

Monthly Financial Report

June 2022



CITY OF SEDONA

December 9, 2022

Monthly Financial Report

June 2022

Executive Summary

The City's largest revenue sources are sales and bed tax revenues. Fiscal Year (FY) 2022 **City sales taxes were 18% higher** than the prior year and FY 2022 **bed taxes were 25% higher** than the prior year. (See pg. 50) FY 2022 amounts represented the City's highest fiscal year in both the sales and bed tax categories, which occurred in April for bed tax and May for sales tax. Both May and June bed tax could have been zero and the total for the year would have exceeded the full-year total for any prior fiscal year. June sales tax could have been zero and the total for the year would have exceeded the full-year total for any prior fiscal year. The increases seem to be a continuing indication of higher tourism levels compared to pre-COVID and impacts of inflation. Inflation continues to remain high with the Western Region Consumer Price Index (CPI) for June at 8.8%.

FY 2022 Increase (Decrease) Over Prior Year	
City Sales Taxes	\$ 4,933,504
Bed Taxes	1,791,766
Total	\$6,725,270

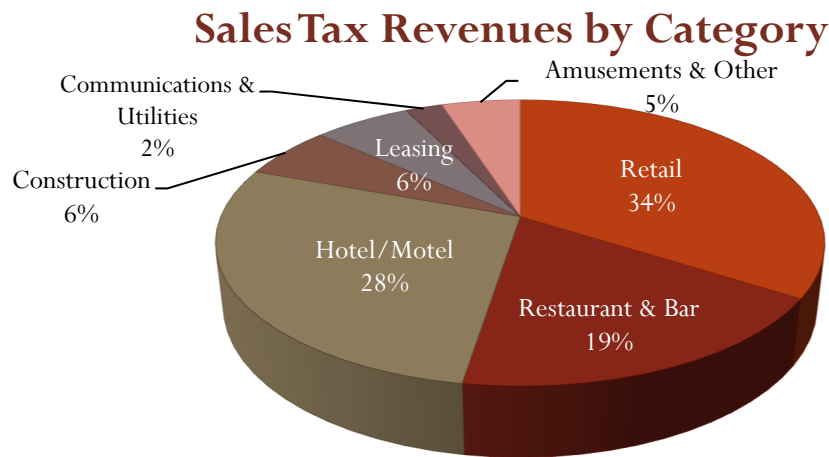
The significant increases over the prior year were not as significant as earlier months during FY 2022. City sales tax revenues increased 3% for the month of June. (See pg. 49) Typically, June is the start of the summer slowdown. While June sales tax was lower than March-May 2022, it was 14% higher than the pre-COVID peak in March 2019.

Construction (+46%) and Leasing (+8%) were the most significant increases for the month. (See pg. 49) Below are comparisons by category of June increases compared to the prior year and pre-COVID June 2019. As a point of comparison, the rate of inflation based on Western Region CPI since June 2019 was 16%. While Western Region CPI is an indicator, it does not provide Sedona-specific or individual business data.

- Retail was down 3% compared to last June and up 54% compared to pre-COVID June 2019.
- Restaurant & Bar was up 2% compared to last June and up 25% compared to pre-COVID June 2019.
- Hotel/Motel was up 3% compared to last June and up 74% compared to pre-COVID June 2019. See comment below about other transient occupancy types not captured in the hotel occupancy rate.
- Construction was up 46% compared to last June and has not followed any trends related to seasonal tourism or COVID-19.
- Leasing was up 8% compared to last June and has had very little impact related to seasonal tourism or COVID-19 trends.
- Communications & Utilities was down 12% compared to last June; however, last June was uncharacteristically high.
- Amusements & Other was up 6% compared to last June and down 7% compared to pre-COVID June 2019.

Bed tax revenues increased 25% 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 2022, it was 13% higher than the pre-COVID peak in March 2019. The hotel occupancy rate (-12%) was down and average daily hotel rate (+<1%) was essentially flat compared to June 2021 however, for the fiscal year, hotel occupancy (+1%) and average daily hotel rate (+23%) were both higher than last year. 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.

FY 2022 City sales taxes were \$4.8 million or 17% over the budget projections and FY 2022 bed taxes were \$1.9 million or 27% over the budget projections. In fact, year-to-date City sales tax revenues exceeded the budget for the entire year and the prior year total in May, and year-to-date bed tax revenues exceeded the budget for the entire year and the prior year total in April. (See pg. 50) The budget projections were based on somewhat conservative but aggressive estimates. FY 2021 estimates during the budget process were based on estimated 12% increase for sales tax and 14% increase in bed tax for the last quarter of the fiscal year. FY 2022 estimates were based on 7% increase for sales tax and 9% increase for bed tax over the FY 2021 estimates.



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

Fund Balances

The ending fund balances for all funds increased from \$65.3 million to \$99.7 million. (See pg. 54) **All policy reserve requirements were fully funded.** (See pg. 56)

At the end of the year, the **General Fund had a surplus in excess of required reserves of \$8.3 million** (See pg. 53), compared to the \$16.3 million estimated during the budget process; however, the \$8.3 million was after allocation of an additional \$17.8 surplus balances as directed by the City Council during the FY 2023 budget process. These allocations included the following:

- \$8.4 million to the Capital Improvements Fund, \$2.6 million to the Development Impact Fees Fund, and \$0.8 million to the Affordable Housing Fund to cover projected future shortfalls
- \$1.0 million for an additional one-time contribution to the PSPRS unfunded liability
- \$5.0 million to the Public Transit Fund for future implementation of the City-owned public transit system

The ending fund balance of the Affordable Housing Fund was \$4.5 million. (See pg. 55) Of this amount, \$1.8 million represents balance sheet loans made for the Sunset Lofts project and the down payment assistance program. The remaining balance of \$2.6 million is also earmarked for the Sunset Lofts project and the down payment assistance program.

The ending fund balance of the Transportation Sales Tax Fund was \$8.5 million. (See pg. 55) This fund initially was allowed to accumulate while unrestricted capital reserves pledged to transportation projects were used first. During FY 2022, \$2.5 million was used for Sedona in Motion capital projects, as well as \$0.8 for grant matches and other operating costs of the Public Transit Fund.

The ending fund balance of the Capital Improvements Fund was \$30.7 million, with \$10.4 million reserved for capital projects and land acquisition expected to occur in FY 2023. (See pgs. 55 & 56) In addition, \$19.7 million represents the balance of bond proceeds restricted for Sedona in Motion capital projects.

The Wastewater Fund has a balance of \$8.3 million in excess of required reserves, compared to the \$9.6 million estimated during the budget process. (See pg. 54) The surplus was largely due to an accumulation of subsidies from the General Fund intended to cover debt service costs.

Revenues

In total, **General Fund revenues were up 15%** from last year due to increases in sales and bed tax revenues, and **Wastewater Fund revenues were down 16%** from last year due to a decrease in one-time capacity fees and unrealized losses in fair value of investments. (See pgs. 27 & 33) **Total City revenues were up 9% from last year and at 100% over budget.** (See pg. 35)

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

- Other Intergovernmental (75% under target) (See pg. 42)
 - There were delays in the receipt of Congressionally Directed Funding for the police facility remodel and the Shelby Drive improvements projects. Adequate surplus cash balances were available to cover these costs.
 - While the first half of the American Rescue Plan Act (ARPA) funding was budgeted and received, it will not be recognized as revenue until allowable expenditures are incurred. The effect is no net impact to the City's financial position and surplus cash balances to be held until the allowable expenditures are incurred.
 - Speculative grant funding was budgeted for transit capital improvement projects that did move forward as quickly as anticipated. The effect is no net impact to the City's financial position.
- Development Impact Fees (22% under target) (See pg. 46)
 - Due to delays in significant one-time development projects, revenues are under target. Development impact fees are required to be collected over a 10-year period regardless of when the projects occur, so deficits are anticipated, and more than adequate surpluses are anticipated in the General Fund to provide loans to cover the deficits until fees are collected.
- Capacity Fees (33% under target) (See pg. 47)
 - Due to delays in 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 (273% under target) (See pg. 48)
 - Due to lower than anticipated interest rates, amortization of losses in the Local Government Investment Pools (LGIP) managed by the Arizona State Treasurer’s Office, and unrealized losses in the fair value of investments, revenues are under target. Due to the investment market and continuing increases in interest rates by the Federal Reserve, market values of investments are less than book values. Neither the City nor the State Treasurer’s Office plan to sell investments before maturity unless there is a compelling reason to sell. Revenue increases in other categories more than offset the shortage in this category.

Expenditures

In total, **General Fund expenditures were 8% under budget**, and **Wastewater Fund expenditures were 18% under budget**. (See pgs. 8 & 13) **Total City expenditures, excluding capital improvements and internal charges, were 9% under budget**. (See pg. 16)

Fund	Expenditures Under Budget	Appropriations Carried Over to FY 2023
General Fund	\$ 1,742,371	\$ 143,660
Wastewater Fund	\$ 2,261,061	\$ 1,108,987 ¹

Operational expenditures for each department are **on or under target**. Much of the amounts under budget are a result of vacancy savings due to significant turnover and difficulties in recruitment, delays in getting new projects underway, and unused contingencies and placeholders.

The expenditures for capital improvements of \$13.2 million (69% of budget) were more than the prior year (\$11.5 million). (See pgs. 59-60) The more significant projects during FY 2022 were as follows:

Capital Project	FY 2022 Expenditures	Total Project as of June 30, 2022	Status
Police Station Remodel (PD-03)	\$ 1,793,304	\$ 1,956,853	Project expected to be completed soon after June 30
Forest Road Connection (SIM-05b)	\$ 3,673,112	\$ 5,007,195	Project expected to be complete in FY 2024
Posse Grounds Parking Improvements & Soldiers Pass Shared-Use Path (SIM-11b)	\$ 1,396,685	\$ 1,492,721	Project completed
Shelby Drive/Sunset Drive Improvements (ST-04)	\$ 1,555,131	\$ 2,413,223	Project expected to be completed soon after June 30
SR179 Sewer Main Replacement (WW-01B)	\$ 1,168,585	\$ 2,915,319	Project expected to be complete in FY 2023

¹ Includes \$167,500 of operating costs carried over and \$947,487 of capital project costs carried over.

Debt Outstanding

In August 2021, the City issued the Series 2021 bonds to refund the Series 2012 bonds. A refunding is essentially refinancing of debt. The refunding reduced total debt service payments by \$753,360 and created an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$731,605.

In March 2022, the City issued the Series 2022 bonds. The net proceeds were \$25,000,000 (including a \$3,783,903 premium). The intent of the bonds is to finance an extension of Forest Road, a pedestrian underpass at Oak Creek, a parking garage in the Uptown area, or other Sedona in Motion projects.

A new governmental accounting requirement was effective for FY 2022 related to the treatment of leases. Many of the leases that were previously considered capital leases have been reclassified as financed purchases. Leases that were previously considered operating leases are now required to be reflected as liabilities in the City's financial statements. These leases have been added to the Debt Outstanding summary. (See pg. 58)

Report Format

The format for the City of Sedona Monthly Financial Report provides both summarized financial information and additional historical information. The City's fiscal year (FY) is July 1 through June 30. This report for June 2022 is the final month of the current fiscal year, FY 2022.

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 budget amounts for the current fiscal year, excluding contingencies, and for the four previous fiscal years
 - Comparison of YTD amounts to budget 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 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, as well as historical hotel occupancy and average daily room rates.
- **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 payments for financed purchases and leases are made either annually or monthly 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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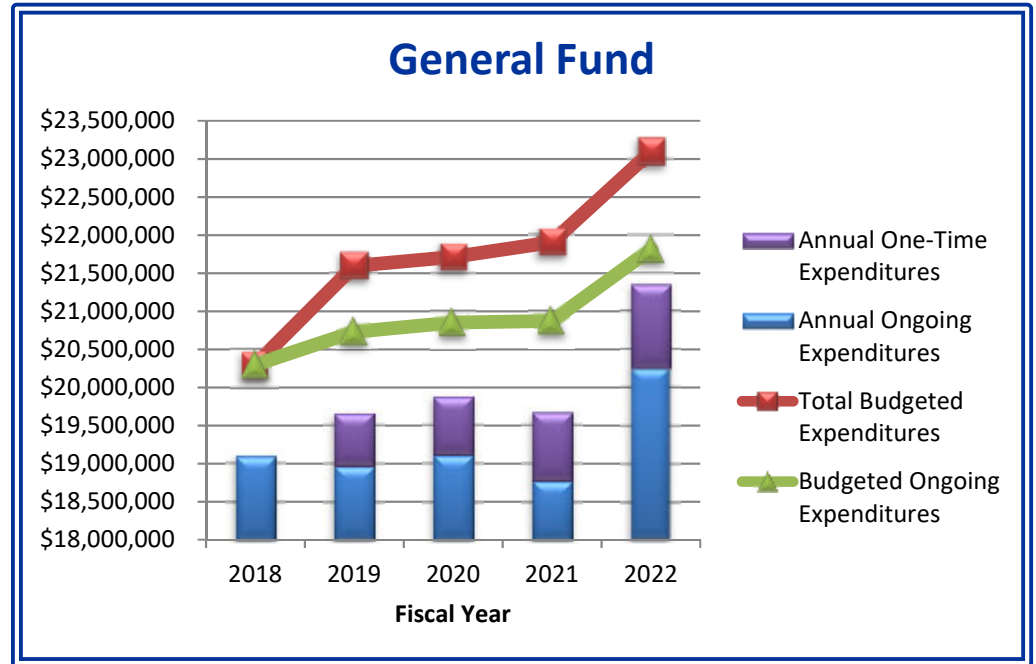
	Page	% Budgeted	Status	Comments
Portion of Fiscal Year Complete = 100.00%				
Total Expenditures by Fund				
General Fund	8	92%	On Target for FY 2022	
Special Revenue Funds:				
Streets Fund	9	100%	On Target for FY 2022	
Affordable Housing Fund	9	5%	Under Target for FY 2022	Expenditures were substantially under budget due to unspent contingencies and lower than anticipated costs for the down payment assistance program.
Grants, Donations & Other Funds	10	16%	Under Target for FY 2022	Expenditures were substantially under budget due to unspent contingencies.
Transportation Sales Tax Fund	10	98%	On Target for FY 2022	
Capital Projects Funds:				
Development Impact Fees Funds	11	65%	Under Target for FY 2022	The most significant project delay was the Forest Road connection project.
Capital Improvements Fund	11	80%	Under Target for FY 2022	After budget transfers to shift priorities of projects moving forward, the most significant project delays were the Forest Road connection and the Chapel Road shared-use path projects.
Art in Public Places Fund	12	3%	Under Target for FY 2022	Expenditures were substantially under budget due to delays in capital improvement projects.
Enterprise Funds:				
Public Transit Enterprise Fund	12	64%	Under Target for FY 2022	Expenditures were substantially under budget due to delays in capital improvement projects.
Wastewater Enterprise Fund	13	82%	Under Target for FY 2022	Expenditures were under budget due to delays in capital improvement projects, unused contingencies, vacancy savings, and unused placeholders for any potential urgent maintenance needs.
Internal Service Funds:				
Info. Tech. Internal Service Fund	14	92%	On Target for FY 2022	
Community Facilities Districts:				
Sedona Summit II	15	100%	On Target for FY 2022	
Fairfield	15	100%	On Target for FY 2022	
Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)				
Total Exp. (excl. Cap. Impr. & Internal Charges)	16	91%	On Target for FY 2022	
City Council	16	87%	Under Target for FY 2022	Expenditures were under budget largely due to lower than anticipated costs for meals, the annual League conference, and other trainings.
City Manager's Office	17	79%	Under Target for FY 2022	Expenditures were substantially under budget largely due to vacancy savings and lower than anticipated costs for the down payment assistance program and Tourism Bureau contract, as well as delays in sustainability programs such as the energy retrofit/rebate program, the community composting pilot project, and electric vehicle charging infrastructure.
Human Resources	18	80%	Under Target for FY 2022	Expenditures were substantially under budget largely due to vacancy savings and lower than anticipated costs for recruitment/relocation and a one-time salary study.
Financial Services	19	85%	Under Target for FY 2022	Expenditures were substantially under budget due to vacancy savings, delays in the wastewater rate study, reductions in service charges due to higher compensating balances and lower than anticipated audit costs.
City Attorney's Office	20	73%	Under Target for FY 2022	Expenditures were substantially under budget due to vacancy savings, an unused placeholder in the Wastewater Fund for any legal needs, and lower than anticipated costs for settlements and insurance deductibles.
City Clerk's Office	20	100%	On Target for FY 2022	
Parks & Recreation	21	79%	Under Target for FY 2022	Expenditures were substantially under budget due to vacancy savings and lower costs than anticipated for special events and utilities for the public swimming pool.
General Services	22	99%	On Target for FY 2022	
Debt Service	22	98%	On Target for FY 2022	
Community Development	23	88%	Under Target for FY 2022	Expenditures were under budget due to vacancy savings, postponement of trainings and conferences, and lower costs than anticipated for outsourced plan reviews and the 10-year update of the Community Plan.
Public Works	23	98%	On Target for FY 2022	
Economic Development	24	78%	Under Target for FY 2022	Expenditures were substantially under budget due to marketing costs lower than anticipated and the budgeted grant match for the VVREO broadband project that did not occur.
Police	24	96%	On Target for FY 2022	
Municipal Court	25	82%	Under Target for FY 2022	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	25	83%	Under Target for FY 2022	Expenditures were under budget due to delays in acquiring micro-transit vehicles and matching costs for the Verde Shuttle lower than anticipated.
Wastewater	26	89%	Under Target for FY 2022	Expenditures were under budget largely due to vacancy savings and delays in some maintenance and equipment replacement costs, as well as unused placeholders for any potential urgent maintenance needs.
Information Technology	26	92%	On Target for FY 2022	
Total Revenues by Fund				
General Fund	27	115%	Exceeds Target for FY 2022	The continuing increase in tourism levels over the significant increases in the prior year were not anticipated at the time of budget preparation.
Special Revenue Funds:				
Streets Fund	28	104%	On Target for FY 2022	
Affordable Housing Fund	28	-52%	Under Target for FY 2022	Under target due to unrealized losses in the fair value of investments.
Grants, Donations & Other Funds	29	17%	Under Target for FY 2022	While the first half of the American Rescue Plan Act (ARPA) funding was budgeted and received, it will not be recognized as revenue until allowable expenditures are incurred.
Transportation Sales Tax Fund	29	108%	On Target for FY 2022	
Capital Projects Funds:				
Development Impact Fees Funds	30	53%	Under Target for FY 2022	Under target due to unrealized losses in the fair value of investments and budgeted one-time development impact fees were not received during the year due to delays in those development projects.
Capital Improvements Fund	31	25%	Under Target for FY 2022	Revenues are under target primarily due to delays in receipt of grant funding construction projects and unrealized losses in the fair value of investments.
Art in Public Places Fund	31	-907%	Under Target for FY 2022	Under target due to unrealized losses in the fair value of investments.
Enterprise Funds:				
Public Transit Enterprise Fund	32	5%	Under Target for FY 2022	Since the fund was created mid-year, targets were not anticipated at the time of budget preparation.
Wastewater Enterprise Fund	33	88%	Under Target for FY 2022	Under target due to unrealized losses in the fair value of investments and budgeted one-time capacity fees were not received during the year due to delays in those development projects.
Internal Service Funds:				
Info. Tech. Internal Service Fund	33	99%	On Target for FY 2022	
Community Facilities Districts:				
Sedona Summit II	34	67%	Under Target for FY 2022	Under target due to unrealized losses in the fair value of investments.
Fairfield	34	116%	Exceeds Target for FY 2022	Revenues exceeded budget due to FY 2021 revenues recognized in FY 2022.
Total Revenues by Type				
Total Revenues	35	100%	On Target for FY 2022	
City Sales Taxes	36	117%	Exceeds Target for FY 2022	The continuing increase in tourism levels over the significant increases in the prior year were not anticipated at the time of budget preparation.
Bed Taxes	37	127%	Exceeds Target for FY 2022	The continuing increase in tourism levels over the significant increases in the prior year were not anticipated at the time of budget preparation.
In-Lieu	38	106%	On Target for FY 2022	
Franchise Fees	39	104%	On Target for FY 2022	
State Sales Taxes	39	118%	Exceeds Target for FY 2022	Revenues were estimated conservatively.
Urban Revenue Sharing	40	96%	On Target for FY 2022	
Vehicle License Taxes	40	100%	On Target for FY 2022	
Highway User	41	108%	On Target for FY 2022	
Other Intergovernmental	42	25%	Under Target for FY 2022	Under target due to delays in grant funding and allowable grant expenditures.
Licenses & Permits	43	140%	Exceeds Target for FY 2022	Building permit, conditional use permit, and right-of-way permit revenues were higher than anticipated.
Charges for Services	44	104%	On Target for FY 2022	
Fines & Forfeitures	45	110%	On Target for FY 2022	
Development Impact Fees	46	78%	Under Target for FY 2022	The budgeted one-time development impact fees were not received during the year due to delays in those development projects.
Capacity Fees	47	67%	Under Target for FY 2022	The budgeted one-time capacity fees were not received during the year due to delays in those development projects.
Other Miscellaneous	48	-173%	Under Target for FY 2022	Under target due to unrealized losses in the fair value of investments.
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Total Expenditures by Fund

Total General Fund Expenditures

On Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 19,091,334	\$ 20,297,444	94%		
2019	\$ 19,656,990	\$ 21,594,222	91%	3%	6%
2020	\$ 19,868,898	\$ 21,713,846	92%	1%	1%
2021	\$ 19,666,840	\$ 21,906,723	90%	-1%	1%
2022	\$ 21,350,602	\$ 23,092,973	92%	9%	5%



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

Total Expenditures by Fund

Total Streets Fund Expenditures

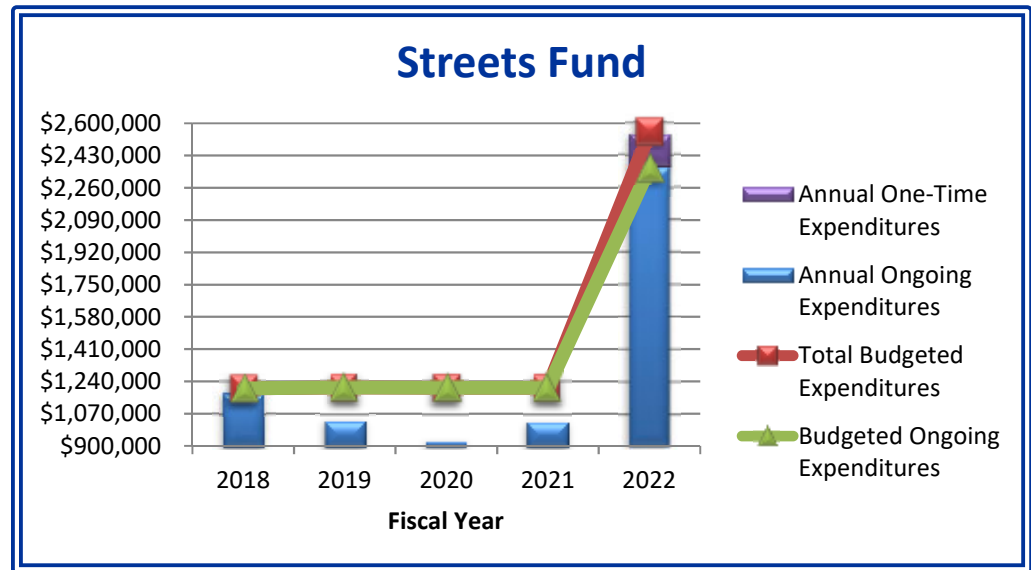
On Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 1,181,500	\$ 1,203,490	98%		
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%
2022	\$ 2,547,927	\$ 2,553,581	100%	149%	112%

Increase from FY 2021 to FY 2022:

For FY 2022, all streets related costs were centralized in the Streets Fund.

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.



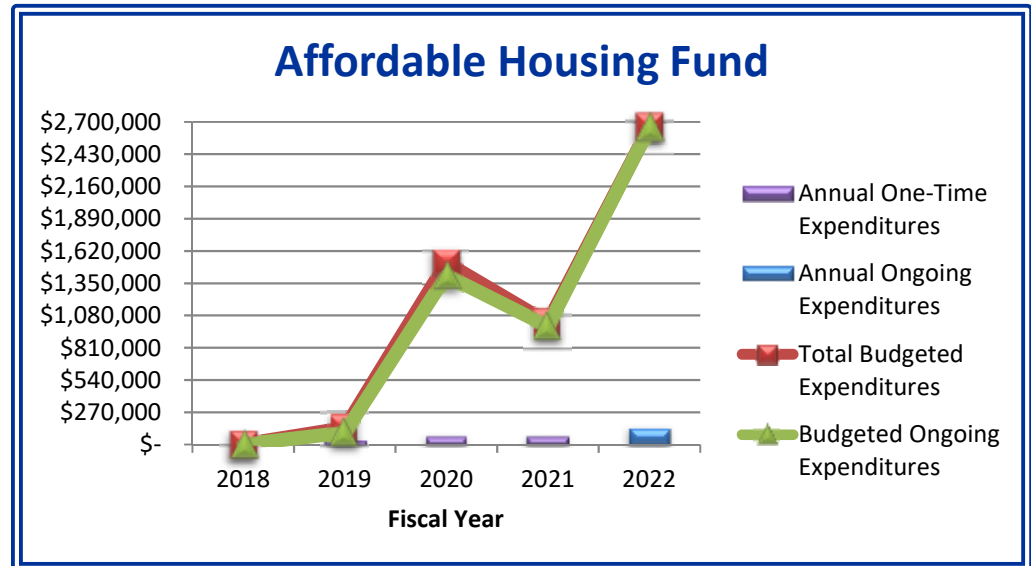
Total Affordable Housing Exp.

Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	-	-	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%
2022	\$ 137,596	\$ 2,657,030	5%	112%	160%

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 2022: Expenditures were substantially under budget due to unspent contingencies and lower than anticipated costs for the down payment assistance program.



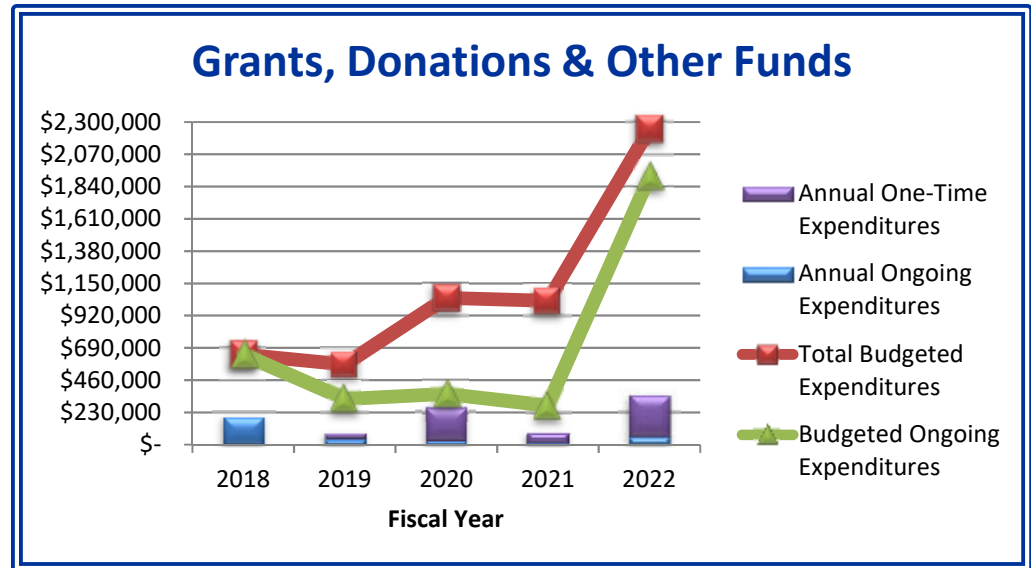
Total Expenditures by Fund

Total Grants, Donations & Other Exp. Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 201,703	\$ 641,350	31%		
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%
2022	\$ 355,914	\$ 2,250,399	16%	298%	119%

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 2022: Expenditures were substantially under budget due to unspent contingencies.



