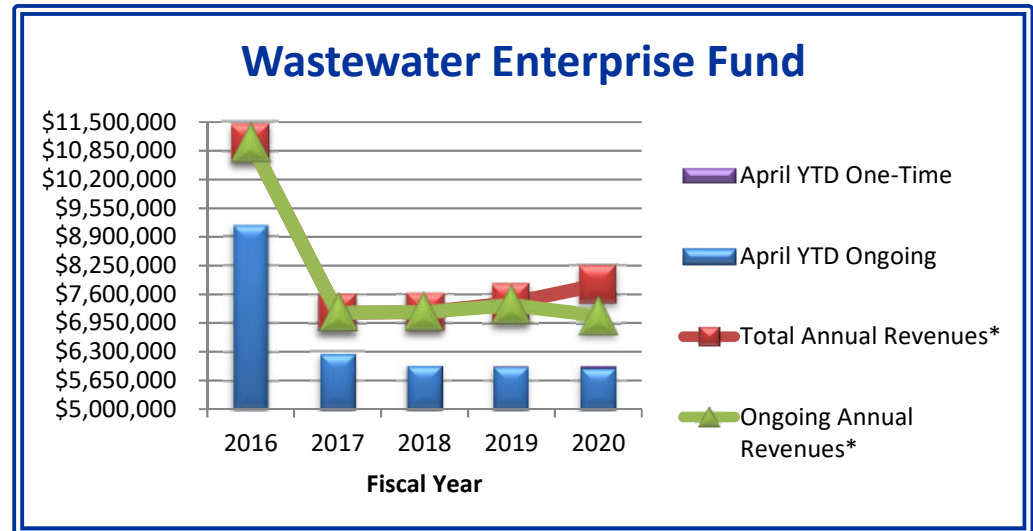
FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 9,143,373	\$ 11,026,791	83%		
2017	\$ 6,227,845	\$ 7,180,562	87%	-32%	-35%
2018	\$ 5,968,456	\$ 7,195,914	83%	-4%	<1%
2019	\$ 5,962,978	\$ 7,398,305	81%	<-1%	3%
2020	\$ 5,965,614	\$ 7,813,213	76%	<-1%	6%

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.

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.

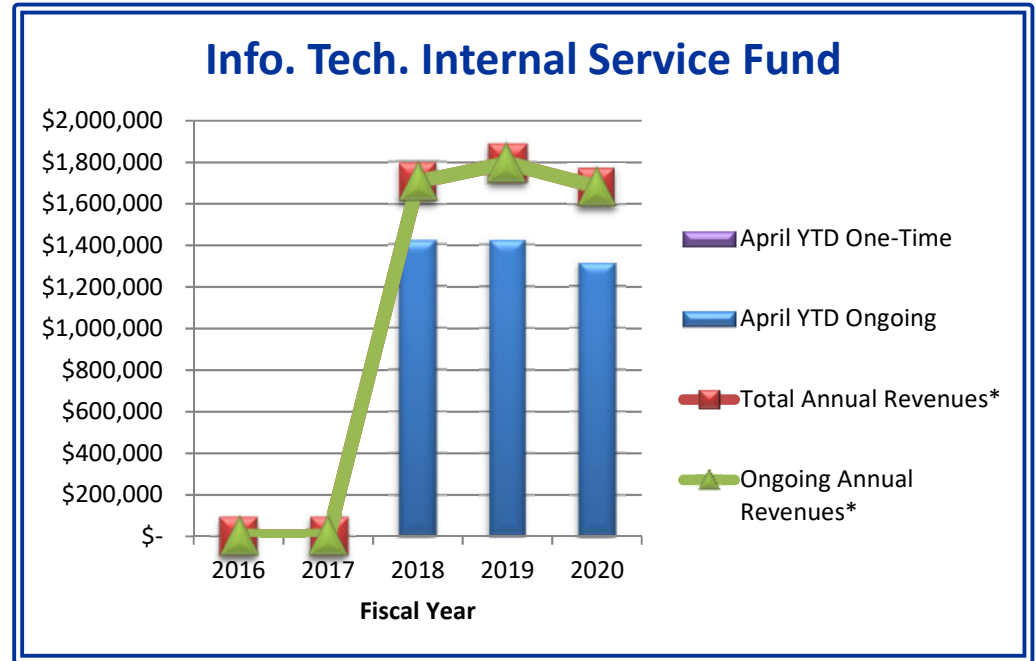
Total Revenues by Fund

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

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ -	\$ -	N/A		
2017	\$ -	\$ -	N/A	N/A	N/A
2018	\$ 1,420,990	\$ 1,705,824	83%	∞	∞
2019	\$ 1,424,310	\$ 1,795,609	79%	<1%	5%
2020	\$ 1,314,131	\$ 1,681,840	78%	-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.



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

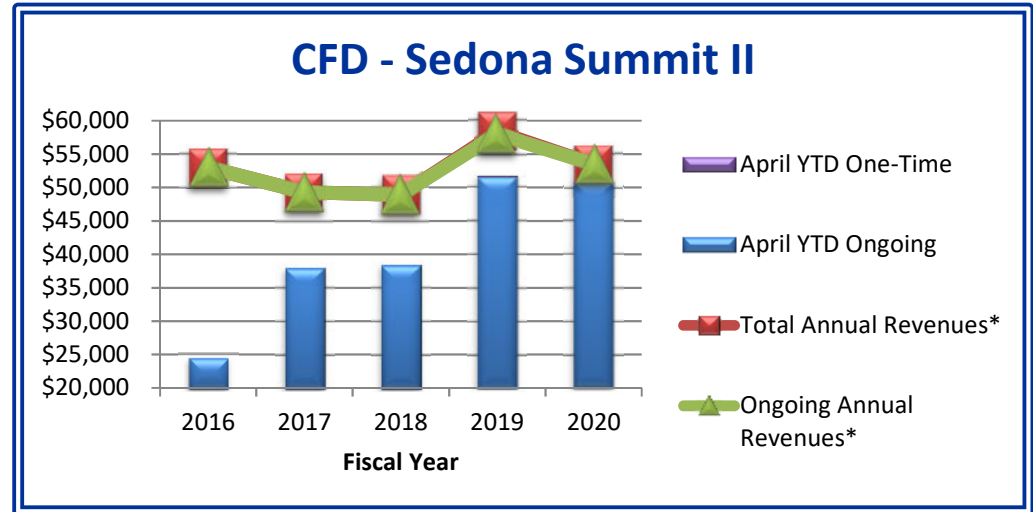
Total Revenues by Fund

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

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 24,474	\$ 52,969	46%		
2017	\$ 37,912	\$ 49,312	77%	55%	-7%
2018	\$ 38,372	\$ 48,910	78%	1%	-1%
2019	\$ 51,769	\$ 58,332	89%	35%	19%
2020	\$ 50,972	\$ 53,450	95%	-2%	-8%

Annual Increase from FY 2018 to FY 2019:

The increase in revenues was due to interest earnings.



Total CFD - Fairfield Revenues Under Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 90,530	\$ 123,983	73%		
2017	\$ 92,344	\$ 153,156	60%	2%	24%
2018	\$ 90,745	\$ 120,508	75%	-2%	-21%
2019	\$ 92,065	\$ 124,324	74%	1%	3%
2020	\$ 93,164	\$ 122,900	76%	1%	-1%

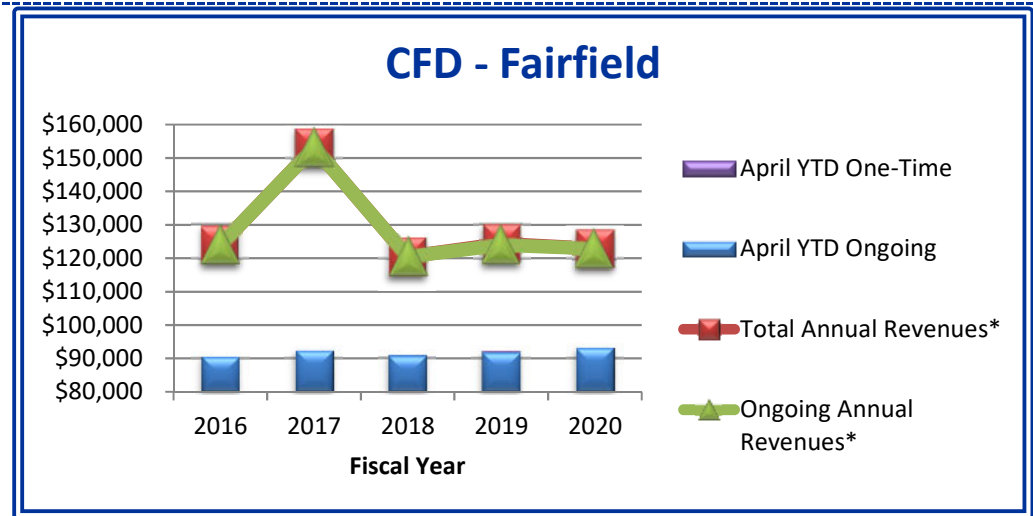
Annual Increase from FY 2016 to FY 2017:

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	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 25,434,801	\$ 32,113,557	79%		
2017	\$ 28,816,233	\$ 35,302,858	82%	13%	10%
2018	\$ 32,395,983	\$ 40,293,974	80%	12%	14%
2019	\$ 35,802,986	\$ 45,384,586	79%	11%	13%
2020	\$ 34,617,700	\$ 45,315,138	76%	-3%	<-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.

YTD and Annual Increase from FY 2017 to FY 2018:

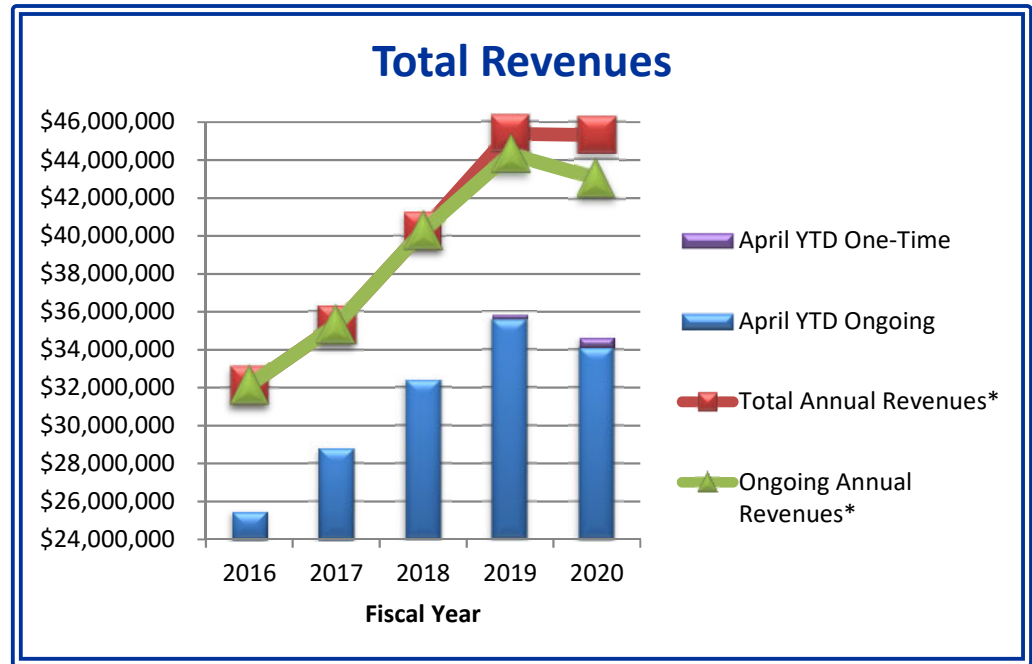
The most significant increases were in the categories of sales tax, bed tax, charges for services, and other miscellaneous revenues.

