

Monthly Financial Report

June 2021



CITY OF SEDONA

December 11, 2021

Monthly Financial Report

June 2021

Executive Summary

The City's largest revenue sources are sales and bed tax revenues. Fiscal Year (FY) 2021 **City sales taxes were 38% higher** than the prior year and FY 2021 **bed taxes were 72% higher** than the prior year. (See pg. 50) In spite of the COVID-19 pandemic, FY 2021 amounts represented the City's highest fiscal year in both the sales and bed tax categories, which occurred in April. Both May and June sales and bed tax could have been zero and the total for the year would have exceeded the full-year total for any prior fiscal year.

| FY 2021 Increase (Decrease) Over Prior Year | |
|--|---------------------|
| City Sales Taxes | \$ 7,698,776 |
| Bed Taxes | 2,990,815 |
| Total | \$10,689,591 |

City sales tax revenues increased 36% for the month. (See pg. 49) Typically, June is the start of the summer slowdown. While June sales tax was lower than March-May 2021, it was 11% higher than the pre-COVID peak in March 2019.

During FY 2020, a taxpayer was notified of payments made in error and anticipated refund requests to be submitted. As a result, a liability was set up instead of recognizing the revenue. However, the taxpayer did not opt to submit the refund requests so the liability was reversed in June 2020 and the revenue recognized. The adjustment was reflected in the applicable months on page 50. Based on our accounting records, sales tax revenue was up 28% (See pg. 50), but the 36% increase reflected the taxable activity for the month of June. (See pg. 49)

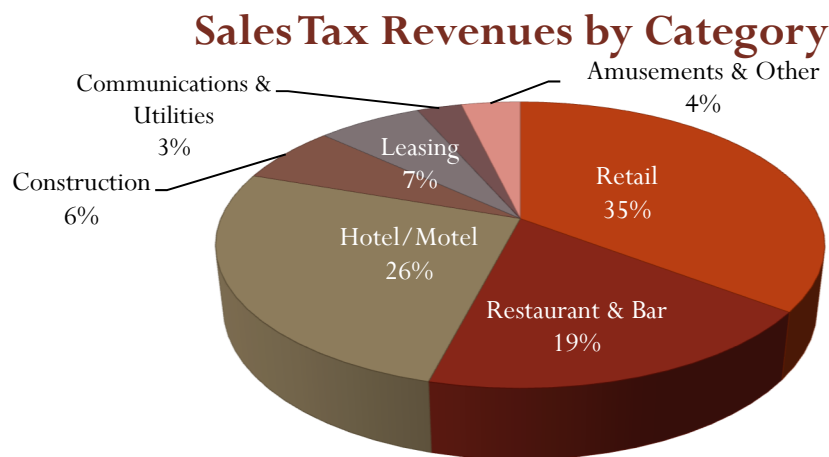
Every category, except Construction, was up significantly for the month with the most extreme being Hotel/Motel (74%) and Amusements & Other (115%). (See pg. 49) As a point of comparison, June 2020 saw the start of recovery after the COVID-19 closures and was up 1% in total compared to June 2019. June 2021 was up 36% in total compared to June 2020.

- Retail was up 19% last June, and up 34% this June. Increases continued in both local and online sales.
- Restaurant & Bar was up 2% last June, and up 20% this June.
- Hotel/Motel was down 4% last June, and up 74% this June. See comment below about other transient occupancy types not captured in the hotel occupancy rate.
- Construction was down 13% and has not followed any trends related to the COVID-19 closures.
- Leasing was up 16% and has had very little impact related to the COVID-19 closure trends.
- Communications & Utilities was up 1% last June, and up 33% this June. We have speculated that significant increase was mostly likely due to higher usage levels with the significant increases in tourism.
- Amusements & Other was down 59% last June, but up 115% this June. Compared to June 2019, Amusements & Other was still down 12%.

Bed tax revenues increased 71% for the month. (See pg. 50) As previously mentioned, June is typically the start of the summer slowdown. While June bed tax was lower than March-May 2021, it was 13% higher than the pre-COVID peak in March 2019. The hotel occupancy rate (45%) and average daily hotel rate (24%) were both up compared to June 2020. Other transient occupancy types not captured in the hotel occupancy rate were contributing to the number of visitors and level of tourism occurring in and around Sedona.

When comparing to the historical trend tables, the 2-year increases in sales tax and bed tax for June 2021 compared to June 2019 were significantly greater than the 2-year increases between June 2017 and June 2019. (See pg. 50)

FY 2021 City sales taxes were \$10.3 million or 59% over the budget projections and FY 2021 bed taxes were \$4.0 million or 123% over the budget projections. In fact, year-to-date City sales tax revenues exceeded the budget for the entire year in March while exceeding the prior year total in April, and year-to-date bed tax revenues exceeded the budget for the entire year in January while exceeding the prior year total in March. (See pg. 50) The budget was prepared before data was available to indicate how strong the resurgence of tourism would be.



Due to the anticipated revenue losses as a result of the financial crisis caused by the COVID-19 closures, actions were taken to freeze all nonessential expenditures. A financial management plan was developed that may be implemented in a multi-tiered approach depending on how severe the City's revenue losses are. The tiers included options for expenditure reductions, use of accumulated reserves, and management of cash flows with debt financing. Since revenues were increasing, the freezes were lifted October 19, 2020 with the caution to be conservative in spending in case a second round of closures were necessary.

The numbers in this report are unaudited and subject to change. The final audited comprehensive annual financial report will be made available once it is complete.

Fund Balances

The ending fund balances for all funds increased from \$54.1 million to \$65.3 million. (See pg. 53) **All policy reserve requirements were fully funded.** (See pg. 54)

At the end of the year, the **General Fund had a surplus in excess of required reserves of \$12.2 million, compared to the \$0.9 million estimated during the budget process.** (See pg. 51) This was after one-time transfers of \$2.2 million. As directed by the City Council, these one-time transfers included the following:

- \$2.1 million of the FY 2019 of the General Fund surplus to the Capital Improvements Fund for strategic land acquisition
- Approximately \$64,000 to the Capital Improvements Fund for net parking revenues dedicated to Uptown improvements

The ending fund balance of the Transportation Sales Tax Fund was \$6.8 million. (See pg. 53) This fund initially was allowed to accumulate while unrestricted capital reserves pledged to transportation projects were used first. During FY 2021, \$4.0 million was used for Sedona in Motion capital projects, as well as approximately \$20,000 for grant matches and other operating costs of the Public Transit Fund.

The ending fund balance of the Capital Improvements Fund was \$9.3 million, with \$4.7 million reserved for capital projects expected to occur in FY 2022. (See pgs. 53 & 54)

The Wastewater Fund has a balance of \$11.6 million in excess of required reserves, compared to the \$8.8 million estimated during the budget process. (See pg. 52) The the surplus was largely due to a beginning balance higher than anticipated of \$1.6 million, wastewater operations expenditures under budget by \$0.9 million, and wastewater capital projects under budget by \$0.2 million.

Revenues

In total, **General Fund revenues were up 38%** from last year, and **Wastewater Fund revenues were up 1%** from last year. (See pgs. 29 & 35) **Total City revenues were up 23% from last year and at 32% over budget.** (See pg. 37)

Several individual revenue categories were **generally under target**:

- Other Intergovernmental (72% under target) (See pg. 43)
 - A contingency of \$300,000 was included in case a significant grant opportunity arises. Also, delays occurred in construction projects with grant funding. 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 (21% under target) (See pg. 44)
 - Building permit revenues did not showing the growth that was projected during the budget process. It was anticipated that the rate increases would generate more revenues; however, the valuation of permits were smaller on average than expected. Sufficient surpluses existed in the General Fund to cover the shortage in this category.
- Charges for Services (4% under target) (See pg. 44)
 - Revenues were lower than estimated due to a longer than anticipated temporary suspension of the paid parking program, longer than anticipated accommodations for wastewater customers as a result of the COVID-19 impacts. Sufficient surpluses existed in the General Fund and Wastewater Fund to cover the shortages in this category.
 - Revenues were also lower than estimated due to lower indirect cost allocations for the Information Technology Internal Services Fund due to expenditure freezes early in the year in anticipation of negative financial impacts of COVID-19. When information technology expenditures are lower, the offsetting indirect cost allocations are also lower. The effect is no net impact to the City's financial position.

- Capacity Fees (10% under target) (See pg. 47)
 - Due to delays in some significant one-time development projects, revenues are under target; however, sufficient surpluses exist in the Wastewater Fund to cover the shortage in this category.
- Other Miscellaneous (31% under target) (See pg. 48)
 - Interest earnings were substantially under estimates due to the lowering of interest rates during the COVID-19 financial crisis.

Expenditures

In total, **General Fund expenditures were 10% under budget**, and **Wastewater Fund expenditures were 9% under budget**. (See pgs. 8 & 13) **Total City expenditures, excluding capital improvements and internal charges, were 11% under budget**. (See pg. 16)

| Fund | Expenditures Under Budget | Appropriations Carried Over to FY 2022 |
|-----------------|---------------------------|--|
| General Fund | \$ 2,239,883 | \$ 169,300 |
| Wastewater Fund | \$ 1,000,492 | \$ 328,505 ¹ |

Operational expenditures for each department are **on or under target**. Transit Operations (See pg. 26) and Wastewater Administration (See pg. 27) were over budget by small amounts that were more than covered by the budget capacity of the full Transit and Wastewater Departments. Much of the amounts under budget are a result of the expenditure and hiring freezes put in place due to the COVID-19 financial crisis.

The expenditures for capital improvements of \$11.5 million (76% of budget) were slightly less than the prior year (\$12.0 million). (See pgs. 57-58) The more significant projects during FY 2021 were as follows:

| Capital Project | FY 2021 Expenditures | Total Project as of June 30, 2021 | Status |
|--|----------------------|-----------------------------------|---|
| Real Estate/Land Acquisition (PW-05) | \$ 2,145,079 | \$ 2,145,079 | Ongoing evaluation of potential strategic real estate/land acquisition |
| Enhanced Transit Service – Tourism (SIM-08) | \$ 952,939 | \$ 1,211,945 | Each component of the transit system implementation will be budgeted separately going forward |
| Thunder Mountain/Sanborn Shared Use Path & Drainage Improvements (SIM-11g) | \$ 1,201,465 | \$ 2,652,164 | Project expected to be complete in FY 2022 |
| Sunset Drive Crossing Drainage Improvements (SD-11) | \$ 1,033,948 | \$ 1,146,018 | Project completed |
| Sanborn Drive/Thunder Mountain Road Overlay (ST-02) | \$ 953,073 | \$ 1,124,442 | Project expected to be complete in FY 2022 |
| Shelby Drive/Sunset Drive Improvements (ST-04) | \$ 707,288 | \$ 858,091 | Project expected to be complete in FY 2022 |
| SR179 Sewer Main Replacement (WW-01B) | \$ 1,366,246 | \$ 1,746,734 | Project expected to be complete in FY 2022 |

¹ Includes \$80,000 of operating costs carried over and \$248,505 of capital project costs carried over.

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 June 2021 is the final month of the current fiscal year, FY 2021.

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.
- **Ending Fund Balances Summary – Budgetary Basis** – A table of the City's ending fund balances as of year-end has been presented by fund. The balances are categorized by level of the constraints on the use of those resources.

- **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.

Additional Detail

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

For questions or additional information, contact:

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| | Page | % Budgeted | Status | Comments |
|--|-------|------------|----------------------------|--|
| Portion of Fiscal Year Complete = 100.00% | | | | |
| Total Expenditures by Fund | | | | |
| General Fund | 8 | 90% | Under Target for FY 2021 | Expenditure freezes during the anticipated negative financial impacts of COVID-19, vacancy savings, delays in maintenance, unspent contingency funds, and a reduction of the small grants program. |
| Special Revenue Funds: | | | | |
| Streets Fund | 9 | 85% | Under Target for FY 2021 | The budget is based on an average of 4.5 to 5.0 miles per year; however, the actual miles vary each year depending on the efficiencies of maintaining streets within regional areas. |
| Affordable Housing Fund | 9 | 6% | Under Target for FY 2021 | Implementation of initiatives was delayed. |
| Grants, Donations & Other Funds | 10 | 9% | Under Target for FY 2021 | A \$300,000 contingency for any new grants that may be awarded during the year, delays in the court relocation project, the Hope House project funded with CDBG monies not yet completed at year-end, and grants not awarded. |
| Transportation Sales Tax Fund | 10 | 38% | Under Target for FY 2021 | Vacancy savings. |
| Capital Projects Funds: | | | | |
| Development Impact Fees Funds | 11 | 29% | Under Target for FY 2021 | The most significant project delays were the police station remodel/expansion, the Portal Lane/Ranger Road connection, and the Forest Road connection. |
| Capital Improvements Fund | 11 | 81% | Under Target for FY 2021 | The most significant project delays were the police station remodel/expansion and the Shelby Drive/Sunset Drive road improvements |
| Art in Public Places Fund | 12 | N/A | On Target for FY 2021 | No projects for FY 2021. |
| Enterprise Funds: | | | | |
| Public Transit Enterprise Fund | 12 | 48% | Under Target for FY 2021 | Vacancy savings due to delays in getting a Transit Administrator on board. |
| Wastewater Enterprise Fund | 13 | 91% | Under Target for FY 2021 | Delays in capital improvement projects and maintenance, unused contingencies, vacancy savings, and unused placeholders for any potential urgent maintenance needs. |
| Internal Service Funds: | | | | |
| Info. Tech. Internal Service Fund | 14 | 88% | Under Target for FY 2021 | Delays in equipment replacements |
| Community Facilities Districts: | | | | |
| Sedona Summit II | 15 | 100% | On Target for FY 2021 | |
| Fairfield | 15 | 100% | On Target for FY 2021 | |
| Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges) | | | | |
| Total Exp. (excl. Cap. Impr. & Internal Charges) | 16 | 89% | Under Target for FY 2021 | Expenditure freezes during the anticipated negative financial impacts of COVID-19, vacancy savings, delays in maintenance and equipment replacement, delays in grant expenditures, grants not awarded, and a reduction of the small grants program. |
| City Council | 16 | 84% | Under Target for FY 2021 | Expenditure freezes during the anticipated negative financial impacts of COVID-19. |
| City Manager's Office | 17 | 98% | On Target for FY 2021 | |
| Human Resources | 18 | 94% | Under Target for FY 2021 | Cancellation of employee appreciation and postponement of volunteer appreciation events during the COVID-19 pandemic. |
| Financial Services | 19 | 87% | Under Target for FY 2021 | Expenditure freezes in response to the anticipated negative financial impacts of COVID-19, vacancy savings, delays in the wastewater rate study, and reductions in the sales tax audit contract. |
| City Attorney's Office | 20 | 70% | Under Target for FY 2021 | Vacancy savings and an unused placeholder in the Wastewater Fund for any legal needs. |
| City Clerk's Office | 20 | 95% | Under Target for FY 2021 | No general election was necessary. |
| Parks & Recreation | 21 | 59% | Under Target for FY 2021 | Cancellation of special events and recreation programs and the closure of the public swimming pool during the COVID-19 pandemic. |
| General Services | 22 | 94% | Under Target for FY 2021 | Reduction in the small grants program due to the impacts of the COVID-19 pandemic. |
| Debt Service | 22 | 100% | On Target for FY 2021 | |
| Community Development | 23 | 69% | Under Target for FY 2021 | Expenditure freezes in response to the anticipated negative financial impacts of COVID-19, vacancy savings, delays in affordable housing initiatives, and the Hope House projected funded with CDBG monies not completed as of year-end. |
| Public Works | 23 | 87% | Under Target for FY 2021 | Vacancy savings, delays in streets and drainage maintenance, reduction of landscaping maintenance in street medians and rights-of-way, and delays in facilities maintenance projects as a result of the expenditure freezes in place due to the anticipated negative financial impacts of the COVID-19. |
| Economic Development | 24 | 65% | Under Target for FY 2021 | Reductions in workshop and event costs, as well as travel & training, as a result of the expenditure freezes in place due to the anticipated negative financial impacts of the COVID-19. |
| Police | 24 | 95% | Under Target for FY 2021 | Vacancy savings and travel & training savings during expenditure freezes in response to the anticipated negative financial impacts of COVID-19, as well as delays in police grant expenditures and police grants that were not awarded. |
| Municipal Court | 25 | 79% | Under Target for FY 2021 | Vacancy savings during expenditure freezes in response to the anticipated negative financial impacts of COVID-19, as well as significant savings in court-appointed attorney and interpreter costs. |
| Transit Administration | 25 | 44% | Under Target for FY 2021 | Vacancy savings due to delays in getting a Transit Administrator on board. |
| Transit Operations | 26 | 240% | Exceeds Target for FY 2021 | Expenditures were over budget due to consultant services for micro-transit simulations. Sufficient budget capacity existed within other Transit operational departments to more than cover the cost. |
| Transit Capital Projects Management | 26 | 46% | Under Target for FY 2021 | Vacancy savings due to delays in getting a Transit Administrator on board. |
| Wastewater Administration | 27 | 101% | Exceeds Target for FY 2021 | Expenditures were slightly over budget due to pay adjustments made during the year. During the budget process, no pay adjustments were planned. Sufficient budget capacity existed within the other Wastewater operational departments to more than cover the cost. |
| Wastewater Capital Projects Management | 27 | 89% | Under Target for FY 2021 | Vacancy savings during expenditure freezes in response to the anticipated negative financial impacts of COVID-19. |
| Wastewater Operations | 28 | 82% | Under Target for FY 2021 | Vacancy savings and delays in maintenance costs during expenditure freezes in response to the anticipated negative financial impacts of COVID-19, as well as unused placeholders for any potential urgent maintenance needs. |
| Information Technology | 28 | 87% | Under Target for FY 2021 | Delays in equipment replacements. |
| Total Revenues by Fund | | | | |
| General Fund | 29 | 156% | Exceeds Target for FY 2021 | Revenues were estimated low due to the anticipated negative financial impacts of COVID-19 that did not occur. Instead, tourism levels have far exceeded any prior year. |
| Special Revenue Funds: | | | | |
| Streets Fund | 30 | 116% | Exceeds Target for FY 2021 | Revenues were estimated low due to anticipated negative impacts of COVID-19. |
| Affordable Housing Fund | 30 | 102% | On Target for FY 2021 | |
| Grants, Donations & Other Funds | 31 | 14% | Under Target for FY 2021 | Revenues are under target due to delays in Community Development Block grant expenditures, delays in police grant expenditures, police grants that were not awarded, and unused contingent grant revenues in case a significant grant opportunity arises. |
| Transportation Sales Tax Fund | 31 | 149% | Exceeds Target for FY 2021 | Revenues were estimated low due to the anticipated negative financial impacts of COVID-19 that did not occur. Instead, tourism levels have far exceeded any prior year. |
| Capital Projects Funds: | | | | |
| Development Impact Fees Funds | 32 | 106% | Exceeds Target for FY 2021 | Estimates of ongoing development impact fees were conservative. Development activity exceeded those estimates by 124%. |
| Capital Improvements Fund | 33 | 32% | Under Target for FY 2021 | Revenues are under target primarily due to delays in grant funded construction projects and overestimated interest earning. |
| Art in Public Places Fund | 33 | 59% | Under Target for FY 2021 | Revenues are under target due to overestimated interest earnings. |
| Enterprise Funds: | | | | |
| Public Transit Enterprise Fund | 34 | ∞ | Exceeds Target for FY 2021 | Since the fund was created mid-year, targets were not anticipated at the time of budget preparation. |
| Wastewater Enterprise Fund | 35 | 94% | Under Target for FY 2021 | Revenues are low due to accommodations made to customers as a result of the COVID-19 restrictions, timing of collections of capacity fees, and overestimated interest earnings. |
| Internal Service Funds: | | | | |
| Info. Tech. Internal Service Fund | 35 | 95% | Under Target for FY 2021 | Charges to the benefitting programs are under target due to lower expenditures in the fund. |
| Community Facilities Districts: | | | | |
| Sedona Summit II | 36 | 87% | Under Target for FY 2021 | Revenues are low due to lower than anticipated in lieu fees and overestimated interest earnings. |
| Fairfield | 36 | 75% | Under Target for FY 2021 | If the final quarter revenues would have been received within the period of availability, revenues would have been 99% of budget. |
| Total Revenues by Type | | | | |
| Total Revenues | 37 | 132% | Exceeds Target for FY 2021 | Revenues were estimated low due to the anticipated negative financial impacts of COVID-19 that did not occur. Instead, tourism levels have far exceeded any prior year. |
| City Sales Taxes | 38 | 159% | Exceeds Target for FY 2021 | Revenues were estimated low due to the anticipated negative financial impacts of COVID-19 that did not occur. Instead, tourism levels have far exceeded any prior year. |
| Bed Taxes | 39 | 223% | Exceeds Target for FY 2021 | Revenues were estimated low due to the anticipated negative financial impacts of COVID-19 that did not occur. Instead, tourism levels have far exceeded any prior year. |
| In-Lieu | 40 | 98% | On Target for FY 2021 | |
| Franchise Fees | 41 | 104% | Exceeds Target for FY 2021 | Revenues were likely higher than anticipated due to the high levels of tourism resulting from COVID-19. |
| State Sales Taxes | 41 | 122% | Exceeds Target for FY 2021 | Revenues were estimated low due to anticipated negative impacts of COVID-19. |
| Urban Revenue Sharing | 42 | 107% | Exceeds Target for FY 2021 | Revenues were higher than anticipated due to a greater allocation pool to all cities and towns. |
| Vehicle License Taxes | 42 | 127% | Exceeds Target for FY 2021 | Revenues were estimated low due to anticipated negative impacts of COVID-19. |
| Highway User | 43 | 116% | Exceeds Target for FY 2021 | Revenues were estimated low due to anticipated negative impacts of COVID-19. |
| Other Intergovernmental | 43 | 28% | Under Target for FY 2021 | Under target due to delays in construction projects with grant funding and a provision for contingent grant funding in case a significant opportunity arose. |
| Licenses & Permits | 44 | 79% | Under Target for FY 2021 | Building permit revenues were lower than anticipated. |
| Charges for Services | 44 | 96% | Under Target for FY 2021 | Temporary suspension of the paid parking program and accommodations were made for wastewater customers as a result of the COVID-19 impacts; indirect cost allocations for the Information Technology Fund were lower than budgeted due to expenditure freezes early in the year in anticipation of negative financial impacts of COVID-19. |
| Fines & Forfeitures | 45 | 146% | Exceeds Target for FY 2021 | Exceeds target primarily due to the unanticipated change in collection of paid parking citations from the Court to Finance. |
| Development Impact Fees | 46 | 111% | Exceeds Target for FY 2021 | Estimates of ongoing development impact fees were conservative. Development activity exceeded those estimates by 124%. |
| Capacity Fees | 47 | 90% | Under Target for FY 2021 | Some of the budgeted one-time capacity fees were not received during the year due to delays in those development projects. |
| Other Miscellaneous | 48 | 69% | Under Target for FY 2021 | Under target due to overestimated interest earnings. |
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Total Expenditures by Fund

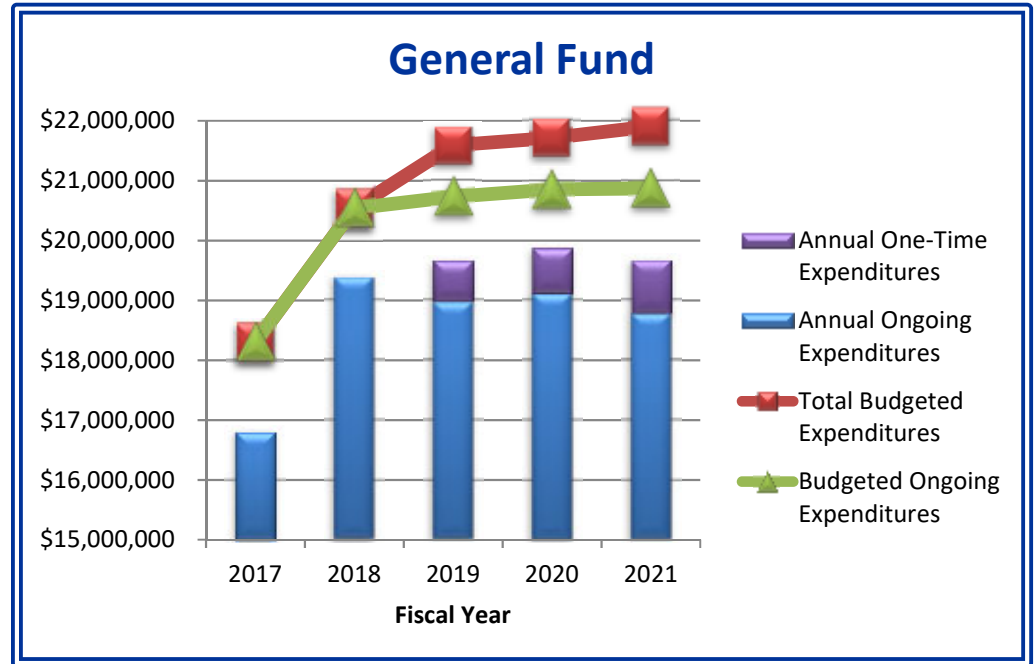
Total General Fund Expenditures

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 16,799,273 | \$ 18,298,397 | 92% | | |
| 2018 | \$ 19,379,409 | \$ 20,535,494 | 94% | 15% | 12% |
| 2019 | \$ 19,656,990 | \$ 21,594,222 | 91% | 1% | 5% |
| 2020 | \$ 19,868,898 | \$ 21,713,846 | 92% | 1% | 1% |
| 2021 | \$ 19,666,840 | \$ 21,906,723 | 90% | -1% | 1% |

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.



Under Budget for FY 2021: Expenditures were under budget largely due to expenditure freezes during the anticipated negative financial impacts of COVID-19, vacancy savings, delays in maintenance, unspent contingency funds, and a reduction of the small grants program.

Total Expenditures by Fund

Total Streets Fund Expenditures

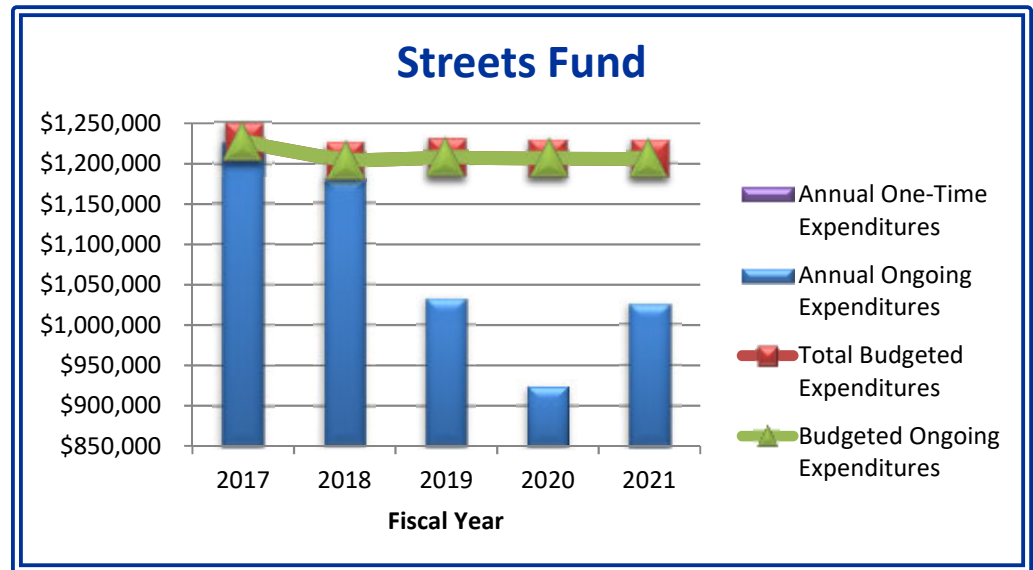
Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 1,226,595 | \$ 1,226,594 | 100% | | |
| 2018 | \$ 1,181,500 | \$ 1,203,490 | 98% | -4% | -2% |
| 2019 | \$ 1,032,566 | \$ 1,207,380 | 86% | -13% | <1% |
| 2020 | \$ 924,656 | \$ 1,206,020 | 77% | -10% | <-1% |
| 2021 | \$ 1,024,976 | \$ 1,205,980 | 85% | 11% | <-1% |

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.

Under Budget for FY 2021: The budget is based on an average of 4.5 to 5.0 miles per year; however, the actual miles vary each year depending on the efficiencies of maintaining streets within regional areas.



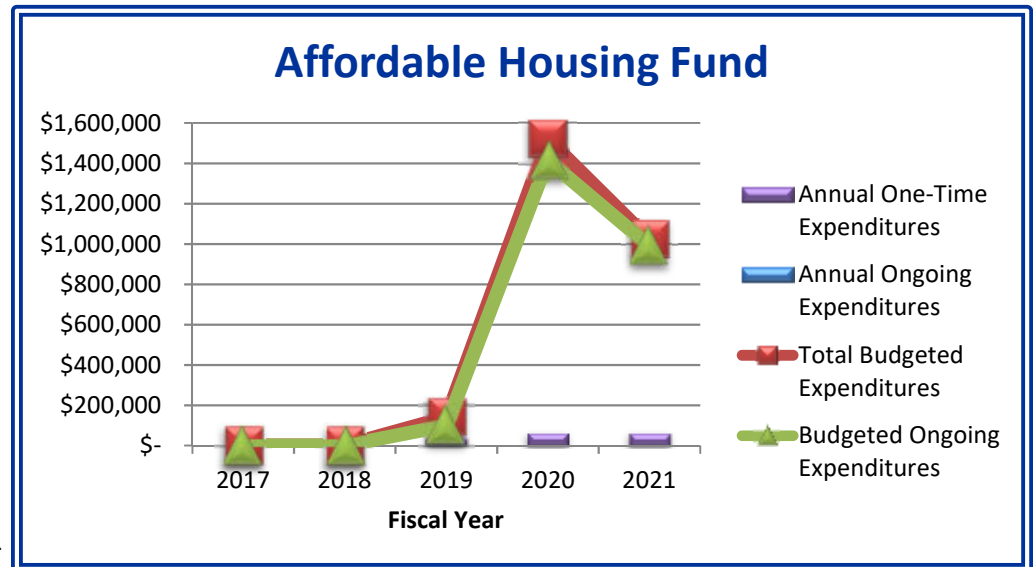
Total Affordable Housing Exp.

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ - | \$ - | N/A | | |
| 2018 | \$ - | \$ - | N/A | N/A | N/A |
| 2019 | \$ 38,451 | \$ 138,380 | 28% | ∞ | ∞ |
| 2020 | \$ 65,559 | \$ 1,520,000 | 4% | 71% | 998% |
| 2021 | \$ 64,865 | \$ 1,020,555 | 6% | -1% | -33% |

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.

Under Budget for FY 2021: The budget included an \$800,000 contingency pending the implementation of affordable housing initiatives. Implementation of initiatives was delayed.