Total Transportation Sales Tax Exp. On Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
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%
2022	\$ 112,949	\$ 115,800	98%	134%	-9%

The Transportation Sales Tax Fund was initiated in March 2018.

Decrease from FY 2019 to FY 2020:

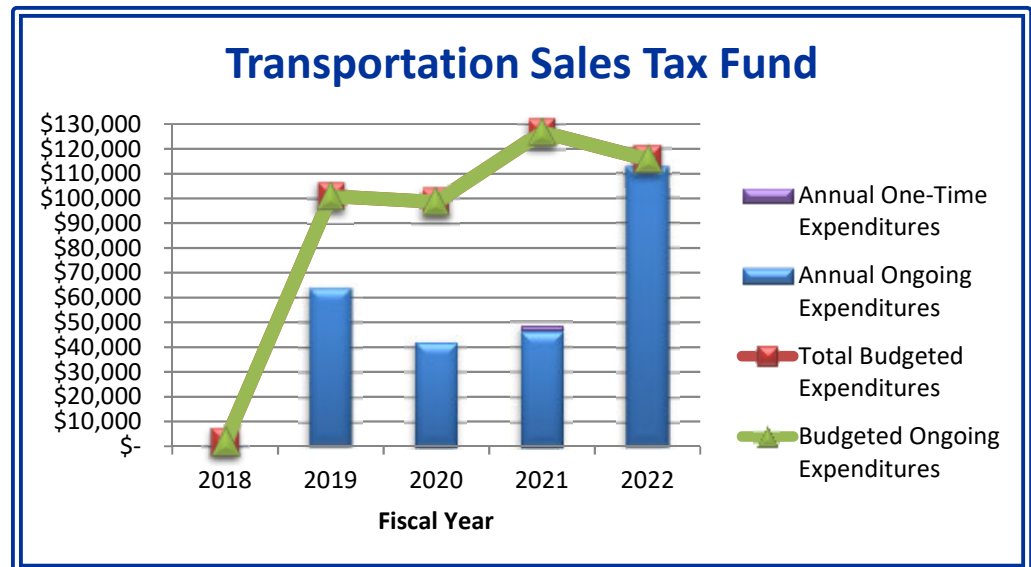
The decrease is a result of a vacancy that was frozen as a result of the impacts of the COVID-19 financial crisis.

Increase from FY 2020 to FY 2021:

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

Increase from FY 2021 to FY 2022:

The increase is due to vacancy savings in the prior year.



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

Total Expenditures by Fund

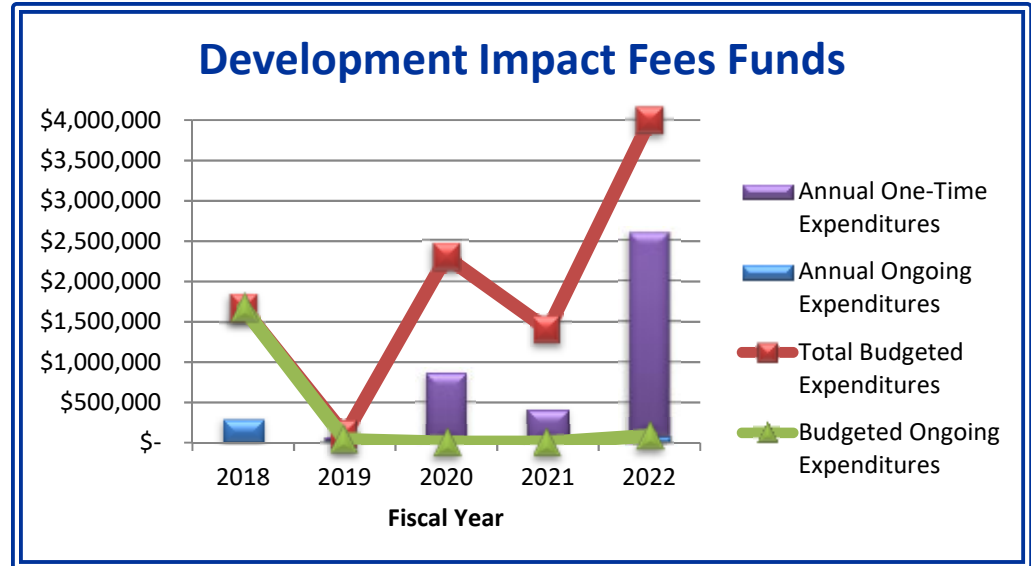
Total Develop. Impact Fees Exp.

Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 284,626	\$ 1,667,742	17%		
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%
2022	\$ 2,599,761	\$ 3,992,004	65%	540%	184%

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 2022, budgeted expenditures include approximately \$3.2 million for Sedona in Motion projects.



Under Budget for FY 2022: The most significant project delay was the Forest Road connection project.

Total Capital Improvements Fund Exp.

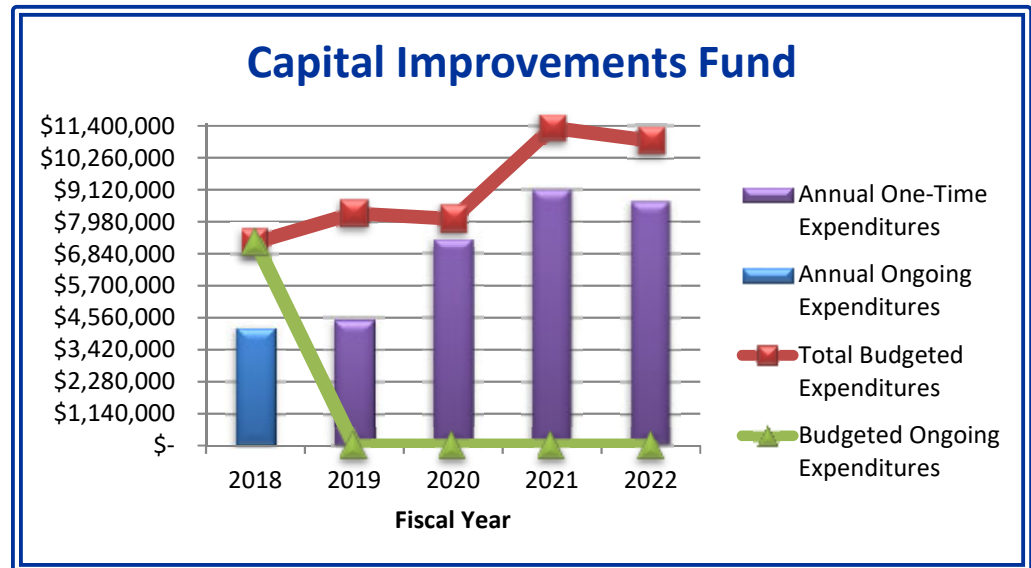
Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 4,199,954	\$ 7,244,767	58%		
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%
2022	\$ 8,697,902	\$ 10,869,650	80%	-5%	-4%

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 2022, budgeted expenditures include approximately \$7.6 million for Sedona in Motion projects, \$1.5 million for other streets and transportation projects, and \$1.4 million for police projects.

Under Budget for FY 2021: After budget transfers to shift priorities of projects moving forward, the most significant project delays were the Forest Road connection and the Chapel Road shared-use path projects.



Total Expenditures by Fund

Total Art in Public Places Fund Exp.

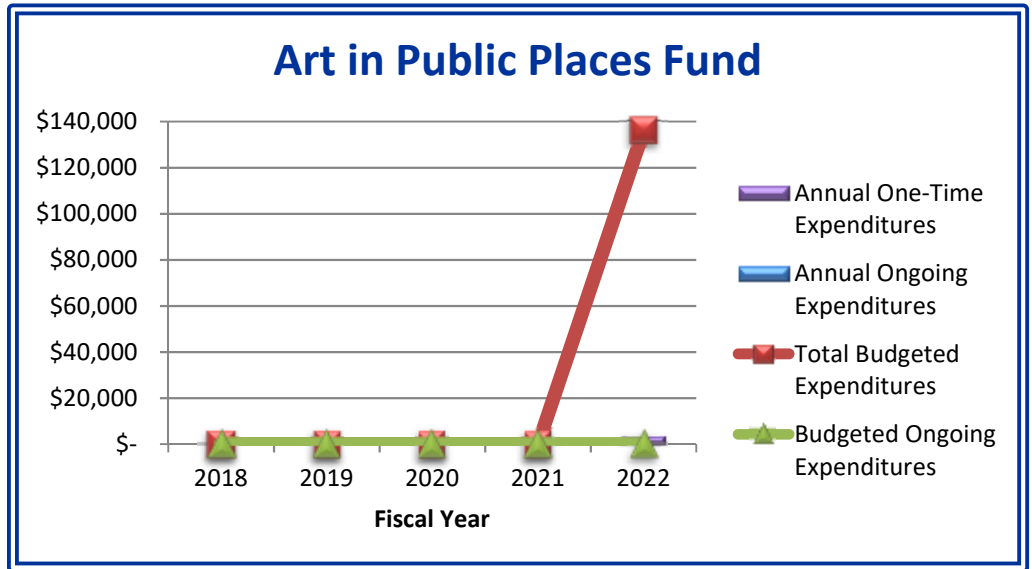
Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ -	\$ -	N/A		
2019	\$ -	\$ -	N/A	N/A	N/A
2020	\$ -	\$ -	N/A	N/A	N/A
2021	\$ -	\$ -	N/A	N/A	N/A
2022	\$ 3,675	\$ 136,000	3%	∞	∞

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 2022, budgeted expenditures include placement of art sculptures in four roundabouts.

Under Budget for FY 2022: Expenditures were substantially under budget due to delays in capital improvement projects.



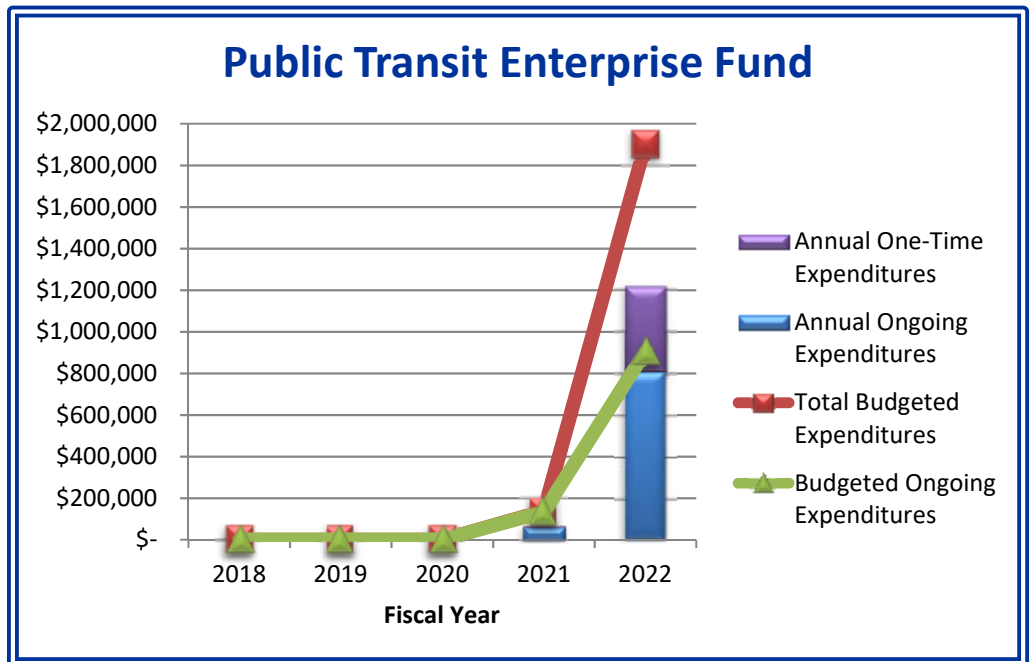
Total Public Transit Enterprise Fund Exp.

Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ -	\$ -	N/A		
2019	\$ -	\$ -	N/A	N/A	N/A
2020	\$ -	\$ -	N/A	N/A	N/A
2021	\$ 66,594	\$ 137,850	48%	∞	∞
2022	\$ 1,216,956	\$ 1,901,571	64%	1727%	1279%

The Public Transit Enterprise Fund was initiated in FY 2021.

Under Budget for FY 2022: Expenditures were substantially under budget due to delays in capital improvement projects.



Total Expenditures by Fund

Total Wastewater Enterprise Fund Exp. Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 9,772,970	\$ 14,329,991	68%		
2019	\$ 9,682,040	\$ 13,739,599	70%	-1%	-4%
2020	\$ 12,455,935	\$ 13,880,880	90%	29%	1%
2021	\$ 10,281,138	\$ 11,281,630	91%	-17%	-19%
2022	\$ 10,428,299	\$ 12,689,360	82%	1%	12%

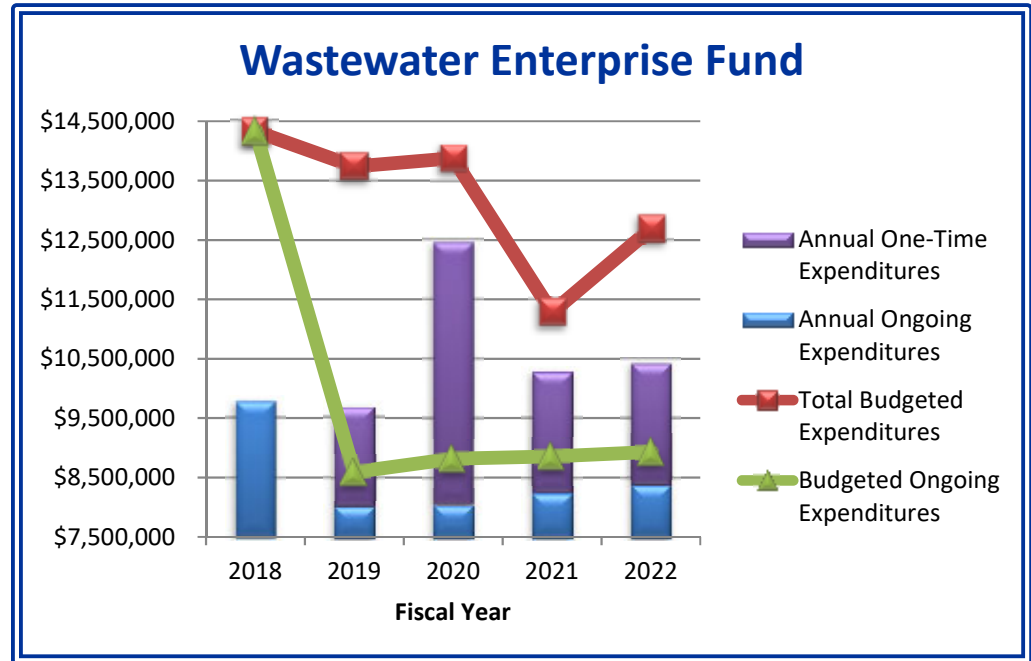
Increase from FY 2019 to FY 2020:

- (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 2022: Expenditures were under budget due to delays in capital improvement projects, unused contingencies, vacancy savings, and unused placeholders for any potential urgent maintenance needs.



Total Expenditures by Fund

Total Info. Tech. Internal Svc. Fund Exp. On Target for FY 2022

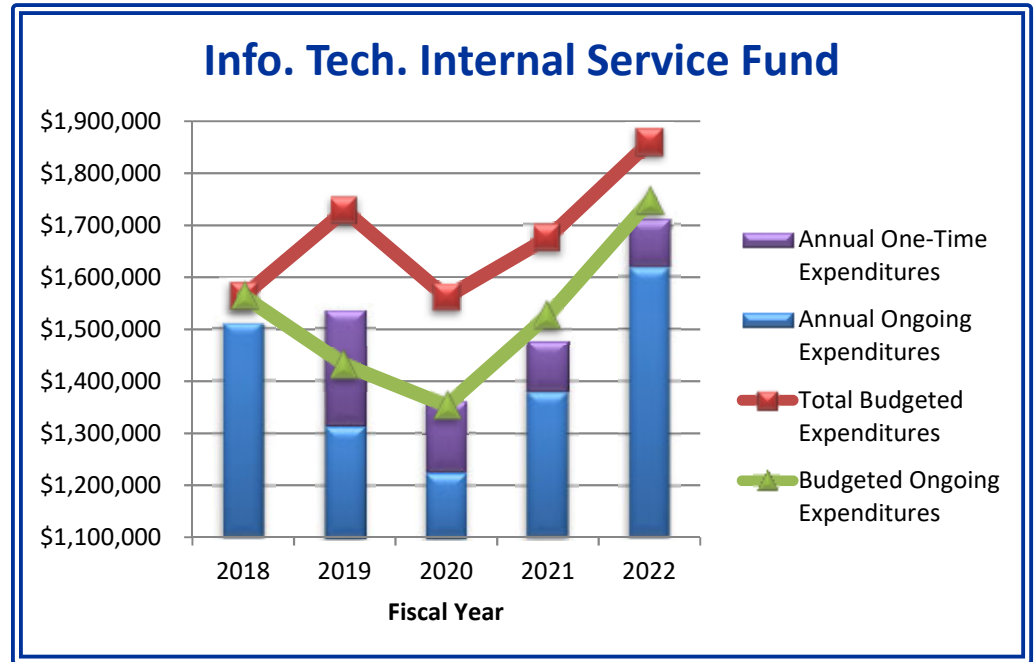
FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 1,512,723	\$ 1,563,815	97%		
2019	\$ 1,536,398	\$ 1,728,027	89%	2%	11%
2020	\$ 1,363,899	\$ 1,561,621	87%	-11%	-10%
2021	\$ 1,478,841	\$ 1,675,424	88%	8%	7%
2022	\$ 1,715,357	\$ 1,859,475	92%	16%	11%

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.

Increase from FY 2021 to FY 2022:

- (1) The increase is largely due to replacements of Surfaces and an increase in the number of employees needing Surfaces for remote work.
- (2) The increase is also due to increases in software maintenance and licensing costs.



Total Expenditures by Fund

Total CFD - Sedona Summit II Exp.

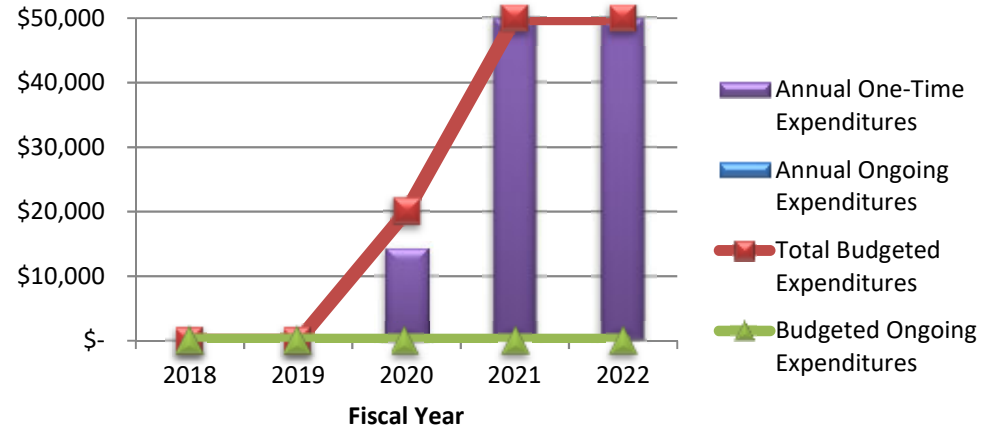
On Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ -	\$ -	N/A		
2019	\$ -	\$ -	N/A	N/A	N/A
2020	\$ 14,428	\$ 20,000	72%	∞	∞
2021	\$ 50,000	\$ 50,000	100%	247%	150%
2022	\$ 50,000	\$ 50,000	100%	<1%	<1%

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 2022, capital improvement projects include shade structures and playground equipment replacement at Posse Grounds Park.

CFD - Sedona Summit II



Total CFD - Fairfield Expenditures

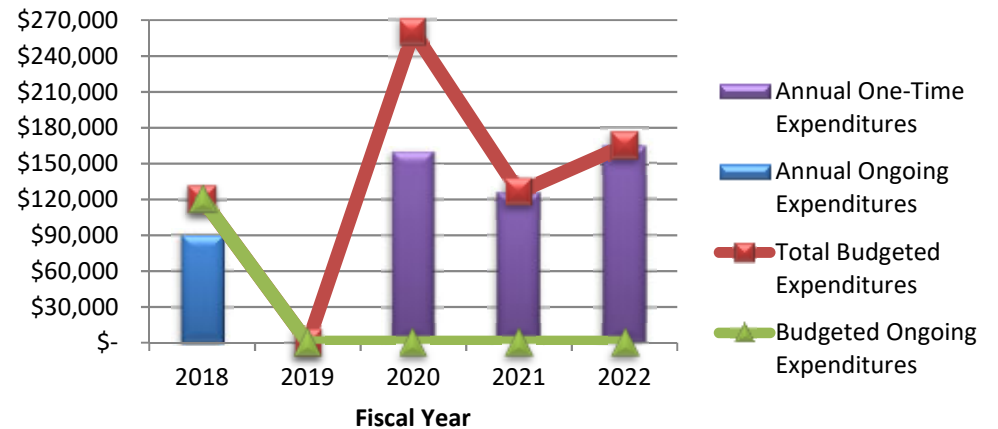
On Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 90,207	\$ 120,175	75%		
2019	\$ -	\$ -	N/A	-100%	-100%
2020	\$ 160,000	\$ 260,000	62%	∞	∞
2021	\$ 126,000	\$ 126,000	100%	-21%	-52%
2022	\$ 165,000	\$ 165,000	100%	31%	31%

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 2022, capital improvement projects include shade structures and playground equipment replacement at Posse Grounds Park.

CFD - Fairfield



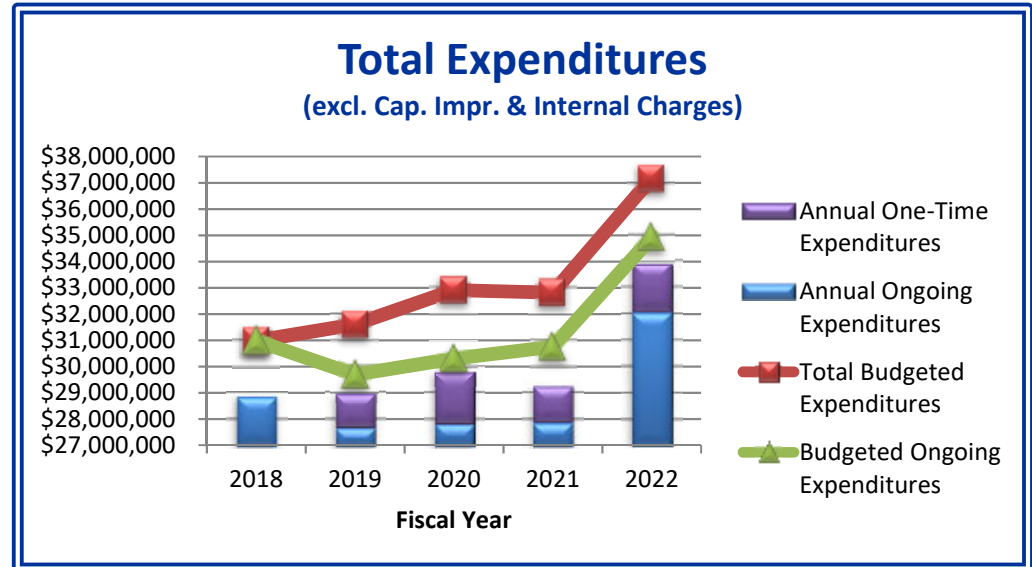
Total Non-Capital Improvement Expenditures by Department (excluding Internal Charges)

Total Exp. (excl. Cap. Impr. & Internal Charges) On Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 28,830,925	\$ 30,976,635	93%		
2019	\$ 28,986,656	\$ 31,606,071	92%	1%	2%
2020	\$ 29,817,338	\$ 32,909,062	91%	3%	4%
2021	\$ 29,233,392	\$ 32,807,968	89%	-2%	<-1%
2022	\$ 33,915,821	\$ 37,175,710	91%	16%	13%

Increase from FY 2021 to FY 2022:

- (1) The increase is partly due to vacancy savings in the prior year, added staff capacity, and resumption of the level funding for PSPRS of \$1 million annually.
- (2) The increase is partly due to maintenance and other costs that were delayed in the prior year due to COVID-19.
- (3) The increase is partly due to added miles for the streets rehabilitation and pavement preservation program, plus increases for streets maintenance due to a significant summer rainstorm event.
- (4) The increase was partly due to the initiation of the trailhead parking shuttle operations.
- (5) The increase is partly due to an increase in the small grants program due to restoration of funding levels and carryover of the unspent portion from the prior year.



City Council Expenditures

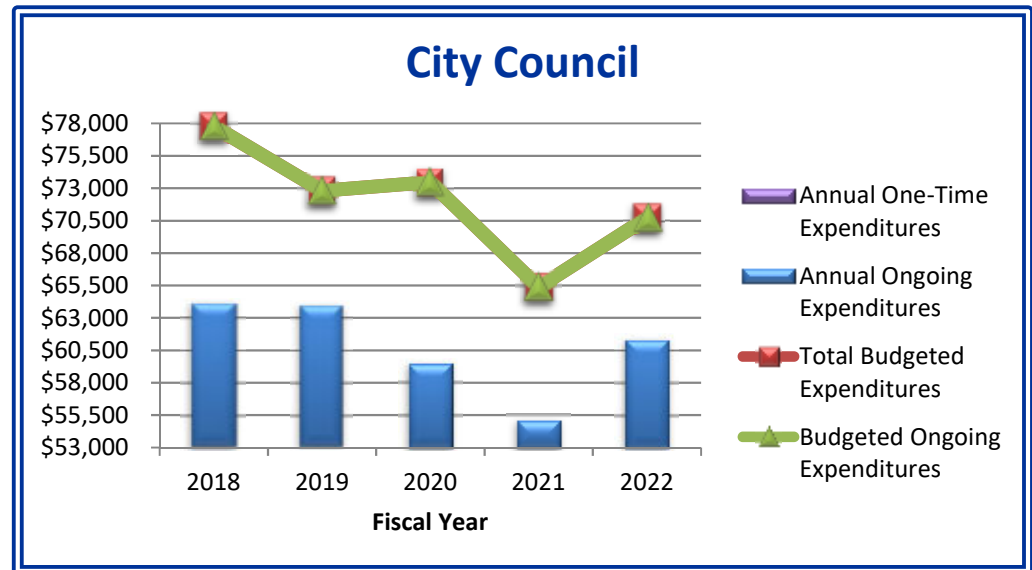
Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 64,087	\$ 77,775	82%		
2019	\$ 63,929	\$ 72,805	88%	<-1%	-6%
2020	\$ 59,415	\$ 73,470	81%	-7%	1%
2021	\$ 55,066	\$ 65,375	84%	-7%	-11%
2022	\$ 61,300	\$ 70,711	87%	11%	8%

Increase from FY 2021 to FY 2022:

The increase was due to Council Retreat facilitator costs.

Under Budget for FY 2022: Expenditures were under budget largely due to lower than anticipated costs for meals, the annual League conference, and other trainings.