YTD Increase from FY 2018 to FY 2019:

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



Under Target for FY 2020: Due to timing of collections of in lieu fees, other intergovernmental revenues, development impact fees, and capacity fees, in addition to a slow down of sales and bed tax revenues, total revenues are low and will likely be under target 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

City Sales Tax Revenues

On Target for FY 2020

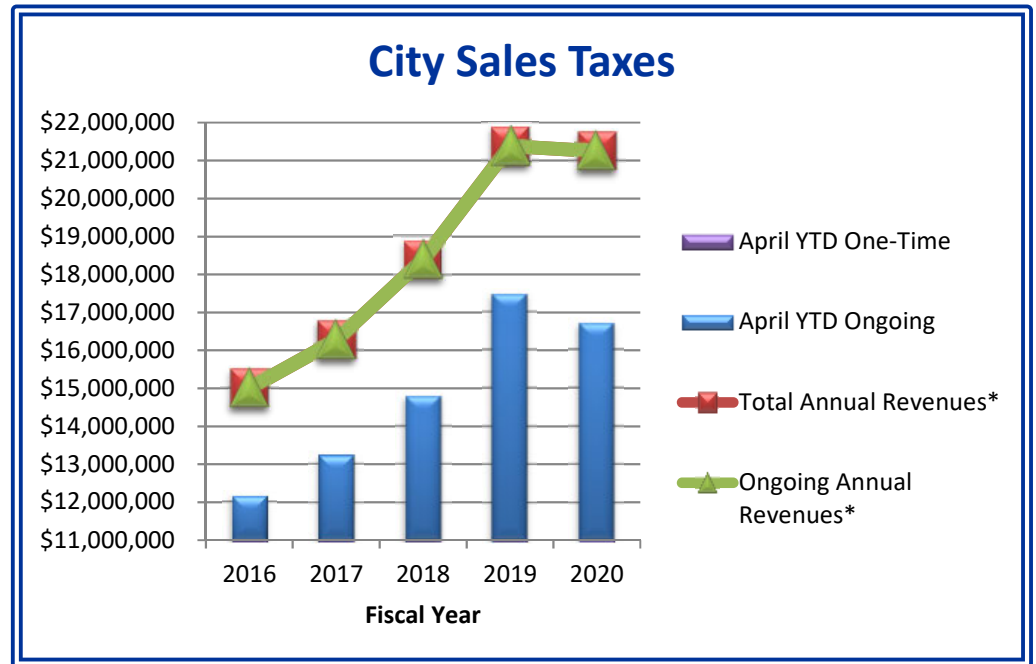
FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 12,158,612	\$ 14,999,612	81%		
2017	\$ 13,241,123	\$ 16,268,459	81%	9%	8%
2018	\$ 14,783,900	\$ 18,393,517	80%	12%	13%
2019	\$ 17,470,052	\$ 21,381,693	82%	18%	16%
2020	\$ 16,697,714	\$ 21,245,800	79%	-4%	-1%

YTD and 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 and 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.



On Target for FY 2020: While revenues are close to target, they are expected to be under target at the end of the fiscal year due to the effects of the COVID-19 closures, revenues are expected to be under target at the end of the fiscal year.

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

Under Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 2,446,244	\$ 3,010,334	81%		
2017	\$ 3,086,994	\$ 3,811,727	81%	26%	27%
2018	\$ 3,629,181	\$ 4,431,680	82%	18%	16%
2019	\$ 3,935,517	\$ 4,788,239	82%	8%	8%
2020	\$ 3,557,108	\$ 4,769,300	75%	-10%	<-1%

YTD and 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.

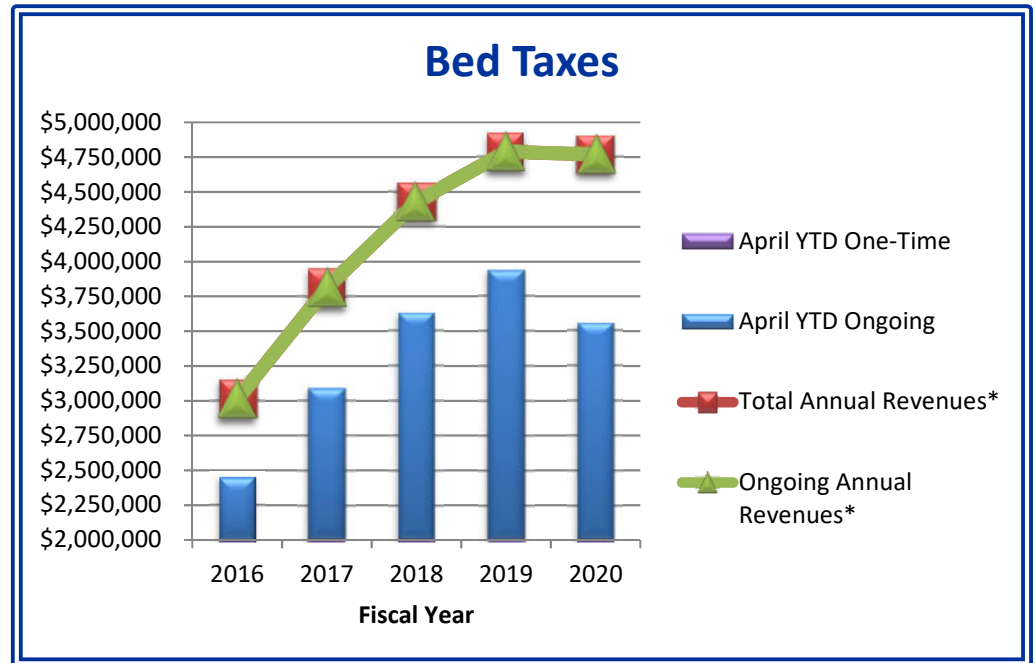
YTD and Annual Increase from FY 2017 to FY 2018:

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

YTD Decrease from FY 2019 to FY 2020:

The decrease is a result of the COVID-19 closures.

Under Target for FY 2020: Due to the effects of the COVID-19 closures, revenues are expected to be under target at the end of the fiscal year.



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	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 112,508	\$ 621,391	18%		
2017	\$ 153,385	\$ 686,301	22%	36%	10%
2018	\$ 126,266	\$ 643,087	20%	-18%	-6%
2019	\$ 137,489	\$ 1,280,721	11%	9%	99%
2020	\$ 639,484	\$ 1,292,400	49%	365%	1%

YTD and Annual Increase from FY 2016 to FY 2017:

- 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.**
- The increase is also due to the receipt of one-time Arts and Affordable Housing in-lieu revenues received in FY 2017.

YTD Decrease from FY 2017 to FY 2018:

The decrease is due to the timing of in lieu fees for the Community Facilities Districts.

Annual Increase from FY 2018 to FY 2019:

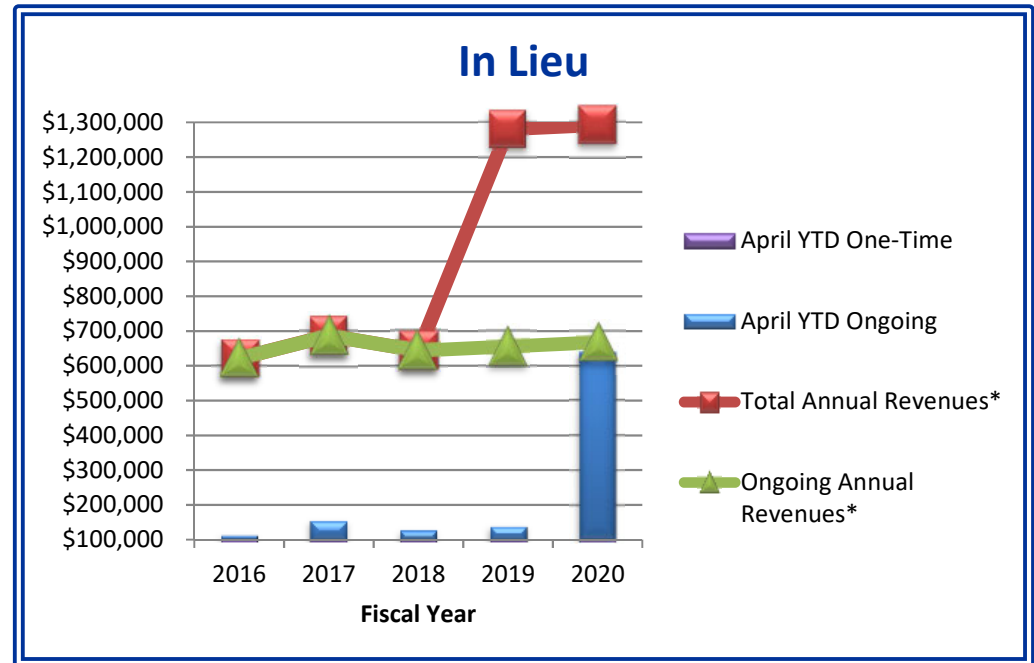
The increase is primarily due to the one-time receipt of significant Affordable Housing in lieu revenues.

YTD Increase from FY 2019 to FY 2020:

The increase is due to the timing of in lieu fees from one of the timeshare properties.

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.



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

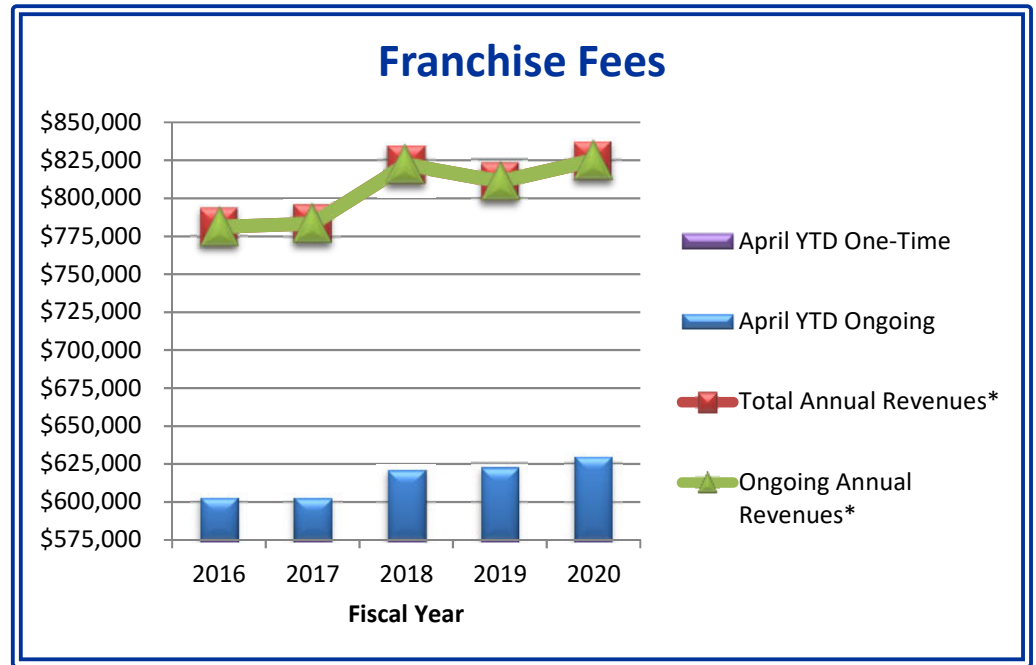
Total Revenues by Type

Franchise Fee Revenues

On Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 602,901	\$ 781,223	77%		
2017	\$ 602,595	\$ 783,413	77%	<-1%	<1%
2018	\$ 620,834	\$ 822,122	76%	3%	5%
2019	\$ 622,512	\$ 810,916	77%	<1%	-1%
2020	\$ 629,698	\$ 825,100	76%	1%	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.