Total Expenditures by Fund

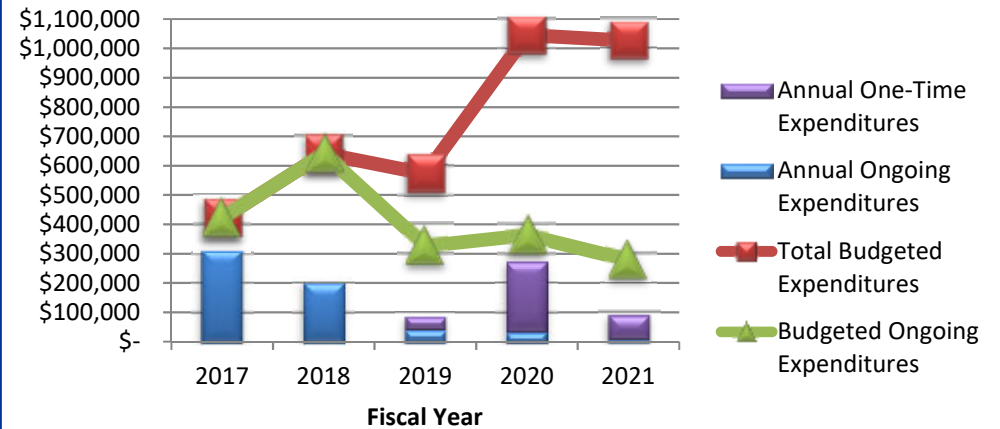
Total Grants, Donations & Other Exp. Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 314,560 | \$ 420,500 | 75% | | |
| 2018 | \$ 201,703 | \$ 641,350 | 31% | -36% | 53% |
| 2019 | \$ 84,724 | \$ 571,950 | 15% | -58% | -11% |
| 2020 | \$ 274,711 | \$ 1,045,245 | 26% | 224% | 83% |
| 2021 | \$ 89,440 | \$ 1,026,573 | 9% | -67% | -2% |

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.

Under Budget for FY 2021: Expenditures were substantially under budget due partly to a \$300,000 contingency for any new grants that may be awarded during the year, delays in the court relocation project, the Hope House project funded with CDBG monies not yet completed at year-end, and grants not awarded.

Grants, Donations & Other Funds



Total Transportation Sales Tax Exp. Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ - | \$ - | N/A | | |
| 2018 | \$ 552 | \$ 1,627 | 34% | ∞ | ∞ |
| 2019 | \$ 63,684 | \$ 100,920 | 63% | 11442% | 6104% |
| 2020 | \$ 42,018 | \$ 98,620 | 43% | -34% | -2% |
| 2021 | \$ 48,314 | \$ 126,750 | 38% | 15% | 29% |

The Transportation Sales Tax Fund was initiated in March 2018.

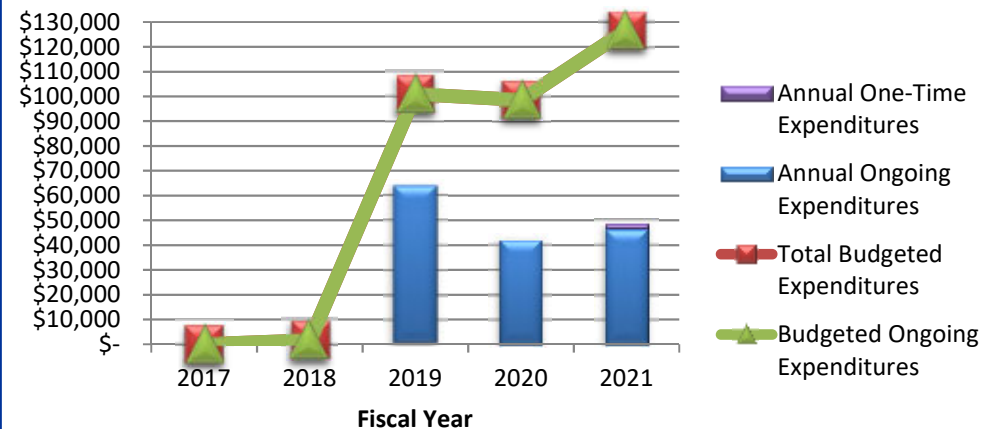
Decrease from FY 2019 to FY 2020:

The decrease is a result of a vacancy that was frozen as a result of the impacts of the COVID-19 financial crisis.

Increase from FY 2020 to FY 2021:

The increase is a result of costs for travel time data collection.

Transportation Sales Tax Fund



Under Budget for FY 2021: Expenditures were substantially under budget largely due to vacancy savings.

Total Expenditures by Fund

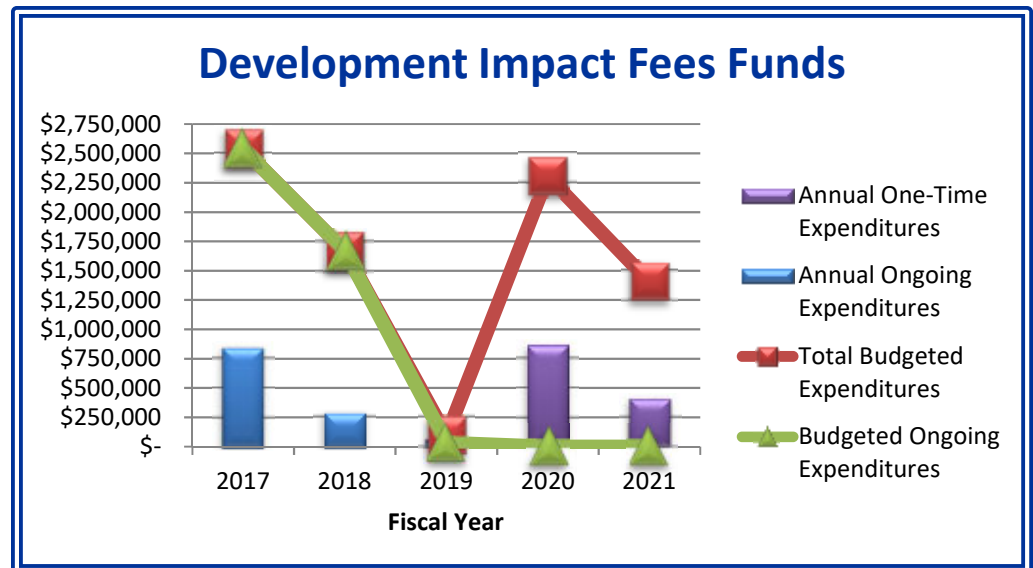
Total Develop. Impact Fees Exp.

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 839,927 | \$ 2,538,318 | 33% | | |
| 2018 | \$ 284,626 | \$ 1,667,742 | 17% | -66% | -34% |
| 2019 | \$ 70,926 | \$ 93,023 | 76% | -75% | -94% |
| 2020 | \$ 862,063 | \$ 2,303,192 | 37% | 1115% | 2376% |
| 2021 | \$ 406,470 | \$ 1,404,417 | 29% | -53% | -39% |

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 2021, budgeted expenditures included approximately \$860,000 for Sedona in Motion projects.



Under Budget for FY 2021: The most significant project delays were the police station remodel/expansion, the Portal Lane/Ranger Road connection, and the Forest Road connection.

Total Capital Improvements Fund Exp.

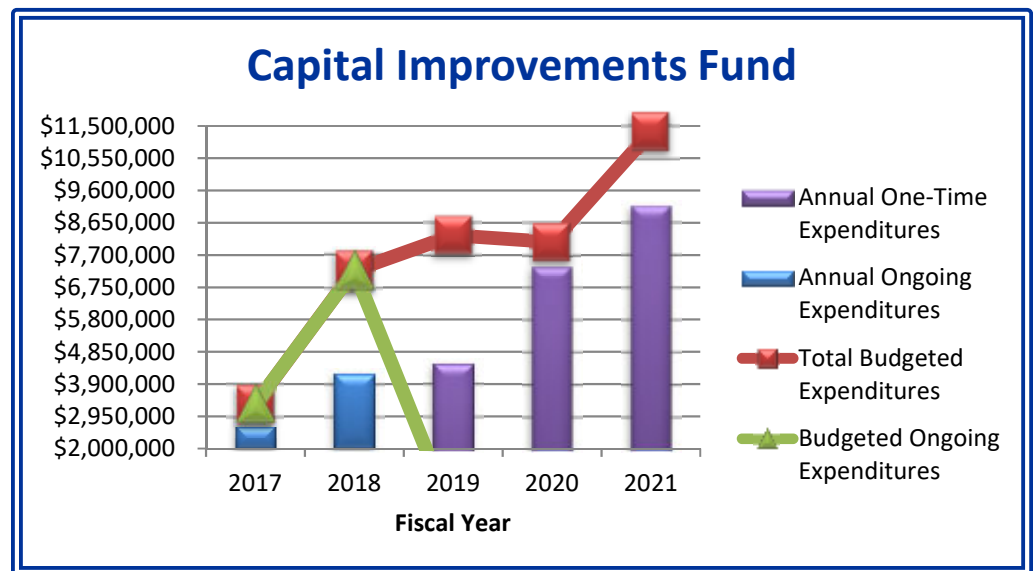
Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 2,677,559 | \$ 3,312,786 | 81% | | |
| 2018 | \$ 4,199,954 | \$ 7,244,767 | 58% | 57% | 119% |
| 2019 | \$ 4,481,715 | \$ 8,280,962 | 54% | 7% | 14% |
| 2020 | \$ 7,377,124 | \$ 8,087,206 | 91% | 65% | -2% |
| 2021 | \$ 9,133,692 | \$ 11,328,382 | 81% | 24% | 40% |

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 2021, budgeted expenditures included approximately \$6.5 million for Sedona in Motion projects and \$2.6 million for other streets and transportation projects.

Under Budget for FY 2021: The most significant project delays were the police station remodel/expansion and the Shelby Drive/Sunset Drive road improvements.



Total Expenditures by Fund

Total Art in Public Places Fund Exp.

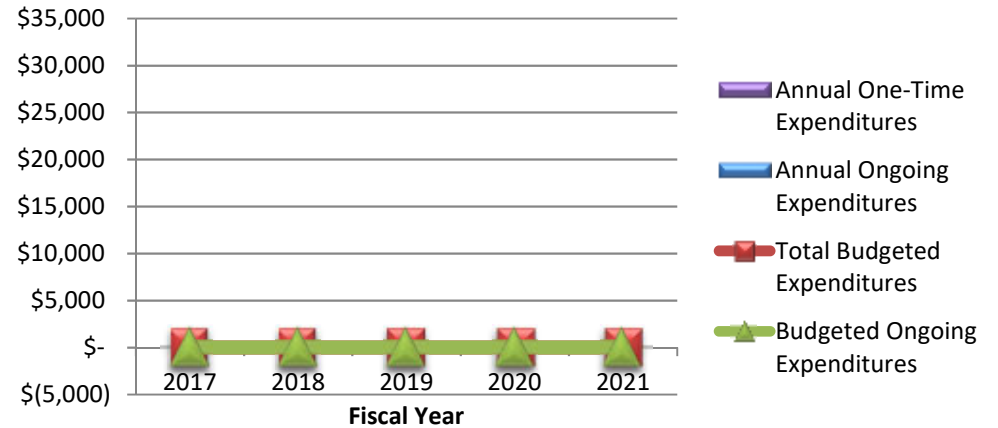
On Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ - | \$ - | N/A | | |
| 2018 | \$ - | \$ - | N/A | N/A | N/A |
| 2019 | \$ - | \$ - | N/A | N/A | N/A |
| 2020 | \$ - | \$ - | N/A | N/A | N/A |
| 2021 | \$ - | \$ - | 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 2021, no capital improvement were budgeted.

Art in Public Places Fund



Total Public Transit Enterprise Fund Exp.

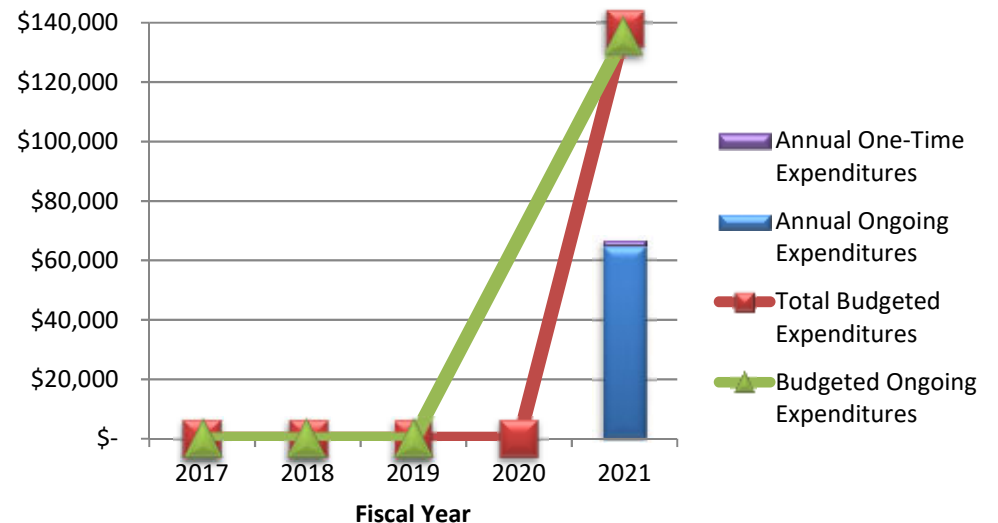
Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ - | \$ - | N/A | | |
| 2018 | \$ - | \$ - | N/A | N/A | N/A |
| 2019 | \$ - | \$ - | N/A | N/A | N/A |
| 2020 | \$ - | \$ - | N/A | N/A | N/A |
| 2021 | \$ 66,594 | \$ 137,850 | 48% | ∞ | ∞ |

The Public Transit Enterprise Fund was initiated in FY 2021.

Under Budget for FY 2021: Expenditures were substantially under budget due to vacancy savings with the delays in getting a Transit Administrator on board.

Public Transit Enterprise Fund



Total Expenditures by Fund

Total Wastewater Enterprise Fund Exp. Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 10,625,910 | \$ 12,019,062 | 88% | | |
| 2018 | \$ 9,924,662 | \$ 14,506,091 | 68% | -7% | 21% |
| 2019 | \$ 9,682,040 | \$ 13,739,599 | 70% | -2% | -5% |
| 2020 | \$ 12,455,935 | \$ 13,880,880 | 90% | 29% | 1% |
| 2021 | \$ 10,281,138 | \$ 11,281,630 | 91% | -17% | -19% |

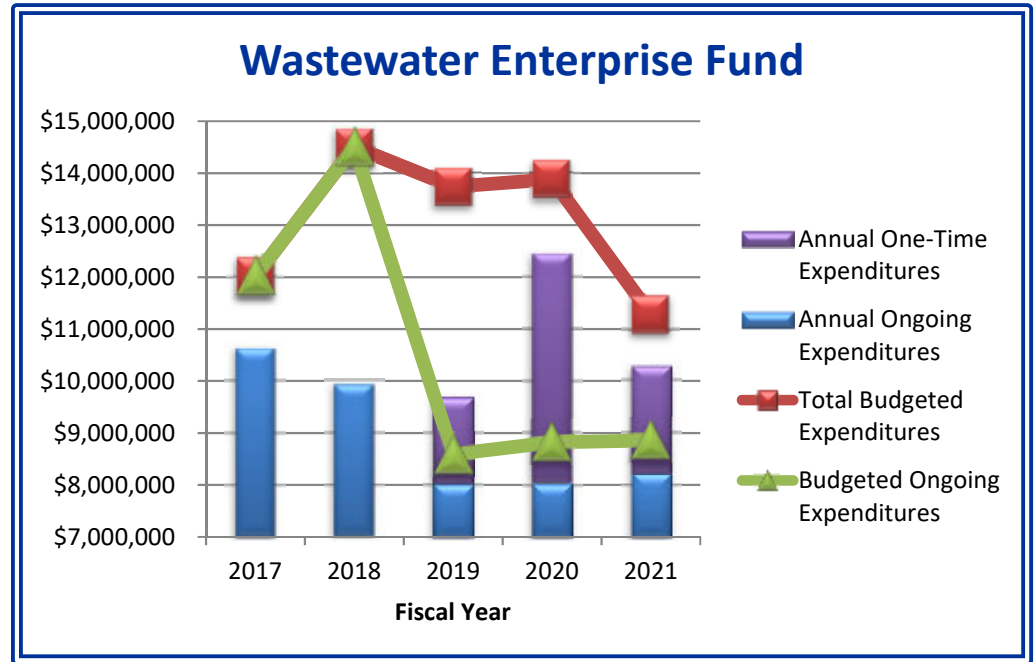
Increase from FY 2019 to FY 2020:

- (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, initiation of the grit reclassifier 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.
- (3) In addition, the debt service costs are approximately \$253,000 higher and are based on the monthly accruals of scheduled bond principal and interest payments.

Decrease from FY 2020 to FY 2021:

- (1) The decrease is partly due to a reduction of capital improvement expenditures incurred for the year to date.
- (2) The decrease is also partly due to one-time capital purchases of a closed-circuit television van, a cattail cutter, and an air curtain burner in the prior year.

Under Budget for FY 2021: Expenditures were under budget due to delays in capital improvement projects and maintenance, unused contingencies, vacancy savings, and unused placeholders for any potential urgent maintenance needs.



Total Expenditures by Fund

Total Info. Tech. Internal Svc. Fund Exp. Under Target for FY 2021

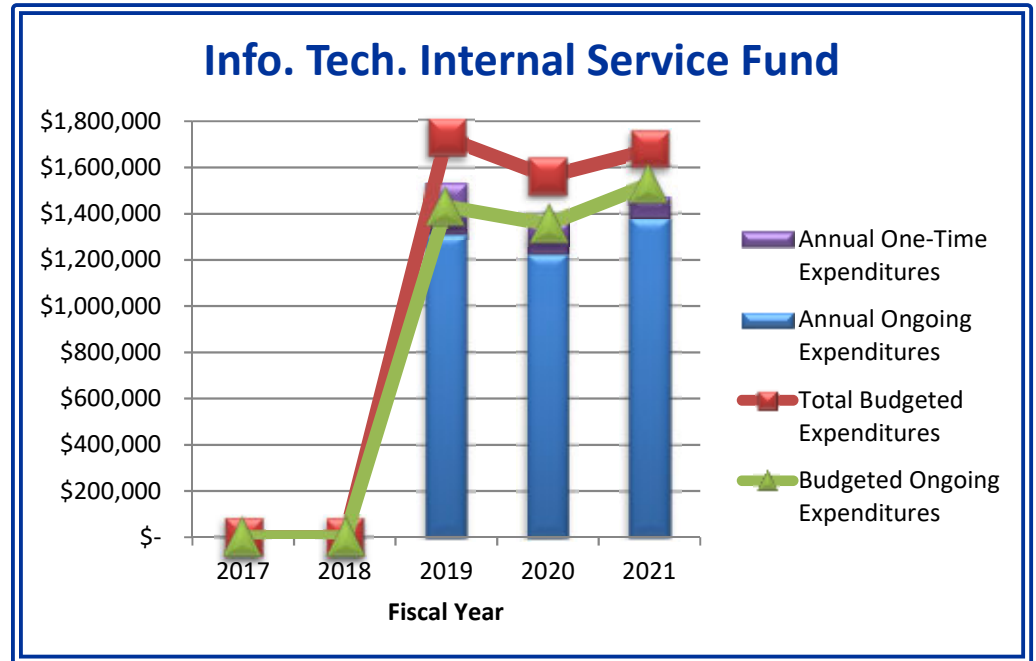
| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ - | \$ - | N/A | | |
| 2018 | \$ - | \$ - | N/A | N/A | N/A |
| 2019 | \$ 1,536,398 | \$ 1,728,027 | 89% | ∞ | ∞ |
| 2020 | \$ 1,363,899 | \$ 1,561,621 | 87% | -11% | -10% |
| 2021 | \$ 1,478,841 | \$ 1,675,424 | 88% | 8% | 7% |

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

Decrease from FY 2019 to FY 2020:

The decrease is primarily due to delays in equipment replacement and expenditure freezes during the COVID-19 financial crisis.

Under Budget for FY 2021: Expenditures were substantially under budget largely due to delays in equipment replacements.



NOTE: FY 2017 - FY 2018 do not separately identify ongoing and one-time.
City of Sedona

Total Expenditures by Fund

Total CFD - Sedona Summit II Exp.

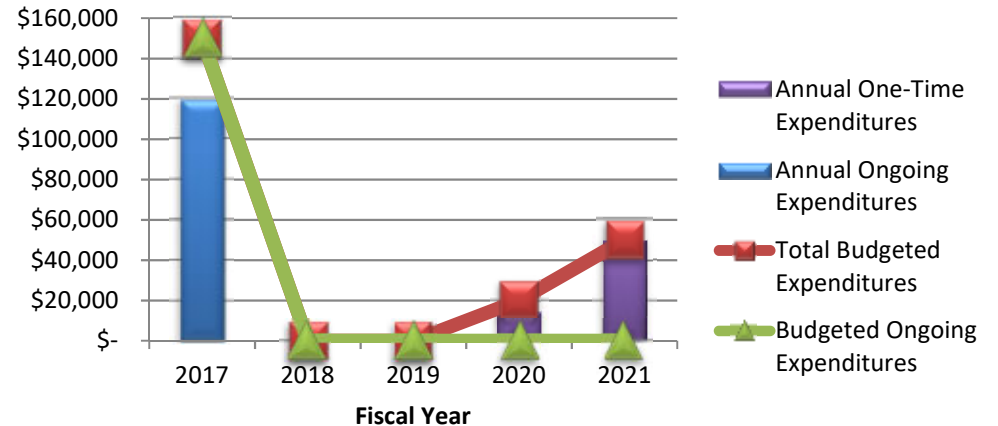
On Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 119,131 | \$ 150,000 | 79% | | |
| 2018 | \$ - | \$ - | N/A | -100% | -100% |
| 2019 | \$ - | \$ - | N/A | N/A | N/A |
| 2020 | \$ 14,428 | \$ 20,000 | 72% | ∞ | ∞ |
| 2021 | \$ 50,000 | \$ 50,000 | 100% | 247% | 150% |

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 2021, capital improvement projects include improvements to the Brewer Road property.

CFD - Sedona Summit II



Total CFD - Fairfield Expenditures

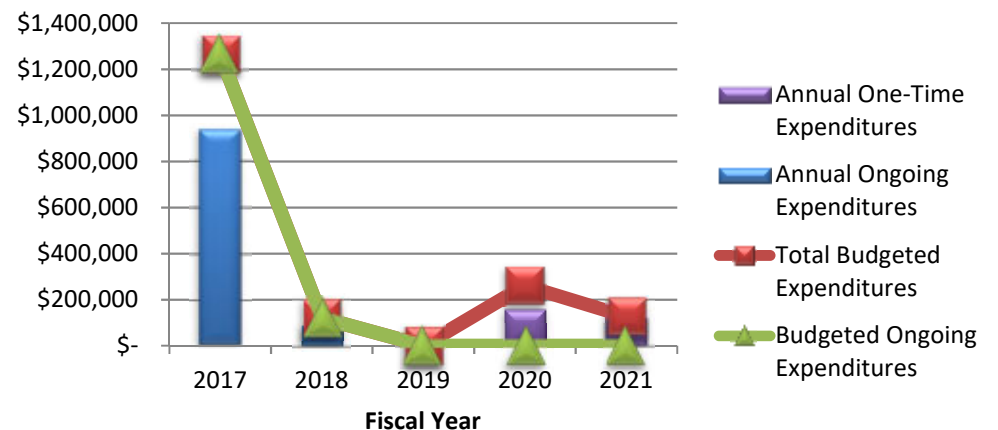
On Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 934,239 | \$ 1,264,749 | 74% | | |
| 2018 | \$ 90,207 | \$ 120,175 | 75% | -90% | -90% |
| 2019 | \$ - | \$ - | N/A | -100% | -100% |
| 2020 | \$ 160,000 | \$ 260,000 | 62% | ∞ | ∞ |
| 2021 | \$ 126,000 | \$ 126,000 | 100% | -21% | -52% |

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 2021, capital improvement projects include improvements at the Brewer Road property.

CFD - Fairfield

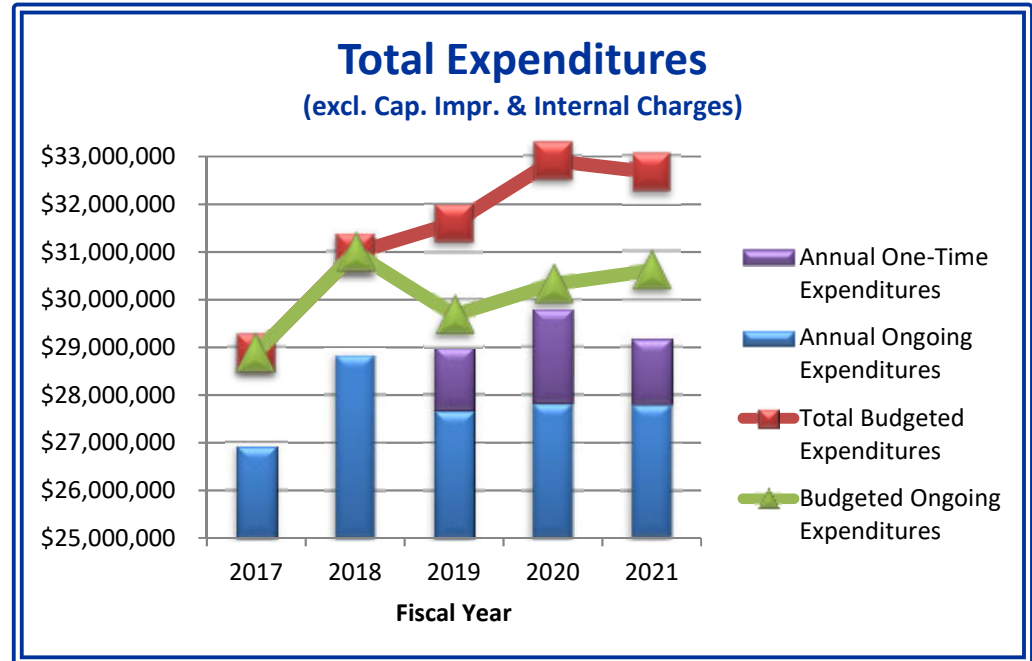


Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

Total Exp. (excl. Cap. Impr. & Internal Charges) Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 26,917,407 | \$ 28,879,003 | 93% | | |
| 2018 | \$ 28,830,925 | \$ 30,976,635 | 93% | 7% | 7% |
| 2019 | \$ 28,986,656 | \$ 31,606,071 | 92% | 1% | 2% |
| 2020 | \$ 29,817,338 | \$ 32,909,062 | 91% | 3% | 4% |
| 2021 | \$ 29,166,798 | \$ 32,670,118 | 89% | -2% | -1% |

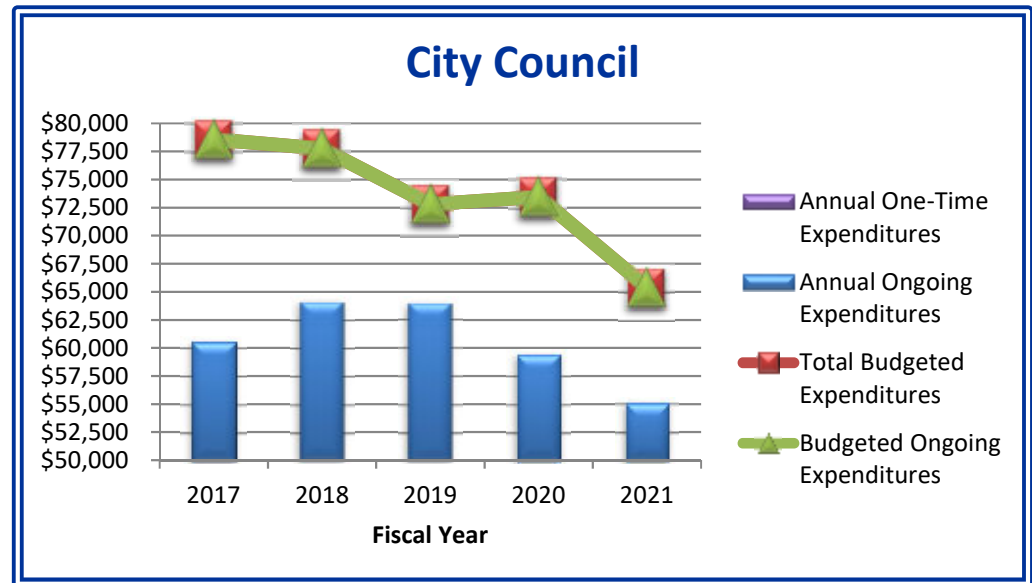
Under Budget for FY 2021: Expenditures were substantially under budget largely due to expenditure freezes during the anticipated negative financial impacts of COVID-19, vacancy savings, delays in maintenance and equipment replacement, delays in grant expenditures, grants not awarded, and a reduction of the small grants program.



City Council Expenditures Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 60,524 | \$ 78,585 | 77% | | |
| 2018 | \$ 64,087 | \$ 77,775 | 82% | 6% | -1% |
| 2019 | \$ 63,929 | \$ 72,805 | 88% | <-1% | -6% |
| 2020 | \$ 59,415 | \$ 73,470 | 81% | -7% | 1% |
| 2021 | \$ 55,066 | \$ 65,375 | 84% | -7% | -11% |

Under Budget for FY 2021: Expenditures were substantially under budget largely due to expenditure freezes during the anticipated negative financial impacts of COVID-19.