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

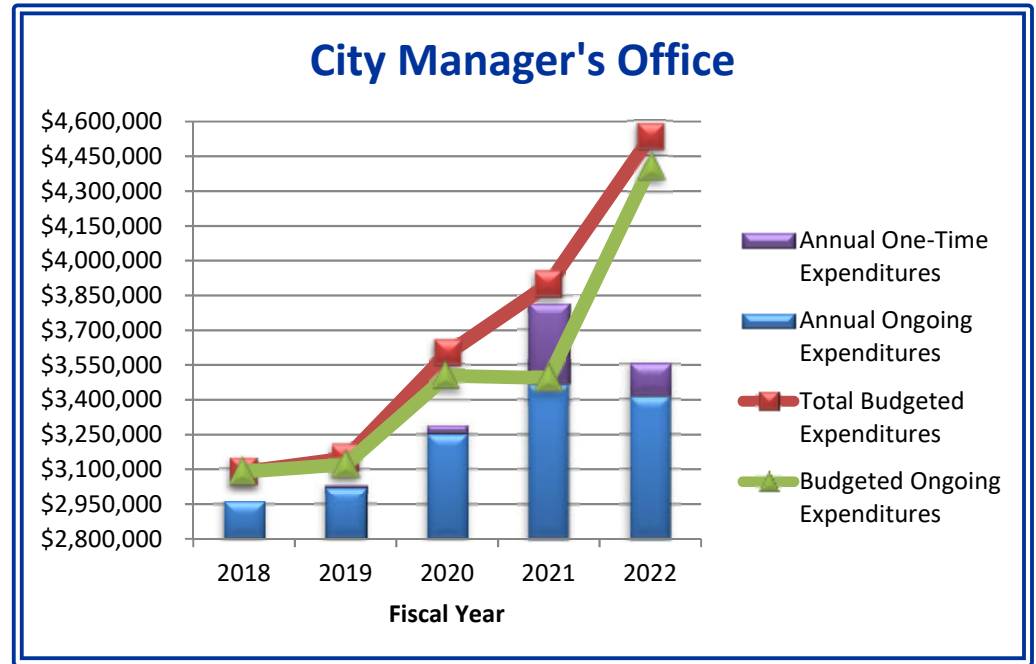
City Manager's Office Expenditures

Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 2,965,716	\$ 3,089,218	96%		
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%
2022	\$ 3,558,557	\$ 4,531,360	79%	-7%	16%

Increase from FY 2020 to FY 2021:

- (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



Under Budget for FY 2022: Expenditures were substantially under budget largely due to vacancy savings and lower than anticipated costs for the down payment assistance program and Tourism Bureau contract, as well delays in sustainability programs such as the energy retrofit/rebate program, the community composting pilot project, and electric vehicle charging infrastructure.

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

Human Resources Expenditures

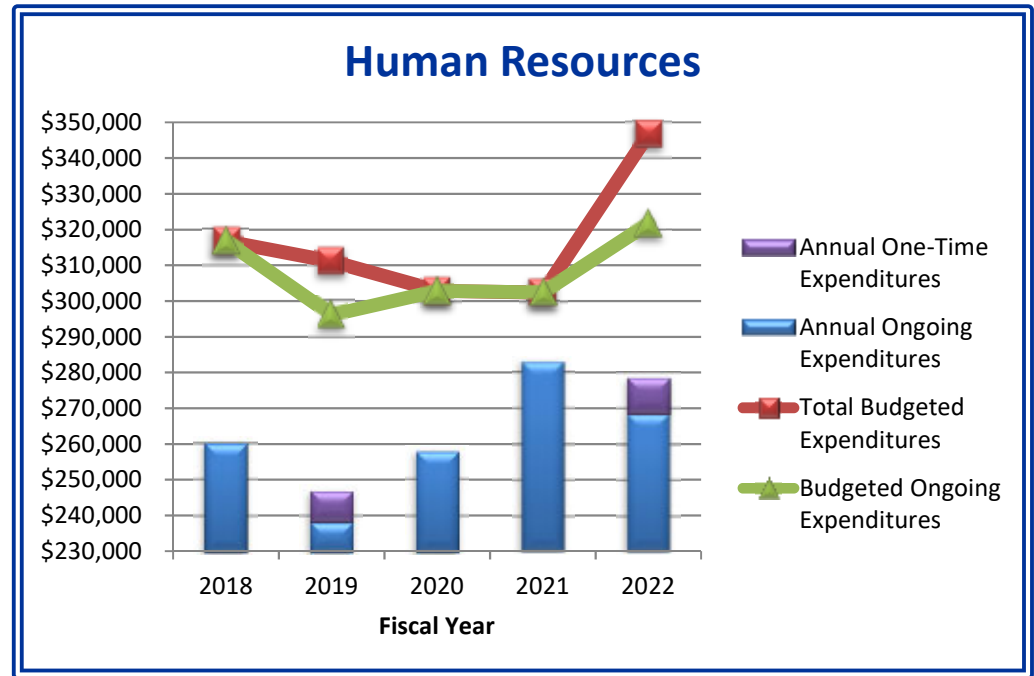
Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 260,124	\$ 316,775	82%		
2019	\$ 246,933	\$ 311,110	79%	-5%	-2%
2020	\$ 257,734	\$ 302,850	85%	4%	-3%
2021	\$ 282,951	\$ 302,390	94%	10%	<-1%
2022	\$ 278,735	\$ 346,660	80%	-1%	15%

Increase from FY 2020 to FY 2021:

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

Under Budget for FY 2022: Expenditures were substantially under budget largely due to vacancy savings and lower than anticipated costs for recruitment/relocation and a one-time salary study.



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

Financial Services Expenditures

Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 995,149	\$ 1,130,005	88%		
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%
2022	\$ 1,250,402	\$ 1,468,725	85%	14%	16%

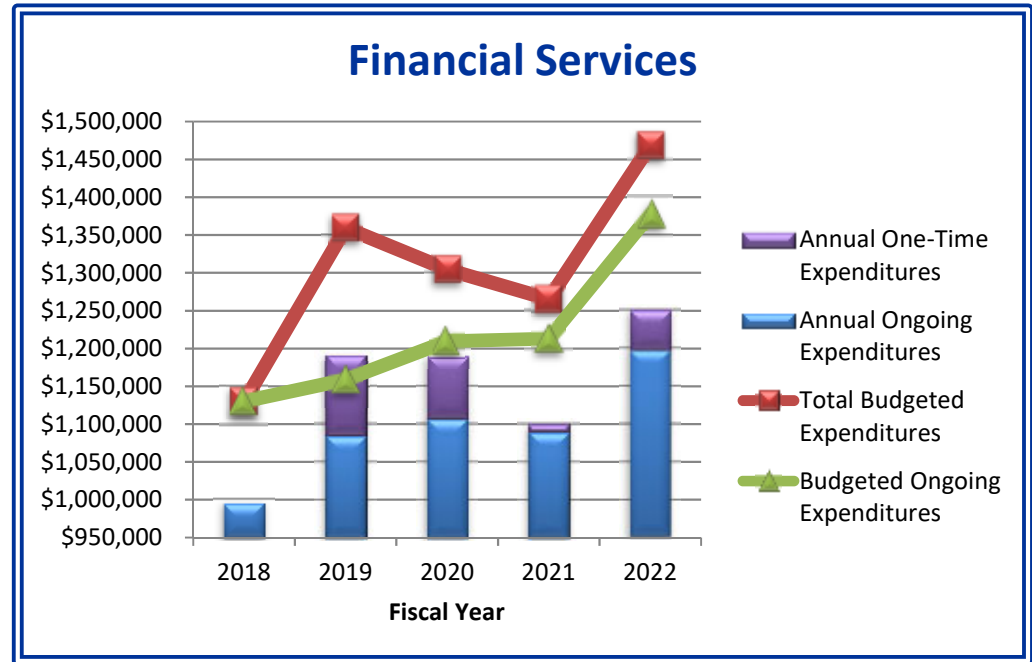
Increase from FY 2018 to FY 2019:

- (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.

Increase from FY 2019 to FY 2020:

- (1) The increase was largely due to vacancy savings in the prior year and added staff capacity.
- (2) The increase was also due to one-time professional services costs for a wastewater rate study.
- (3) The increase was also due to an increase in reimbursements for septic tank maintenance costs for the cluster systems.

Under Budget for FY 2022: Expenditures were substantially under budget due to vacancy savings, delays in the wastewater rate study, reductions in service charges due to higher compensating balances and lower than anticipated audit costs.



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

City Attorney's Office Expenditures

Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 563,398	\$ 683,600	82%		
2019	\$ 546,348	\$ 736,323	74%	-3%	8%
2020	\$ 656,569	\$ 805,530	82%	20%	9%
2021	\$ 548,606	\$ 782,760	70%	-16%	-3%
2022	\$ 568,222	\$ 773,920	73%	4%	-1%

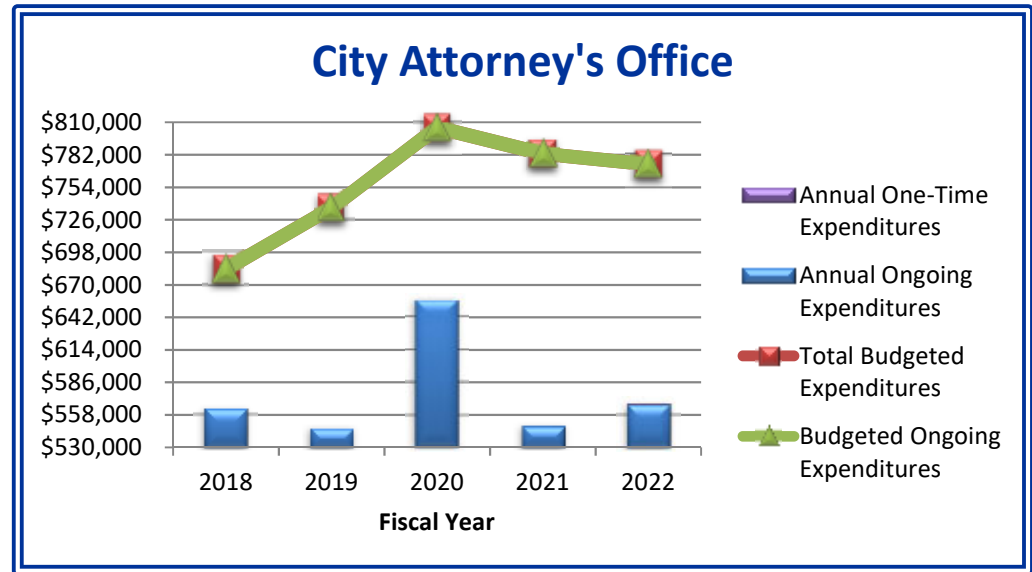
Increase from FY 2019 to FY 2020:

- (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 2022: Expenditures were substantially under budget due to vacancy savings, an unused placeholder in the Wastewater Fund for any legal needs, and lower than anticipated costs for settlements and insurance deductibles.



City Clerk's Office Expenditures

On Target for FY 2022

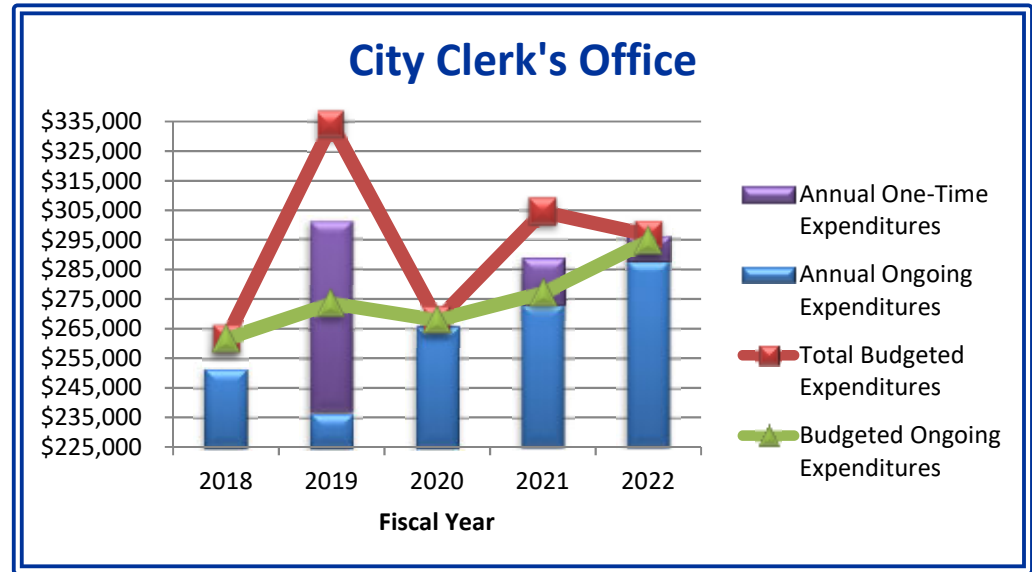
FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 251,368	\$ 261,572	96%		
2019	\$ 301,095	\$ 333,975	90%	20%	28%
2020	\$ 266,079	\$ 267,860	99%	-12%	-20%
2021	\$ 288,822	\$ 304,485	95%	9%	14%
2022	\$ 296,640	\$ 296,644	100%	3%	-3%

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.



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

Parks & Recreation Expenditures

Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 605,545	\$ 737,576	82%		
2019	\$ 679,128	\$ 773,797	88%	12%	5%
2020	\$ 613,460	\$ 780,440	79%	-10%	1%
2021	\$ 486,563	\$ 819,190	59%	-21%	5%
2022	\$ 706,087	\$ 890,925	79%	45%	9%

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.

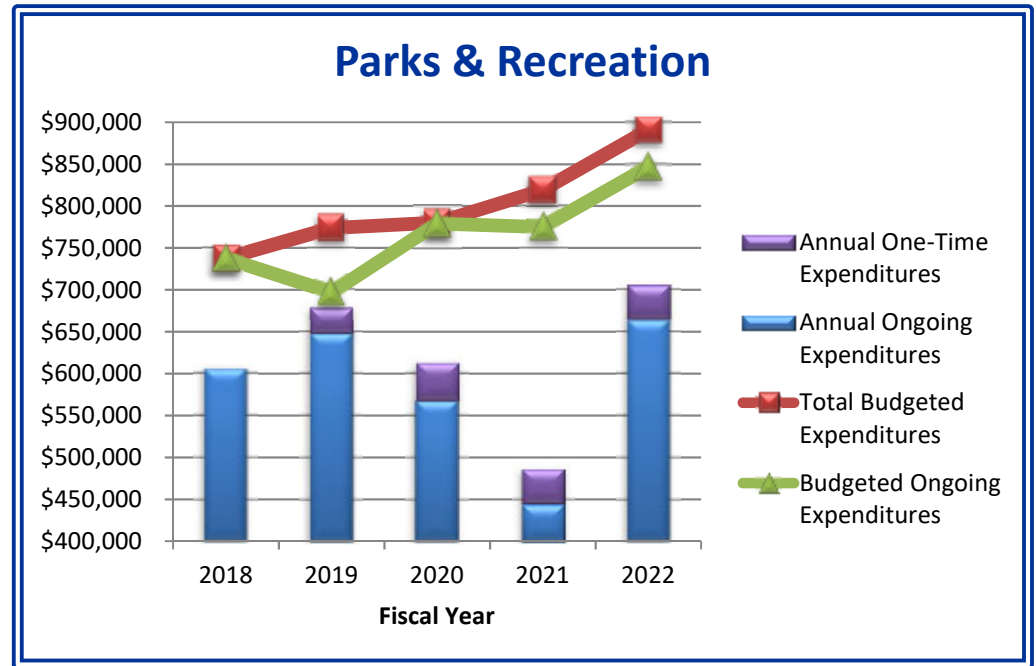
Decrease from FY 2020 to FY 2021:

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.

Increase from FY 2021 to FY 2022:

The increase is primarily due to the resumption of special events and recreation programs and the reopening of the public swimming pool following the COVID-19 pandemic.

Under Budget for FY 2022: Expenditures were substantially under budget due to vacancy savings and lower costs than anticipated for special events and utilities for the public swimming pool.



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

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

General Services Expenditures

On Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 1,747,264	\$ 1,878,834	93%		
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%
2022	\$ 1,867,874	\$ 1,892,710	99%	26%	19%

Decrease from FY 2018 to FY 2019:

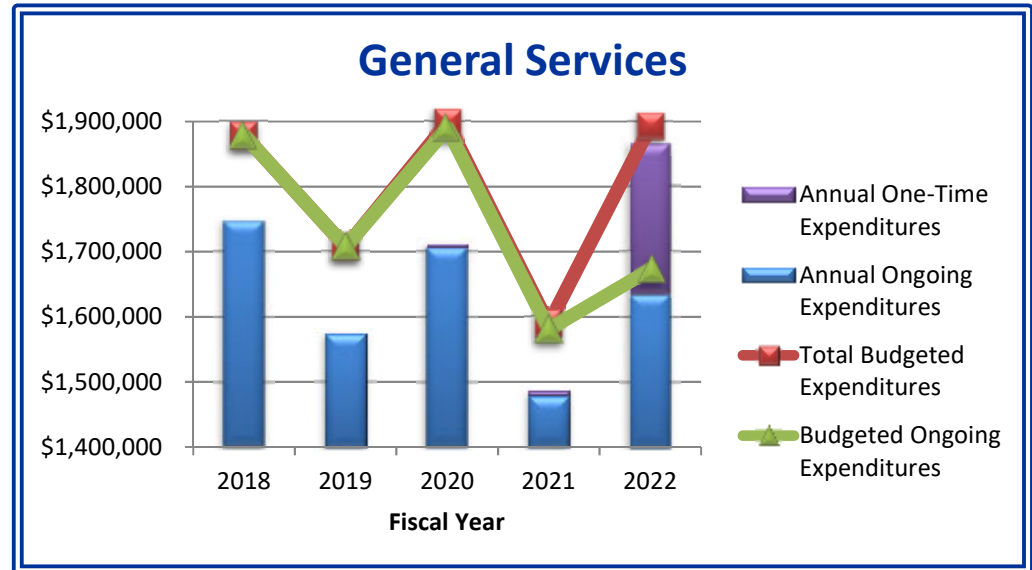
The decrease is primarily due to payments related to the prior year refunds of PSPRS contributions to employees that were deemed to be unconstitutional.

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.
- (2) The decrease is also due to the elimination of support for the Verde Lynx since the costs were fully covered by CARES Act funding.

Increase from FY 2021 to FY 2022:

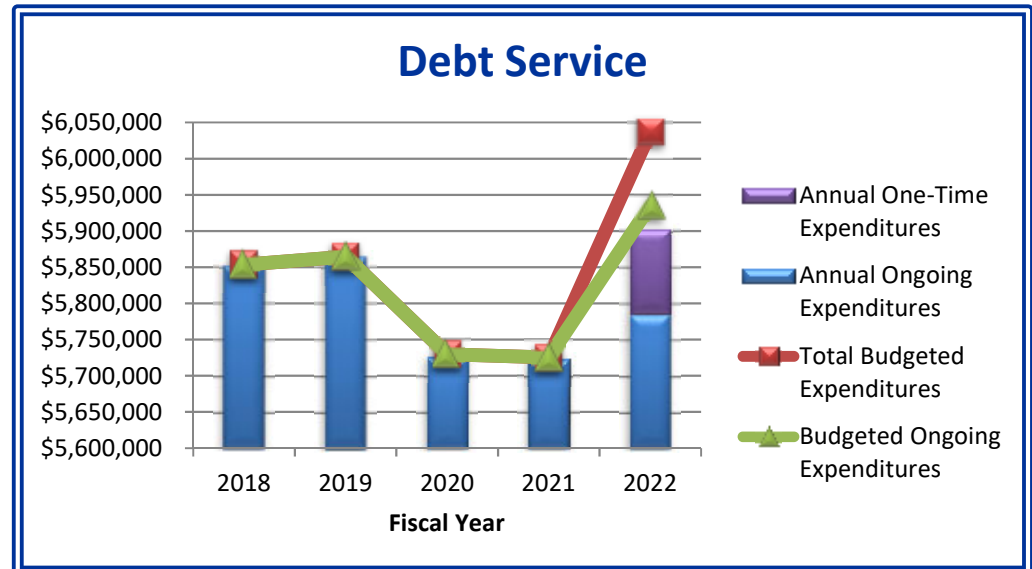
- (1) The increase is largely due to an increase in the small grants program due to restoration of funding levels and carryover of the unspent portion from the prior year.
- (2) The increase is partly due to a lease of the former School District Admin site.
- (3) The increase is also due to an increase in property and liability insurance premiums.



Debt Service Expenditures

On Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
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%
2022	\$ 5,904,041	\$ 6,037,105	98%	3%	5%



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

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

Community Development Expenditures

Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 1,550,218	\$ 1,794,878	86%		
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%
2022	\$ 1,736,773	\$ 1,968,897	88%	18%	-7%

Increase from FY 2019 to FY 2020:

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

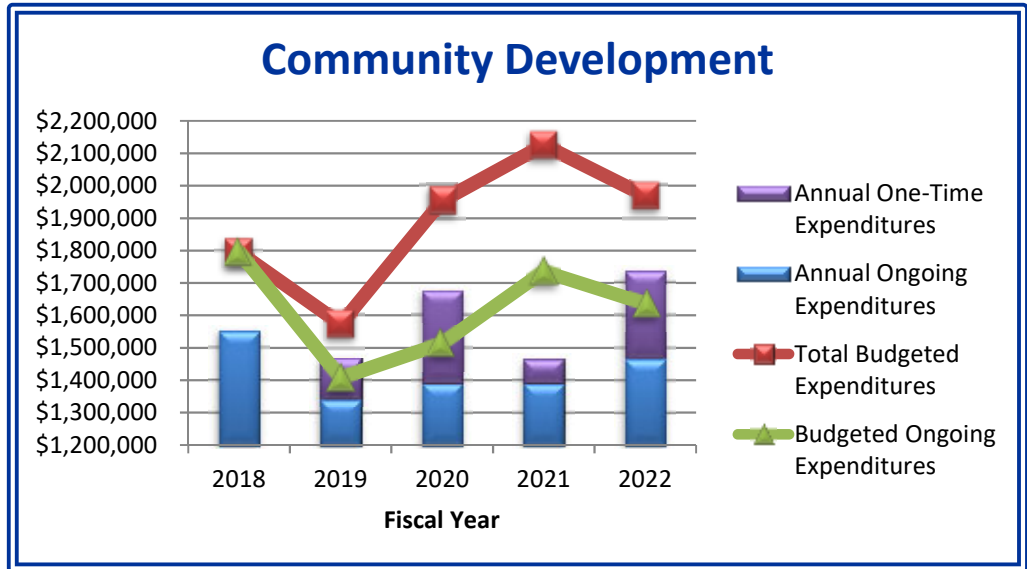
Decrease from FY 2020 to FY 2021:

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

Increase from FY 2021 to FY 2022:

- (1) The increase is largely due to costs associated with the Hope House project funded by a CDBG grant.
- (2) The increase is also due to increases in outsourced plan reviews and a reorganization of the building safety division.

Under Budget for FY 2022: Expenditures were under budget due to vacancy savings, postponement of trainings and conferences, and lower costs than anticipated for outsourced plan reviews and the 10-year update of the Community Plan.



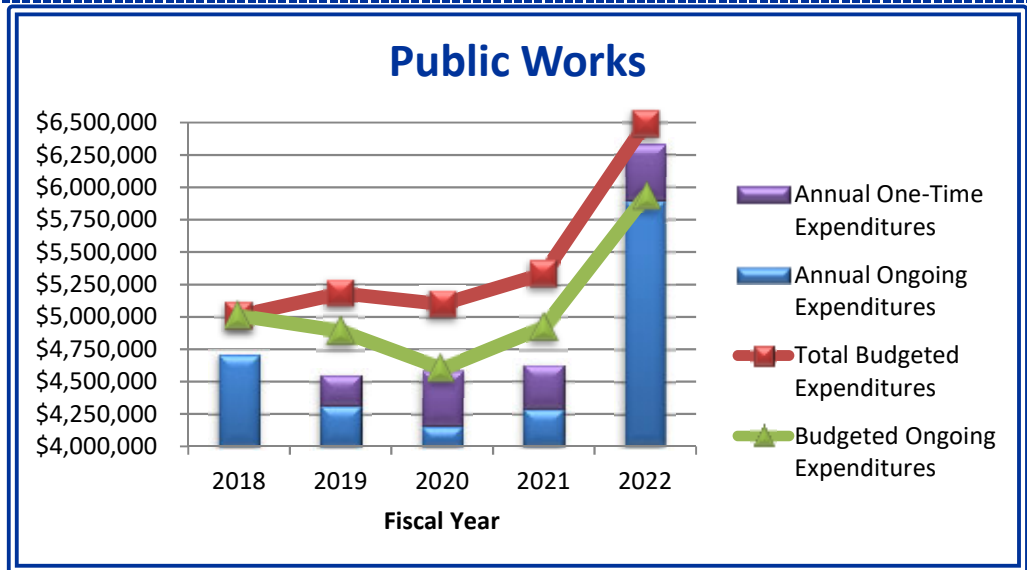
Public Works Expenditures

On Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 4,705,978	\$ 5,009,873	94%		
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%
2022	\$ 6,344,248	\$ 6,490,264	98%	37%	22%

Increase from FY 2021 to FY 2022:

- (1) The increase is partly due to vacancy savings in the prior year and added staff capacity.
- (2) The increase is partly due to increases for facilities and parks maintenance projects that were delayed in the prior year.
- (3) The increase is also due to added miles for the streets rehabilitation and pavement preservation program, plus increases for streets maintenance projects due to a significant summer rainstorm event and delays in maintenance in the prior year.



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

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

Economic Development Expenditures

Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
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%
2022	\$ 259,848	\$ 332,870	78%	37%	13%

Increase from FY 2018 to FY 2019:

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

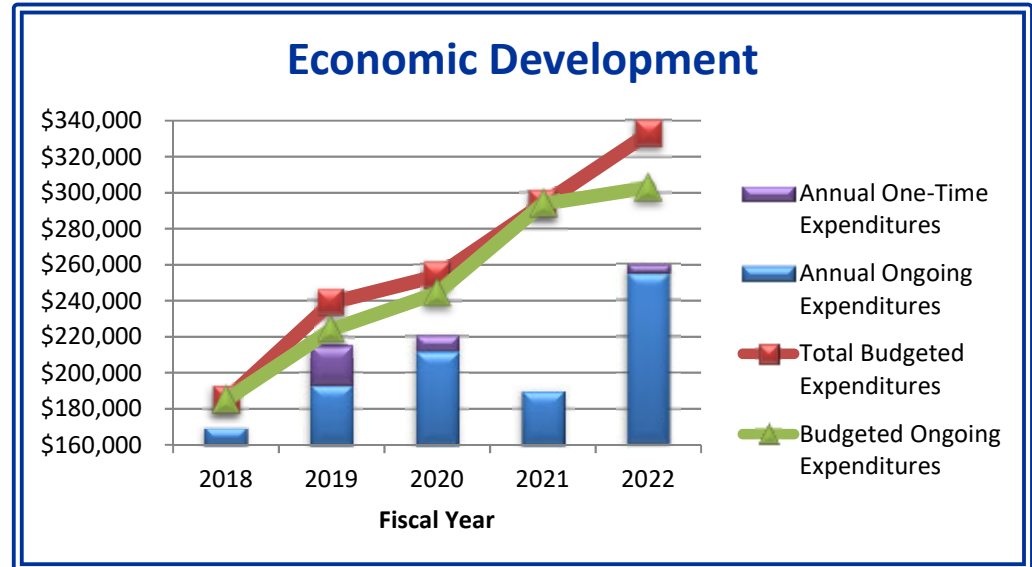
Decrease from FY 2020 to FY 2021:

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.

Increase from FY 2021 to FY 2022:

The increase was largely due to a market analytics data program and resumption of workshops and events that were suspended during the COVID-19 pandemic.

Under Budget for FY 2022: Expenditures were substantially under budget due to marketing costs lower than anticipated and the budgeted grant match for the VVREO broadband project that did not occur.