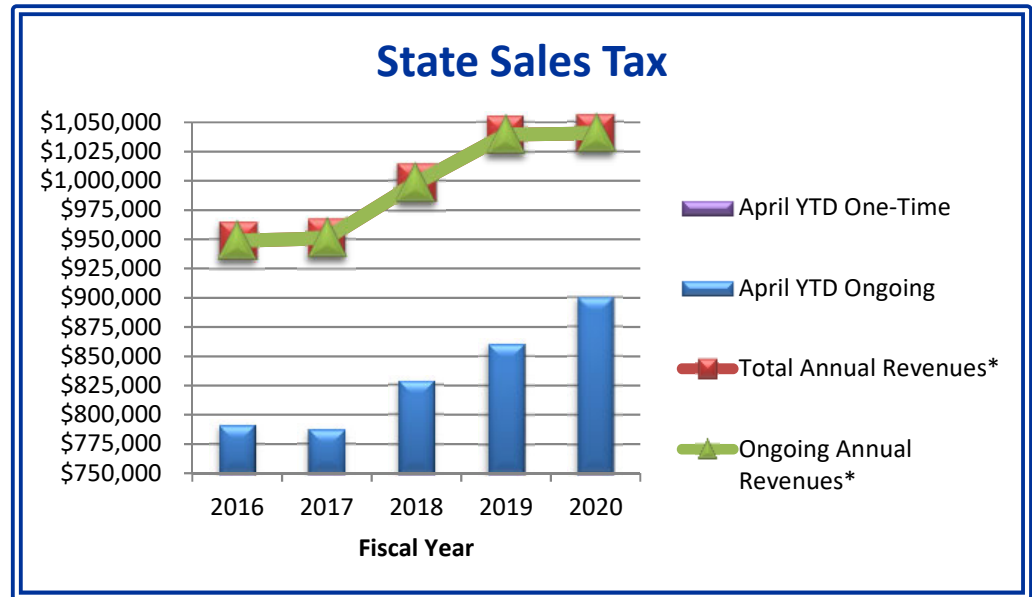
Total Revenues by Type

State Sales Tax Revenues

Exceeds Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 790,970	\$ 948,696	83%		
2017	\$ 787,162	\$ 950,879	83%	<-1%	<-1%
2018	\$ 828,654	\$ 998,202	83%	5%	5%
2019	\$ 860,676	\$ 1,039,635	83%	4%	4%
2020	\$ 900,214	\$ 1,040,600	87%	5%	<-1%

Increases/Decreases: State sales taxes are based on state-wide sales tax collections allocated to each of the cities and towns primarily based on population.

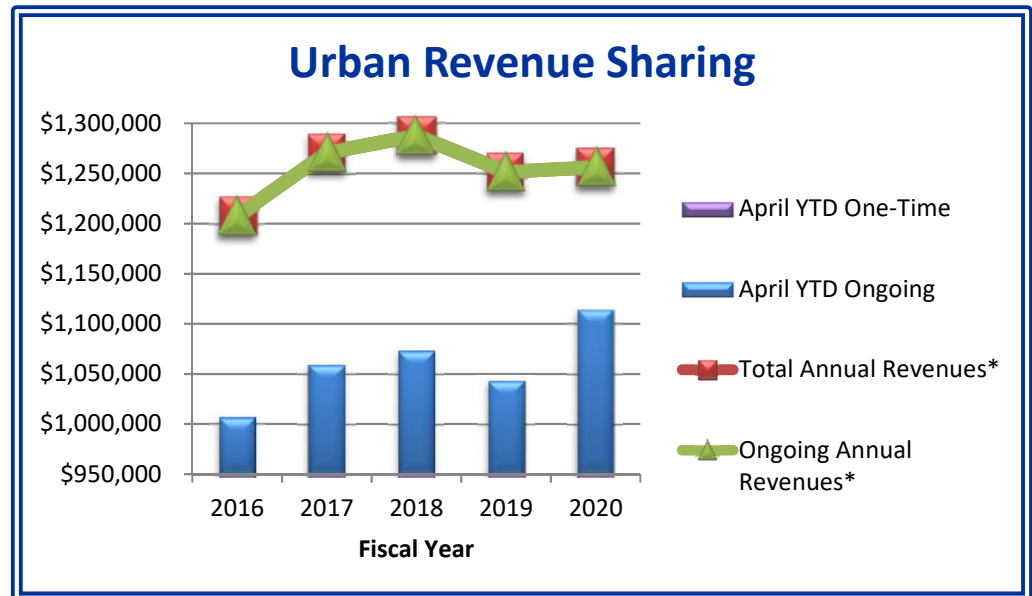


Urban Revenue Sharing Revenues

Exceeds Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 1,006,443	\$ 1,207,731	83%		
2017	\$ 1,059,081	\$ 1,270,897	83%	5%	5%
2018	\$ 1,073,140	\$ 1,287,767	83%	1%	1%
2019	\$ 1,043,072	\$ 1,251,688	83%	-3%	-3%
2020	\$ 1,113,721	\$ 1,256,100	89%	7%	<-1%

Increases/Decreases: Urban Revenue Sharing in state-shared income taxes. The State provides a preliminary estimate of each city's and town's allocation, which is based on population.



* 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

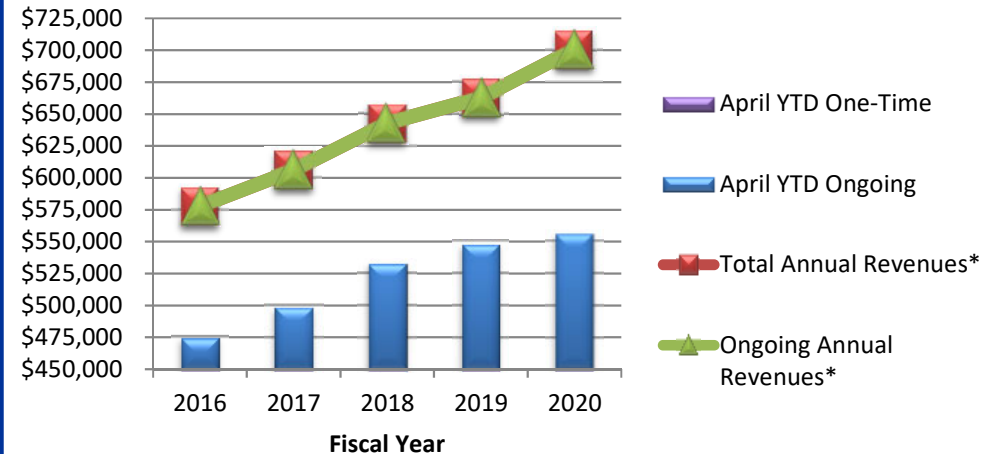
Vehicle License Tax Revenues

Under Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 473,982	\$ 577,681	82%		
2017	\$ 498,351	\$ 606,030	82%	5%	5%
2018	\$ 532,276	\$ 642,895	83%	7%	6%
2019	\$ 547,239	\$ 662,934	83%	3%	3%
2020	\$ 555,470	\$ 700,800	79%	2%	6%

Under Target for FY 2020: Vehicle license tax revenues are slightly low compared to estimate but higher than the prior 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.

Vehicle License Taxes



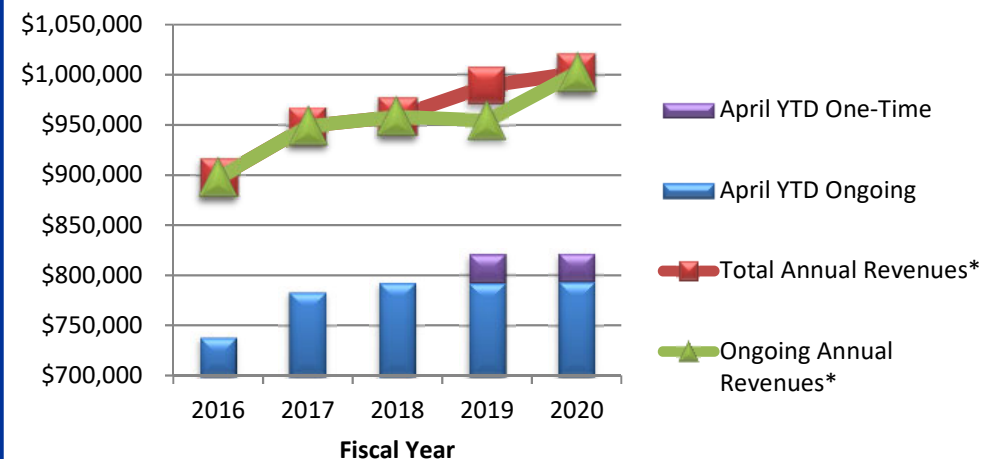
Highway User Revenues

On Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 737,388	\$ 897,406	82%		
2017	\$ 782,635	\$ 949,028	82%	6%	6%
2018	\$ 791,779	\$ 958,278	83%	1%	1%
2019	\$ 820,405	\$ 988,814	83%	4%	3%
2020	\$ 821,286	\$ 1,001,830	82%	<1%	1%

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.

Highway User



* 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	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 383,920	\$ 874,083	44%		
2017	\$ 788,293	\$ 956,757	82%	105%	9%
2018	\$ 779,426	\$ 1,048,665	74%	-1%	10%
2019	\$ 893,072	\$ 944,725	95%	15%	-10%
2020	\$ 309,699	\$ 1,117,215	28%	-65%	18%

YTD Increase from FY 2016 to FY 2017:

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

Annual Increase from FY 2017 to FY 2018:

- (1) The increase was partly due to a change in the way Coconino County Flood Control monies are distributed.
- (2) The increase was also due to timing differences in distribution of Yavapai County Flood Control monies.

YTD Increase from FY 2018 to FY 2019:

The increase was primarily 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.

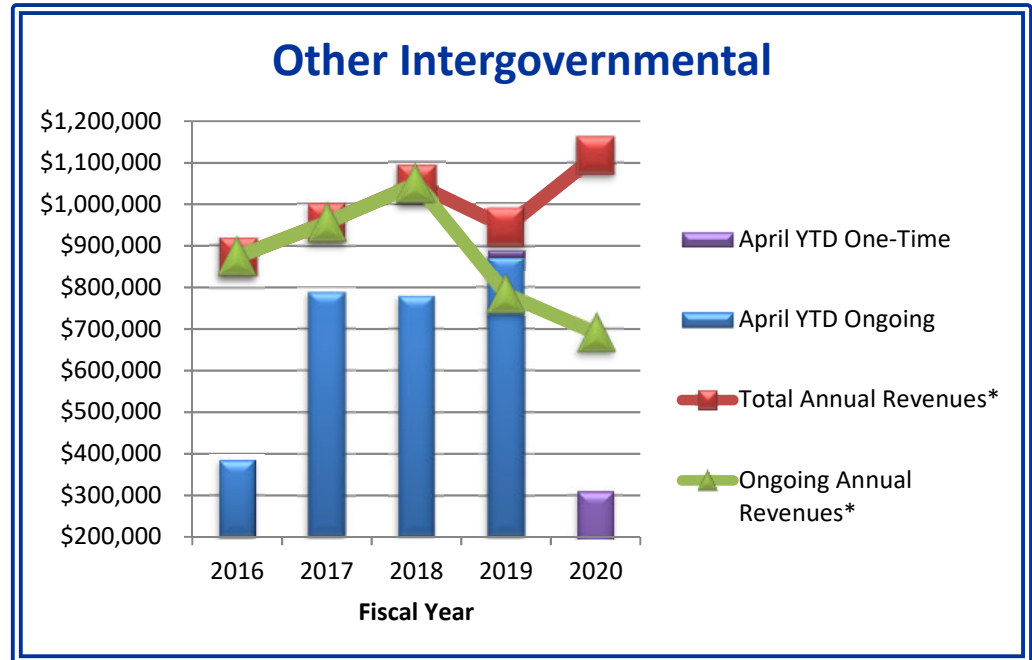
YTD Decrease from FY 2019 to FY 2020:

- (1) The decrease is largely due to a change in the way Coconino County Flood Control monies are distributed. While approximately \$402,000 was received in the prior year, no funding is anticipated for FY 2020.
- (2) The decrease was also due to timing differences in distributions of Yavapai County Flood Control monies.