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

City Manager's Office Expenditures

On Target for FY 2021

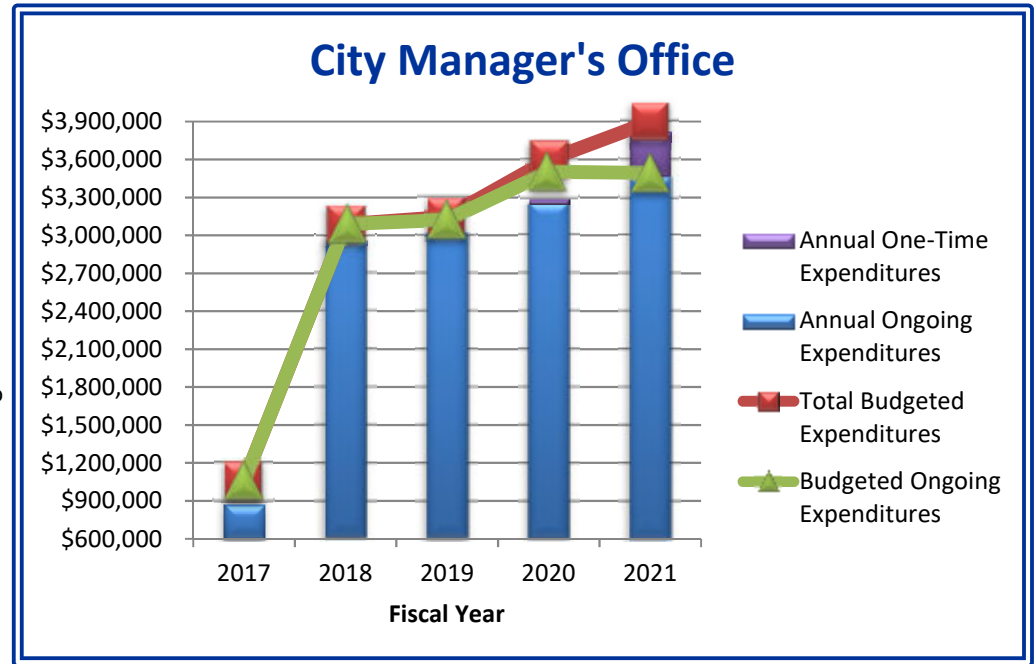
| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 878,130 | \$ 1,060,540 | 83% | | |
| 2018 | \$ 2,965,716 | \$ 3,089,218 | 96% | 238% | 191% |
| 2019 | \$ 3,034,193 | \$ 3,147,619 | 96% | 2% | 2% |
| 2020 | \$ 3,293,022 | \$ 3,598,820 | 92% | 9% | 14% |
| 2021 | \$ 3,821,794 | \$ 3,898,035 | 98% | 16% | 8% |

Increase from FY 2017 to FY 2018:

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

Increase from FY 2018 to FY 2019:

- (1) The increase was partly due to additional funding to the Sedona Chamber of Commerce & Tourism Bureau (SCC&TB) for the payoff of the Jordan Road property mortgage in order for title to be transferred to the City.
- (2) The increase was also due to an increase in the contract with the SCCT&B for management of the impacts of tourism.
- (3) The increase was partly due to the expansion of the environmental sustainability and communications programs to advance these priorities.
- (4) The increase was also due to increases in salary and benefit costs for the reallocation of the Assistant City Manager position that was partially allocated as the Director of Community Development to a full Deputy City Manager position within the City Manager's Office.



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

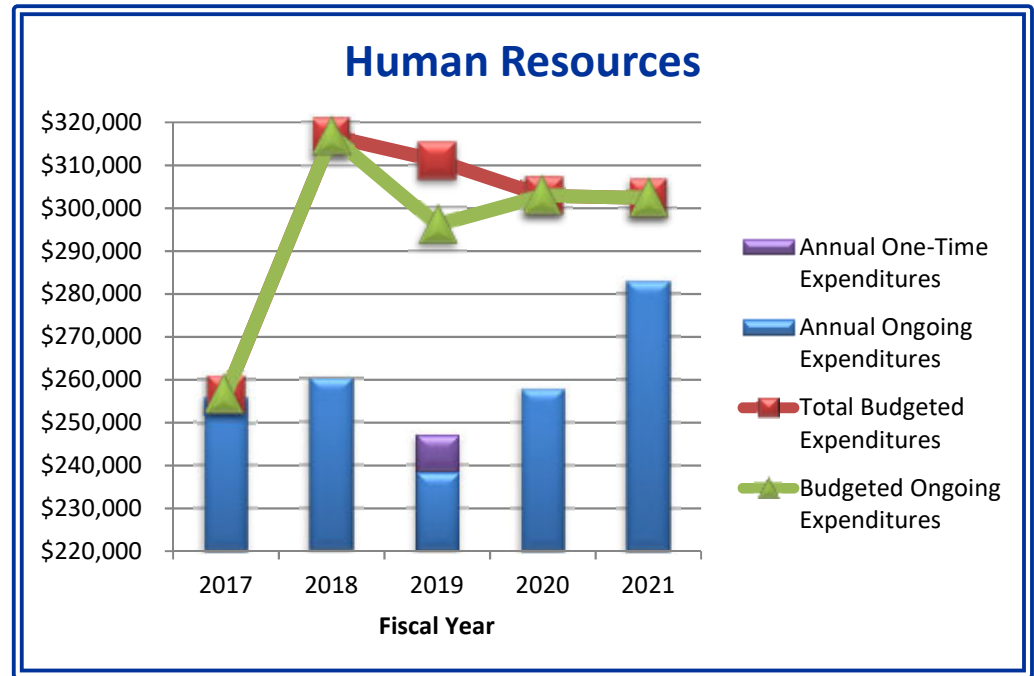
Human Resources Expenditures

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 255,942 | \$ 256,592 | 100% | | |
| 2018 | \$ 260,124 | \$ 316,775 | 82% | 2% | 23% |
| 2019 | \$ 246,933 | \$ 311,110 | 79% | -5% | -2% |
| 2020 | \$ 257,734 | \$ 302,850 | 85% | 4% | -3% |
| 2021 | \$ 282,951 | \$ 302,390 | 94% | 10% | <-1% |

Increase from FY 2020 to FY 2021:

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



Under Budget for FY 2020: Expenditures were under budget largely due to cancellation of employee appreciation and postponement of volunteer appreciation events during the COVID-19 pandemic.

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

Financial Services Expenditures

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 859,666 | \$ 941,285 | 91% | | |
| 2018 | \$ 995,149 | \$ 1,130,005 | 88% | 16% | 20% |
| 2019 | \$ 1,190,722 | \$ 1,359,310 | 88% | 20% | 20% |
| 2020 | \$ 1,190,451 | \$ 1,304,560 | 91% | <-1% | -4% |
| 2021 | \$ 1,100,244 | \$ 1,264,870 | 87% | -8% | -3% |

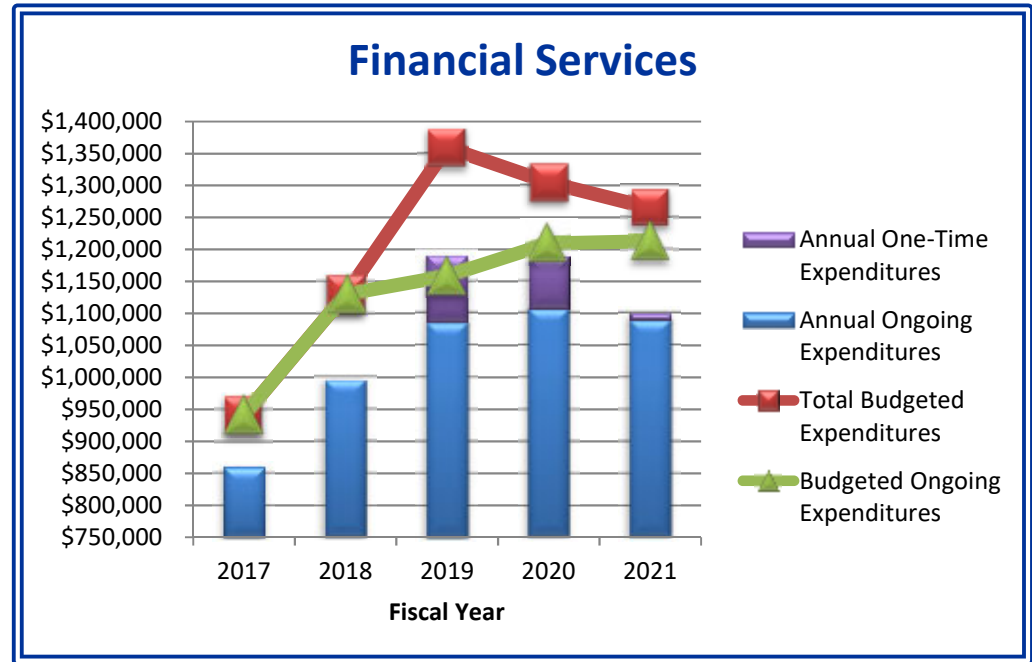
Increase from FY 2017 to FY 2018:

- (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.

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.

Under Budget for FY 2021: Expenditures were substantially under budget due to expenditure freezes in response to the anticipated negative financial impacts of COVID-19, vacancy savings, delays in the wastewater rate study, and reductions in the sales tax audit contract.



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

City Attorney's Office Expenditures

Under Target for FY 2021

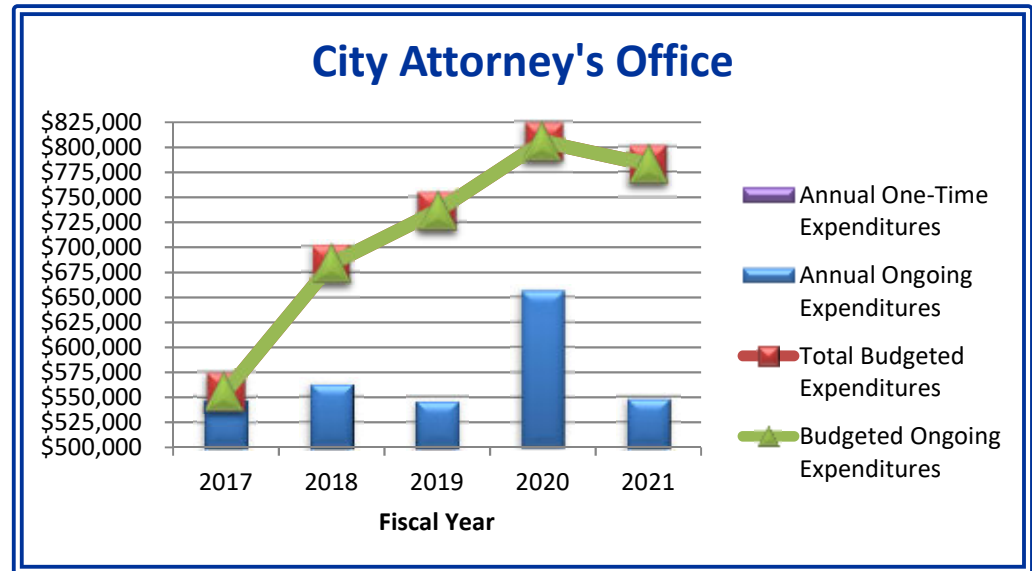
| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 548,304 | \$ 555,545 | 99% | | |
| 2018 | \$ 563,398 | \$ 683,600 | 82% | 3% | 23% |
| 2019 | \$ 546,348 | \$ 736,323 | 74% | -3% | 8% |
| 2020 | \$ 656,569 | \$ 805,530 | 82% | 20% | 9% |
| 2021 | \$ 548,606 | \$ 782,760 | 70% | -16% | -3% |

Increase from FY 2019 to FY 2020:

- (1) The increase is largely due to restructuring of the Associate City Attorney position to an Assistant City Attorney position.
- (2) The increase is also due to increases in deductibles for legal claims.

Decrease from FY 2020 to FY 2021:

- (1) The decrease is largely due to vacancy savings.
- (2) The decrease is also due to a reduction in contracted outside legal services.
- (3) The decrease is also due to a one-time purchase of risk management software in the prior year.



Under Budget for FY 2021: Expenditures were substantially under budget due to vacancy savings and an unused placeholder in the Wastewater Fund for any legal needs.

City Clerk's Office Expenditures

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 265,657 | \$ 310,369 | 86% | | |
| 2018 | \$ 251,368 | \$ 261,572 | 96% | -5% | -16% |
| 2019 | \$ 301,095 | \$ 333,975 | 90% | 20% | 28% |
| 2020 | \$ 266,079 | \$ 267,860 | 99% | -12% | -20% |
| 2021 | \$ 288,822 | \$ 304,485 | 95% | 9% | 14% |

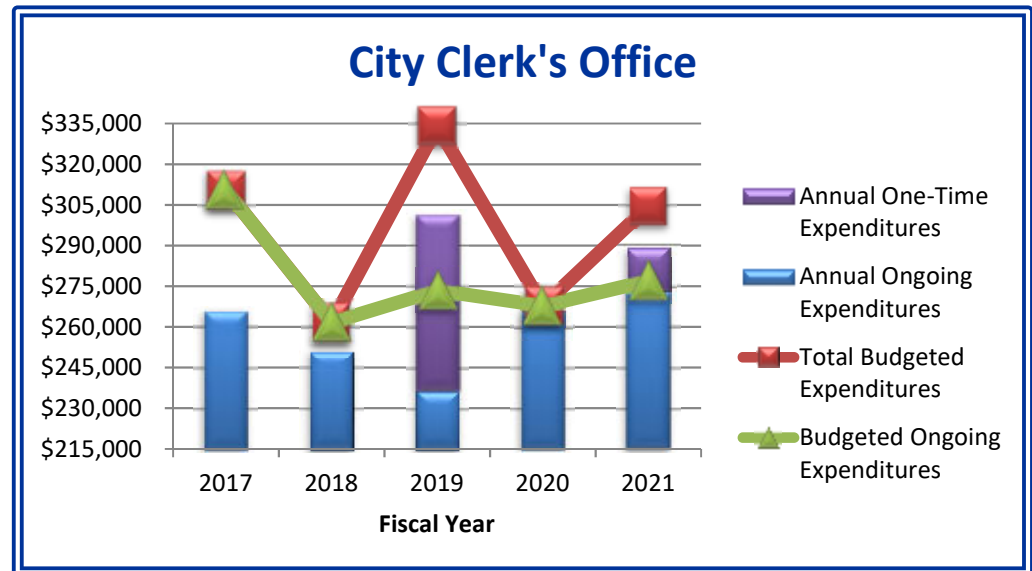
Increase from FY 2018 to FY 2019:

The increase is largely due to election costs.

Decrease from FY 2019 to FY 2020:

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

Under Budget for FY 2021: Expenditures were under budget due to lower than anticipated costs since no general election was necessary.



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

Parks & Recreation Expenditures

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 608,478 | \$ 619,257 | 98% | | |
| 2018 | \$ 605,545 | \$ 737,576 | 82% | <-1% | 19% |
| 2019 | \$ 679,128 | \$ 773,797 | 88% | 12% | 5% |
| 2020 | \$ 613,460 | \$ 780,440 | 79% | -10% | 1% |
| 2021 | \$ 486,563 | \$ 819,190 | 59% | -21% | 5% |

Increase from FY 2018 to FY 2019:

- (1) An increase in donations allowed for an increase in special events costs.
- (2) The Uptown merchants requested \$40,000 be added to the holiday decorations budget from the paid parking monies designated for Uptown improvements.

Decrease from FY 2019 to FY 2020:

The decrease was primarily due to the cancellation of special events and recreation programs and the closure of the public swimming pool during the COVID-19 pandemic.

Decrease from FY 2020 to FY 2021:

The decrease was primarily due to the cancellation of special events and recreation programs and the closure of the public swimming pool during the COVID-19 pandemic.

Under Budget for FY 2021: Expenditures were substantially under budget due to the cancellation of special events and recreation programs and the closure of the public swimming pool during the COVID-19 pandemic.



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

General Services Expenditures

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 4,209,363 | \$ 4,382,124 | 96% | | |
| 2018 | \$ 1,747,264 | \$ 1,878,834 | 93% | -58% | -57% |
| 2019 | \$ 1,573,590 | \$ 1,707,426 | 92% | -10% | -9% |
| 2020 | \$ 1,712,571 | \$ 1,898,106 | 90% | 9% | 11% |
| 2021 | \$ 1,485,967 | \$ 1,588,910 | 94% | -13% | -16% |

Decrease from FY 2017 to FY 2018:

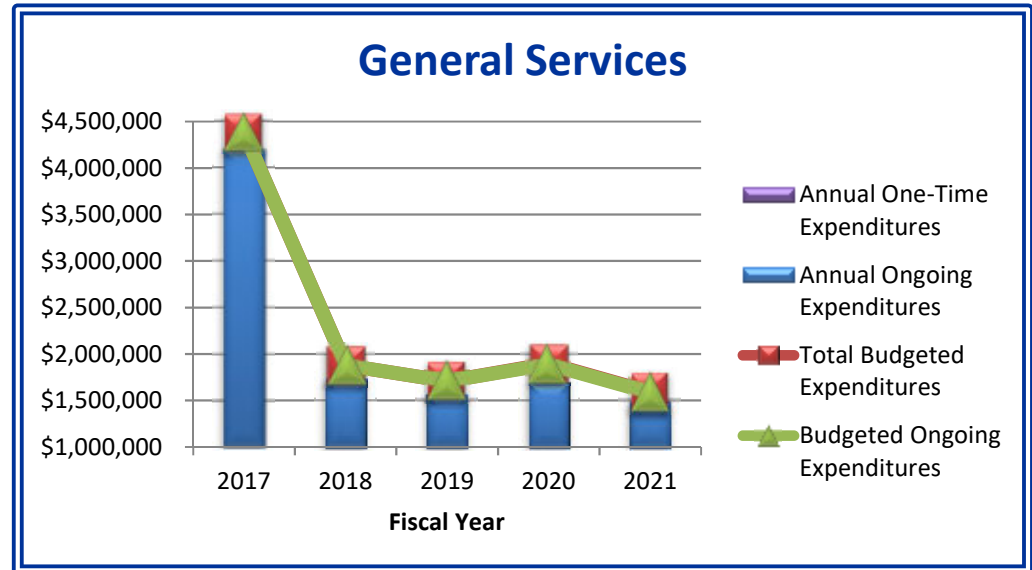
- (1) The debt service costs were moved to a separate departmental code in the general ledger.
- (2) Tourism Management & Development costs were moved to the City Manager's Office budget.

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.

Decrease from FY 2020 to FY 2021:

- (1) The decrease is largely due to a reduction in the small grants program due to the impacts of the COVID-19 pandemic.



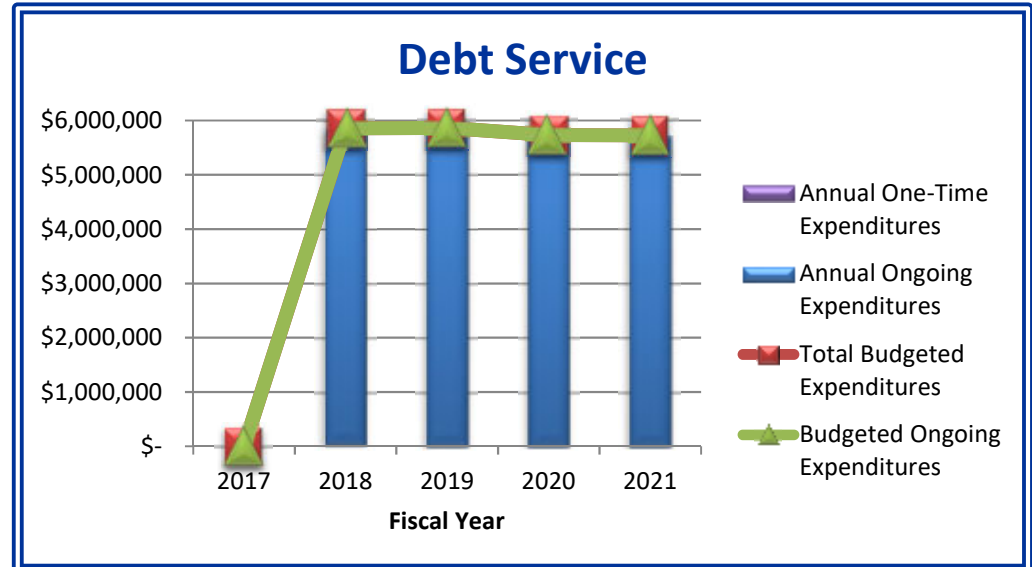
Under Budget for FY 2021: Expenditures were under budget due to a reduction in the small grants program due to the impacts of the COVID-19 pandemic.

Debt Service Expenditures

On Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ - | \$ - | N/A | | |
| 2018 | \$ 5,853,030 | \$ 5,853,529 | 100% | ∞ | ∞ |
| 2019 | \$ 5,864,449 | \$ 5,864,499 | 100% | <1% | <1% |
| 2020 | \$ 5,726,266 | \$ 5,729,775 | 100% | -2% | -2% |
| 2021 | \$ 5,723,597 | \$ 5,725,335 | 100% | <-1% | <-1% |

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



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

Community Development Expenditures

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 1,576,171 | \$ 1,931,608 | 82% | | |
| 2018 | \$ 1,550,218 | \$ 1,794,878 | 86% | -2% | -7% |
| 2019 | \$ 1,468,592 | \$ 1,573,086 | 93% | -5% | -12% |
| 2020 | \$ 1,676,732 | \$ 1,954,210 | 86% | 14% | 24% |
| 2021 | \$ 1,466,090 | \$ 2,125,360 | 69% | -13% | 9% |

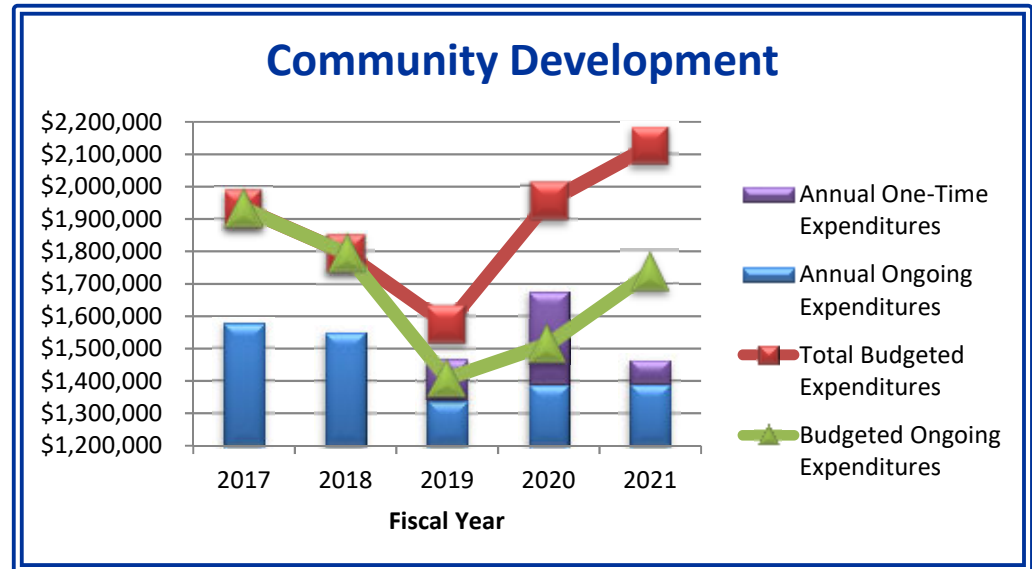
Increase from FY 2019 to FY 2020:

The increase was primarily due to expenditures of a CDBG award.

Decrease from FY 2020 to FY 2021:

The decrease was primarily due to a reduction in expenditures of a CDBG award.

Under Budget for FY 2021: Expenditures were substantially under budget due to expenditure freezes in response to the anticipated negative financial impacts of COVID-19, vacancy savings, delays in affordable housing initiatives, and the Hope House projected funded with CDBG monies not completed as of year-end.

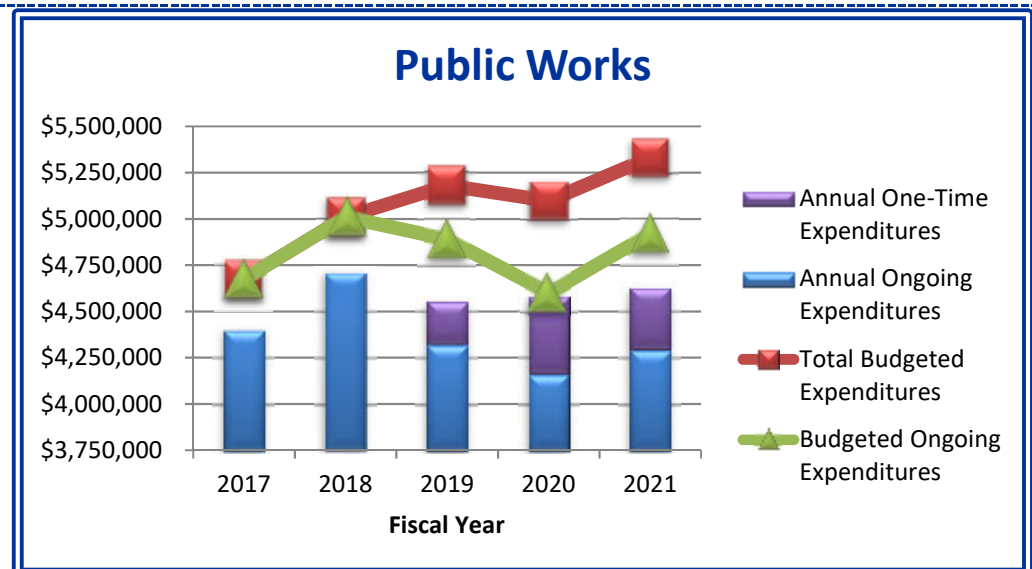


Public Works Expenditures

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 4,397,351 | \$ 4,676,451 | 94% | | |
| 2018 | \$ 4,705,978 | \$ 5,009,873 | 94% | 7% | 7% |
| 2019 | \$ 4,554,481 | \$ 5,181,868 | 88% | -3% | 3% |
| 2020 | \$ 4,587,899 | \$ 5,098,024 | 90% | 1% | -2% |
| 2021 | \$ 4,627,032 | \$ 5,331,891 | 87% | 1% | 5% |

Under Budget for FY 2021: Expenditures were substantially under budget due to vacancy savings, delays in streets and drainage maintenance, reduction of landscaping maintenance in street medians and rights-of-way, and delays in facilities maintenance projects as a result of the expenditure freezes in place due to the anticipated negative financial impacts of the COVID-19.



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

Economic Development Expenditures

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ - | \$ - | N/A | | |
| 2018 | \$ 169,978 | \$ 184,970 | 92% | ∞ | ∞ |
| 2019 | \$ 215,831 | \$ 239,000 | 90% | 27% | 29% |
| 2020 | \$ 220,819 | \$ 253,830 | 87% | 2% | 6% |
| 2021 | \$ 190,095 | \$ 293,707 | 65% | -14% | 16% |

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

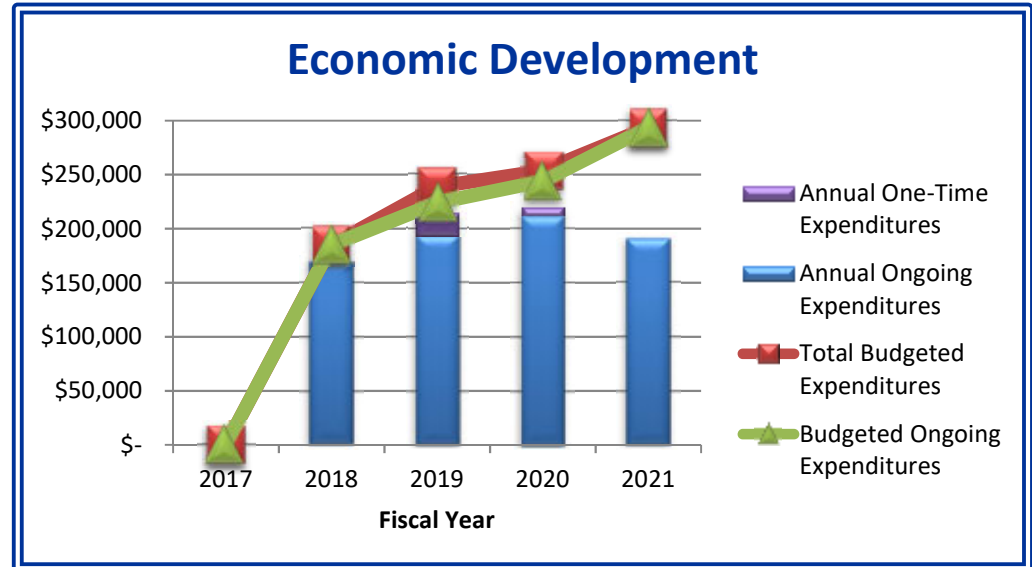
Increase from FY 2018 to FY 2019:

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

Decrease from FY 2020 to FY 2021:

The decrease was due to reductions in workshop and event costs, as well as travel & training, as a result of the expenditure freezes in place due to the COVID-19 financial crisis.

Under Budget for FY 2021: Expenditures were substantially under budget due to reductions in workshop and event costs, as well as travel & training, as a result of the expenditure freezes in place due to the anticipated negative financial impacts of the COVID-19.



Police Expenditures

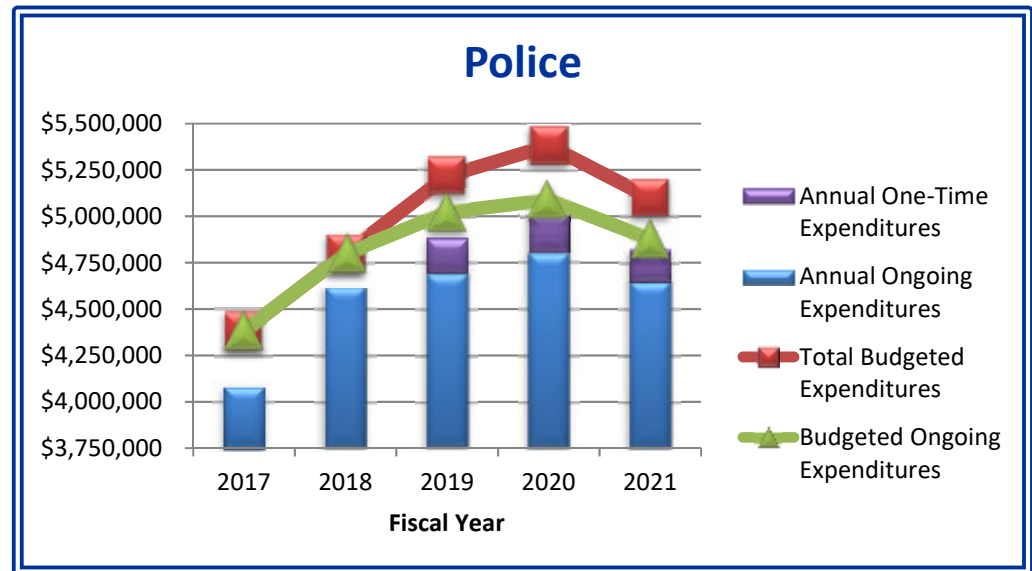
Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 4,080,748 | \$ 4,382,329 | 93% | | |
| 2018 | \$ 4,618,303 | \$ 4,801,199 | 96% | 13% | 10% |
| 2019 | \$ 4,888,499 | \$ 5,218,836 | 94% | 6% | 9% |
| 2020 | \$ 5,017,771 | \$ 5,381,262 | 93% | 3% | 3% |
| 2021 | \$ 4,827,365 | \$ 5,098,271 | 95% | -4% | -5% |

Increase from FY 2019 to FY 2020:

- (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.

Under Budget for FY 2021: Expenditures were under budget due to vacancy savings and travel & training savings during expenditure freezes in response to the anticipated negative financial impacts of COVID-19, as well as delays in police grant expenditures and police grants that were not awarded.