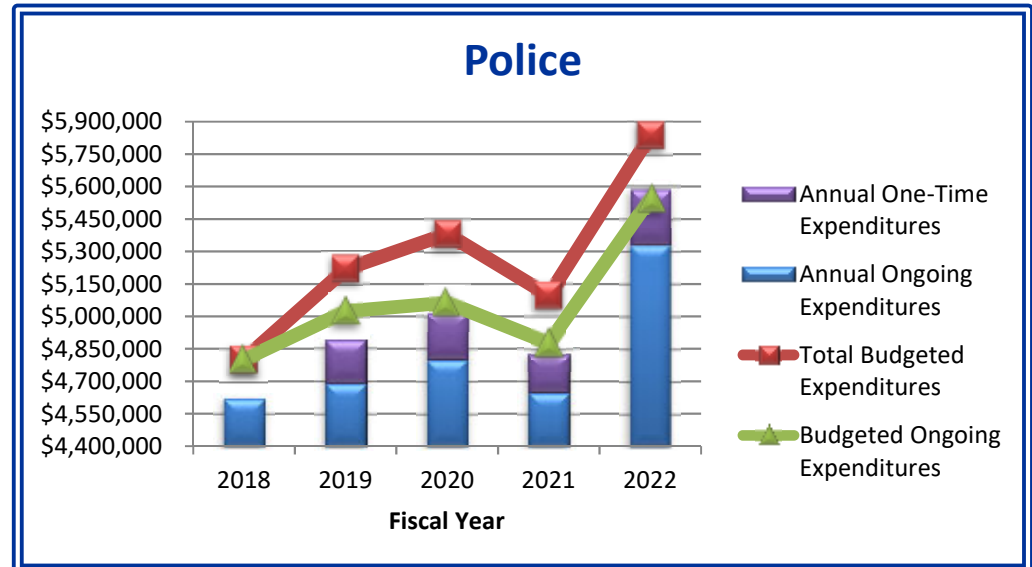
Police Expenditures

On Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 4,618,303	\$ 4,801,199	96%		
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%
2022	\$ 5,587,476	\$ 5,836,995	96%	16%	14%

Increase from FY 2021 to FY 2022:

- (1) The increase was partly due to resumption of the level funding for PSPRS of \$1 million annually.
- (2) The increase was also due to a decision package to increase staff capacity and address succession planning gaps.
- (3) The increase was also due the addition of lease purchase payments for replacement of the in-car camera system and a body-worn camera pilot project.
- (4) The increase was also due to the purchase of two motorcycles with grant funding



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

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

Municipal Court Expenditures

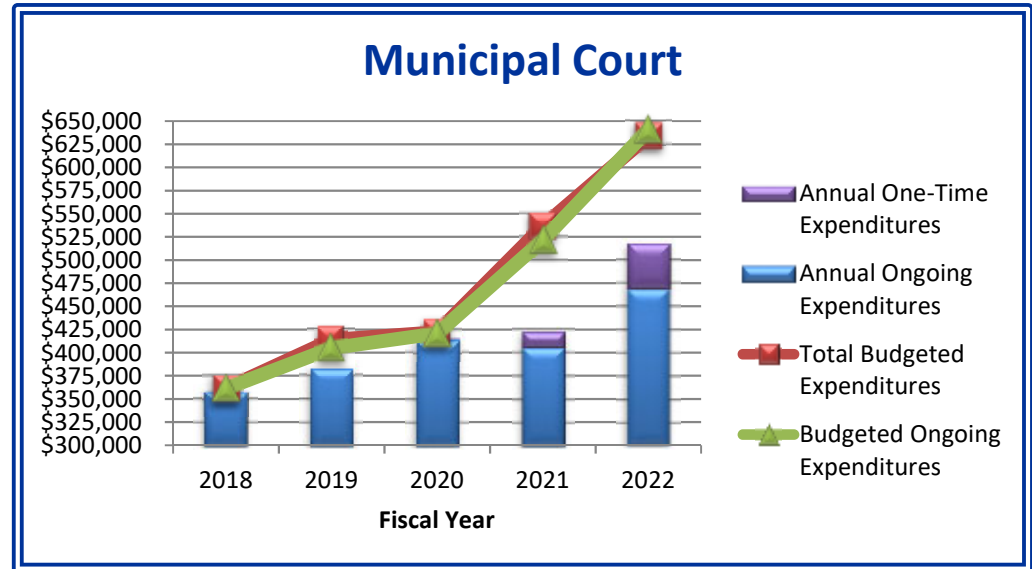
Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 358,670	\$ 361,370	99%		
2019	\$ 383,746	\$ 413,890	93%	7%	15%
2020	\$ 416,255	\$ 422,199	99%	8%	2%
2021	\$ 422,552	\$ 536,540	79%	2%	27%
2022	\$ 517,897	\$ 634,138	82%	23%	18%

Increase from FY 2021 to FY 2022:

- (1) The increase was partly due to vacancy savings in the prior year.
- (2) The increase was also due to a lease of the former School District Admin site.

Under Budget for FY 2022: Expenditures were under budget due to vacancy savings during the year, as well as court-appointed attorney costs lower than anticipated.



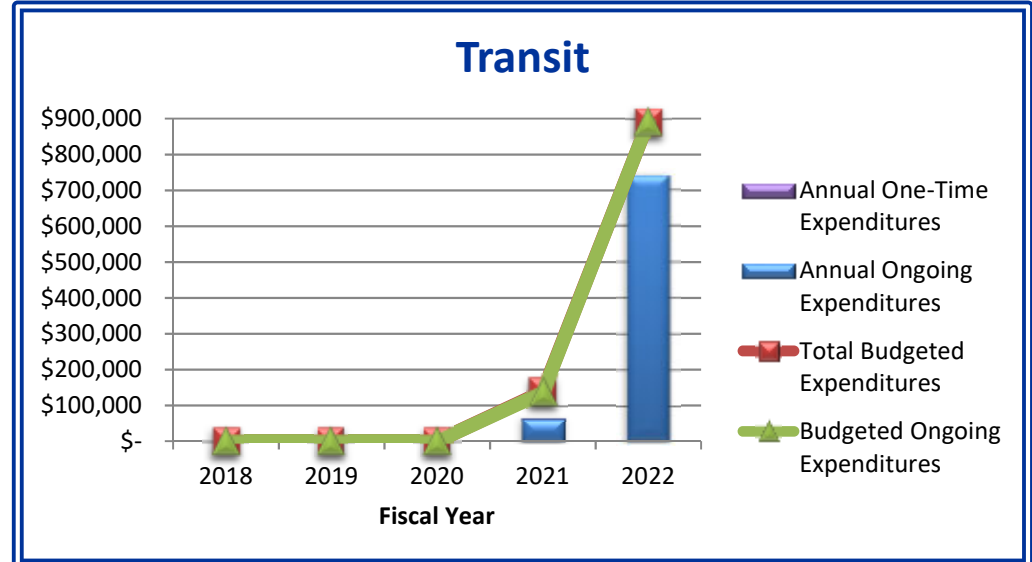
Transit Expenditures

Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ -	\$ -	N/A		
2019	\$ -	\$ -	N/A	N/A	N/A
2020	\$ -	\$ -	N/A	N/A	N/A
2021	\$ 66,594	\$ 137,850	48%	∞	∞
2022	\$ 740,503	\$ 890,791	83%	1012%	546%

The Transit Administration program was created in FY 2021.

Under Budget for FY 2022: Expenditures were under budget due to delays in acquiring micro-transit vehicles and matching costs for the Verde Shuttle lower than anticipated.



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

Wastewater Expenditures

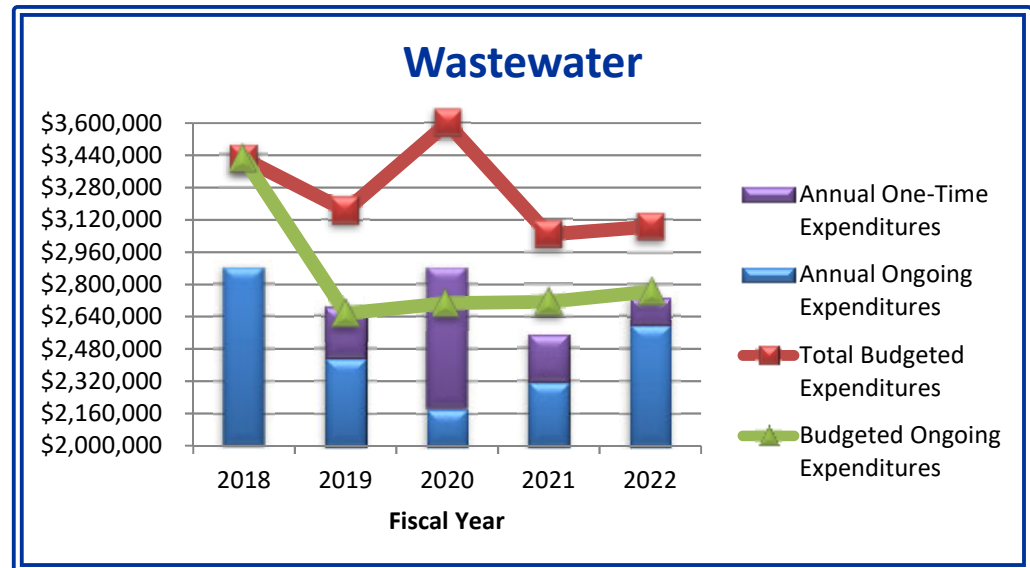
Under Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 2,883,431	\$ 3,422,626	84%		
2019	\$ 2,690,878	\$ 3,166,150	85%	-7%	-7%
2020	\$ 2,884,720	\$ 3,599,650	80%	7%	14%
2021	\$ 2,548,215	\$ 3,047,380	84%	-12%	-15%
2022	\$ 2,738,333	\$ 3,086,135	89%	7%	1%

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 2022: Expenditures were under budget largely due to vacancy savings and delays in some maintenance and equipment replacement costs, as well as unused placeholders for any potential urgent maintenance needs.



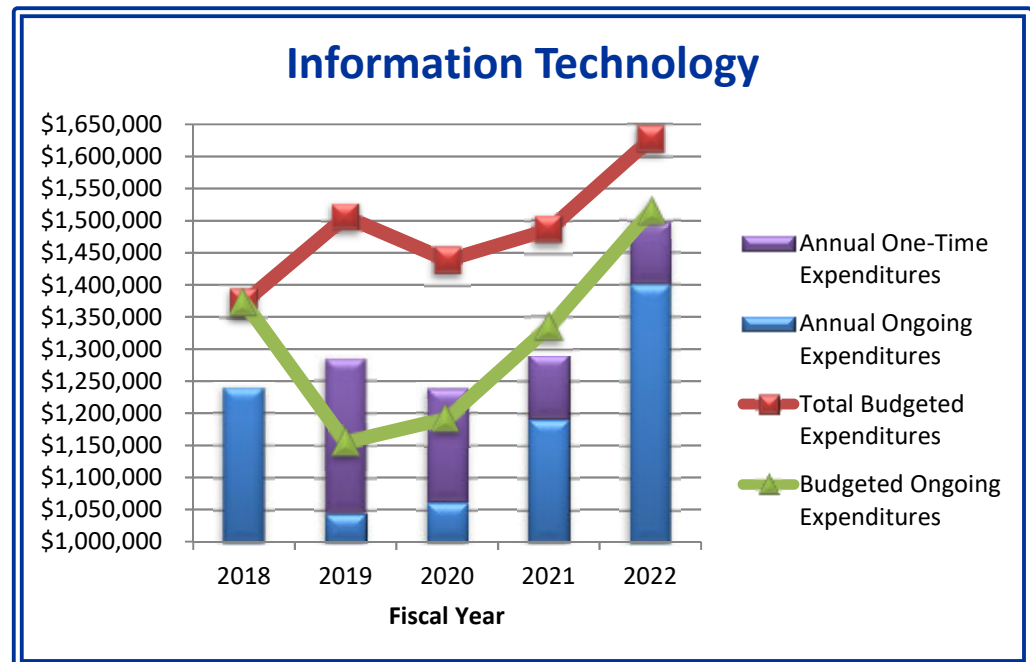
Information Technology Expenditures

On Target for FY 2022

FY	Annual Expenditures	Budgeted Expenditures	% of Budgeted Exp.	% Increase - Annual	% Increase - Budgeted
2018	\$ 1,238,666	\$ 1,372,835	90%		
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%
2022	\$ 1,498,886	\$ 1,626,861	92%	16%	10%

Increase from FY 2021 to FY 2022:

- (1) The increase is largely due to replacements of Surfaces and an increase in the number of employees needing Surfaces for remote work.
- (2) The increase is also due to increases in software maintenance and licensing costs.



Total Revenues by Fund

Total General Fund Revenues

Exceeds Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 27,601,469	\$ 25,928,260	106%		
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%
2022	\$ 43,340,083	\$ 37,572,105	115%	15%	54%

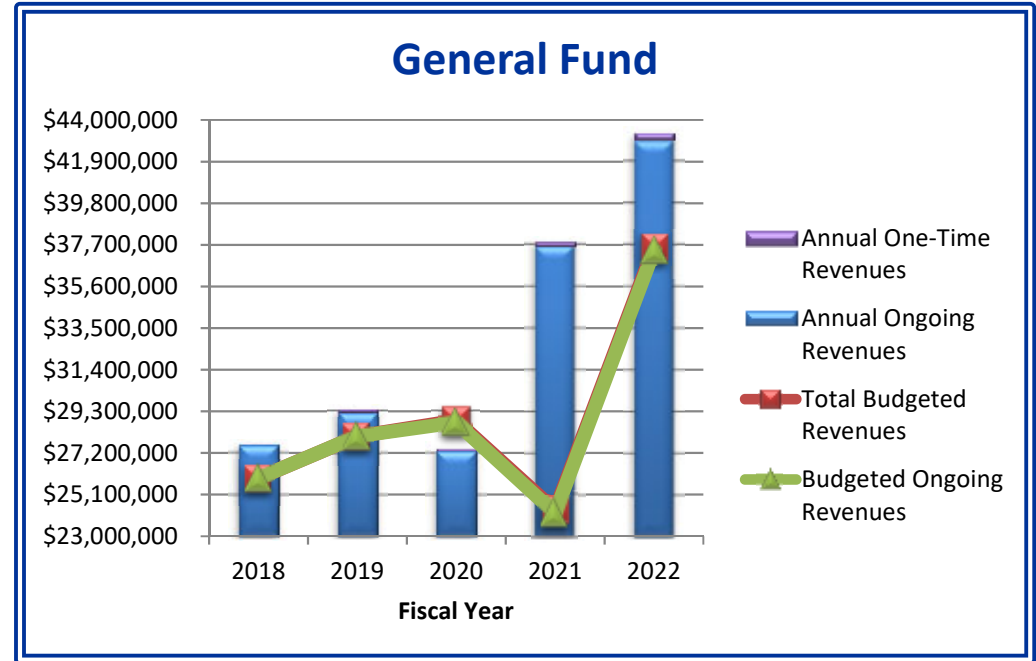
Increase from FY 2020 to FY 2021:

- (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.

Increase from FY 2021 to FY 2022:

City sales taxes increased 17% and bed tax revenues increased 25%.

Exceeds Target for FY 2022: The continuing increase in tourism levels over the significant increases in the prior year were not anticipated at the time of budget preparation.



Total Revenues by Fund

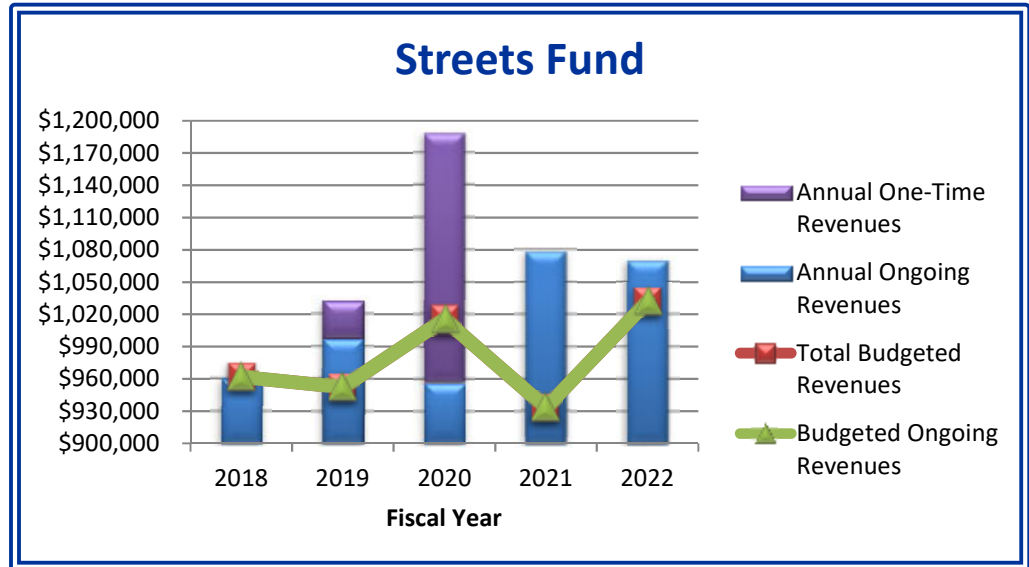
Total Streets Fund Revenues

On Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 960,751	\$ 961,900	100%		
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%
2022	\$ 1,069,544	\$ 1,031,890	104%	-1%	11%

Increase from FY 2019 to FY 2020:

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



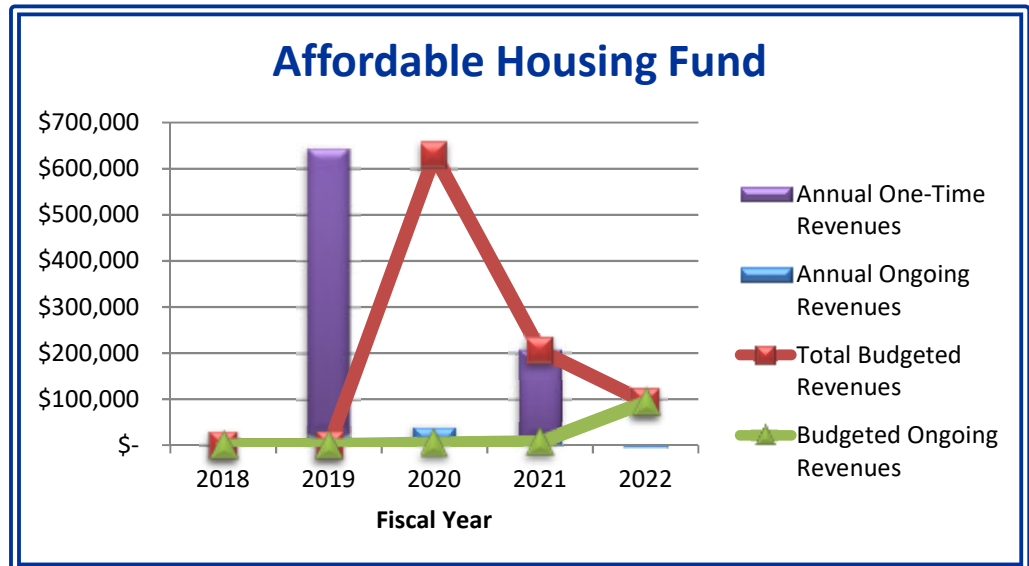
Total Affordable Housing Rev.

Under Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 98	\$ -	∞		
2019	\$ 644,214	\$ -	∞	658403%	N/A
2020	\$ 38,627	\$ 629,010	6%	-94%	∞
2021	\$ 209,439	\$ 205,280	102%	442%	-67%
2022	\$ (48,451)	\$ 93,180	-52%	-123%	-55%

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

Under Target for FY 2022: Revenues are under target due to unrealized losses in the fair value of investments.



Total Revenues by Fund

Total Grants, Donations & Other Rev.

Under Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 191,726	\$ 479,060	40%		
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%
2022	\$ 370,826	\$ 2,238,590	17%	224%	180%

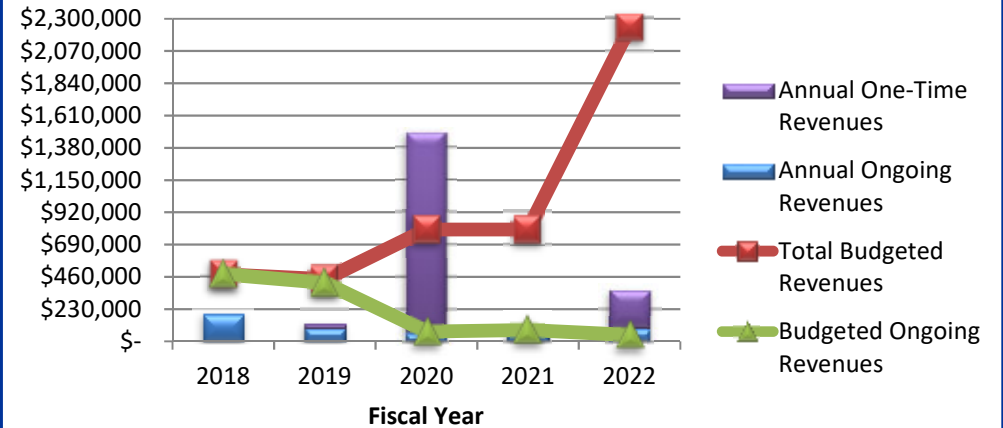
Increase from FY 2019 to FY 2020:

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 2022: While the first half of the American Rescue Plan Act (ARPA) funding was budgeted and received, it will not be recognized as revenue until allowable expenditures are incurred.

Grants, Donations & Other Funds



Total Transportation Sales Tax Rev.

On Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 1,045,367	\$ -	∞		
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%
2022	\$ 4,336,017	\$ 4,009,580	108%	12%	54%

The Transportation Sales Tax Fund was initiated in FY 2018.

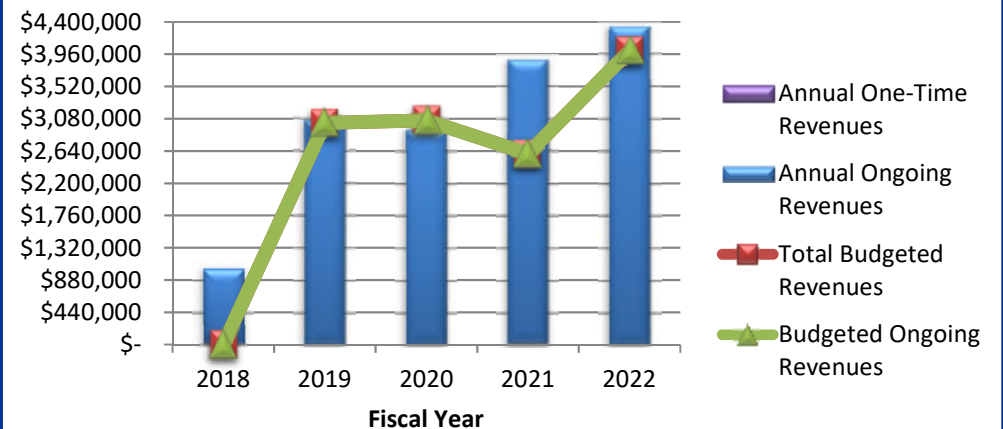
Increase from FY 2020 to FY 2021:

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

Increase from FY 2021 to FY 2022:

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

Transportation Sales Tax Fund



Total Revenues by Fund

Total Develop. Impact Fees Revenues Under Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 255,051	\$ 225,220	113%		
2019	\$ 384,847	\$ 225,190	171%	51%	<-1%
2020	\$ 548,418	\$ 671,170	82%	43%	198%
2021	\$ 673,740	\$ 632,740	106%	23%	-6%
2022	\$ 290,565	\$ 544,020	53%	-57%	-14%

Increase from FY 2019 to FY 2020:

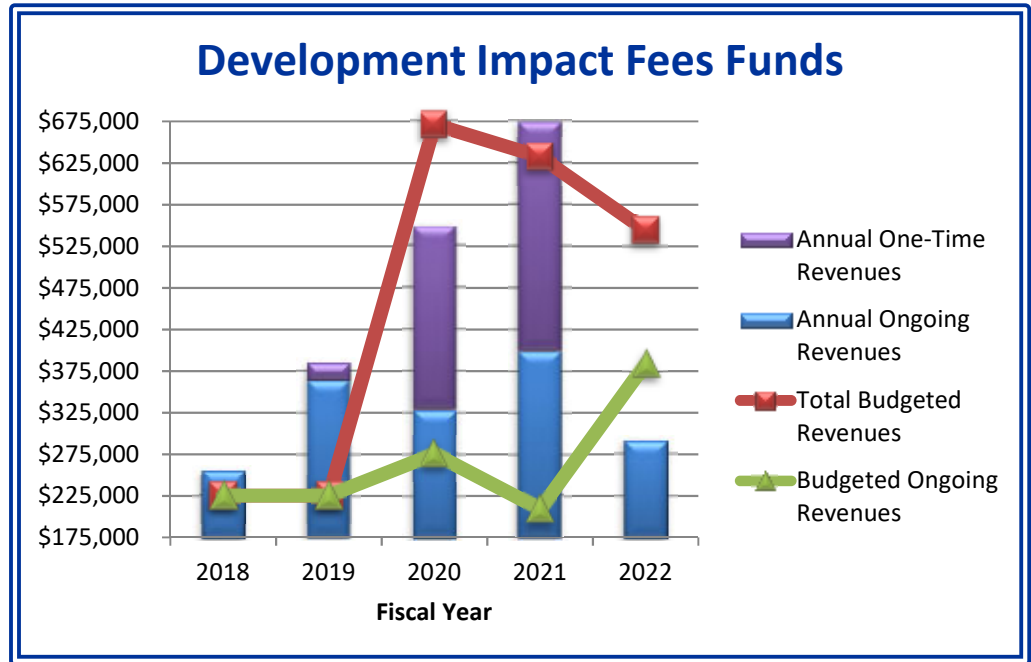
The increase was primarily due to fees assessed with the permitting of a large multi-family development.

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.

Under Target for FY 2022: Revenues are under target due to budgeted one-time development impact fees were not received during the fiscal year due to delays in those development projects and unrealized losses in the fair value of investments.



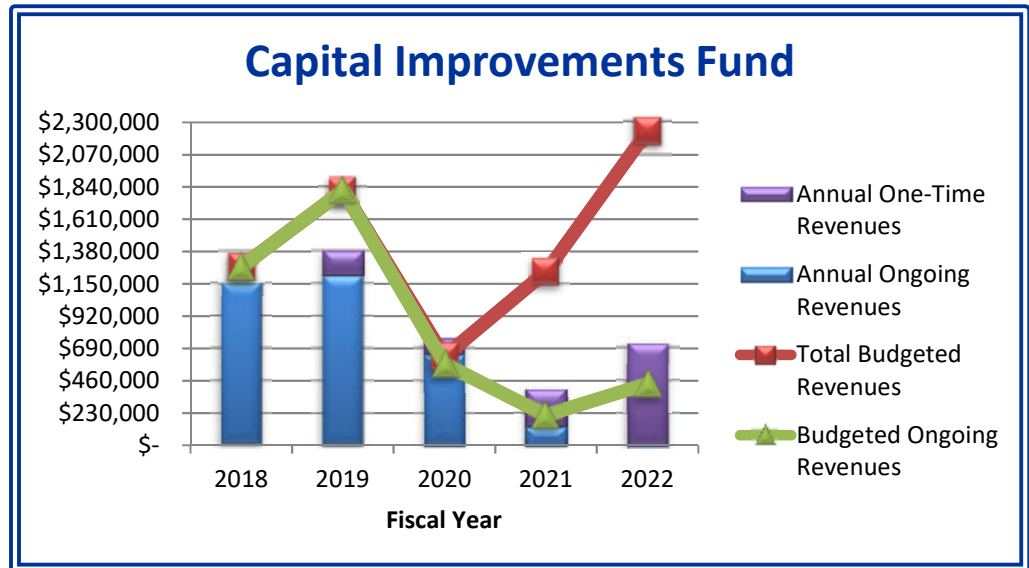
Total Revenues by Fund

Total Capital Improvements Fund Rev. Under Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 1,168,259	\$ 1,271,857	92%		
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%
2022	\$ 564,038	\$ 2,238,180	25%	41%	81%

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 2022: Revenues are under target primarily due to the delays in the receipt of Congressionally Directed Funding for the police facility remodel and the Shelby Drive improvements and unrealized losses in the fair value of investments.