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. In addition, the FY 2020 budget includes \$300,000 of contingent grant revenues in case a significant grant opportunity arises. Due to the effect of the timing of these revenues, year-to-date revenues are low and may be under target by the end of the fiscal year due to the contingent revenues.



* For the current year, Annual Revenues 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

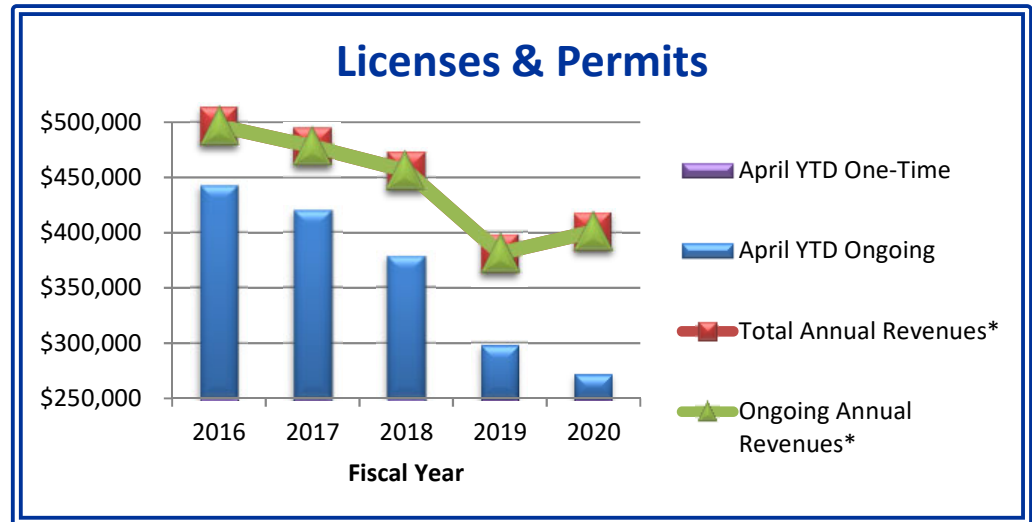
FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 442,507	\$ 496,777	89%		
2017	\$ 419,773	\$ 478,016	88%	-5%	-4%
2018	\$ 378,232	\$ 456,278	83%	-10%	-5%
2019	\$ 297,730	\$ 381,501	78%	-21%	-16%
2020	\$ 271,487	\$ 401,050	68%	-9%	5%

YTD Decrease from FY 2017 to FY 2018:

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

YTD and Annual Decrease from FY 2018 to FY 2019:

- 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.
- 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 may not reach budget anticipations later in the fiscal year. This account will be monitored but, at this point, is expected to be under estimates at the end of the fiscal year.

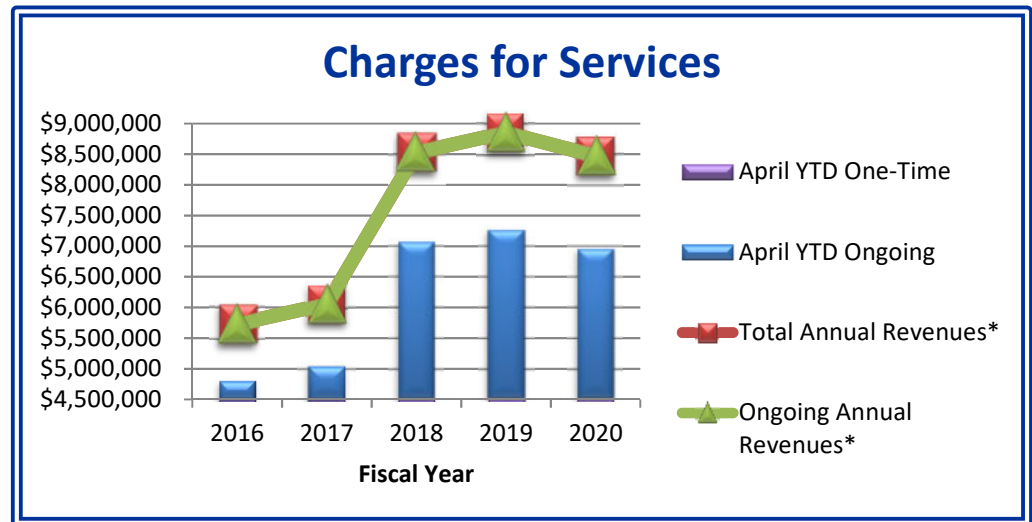
Charges for Services Revenues

On Target for FY 2020

FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 4,795,341	\$ 5,729,286	84%		
2017	\$ 5,041,178	\$ 6,057,534	83%	5%	6%
2018	\$ 7,062,188	\$ 8,528,856	83%	40%	41%
2019	\$ 7,258,528	\$ 8,855,382	82%	3%	4%
2020	\$ 6,946,387	\$ 8,472,823	82%	-4%	-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	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 216,264	\$ 241,071	90%		
2017	\$ 131,013	\$ 186,404	70%	-39%	-23%
2018	\$ 263,759	\$ 333,546	79%	101%	79%
2019	\$ 249,853	\$ 295,737	84%	-5%	-11%
2020	\$ 203,807	\$ 296,960	69%	-18%	<1%

YTD and Annual Decrease from FY 2016 to FY 2017:

- The decrease was partly due to an decrease in court fines and court enhancement fees collected.
- 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:

- 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.
- The increase was also partly due to a significant write-off of late fees in the prior year.

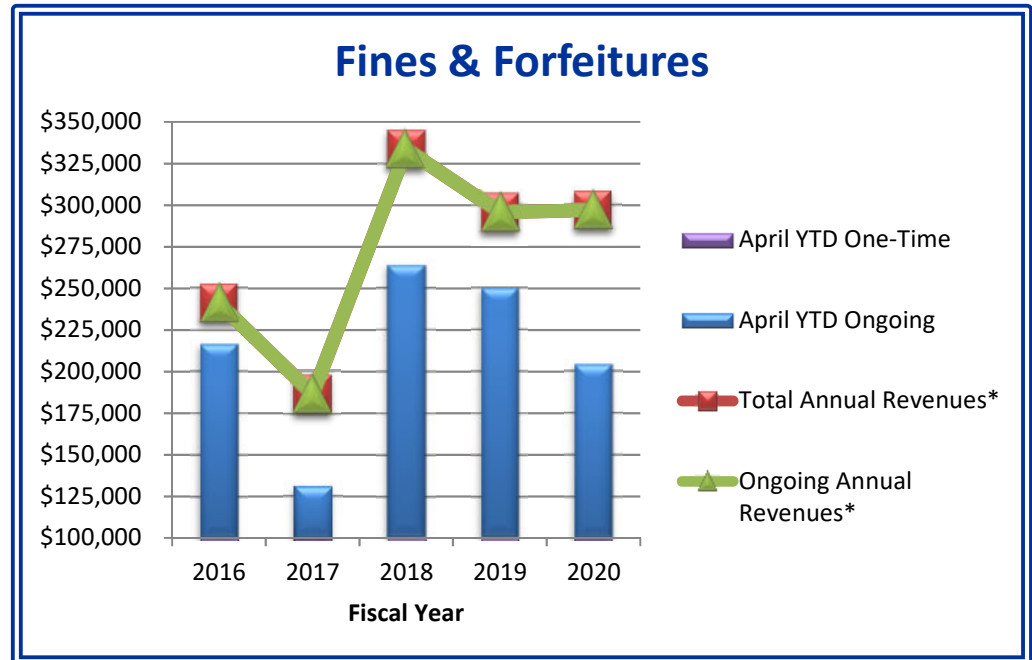
Annual Decrease from FY 2018 to FY 2019:

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

YTD Decrease from FY 2019 to FY 2020:

- The decrease was largely due to a significant write-off of wastewater late fees.
- 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. The late fees will likely be under target at the end of the fiscal year due to significant write-off and the suspension of late fees during the COVID-19 closures.



* 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

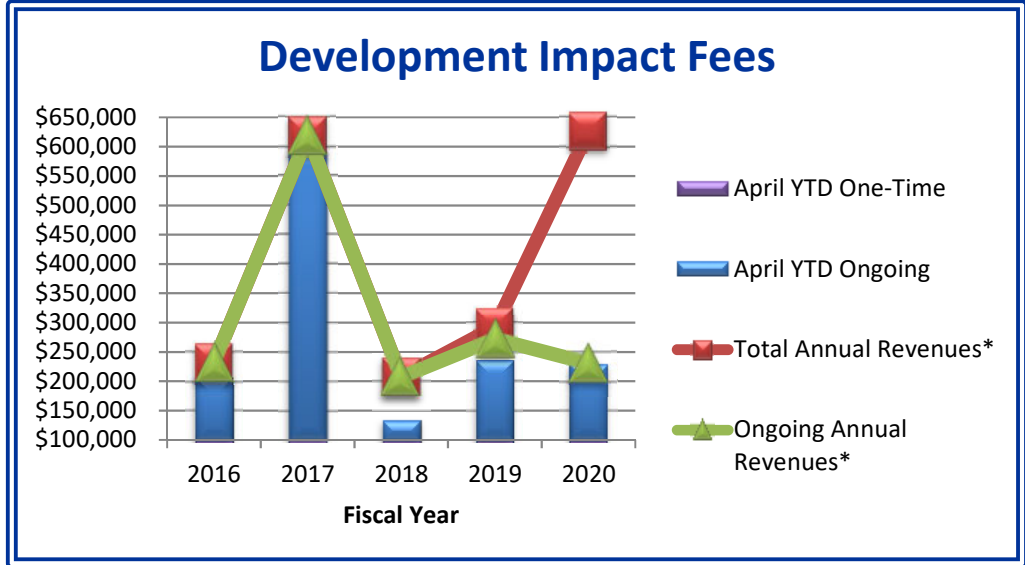
FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 208,595	\$ 231,772	90%		
2017	\$ 590,774	\$ 618,740	95%	183%	167%
2018	\$ 132,699	\$ 207,076	64%	-78%	-67%
2019	\$ 236,827	\$ 292,546	81%	78%	41%
2020	\$ 229,897	\$ 626,350	37%	-3%	114%