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

Municipal Court Expenditures

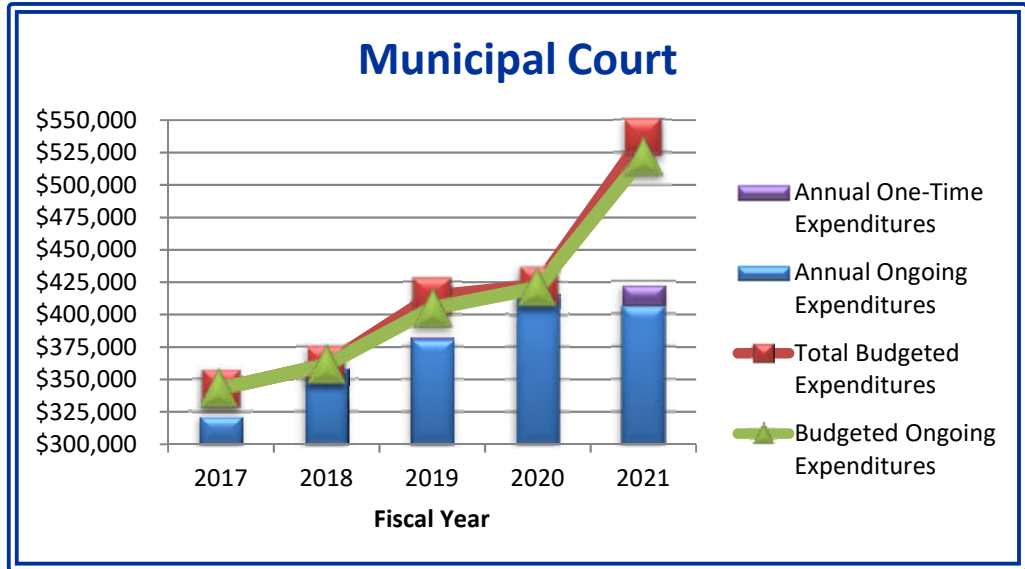
Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 322,022 | \$ 342,950 | 94% | | |
| 2018 | \$ 358,670 | \$ 361,370 | 99% | 11% | 5% |
| 2019 | \$ 383,746 | \$ 413,890 | 93% | 7% | 15% |
| 2020 | \$ 416,255 | \$ 422,199 | 99% | 8% | 2% |
| 2021 | \$ 422,552 | \$ 536,540 | 79% | 2% | 27% |

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.

Under Budget for FY 2021: Expenditures were substantially under budget largely due to vacancy savings during expenditure freezes in response to the anticipated negative financial impacts of COVID-19, as well as significant savings in court-appointed attorney and interpreter costs.



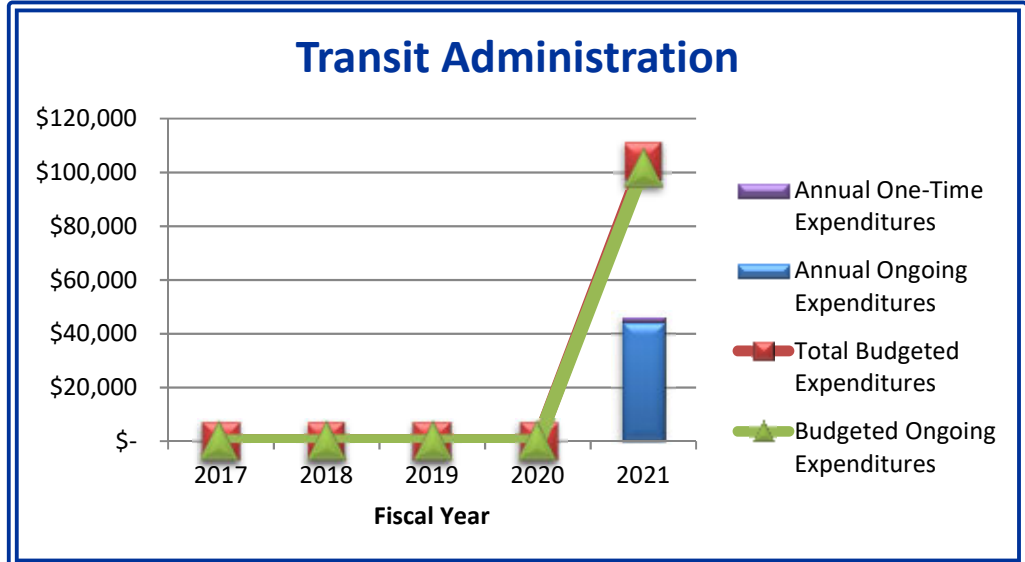
Transit Administration Expenditures

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ - | \$ - | N/A | | |
| 2018 | \$ - | \$ - | N/A | N/A | N/A |
| 2019 | \$ - | \$ - | N/A | N/A | N/A |
| 2020 | \$ - | \$ - | N/A | N/A | N/A |
| 2021 | \$ 46,126 | \$ 104,013 | 44% | ∞ | ∞ |

The Transit Administration program was created in FY 2021.

Under Budget for FY 2021: Expenditures were substantially under budget due to vacancy savings with the delays in getting a Transit Administrator on board.



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

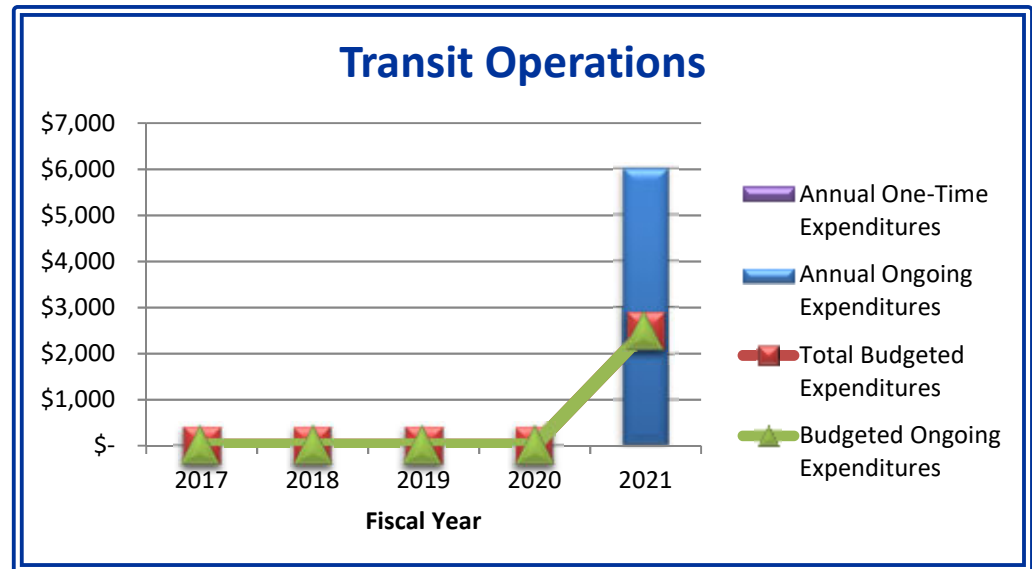
Transit Operations Expenditures

Exceeds Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ - | \$ - | N/A | | |
| 2018 | \$ - | \$ - | N/A | N/A | N/A |
| 2019 | \$ - | \$ - | N/A | N/A | N/A |
| 2020 | \$ - | \$ - | N/A | N/A | N/A |
| 2021 | \$ 6,000 | \$ 2,500 | 240% | ∞ | ∞ |

The Transit Operations program was created in FY 2021.

Exceeds Budget for FY 2021: Expenditures were over budget due to consultant services for micro-transit simulations. Sufficient budget capacity existed within other Transit operational departments to more than cover the cost.



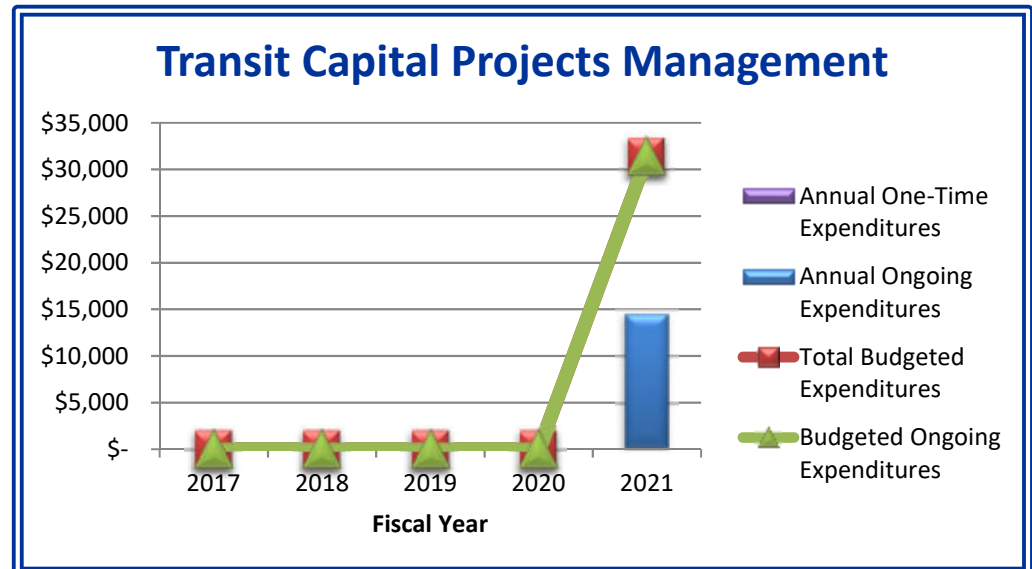
Transit Capital Projects Mgmt Exp.

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ - | \$ - | N/A | | |
| 2018 | \$ - | \$ - | N/A | N/A | N/A |
| 2019 | \$ - | \$ - | N/A | N/A | N/A |
| 2020 | \$ - | \$ - | N/A | N/A | N/A |
| 2021 | \$ 14,468 | \$ 31,338 | 46% | ∞ | ∞ |

The Transit Capital Projects Management program was created in FY 2021.

Under Budget for FY 2021: Expenditures were substantially under budget due to vacancy savings with the delays in getting a Transit Administrator on board.



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

Wastewater Administration Expenditures

Exceeds Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 5,465,854 | \$ 5,423,041 | 101% | | |
| 2018 | \$ 218,100 | \$ 308,269 | 71% | -96% | -94% |
| 2019 | \$ 250,153 | \$ 253,673 | 99% | 15% | -18% |
| 2020 | \$ 220,819 | \$ 221,091 | 100% | -12% | -13% |
| 2021 | \$ 218,822 | \$ 217,390 | 101% | -1% | -2% |

Decrease from FY 2017 to FY 2018:

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

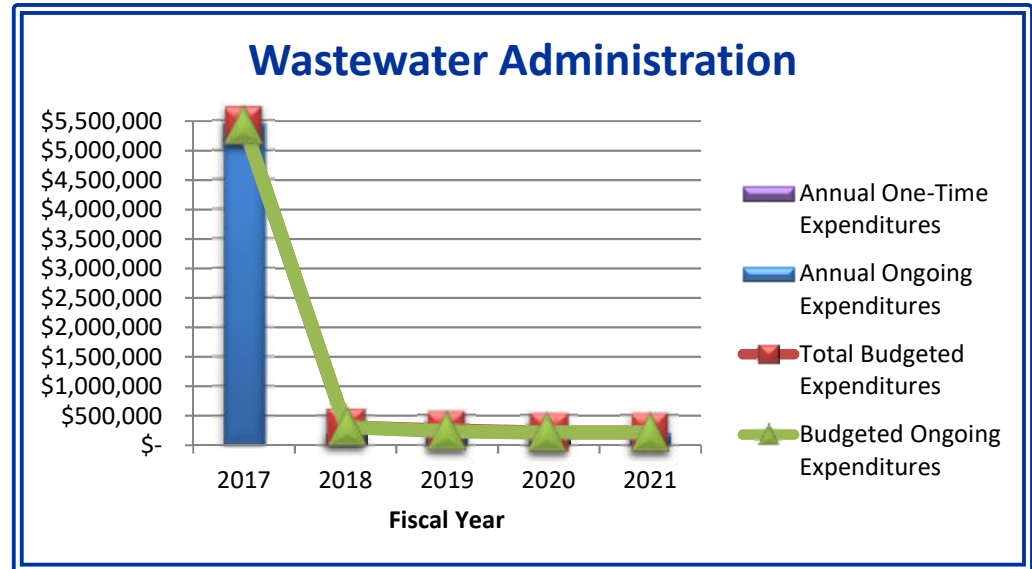
Increase from FY 2018 to FY 2019:

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

Decrease from FY 2019 to FY 2020:

- (1) The decrease was partly due to the reallocation of positions between programs.
- (2) The decrease was also partly due to one-time miscellaneous expenditures in the prior year related to the Admin building remodel.

Exceeds Budget for FY 2021: Expenditures were slightly overbudget due to pay adjustments made during the year. During the budget process, no pay adjustments were planned. Sufficient budget capacity existed within the other Wastewater operational departments to more than cover the cost.



Wastewater Capital Projects Mgmt Exp.

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 64,796 | \$ 65,200 | 99% | | |
| 2018 | \$ 57,580 | \$ 60,540 | 95% | -11% | -7% |
| 2019 | \$ 58,376 | \$ 57,730 | 101% | 1% | -5% |
| 2020 | \$ 79,773 | \$ 79,800 | 100% | 37% | 38% |
| 2021 | \$ 72,588 | \$ 81,460 | 89% | -9% | 2% |

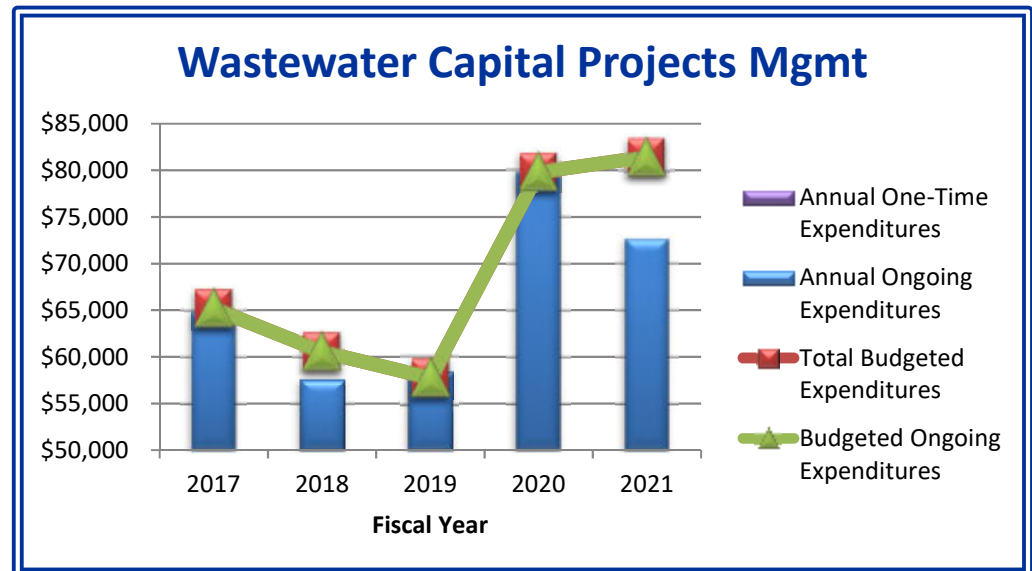
Decrease from FY 2017 to FY 2018:

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

Increase from FY 2019 to FY 2020:

The increase is primarily due to change in allocations of positions to the Capital Projects Management program. The Wastewater staff are handling more of the project management while Public Works engineers focus on other projects.

Under Budget for FY 2021: Expenditures were substantially under budget due to vacancy savings during expenditure freezes in response to the anticipated negative



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

Wastewater Operations Expenditures

Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 2,241,279 | \$ 2,568,472 | 87% | | |
| 2018 | \$ 2,607,751 | \$ 3,053,817 | 85% | 16% | 19% |
| 2019 | \$ 2,382,350 | \$ 2,854,747 | 83% | -9% | -7% |
| 2020 | \$ 2,584,129 | \$ 3,298,759 | 78% | 8% | 16% |
| 2021 | \$ 2,256,805 | \$ 2,748,530 | 82% | -13% | -17% |

Increase from FY 2017 to FY 2018:

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

Decrease from FY 2020 to FY 2021:

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

Under Budget for FY 2021: Expenditures were substantially under budget largely due to vacancy savings and delays in maintenance costs during expenditure freezes in response to the anticipated negative financial impacts of COVID-19, as well as unused placeholders for any potential urgent maintenance needs.



Information Technology Expenditures

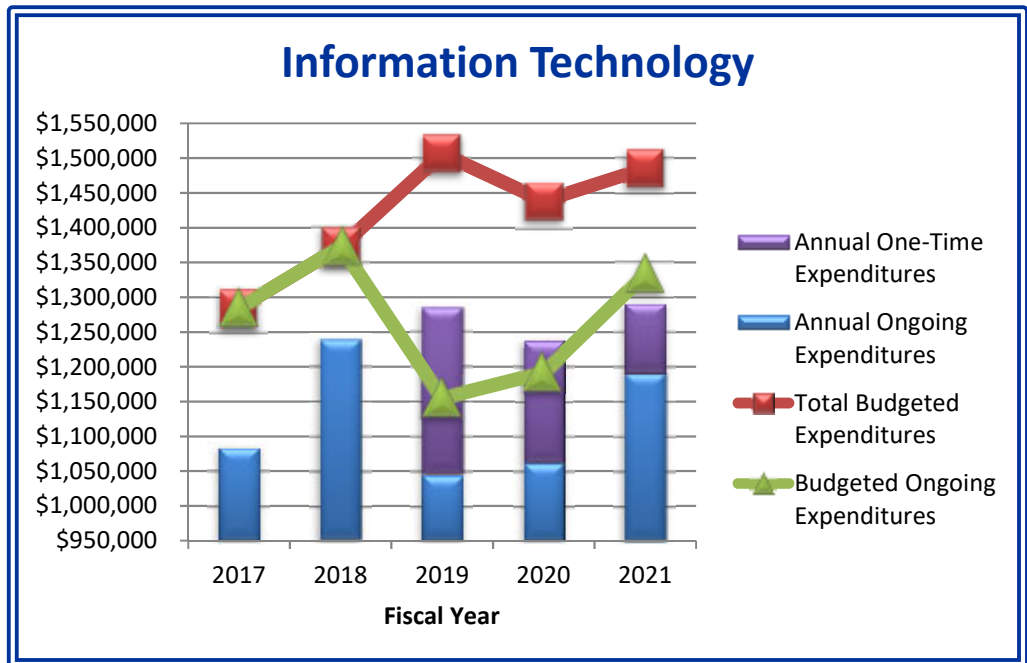
Under Target for FY 2021

| FY | Annual Expenditures | Budgeted Expenditures | % of Budgeted Exp. | % Increase - Annual | % Increase - Budgeted |
|------|---------------------|-----------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 1,083,123 | \$ 1,284,655 | 84% | | |
| 2018 | \$ 1,238,666 | \$ 1,372,835 | 90% | 14% | 7% |
| 2019 | \$ 1,284,242 | \$ 1,506,377 | 85% | 4% | 10% |
| 2020 | \$ 1,237,573 | \$ 1,438,476 | 86% | -4% | -5% |
| 2021 | \$ 1,291,838 | \$ 1,485,619 | 87% | 4% | 3% |

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.

Under Budget for FY 2021: Expenditures were substantially under budget largely due to delays in equipment replacements.



Total Revenues by Fund

Total General Fund Revenues

Exceeds Target for FY 2021

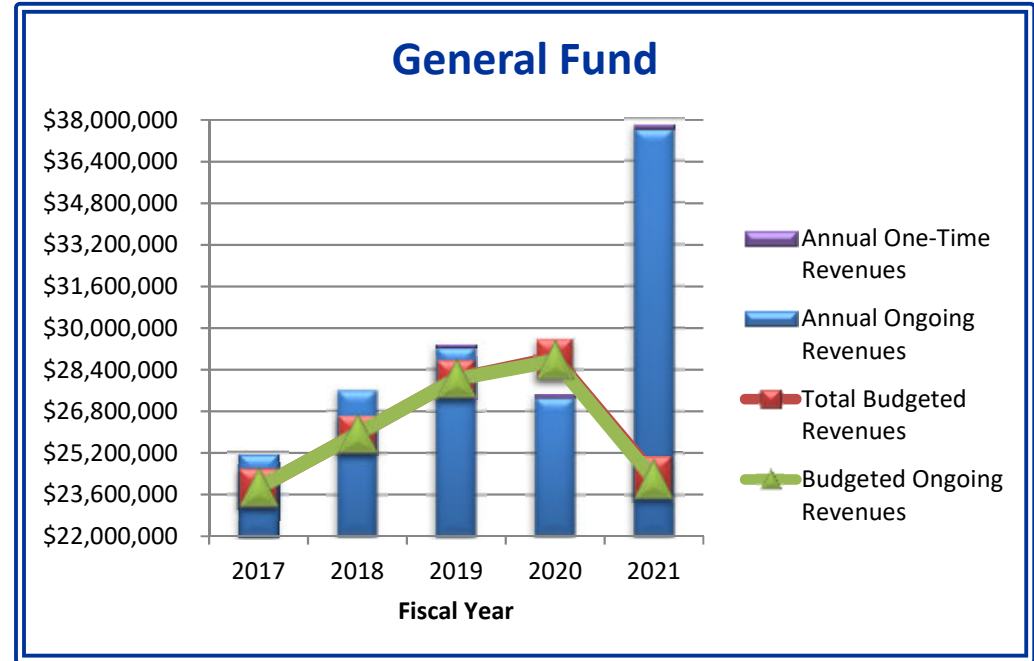
| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 25,135,539 | \$ 23,858,606 | 105% | | |
| 2018 | \$ 27,601,469 | \$ 25,928,260 | 106% | 10% | 9% |
| 2019 | \$ 29,367,300 | \$ 28,043,840 | 105% | 6% | 8% |
| 2020 | \$ 27,474,636 | \$ 28,842,120 | 95% | -6% | 3% |
| 2021 | \$ 37,827,746 | \$ 24,324,110 | 156% | 38% | -16% |

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.

Increase from FY 2020 to FY 2021:

- (1) City sales taxes increased 38% and bed tax revenues increased 72%.
- (2) State shared revenues also increased due to overall economic increases across the state.



Exceeds Target for FY 2021: Revenues were estimated low due to the anticipated negative financial impacts of COVID-19 that did not occur. Instead, tourism levels have far exceeded any prior year.

Total Revenues by Fund

Total Streets Fund Revenues

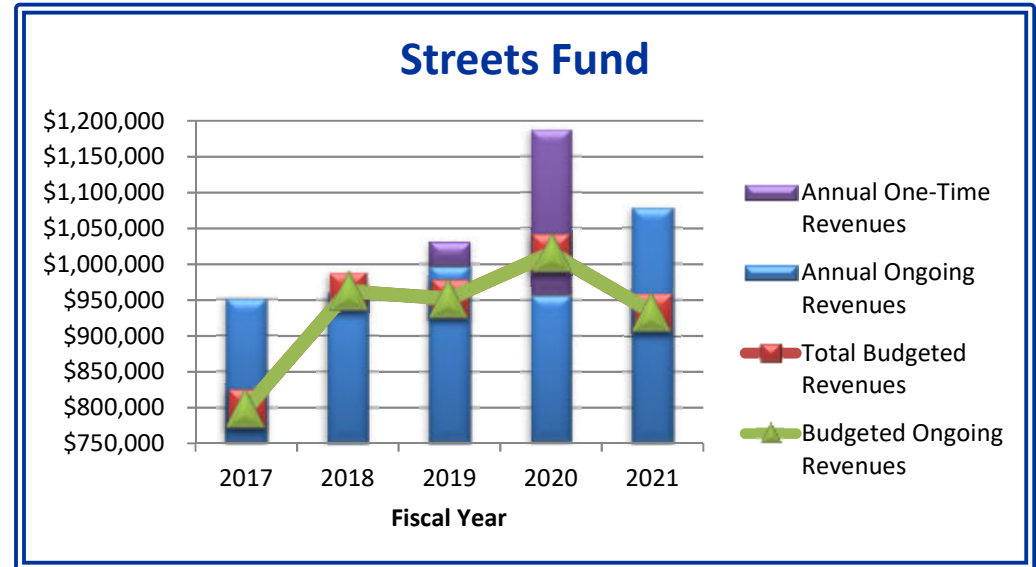
Exceeds Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 950,751 | \$ 799,000 | 119% | | |
| 2018 | \$ 960,751 | \$ 961,900 | 100% | 1% | 20% |
| 2019 | \$ 1,032,078 | \$ 952,220 | 108% | 7% | -1% |
| 2020 | \$ 1,188,185 | \$ 1,015,260 | 117% | 15% | 7% |
| 2021 | \$ 1,078,212 | \$ 933,060 | 116% | -9% | -8% |

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.

Exceeds Target for FY 2021: Revenues were estimated low due to anticipated negative impacts of COVID-19.

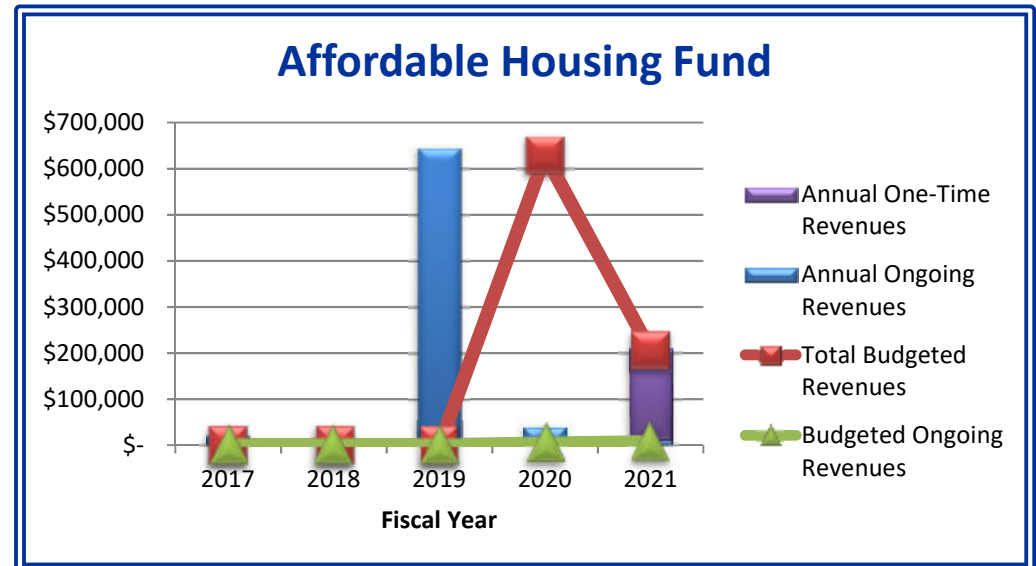


Total Affordable Housing Rev.

On Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 19,800 | \$ - | ∞ | | |
| 2018 | \$ 98 | \$ - | ∞ | -100% | N/A |
| 2019 | \$ 644,214 | \$ - | ∞ | 658403% | N/A |
| 2020 | \$ 38,627 | \$ 629,010 | 6% | -94% | ∞ |
| 2021 | \$ 209,439 | \$ 205,280 | 102% | 442% | -67% |

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.



Total Revenues by Fund

Total Grants, Donations & Other Rev. Under Target for FY 2021

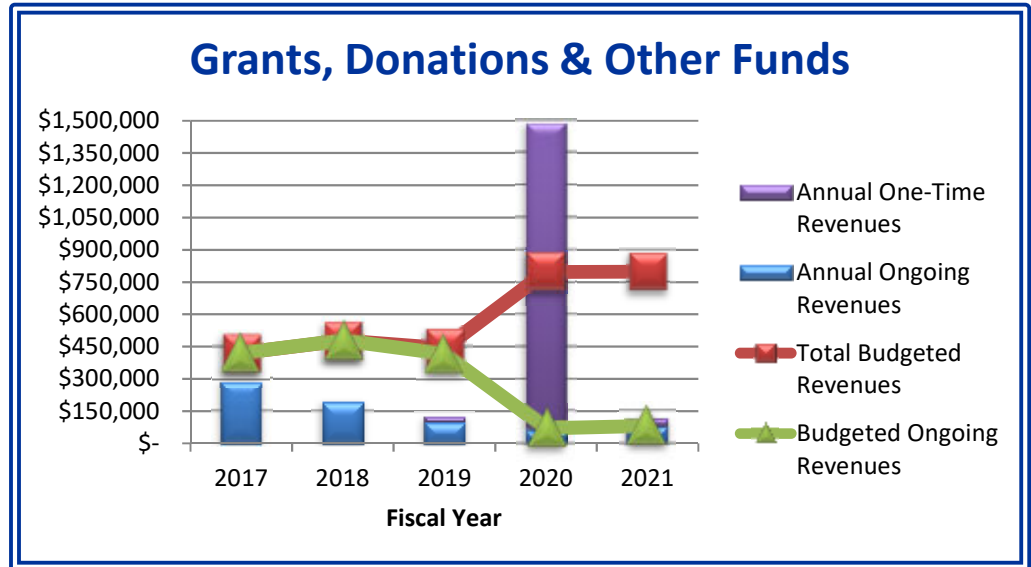
| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 289,608 | \$ 420,500 | 69% | | |
| 2018 | \$ 191,726 | \$ 479,060 | 40% | -34% | 14% |
| 2019 | \$ 126,649 | \$ 442,700 | 29% | -34% | -8% |
| 2020 | \$ 1,487,947 | \$ 797,145 | 187% | 1075% | 80% |
| 2021 | \$ 114,339 | \$ 798,330 | 14% | -92% | <1% |

Increase from FY 2019 to FY 2020:

The increase was primarily due to one-time AZCares Act funding for revenue losses during the COVID-19 financial crisis.

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 2021: Revenues are under target due to delays in Community Development Block grant expenditures, delays in police grant expenditures, police grants that were not awarded, and unused contingent grant revenues in case a significant grant opportunity arises.



Total Transportation Sales Tax Rev. Exceeds Target for FY 2021

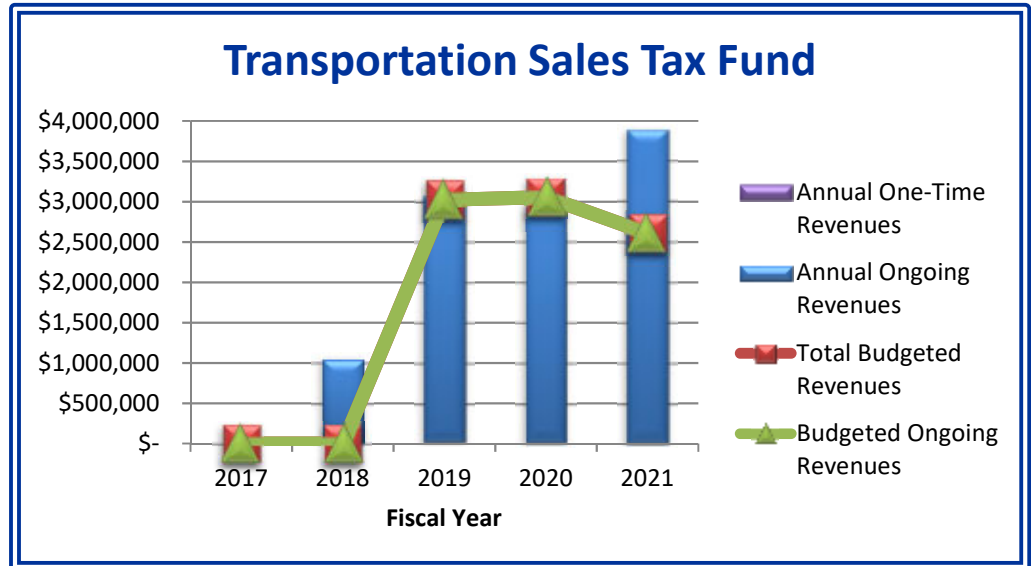
| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ - | \$ - | N/A | | |
| 2018 | \$ 1,045,367 | \$ - | ∞ | ∞ | N/A |
| 2019 | \$ 3,062,947 | \$ 3,021,550 | 101% | 193% | ∞ |
| 2020 | \$ 2,939,033 | \$ 3,056,500 | 96% | -4% | 1% |
| 2021 | \$ 3,880,203 | \$ 2,604,800 | 149% | 32% | -15% |

The Transportation Sales Tax Fund was initiated in FY 2018.