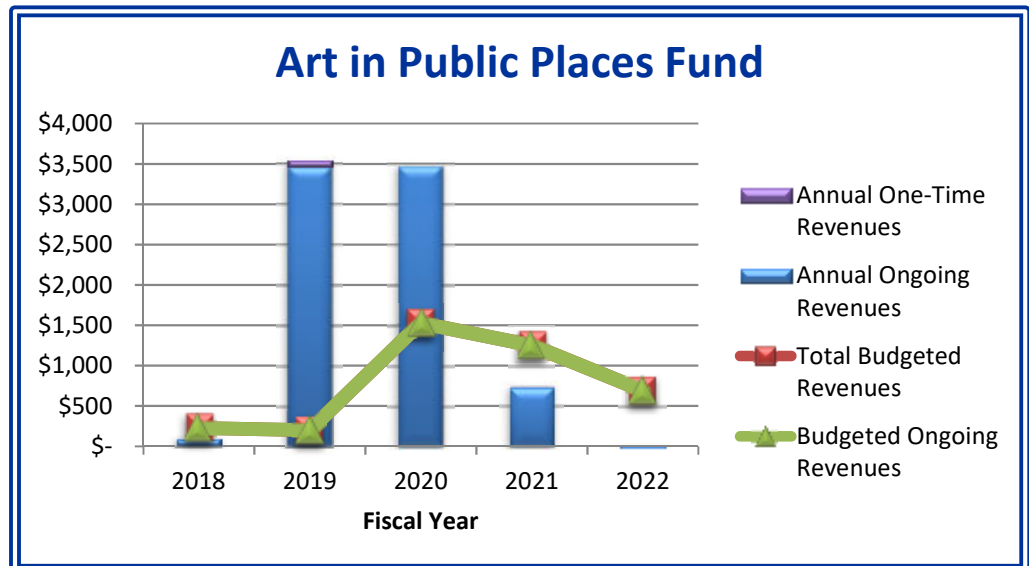


Total Art in Public Places Fund Rev. Under Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 98	\$ 230	42%		
2019	\$ 3,536	\$ 200	1768%	3523%	-13%
2020	\$ 3,478	\$ 1,530	227%	-2%	665%
2021	\$ 740	\$ 1,250	59%	-79%	-18%
2022	\$ (6,257)	\$ 690	-907%	-945%	-45%

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 2022: Revenues are under target due to unrealized losses in the fair value of investments.



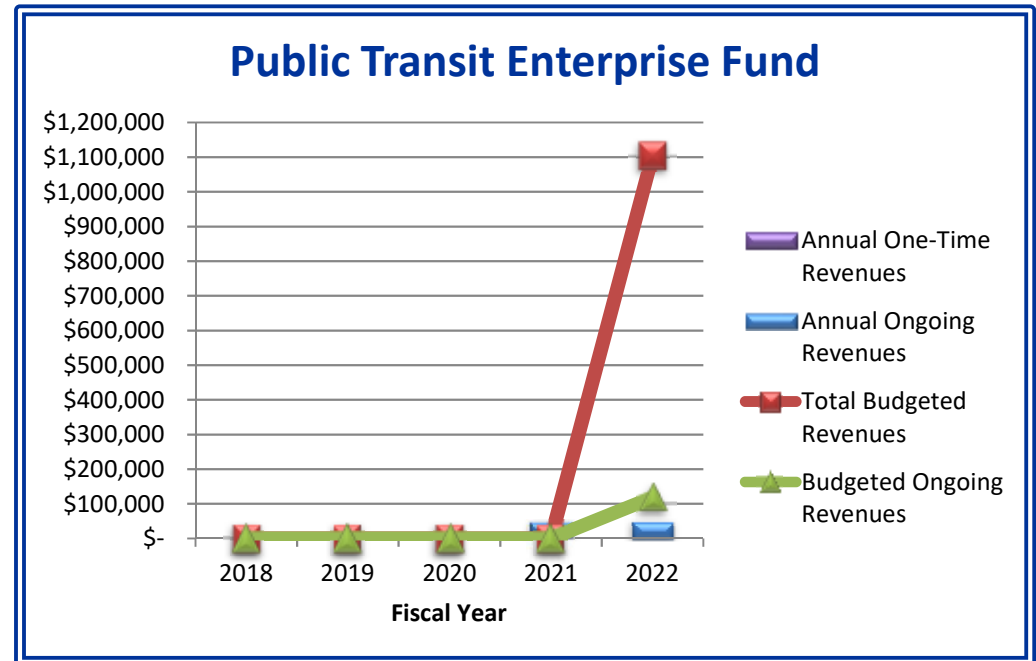
Total Revenues by Fund

Total Public Transit Enterprise Fund Revenue Under Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ -	\$ -	N/A		
2019	\$ -	\$ -	N/A	N/A	N/A
2020	\$ -	\$ -	N/A	N/A	N/A
2021	\$ 46,400	\$ -	∞	∞	N/A
2022	\$ 50,230	\$ 1,103,410	5%	8%	∞

The Public Transit Enterprise Fund was initiated in FY 2021.

Under Target for FY 2022: Revenues are low due to budgeted speculative grants for capital improvement projects that did not move forward as quickly as anticipated.



Total Revenues by Fund

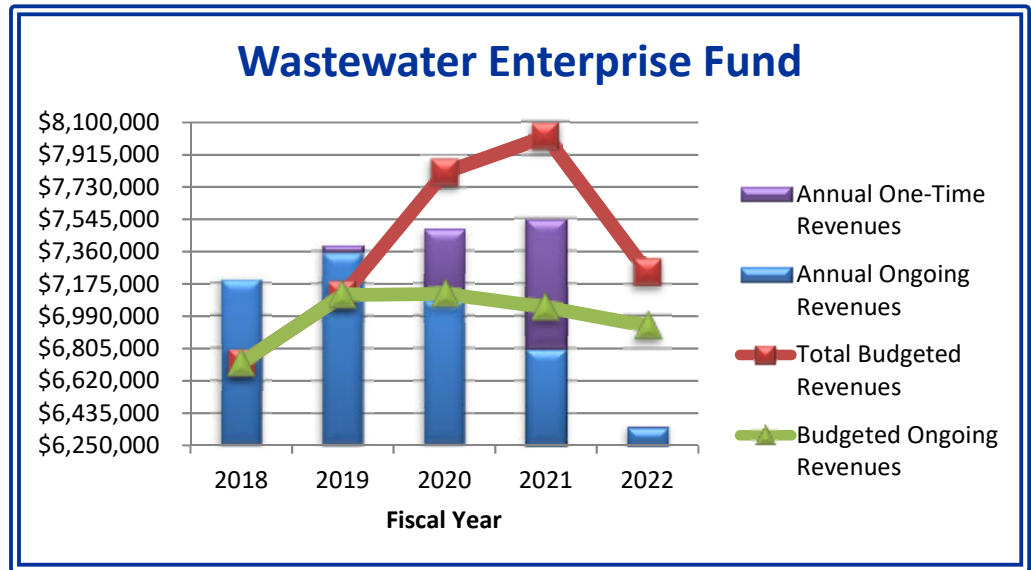
Total Wastewater Enterprise Fund Rev. Under Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 7,195,914	\$ 6,722,900	107%		
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%
2022	\$ 6,353,828	\$ 7,238,886	88%	-16%	-10%

Decrease from FY 2021 to FY 2022:

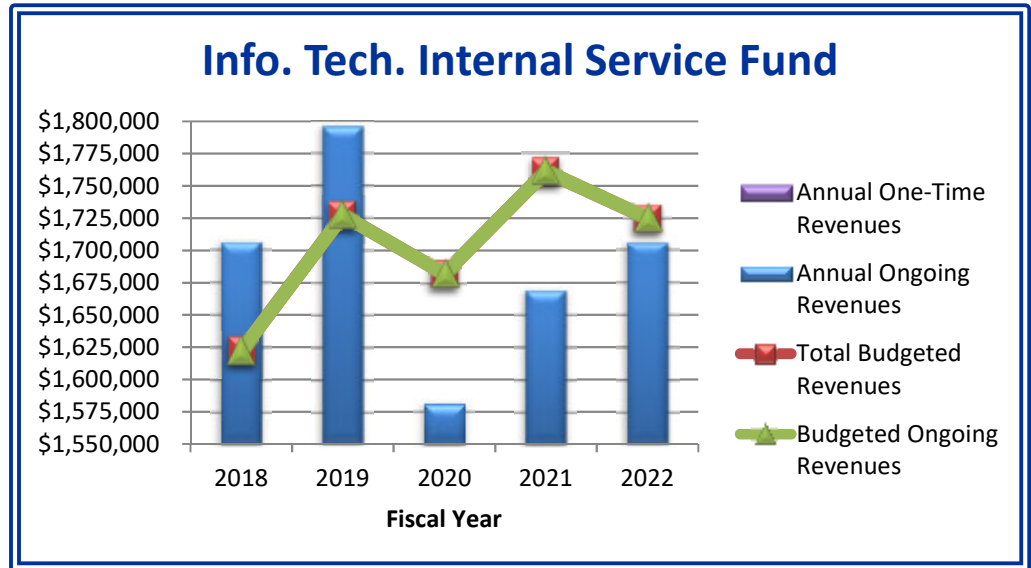
- (1) The decrease was partly due to unrealized losses in the fair value of investments. The City has no plans to sell these investments at a loss and expects to hold them to maturity.
- (2) The decrease is also due to one-time capacity fees received in the prior year.

Under Target for FY 2022: Revenues are low due to unrealized losses in the fair value of investments and budgeted one-time capacity fees were not received during the fiscal year due to delays in those development projects.



Total Info. Tech. Internal Svc. Fund Rev. On Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
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%
2022	\$ 1,706,318	\$ 1,724,880	99%	2%	-2%



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

Total Revenues by Fund

Total CFD - Sedona Summit II Revenues Under Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 48,910	\$ 62,600	78%		
2019	\$ 58,332	\$ 54,550	107%	19%	-13%
2020	\$ 54,232	\$ 53,450	101%	-7%	-2%
2021	\$ 44,444	\$ 51,030	87%	-18%	-5%
2022	\$ 33,121	\$ 49,250	67%	-25%	-3%

Increase from FY 2018 to FY 2019:

The increase in revenues was due to interest earnings.

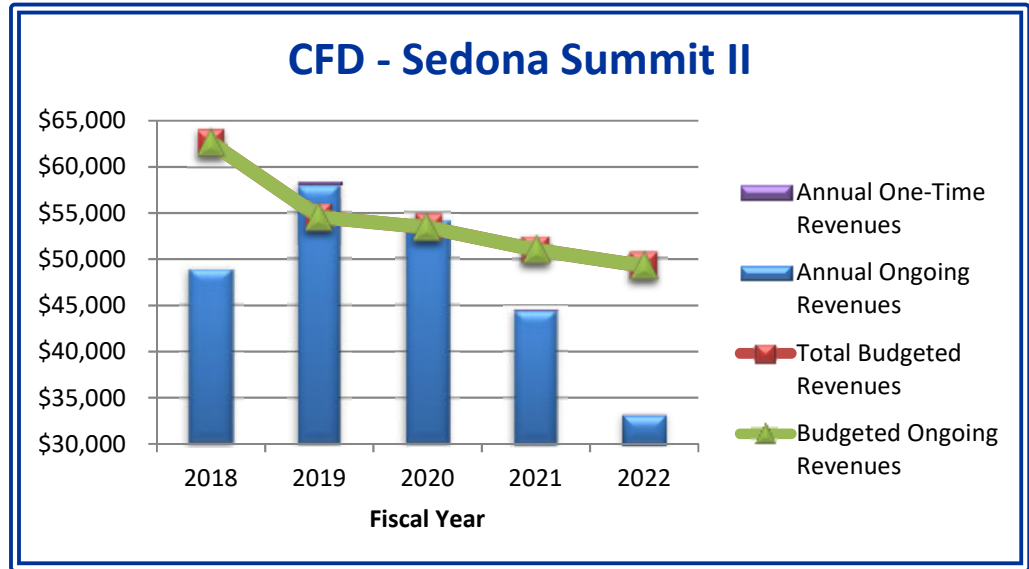
Decrease from FY 2020 to FY 2021:

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

Decrease from FY 2021 to FY 2022:

The decrease was due to unrealized losses in the fair value of investments. The City has no plans to sell these investments at a loss and expects to hold them to maturity.

Under Target for FY 2021: Revenues are low due to unrealized losses in the fair value of investments.



Total CFD - Fairfield Revenues Exceeds Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 120,508	\$ 125,500	96%		
2019	\$ 124,324	\$ 141,800	88%	3%	13%
2020	\$ 124,496	\$ 122,900	101%	<1%	-13%
2021	\$ 92,112	\$ 123,340	75%	-26%	<1%
2022	\$ 142,644	\$ 122,990	116%	55%	<-1%

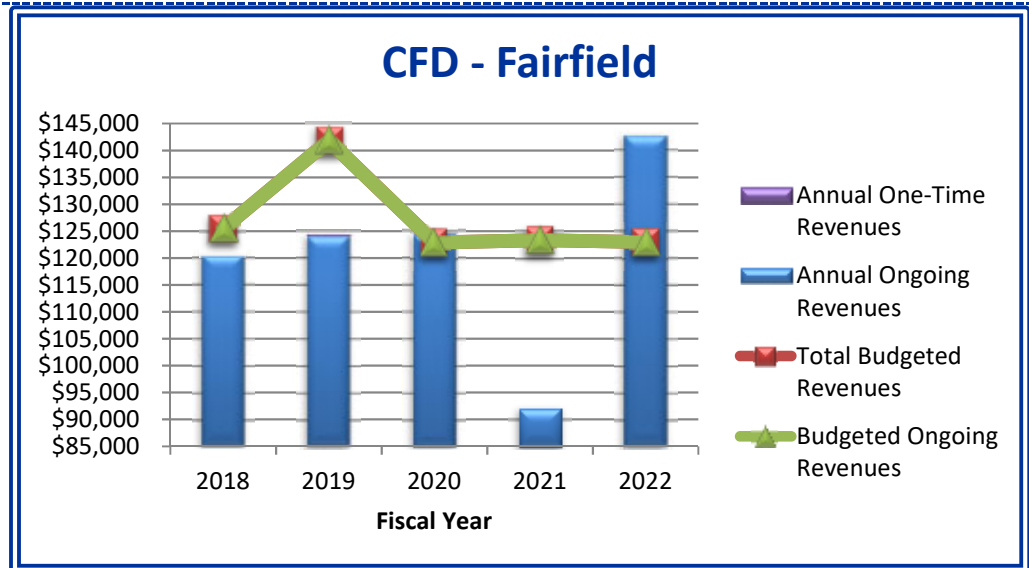
Decrease from FY 2020 to FY 2021:

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.**

Increase from FY 2021 to FY 2022:

The increase is primarily 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.**

Exceeds Target for FY 2022: Revenues exceeded budget due to FY 2021 revenues recognized in FY 2022.



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

Total Revenues by Type

Total Revenues

On Target for FY 2022

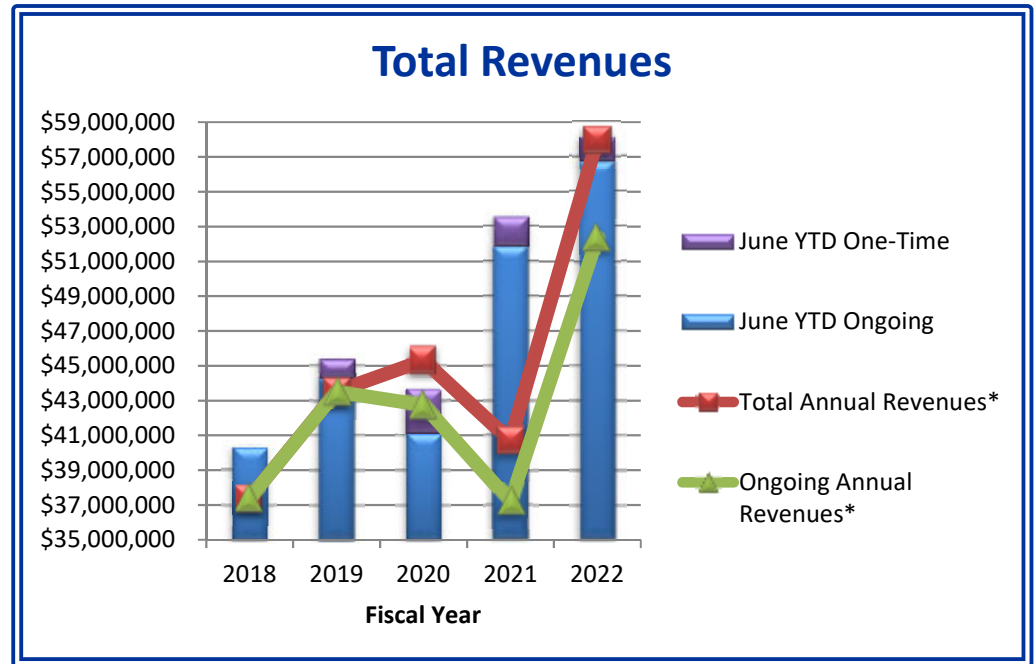
FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 40,293,974	\$ 37,399,657	108%		
2019	\$ 45,384,586	\$ 43,534,241	104%	13%	16%
2020	\$ 43,685,873	\$ 45,315,138	96%	-4%	4%
2021	\$ 53,579,604	\$ 40,689,374	132%	23%	-10%
2022	\$ 58,202,504	\$ 57,967,651	100%	9%	42%

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.



Total Revenues by Type

City Sales Tax Revenues

Exceeds Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 18,393,517	\$ 16,673,800	110%		
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%
2022	\$ 32,752,291	\$ 27,971,400	117%	18%	60%

Increase from FY 2018 to FY 2019:

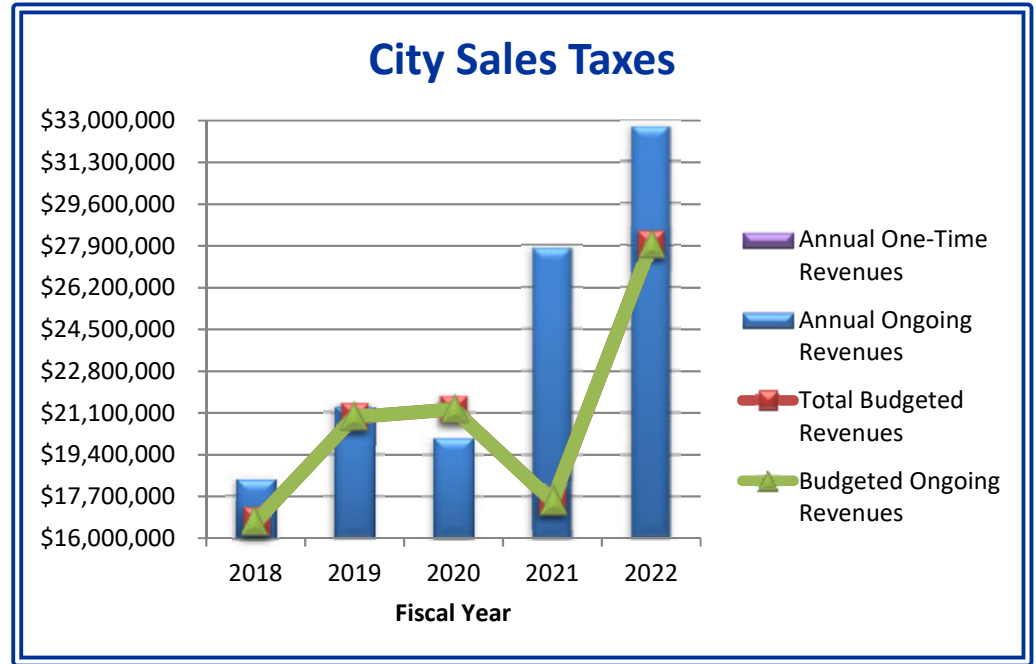
The increase was partly due to the increase in the sales tax rate for transportation projects.

Increase from FY 2020 to FY 2021:

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

Increase from FY 2021 to FY 2022:

Every category was up significantly, except Construction, Leasing and Communications & Utilities.



Exceeds Target for FY 2022: The continuing increase in tourism levels over the significant increases in the prior year were not anticipated at the time of budget preparation.

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 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 4,431,680	\$ 3,977,200	111%		
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%
2022	\$ 8,942,766	\$ 7,029,300	127%	25%	120%

Decrease from FY 2019 to FY 2020:

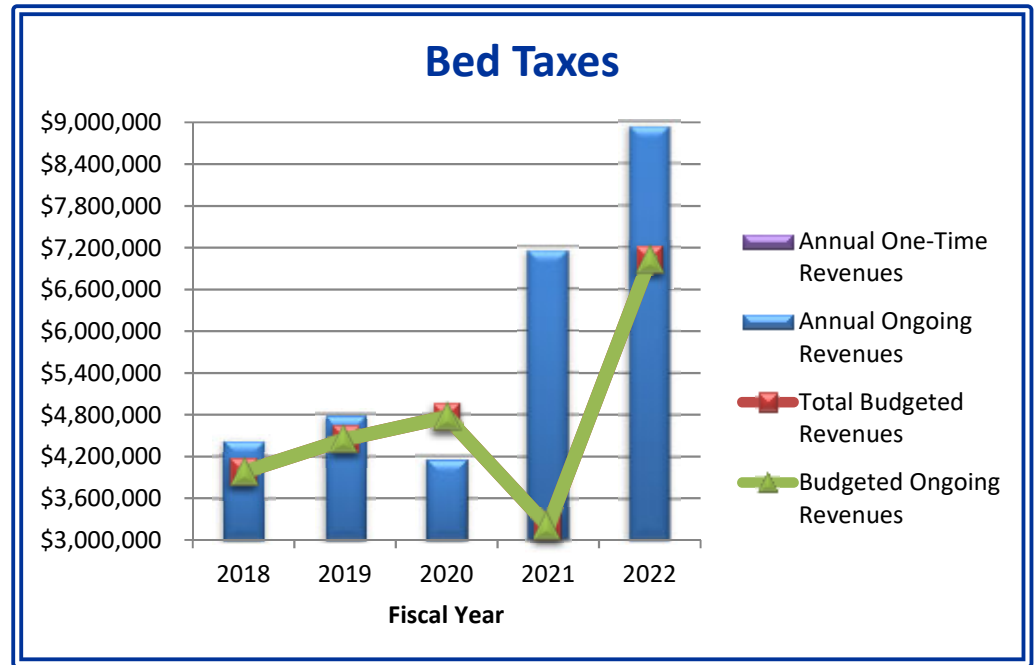
The decrease is a result of the COVID-19 closures and slightly reduced activity after the closures were lifted.

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.

Increase from FY 2021 to FY 2022:

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 2022: The continuing increase in tourism levels over the significant increases in the prior year were not anticipated at the time of budget preparation.

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

Total Revenues by Type

In Lieu Revenues

On Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 643,087	\$ 627,600	102%		
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%
2022	\$ 735,136	\$ 692,600	106%	-13%	-20%

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:

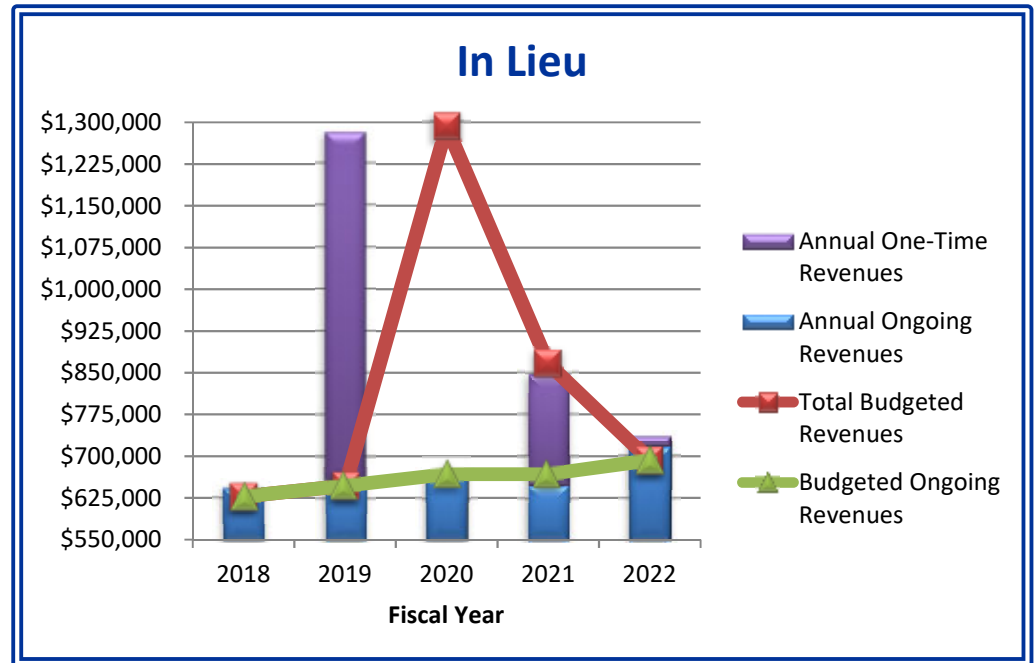
The decrease is primarily due to the one-time receipt of significant Affordable Housing in-lieu revenues in the prior year.

Increase from FY 2020 to FY 2021:

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

Decrease from FY 2021 to FY 2022:

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



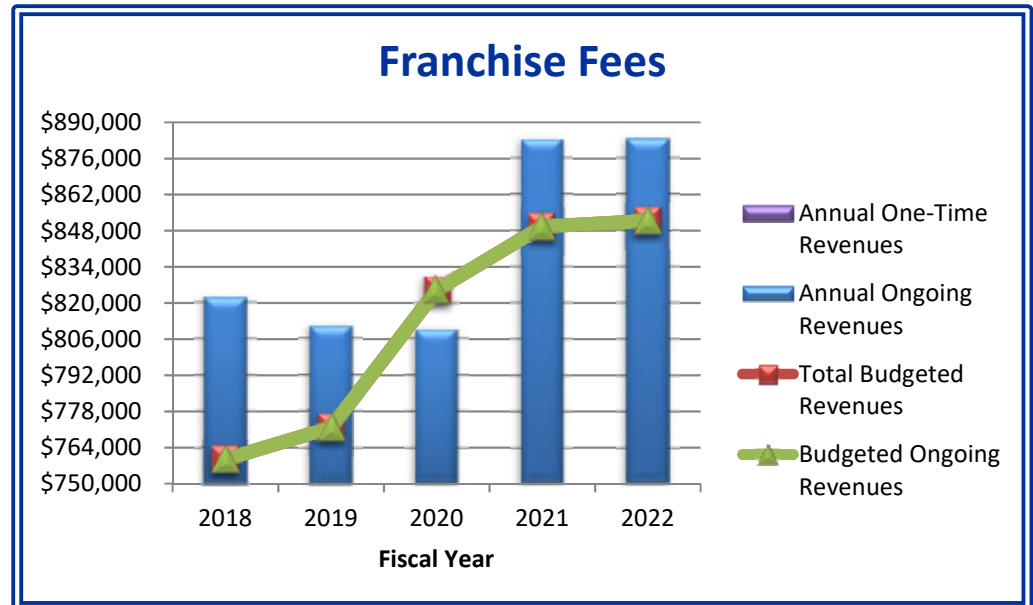
**Revenues are recognized when they are measurable and available. The period of availability is defined as 60 days. These revenues were received after the period of availability.