YTD and 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

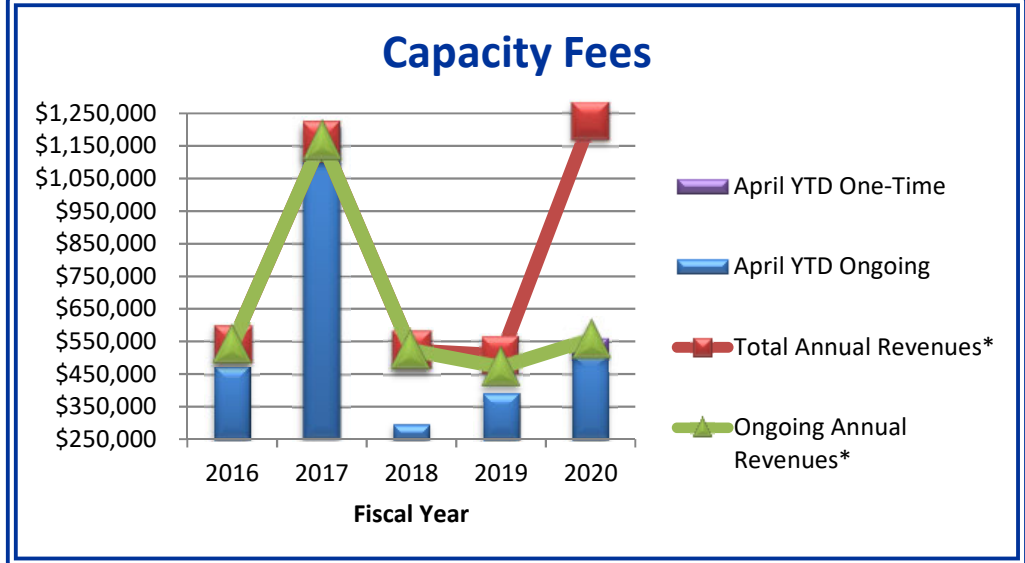
FY	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 475,704	\$ 541,045	88%		
2017	\$ 1,205,938	\$ 1,167,388	103%	154%	116%
2018	\$ 294,922	\$ 523,013	56%	-76%	-55%
2019	\$ 394,272	\$ 507,170	78%	34%	-3%
2020	\$ 562,043	\$ 1,227,000	46%	43%	142%

YTD and 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	April YTD Revenues	Annual Revenues*	% of Annual Rev.	% Increase - April YTD	% Increase - Annual
2016	\$ 583,425	\$ 955,449	61%		
2017	\$ 427,938	\$ 511,285	84%	-27%	-46%
2018	\$ 1,098,729	\$ 1,018,991	108%	157%	99%
2019	\$ 1,035,742	\$ 1,902,883	54%	-6%	87%
2020	\$ 1,179,685	\$ 1,041,810	113%	14%	-45%

YTD and 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 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.
- (4) In addition, unanticipated donations of \$15,000 were received for park benches.
- (5) The increase is also a result of increased outside participation in capital projects.

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.

Annual Increase from FY 2018 to FY 2019:

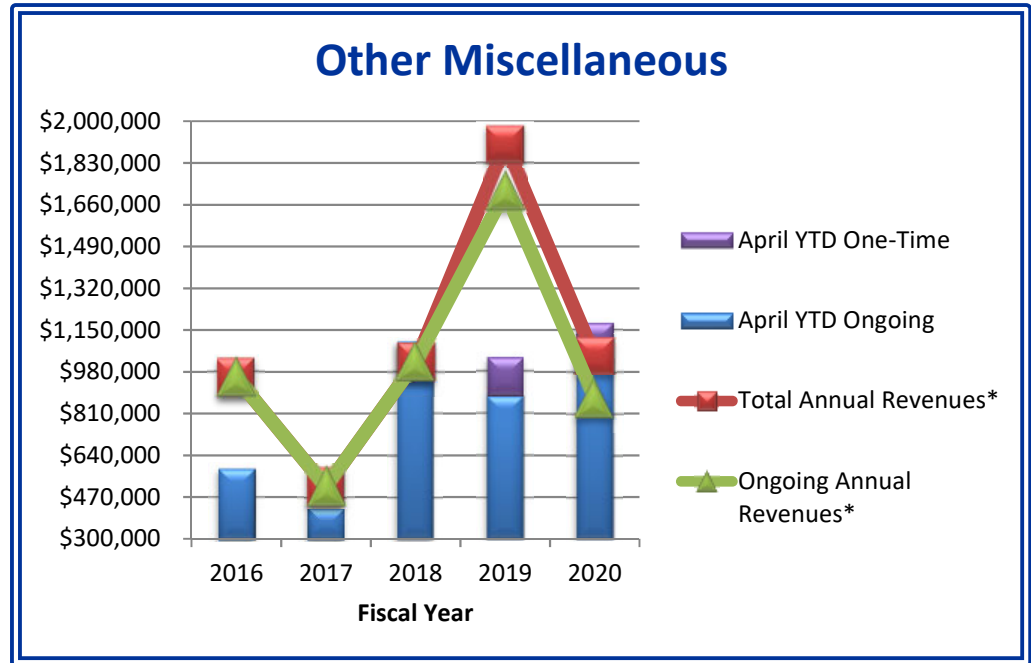
The increase was largely due to unrealized gain in market values of investments and increased interest earnings.

YTD Increase from FY 2019 to FY 2020:

- (1) The increase was partly due to an increase in the interest earnings in LGIP accounts and pooled investment accounts.
- (2) The increase was also due to an increase in the annual dividend received from the risk retention pool of which the City is a member.

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	725,119	310,857	369,481	168,222	143,855	55,259	67,271	1,840,064
January 2020	609,410	317,577	369,711	170,317	118,914	67,386	51,795	1,705,110
February 2020	595,491	201,021	370,185	125,386	108,770	60,966	71,085	1,532,904
March 2020	561,117	159,533	279,600	160,513	109,370	57,253	19,158	1,346,544
April 2020	408,676	174,697	55,711	133,564	104,488	50,978	3,744	931,858
May 2020	-	-	-	-	-	-	-	-
June 2020	-	-	-	-	-	-	-	-
Total Year-to-Date FY 2020	\$ 5,953,155	\$ 3,072,384	\$ 3,586,461	\$ 1,404,961	\$ 1,299,177	\$ 617,397	\$ 812,120	\$ 16,745,655
Current Month Comparison to Same Month Last Year								
April 2019 vs. April 2020	\$ (289,498)	\$ (271,140)	\$ (518,501)	\$ 24,709	\$ (37,665)	\$ (1,420)	\$ (145,139)	\$ (1,238,654)
Change from April to April	-41%	-61%	-90%	23%	-26%	-3%	-97%	-57%
Year-to-Date Comparison to Year-to-Date Last Year								
Difference in YTD	\$ 96,537	\$ (491,516)	\$ (381,937)	\$ 280,843	\$ (33,416)	\$ 11,544	\$ (166,018)	\$ (683,963)
% Change from Prior YTD	2%	-14%	-10%	25%	-3%	2%	-17%	-4%

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

Sales & Bed Tax Revenues by Month

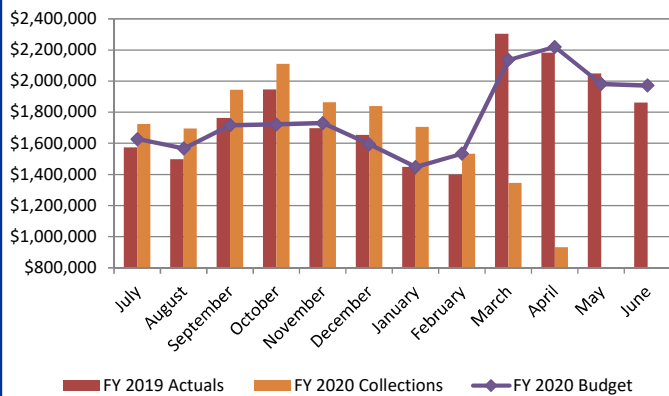
City Sales Tax Revenues

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	1,840,064	11%	1,593,830	15%
January	1,449,428	1,705,109	18%	1,448,090	18%
February	1,400,316	1,532,903	9%	1,533,550	0%
March	2,304,663	1,346,544	-42%	2,136,000	-37%
April	2,182,014	931,857	-57%	2,219,810	-58%
May	2,049,526	-	-	1,981,570	-
June	1,862,115	-	-	1,971,320	-
Totals	\$ 21,381,693	\$ 16,697,714	-4%	\$ 21,245,800	-3%

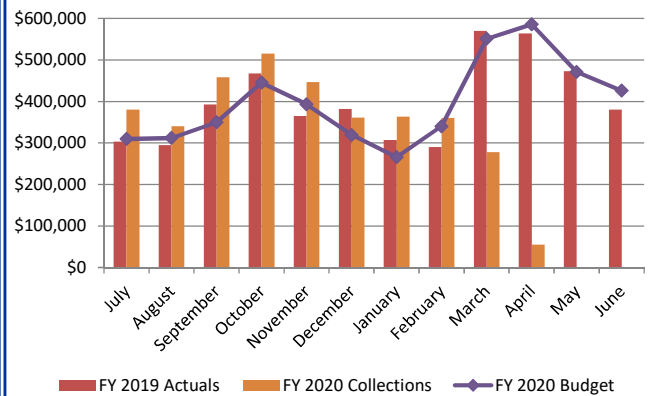
Bed Tax Revenues

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	360,997	-5%	319,520	13%
January	306,838	363,165	18%	265,820	37%
February	290,354	360,160	24%	340,060	6%
March	569,565	277,687	-51%	550,840	-50%
April	563,908	54,848	-90%	585,610	-91%
May	472,623	-	-	471,170	-
June	380,099	-	-	426,110	-
Totals	\$ 4,788,239	\$ 3,557,108	-10%	\$ 4,769,300	-8%