Increase from FY 2020 to FY 2021:

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

Exceeds Target for FY 2021: Revenues were estimated low due to the anticipated negative financial impacts of COVID-19 that did not occur. Instead, tourism levels have far exceeded any prior year.



Total Revenues by Fund

Total Develop. Impact Fees Revenues Exceeds Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 654,256 | \$ 201,000 | 326% | | |
| 2018 | \$ 255,051 | \$ 225,220 | 113% | -61% | 12% |
| 2019 | \$ 384,847 | \$ 225,190 | 171% | 51% | <-1% |
| 2020 | \$ 548,418 | \$ 671,170 | 82% | 43% | 198% |
| 2021 | \$ 673,740 | \$ 632,740 | 106% | 23% | -6% |

Decrease from FY 2017 to FY 2018:

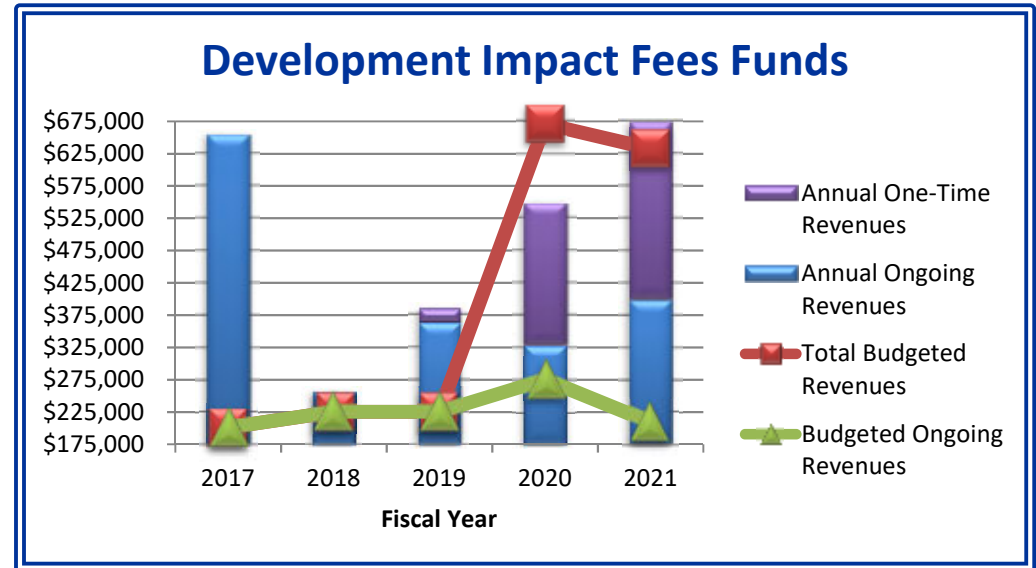
The decrease was primarily due to fees assessed with the permitting of the new Marriott facility and the new CVS in the prior year.

Increase from FY 2019 to FY 2020:

The increase was primarily due to fees assessed with the permitting of a large multi-family development.

Increase from FY 2020 to FY 2021:

The increase was primarily due to fees assessed with the permitting of the Residence Inn.



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.

Exceeds Target for FY 2021: Conservative estimates were made of ongoing development impact fees. Development activity exceeded those estimates by 124%.

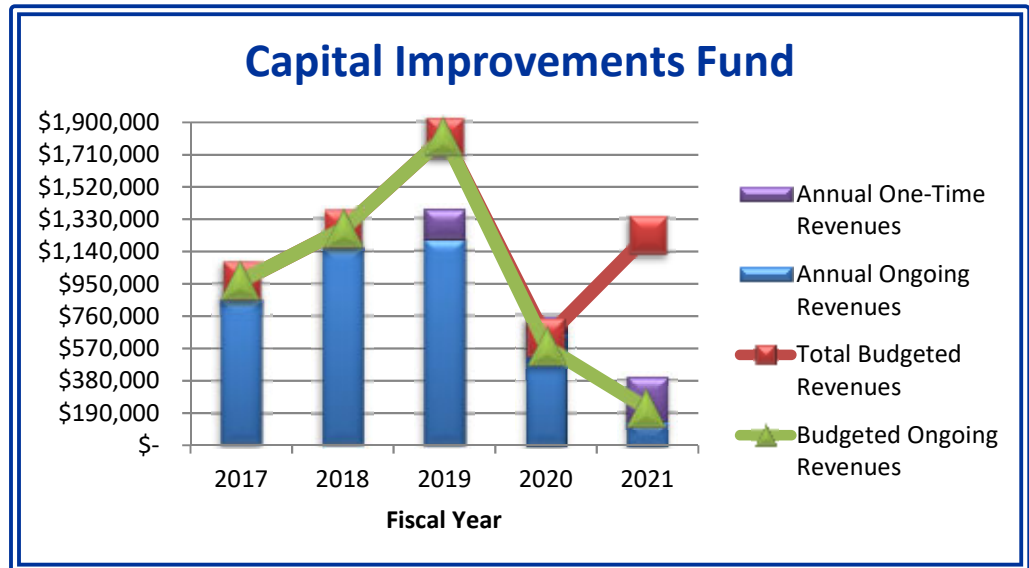
Total Revenues by Fund

Total Capital Improvements Fund Rev. Under Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 863,346 | \$ 965,976 | 89% | | |
| 2018 | \$ 1,168,259 | \$ 1,271,857 | 92% | 35% | 32% |
| 2019 | \$ 1,386,445 | \$ 1,814,591 | 76% | 19% | 43% |
| 2020 | \$ 756,029 | \$ 631,000 | 120% | -45% | -65% |
| 2021 | \$ 399,616 | \$ 1,234,454 | 32% | -47% | 96% |

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 2021: Revenues are under target primarily due to delays in grant funded construction projects and overestimated interest earning.

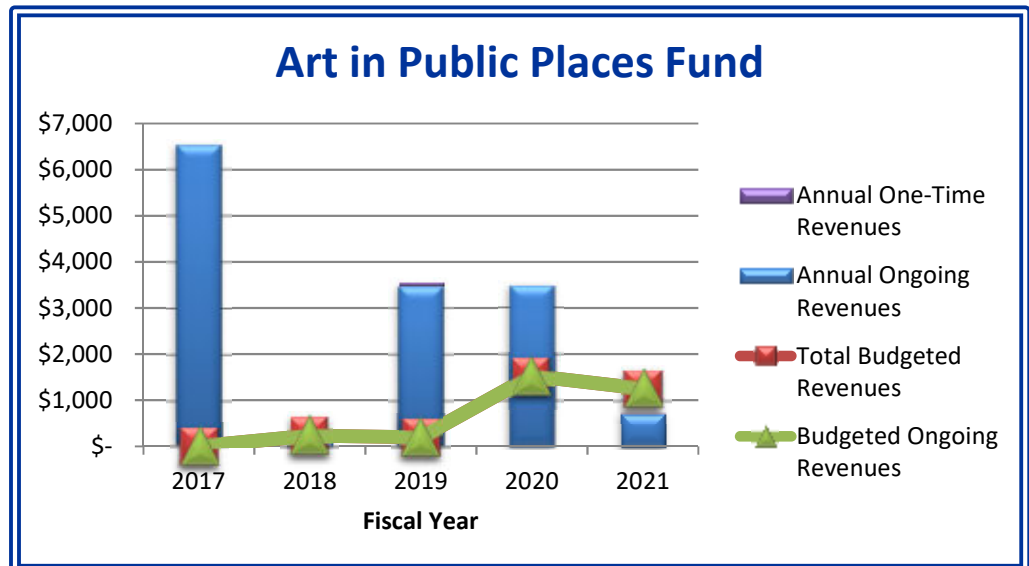


Total Art in Public Places Fund Rev. Under Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 6,528 | \$ - | ∞ | | |
| 2018 | \$ 98 | \$ 230 | 42% | -99% | ∞ |
| 2019 | \$ 3,536 | \$ 200 | 1768% | 3523% | -13% |
| 2020 | \$ 3,478 | \$ 1,530 | 227% | -2% | 665% |
| 2021 | \$ 740 | \$ 1,250 | 59% | -79% | -18% |

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 when a contribution was received in lieu of the City's public art requirement.

Under Target for FY 2021: Revenues are under target due to overestimated interest earnings.



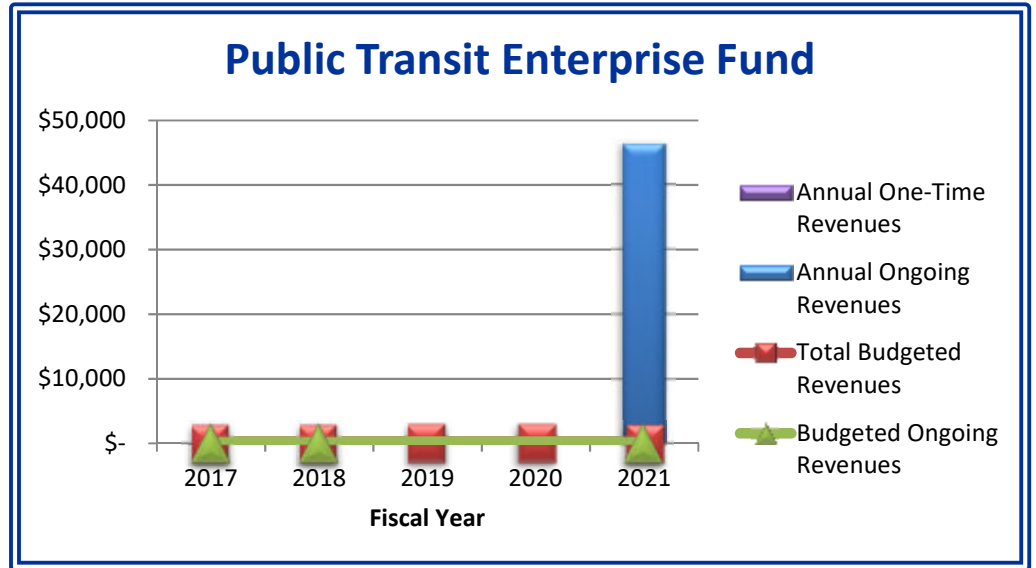
Total Revenues by Fund

Total Public Transit Enterprise Fund Revenue Exceeds Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ - | \$ - | N/A | | |
| 2018 | \$ - | \$ - | N/A | N/A | N/A |
| 2019 | \$ - | \$ - | N/A | N/A | N/A |
| 2020 | \$ - | \$ - | N/A | N/A | N/A |
| 2021 | \$ 46,400 | \$ - | ∞ | ∞ | N/A |

The Public Transit Enterprise Fund was initiated in FY 2021.

Exceeds Target for FY 2021: Since the fund was created mid-year, targets were not anticipated at the time of budget preparation.

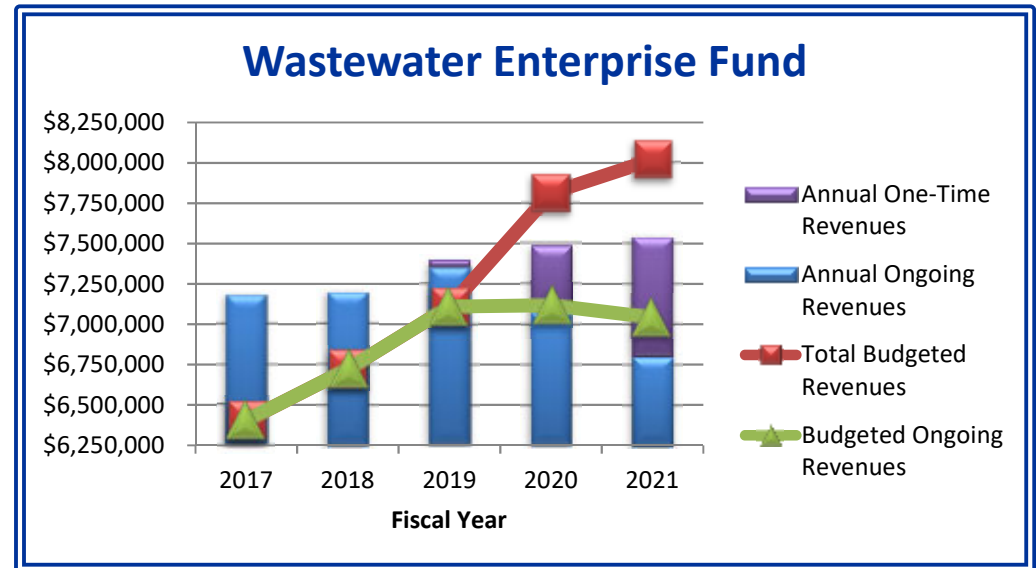


Total Revenues by Fund

Total Wastewater Enterprise Fund Rev. Under Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 7,180,562 | \$ 6,403,864 | 112% | | |
| 2018 | \$ 7,195,914 | \$ 6,722,900 | 107% | <1% | 5% |
| 2019 | \$ 7,398,305 | \$ 7,110,300 | 104% | 3% | 6% |
| 2020 | \$ 7,489,953 | \$ 7,813,213 | 96% | 1% | 10% |
| 2021 | \$ 7,544,045 | \$ 8,019,680 | 94% | 1% | 3% |

Under Target for FY 2021: Revenues are low due to accommodations made to customers as a result of the COVID-19 restrictions, timing of collections of capacity fees, and overestimated interest earnings.

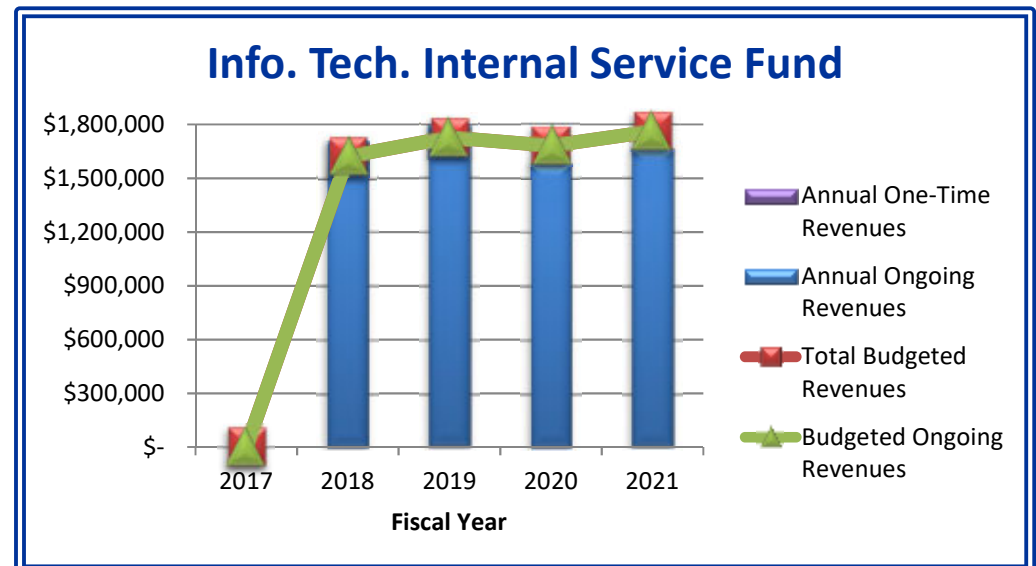


Total Info. Tech. Internal Svc. Fund Rev. Under Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ - | \$ - | N/A | | |
| 2018 | \$ 1,705,824 | \$ 1,622,130 | 105% | ∞ | ∞ |
| 2019 | \$ 1,795,609 | \$ 1,727,300 | 104% | 5% | 6% |
| 2020 | \$ 1,580,839 | \$ 1,681,840 | 94% | -12% | -3% |
| 2021 | \$ 1,668,569 | \$ 1,761,300 | 95% | 6% | 5% |

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

Under Target for FY 2021: Revenues are low due to lower than anticipated indirect cost allocations to the fund creating lower expenditures and, therefore, lower charges allocated to the benefitting programs.



Total Revenues by Fund

Total CFD - Sedona Summit II Revenues Under Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 49,312 | \$ 37,000 | 133% | | |
| 2018 | \$ 48,910 | \$ 62,600 | 78% | -1% | 69% |
| 2019 | \$ 58,332 | \$ 54,550 | 107% | 19% | -13% |
| 2020 | \$ 54,232 | \$ 53,450 | 101% | -7% | -2% |
| 2021 | \$ 44,444 | \$ 51,030 | 87% | -18% | -5% |

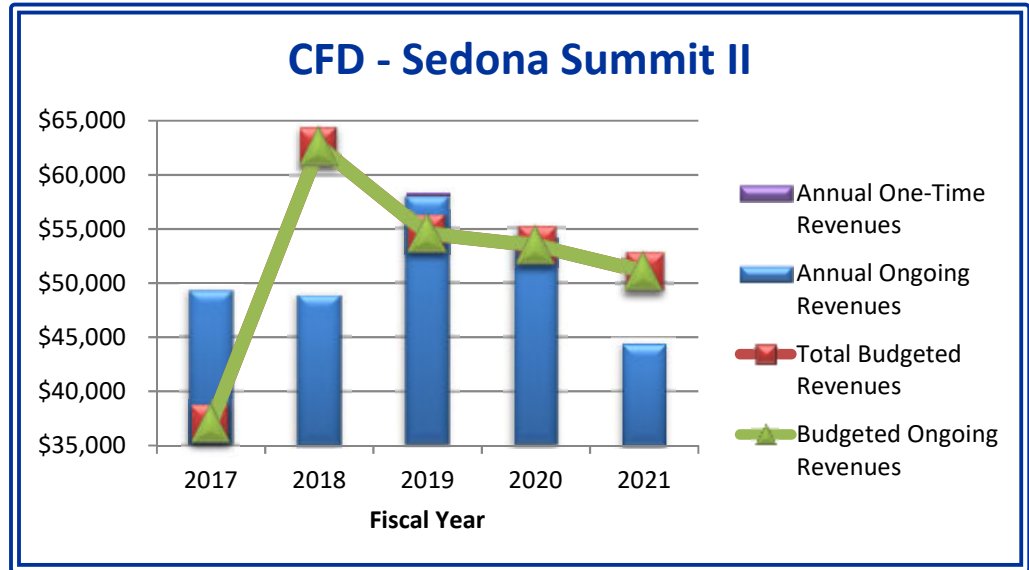
Increase from FY 2018 to FY 2019:

The increase in revenues was due to interest earnings.

Decrease from FY 2020 to FY 2021:

The decrease was mostly due to due to the lowering of interest rates during the COVID-19 financial crisis.

Under Target for FY 2021: Revenues are low due to lower than anticipated in lieu fees and overestimated interest earnings.



Total CFD - Fairfield Revenues Under Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 153,156 | \$ 122,000 | 126% | | |
| 2018 | \$ 120,508 | \$ 125,500 | 96% | -21% | 3% |
| 2019 | \$ 124,324 | \$ 141,800 | 88% | 3% | 13% |
| 2020 | \$ 124,496 | \$ 122,900 | 101% | <1% | -13% |
| 2021 | \$ 92,112 | \$ 123,340 | 75% | -26% | <1% |

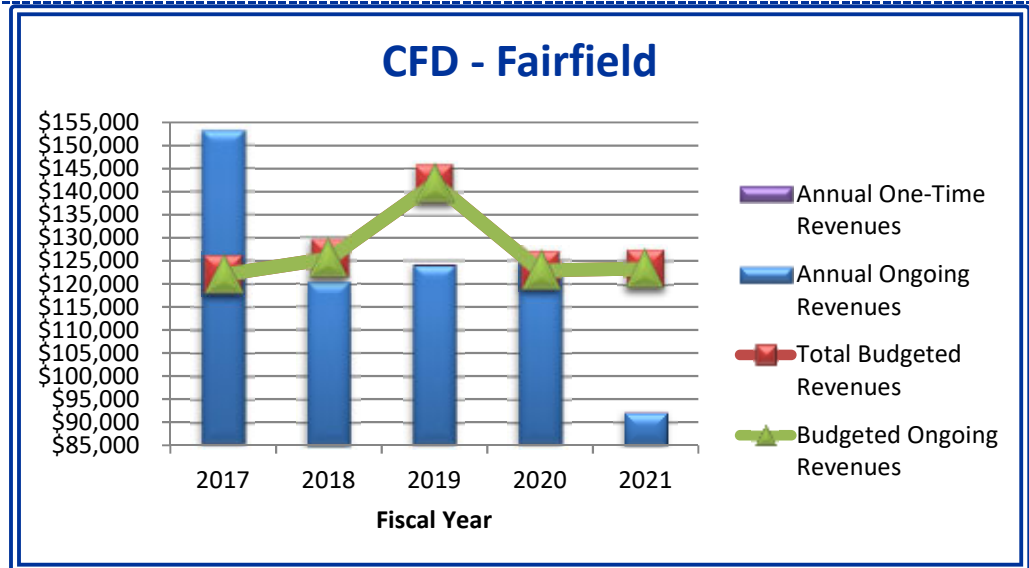
Decrease from FY 2017 to FY 2018:

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.**

Decrease from FY 2020 to FY 2021:

The decrease is partly due to the timing of in lieu fees for the Community Facilities Districts. Approximately \$30,000 of FY 2021 revenue was recognized in FY 2022 due to the lateness of receipt.**

Under Target for FY 2021: If the final quarter revenues would have been received within the period of availability, revenues would have been 99% of budget.



NOTE: FY 2017 - FY 2018 do not separately identify ongoing and one-time.
City of Sedona

Total Revenues by Type

Total Revenues

Exceeds Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 35,302,858 | \$ 32,807,946 | 108% | | |
| 2018 | \$ 40,293,974 | \$ 37,399,657 | 108% | 14% | 14% |
| 2019 | \$ 45,384,586 | \$ 43,534,241 | 104% | 13% | 16% |
| 2020 | \$ 43,685,873 | \$ 45,315,138 | 96% | -4% | 4% |
| 2021 | \$ 53,579,604 | \$ 40,689,374 | 132% | 23% | -10% |

Increase from FY 2017 to FY 2018:

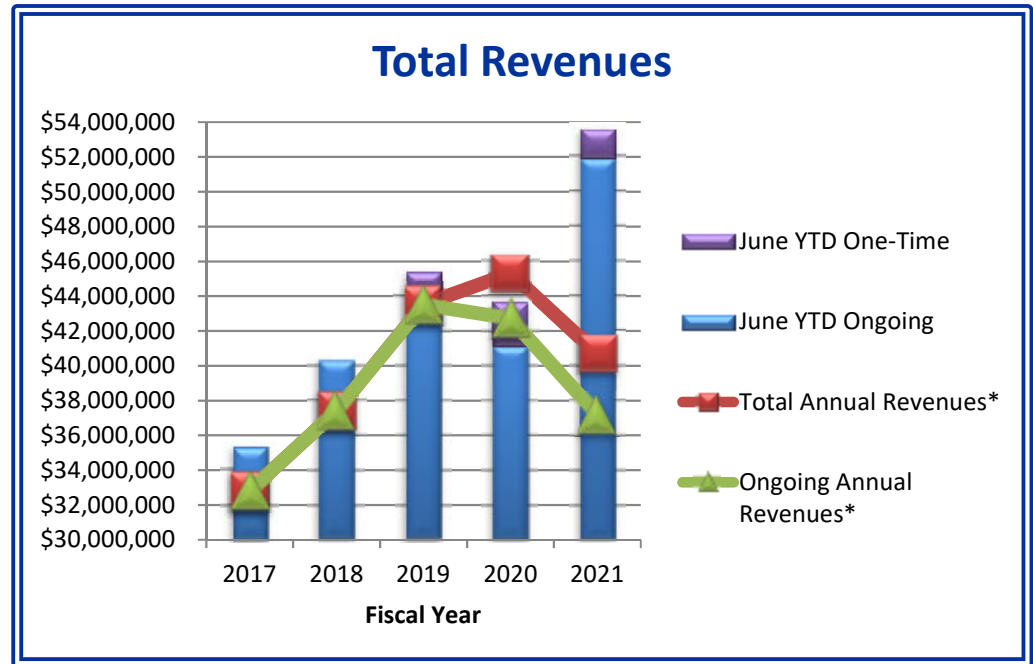
The most significant increases were in the categories of sales tax, bed tax, charges for services, and other miscellaneous revenues.

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.

Increase from FY 2020 to FY 2021:

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



Exceeds Target for FY 2021: Revenues were estimated low due to the anticipated negative financial impacts of COVID-19 that did not occur. Instead, tourism levels have far exceeded any prior year.

Total Revenues by Type

City Sales Tax Revenues

Exceeds Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 16,268,459 | \$ 15,526,670 | 105% | | |
| 2018 | \$ 18,393,517 | \$ 16,673,800 | 110% | 13% | 7% |
| 2019 | \$ 21,381,693 | \$ 20,928,500 | 102% | 16% | 26% |
| 2020 | \$ 20,119,580 | \$ 21,245,800 | 95% | -6% | 2% |
| 2021 | \$ 27,818,788 | \$ 17,509,500 | 159% | 38% | -18% |

Increase from FY 2017 to FY 2018:

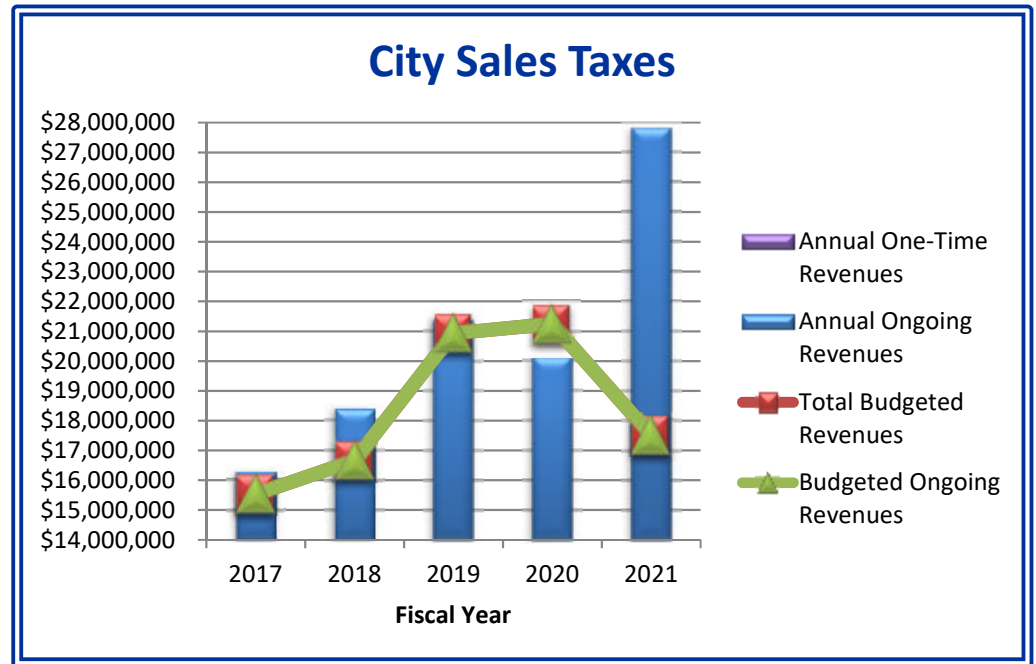
The increase was mostly attributable to increases in the Restaurant & Bar, Hotel/Motel and Retail categories. These are largely impacted by the level of tourism activity.

Increase from FY 2018 to FY 2019:

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

Increase from FY 2020 to FY 2021:

The most significant increases were in the Retail, Restaurant & Bar, and Hotel/Motel categories.



Exceeds Target for FY 2021: Revenues were estimated low due to the anticipated negative financial impacts of COVID-19 that did not occur. Instead, tourism levels have far exceeded any prior year.

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

Total Revenues by Type

Bed Tax Revenues

Exceeds Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 3,811,727 | \$ 3,172,200 | 120% | | |
| 2018 | \$ 4,431,680 | \$ 3,977,200 | 111% | 16% | 25% |
| 2019 | \$ 4,788,239 | \$ 4,446,000 | 108% | 8% | 12% |
| 2020 | \$ 4,160,184 | \$ 4,769,300 | 87% | -13% | 7% |
| 2021 | \$ 7,150,999 | \$ 3,199,900 | 223% | 72% | -33% |

Increase from FY 2017 to FY 2018:

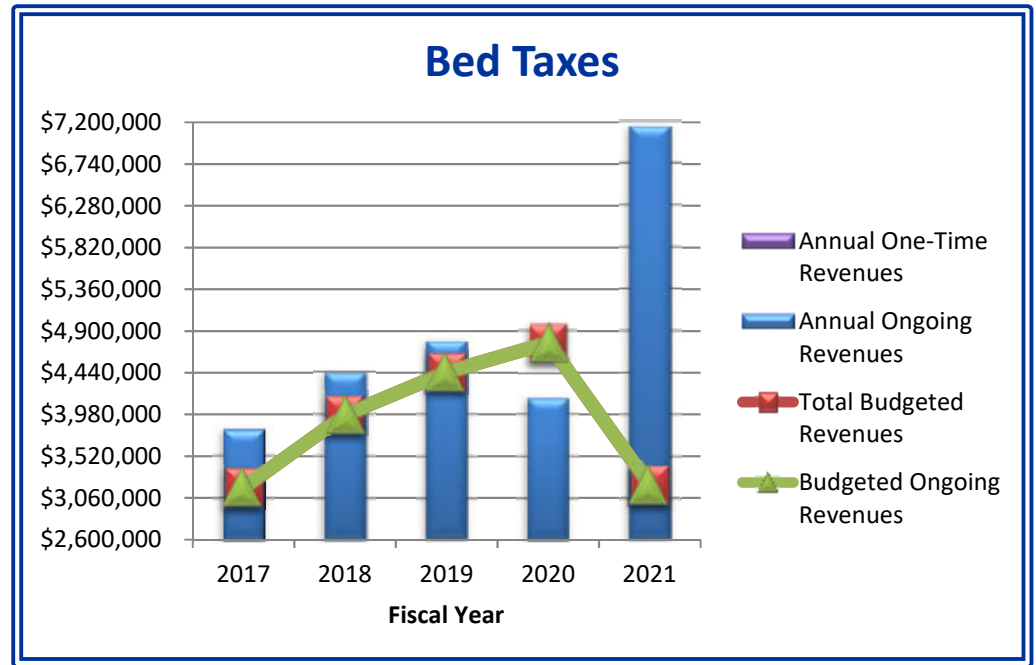
A portion of the increase represents an increase as a result of the change in legislation regarding short-term residential rentals.