Total Revenues by Type

Franchise Fee Revenues

On Target for FY 2022

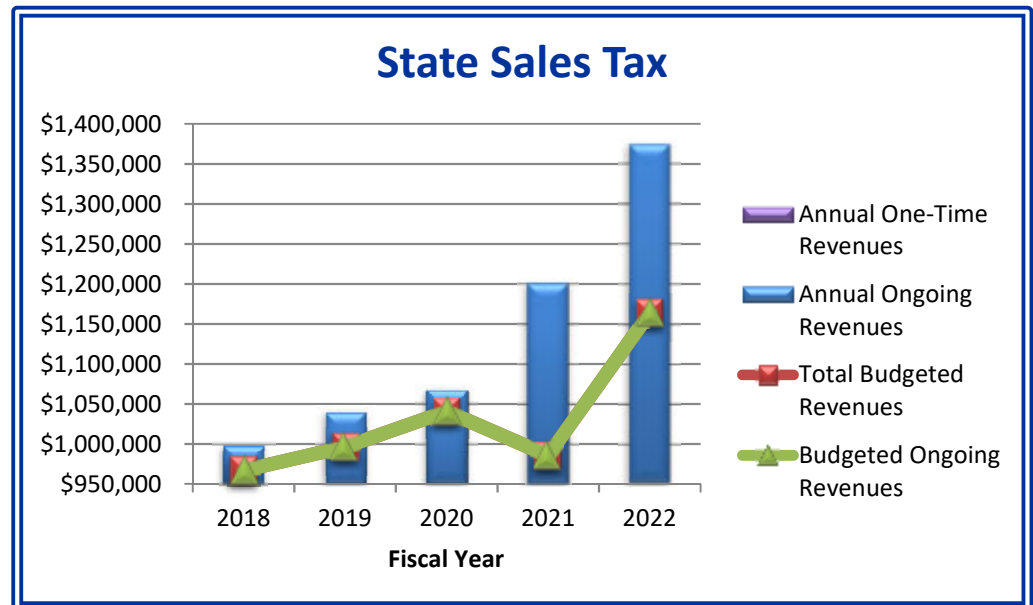
FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 822,122	\$ 759,400	108%		
2019	\$ 810,916	\$ 771,800	105%	-1%	2%
2020	\$ 809,674	\$ 825,100	98%	<-1%	7%
2021	\$ 883,456	\$ 849,600	104%	9%	3%
2022	\$ 883,545	\$ 851,800	104%	<1%	<1%



State Sales Tax Revenues

Exceeds Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 998,202	\$ 966,900	103%		
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%
2022	\$ 1,374,160	\$ 1,163,600	118%	15%	18%



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 2022: Revenues were estimated conservatively.

Total Revenues by Type

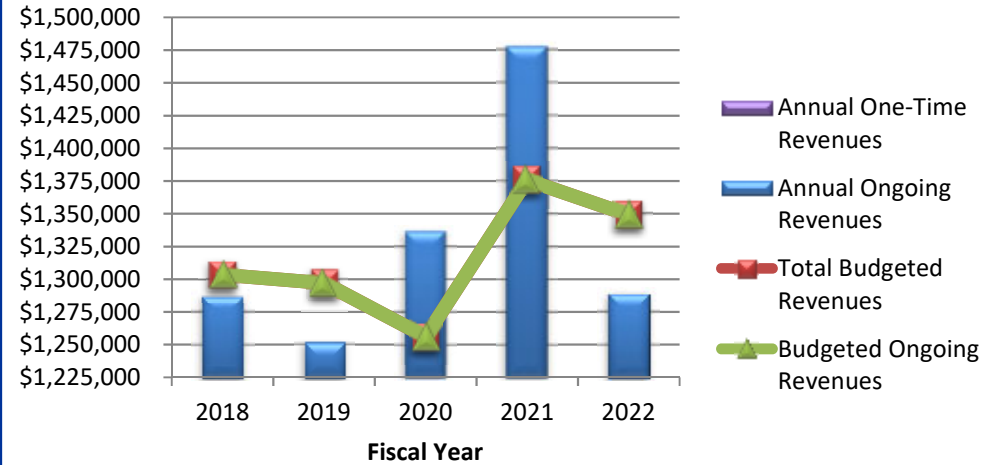
Urban Revenue Sharing Revenues

On Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 1,287,767	\$ 1,303,500	99%		
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%
2022	\$ 1,289,131	\$ 1,349,000	96%	-13%	-2%

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.

Urban Revenue Sharing



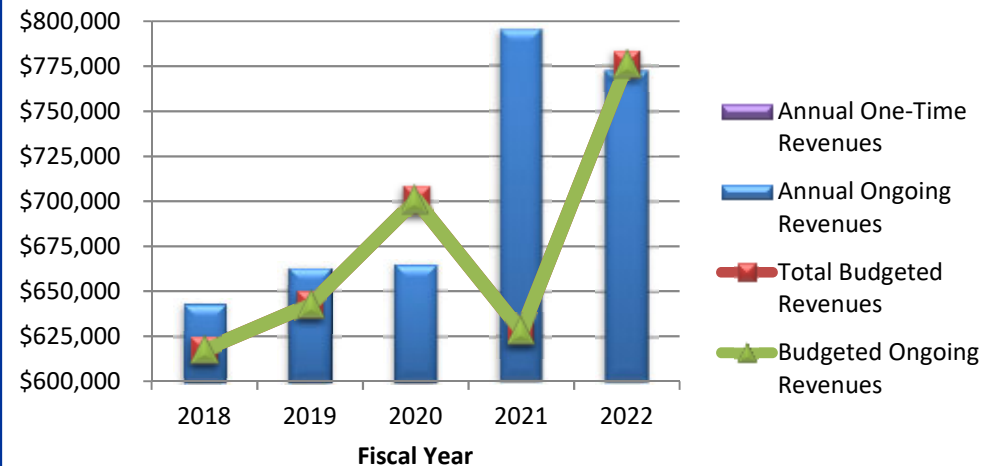
Vehicle License Tax Revenues

On Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 642,895	\$ 617,600	104%		
2019	\$ 662,934	\$ 642,600	103%	3%	4%
2020	\$ 664,581	\$ 700,800	95%	<1%	9%
2021	\$ 795,420	\$ 627,900	127%	20%	-10%
2022	\$ 772,588	\$ 775,900	100%	-3%	24%

Increases/Decreases: Vehicle license taxes are shared with counties and municipalities and allocated primarily based on population. The amount can fluctuate based on vehicle sales each year.

Vehicle License Tax



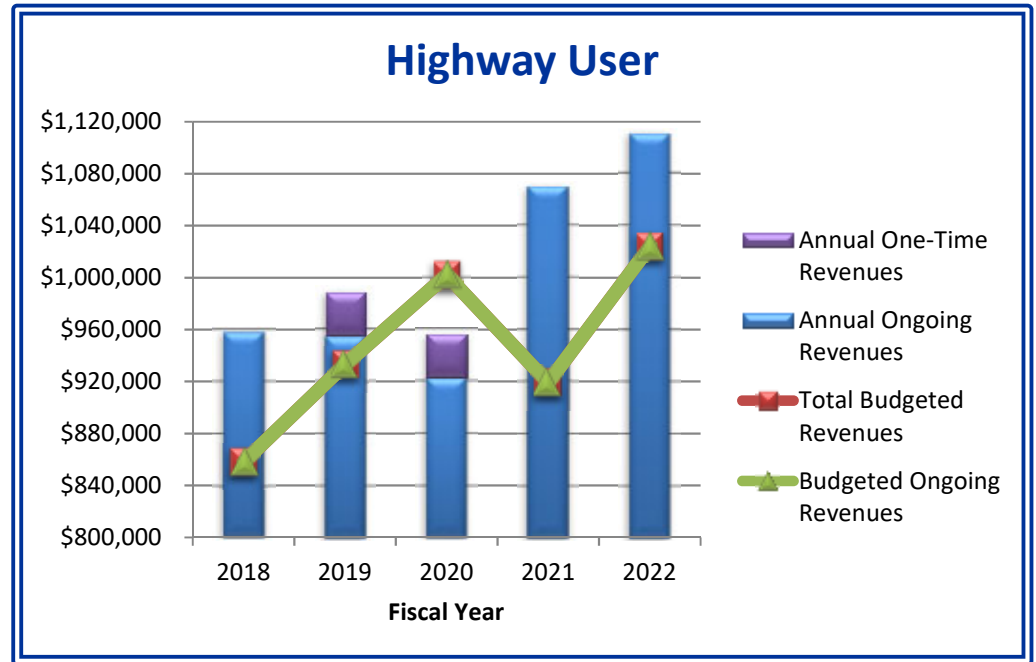
Total Revenues by Type

Highway User Revenues

On Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 958,278	\$ 858,200	112%		
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%
2022	\$ 1,110,759	\$ 1,024,000	108%	4%	11%

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.



Total Revenues by Type

Other Intergovernmental Revenues			Under Target for FY 2022		
FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 1,048,665	\$ 1,485,317	71%		
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%
2022	\$ 1,336,818	\$ 5,374,230	25%	170%	200%

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.

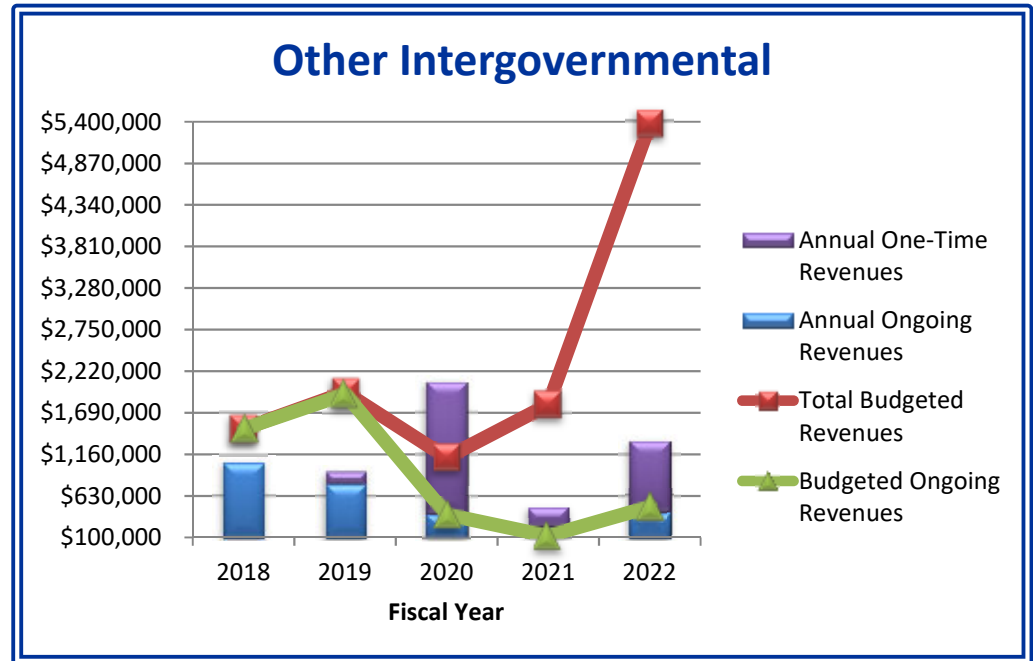
Decrease from FY 2020 to FY 2021:

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

Increase from FY 2021 to FY 2022:

(1) The increase included one-time grant funding for capital improvement projects, the Hope House project, and police motorcycles.

(2) The increase also included an increase in the flood control funding from Yavapai County for storm drainage projects and the addition of funding from City of Cottonwood for a shared Housing Manager position.



Under Target for FY 2022: The FY 2022 revenues were under target primarily due to the delays in the receipt of Congressionally Directed Funding for the police facility remodel and the Shelby Drive improvements projects. In addition, while the first half of the American Rescue Plan Act (ARPA) funding was budgeted and received, it will not be recognized as revenue until allowable expenditures are incurred. Also, speculative grant funding was budgeted for transit capital improvement projects that did not move forward as quickly as anticipated.

Total Revenues by Type

License & Permit Revenues

Exceeds Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 456,278	\$ 486,550	94%		
2019	\$ 381,501	\$ 350,180	109%	-16%	-28%
2020	\$ 313,929	\$ 401,050	78%	-18%	15%
2021	\$ 385,953	\$ 490,150	79%	23%	22%
2022	\$ 469,114	\$ 334,275	140%	22%	-32%

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.

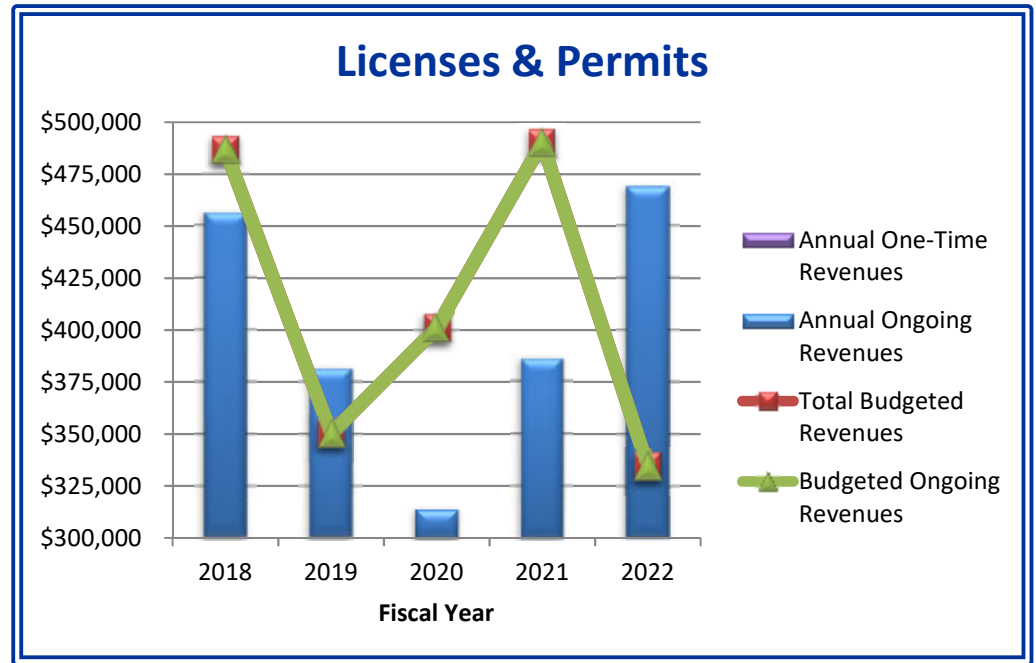
Increase from FY 2020 to FY 2021:

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

Increase from FY 2021 to FY 2022:

The increase was largely due to increases in building permit, conditional use permit, and right-of-way permit revenues.

Exceeds Target for FY 2022: Building permit, conditional use permit, and right-of-way permit revenues were higher than anticipated.

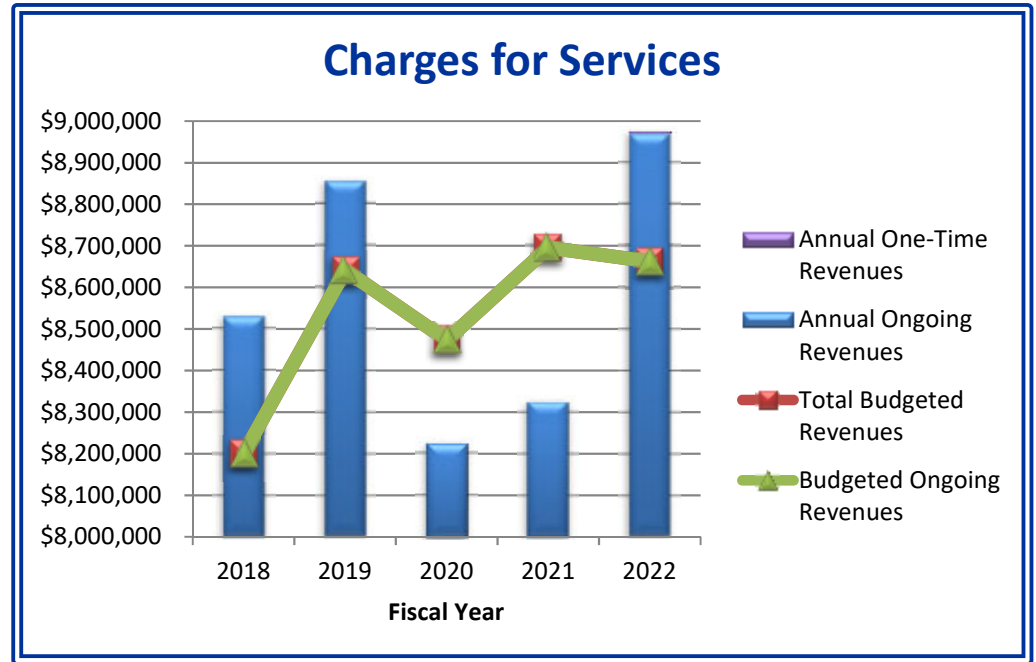


Total Revenues by Type

Charges for Services Revenues

On Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 8,528,856	\$ 8,200,780	104%		
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%
2022	\$ 8,975,202	\$ 8,662,570	104%	8%	<-1%



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

Total Revenues by Type

Fines & Forfeitures Revenues

On Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 333,546	\$ 230,450	145%		
2019	\$ 295,737	\$ 281,990	105%	-11%	22%
2020	\$ 226,164	\$ 296,960	76%	-24%	5%
2021	\$ 422,276	\$ 288,460	146%	87%	-3%
2022	\$ 307,298	\$ 279,600	110%	-27%	-3%

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:

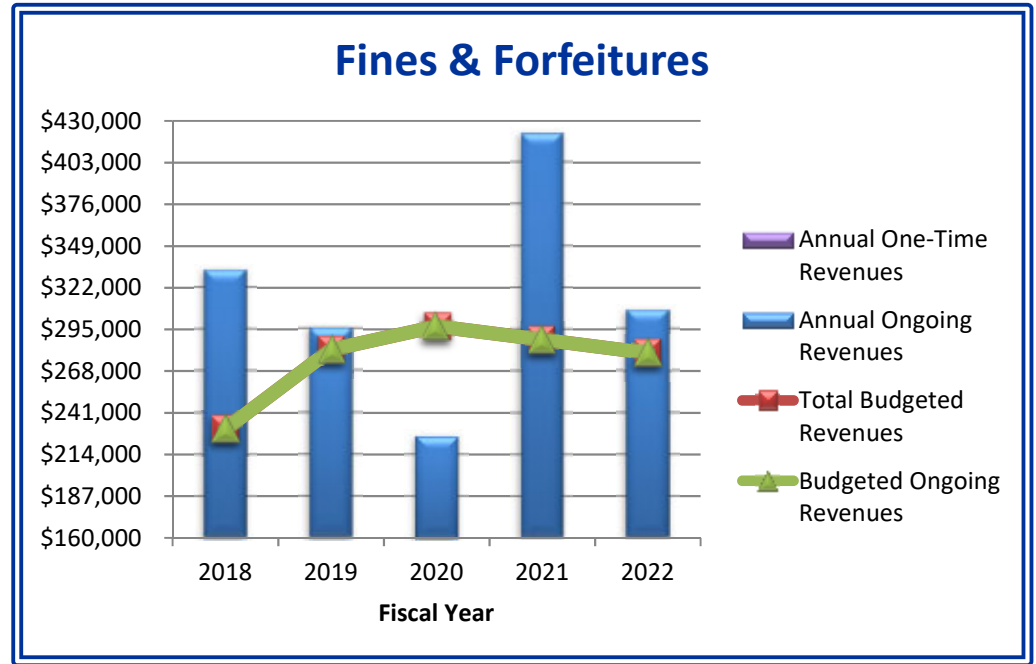
- (1) The decrease was partly due to a significant write-off of wastewater late fees and the suspension of late fees during the COVID-19 closures.
- (2) The decrease was also partly due to a reduction in court fines collected which is largely due to the level of policing activity and citations written.

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.

Decrease from FY 2021 to FY 2022:

- (1) The decrease was largely due to a reduction of the number of parking citations written due primarily to measures put in place to minimize illegal parking at trailhead locations.
- (2) The decrease was also partly due to a reduction in court fines collected.



Total Revenues by Type

Development Impact Fee Revenues

Under Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 207,076	\$ 213,880	97%		
2019	\$ 292,546	\$ 197,410	148%	41%	-8%
2020	\$ 478,598	\$ 626,350	76%	64%	217%
2021	\$ 659,553	\$ 595,200	111%	38%	-5%
2022	\$ 396,256	\$ 506,760	78%	-40%	-15%

Increase from FY 2019 to FY 2020:

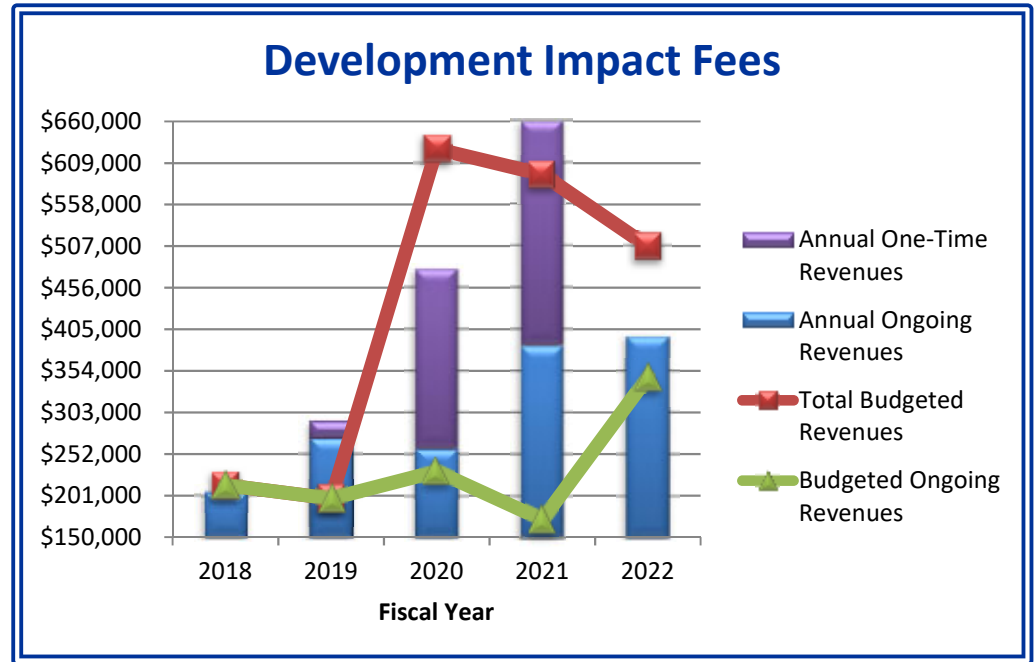
The increase was primarily due to fees assessed with the permitting of a large multi-family development.

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.

Under Target for FY 2022: The budgeted one-time development impact fees were not received during the fiscal year due to delays in those development projects.



Total Revenues by Type

Capacity Fee Revenues

Under Target for FY 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 523,013	\$ 403,100	130%		
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%
2022	\$ 626,266	\$ 931,756	67%	-56%	-42%

Increase from FY 2019 to FY 2020:

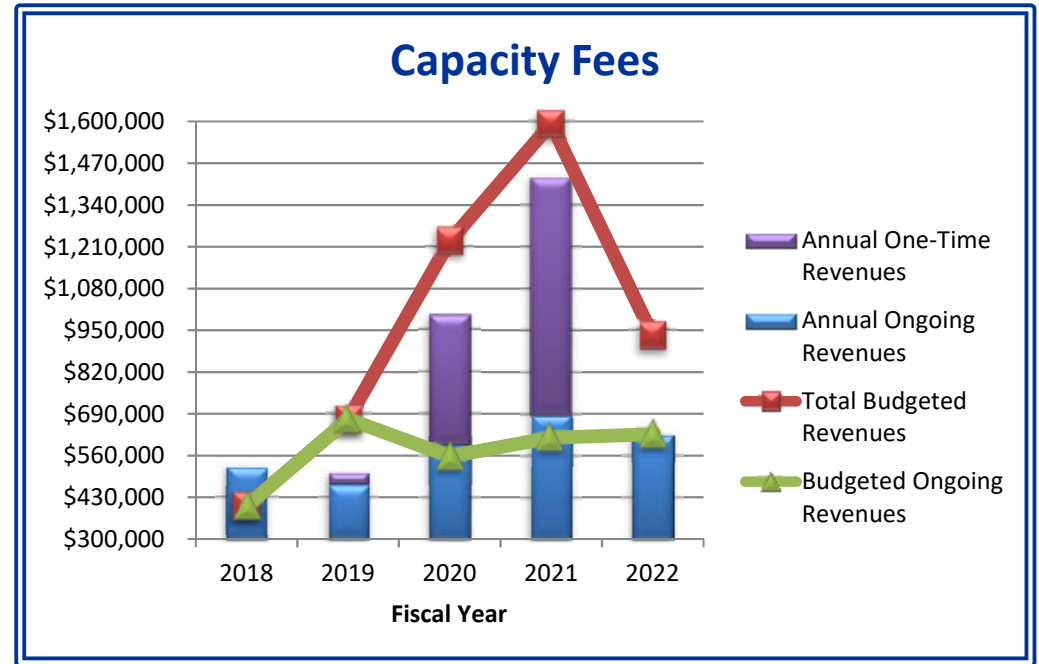
The increase was primarily due to fees assessed with the permitting of a large multi-family development.

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 2022: 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 2022

FY	Annual Revenues	Budgeted Revenues	% of Budgeted Rev.	% Increase - Annual	% Increase - Budgeted
2018	\$ 1,018,991	\$ 595,380	171%		
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%
2022	\$ (1,768,826)	\$ 1,020,860	-173%	-384%	13%

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.

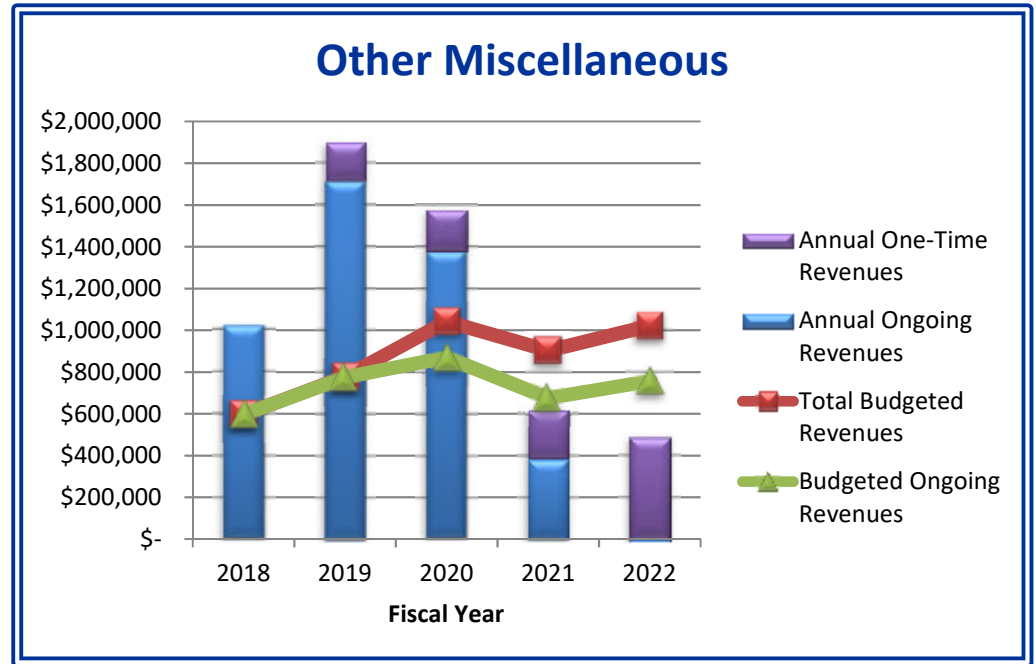
Decrease from FY 2020 to FY 2021:

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

Decrease from FY 2021 to FY 2022:

The decrease was due to unrealized losses in the fair value of investments. The City has no plans to sell these investments at a loss and expects to hold them to maturity.

Under Target for FY 2022: The FY 2022 revenues were significantly under budget due to unrealized losses in the fair value of investments. The City has no plans to sell these investments at a loss and expects to hold them to maturity.