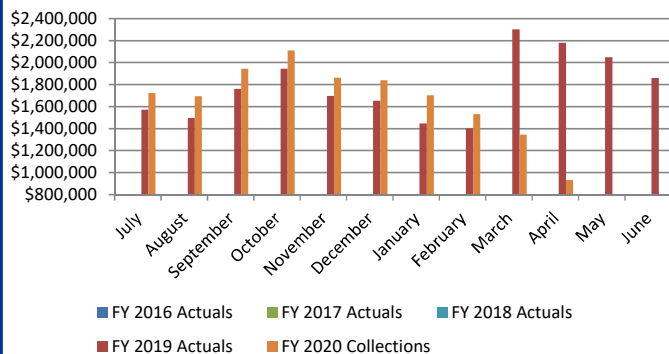
City Sales Tax Revenues



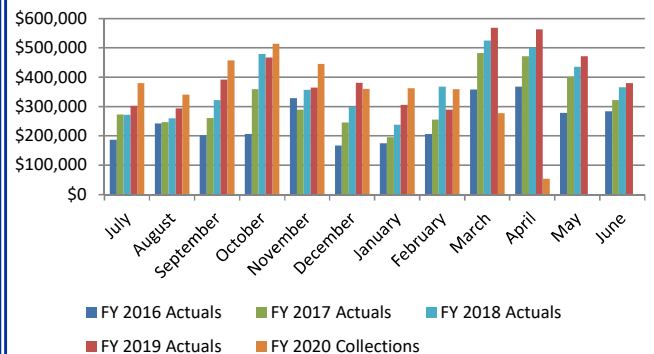
Bed Tax Revenues



City Sales Tax Revenues Historical Trends



Bed Tax Revenues Historical Trends



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	\$ 14,369,394		\$ 14,369,394	79%	\$ 15,048,709	-5%
Bed Taxes	4,769,300	3,557,108		3,557,108	75%	3,935,517	-10%
Franchise Fees	825,100	629,698		629,698	76%	622,512	1%
<u>State Shared Revenues:</u>							
State Shared Sales Taxes	1,040,600	900,214		900,214	87%	860,676	5%
Urban Revenue Sharing	1,256,100	1,113,721		1,113,721	89%	1,043,072	7%
Vehicle License Taxes	700,800	555,470		555,470	79%	547,239	2%
<u>Other Intergovernmental:</u>							
Grants	20,000	1,971		1,971	10%	1,985	-1%
Other	2,000	123		123	6%	3,410	-96%
In Lieu Fees	496,500	502,647		502,647	101%	-	∞
Licenses & Permits	401,050	271,487		271,487	68%	297,730	-9%
Charges for Services	625,300	582,381		582,381	93%	679,698	-14%
Fines & Forfeitures	206,760	164,083		164,083	79%	182,047	-10%
<u>Other Revenues:</u>							
Interest Earnings	127,310	147,880		147,880	116%	119,118	24%
Donations & Contributions	-	-		-	N/A	1,200	-100%
Rental Income	45,000	27,733		27,733	62%	36,392	-24%
Miscellaneous	109,200	195,636		195,636	179%	82,505	137%
Total Revenues	\$ 28,842,120	\$ 23,019,546		\$ 23,019,546	80%	\$ 23,461,811	-2%
Expenditures							
<u>General Government:</u>							
City Council	\$ 75,970	\$ 48,566	\$ -	\$ 48,566	64%	\$ 51,390	-5%
City Manager's Office	750,280	530,594	-	530,594	71%	535,837	-1%
Human Resources	302,850	202,200	27,480	229,680	76%	188,856	7%
Financial Services	1,179,560	888,210	51,987	940,197	80%	761,668	17%
City Attorney's Office	705,530	486,621	-	486,621	69%	439,320	11%
City Clerk's Office	267,860	210,849	-	210,849	79%	207,492	2%
General Services	528,155	566,152	-	566,152	107%	542,590	4%
Community Development	796,585	579,900	-	579,900	73%	565,741	3%
Public Works	643,495	591,106	31,348	622,455	97%	355,311	66%
Municipal Court	398,634	311,062	-	311,062	78%	301,955	3%
<u>Public Safety:</u>							
General Services	71,293	71,106	-	71,106	100%	69,098	3%
Community Development	666,745	481,384	21,750	503,135	75%	469,296	3%
Police	5,521,792	3,596,565	14,837	3,611,402	65%	3,511,280	2%
<u>Public Works & Streets:</u>							
Public Works	2,258,354	1,604,262	38,477	1,642,739	73%	1,452,480	10%
<u>Culture & Recreation:</u>							
City Manager's Office	95,430	65,170	-	65,170	68%	61,983	5%
Parks & Recreation	759,240	492,368	10,250	502,618	66%	497,806	-1%
General Services	484,974	484,974	-	484,974	100%	470,392	3%
Community Development	37,880	26,390	-	26,390	70%	28,715	-8%
Public Works	742,595	564,487	8,000	572,487	77%	457,241	23%
<u>Economic Development:</u>							
City Manager's Office	2,492,500	2,492,500	-	2,492,500	100%	2,176,400	15%
Economic Development:	244,330	174,402	10,000	184,402	75%	136,730	28%
<u>Health & Welfare:</u>							
City Manager's Office	258,330	154,601	27,694	182,295	71%	-	∞
City Clerk's Office	-	-	-	-	N/A	9,281	-100%
General Services	382,870	390,870	-	390,870	102%	274,365	42%
<u>Public Transportation:</u>							
General Services	413,714	175,298	-	175,298	42%	100,956	74%
Debt Service	1,036,750	862,558	-	862,558	83%	1,181,066	-27%
Indirect Cost Allocations	653,880	503,820	-	503,820	77%	515,275	-2%
Contingencies	291,700	-	-	-	0%	-	N/A
Net Addition to Equipment Replacement Reserve	(386,950)	-	-	-	0%	-	N/A
Total Expenditures	\$ 21,674,346	\$ 16,556,015	\$ 241,824	\$ 16,797,839	78%	\$ 15,362,527	8%
Other Financing Sources (Uses)							
Transfers to Capital Improvements Fund	\$ (2,416,627)	\$ (1,665,378)		\$ (1,665,378)	69%	\$ (1,475,633)	<-1%
Transfers to Wastewater Fund	(3,447,000)	(3,287,014)		(3,287,014)	95%	(3,764,401)	13%
Transfers to Affordable Housing Fund	(1,100,000)	(916,667)		(916,667)	83%	(83,333)	<-1%
Transfers to Development Impact Fees Funds	(31,786)	-		-	0%	-	N/A
Transfers to Streets Fund	(190,760)	(158,967)		(158,967)	83%	(211,000)	25%
Total Other Financing Sources (Uses)	\$ (7,186,173)	\$ (6,028,026)		\$ (6,028,026)	84%	\$ (5,534,368)	<-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, April 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	484,680		484,680	113%	807,086	-40%
Prior Year Surplus to be Appropriated	1,787,859	3,345,639		3,345,639	187%	-	∞
Unrestricted Fund Balance	1,731,849	1,586,257		1,586,257	92%	3,515,631	-55%
Total Ending Fund Balance, April 30	\$ 11,074,918	\$ 12,565,058		\$ 12,323,234	111%	\$ 11,800,735	6%

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	\$ 5,058,613		\$ 5,058,613	82%	\$ 5,156,894	-2%
Capacity Fees	1,227,000	562,043		562,043	46%	394,272	43%
Fines & Forfeitures	65,900	19,560		19,560	30%	47,834	-59%
<u>Other Revenues:</u>							
Interest Earnings	321,330	317,973		317,973	99%	349,922	-9%
Miscellaneous	32,800	7,424		7,424	23%	14,047	-47%
Total Revenues	\$ 7,813,213	\$ 5,965,614		\$ 5,965,614	76%	\$ 5,962,968	<1%
Expenditures							
<u>Wastewater Administration:</u>							
Salaries & Benefits	\$ 171,540	\$ 142,673	\$ -	\$ 142,673	83%	\$ 153,028	-7%
Other Expenditures	44,151	40,519	-	40,519	92%	36,244	12%
<u>Wastewater Operations:</u>							
Salaries & Benefits	1,036,940	735,896	-	735,896	71%	656,106	12%
Utilities	511,000	378,509	-	378,509	74%	415,754	-9%
Maintenance	767,765	335,303	49,914	385,217	50%	358,854	-7%
Other Expenditures	1,611,904	661,935	121,401	783,335	49%	144,362	359%
<u>Wastewater Capital Projects:</u>							
Salaries & Benefits	123,130	100,947	-	100,947	82%	78,985	28%
Other Expenditures	2,130	232	-	232	11%	-	∞
Capital Improvement Projects	4,074,000	2,409,330	1,909,826	4,319,155	106%	420,629	473%
<u>Indirect Cost/Departmental Allocations:</u>							
City Manager's Office	57,030	43,970	-	43,970	77%	42,973	2%
Human Resources	45,710	31,770	-	31,770	70%	31,056	2%
Financial Services	578,100	463,491	6,931	470,422	81%	410,477	13%
Information Technology	218,685	161,700	-	161,700	74%	126,393	28%
City Attorney's Office	165,590	45,020	-	45,020	27%	50,399	-11%
City Clerk's Office	5,920	4,490	-	4,490	76%	2,608	72%
General Services	68,530	49,870	-	49,870	73%	42,576	17%
Public Works	258,680	191,569	-	191,569	74%	209,999	-9%
Debt Service	4,693,025	3,909,500	-	3,909,500	83%	3,698,869	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	\$ 9,706,724	\$ 2,088,071	\$ 11,794,795	85%	\$ 6,879,311	41%
Other Financing Sources (Uses)							
Transfers from General Fund	\$ 3,447,000	\$ 3,287,014		\$ 3,287,014	95%	\$ 3,764,401	-13%
Total Other Financing Sources (Uses)	\$ 3,447,000	\$ 3,287,014		\$ 3,287,014	95%	\$ 3,764,401	-13%
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, April 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	1,590,670		1,590,670	91%	4,000,000	-60%
Budget Carryovers Reserve	-	-		-	N/A	340,100	-100%
Unrestricted Fund Balance	10,099,611	13,695,590		11,607,519	115%	12,186,737	12%
Total Ending Fund Balance, April 30	\$ 14,959,319	\$ 17,839,840		\$ 15,751,770	105%	\$ 18,826,021	-5%

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, April 30, 2020
General Fund	\$ 12,129,553	\$ 23,019,546	\$ 21,674,346	\$ 16,556,015	\$ 241,824	\$ 16,797,839	78%	\$ (6,028,026)	\$ 12,565,058
Special Revenue Funds									
Streets Fund	\$ 802,453	\$ 1,043,118	\$ 1,206,020	\$ 44,280	\$ -	\$ 44,280	4%	\$ 158,967	\$ 1,960,258
Affordable Housing Fund	\$ 991,919	\$ 24,748	\$ 1,520,000	\$ 41,633	\$ 249,534	\$ 291,167	19%	\$ 916,667	\$ 1,891,701
Grants, Donations & Other Funds	\$ 367,141	\$ 104,566	\$ 1,045,245	\$ 56,315	\$ 28,750	\$ 85,065	8%	\$ -	\$ 415,392
Transportation Sales Tax Fund	\$ 4,044,079	\$ 2,418,389	\$ 98,620	\$ 34,232	\$ -	\$ 34,232	35%	\$ -	\$ 6,428,236
Capital Projects Funds									
Development Impact Fees Funds	\$ 3,036,853	\$ 279,915	\$ 2,303,192	\$ 683,246	\$ 1,200,689	\$ 1,883,935	82%	\$ (27,672)	\$ 2,605,849
Capital Improvements Fund	\$ 13,612,588	\$ 301,134	\$ 8,087,206	\$ 4,592,045	\$ 1,873,912	\$ 6,465,957	80%	\$ 1,656,054	\$ 10,977,731
Art in Public Places Fund	\$ 127,743	\$ 2,405	\$ -	\$ -	\$ -	\$ -	N/A	\$ 36,996	\$ 167,144
Wastewater Enterprise Fund	\$ 18,293,936	\$ 5,965,614	\$ 13,900,480	\$ 9,706,724	\$ 2,088,071	\$ 11,794,795	85%	\$ 3,287,014	\$ 17,839,840
Information Technology Internal Service Fund	\$ 452,312	\$ 1,314,131	\$ 1,561,621	\$ 1,127,394	\$ 67,949	\$ 1,195,343	77%	\$ -	\$ 639,048
Total All City Funds	\$ 53,858,576	\$ 34,473,564	\$ 51,396,730	\$ 32,841,883	\$ 5,750,729	\$ 38,592,613	75%	\$ -	\$ 55,490,257
Community Facilities Districts									
Sedona Summit II	\$ 350,801	\$ 50,972	\$ 20,000	\$ 5,300	\$ -	\$ 5,300	27%	\$ -	\$ 396,473
Fairfield	\$ 155,322	\$ 93,164	\$ 260,000	\$ 160,000	\$ -	\$ 160,000	62%	\$ -	\$ 88,486