Decrease from FY 2019 to FY 2020:

The decrease is a result of the COVID-19 closures and slightly reduced activity after the closures were lifted.

Increase from FY 2020 to FY 2021:

The increase is a result of higher hotel occupancy rates and average daily room rates, as well as the impacts of transient occupancy types not captured in the hotel occupancy rate.



Exceeds Target for FY 2021: Revenues were estimated low due to the anticipated negative financial impacts of COVID-19 that did not occur. Instead, tourism levels have far exceeded any prior year.

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

Total Revenues by Type

In Lieu Revenues

On Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 686,301 | \$ 562,500 | 122% | | |
| 2018 | \$ 643,087 | \$ 627,600 | 102% | -6% | 12% |
| 2019 | \$ 1,280,721 | \$ 646,700 | 198% | 99% | 3% |
| 2020 | \$ 670,736 | \$ 1,292,400 | 52% | -48% | 100% |
| 2021 | \$ 848,622 | \$ 866,700 | 98% | 27% | -33% |

Increase from FY 2018 to FY 2019:

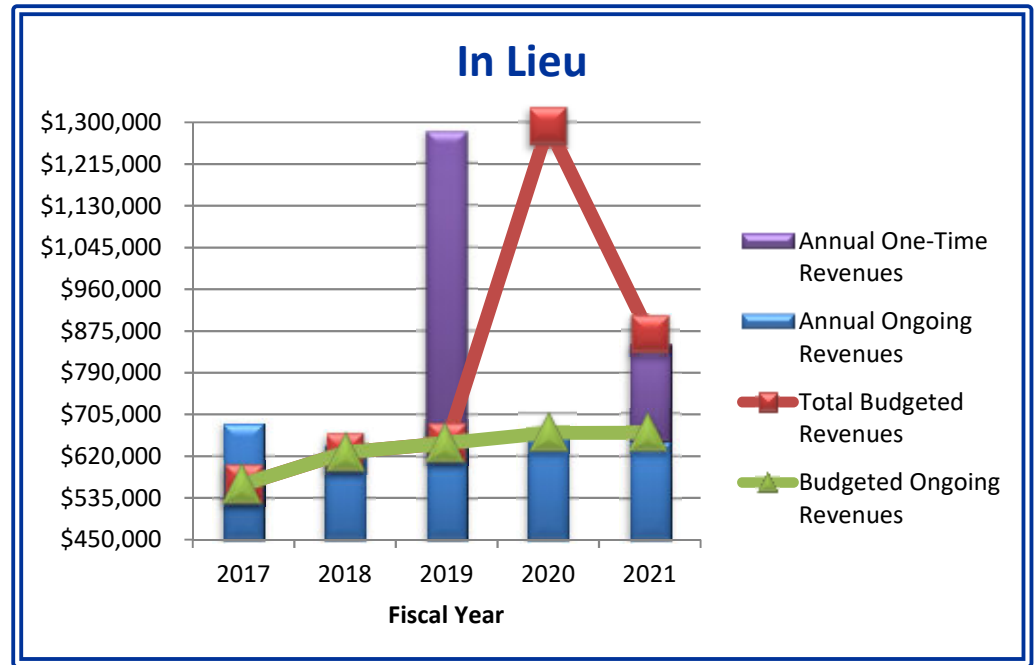
The increase is primarily due to the one-time receipt of significant Affordable Housing in-lieu revenues.

Decrease from FY 2019 to FY 2020:

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

Increase from FY 2020 to FY 2021:

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



Total Revenues by Type

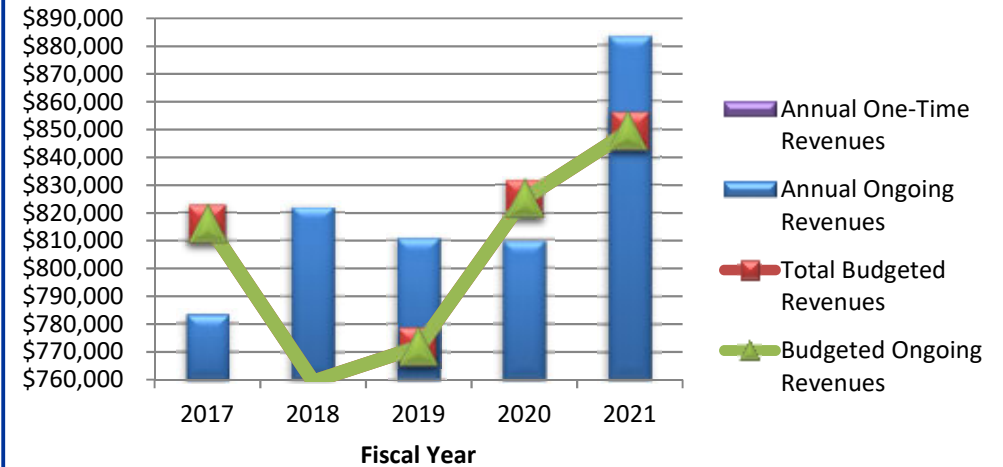
Franchise Fee Revenues

Exceeds Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 783,413 | \$ 816,060 | 96% | | |
| 2018 | \$ 822,122 | \$ 759,400 | 108% | 5% | -7% |
| 2019 | \$ 810,916 | \$ 771,800 | 105% | -1% | 2% |
| 2020 | \$ 809,674 | \$ 825,100 | 98% | <-1% | 7% |
| 2021 | \$ 883,456 | \$ 849,600 | 104% | 9% | 3% |

Exceeds Target for FY 2021: Revenues were likely higher than anticipated due to the high levels of tourism resulting from COVID-19.

Franchise Fees



State Sales Tax Revenues

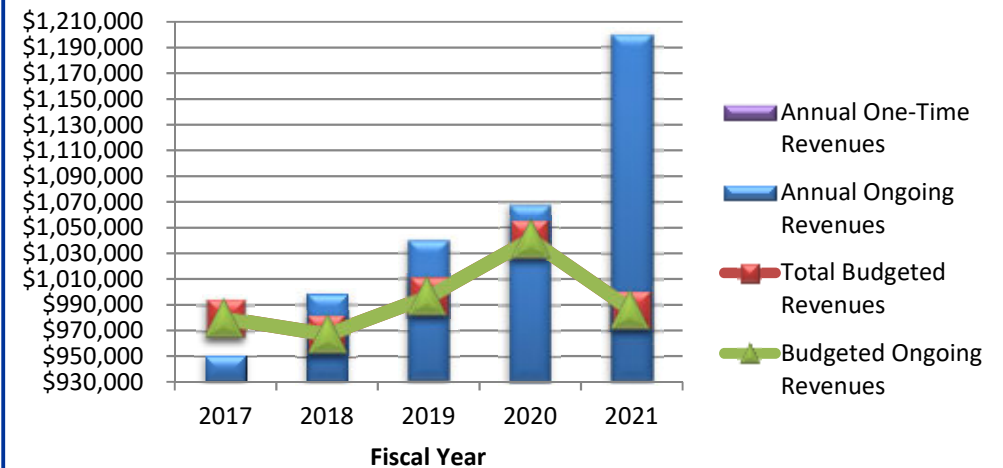
Exceeds Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 950,879 | \$ 979,400 | 97% | | |
| 2018 | \$ 998,202 | \$ 966,900 | 103% | 5% | -1% |
| 2019 | \$ 1,039,635 | \$ 996,500 | 104% | 4% | 3% |
| 2020 | \$ 1,067,529 | \$ 1,040,600 | 103% | 3% | 4% |
| 2021 | \$ 1,199,926 | \$ 985,600 | 122% | 12% | -5% |

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

Exceeds Target for FY 2021: Revenues were estimated low due to anticipated negative impacts of COVID-19.

State Sales Tax



Total Revenues by Type

Urban Revenue Sharing Revenues

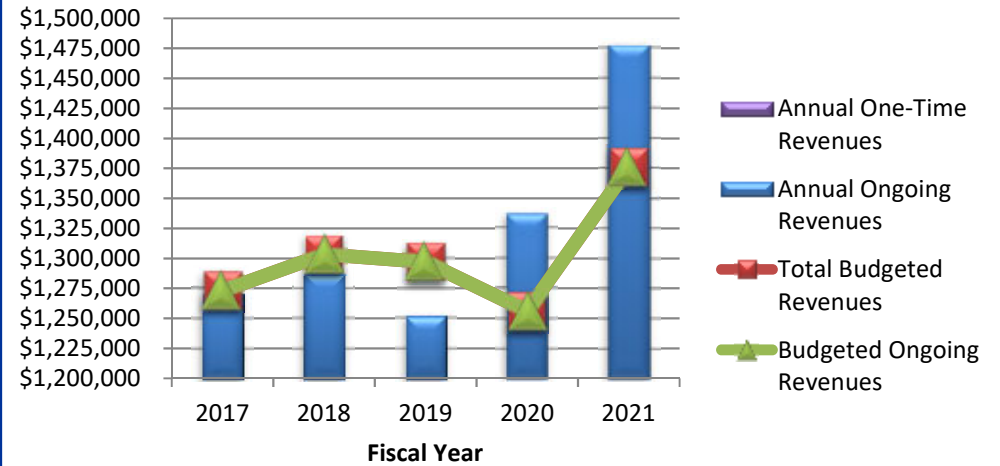
Exceeds Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 1,270,897 | \$ 1,273,001 | 100% | | |
| 2018 | \$ 1,287,767 | \$ 1,303,500 | 99% | 1% | 2% |
| 2019 | \$ 1,251,688 | \$ 1,297,000 | 97% | -3% | <-1% |
| 2020 | \$ 1,336,465 | \$ 1,256,100 | 106% | 7% | -3% |
| 2021 | \$ 1,477,587 | \$ 1,375,800 | 107% | 11% | 10% |

Increases/Decreases: Urban Revenue Sharing is state-shared income taxes. The State provides a preliminary estimate of each city's and town's allocation, which is based on population. The shared income taxes are based on income taxes collected two years prior to the fiscal year.

Exceeds Target for FY 2021: Revenues were higher than anticipated due to a greater allocation pool to all cities and towns.

Urban Revenue Sharing



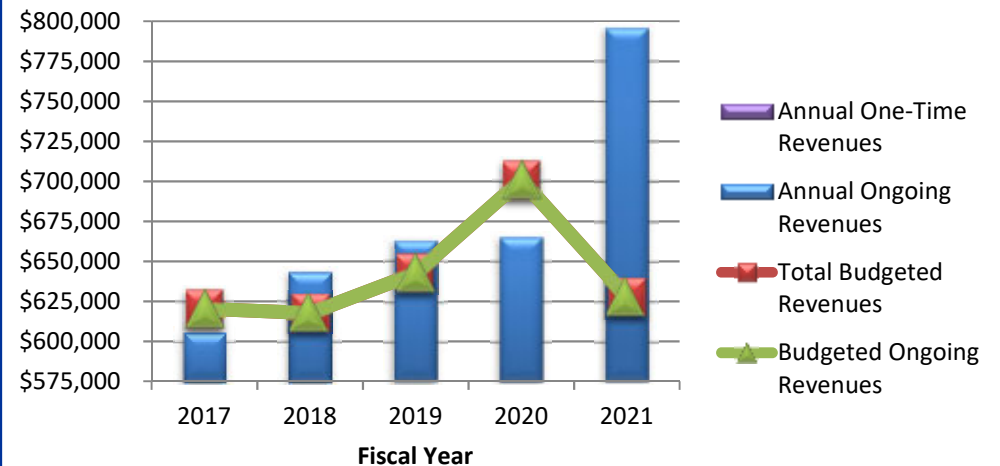
Vehicle License Tax Revenues

Exceeds Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 606,030 | \$ 620,300 | 98% | | |
| 2018 | \$ 642,895 | \$ 617,600 | 104% | 6% | <-1% |
| 2019 | \$ 662,934 | \$ 642,600 | 103% | 3% | 4% |
| 2020 | \$ 664,581 | \$ 700,800 | 95% | <1% | 9% |
| 2021 | \$ 795,420 | \$ 627,900 | 127% | 20% | -10% |

Exceeds Target for FY 2021: Revenues were estimated low due to anticipated negative impacts of COVID-19.

Vehicle License Tax



Total Revenues by Type

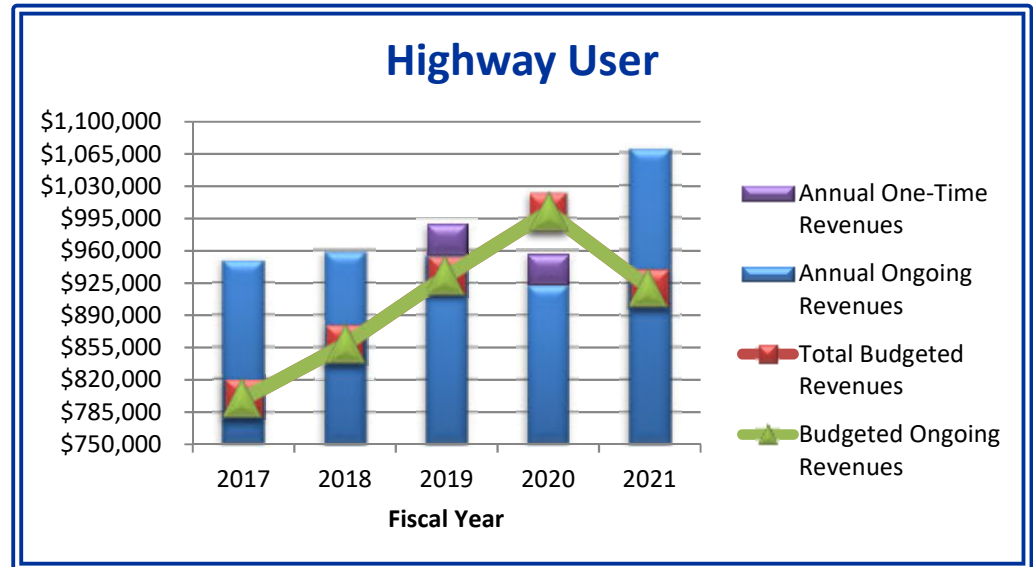
Highway User Revenues

Exceeds Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 949,028 | \$ 799,000 | 119% | | |
| 2018 | \$ 958,278 | \$ 858,200 | 112% | 1% | 7% |
| 2019 | \$ 988,814 | \$ 933,200 | 106% | 3% | 9% |
| 2020 | \$ 956,340 | \$ 1,001,830 | 95% | -3% | 7% |
| 2021 | \$ 1,069,885 | \$ 919,200 | 116% | 12% | -8% |

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.

Exceeds Target for FY 2021: Revenues were estimated low due to anticipated negative impacts of COVID-19.



Other Intergovernmental Revenues

Under Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 956,757 | \$ 1,065,976 | 90% | | |
| 2018 | \$ 1,048,665 | \$ 1,485,317 | 71% | 10% | 39% |
| 2019 | \$ 944,725 | \$ 1,949,591 | 48% | -10% | 31% |
| 2020 | \$ 2,082,317 | \$ 1,117,215 | 186% | 120% | -43% |
| 2021 | \$ 494,718 | \$ 1,791,044 | 28% | -76% | 60% |

Increase from FY 2017 to FY 2018:

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

Decrease from FY 2018 to FY 2019:

The decrease is primarily due to decreases in grant funding.

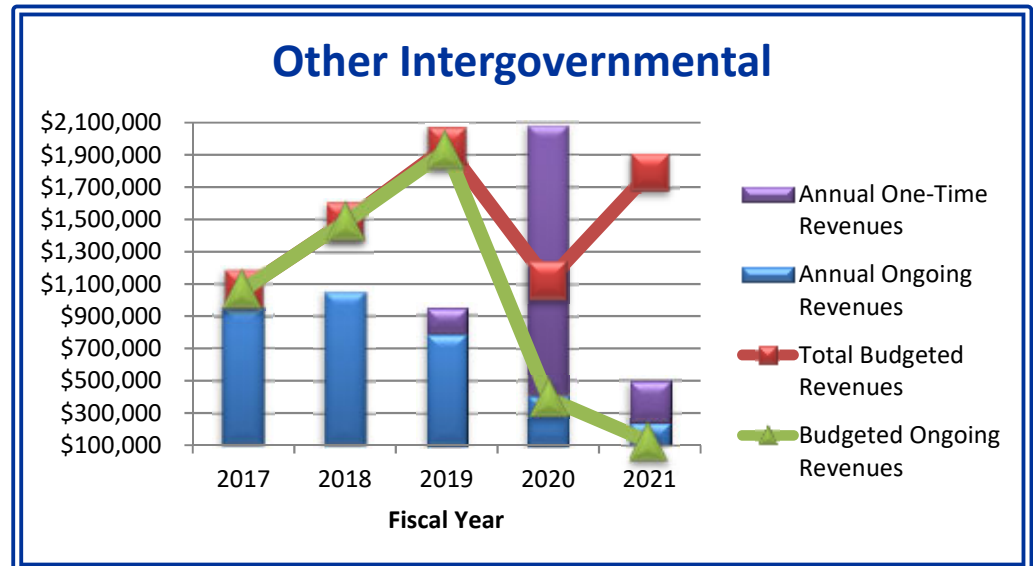
Increase from FY 2019 to FY 2020:

The increase was primarily due to one-time AZCares Act funding for revenue losses during the COVID-19 financial crisis.

Decrease from FY 2020 to FY 2021:

The decrease was primarily due to one-time AZCares Act funding for revenue losses during the COVID-19 financial crisis.

Under Target for FY 2021: The FY 2021 revenues were under target primarily due to the delays in construction projects with grant funding and a provision for contingent grant funding in case a significant opportunity arose.



Total Revenues by Type

License & Permit Revenues

Under Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 478,016 | \$ 448,425 | 107% | | |
| 2018 | \$ 456,278 | \$ 486,550 | 94% | -5% | 9% |
| 2019 | \$ 381,501 | \$ 350,180 | 109% | -16% | -28% |
| 2020 | \$ 313,929 | \$ 401,050 | 78% | -18% | 15% |
| 2021 | \$ 385,953 | \$ 490,150 | 79% | 23% | 22% |

Decrease from FY 2018 to FY 2019:

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

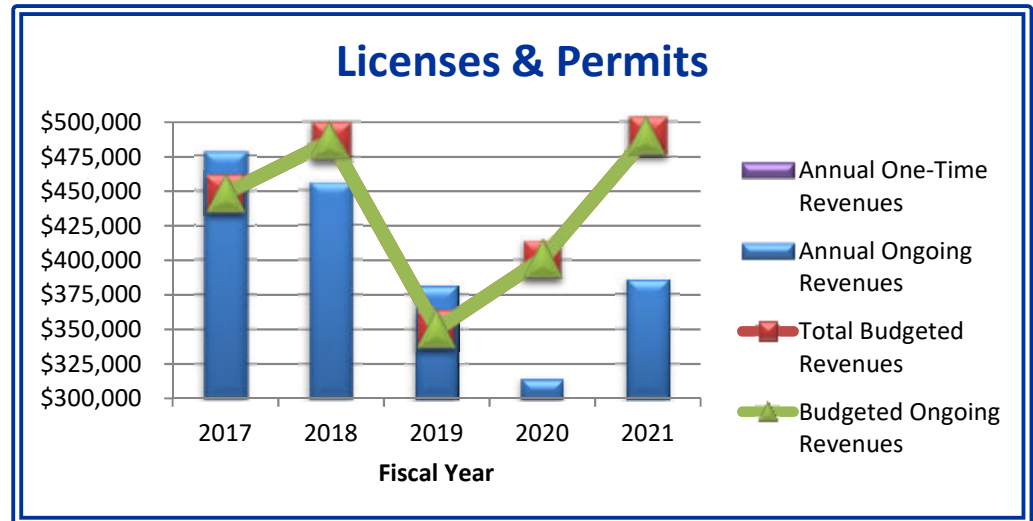
Decrease from FY 2019 to FY 2020:

The decrease was primarily due to a reduction in building permit fees. While activity has been high, the valuation of permits has been smaller on average.

Increase from FY 2020 to FY 2021:

The increase was primarily due to increases in building permit, land division, and temporary use permit revenues.

Under Target for FY 2021: Building permit revenues were lower than anticipated. It was anticipated that the rate increases would generate more revenues; however, the valuation of permits were smaller on average than expected.



Charges for Services Revenues

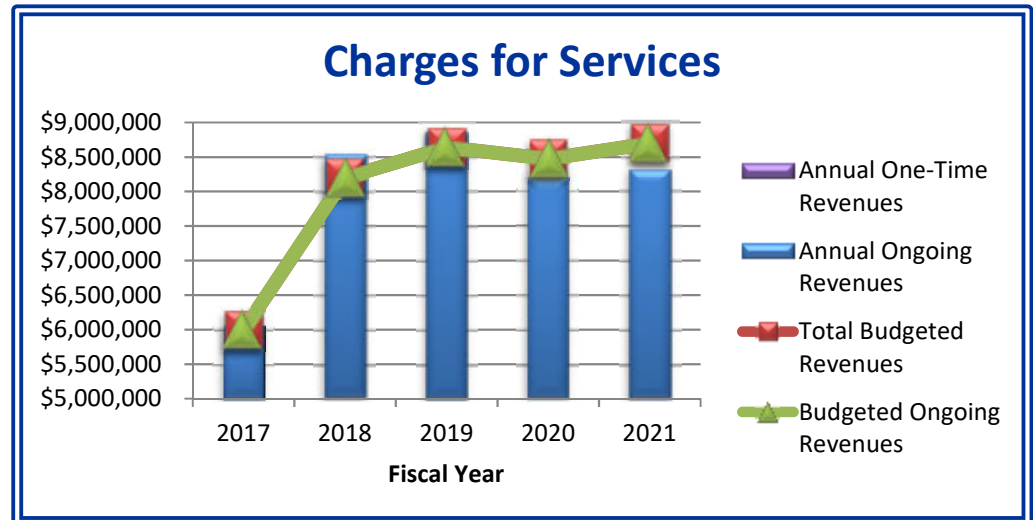
Under Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 6,057,534 | \$ 5,995,294 | 101% | | |
| 2018 | \$ 8,528,856 | \$ 8,200,780 | 104% | 41% | 37% |
| 2019 | \$ 8,855,382 | \$ 8,641,040 | 102% | 4% | 5% |
| 2020 | \$ 8,224,004 | \$ 8,472,823 | 97% | -7% | -2% |
| 2021 | \$ 8,324,779 | \$ 8,695,450 | 96% | 1% | 3% |

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.

Under Target for FY 2021: There was a temporary suspension of the paid parking program and accommodations were made for wastewater customers as a result of the COVID-19 impacts. In addition, indirect cost allocations for the Information Technology Internal Services Fund were lower than budgeted due to expenditure freezes early in the year in anticipation of negative financial impacts of COVID-19.



Total Revenues by Type

Fines & Forfeitures Revenues

Exceeds Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 186,404 | \$ 350,720 | 53% | | |
| 2018 | \$ 333,546 | \$ 230,450 | 145% | 79% | -34% |
| 2019 | \$ 295,737 | \$ 281,990 | 105% | -11% | 22% |
| 2020 | \$ 226,164 | \$ 296,960 | 76% | -24% | 5% |
| 2021 | \$ 422,276 | \$ 288,460 | 146% | 87% | -3% |

Increase from FY 2017 to FY 2018:

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

Decrease from FY 2018 to FY 2019:

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

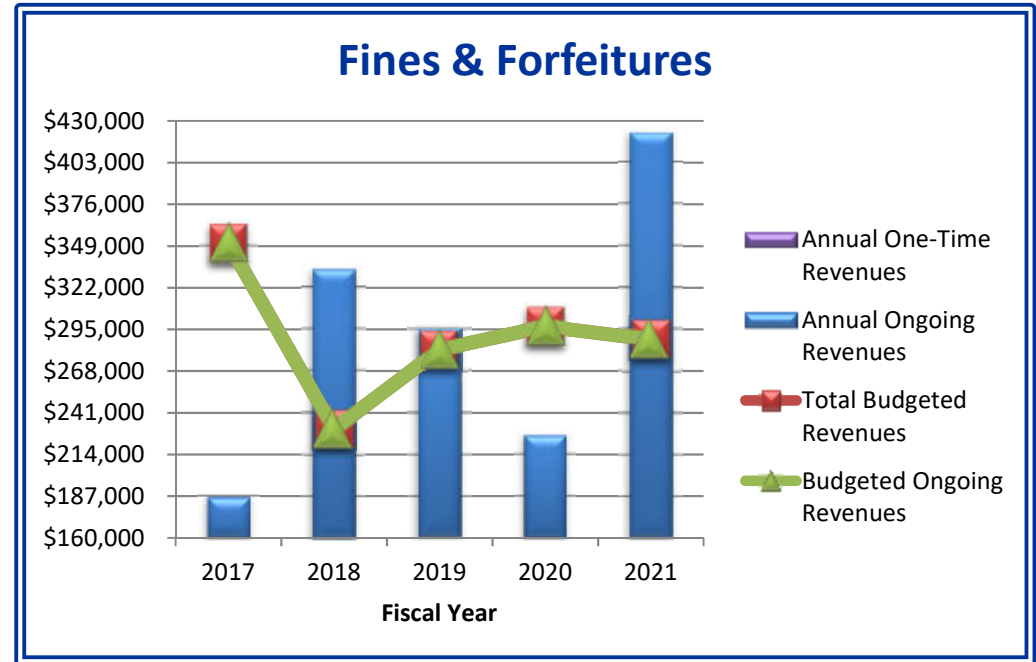
Decrease from FY 2019 to FY 2020:

- (1) The decrease was partly due to a significant write-off of wastewater late fees and the suspension of late fees during the COVID-19 closures.
- (2) The decrease was also partly due to a reduction in court fines collected which is largely due to the level of policing activity and citations written.

Increase from FY 2020 to FY 2021:

The increase was largely due to a change in the collection of paid parking citations from the Court to Finance, which eliminated the requirement to split parking citation fine revenues with other agencies.

Exceeds Target for FY 2021: The FY 2021 revenues exceed target primarily due to the unanticipated change in collection of paid parking citations from the Court to Finance, which eliminated the requirement to split parking citation fine revenues with other agencies.



Total Revenues by Type

Development Impact Fee Revenues

Exceeds Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 618,740 | \$ 191,000 | 324% | | |
| 2018 | \$ 207,076 | \$ 213,880 | 97% | -67% | 12% |
| 2019 | \$ 292,546 | \$ 197,410 | 148% | 41% | -8% |
| 2020 | \$ 478,598 | \$ 626,350 | 76% | 64% | 217% |
| 2021 | \$ 659,553 | \$ 595,200 | 111% | 38% | -5% |

Decrease from FY 2017 to FY 2018:

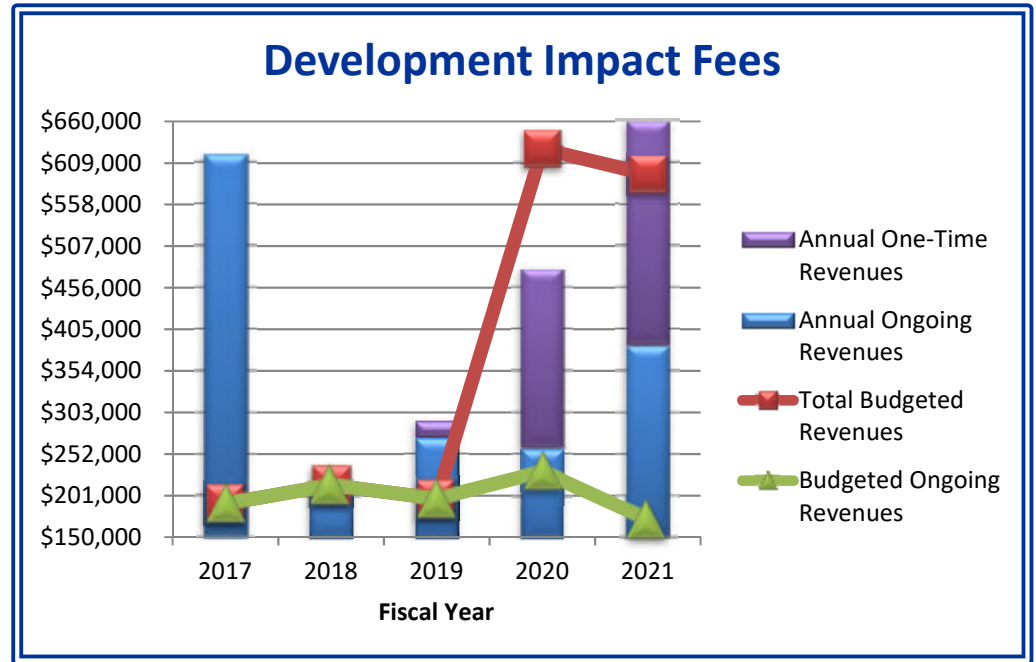
The decrease was primarily due to fees assessed with the permitting of the new Marriott facility and the new CVS in the prior year.

Increase from FY 2019 to FY 2020:

The increase was primarily due to fees assessed with the permitting of a large multi-family development.

Increase from FY 2020 to FY 2021:

The increase was primarily due to fees assessed with the permitting of the new Residence Inn.



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.

Exceeds Target for FY 2021: Conservative estimates were made of ongoing development impact fees. Development activity exceeded those estimates by 124%.

Total Revenues by Type

Capacity Fee Revenues

Under Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 1,167,388 | \$ 275,000 | 425% | | |
| 2018 | \$ 523,013 | \$ 403,100 | 130% | -55% | 47% |
| 2019 | \$ 507,170 | \$ 673,300 | 75% | -3% | 67% |
| 2020 | \$ 997,558 | \$ 1,227,000 | 81% | 97% | 82% |
| 2021 | \$ 1,425,828 | \$ 1,593,100 | 90% | 43% | 30% |

Decrease from FY 2017 to FY 2018:

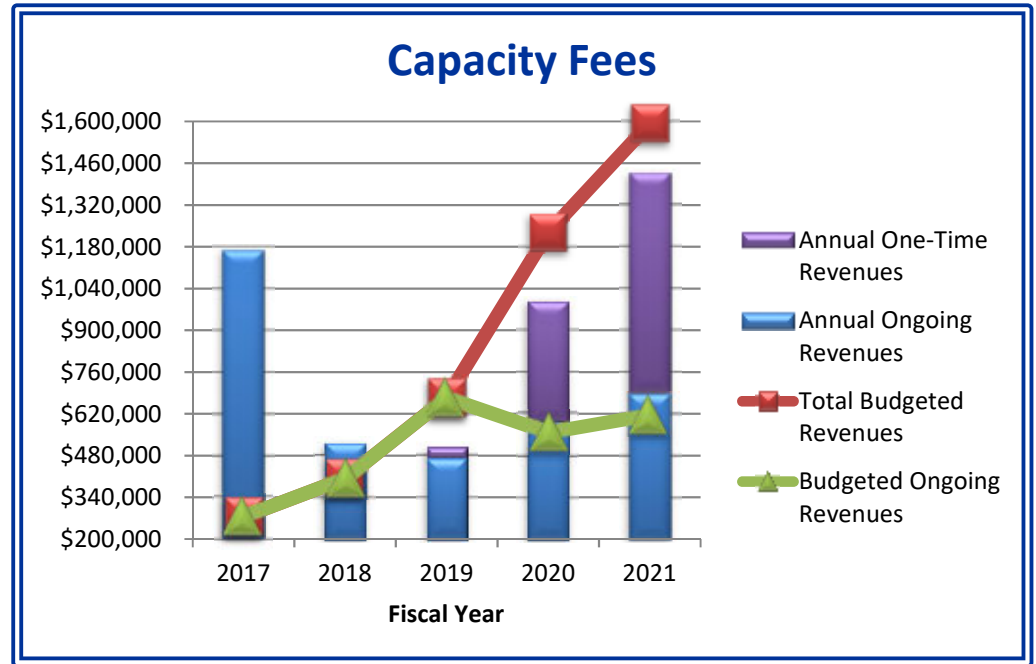
The decrease was primarily due to fees assessed with the permitting of the new Marriott facility and the new CVS in the prior year.