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 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 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
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July 2021	\$ 838,054	\$ 433,735	\$ 548,655	\$ 217,070	\$ 144,246	\$ 66,645	\$ 122,765	\$ 2,371,170
August 2021	816,112	407,527	567,906	116,831	142,622	68,876	117,481	2,237,355
September 2021	905,499	513,583	737,029	139,929	184,095	69,151	131,091	2,680,377
October 2021	1,025,419	576,025	922,123	133,049	190,939	65,184	160,526	3,073,265
November 2021	917,977	499,249	812,224	126,890	170,352	56,451	135,092	2,718,235
December 2021	1,032,105	481,518	679,453	137,907	171,397	62,690	95,083	2,660,153
January 2022	799,129	388,620	554,271	200,460	161,413	66,789	72,631	2,243,313
February 2022	837,596	455,020	774,763	182,213	163,634	61,950	114,206	2,589,382
March 2022	1,039,427	613,199	861,929	163,309	191,733	61,955	190,819	3,122,371
April 2022	1,020,634	638,121	1,042,841	133,182	146,074	64,545	228,550	3,273,947
May 2022	992,514	594,144	999,727	176,456	181,003	54,141	148,004	3,145,989
June 2022	909,880	472,025	680,996	216,501	163,969	69,234	124,129	2,636,734

Total Year-to-Date FY 2022	\$ 11,134,346	\$ 6,072,766	\$ 9,181,917	\$ 1,943,797	\$ 2,011,477	\$ 767,611	\$ 1,640,377	\$ 32,752,291
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Current Month Comparison to Same Month Last Year

June 2021 vs. June 2022	\$ (29,602)	\$ 9,673	\$ 22,601	\$ 67,960	\$ 12,550	\$ (9,460)	\$ 6,891	\$ 80,613
Change from June to June	-3%	2%	3%	46%	8%	-12%	6%	3%

Annual Comparison to Last Year

FY 2021 vs. FY 2022	\$ 1,318,185	\$ 855,129	\$ 1,873,490	\$ 137,680	\$ 171,164	\$ (21,421)	\$ 599,276	\$ 4,933,503
% Change from FY 2021	13%	16%	26%	8%	9%	-3%	58%	18%

Sales & Bed Tax Revenues by Month

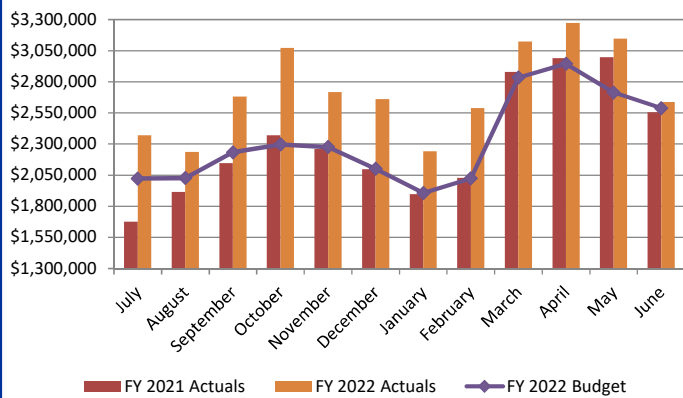
City Sales Tax Revenues

Month	FY 2021 Actuals	FY 2022 Actuals	Actual Variance	FY 2022 Budget	Budget Variance
July	\$ 1,676,229	\$ 2,371,171	41%	\$ 2,023,090	17%
August	1,916,499	2,237,356	17%	2,027,170	10%
September	2,147,841	2,680,378	25%	2,233,640	20%
October	2,370,109	3,073,265	30%	2,296,980	34%
November	2,261,247	2,718,236	20%	2,276,530	19%
December	2,097,442	2,660,152	27%	2,101,130	27%
January	1,897,890	2,243,313	18%	1,906,970	18%
February	2,029,302	2,589,382	28%	2,024,600	28%
March	2,879,611	3,122,370	8%	2,833,890	10%
April	2,989,603	3,273,947	10%	2,944,270	11%
May	2,996,892	3,145,989	5%	2,714,340	16%
June	2,556,122	2,636,732	3%	2,588,790	2%
Totals	\$ 27,818,788	\$ 32,752,291	18%	\$ 27,971,400	17%

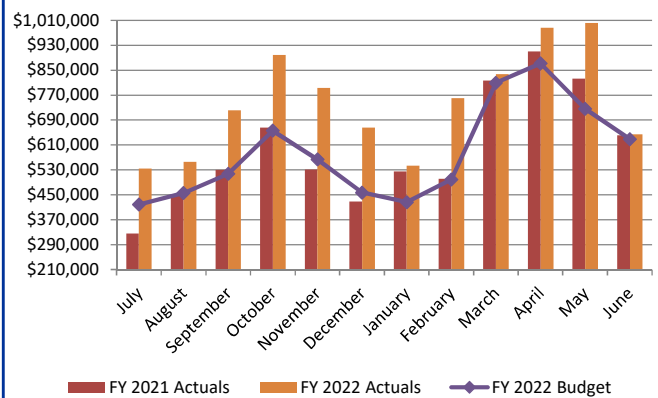
Bed Tax Revenues

Month	FY 2021 Actuals	FY 2022 Actuals	Actual Variance	FY 2022 Budget	Budget Variance
July	\$ 325,985	\$ 534,113	64%	\$ 418,950	27%
August	451,740	555,700	23%	455,560	22%
September	529,984	721,023	36%	516,890	39%
October	666,300	898,777	35%	656,020	37%
November	530,789	793,202	49%	563,610	41%
December	428,299	666,066	56%	457,120	46%
January	524,906	543,480	4%	426,140	28%
February	501,554	760,338	52%	498,940	52%
March	816,370	837,639	3%	809,270	4%
April	910,047	985,921	8%	871,790	13%
May	823,386	1,002,126	22%	726,230	38%
June	641,641	644,379	0%	628,780	2%
Totals	\$ 7,150,999	\$ 8,942,766	25%	\$ 7,029,300	27%

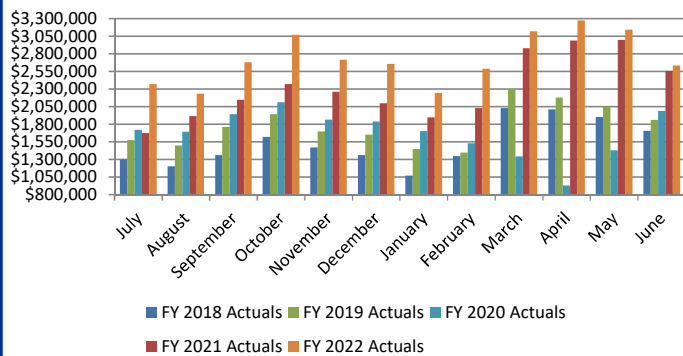
City Sales Tax Revenues



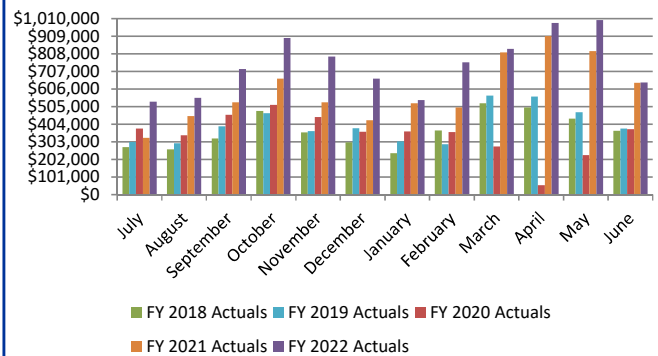
Bed Tax Revenues



City Sales Tax Revenues Historical Trends



Bed Tax Revenues Historical Trends



Historical Changes - City Sales Tax

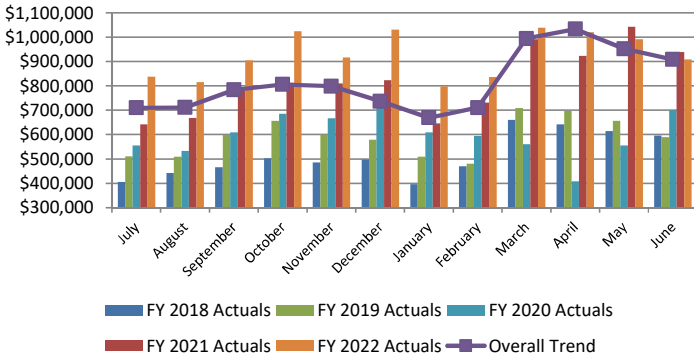
- Early FY 2020:** Effective October 1, 2019, all retail marketplaces are required to collect and remit taxes. This is the result of Wayfair v. South Dakota; however, many of the marketplaces were already collecting and remitting taxes. This impacts the Retail category.
- Mid FY 2019:** Effective January 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

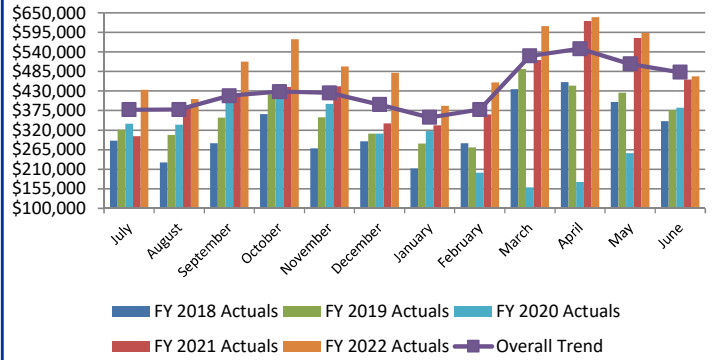
- Mid FY 2019:** Effective January 1, 2019, all online marketplaces (not just AirBnB) are required to remit short-term residential rental taxes on behalf of property owners.
- Mid FY 2017:** Effective January 1, 2017, the City is no longer allowed to prohibit short-term residential rentals.
- Mid FY 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.

Historical Sales Tax Revenues by Category

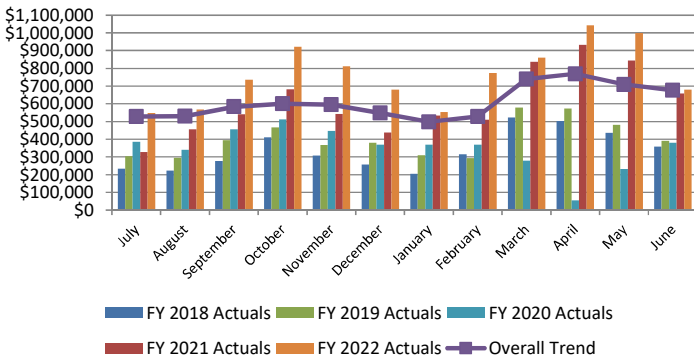
Retail Historical Trends



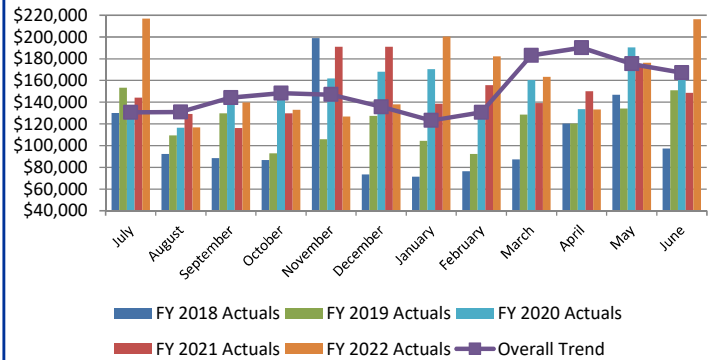
Restaurant & Bar Historical Trends



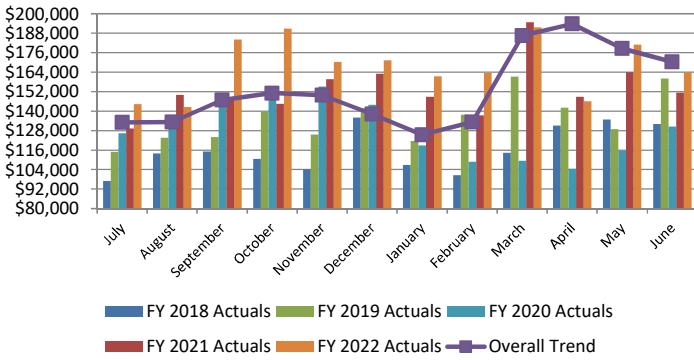
Hotel/Motel Historical Trends



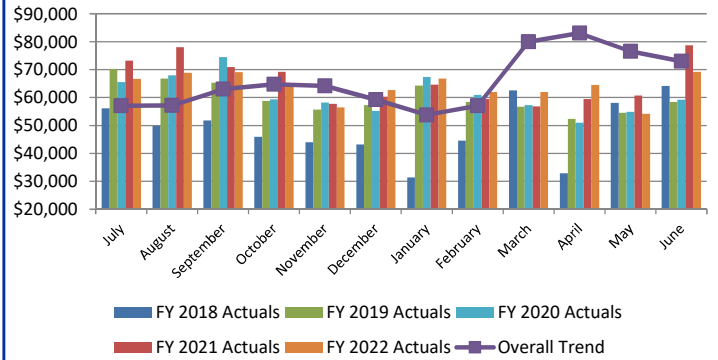
Construction Historical Trends



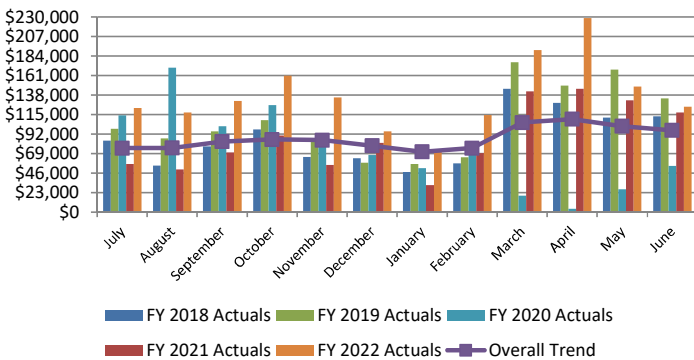
Leasing Historical Trends



Communications & Utilities Historical Trends



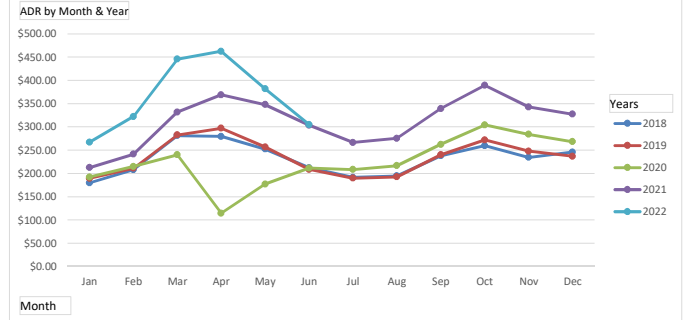
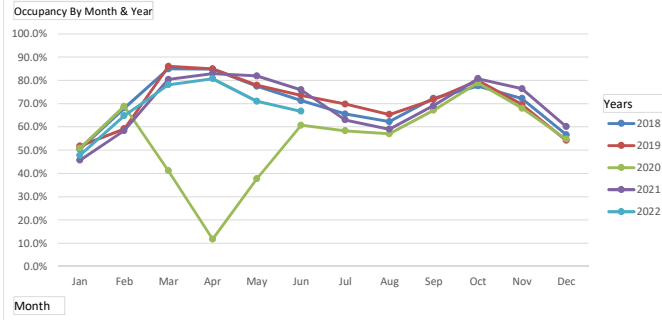
Amusements & Other Historical Trends



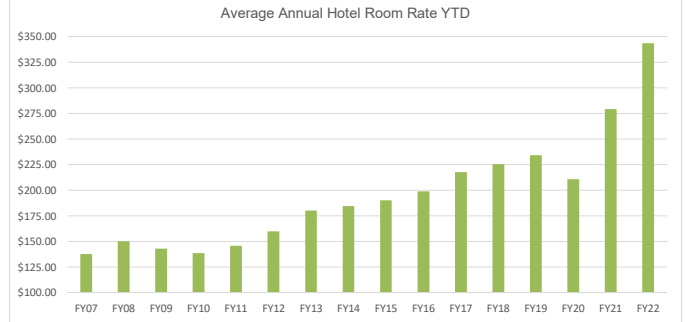
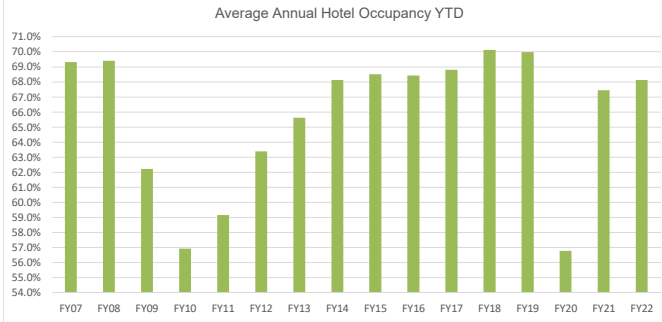
NOTE: The Overall Trend lines represent the trend in relation to total sales tax revenues to demonstrate how each category follows or does not follow the overall seasonal trends.

Historical Hotel Occupancy & Average Daily Room Rate

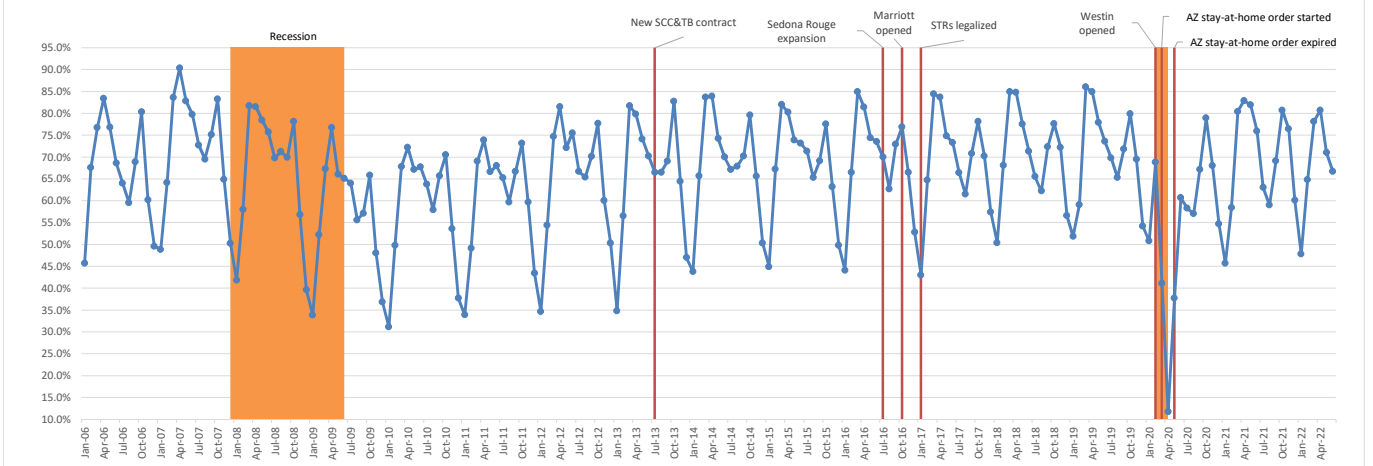
Monthly Hotel Occupancy & Average Daily Room Rate



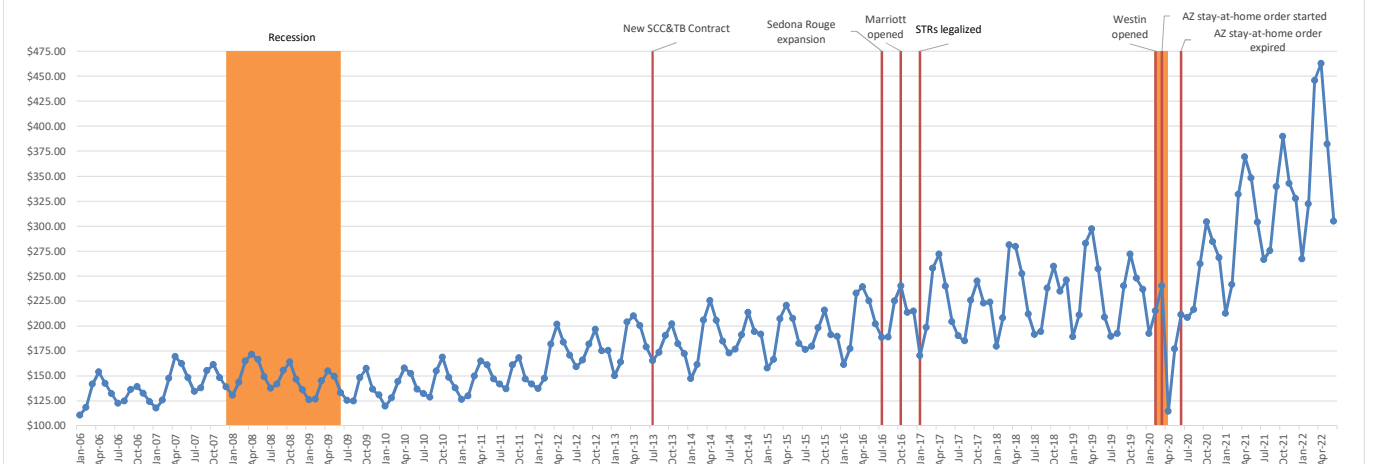
Average Annual Hotel Occupancy & Average Annual Room Rate as of June



Historical Hotel Occupancy



Historical Average Daily Room Rate



City Tax Code Definitions Related to Hotel/Motel Category

Section 8-100. General Definitions.

"Hotel" means any public or private hotel, inn, hostelry, tourist home, house, motel, rooming house, apartment house, trailer, or other lodging place within the City offering lodging, wherein the owner thereof, for compensation, furnishes lodging to any transient, except foster homes, rest homes, sheltered care homes, nursing homes, or primary health care facilities.

"Lodging (Lodging Space)" means any room or apartment in a hotel or any other provider of rooms, trailer spaces, or other residential dwelling spaces; or the furnishings or services and accommodations accompanying the use and possession of said dwelling space, including storage or parking space for the property of said tenant.

NOTE: The above occupancy and average daily room rate data is for traditional hotel type entities only.

General Fund Summary					
	FY 2022 Budget	FY 2022 Actuals	% of Budget	FY 2021 Actuals	Actual Variance
Revenues					
<u>Taxes:</u>					
City Sales Taxes	\$ 23,985,700	\$ 28,156,541	117%	\$ 23,972,811	17%
Bed Taxes	7,029,300	8,942,766	127%	7,150,999	25%
Franchise Fees	851,800	883,545	104%	883,456	<1%
<u>State Shared Revenues:</u>					
State Shared Sales Taxes	1,163,600	1,374,160	118%	1,199,926	15%
Urban Revenue Sharing	1,349,000	1,289,131	96%	1,477,587	-13%
Vehicle License Taxes	775,900	772,588	100%	795,420	-3%
<u>Other Intergovernmental:</u>					
Grants	32,160	42,977	134%	49,032	-12%
Other	24,950	29,141	117%	24,963	17%
In Lieu Fees	525,200	545,178	104%	515,335	6%
Licenses & Permits	334,275	469,114	140%	385,953	22%
Charges for Services	845,560	991,851	117%	667,178	49%
Fines & Forfeitures	208,300	244,155	117%	360,370	-32%
<u>Other Revenues:</u>					
Interest Earnings	219,610	(973,797)	-443%	65,614	-1584%
Rental Income	39,300	109,147	278%	41,892	161%
Miscellaneous	187,450	463,586	247%	237,211	95%
Total Revenues	\$ 37,572,105	\$ 43,340,083	115%	\$ 37,827,746	15%
Expenditures					
<u>General Government:</u>					
City Council	\$ 73,211	\$ 63,800	87%	\$ 55,066	16%
City Manager's Office	1,027,680	969,912	94%	758,219	28%
Human Resources	346,660	278,009	80%	282,951	-2%
Financial Services	1,343,225	1,159,823	86%	1,037,947	12%
City Attorney's Office	673,920	550,893	82%	545,741	1%
City Clerk's Office	296,644	296,640	100%	288,822	3%
General Services	856,760	832,911	97%	462,275	80%
Community Development	929,227	747,813	80%	705,477	6%
Public Works	718,290	755,625	105%	572,273	32%
Municipal Court	611,490	499,174	82%	411,817	21%
<u>Public Safety:</u>					
General Services	76,419	76,232	100%	75,169	1%
Community Development	826,480	781,318	95%	648,401	20%
Police	5,885,504	5,676,440	96%	4,724,949	20%
Other	26,800	26,778	100%	-	∞
<u>Public Works & Streets:</u>					
Public Works	1,992,118	1,863,775	94%	2,080,315	-10%
<u>Culture & Recreation:</u>					
City Manager's Office	111,160	110,265	99%	73,057	51%
Parks & Recreation	870,975	688,025	79%	476,757	44%
General Services	506,031	506,031	100%	498,553	1%
Public Works	849,350	840,337	99%	637,423	32%
<u>Economic Development:</u>					
City Manager's Office	2,100,000	1,866,216	89%	2,737,503	-32%
Economic Development:	332,870	259,690	78%	190,095	37%
<u>Health & Welfare:</u>					
City Manager's Office	730,350	467,623	64%	249,619	87%
General Services	395,850	395,850	100%	389,970	2%
Public Works	102,000	102,000	100%	-	∞
<u>Public Transportation:</u>					
General Services	60,900	60,900	100%	60,000	2%
Debt Service	1,242,230	1,242,221	100%	1,032,801	20%
Indirect Cost Allocations	487,230	612,700	126%	671,640	-9%
Contingencies	475,000	-	0%	-	N/A
Net Addition to Equipment Replacement Reserve	(380,400)	(380,400)	100%	-	∞
Total Expenditures	\$ 23,567,973	\$ 21,350,602	91%	\$ 19,666,840	9%
Other Financing Sources (Uses)					
Transfers from Development Impact Fees Funds	-	194	∞	-	∞
Transfers to Capital Improvements Fund	(4,350,000)	(4,354,921)	100%	(4,237,480)	<-1%
Transfers to Wastewater Fund	(3,300,000)	(3,300,000)	100%	(3,400,000)	3%
Transfers to Affordable Housing Fund	(2,296,330)	(2,296,321)	100%	(200,000)	<-1%
Transfers to Development Impact Fees Funds	(200)	-	0%	-	N/A
Transfers to Information Technology Fund	(48,970)	(26,899)	55%	-	∞
Transfers to Public Transit Fund	(224,000)	(170,147)	76%	-	∞
Transfers to Streets Fund	-	(195,564)	∞	(272,840)	28%
Total Other Financing Sources (Uses)	\$ (10,219,500)	\$ (10,343,658)	101%	\$ (8,110,320)	<-1%
Fund Balances					
Beginning Fund Balance, July 1, as restated	\$ 20,691,475	\$ 23,296,116	113%	\$ 13,245,530	76%
<u>Ending Fund Balance, June 30:</u>					
Operating Reserve	\$ 6,603,868	\$ 6,714,698	102%	\$ 6,158,134	9%
Equipment Replacement Reserve	1,330,325	1,348,009	101%	967,609	39%
Budget Carryovers Reserve	-	143,660	∞	169,300	-15%
Committed for Affordable Housing	-	750,000	∞	1,796,321	-58%
Committed for PSPRS Contributions	-	1,000,000	∞	-	∞
Assigned for Capital Improvements	-	11,024,110	∞	-	∞
Assigned for Public Transit	-	5,000,000	∞	-	∞
Assigned for Real Estate/Land Acquisition	-	-	N/A	1,854,921	-100%
Assigned for Uptown Improvements	453,056	260,053	57%	138,379	88%
Restricted for PD Programs	-	1,459	∞	-	∞
Restricted for Financed Purchases	-	370,339	N/A	-	∞
Prepaid Items	-	67,053	∞	14,857	351%
Prior Year Surplus to be Appropriated	16,278,562	-	0%	-	N/A
Unrestricted Fund Balance	(189,704)	8,262,557	<1%	12,196,595	-32%
Total Ending Fund Balance, June 30	\$ 24,476,107	\$ 34,941,939	143%	\$ 23,296,116	50%