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	\$ 354,952	134%	\$ 481,279	-26%	\$ 586,354
Total Revenues	\$ 265,000	\$ 354,952	134%	\$ 481,279	-26%	\$ 586,354
Program Support Costs						
Financial Services	\$ 41,909	\$ 31,545	75%	\$ 37,938	-17%	\$ 48,054
Police	36,615	34,995	96%	30,259	16%	41,504
Total Program Support Costs	\$ 78,524	\$ 66,540	85%	\$ 68,197	-2%	\$ 89,558
Net Revenues	\$ 186,476	\$ 288,412	155%	\$ 413,082	-30%	\$ 496,795
Uptown Enhancement Costs						
Christmas Decorations	\$ 80,000	\$ 81,770	102%	\$ 40,000	104%	\$ 40,000
Additional Traffic Control Assistant Hours	-	-	N/A	6,112	-100%	8,321
Uptown Lighting Improvements	4,000	2,500	63%	37,422	-93%	62,414
Uptown Walkway Improvements	32,000	-	0%	-	N/A	9,300
Parking Study	60,000	58,330	97%	3,162	1745%	31,332
Land Purchase	480,000	487,259	102%	-	∞	-
Total Uptown Enhancement Costs	\$ 656,000	\$ 629,859	96%	\$ 86,696	627%	\$ 151,367
Fund Balances						
Beginning Balance, July 1	\$ 428,654	\$ 826,127	193%	\$ 480,699	72%	\$ 480,699
Total Ending Fund Balance, April 30	\$ (40,870)	\$ 484,680	<1%	\$ 807,086	-40%	\$ 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	10/14/2020	5.20%	\$ 68,740	\$ 3,575	\$ 72,314	\$ -	\$ -	\$ -	\$ 68,740	\$ 3,575	\$ 72,314
MidState Energy	12/20/2020-2030	3.60%	\$ 350,863	\$ 81,614	\$ 432,477	\$ -	\$ -	\$ -	\$ 350,863	\$ 81,614	\$ 432,477
Enterprise Fleet Management	4/20/2020-12/20/2024	4.11%-6.70%	\$ 194,371	\$ 18,552	\$ 212,923	\$ 34,420	\$ 5,044	\$ 39,464	\$ 228,791	\$ 23,596	\$ 252,387
Installment Purchase Agreements											
American Christmas ⁽²⁾	11/15/2020-2021	0.00%	\$ 83,685	\$ -	\$ 83,685	\$ -	\$ -	\$ -	\$ 83,685	\$ -	\$ 83,685
Grand Totals			\$ 8,247,658	\$ 776,921	\$ 9,024,579	\$ 14,734,420	\$ 17,709,744	\$ 32,444,164	\$ 22,982,078	\$ 18,486,665	\$ 41,468,743

⁽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
Information Technology							
Citywide Business Software (IT-01)	Capital Reserves	\$ 1,000,000	\$ -	0%	\$ 100,000	\$ -	0%
Municipal Court							
Snagua Courtroom Remodel (MC-01)	Court Restricted Revenues	\$ 247,930	\$ 15,716	6%	\$ 232,830	\$ -	0%
	Capital Reserves	\$ 40,870	\$ 13,070	32%	\$ -	\$ -	N/A
	Project Total	\$ 288,800	\$ 28,786	10%	\$ 232,830	\$ -	0%
Parks & Recreation							
Evaluation of Posse Grounds Park (PR-02)	Capital Reserves	\$ 598,124	\$ 6,813	1%	\$ 60,000	\$ 6,813	11%
Improvements at Ranger Station (PR-03)	CFD - Sedona Summit II	\$ 155,214	\$ 90,514	58%	\$ 20,000	\$ 5,300	27%
	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	\$ 8,500	1%	\$ 21,232	\$ 8,500	40%
	Project Total	\$ 2,681,741	\$ 270,541	10%	\$ 245,250	\$ 13,800	6%
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) <i>(estimated to resume in FY2021)</i>	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	\$ 137,126	56%	\$ 37,372	\$ 1,225	3%
	Project Total	\$ 463,298	\$ 281,007	61%	\$ 64,000	\$ 1,225	2%
Police							
Radio Infrastructure (PD-02)	Capital Reserves	\$ 1,020,211	\$ 251,115	25%	\$ 100,000	\$ 7,176	7%
Police Station Remodel (PD-03)	Capital Reserves	\$ 2,226,816	\$ 37,026	2%	\$ 201,887	\$ 33,027	16%
	Development Impact Fees	\$ 263,184	\$ 7,986	3%	\$ 25,113	\$ 7,986	32%
	Project Total	\$ 2,490,000	\$ 45,012	2%	\$ 227,000	\$ 41,012	18%
Shooting Range Improvements (PD-04)	RICO Monies	\$ 66,388	\$ 41,388	62%	\$ 25,000	\$ -	0%
	Development Impact Fees	\$ 231,421	\$ 152,613	66%	\$ 199,031	\$ 57,613	29%
	Capital Reserves	\$ 407,385	\$ 439,031	108%	\$ 26,223	\$ 10,122	39%
	Project Total	\$ 705,194	\$ 633,032	90%	\$ 250,254	\$ 67,735	27%
Public Works							
Uptown Walkway Improvements (PW-01a)	Paid Parking Revenues	\$ 41,300	\$ 9,300	23%	\$ 32,000	\$ -	0%
Uptown Lighting Projects (PW-01b)	Paid Parking Revenues	\$ 66,414	\$ 64,914	98%	\$ 4,000	\$ 2,500	63%
Sedona in Motion							
Uptown Roadway Improvements (SIM-01)	Capital Reserves	\$ 3,666,825	\$ 3,710,103	101%	\$ 3,172,914	\$ 2,904,138	92%
	Development Impact Fees	\$ 1,155,179	\$ 478,117	41%	\$ 1,155,179	\$ 478,117	41%
	Project Total	\$ 4,822,004	\$ 4,188,220	87%	\$ 4,328,093	\$ 3,382,255	78%
Uptown Parking Improvements (SIM-03a)	Capital Reserves	\$ 163,463	\$ 13,463	8%	\$ 150,000	\$ -	0%
	Paid Parking Revenues	\$ 100,000	\$ 576,921	577%	\$ 540,000	\$ 545,589	101%
	Project Total	\$ 263,463	\$ 590,383	224%	\$ 690,000	\$ 545,589	79%
Wayfinding Signage (SIM-03b)	Capital Reserves	\$ 450,000	\$ 57,128	13%	\$ 17,014	\$ 17,014	100%
Pedestrian Crossing at Tlaquepaque (SIM-04c)	Capital Reserves	\$ 303,571	\$ 193,950	64%	\$ 308,999	\$ 134,111	43%
	Transportation Sales Tax	\$ 1,947,479	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 2,251,050	\$ 193,950	9%	\$ 308,999	\$ 134,111	43%
SR 89A & SR 179 Right Turn Y Roundabout Bypass (SIM-04d)	Capital Reserves	\$ 132,614	\$ 134,385	101%	\$ 8,250	\$ 8,250	100%
	Bed Tax Allocation	\$ 270,419	\$ 132,946	49%	\$ -	\$ -	N/A
	Transportation Sales Tax	\$ 793,274	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 1,196,307	\$ 267,331	22%	\$ 8,250	\$ 8,250	100%
Portal Lane to Ranger Road Connection (SIM-05a)	Capital Reserves	\$ 439,608	\$ 36,152	8%	\$ 40,000	\$ 16,918	42%
	Development Impact Fees	\$ 313,167	\$ -	0%	\$ 134,214	\$ -	0%
	Project Total	\$ 752,775	\$ 36,152	5%	\$ 174,214	\$ 16,918	10%
Forest Road Connection (SIM-05b)	Capital Reserves	\$ 1,744,486	\$ 47,034	3%	\$ 86,864	\$ -	0%
	Development Impact Fees	\$ 1,385,450	\$ 50,962	4%	\$ 537,484	\$ 50,962	9%
	Project Total	\$ 3,129,936	\$ 97,996	3%	\$ 624,348	\$ 50,962	8%
Enhanced Transit Service (SIM-08)	Capital Reserves	\$ 1,150,000	\$ 79,006	7%	\$ 776,007	\$ 51,492	7%
	Grant	\$ 160,000	\$ 160,000	100%	\$ -	\$ 11,383	∞
	Outside Participation	\$ 10,000	\$ 10,000	100%	\$ -	\$ -	N/A
	Bed Tax Allocation	\$ -	\$ 10,000	∞	\$ -	\$ -	N/A
	Transportation Sales Tax	\$ 4,480,000	\$ -	0%	\$ -	\$ -	N/A
	Unidentified	\$ 45,500,000	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 51,300,000	\$ 259,006	1%	\$ 776,007	\$ 62,874	8%
Posse Grounds Parking Improvements & Soldiers Pass Shared Use Path (SIM-11b)	Capital Reserves	\$ 668,000	\$ 57,685	9%	\$ 73,000	\$ 57,685	79%
Schnebly 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	\$ 39,045	25%	\$ 40,545	\$ 39,045	96%
Chapel Road Shared Use Path (SIM-11h)	Capital Reserves	\$ 620,000	\$ 35,552	6%	\$ 70,835	\$ 35,552	50%
Thunder Mountain/Sanborn Shared Use Path & Drainage Improvements (SIM-11g)	Yavapai County Flood Control	\$ 150,000	\$ 150,000	100%	\$ 150,000	\$ 150,000	100%
	Development Impact Fees	\$ 73,000	\$ 73,000	100%	\$ 73,000	\$ 73,000	100%
	Transportation Sales Tax	\$ 820,000	\$ -	0%	\$ -	\$ -	N/A
	Capital Reserves	\$ 1,257,000	\$ 186,646	15%	\$ 1,463,935	\$ 186,646	13%
	Project Total	\$ 2,300,000	\$ 409,646	18%	\$ 1,686,935	\$ 409,646	24%
Dry Creek Road Shared Use Path (SIM-11i) <i>(estimated to resume in FY2021)</i>	Capital Reserves	\$ 39,979	\$ 33,818	85%	\$ 39,661	\$ 33,500	84%
	Transportation Sales Tax	\$ 1,460,021	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 1,500,000	\$ 33,818	2%	\$ 39,661	\$ 33,500	84%
STPS Wayfinding Program (SIM-11k)	Capital Reserves	\$ 27,900	\$ 5,450	20%	\$ 27,900	\$ 5,450	20%
Shared Use Path Expert Review (SIM-11L)	Capital Reserves	\$ 14,972	\$ 9,870	66%	\$ 14,972	\$ 9,870	66%
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	\$ 21,265	28%	\$ 30,000	\$ 2,355	8%

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
	Development Impact Fees	\$ -	\$ 2,314	∞	\$ -	\$ 2,314	∞
	Capital Reserves	\$ 291,262	\$ 231,800	80%	\$ 5,000	\$ -	0%
	Project Total	\$ 882,447	\$ 829,415	94%	\$ 5,000	\$ 2,314	46%
Storm Drainage Easement Acquisition (SD-09)	Development Impact Fees	\$ 65,261	\$ 47,760	73%	\$ 20,000	\$ 2,500	13%
	Capital Reserves	\$ 105,000	\$ -	0%	\$ 5,000	\$ -	0%
	Project Total	\$ 170,261	\$ 47,760	28%	\$ 25,000	\$ 2,500	10%
Stormwater Master Plan Update & Project Implementations (SD-10)	Coconino County Flood Control	\$ 100,000	\$ -	0%	\$ -	\$ -	N/A
	Yavapai County Flood Control	\$ 450,000	\$ 57,693	13%	\$ 100,000	\$ 57,693	58%
	Capital Reserves	\$ 200,000	\$ -	0%	\$ -	\$ -	N/A
	Project Total	\$ 750,000	\$ 57,693	8%	\$ 100,000	\$ 57,693	58%
Sunset Drive Crossing Drainage Improvements (SD-11)	Yavapai County Flood Control	\$ 450,000	\$ 89,678	20%	\$ 100,000	\$ 89,678	90%
	Transportation Sales Tax	\$ 120,000	\$ -	0%	\$ -	\$ -	N/A
	Capital Reserves	\$ 575,000	\$ -	0%	\$ 35,000	\$ -	0%
	Project Total	\$ 1,145,000	\$ 89,678	8%	\$ 135,000	\$ 89,678	66%
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	\$ 128,142	17%	\$ 187,995	\$ 128,142	68%
	Project Total	\$ 1,250,000	\$ 128,142	10%	\$ 187,995	\$ 128,142	68%
Wastewater							
Lift Station Replacements (WW-01A)	Wastewater Fees	\$ 2,834,806	\$ 2,061,919	73%	\$ 1,878,791	\$ 1,425,486	76%
SR179 Sewer Main Replacement (WW-01B)	Wastewater Fees	\$ 690,000	\$ 128,973	19%	\$ 180,880	\$ 128,973	71%
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	\$ 1,529,587	76%	\$ 1,144,723	\$ 724,702	63%
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	\$ 614,844	\$ -	0%
Grand Totals		\$ 111,044,391	\$ 21,033,933	19%	\$ 14,973,703	\$ 7,839,121	52%