Increase from FY 2019 to FY 2020:

The increase was primarily due to fees assessed with the permitting of a large multi-family development.

Increase from FY 2020 to FY 2021:

The increase was primarily due to fees assessed with the permitting of the new Residence Inn.



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 2021: Some of the budgeted one-time capacity fees were not received during the fiscal year due to delays in those development projects.

Total Revenues by Type

Other Miscellaneous Revenues

Under Target for FY 2021

| FY | Annual Revenues | Budgeted Revenues | % of Budgeted Rev. | % Increase - Annual | % Increase - Budgeted |
|------|-----------------|-------------------|--------------------|---------------------|-----------------------|
| 2017 | \$ 511,285 | \$ 732,400 | 70% | | |
| 2018 | \$ 1,018,991 | \$ 595,380 | 171% | 99% | -19% |
| 2019 | \$ 1,902,883 | \$ 778,430 | 244% | 87% | 31% |
| 2020 | \$ 1,578,215 | \$ 1,041,810 | 151% | -17% | 34% |
| 2021 | \$ 621,815 | \$ 901,770 | 69% | -61% | -13% |

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.

Increase from FY 2018 to FY 2019:

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

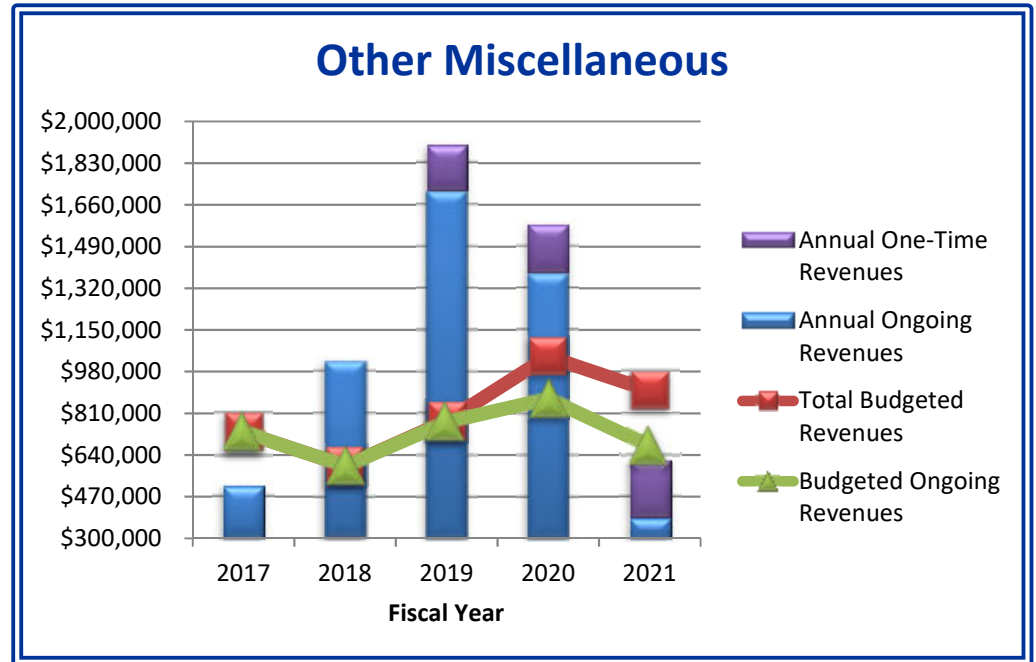
Decrease from FY 2019 to FY 2020:

The decrease was primarily due to the lowering of interest rates during the COVID-19 financial crisis.

Decrease from FY 2020 to FY 2021:

The decrease was largely due to the lowering of interest rates during the COVID-19 financial crisis.

Under Target for FY 2021: The FY 2021 revenues was under budget by 31% due to overestimated interest earnings.



Sales Tax Revenues by Category

| Month | Retail | Restaurant & Bar | Hotel/Motel | Construction | Leasing | Communi- cations & Utilities | Amusements & Other | Totals |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|------------------------------------|-----------------------|----------------------|
| City Sales Tax Revenues by Category and by Month | | | | | | | | |
| July 2019 | \$ 556,523 | \$ 338,347 | \$ 385,663 | \$ 137,505 | \$ 126,406 | \$ 65,539 | \$ 113,873 | \$ 1,723,856 |
| August 2019 | 533,678 | 335,441 | 340,211 | 116,576 | 132,515 | 67,910 | 170,141 | 1,696,472 |
| September 2019 | 609,904 | 407,547 | 457,079 | 147,385 | 147,723 | 74,529 | 100,956 | 1,945,123 |
| October 2019 | 685,931 | 433,018 | 511,731 | 142,976 | 152,000 | 59,328 | 125,885 | 2,110,869 |
| November 2019 | 667,306 | 394,346 | 447,089 | 161,975 | 155,136 | 58,249 | 88,212 | 1,972,313 |
| 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 | 131,076 | 108,770 | 60,966 | 71,085 | 1,538,594 |
| 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 | 555,383 | 255,570 | 232,687 | 190,433 | 115,816 | 54,867 | 26,801 | 1,431,557 |
| June 2020 | 700,094 | 383,905 | 379,471 | 170,004 | 130,513 | 59,252 | 54,415 | 1,877,654 |
| Total FY 2020 | \$ 7,208,632 | \$ 3,711,859 | \$ 4,198,619 | \$ 1,830,546 | \$ 1,545,506 | \$ 731,516 | \$ 893,336 | \$ 20,120,014 |

| | | | | | | | | |
|-----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|---------------------|----------------------|
| July 2020 | \$ 642,080 | \$ 303,536 | \$ 327,288 | \$ 144,261 | \$ 129,335 | \$ 73,241 | \$ 56,486 | \$ 1,676,227 |
| August 2020 | 668,354 | 383,834 | 456,650 | 129,278 | 150,115 | 77,986 | 50,285 | 1,916,502 |
| September 2020 | 780,895 | 420,087 | 541,282 | 116,232 | 148,383 | 70,926 | 70,035 | 2,147,840 |
| October 2020 | 813,536 | 441,651 | 681,485 | 129,703 | 144,446 | 69,192 | 90,097 | 2,370,110 |
| November 2020 | 810,378 | 443,561 | 543,538 | 190,939 | 159,654 | 57,779 | 55,397 | 2,261,246 |
| December 2020 | 824,182 | 339,315 | 438,261 | 191,104 | 162,999 | 60,283 | 81,297 | 2,097,441 |
| January 2021 | 646,060 | 333,872 | 534,505 | 138,559 | 148,797 | 64,592 | 31,505 | 1,897,890 |
| February 2021 | 731,892 | 364,473 | 510,903 | 155,589 | 137,453 | 59,454 | 69,539 | 2,029,303 |
| March 2021 | 991,908 | 517,351 | 837,437 | 139,173 | 194,698 | 56,777 | 142,267 | 2,879,611 |
| April 2021 | 924,317 | 627,709 | 933,899 | 150,078 | 148,911 | 59,419 | 145,271 | 2,989,604 |
| May 2021 | 1,043,077 | 579,896 | 844,784 | 172,660 | 164,103 | 60,689 | 131,684 | 2,996,893 |
| June 2021 | 939,482 | 462,352 | 658,395 | 148,541 | 151,419 | 78,694 | 117,238 | 2,556,121 |
| Total Year-to-Date FY 2021 | \$ 9,816,161 | \$ 5,217,637 | \$ 7,308,427 | \$ 1,806,117 | \$ 1,840,313 | \$ 789,032 | \$ 1,041,101 | \$ 27,818,788 |

Current Month Comparison to Same Month Last Year

| | | | | | | | | |
|---------------------------------|-------------------|------------------|-------------------|--------------------|------------------|------------------|------------------|-------------------|
| June 2020 vs. June 2021 | \$ 239,388 | \$ 78,447 | \$ 278,924 | \$ (21,463) | \$ 20,906 | \$ 19,442 | \$ 62,823 | \$ 678,467 |
| Change from June to June | 34% | 20% | 74% | -13% | 16% | 33% | 115% | 36% |

Annual Comparison to Last Year

| | | | | | | | | |
|------------------------------|---------------------|---------------------|---------------------|--------------------|-------------------|------------------|-------------------|---------------------|
| FY 2020 vs. FY 2021 | \$ 2,607,529 | \$ 1,505,778 | \$ 3,109,808 | \$ (24,429) | \$ 294,807 | \$ 57,516 | \$ 147,765 | \$ 7,698,774 |
| % Change from FY 2020 | 36% | 41% | 74% | -1% | 19% | 8% | 17% | 38% |

Sales & Bed Tax Revenues by Month

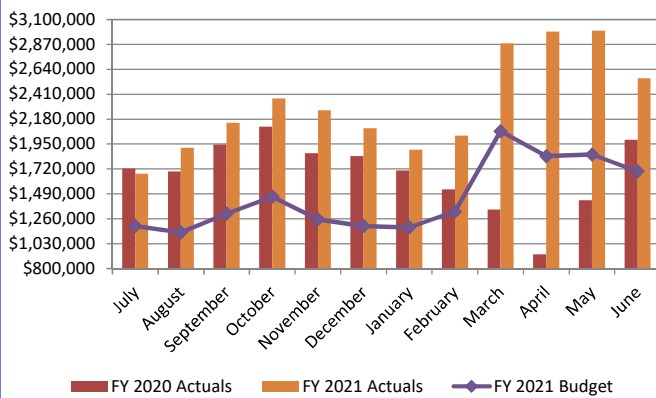
City Sales Tax Revenues

| Month | FY 2020 Actuals | FY 2021 Collections | Actual Variance | FY 2021 Budget | Budget Variance |
|---------------|----------------------|----------------------|-----------------|----------------------|-----------------|
| July | \$ 1,723,855 | \$ 1,676,229 | -3% | \$ 1,193,110 | 40% |
| August | 1,696,471 | 1,916,499 | 13% | 1,134,350 | 69% |
| September | 1,945,122 | 2,147,841 | 10% | 1,307,610 | 64% |
| October | 2,110,869 | 2,370,109 | 12% | 1,464,090 | 62% |
| November | 1,864,918 | 2,261,247 | 21% | 1,254,020 | 80% |
| December | 1,840,064 | 2,097,442 | 14% | 1,192,660 | 76% |
| January | 1,705,109 | 1,897,890 | 11% | 1,179,980 | 61% |
| February | 1,532,903 | 2,029,302 | 32% | 1,326,690 | 53% |
| March | 1,346,544 | 2,879,611 | 114% | 2,068,720 | 39% |
| April | 931,857 | 2,989,603 | 221% | 1,838,200 | 63% |
| May | 1,431,558 | 2,996,892 | 109% | 1,852,430 | 62% |
| June | 1,990,740 | 2,556,122 | 28% | 1,697,640 | 51% |
| Totals | \$ 20,120,012 | \$ 27,818,788 | 38% | \$ 17,509,500 | 59% |

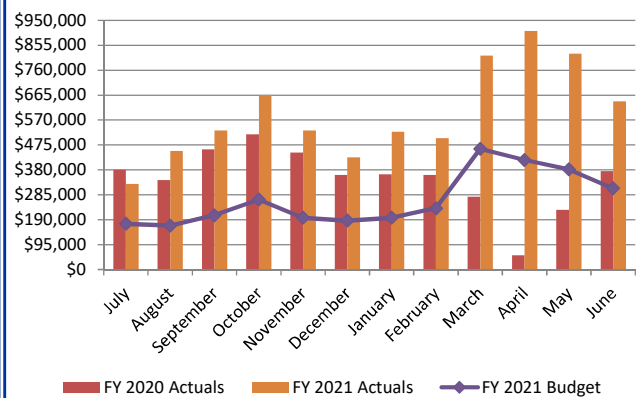
Bed Tax Revenues

| Month | FY 2020 Actuals | FY 2021 Collections | Actual Variance | FY 2021 Budget | Budget Variance |
|---------------|---------------------|---------------------|-----------------|---------------------|-----------------|
| July | \$ 380,276 | \$ 325,985 | -14% | \$ 173,990 | 87% |
| August | 340,704 | 451,740 | 33% | 167,710 | 169% |
| September | 457,901 | 529,984 | 16% | 206,490 | 157% |
| October | 515,088 | 666,300 | 29% | 266,830 | 150% |
| November | 446,282 | 530,789 | 19% | 197,480 | 169% |
| December | 360,997 | 428,299 | 19% | 186,680 | 129% |
| January | 363,165 | 524,906 | 45% | 197,640 | 166% |
| February | 360,160 | 501,554 | 39% | 233,630 | 115% |
| March | 277,687 | 816,370 | 194% | 460,180 | 77% |
| April | 54,848 | 910,047 | 1559% | 417,840 | 118% |
| May | 227,638 | 823,386 | 262% | 381,870 | 116% |
| June | 375,438 | 641,641 | 71% | 309,560 | 107% |
| Totals | \$ 4,160,184 | \$ 7,150,999 | 72% | \$ 3,199,900 | 123% |

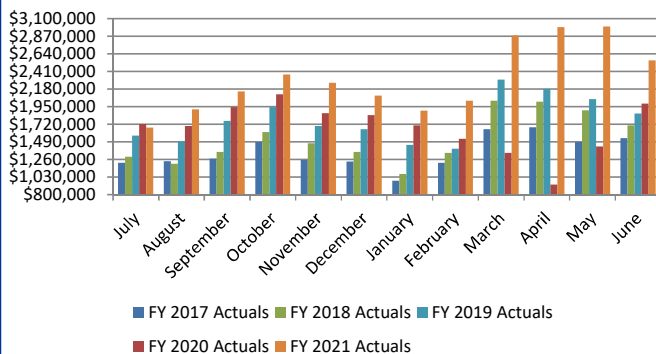
City Sales Tax Revenues



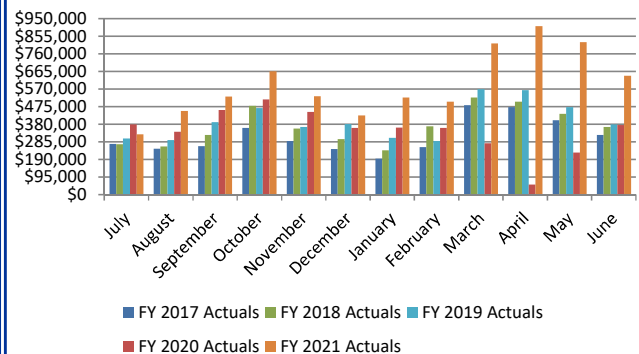
Bed Tax Revenues



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. This impacts the Retail category.
- 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 2021 Budget | FY 2021 Actuals | % of Budget | FY 2020 Actuals | Actual Variance | |
| Revenues | | | | | | |
| <u>Taxes:</u> | | | | | | |
| City Sales Taxes | \$ 15,011,000 | \$ 23,972,811 | 160% | \$ 17,315,576 | 38% | |
| Bed Taxes | 3,199,900 | 7,150,999 | 223% | 4,160,184 | 72% | |
| Franchise Fees | 849,600 | 883,456 | 104% | 809,674 | 9% | |
| <u>State Shared Revenues:</u> | | | | | | |
| State Shared Sales Taxes | 985,600 | 1,199,926 | 122% | 1,067,529 | 12% | |
| Urban Revenue Sharing | 1,375,800 | 1,477,587 | 107% | 1,336,465 | 11% | |
| Vehicle License Taxes | 627,900 | 795,420 | 127% | 664,581 | 20% | |
| <u>Other Intergovernmental:</u> | | | | | | |
| Grants | 23,190 | 49,032 | 211% | 1,971 | 2387% | |
| Other | 500 | 24,963 | 4993% | 18,493 | 35% | |
| In Lieu Fees | 498,000 | 515,335 | 103% | 502,647 | 3% | |
| Licenses & Permits | 490,150 | 385,953 | 79% | 313,929 | 23% | |
| Charges for Services | 759,480 | 667,178 | 88% | 635,598 | 5% | |
| Fines & Forfeitures | 208,960 | 360,370 | 172% | 181,052 | 99% | |
| <u>Other Revenues:</u> | | | | | | |
| Interest Earnings | 77,800 | 65,614 | 84% | 229,239 | -71% | |
| Donations & Contributions | - | - | N/A | - | N/A | |
| Rental Income | 41,600 | 41,892 | 101% | 27,146 | 54% | |
| Miscellaneous | 174,630 | 237,211 | 136% | 210,552 | 13% | |
| Total Revenues | \$ 24,324,110 | \$ 37,827,746 | 156% | \$ 27,474,636 | 38% | |
| Expenditures | | | | | | |
| <u>General Government:</u> | | | | | | |
| City Council | \$ 65,375 | \$ 55,066 | 84% | \$ 61,915 | -11% | |
| City Manager's Office | 752,260 | 758,219 | 101% | 659,007 | 15% | |
| Human Resources | 302,390 | 282,951 | 94% | 257,734 | 10% | |
| Financial Services | 1,147,870 | 1,037,947 | 90% | 1,072,176 | -3% | |
| City Attorney's Office | 682,760 | 545,741 | 80% | 646,087 | -16% | |
| City Clerk's Office | 304,485 | 288,822 | 95% | 266,079 | 9% | |
| General Services | 542,144 | 462,275 | 85% | 577,923 | -20% | |
| Community Development | 807,850 | 705,477 | 87% | 736,296 | -4% | |
| Public Works | 601,600 | 572,273 | 95% | 696,895 | -18% | |
| Municipal Court | 515,540 | 411,817 | 80% | 403,279 | 2% | |
| <u>Public Safety:</u> | | | | | | |
| General Services | 75,363 | 75,169 | 100% | 71,106 | 6% | |
| Community Development | 700,555 | 648,401 | 93% | 613,701 | 6% | |
| Police | 4,902,986 | 4,724,949 | 96% | 5,222,984 | -10% | |
| <u>Public Works & Streets:</u> | | | | | | |
| Public Works | 2,408,906 | 2,080,315 | 86% | 2,067,661 | 1% | |
| <u>Culture & Recreation:</u> | | | | | | |
| City Manager's Office | 98,150 | 73,057 | 74% | 84,111 | -13% | |
| Parks & Recreation | 794,690 | 476,757 | 60% | 599,069 | -20% | |
| General Services | 498,553 | 498,553 | 100% | 484,974 | 3% | |
| Community Development | - | - | N/A | 33,336 | -100% | |
| Public Works | 724,610 | 637,423 | 88% | 686,645 | -7% | |
| <u>Economic Development:</u> | | | | | | |
| City Manager's Office | 2,742,060 | 2,737,503 | 100% | 2,350,895 | 16% | |
| Economic Development: | 293,707 | 190,095 | 65% | 220,819 | -14% | |
| <u>Health & Welfare:</u> | | | | | | |
| City Manager's Office | 300,625 | 249,619 | 83% | 196,570 | 27% | |
| General Services | 390,000 | 389,970 | 100% | 390,870 | <-1% | |
| <u>Public Transportation:</u> | | | | | | |
| General Services | 61,550 | 60,000 | 97% | 192,544 | -69% | |
| Debt Service | 1,034,560 | 1,032,801 | 100% | 1,034,470 | <-1% | |
| Indirect Cost Allocations | 672,510 | 671,640 | 100% | 603,500 | 11% | |
| Contingencies | 485,624 | - | 0% | - | N/A | |
| Net Addition to Equipment Replacement Reserve | - | - | N/A | (361,748) | 100% | |
| Total Expenditures | \$ 21,906,723 | \$ 19,666,840 | 90% | \$ 19,868,898 | -1% | |
| Other Financing Sources (Uses) | | | | | | |
| Transfers from Grants, Donations & Other Funds | \$ - | \$ - | N/A | \$ 1,205,549 | -100% | |
| Transfers to Capital Improvements Fund | (2,165,000) | (4,208,683) | 194% | (2,929,587) | <-1% | |
| Transfers to Wastewater Fund | (3,400,000) | (3,400,000) | 100% | (3,447,000) | 1% | |
| Transfers to Affordable Housing Fund | (200,000) | (200,000) | 100% | (1,100,000) | 82% | |
| Transfers to Information Technology Fund | - | (28,797) | ∞ | - | ∞ | |
| Transfers to Grants, Donations & Other Funds | - | - | N/A | (27,964) | 100% | |
| Transfers to Streets Fund | (272,840) | (272,840) | 100% | (190,760) | <-1% | |
| Total Other Financing Sources (Uses) | \$ (6,037,840) | \$ (8,110,320) | 134% | \$ (6,489,762) | <-1% | |
| Fund Balances | | | | | | |
| Beginning Fund Balance, July 1, as restated | \$ 11,696,653 | \$ 13,245,530 | 113% | \$ 12,129,553 | 9% | |
| <u>Ending Fund Balance, June 30:</u> | | | | | | |
| Operating Reserve | \$ 6,118,351 | \$ 6,158,134 | 101% | \$ 6,187,349 | <-1% | |
| Equipment Replacement Reserve | 983,967 | 967,609 | 98% | 1,015,035 | -5% | |
| Budget Carryovers Reserve | - | 169,300 | ∞ | 217,000 | -22% | |
| Committed for Affordable Housing | - | 1,796,321 | ∞ | - | ∞ | |
| Assigned for Real Estate/Land Acquisition | - | 1,854,921 | ∞ | - | ∞ | |
| Assigned for Uptown Improvements | 54,711 | 138,379 | 253% | - | ∞ | |
| Prepaid Items | - | 14,857 | ∞ | 29,826 | -50% | |
| Prior Year Surplus to be Appropriated | - | - | N/A | 2,310,678 | -100% | |
| Unrestricted Fund Balance | 919,171 | 12,196,596 | 1327% | 3,485,643 | 250% | |
| Total Ending Fund Balance, June 30 | \$ 8,076,200 | \$ 23,296,116 | 288% | \$ 13,245,530 | 76% | |

Wastewater Enterprise Fund Summary

| | FY 2021 Budget | FY 2021 Actuals | % of Budget | FY 2020 Actuals | Actual Variance |
|--|----------------------|----------------------|----------------|----------------------|--------------------|
| Revenues | | | | | |
| Charges for Services | \$ 6,176,500 | \$ 5,991,385 | 97% | \$ 6,020,106 | <-1% |
| Capacity Fees | 1,593,100 | 1,425,828 | 90% | 997,558 | 43% |
| Fines & Forfeitures | 55,800 | 35,959 | 64% | 23,339 | 54% |
| <u>Other Revenues:</u> | | | | | |
| Interest Earnings | 187,180 | 81,728 | 44% | 435,825 | -81% |
| Miscellaneous | 7,100 | 9,144 | 129% | 13,124 | -30% |
| Total Revenues | \$ 8,019,680 | \$ 7,544,045 | 94% | \$ 7,489,953 | 1% |
| Expenditures | | | | | |
| <u>Wastewater Administration:</u> | | | | | |
| Salaries & Benefits | \$ 177,580 | \$ 188,887 | 106% | \$ 175,658 | 8% |
| Other Expenditures | 39,810 | 29,935 | 75% | 45,161 | -34% |
| <u>Wastewater Operations:</u> | | | | | |
| Salaries & Benefits | 1,031,690 | 870,562 | 84% | 905,197 | -4% |
| Utilities | 505,308 | 445,657 | 88% | 453,964 | -2% |
| Maintenance | 761,426 | 574,521 | 75% | 358,110 | 60% |
| Other Expenditures | 450,106 | 366,064 | 82% | 1,455,823 | -75% |
| <u>Wastewater Capital Projects:</u> | | | | | |
| Salaries & Benefits | 124,760 | 117,736 | 94% | 123,444 | -5% |
| Other Expenditures | 1,310 | - | 0% | 232 | -100% |
| Capital Improvement Projects | 2,046,250 | 1,797,745 | 88% | 3,611,498 | -50% |
| <u>Indirect Cost/Departmental Allocations:</u> | | | | | |
| City Manager's Office | 59,270 | 64,590 | 109% | 54,990 | 17% |
| Human Resources | 45,100 | 41,660 | 92% | 39,460 | 6% |
| Financial Services | 571,760 | 488,977 | 86% | 568,805 | -14% |
| Information Technology | 229,830 | 190,602 | 83% | 198,352 | -4% |
| City Attorney's Office | 162,170 | 45,275 | 28% | 52,520 | -14% |
| City Clerk's Office | 11,180 | 10,280 | 92% | 5,530 | 86% |
| General Services | 75,810 | 74,540 | 98% | 49,970 | 49% |
| Public Works | 297,495 | 283,310 | 95% | 254,390 | 11% |
| Debt Service | 4,690,775 | 4,690,796 | 100% | 4,691,796 | <-1% |
| Contingencies | 100,000 | - | 0% | - | N/A |
| Net Addition to Equipment Replacement Reserve | - | - | N/A | (520,400) | 100% |
| Net Addition to Major Maintenance Reserve | - | - | N/A | (73,150) | 100% |
| Total Expenditures | \$ 11,381,630 | \$ 10,281,138 | 90% | \$ 12,451,349 | -17% |
| Other Financing Sources (Uses) | | | | | |
| Transfers from General Fund | \$ 3,400,000 | \$ 3,400,000 | 100% | \$ 3,447,000 | -1% |
| Total Other Financing Sources (Uses) | \$ 3,400,000 | \$ 3,400,000 | 100% | \$ 3,447,000 | -1% |
| Fund Balances | | | | | |
| Beginning Fund Balance, July 1, as restated | \$ 15,161,724 | \$ 16,774,954 | 111% | \$ 18,293,936 | -8% |
| <u>Ending Fund Balance, June 30:</u> | | | | | |
| Operating Reserve | \$ 1,498,675 | \$ 1,506,162 | 100% | \$ 1,687,957 | -11% |
| Equipment Replacement Reserve | 858,159 | 966,558 | 113% | 1,026,527 | -6% |
| Major Maintenance Reserve | 125,636 | 89,436 | 71% | 89,436 | <1% |
| Capital Improvements Reserve | 3,900,000 | 3,163,000 | 81% | 1,529,000 | 107% |
| Budget Carryovers Reserve | - | 80,000 | ∞ | 40,000 | 100% |
| Unrestricted Fund Balance | 8,817,304 | 11,632,705 | 132% | 12,406,619 | -6% |
| Total Ending Fund Balance, June 30 | \$ 15,199,774 | \$ 17,437,860 | 115% | \$ 16,779,539 | 4% |

All Funds Summary

| | Beginning Fund Balance, July 1, 2020 | Revenues | Budgeted Expenditures | Actual Expenditures | Encumbrances | Expenditures Including Encumbrances | % of Budget | Net Interfund Transfers | Ending Fund Balance, June 30, 2021 |
|--|--------------------------------------|----------------------|-----------------------|----------------------|-------------------|-------------------------------------|-------------|-------------------------|------------------------------------|
| General Fund | \$ 13,245,530 | \$ 37,827,746 | \$ 21,906,723 | \$ 19,666,840 | \$ - | \$ 19,666,840 | 90% | \$ (8,110,320) | \$ 23,296,116 |
| Special Revenue Funds | | | | | | | | | |
| Streets Fund | \$ 1,256,742 | \$ 1,078,212 | \$ 1,205,980 | \$ 1,024,976 | \$ - | \$ 1,024,976 | 85% | \$ 272,840 | \$ 1,582,819 |
| Affordable Housing Fund | \$ 2,064,987 | \$ 209,439 | \$ 1,020,555 | \$ 64,865 | \$ - | \$ 64,865 | 6% | \$ 200,000 | \$ 2,409,561 |
| Grants, Donations & Other Funds | \$ 374,828 | \$ 114,339 | \$ 1,026,573 | \$ 89,440 | \$ - | \$ 89,440 | 9% | \$ - | \$ 399,727 |
| Transportation Sales Tax Fund | \$ 6,941,094 | \$ 3,880,203 | \$ 126,750 | \$ 48,314 | \$ - | \$ 48,314 | 38% | \$ (4,007,423) | \$ 6,765,560 |
| Capital Projects Funds | | | | | | | | | |
| Development Impact Fees Funds | \$ 2,723,500 | \$ 673,740 | \$ 1,404,417 | \$ 406,470 | \$ 20,881 | \$ 427,351 | 30% | \$ - | \$ 2,990,770 |
| Capital Improvements Fund | \$ 9,899,847 | \$ 399,616 | \$ 11,328,382 | \$ 9,133,692 | \$ 680,266 | \$ 9,813,957 | 87% | \$ 8,174,831 | \$ 9,340,601 |
| Art in Public Places Fund | \$ 152,605 | \$ 740 | \$ - | \$ - | \$ - | \$ - | N/A | \$ 21,082 | \$ 174,427 |
| Enterprise Funds | | | | | | | | | |
| Public Transit Enterprise Fund | \$ - | \$ 46,400 | \$ 137,850 | \$ 66,594 | \$ - | \$ 66,594 | 48% | \$ 20,194 | \$ - |
| Wastewater Enterprise Fund | \$ 16,774,954 | \$ 7,544,045 | \$ 11,381,630 | \$ 10,281,138 | \$ 13,863 | \$ 10,295,001 | 90% | \$ 3,400,000 | \$ 17,437,860 |
| Internal Service Funds | | | | | | | | | |
| Information Technology Internal Service Fund | \$ 696,772 | \$ 1,668,569 | \$ 1,675,424 | \$ 1,478,841 | \$ - | \$ 1,478,841 | 88% | \$ 28,797 | \$ 915,296 |
| Total All City Funds | \$ 54,130,858 | \$ 53,443,048 | \$ 51,214,284 | \$ 42,261,168 | \$ 715,010 | \$ 42,976,177 | 84% | \$ - | \$ 65,312,739 |
| Community Facilities Districts | | | | | | | | | |
| Sedona Summit II | \$ 390,605 | \$ 44,444 | \$ 50,000 | \$ 50,000 | \$ - | \$ 50,000 | 100% | \$ - | \$ 385,049 |
| Fairfield | \$ 119,818 | \$ 92,112 | \$ 126,000 | \$ 126,000 | \$ - | \$ 126,000 | 100% | \$ - | \$ 85,930 |

Ending Fund Balances Summary - Budgetary Basis

| | General Fund | Streets Fund | Affordable Housing Fund | Grants, Donations & Other Funds | Transportation Sales Tax Fund | Development Impact Fee Funds | Capital Improvements Fund | Art in Public Places Fund | Wastewater Enterprise Fund | Info. Tech. Internal Service Fund | Total | CFD - Sedona Summit II | CFD - Fairfield | | | | | | | | | | | | | |
|--|--------------|--------------|-------------------------|---------------------------------|-------------------------------|------------------------------|---------------------------|---------------------------|----------------------------|-----------------------------------|-------|------------------------|----------------------|-----------|----|---------|----|------------|----|---------|----|------------|----|---------|----|--------|
| Nonspendable | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Prepaid items | \$ | 14,857 | | | | | | | | | \$ | 14,857 | | | | | | | | | | | | | | |
| Restricted | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Streets | | \$ | 432,159 | | | \$ | 170,703 | | | | \$ | 602,862 | | | | | | | | | | | | | | |
| Affordable housing | | | \$ | 978,474 | | | | | | | \$ | 978,474 | | | | | | | | | | | | | | |
| Court improvements | | | | \$ | 53,599 | | | | | | \$ | 53,599 | | | | | | | | | | | | | | |
| Criminal case processing | | | | \$ | 53,311 | | | | | | \$ | 53,311 | | | | | | | | | | | | | | |
| Police programs | | | | \$ | 34,719 | | | | | | \$ | 34,719 | | | | | | | | | | | | | | |
| Parks projects | | | | | | \$ | 2,825,177 | | | | \$ | 2,825,177 | | | | | | | | | | | | | | |
| Public art | | | | | | | | \$ | 6,584 | | \$ | 6,584 | | | | | | | | | | | | | | |
| CFD capital improvements | | | | | | | | | | | \$ | - | \$ 385,049 \$ 85,930 | | | | | | | | | | | | | |
| Committed | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Equipment replacement | | | | | | | | | \$ | 966,558 | \$ | 885,296 | \$ | 1,851,854 | | | | | | | | | | | | |
| Major maintenance | | | | | | | | | \$ | 89,436 | | | \$ | 89,436 | | | | | | | | | | | | |
| Court enhancements | | | | \$ | 201,446 | | | | | | \$ | 201,446 | | | | | | | | | | | | | | |
| PSPRS contributions | | | | \$ | 13,544 | | | | | | \$ | 13,544 | | | | | | | | | | | | | | |
| Military Park | | | | \$ | 8,181 | | | | | | \$ | 8,181 | | | | | | | | | | | | | | |
| Transportation programs | | | | | \$ | 6,765,560 | | | | | \$ | 6,765,560 | | | | | | | | | | | | | | |
| Capital reserves (policy requirement) | | | | | | | \$ | 4,669,796 | \$ | 3,163,000 | \$ | 7,832,796 | | | | | | | | | | | | | | |
| Public art | | | | | | | | \$ | 167,843 | | \$ | 167,843 | | | | | | | | | | | | | | |
| Assigned | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Real estate/land acquisition | \$ | 1,854,921 | | | | | | | | | \$ | 1,854,921 | | | | | | | | | | | | | | |
| Affordable housing | \$ | 1,796,321 | \$ | 1,431,088 | | | | | | | \$ | 3,227,408 | | | | | | | | | | | | | | |
| Equipment replacement | \$ | 967,609 | | | | | | | | | \$ | 967,609 | | | | | | | | | | | | | | |
| Budget carryovers | \$ | 169,300 | | | | | | | \$ | 80,000 | \$ | 30,000 | \$ | 279,300 | | | | | | | | | | | | |
| Uptown improvements | \$ | 138,379 | | | | | | | | | \$ | 138,379 | | | | | | | | | | | | | | |
| Streets | | \$ | 1,150,660 | | | | | | | | \$ | 1,150,660 | | | | | | | | | | | | | | |
| Employee programs | | | | \$ | 2,272 | | | | | | \$ | 2,272 | | | | | | | | | | | | | | |
| Special events | | | | \$ | 21,365 | | | | | | \$ | 21,365 | | | | | | | | | | | | | | |
| Park improvements | | | | \$ | 2,232 | | | | | | \$ | 2,232 | | | | | | | | | | | | | | |
| Police Explorer's program | | | | \$ | 1,980 | | | | | | \$ | 1,980 | | | | | | | | | | | | | | |
| Police programs | | | | \$ | 7,079 | | | | | | \$ | 7,079 | | | | | | | | | | | | | | |
| Recreation programs | | | | \$ | 1 | | | | | | \$ | 1 | | | | | | | | | | | | | | |
| Capital improvements (in excess of policy requirement) | | | | | | \$ | 4,670,805 | | | | \$ | 4,670,805 | | | | | | | | | | | | | | |
| Operating Reserves | \$ | 6,158,134 | | | | | | | \$ | 1,506,162 | \$ | 7,664,296 | | | | | | | | | | | | | | |
| Unassigned | \$ | 12,196,596 | | | | \$ | (5,110) | | \$ | 11,632,705 | \$ | 23,824,190 | | | | | | | | | | | | | | |
| Totals | \$ | 23,296,116 | \$ | 1,582,819 | \$ | 2,409,561 | \$ | 399,727 | \$ | 6,765,560 | \$ | 2,990,770 | \$ | 9,340,601 | \$ | 174,427 | \$ | 17,437,860 | \$ | 915,296 | \$ | 65,312,739 | \$ | 385,049 | \$ | 85,930 |

Nonspendable

Represents portion of fund balance already spent on FY 2022 expenditures

Restricted

Represents portion of fund balance with external restrictions in accordance with state statutes, development agreements, etc.

Committed

Represents portion of fund balance with internal restrictions in accordance with City Code, ordinances, and/or adopted policies

Assigned

Represents portion of fund balance with nonbinding assignments to specified purposes

Operating Reserves

Represents fully funded policy requirement for insulating programs during unforeseen events and revenue shortfalls

Unassigned

Represents FY 2021 surplus in the General Fund, deficit balance for general government and police impact fees owed, and surplus in Wastewater Fund planned for deferral of future rate increases

Paid Parking Program Summary

| | FY 2021 Budget | FY 2021 Actuals | % of Budget | FY 2020 Actuals | Actual Variance |
|---|-------------------|--------------------|----------------|---------------------|--------------------|
| Revenues | | | | | |
| Paid Parking Fees | \$ 433,000 | \$ 376,685 | 87% | \$ 362,413 | 4% |
| Total Revenues | \$ 433,000 | \$ 376,685 | 87% | \$ 362,413 | 4% |
| Program Support Costs | | | | | |
| Financial Services | \$ 48,100 | \$ 36,372 | 76% | \$ 32,791 | 11% |
| Police | 75,100 | 50,005 | 67% | 68,296 | -27% |
| Total Program Support Costs | \$ 123,200 | \$ 86,377 | 70% | \$ 101,086 | -15% |
| Net Revenues | \$ 309,800 | \$ 290,308 | 94% | \$ 261,327 | 11% |
| Uptown Enhancement Costs | | | | | |
| Christmas Decorations | \$ 82,385 | \$ 76,261 | 93% | \$ 81,770 | -7% |
| Uptown Lighting Improvements | 63,604 | 63,604 | 100% | 2,500 | 2444% |
| Uptown Walkway Improvements | - | - | N/A | 58,038 | -100% |
| Parking Study | - | - | N/A | 58,330 | -100% |
| Land Purchases | - | - | N/A | 898,880 | -100% |
| Other Uptown Enhancement Projects | 109,100 | - | 0% | - | N/A |
| Total Uptown Enhancement Costs | \$ 255,089 | \$ 139,865 | 55% | \$ 1,099,518 | -87% |
| Fund Balances | | | | | |
| Beginning Balance, July 1 | \$ - | \$ (12,064) | ∞ | \$ 826,127 | -101% |
| Total Ending Fund Balance, June 30 | \$ 54,711 | \$ 138,379 | 253% | \$ (12,064) | 1247% |

NOTE: The paid parking program exceeded the balance available for FY 2020 partly due to the suspension of parking fees during the pandemic, as well as the opportunity that arose during the year for land purchases for a potential parking garage site.

Debt Outstanding⁽¹⁾

| 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 | \$ 1,893,038 | \$ 10,288,038 | \$ 8,395,000 | \$ 1,893,038 | \$ 10,288,038 |
| Second Series 2015 | 7/1/2021-2027 | 1.94% | \$ 6,665,000 | \$ 462,060 | \$ 7,127,060 | \$ - | \$ - | \$ - | \$ 6,665,000 | \$ 462,060 | \$ 7,127,060 |
| Sedona Wastewater Municipal Property Corporation Excise Tax Revenue Bonds | | | | | | | | | | | |
| Series 1998 ⁽²⁾ | 7/1/2021-2024 | 5.20-5.24% | \$ - | \$ - | \$ - | \$ 4,905,000 | \$ 12,335,000 | \$ 17,240,000 | \$ 4,905,000 | \$ 12,335,000 | \$ 17,240,000 |
| Capital Leases | | | | | | | | | | | |
| MidState Energy | 12/20/2021-2030 | 3.60% | \$ 326,694 | \$ 69,726 | \$ 396,420 | \$ - | \$ - | \$ - | \$ 326,694 | \$ 69,726 | \$ 396,420 |
| Enterprise Fleet Management ⁽³⁾ | 7/2021-9/2026 | 3.88%-7.484% | \$ 212,493 | \$ 34,822 | \$ 247,315 | \$ 20,000 | \$ 3,576 | \$ 23,576 | \$ 232,493 | \$ 38,398 | \$ 270,891 |
| Police Vehicle | 7/30/2021-2024 | 1.82% | \$ 67,442 | \$ 3,096 | \$ 70,538 | \$ - | \$ - | \$ - | \$ 67,442 | \$ 3,096 | \$ 70,538 |
| Police Camera System | 8/30/2021-2025 | 1.85% | \$ 185,261 | \$ 10,408 | \$ 195,669 | \$ - | \$ - | \$ - | \$ 185,261 | \$ 10,408 | \$ 195,669 |
| Police Vehicles | 11/20/2021-2024 | 1.85% | \$ 183,119 | \$ 8,547 | \$ 191,666 | \$ - | \$ - | \$ - | \$ 183,119 | \$ 8,547 | \$ 191,666 |
| Street Sweeper | 4/26/2022-2026 | 2.05% | \$ 250,206 | \$ 15,596 | \$ 265,802 | \$ - | \$ - | \$ - | \$ 250,206 | \$ 15,596 | \$ 265,802 |
| Installment Purchase Agreements | | | | | | | | | | | |
| American Christmas ⁽⁴⁾ | 7/15/2021-11/15/2021 | 0.00% | \$ 41,842 | \$ - | \$ 41,842 | \$ - | \$ - | \$ - | \$ 41,842 | \$ - | \$ 41,842 |
| Grand Totals | | | \$ 7,932,057 | \$ 604,255 | \$ 8,536,312 | \$ 13,320,000 | \$ 14,231,614 | \$ 27,551,614 | \$ 21,252,057 | \$ 14,835,869 | \$ 36,087,926 |

⁽¹⁾ Bond semiannual interest payments to be made on July 1, 2021 were as follows:

| | |
|-----------------|---------------------|
| General Fund | \$ 964,651 |
| Wastewater Fund | 4,498,888 |
| Total | \$ 5,463,538 |

⁽²⁾ 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 until July 1, 2020.

⁽³⁾ The Enterprise Fleet Management lease is a master lease agreement with individual schedule for each vehicle leased. The information presented represents a summary of the individual schedules combined.

⁽⁴⁾ 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 2021 | | |
|--|---------------------------|-----------------------|---------------------|-------------|-------------------|-------------------|-------------|
| | | Budget | Actuals | % of Budget | Budget | Actuals | % of Budget |
| Municipal Court | | | | | | | |
| Sinagua Courtroom Remodel (MC-01) | Court Restricted Revenues | \$ 270,389 | \$ 15,716 | 6% | \$ 254,673 | \$ - | 0% |
| | Capital Reserves | \$ 378,481 | \$ 13,070 | 3% | \$ - | \$ - | N/A |
| | Project Total | \$ 648,870 | \$ 28,786 | 4% | \$ 254,673 | \$ - | 0% |
| Parks & Recreation | | | | | | | |
| Restructure of Posse Grounds Park (PR-02) | Capital Reserves | \$ 595,000 | \$ 43,821 | 7% | \$ 14,301 | \$ 14,301 | 100% |
| Improvements at Ranger Station (PR-03) | CFD - Sedona Summit II | \$ 215,214 | \$ 149,642 | 70% | \$ 50,000 | \$ 50,000 | 100% |
| | CFD - Fairfield | \$ 501,527 | \$ 297,527 | 59% | \$ 126,000 | \$ 126,000 | 100% |
| | Development Impact Fees | \$ 917,416 | \$ 24,747 | 3% | \$ 133,481 | \$ 24,747 | 19% |
| | Capital Reserves | \$ 1,247,584 | \$ 33,653 | 3% | \$ 182,859 | \$ 33,653 | 18% |
| | Project Total | \$ 2,881,741 | \$ 505,568 | 18% | \$ 492,340 | \$ 234,400 | 48% |
| Shade Structures & Playground Equipment (PR-05) <i>(estimated to resume in FY2022)</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 | \$ 181,755 | \$ 104,267 | 57% | \$ 24,311 | \$ - | 0% |
| | Outside Participation | \$ 37,096 | \$ 37,581 | 101% | \$ - | \$ - | N/A |
| | Donations | \$ 3,000 | \$ 3,000 | 100% | \$ - | \$ - | N/A |
| | Capital Reserves | \$ 241,447 | \$ 136,159 | 56% | \$ 33,061 | \$ - | 0% |
| | Project Total | \$ 463,298 | \$ 281,007 | 61% | \$ 57,372 | \$ - | 0% |
| Police | | | | | | | |
| Radio infrastructure (PD-02) | Capital Reserves | \$ 993,939 | \$ 251,115 | 25% | \$ 100,000 | \$ - | 0% |
| Police Station Remodel (PD-03) | Capital Reserves | \$ 697,426 | \$ 110,167 | 16% | \$ 440,893 | \$ 15,536 | 4% |
| | Development Impact Fees | \$ 533,464 | \$ 53,382 | 10% | \$ 298,327 | \$ 25,675 | 9% |
| | Project Total | \$ 1,230,890 | \$ 163,549 | 13% | \$ 739,220 | \$ 41,210 | 6% |
| Shooting Range Improvements (PD-04) | RICO Monies | \$ 66,388 | \$ 66,388 | 100% | \$ 25,000 | \$ 25,000 | 100% |
| | Development Impact Fees | \$ 230,746 | \$ 225,634 | 98% | \$ 66,159 | \$ 54,863 | 83% |
| | Capital Reserves | \$ 433,117 | \$ 525,561 | 121% | \$ 25,933 | \$ 23,984 | 92% |
| | Project Total | \$ 730,251 | \$ 817,583 | 112% | \$ 117,092 | \$ 103,847 | 89% |
| In-Car Video System Replacement (PD-05) | Capital Reserves | \$ 164,419 | \$ 18,946 | 12% | \$ 117,264 | \$ 18,946 | 16% |
| | Development Impact Fees | \$ 20,881 | \$ 31,785 | 152% | \$ 20,881 | \$ 31,785 | 152% |
| | Project Total | \$ 185,300 | \$ 50,731 | 27% | \$ 138,145 | \$ 50,731 | 37% |
| Public Works | | | | | | | |
| Uptown Enhancements Unspecified Projects (PW-01) | Paid Parking Revenues | \$ 309,100 | \$ - | 0% | \$ 109,100 | \$ - | 0% |
| | 1% for the Arts | \$ 50,000 | \$ - | 0% | \$ - | \$ - | N/A |
| | Project Total | \$ 359,100 | \$ - | 0% | \$ 109,100 | \$ - | 0% |
| Uptown Lighting Projects (PW-01b) | Paid Parking Revenues | \$ 120,814 | \$ 128,518 | 106% | \$ 63,604 | \$ 63,604 | 100% |
| Real Estate/Land Acquisition (PW-05) | Capital Reserves | \$ 2,120,080 | \$ 2,145,079 | 101% | \$ 2,145,080 | \$ 2,145,079 | 100% |
| Sedona in Motion | | | | | | | |
| Uptown Roadway Improvements (SIM-01) | Capital Reserves | \$ 4,338,514 | \$ 4,542,004 | 105% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 83,257 | \$ 162,500 | 195% | \$ 274,411 | \$ 162,500 | 59% |
| | Development Impact Fees | \$ 641,496 | \$ 669,278 | 104% | \$ 16,743 | \$ 114,383 | 683% |
| | Project Total | \$ 5,063,267 | \$ 5,373,782 | 106% | \$ 291,154 | \$ 276,883 | 95% |
| Uptown Northbound Improvements (SIM-01b) | Transportation Sales Tax | \$ 296,241 | \$ 531 | 0% | \$ 72,821 | \$ 531 | 1% |
| | Development Impact Fees | \$ 238,759 | \$ 42,444 | 18% | \$ - | \$ 42,444 | ∞ |
| | Project Total | \$ 535,000 | \$ 42,975 | 8% | \$ 72,821 | \$ 42,975 | 59% |
| Uptown Parking Improvements (SIM-03a) | Capital Reserves | \$ 13,463 | \$ 13,463 | 100% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 2,500,000 | \$ 346,540 | 14% | \$ 346,542 | \$ 346,540 | 100% |
| | Paid Parking Revenues | \$ 990,000 | \$ 988,541 | 100% | \$ - | \$ - | N/A |
| | Debt Financing | \$ 11,116,700 | \$ - | 0% | \$ - | \$ - | N/A |
| | Project Total | \$ 14,620,163 | \$ 1,348,544 | 9% | \$ 346,542 | \$ 346,540 | 100% |
| Wayfinding Signage (SIM-03b) <i>(estimated to resume in FY2022)</i> | Capital Reserves | \$ 57,629 | \$ 57,366 | 100% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 243,280 | \$ - | 0% | \$ - | \$ - | N/A |
| | Project Total | \$ 300,909 | \$ 57,366 | 19% | \$ - | \$ - | N/A |
| Pedestrian Crossing at Tlaquepaque (SIM-04c) | Capital Reserves | \$ 274,839 | \$ 253,065 | 92% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 1,901,800 | \$ 186,625 | 10% | \$ 348,996 | \$ 186,625 | 53% |
| | Project Total | \$ 2,176,639 | \$ 439,690 | 20% | \$ 348,996 | \$ 186,625 | 53% |
| SR 89A & SR 179 Right Turn Y Roundabout Bypass (SIM-04d) | Capital Reserves | \$ 134,385 | \$ 134,385 | 100% | \$ - | \$ - | N/A |
| | Bed Tax Allocation | \$ 132,946 | \$ 132,946 | 100% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 943,599 | \$ 463,275 | 49% | \$ 464,050 | \$ 463,275 | 100% |
| | Project Total | \$ 1,210,930 | \$ 730,606 | 60% | \$ 464,050 | \$ 463,275 | 100% |
| Portal Lane to Ranger Road Connection (SIM-05a) | Capital Reserves | \$ 41,384 | \$ 33,138 | 80% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 346,050 | \$ 6,395 | 2% | \$ - | \$ 6,395 | ∞ |
| | Development Impact Fees | \$ 296,754 | \$ 16,360 | 6% | \$ 278,903 | \$ 5,155 | 2% |
| | Project Total | \$ 684,188 | \$ 55,894 | 8% | \$ 278,903 | \$ 11,550 | 4% |
| Forest Road Connection (SIM-05b) | Capital Reserves | \$ 159,517 | \$ 148,091 | 93% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 1,291,379 | \$ 129,135 | 10% | \$ 108,606 | \$ 129,135 | 119% |
| | Development Impact Fees | \$ 1,692,938 | \$ 185,527 | 11% | \$ 512,712 | \$ 104,078 | 20% |
| | Project Total | \$ 3,143,834 | \$ 462,753 | 15% | \$ 621,318 | \$ 233,214 | 38% |
| Ranger Road/Brewer Road Intersection & Ranger Extension Improvements (SIM-05c) | Transportation Sales Tax | \$ 1,633,090 | \$ 1,944 | 0% | \$ 3,510 | \$ 1,944 | 55% |
| | Development Impact Fees | \$ 1,316,210 | \$ 1,566 | 0% | \$ - | \$ 1,566 | ∞ |
| | Project Total | \$ 2,949,300 | \$ 3,510 | 0% | \$ 3,510 | \$ 3,510 | 100% |
| Enhanced Transit Service - Tourism (SIM-08) | Capital Reserves | \$ 126,132 | \$ 79,006 | 63% | \$ - | \$ - | N/A |
| | Grant | \$ 40,072,000 | \$ 160,000 | 0% | \$ - | \$ - | N/A |
| | Outside Participation | \$ 710,000 | \$ 10,000 | 1% | \$ - | \$ - | N/A |
| | Bed Tax Allocation | \$ 10,000 | \$ 10,000 | 100% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 5,200,000 | \$ 952,939 | 18% | \$ 970,000 | \$ 952,939 | 98% |
| | Debt Financing | \$ 14,003,000 | \$ - | 0% | \$ - | \$ - | N/A |
| | Project Total | \$ 60,121,132 | \$ 1,211,945 | 2% | \$ 970,000 | \$ 952,939 | 98% |
| Posse Grounds Parking Improvements & Soldiers Pass Shared Use Path (SIM-11b) | Capital Reserves | \$ 73,000 | \$ 75,068 | 103% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 610,000 | \$ 20,969 | 3% | \$ 21,000 | \$ 20,969 | 100% |
| | Project Total | \$ 683,000 | \$ 96,036 | 14% | \$ 21,000 | \$ 20,969 | 100% |

Capital Projects Summary

| Project | Funding Source | Total Project to Date | | | FY 2021 | | |
|---|------------------------------|-----------------------|----------------------|-------------|----------------------|----------------------|-------------|
| | | Budget | Actuals | % of Budget | Budget | Actuals | % of Budget |
| Sedona in Motion (continued) | | | | | | | |
| Schnebly Hill Shared Use Path (SIM-11d) (estimated to resume in FY2024) | Capital Reserves | \$ 19,108 | \$ 4,718 | 25% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 200,000 | \$ - | 0% | \$ - | \$ - | N/A |
| | Project Total | \$ 219,108 | \$ 4,718 | 2% | \$ - | \$ - | N/A |
| Navoti Drive to Dry Creek Road Shared Use Path (SIM-11e) (expected to resume in FY2021) | Capital Reserves | \$ 40,545 | \$ 49,445 | 122% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 155,000 | \$ - | 0% | \$ - | \$ - | N/A |
| | Project Total | \$ 195,545 | \$ 49,445 | 25% | \$ - | \$ - | N/A |
| Bicycle Green Lanes (SIM-11f) | Capital Reserves | \$ 1,500 | \$ 1,833 | 122% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 48,500 | \$ 16,667 | 34% | \$ 33,333 | \$ 16,667 | 50% |
| | Project Total | \$ 50,000 | \$ 18,500 | 37% | \$ 33,333 | \$ 16,667 | 50% |
| Thunder Mountain/Sanborn Shared Use Path & Drainage Improvements (SIM-11g) | Yavapai County Flood Control | \$ 195,000 | \$ 290,000 | 149% | \$ - | \$ 85,000 | ∞ |
| | Development Impact Fees | \$ 74,900 | \$ 77,074 | 103% | \$ 1,900 | \$ 1,775 | 93% |
| | Transportation Sales Tax | \$ 1,014,625 | \$ 967,374 | 95% | \$ 898,109 | \$ 967,374 | 108% |
| | Capital Reserves | \$ 1,405,475 | \$ 1,317,717 | 94% | \$ 301,460 | \$ 147,316 | 49% |
| | Project Total | \$ 2,690,000 | \$ 2,652,164 | 99% | \$ 1,201,469 | \$ 1,201,465 | 100% |
| Chapel Road Shared Use Path (SIM-11h) (expected to resume in FY2022) | Capital Reserves | \$ 68,350 | \$ 68,910 | 101% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 560,000 | \$ - | 0% | \$ - | \$ - | N/A |
| | Project Total | \$ 628,350 | \$ 68,910 | 11% | \$ - | \$ - | N/A |
| Dry Creek Road Shared Use Path (SIM-11i) | Capital Reserves | \$ 52,700 | \$ 52,700 | 100% | \$ - | \$ - | N/A |
| | Outside Participation | \$ 17,000 | \$ 17,000 | 100% | \$ 17,000 | \$ 17,000 | 100% |
| | Transportation Sales Tax | \$ 690,000 | \$ 516,478 | 75% | \$ 715,399 | \$ 516,478 | 72% |
| | Project Total | \$ 759,700 | \$ 586,178 | 77% | \$ 732,399 | \$ 533,478 | 73% |
| STPS Wayfinding Program (SIM-11k) (expected to move forward in FY2022) | Capital Reserves | \$ 27,900 | \$ 5,450 | 20% | \$ - | \$ - | N/A |
| Shared Use Path Expert Review (SIM-11L) | Capital Reserves | \$ 14,972 | \$ 14,972 | 100% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ - | \$ 3,603 | ∞ | \$ 10,580 | \$ 3,603 | 34% |
| | Project Total | \$ 14,972 | \$ 18,575 | 124% | \$ 10,580 | \$ 3,603 | 34% |
| Travel Information System (SIM-12a) | Capital Reserves | \$ 99,012 | \$ 99,013 | 100% | \$ - | \$ - | N/A |
| | Development Impact Fees | \$ 51,288 | \$ 288 | 1% | \$ 51,000 | \$ - | 0% |
| | Transportation Sales Tax | \$ 799,000 | \$ - | 0% | \$ - | \$ - | N/A |
| | Project Total | \$ 949,300 | \$ 99,301 | 10% | \$ 51,000 | \$ - | 0% |
| Traffic Video Cameras (SIM-12b) | Capital Reserves | \$ 45,911 | \$ 21,278 | 46% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 50,000 | \$ - | 0% | \$ 6,207 | \$ - | 0% |
| | Project Total | \$ 95,911 | \$ 21,278 | 22% | \$ 6,207 | \$ - | 0% |
| Storm Drainage | | | | | | | |
| Storm Drainage Easement Acquisition (SD-09) (expected to resume in FY2022) | Development Impact Fees | \$ 50,761 | \$ 50,760 | 100% | \$ - | \$ - | N/A |
| | Capital Reserves | \$ 125,000 | \$ - | 0% | \$ - | \$ - | N/A |
| | Project Total | \$ 175,761 | \$ 50,760 | 29% | \$ - | \$ - | N/A |
| Stormwater Master Plan Update & Project Implementations (SD-10) | Yavapai County Flood Control | \$ 430,000 | \$ 70,000 | 16% | \$ - | \$ - | N/A |
| | Capital Reserves | \$ 300,000 | \$ 108,523 | 36% | \$ 100,000 | \$ 99,989 | 100% |
| | Project Total | \$ 730,000 | \$ 178,523 | 24% | \$ 100,000 | \$ 99,989 | 100% |
| Sunset Drive Crossing Drainage Improvements (SD-11) | Yavapai County Flood Control | \$ 100,000 | \$ 100,000 | 100% | \$ - | \$ - | N/A |
| | Transportation Sales Tax | \$ 200,000 | \$ 195,255 | 98% | \$ 200,000 | \$ 195,255 | 98% |
| | Capital Reserves | \$ 1,035,000 | \$ 850,763 | 82% | \$ 833,959 | \$ 838,693 | 101% |
| | Project Total | \$ 1,335,000 | \$ 1,146,018 | 86% | \$ 1,033,959 | \$ 1,033,948 | 100% |
| Streets & Transportation | | | | | | | |
| Sanborn Drive/Thunder Mountain Road Overlay (ST-02) | Capital Reserves | \$ 623,915 | \$ 686,269 | 110% | \$ 599,620 | \$ 514,900 | 86% |
| | Grant | \$ 353,454 | \$ 438,173 | 124% | \$ 353,454 | \$ 438,173 | 124% |
| | Project Total | \$ 977,369 | \$ 1,124,442 | 115% | \$ 953,074 | \$ 953,073 | 100% |
| Shelby Drive/Sunset Drive Improvements (ST-04) | Grant | \$ 500,000 | \$ 173,217 | 35% | \$ 500,000 | \$ 173,217 | 35% |
| | Capital Reserves | \$ 1,287,995 | \$ 684,875 | 53% | \$ 737,230 | \$ 534,072 | 72% |
| | Project Total | \$ 1,787,995 | \$ 858,091 | 48% | \$ 1,237,230 | \$ 707,288 | 57% |
| Street Sweeper (ST-05) | Capital Reserves | \$ 180,000 | \$ - | 0% | \$ 180,000 | \$ - | 0% |
| Wastewater | | | | | | | |
| SR179 Sewer Main Replacement (WW-01B) | Wastewater Fees | \$ 2,053,148 | \$ 1,746,734 | 85% | \$ 1,366,250 | \$ 1,366,246 | 100% |
| Brewer Road Force Main Valve Replacements (WW-01C) | Wastewater Fees | \$ 100,000 | \$ - | 0% | \$ 78,478 | \$ - | 0% |
| Major Lift Station Upgrades (WW-01F) | Wastewater Fees | \$ 960,000 | \$ 25,016 | 3% | \$ 100,000 | \$ 25,016 | 25% |
| SR179 Pump Station Wet Well Re-Piping (WW-01G) | Wastewater Fees | \$ 131,230 | \$ 131,230 | 100% | \$ 131,240 | \$ 131,230 | 100% |
| Uptown Pump Station Wet Well Re-Piping (WW-01I) | Wastewater Fees | \$ 142,899 | \$ 142,899 | 100% | \$ 142,899 | \$ 142,899 | 100% |
| WWRP Tertiary Filter Upgrades (WW-02) | Wastewater Fees | \$ 2,005,983 | \$ 1,949,972 | 97% | \$ 21,522 | \$ 15,826 | 74% |
| SCADA System & Configuration Upgrade (WW-04) | Wastewater Fees | \$ 310,000 | \$ - | 0% | \$ 35,861 | \$ - | 0% |
| WWRP Odor Control (WW-05) (estimated to resume in FY2024) | Wastewater Fees | \$ 359,660 | \$ 24,660 | 7% | \$ - | \$ - | N/A |
| WWRP Recharge Wells (WW-06) (estimated to resume in FY2024) | Wastewater Fees | \$ 10,621,293 | \$ 5,477,698 | 52% | \$ - | \$ - | N/A |
| WWRP Reservoir Liner Replacement (WW-07) | Wastewater Fees | \$ 1,050,000 | \$ - | 0% | \$ 50,000 | \$ - | 0% |
| HVAC System Replacement (WW-13) | Wastewater Fees | \$ 120,000 | \$ 116,528 | 97% | \$ 120,000 | \$ 116,528 | 97% |
| Grand Totals | | \$ 131,138,259 | \$ 30,760,439 | 23% | \$ 15,234,722 | \$ 11,538,906 | 76% |