Investment Holdings Summary

CUSIP	Issuer	Settlement Date	Maturity Date	Initial Duration	Remaining Duration as of April 30, 2020 (In Years)	Remaining Coupon Rates	Yield	Benchmark at Time of Purchase	Par Value	Book Value	Fair Market Value as of April 30, 2020	Realized Gain/Loss	Unrealized Gain/Loss*	Accrued Interest Not Yet Recorded	% of Investment Pool
U.S. Government Agency Securities															
3134GBP89	Federal Home Loan Mortgage Corporation	10/26/2017	4/26/2021	3.5	1.0	1.850%	1.850%	1.100%	\$ 2,000,000	\$ 2,000,000	\$ 2,032,442	\$ -	\$ 32,442	\$ 405	3.81%
3133ELGM0	Federal Farm Credit Bank	1/15/2020	10/8/2021	1.7	1.4	1.600%	1.500%	1.790%	\$ 2,000,000	\$ 2,033,416	\$ 2,037,498	\$ -	\$ 4,082	\$ 1,929	3.88%
3134GUR93	Federal Home Loan Mortgage Corporation	1/15/2020	10/13/2022	2.7	2.5	1.720%	1.660%	1.790%	\$ 2,000,000	\$ 2,003,224	\$ 2,007,852	\$ -	\$ 4,628	\$ 9,990	3.82%
3134GUS43	Federal Home Loan Mortgage Corporation	1/15/2020	7/13/2023	3.5	3.2	1.800%	1.810%	1.790%	\$ 2,000,000	\$ 1,999,500	\$ 2,005,430	\$ -	\$ 5,930	\$ 10,455	3.81%
3133ELHZ0	Federal Farm Credit Bank	1/17/2020	7/17/2023	3.5	3.2	1.600%	1.540%	1.790%	\$ 2,000,000	\$ 2,004,072	\$ 2,071,562	\$ -	\$ 67,490	\$ 9,118	3.82%
3133EKWZ5	Federal Farm Credit Bank	7/31/2019	9/14/2023	4.0	3.2	2.200%	2.145%	2.430%	\$ 2,000,000	\$ 2,004,174	\$ 2,005,368	\$ -	\$ 1,194	\$ 11,693	3.82%
3134GDVC9	Federal Home Loan Mortgage Corporation	2/27/2020	11/20/2023	3.7	3.6	1.700%	1.630%	1.770%	\$ 2,000,000	\$ 2,005,062	\$ 2,010,164	\$ -	\$ 5,102	\$ 5,868	3.82%
3134GUZ78	Federal Home Loan Mortgage Corporation	1/22/2020	1/22/2024	4.0	3.7	1.800%	1.730%	1.790%	\$ 2,000,000	\$ 2,005,388	\$ 2,017,236	\$ -	\$ 11,848	\$ 9,764	3.83%
3134GTR96	Federal Home Loan Mortgage Corporation	7/31/2019	7/30/2024	5.0	4.3	2.300%	2.240%	2.430%	\$ 2,000,000	\$ 2,005,646	\$ 2,008,476	\$ -	\$ 2,830	\$ 11,047	3.83%
Subtotals									\$ 18,000,000	\$ 18,060,482	\$ 18,196,028	\$ -	\$ 135,546	\$ 70,270	34.45%
Negotiable Certificates of Deposit															
20033AVN3	Comenity Capital Bank	8/9/2017	8/10/2020	3.0	0.3	1.950%	1.950%	0.930%	\$ 247,000	\$ 247,000	\$ 248,264	\$ -	\$ 1,264	\$ 264	0.47%
38148PMJ3	Goldman Sachs Bank USA	8/9/2017	8/10/2020	3.0	0.3	1.900%	1.900%	0.930%	\$ 247,000	\$ 247,000	\$ 248,230	\$ -	\$ 1,230	\$ 1,029	0.47%
02587CGG9	American Express FSB	9/12/2017	9/14/2020	3.0	0.4	1.950%	1.950%	1.010%	\$ 247,000	\$ 247,000	\$ 248,696	\$ -	\$ 1,696	\$ 620	0.47%
319141HQ3	First Bank of Highland Park	9/14/2017	9/14/2020	3.0	0.4	1.800%	1.800%	1.010%	\$ 247,000	\$ 247,000	\$ 248,557	\$ -	\$ 1,557	\$ 572	0.47%
14042RJH5	Capital One, NA	10/12/2017	10/13/2020	3.0	0.5	2.000%	2.000%	1.100%	\$ 247,000	\$ 247,000	\$ 249,064	\$ -	\$ 2,064	\$ 230	0.47%
20786ABY0	ConnectOne Bank	12/28/2017	12/28/2020	3.0	0.7	2.200%	2.200%	1.090%	\$ 247,000	\$ 247,000	\$ 250,240	\$ -	\$ 3,240	\$ 30	0.47%
1404204E7	Capital One Bank USA NA	8/9/2017	8/9/2021	4.0	1.3	2.100%	2.100%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,151	0.47%
254673AF3	Discover Bank	8/9/2017	8/9/2021	4.0	1.3	2.100%	2.100%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,151	0.47%
05580AKJ2	BMW Bank North America	9/15/2017	9/15/2021	4.0	1.4	2.100%	2.100%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 654	0.47%
88413QBR8	Third Federal Savings & Loan	9/15/2017	9/15/2021	4.0	1.4	2.000%	2.000%	1.010%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 623	0.47%
29266N6P7	EnerBank USA	10/13/2017	10/13/2021	4.0	1.5	2.000%	2.000%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 230	0.47%
02587DV47	American Express Centurion	8/8/2017	8/8/2022	5.0	2.3	2.350%	2.350%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,304	0.47%
795450C37	Sallie Mae Bank	8/9/2017	8/9/2022	5.0	2.3	2.350%	2.350%	0.930%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,288	0.47%
87164XSH0	Synchrony Bank	10/6/2017	10/6/2022	5.0	2.4	2.250%	2.250%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 365	0.47%
06740KLD7	Barclays Bank	10/18/2017	10/18/2022	5.0	2.5	2.300%	2.300%	1.100%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 187	0.47%
32056GCV0	First Internet Bank of Indiana	12/28/2017	12/28/2022	5.0	2.7	2.400%	2.400%	1.090%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 32	0.47%
44329MA45	HSBC Bank USA	8/13/2019	8/13/2024	5.0	4.3	2.300%	2.300%	2.300%	\$ 247,000	\$ 247,000	\$ 247,000	\$ -	\$ -	\$ 1,198	0.47%
Subtotals									\$ 4,199,000	\$ 4,199,000	\$ 4,210,050	\$ -	\$ 11,050	\$ 10,929	8.01%
AZ State Treasurer Local Government Investment Pool (LGIP)															
N/A	Pool 5	N/A	N/A	N/A	0.0	N/A	0.940%	N/A	\$ 20,572,622	\$ 20,572,622	\$ 20,572,622	\$ -	\$ -	\$ -	39.24%
N/A	Pool 7	N/A	N/A	N/A	0.0	N/A	0.540%	N/A	\$ 34,973	\$ 34,973	\$ 34,973	\$ -	\$ -	\$ -	0.07%
N/A	Pool 500	N/A	N/A	N/A	0.0	N/A	1.920%	N/A	\$ 9,288,734	\$ 9,288,734	\$ 9,288,734	\$ -	\$ -	\$ -	17.72%
Subtotals									\$ 29,896,329	\$ 29,896,329	\$ 29,896,329	\$ -	\$ -	\$ -	57.02%
Bank Deposits															
N/A	Analyzed Checking Accounts	N/A	N/A	N/A	0.0	N/A	0.400%	N/A	\$ 1,795,548	\$ 1,795,548	\$ 1,795,548	\$ -	\$ -	\$ -	3.42%
N/A	Interest-Bearing Checking Accounts	N/A	N/A	N/A	0.0	N/A	0.010%	N/A	\$ 271,915	\$ 271,915	\$ 271,915	\$ -	\$ -	\$ -	0.52%
Subtotals									\$ 2,067,462	\$ 2,067,462	\$ 2,067,462	\$ -	\$ -	\$ -	3.94%
Averages/Grand Totals					1.1		1.496%		\$ 52,367,244	\$ 52,427,726	\$ 52,574,322	\$ -	\$ 146,596	\$ 81,198	100.00%

Benchmark per Policy (LGIP Pool 5) 0.940%

* 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⁽¹⁾

CUSIP	Issuer	Transaction Type	Activity During April 2020
Acquisitions			
N/A	Analyzed Checking Accounts	Net Contribution	\$ 1,591,034
N/A	Interest-Bearing Checking Accounts	Net Contribution	\$ 1,984
		Subtotal	\$ 1,593,018
Dispositions			
N/A	Wells Fargo Sweep Account ⁽²⁾	Net Withdrawal	\$ 2,048,828
		Subtotal	\$ 2,048,828
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
87164XSH0	Synchrony Bank	Semi-annual interest	\$ 2,786
14042RJH5	Capital One, NA	Semi-annual interest	\$ 2,477
06740KLD7	Barclays Bank	Semi-annual interest	\$ 2,848
3133ELGM0	Federal Farm Credit Bank	Quarterly interest	\$ 8,000
3133ELGM0	Federal Farm Credit Bank	Accrued Interest Paid w/Purchase	\$ (622)
3134GUR93	Federal Home Loan Mortgage Corporation	Semi-annual interest	\$ 8,600
3134GUR93	Federal Home Loan Mortgage Corporation	Accrued Interest Paid w/Purchase	\$ (191)
3134GBP89	Federal Home Loan Mortgage Corporation	Semi-annual interest	\$ 18,500
N/A	LGIP Pool 5	Monthly Gain/Loss	\$ 15,881
N/A	LGIP Pool 7	Monthly Gain/Loss	\$ 16
N/A	LGIP Pool 500	Monthly Gain/Loss	\$ 100,441
N/A	Wells Fargo Sweep Account	Monthly Dividends	\$ 114
N/A	Interest-Bearing Checking Accounts	Monthly Interest	\$ 2
		Subtotal	\$ 160,645
Expenses			
N/A	N/A	Custody Charges	\$ 93
N/A	N/A	Wire Fees	\$ 175
		Subtotal	\$ 268
Net Transactions for April 2020			\$ (295,433)

⁽¹⁾ The drawdown of the investments covered the significant capital improvement costs for the month of approximately \$1.7 million.

⁽²⁾ The earnings rate on the sweep account dropped significantly, making the use of a nightly sweep no longer beneficial. The sweep has been canceled and may be considered in the future if interest rates go up again.