Wastewater Enterprise Fund Summary

	FY 2022 Budget	FY 2022 Actuals	% of Budget	FY 2021 Actuals	Actual Variance
Revenues					
Charges for Services	\$ 6,046,990	\$ 6,245,944	103%	\$ 5,991,385	4%
Capacity Fees	931,756	626,266	67%	1,425,828	-56%
Fines & Forfeitures	47,500	34,934	74%	35,959	-3%
<u>Other Revenues:</u>					
Interest Earnings	201,390	(565,846)	-281%	81,728	-792%
Miscellaneous	11,250	12,530	111%	9,144	37%
Total Revenues	\$ 7,238,886	\$ 6,353,828	88%	\$ 7,544,045	-16%
Expenditures					
<u>Wastewater Administration:</u>					
Salaries & Benefits	\$ 190,500	\$ 193,563	102%	\$ 188,887	2%
Other Expenditures	57,520	44,385	77%	29,935	48%
<u>Wastewater Operations:</u>					
Salaries & Benefits	1,112,750	982,927	88%	870,562	13%
Utilities	523,000	469,172	90%	445,657	5%
Maintenance	665,700	657,054	99%	574,521	14%
Other Expenditures	1,171,625	926,551	79%	366,064	153%
<u>Wastewater Capital Projects:</u>					
Salaries & Benefits	124,620	125,080	100%	117,736	6%
Other Expenditures	1,535	-	0%	-	N/A
Capital Improvement Projects	3,270,130	1,754,689	54%	1,797,745	-2%
<u>Indirect Cost/Departmental Allocations:</u>					
City Manager's Office	84,250	78,950	94%	64,590	22%
Human Resources	52,570	43,610	83%	41,660	5%
Financial Services	614,820	531,733	86%	488,977	9%
Information Technology	215,305	192,777	90%	190,602	1%
City Attorney's Office	156,680	61,629	39%	45,275	36%
City Clerk's Office	3,160	2,920	92%	10,280	-72%
General Services	79,030	80,260	102%	74,540	8%
Public Works	283,940	237,184	84%	283,310	-16%
Debt Service	4,794,875	4,658,820	97%	4,690,796	-1%
Contingencies	100,000	-	0%	-	N/A
Net Addition to Equipment Replacement Reserve	(628,800)	(612,505)	97%	-	∞
Net Addition to Major Maintenance Reserve	(83,850)	(500)	1%	-	∞
Total Expenditures	\$ 12,789,360	\$ 10,428,299	82%	\$ 10,281,138	1%
Other Financing Sources (Uses)					
Refunding Bonds Issued	\$ 9,000,000	\$ 8,890,000	99%	-	∞
Payment to Refunded Bond Escrow Agent	\$ (9,000,000)	\$ (8,769,995)	97%	-	∞
Transfers from General Fund	\$ 3,300,000	\$ 3,300,000	100%	\$ 3,400,000	-3%
Total Other Financing Sources (Uses)	\$ 3,300,000	\$ 3,420,005	104%	\$ 3,400,000	1%
Fund Balances					
Beginning Fund Balance, July 1, as restated	\$ 17,403,394	\$ 17,442,860	100%	\$ 16,774,954	4%
<u>Ending Fund Balance, June 30:</u>					
Operating Reserve	\$ 1,791,135	\$ 1,762,952	98%	\$ 1,506,162	17%
Equipment Replacement Reserve	1,464,727	1,579,063	108%	966,558	63%
Major Maintenance Reserve	147,286	20,887	14%	89,436	-77%
Capital Improvements Reserve	2,105,000	4,935,000	234%	3,163,000	56%
Budget Carryovers Reserve	-	167,500	∞	80,000	109%
Prepaid Items	-	13,866	N/A	1,103	1158%
Unrestricted Fund Balance	9,644,772	8,309,127	86%	11,631,602	-29%
Total Ending Fund Balance, June 30	\$ 15,152,920	\$ 16,788,395	111%	\$ 17,437,860	-4%

All Funds Summary

	Beginning Fund Balance, July 1, 2021	Revenues	Budgeted Expenditures	Actual Expenditures	% of Budget	Other Financing Sources	Other Financing Uses	Net Interfund Transfers	Ending Fund Balance, June 30, 2022
General Fund	\$ 23,296,116	\$ 43,340,083	\$ 23,567,973	\$ 21,350,602	91%	\$ -	\$ -	\$ (10,343,658)	\$ 34,941,939
<i>Special Revenue Funds</i>									
Streets Fund	\$ 1,582,819	\$ 1,069,544	\$ 2,553,581	\$ 2,547,927	100%	\$ -	\$ -	\$ 195,564	\$ 300,000
Affordable Housing Fund	\$ 2,409,561	\$ (48,451)	\$ 2,657,030	\$ 137,596	5%	\$ -	\$ -	\$ 2,296,321	\$ 4,519,835
Grants, Donations & Other Funds	\$ 399,727	\$ 370,826	\$ 2,250,399	\$ 355,914	16%	\$ -	\$ -	\$ -	\$ 414,639
Transportation Sales Tax Fund	\$ 6,765,560	\$ 4,336,017	\$ 115,800	\$ 112,949	98%	\$ -	\$ -	\$ (2,490,483)	\$ 8,498,145
<i>Capital Projects Funds</i>									
Development Impact Fees Funds	\$ 2,990,770	\$ 290,565	\$ 3,992,004	\$ 2,599,761	65%	\$ -	\$ -	\$ 1,586,920	\$ 2,268,493
Capital Improvements Fund	\$ 9,340,601	\$ 564,038	\$ 10,869,650	\$ 8,697,902	80%	\$ 25,423,903	\$ -	\$ 4,087,937	\$ 30,718,577
Art in Public Places Fund	\$ 174,427	\$ (6,257)	\$ 136,000	\$ 3,675	3%	\$ -	\$ -	\$ 26,950	\$ 191,445
<i>Enterprise Funds</i>									
Public Transit Enterprise Fund	\$ -	\$ 50,230	\$ 1,901,571	\$ 1,216,956	64%	\$ -	\$ -	\$ 1,313,551	\$ 146,825
Wastewater Enterprise Fund	\$ 17,442,860	\$ 6,353,828	\$ 12,789,360	\$ 10,428,299	82%	\$ 8,890,000	\$ (8,769,995)	\$ 3,300,000	\$ 16,788,395
<i>Internal Service Funds</i>									
Information Technology Internal Service Fund	\$ 915,296	\$ 1,706,318	\$ 1,859,475	\$ 1,715,357	92%	\$ -	\$ -	\$ 26,899	\$ 933,155
Total All City Funds	\$ 65,317,739	\$ 58,026,740	\$ 62,692,843	\$ 49,166,938	78%	\$ 34,313,903	\$ (8,769,995)	\$ -	\$ 99,721,449
<i>Community Facilities Districts</i>									
Sedona Summit II	\$ 385,049	\$ 33,121	\$ 50,000	\$ 50,000	100%	\$ -	\$ -	\$ -	\$ 368,170
Fairfield	\$ 85,930	\$ 142,644	\$ 165,000	\$ 165,000	100%	\$ -	\$ -	\$ -	\$ 63,573

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	Public Transit Fund	Wastewater Enterprise Fund	Info. Tech. Internal Service Fund	Total	CFD - Sedona Summit II	CFD - Fairfield
Nonspendable														
Long-term loans receivable			\$ 1,764,794									\$ 1,764,794		
Prepaid items	\$ 67,053				\$ 27,000				\$ 10,000	\$ 13,866	\$ 41,171	\$ 159,090		
Restricted														
Streets						\$ 156,376						\$ 156,376		
Affordable housing												\$ -		
Court improvements				\$ 53,016								\$ 53,016		
Criminal case processing				\$ 52,178								\$ 52,178		
Police programs	\$ 1,459			\$ 33,585								\$ 35,044		
Financed purchases	\$ 370,339											\$ 370,339		
Parks projects						\$ 2,674,126						\$ 2,674,126		
Transportation projects							\$ 19,672,269					\$ 19,672,269		
Public art								\$ 2,817				\$ 2,817		
CFD capital improvements												\$ -	\$ 368,170	\$ 63,573
Committed														
Equipment replacement										\$ 1,579,063	\$ 868,384	\$ 2,447,447		
Major maintenance										\$ 20,887		\$ 20,887		
Court enhancements				\$ 189,469								\$ 189,469		
PSPRS contributions	\$ 1,000,000			\$ 31,326								\$ 1,031,326		
Military Park				\$ 7,911								\$ 7,911		
Transportation programs					\$ 8,471,145							\$ 8,471,145		
Capital reserves (policy requirement)							\$ 8,515,809			\$ 4,935,000		\$ 13,450,809		
Public art								\$ 188,628				\$ 188,628		
Assigned														
Real estate/land acquisition							\$ 1,854,921					\$ 1,854,921		
Affordable housing	\$ 750,000		\$ 2,755,041									\$ 3,505,041		
Equipment replacement	\$ 1,348,009											\$ 1,348,009		
Budget carryovers	\$ 143,660								\$ 18,000	\$ 167,500	\$ 23,600	\$ 352,760		
Uptown improvements	\$ 260,053											\$ 260,053		
Public transit	\$ 5,000,000								\$ 118,825			\$ 5,118,825		
Streets		\$ 300,000										\$ 300,000		
Employee programs				\$ 2,288								\$ 2,288		
Special events				\$ 16,615								\$ 16,615		
Park improvements				\$ 2,835								\$ 2,835		
Police Explorer's program				\$ 8,305								\$ 8,305		
Police programs				\$ 14,760								\$ 14,760		
K-9 program				\$ 8,724								\$ 8,724		
Capital improvements (in excess of policy requirement)	\$ 11,024,110						\$ 675,578					\$ 11,699,688		
Operating Reserves	\$ 6,714,698									\$ 1,762,952		\$ 8,477,650		
Unassigned	\$ 8,262,557			\$ (6,373)		\$ (562,009)				\$ 8,309,127		\$ 16,003,302		
Totals	\$ 34,941,939	\$ 300,000	\$ 4,519,835	\$ 414,639	\$ 8,498,145	\$ 2,268,493	\$ 30,718,577	\$ 191,445	\$ 146,825	\$ 16,788,395	\$ 933,155	\$ 99,721,446	\$ 368,170	\$ 63,573

Nonspendable
Represents portion of fund balance already spent on FY 2023 expenditures and balances of loans representing amounts not available to spend

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

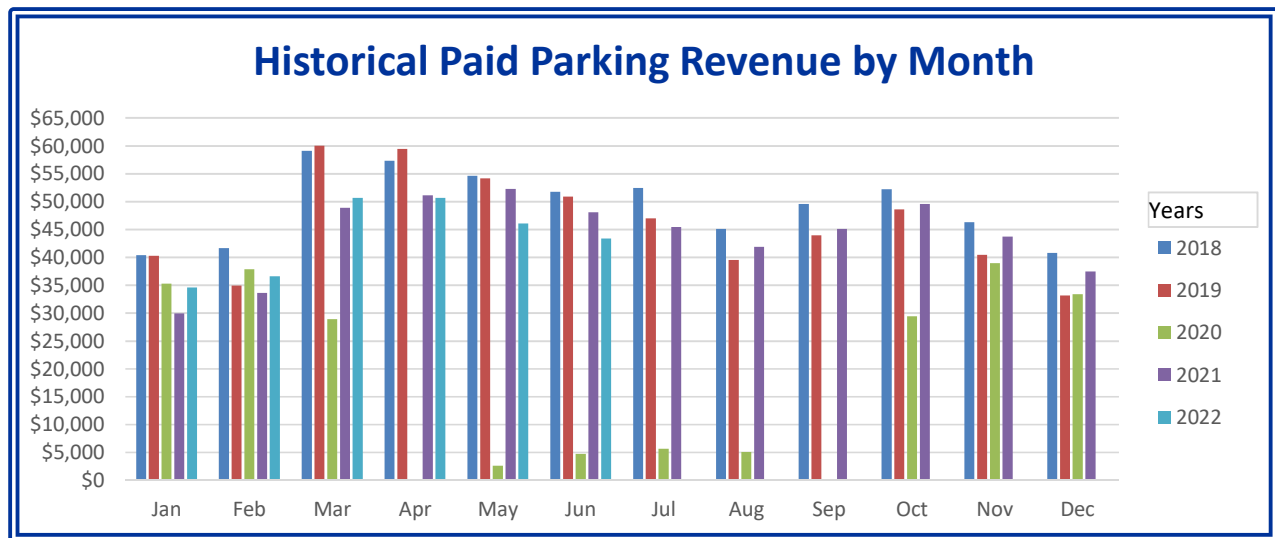
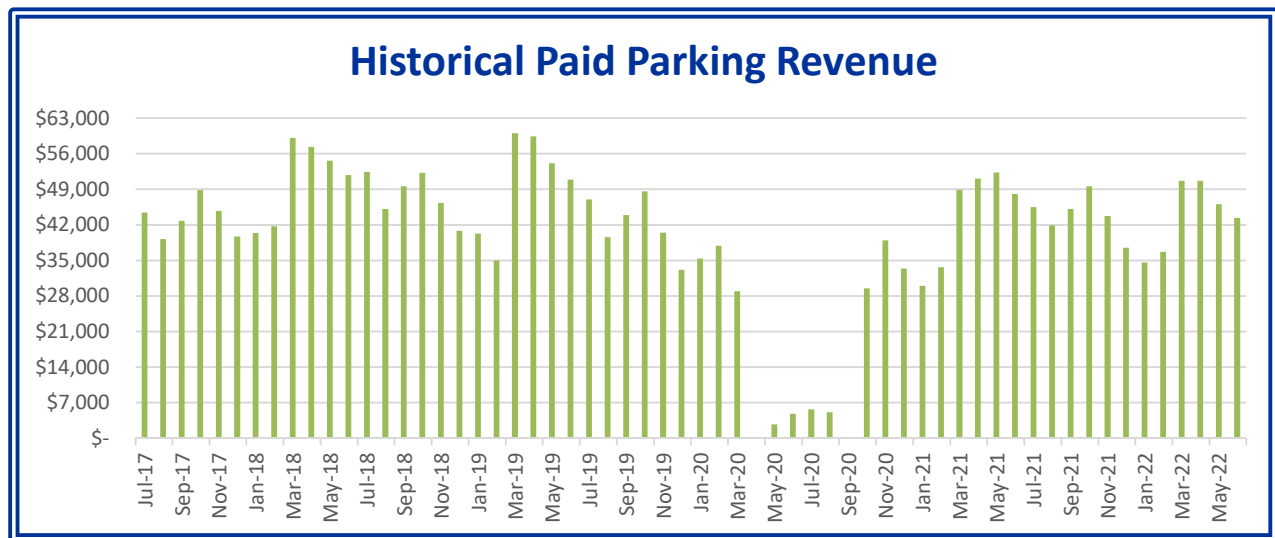
Assigned
Represents portion of fund balance with nonbinding assignments to specified purposes

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

Unassigned
Represents FY 2022 surplus in the General Fund, deficit balance for grants receivable and ST&PS program, deficit balance for police impact fees owed, and surplus in Wastewater Fund planned for deferral of future rate increases

Paid Parking Program Summary

	FY 2022 Budget	FY 2022 Actuals	% of Budget	FY 2021 Actuals	Actual Variance
Revenues					
Paid Parking Fees	\$ 576,000	\$ 525,355	91%	\$ 376,685	39%
Total Revenues	\$ 576,000	\$ 525,355	91%	\$ 376,685	39%
Program Support Costs					
Financial Services	\$ 53,990	\$ 45,071	83%	\$ 36,372	24%
Police	91,360	72,859	80%	39,403	85%
Total Program Support Costs	\$ 145,350	\$ 117,930	81%	\$ 75,775	56%
Net Revenues	\$ 430,650	\$ 407,424	95%	\$ 300,910	35%
Uptown Enhancement Costs					
Christmas Decorations	\$ 82,385	\$ 80,000	97%	\$ 76,261	5%
Uptown Lighting Improvements	-	-	N/A	63,604	-100%
Total Uptown Enhancement Costs	\$ 82,385	\$ 80,000	97%	\$ 486,405	-84%
Fund Balances					
Beginning Balance, July 1	\$ 72,321	\$ (197,559)	<1%	\$ (12,064)	<-1%
Total Ending Fund Balance, June 30	\$ 420,586	\$ 129,865	31%	\$ (197,559)	166%



Debt Outstanding⁽¹⁾

Bond Issue/Lease	Maturity Dates	Interest Rates	General Fund			Streets Fund			Transportation Sales Tax Fund			Development Impact Fees Funds		
			Remaining Principal Payments	Remaining Interest Payments	Total	Remaining Principal Payments	Remaining Interest Payments	Total	Remaining Principal Payments	Remaining Interest Payments	Total	Remaining Principal Payments	Remaining Interest Payments	Total
City Excise Tax Revenue Bonds														
Second Series 2015	7/1/2022-2027	1.94%	\$ 5,765,000	\$ 341,489	\$ 6,106,489	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Series 2021	7/1/2022-2026	1.16%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Series 2022 ⁽²⁾	7/1/2027-2042	4.0%-5.0%	\$ 6,011,111	\$ 3,479,639	\$ 9,490,750	\$ -	\$ -	\$ -	\$ 9,327,321	\$ 5,399,286	\$ 14,726,607	\$ 6,301,568	\$ 3,647,775	\$ 9,949,343
Sedona Wastewater Municipal Property Corporation Excise Tax Revenue Bonds														
Series 1998 ⁽³⁾	7/1/2022-2024	5.20-5.24%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Financed Purchases⁽⁴⁾														
MidState Energy	12/20/2022-2030	3.60%	\$ 304,649	\$ 58,526	\$ 363,175	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Police Vehicle	7/30/2022-2024	1.82%	\$ 51,035	\$ 1,869	\$ 52,903	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Police Camera System	8/30/2022-2025	1.85%	\$ 149,555	\$ 6,980	\$ 156,535	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Police Vehicles	11/20/2022-2024	1.85%	\$ 138,590	\$ 5,159	\$ 143,749	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Street Sweeper	4/26/2023-2026	2.05%	\$ -	\$ -	\$ -	\$ 202,175	\$ 10,467	\$ 212,641	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Police Vehicles	11/18/2022-2026	1.74%	\$ 126,794	\$ 6,695	\$ 133,489	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Trailhead Shuttles	12/15/2022-2026	1.95%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Police Vehicles	4/28/2023-2027	2.72%	\$ 243,455	\$ 20,222	\$ 263,677	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Leases⁽⁵⁾														
Enterprise Fleet Management ⁽⁵⁾	7/2022-6/2027	4.70%-8.80%	\$ 148,919	\$ 16,779	\$ 165,698	\$ 106,640	\$ 8,735	\$ 115,375	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Trailhead Shuttle Parking ⁽⁶⁾	8/2022-6/2023	0.59%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
School District Admin Site ⁽⁷⁾	8/2022-7/2040	1.49%	\$ 2,178,542	\$ 305,458	\$ 2,484,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Postage Meter	10/2022-6/2026	0.58%	\$ 17,099	\$ 198	\$ 17,297	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sinagua Plaza Parking	1/2023-1/2034	1.25%	\$ 91,311	\$ 7,321	\$ 98,632	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wayside Chapel Parking	12/30/2022	0.22%	\$ 6,329	\$ 14	\$ 6,343	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Copy Machines	7/2022-12/2023	0.22%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fire District Parking	10/2022-1/2023	0.22%	\$ 1,475	\$ 1	\$ 1,476	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
L&L Printing Parking	7/2022-1/2023	0.22%	\$ 2,697	\$ 3	\$ 2,700	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sacajawea Plaza Parking	10/31/2022	0.19%	\$ 1,124	\$ 1	\$ 1,125	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Totals			\$ 15,237,686	\$ 4,250,352	\$ 19,488,038	\$ 308,815	\$ 19,202	\$ 328,016	\$ 9,327,321	\$ 5,399,286	\$ 14,726,607	\$ 6,301,568	\$ 3,647,775	\$ 9,949,343
Public Transit Fund														
Wastewater Fund														
Information Technology Fund														
Grand Totals														
City Excise Tax Revenue Bonds														
Second Series 2015	7/1/2022-2027	1.94%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,765,000	\$ 341,489	\$ 6,106,489
Series 2021	7/1/2022-2026	1.16%	\$ -	\$ -	\$ -	\$ 8,900,000	\$ 407,739	\$ 9,307,739	\$ -	\$ -	\$ -	\$ 8,900,000	\$ 407,739	\$ 9,307,739
Series 2022 ⁽²⁾	7/1/2027-2042	4.0%-5.0%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,640,000	\$ 12,526,700	\$ 34,166,700
Sedona Wastewater Municipal Property Corporation Excise Tax Revenue Bonds														
Series 1998 ⁽³⁾	7/1/2022-2024	5.20-5.24%	\$ -	\$ -	\$ -	\$ 3,575,000	\$ 9,355,000	\$ 12,930,000	\$ -	\$ -	\$ -	\$ 3,575,000	\$ 9,355,000	\$ 12,930,000
Financed Purchases⁽⁴⁾														
MidState Energy	12/20/2022-2030	3.60%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 304,649	\$ 58,526	\$ 363,175
Police Vehicle	7/30/2022-2024	1.82%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51,035	\$ 1,869	\$ 52,903
Police Camera System	8/30/2022-2025	1.85%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 149,555	\$ 6,980	\$ 156,535
Police Vehicles	11/20/2022-2024	1.85%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 138,590	\$ 5,159	\$ 143,749
Street Sweeper	4/26/2023-2026	2.05%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 202,175	\$ 10,467	\$ 212,641
Police Vehicles	11/18/2022-2026	1.74%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 126,794	\$ 6,695	\$ 133,489
Trailhead Shuttles	12/15/2022-2026	1.95%	\$ 710,125	\$ 40,877	\$ 751,002	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 710,125	\$ 40,877	\$ 751,002
Police Vehicles	4/28/2023-2027	2.72%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 243,455	\$ 20,222	\$ 263,677
Leases⁽⁵⁾														
Enterprise Fleet Management ⁽⁵⁾	7/2022-6/2027	4.70%-8.80%	\$ -	\$ -	\$ -	\$ 73,339	\$ 11,037	\$ 84,376	\$ -	\$ -	\$ -	\$ 328,899	\$ 36,551	\$ 365,449
Trailhead Shuttle Parking ⁽⁶⁾	8/2022-6/2023	0.59%	\$ 1,595,275	\$ 9,373	\$ 1,604,648	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,595,275	\$ 9,373	\$ 1,604,648
School District Admin Site ⁽⁷⁾	8/2022-7/2040	1.49%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,178,542	\$ 305,458	\$ 2,484,000
Postage Meter	10/2022-6/2026	0.58%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 17,099	\$ 198	\$ 17,297
Sinagua Plaza Parking	1/2023-1/2034	1.25%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 91,311	\$ 7,321	\$ 98,632
Wayside Chapel Parking	12/30/2022	0.22%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,329	\$ 14	\$ 6,343
Copy Machines	7/2022-12/2023	0.22%	\$ -	\$ -	\$ -	\$ 1,985	\$ 3	\$ 1,989	\$ 22,832	\$ 39	\$ 22,871	\$ 24,817	\$ 43	\$ 24,860
Fire District Parking	10/2022-1/2023	0.22%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,475	\$ 1	\$ 1,476
L&L Printing Parking	7/2022-1/2023	0.22%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,697	\$ 3	\$ 2,700
Sacajawea Plaza Parking	10/31/2022	0.19%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,124	\$ 1	\$ 1,125
Grand Totals			\$ 2,305,400	\$ 50,250	\$ 2,355,650	\$ 12,550,325	\$ 9,773,779	\$ 22,324,104	\$ 22,832	\$ 39	\$ 22,871	\$ 46,053,946	\$ 23,140,684	\$ 69,194,630

⁽¹⁾ Bond semiannual interest payments to be made on July 1, 2022 were as follows:

General Fund	\$ 975,921
Wastewater Fund	4,489,303
Total	\$ 5,465,224

⁽²⁾The allocation of the Series 2022 bonds is an estimation. Actual allocations will be determined once the use of the proceeds have been finalized.

⁽³⁾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 July 1, 2022.

⁽⁴⁾Governmental Accounting Standards Board Statement No. 87, Leases, (GASB 87) changes the accounting for leases and financed purchases. Financed purchases were originally considered capital leases with liabilities reported, and leases were originally considered operating leases with no liability reported.

⁽⁵⁾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.

⁽⁶⁾The lease for the trailhead shuttle parking includes a purchase option by the end of the lease. GASB 87 requires any purchase options that are reasonably certain to be exercised to be included in the lease liability.

⁽⁷⁾While the City may purchase the School District Admin Site beginning July 26, 2029 and will likely do so, GASB 87 does not allow recognizing the termination of a lease due to purchasing the asset. The liability represents the full 19-year term of the lease.

Capital Projects Summary							
Project	Funding Source	Total Project to Date			FY 2022		
		Budget	Actuals	% of Budget	Budget	Actuals	% of Budget
Arts & Culture							
Art in the Roundabouts (AC-02)	1% for the Arts	\$ 306,000	\$ 3,675	1%	\$ 136,000	\$ 3,675	3%
Municipal Court							
Court Relocation/Remodel (MC-02)	Court Restricted Revenues	\$ 225,130	\$ 31,896	14%	\$ 60,623	\$ 31,896	53%
	Grant	\$ 52,650	\$ 10,240	19%	\$ 11,951	\$ 10,240	100%
	Capital Reserves	\$ 179,220	\$ 49,740	28%	\$ 49,740	\$ 49,740	100%
Project Total		\$ 457,000	\$ 91,876	20%	\$ 120,611	\$ 91,876	76%
Parks & Recreation							
Restructure of Posse Grounds Park (PR-02)	Capital Reserves	\$ 106,411	\$ 61,429	58%	\$ 20,169	\$ 17,608	87%
	Development Impact Fees	\$ -	\$ -	N/A	\$ 11,951	\$ -	0%
Project Total		\$ 106,411	\$ 61,429	58%	\$ 32,120	\$ 17,608	55%
Improvements at Ranger Station - Exterior Building Improvements (PR-03A)	CFD - Sedona Summit II	\$ 50,000	\$ 50,000	100%	\$ -	\$ -	N/A
	CFD - Fairfield	\$ 126,000	\$ 126,000	100%	\$ -	\$ -	N/A
	Development Impact Fees	\$ 110,598	\$ 167,296	151%	\$ 141,946	\$ 142,549	100%
	Capital Reserves	\$ 150,402	\$ 227,542	151%	\$ 194,504	\$ 193,889	100%
Project Total		\$ 437,000	\$ 570,838	131%	\$ 336,450	\$ 336,438	100%
Improvements at Ranger Station - Interior Restoration of House & Barn (PR-03B)	CFD - Sedona Summit II	\$ 60,000	\$ -	0%	\$ -	\$ -	N/A
	CFD - Fairfield	\$ 140,000	\$ -	0%	\$ -	\$ -	N/A
	Development Impact Fees	\$ 167,380	\$ 8,074	5%	\$ 8,079	\$ 8,074	100%
	Capital Reserves	\$ 227,620	\$ 10,982	5%	\$ 10,988	\$ 10,982	100%
Project Total		\$ 595,000	\$ 19,056	3%	\$ 19,066	\$ 19,056	100%
Build-Out of Ranger Station Park (PR-03C)	CFD - Sedona Summit II	\$ 95,000	\$ -	0%	\$ -	\$ -	N/A
	CFD - Fairfield	\$ 20,000	\$ -	0%	\$ -	\$ -	N/A
	Development Impact Fees	\$ 687,320	\$ 5,688	1%	\$ 12,711	\$ 5,688	45%
	Capital Reserves	\$ 934,680	\$ 7,737	1%	\$ 17,289	\$ 7,737	45%
Project Total		\$ 1,737,000	\$ 13,425	1%	\$ 30,000	\$ 13,425	45%
Shade Structures & Playground Equipment (PR-05)	Development Impact Fees	\$ 24,490	\$ 24,490	100%	\$ -	\$ -	N/A
	CFD - Sedona Summit II	\$ 152,990	\$ 50,000	33%	\$ 50,000	\$ 50,000	100%
	CFD - Fairfield	\$ 165,000	\$ 165,000	100%	\$ 165,000	\$ 165,000	100%
	Capital Reserves	\$ 200,510	\$ 92,880	46%	\$ 225,000	\$ 92,880	41%
Project Total		\$ 542,990	\$ 332,370	61%	\$ 440,000	\$ 307,880	70%
Police							
Radio infrastructure (PD-02)	Capital Reserves	\$ 351,115	\$ 251,115	72%	\$ 160	\$ -	0%
Police Station Remodel (PD-03)	Capital Reserves	\$ 607,538	\$ 381,910	63%	\$ 271,740	\$ 271,743	100%
	Grant	\$ 900,000	\$ 900,000	100%	\$ 900,000	\$ 900,000	100%
	Development Impact Fees	\$ 842,582	\$ 674,943	80%	\$ 621,565	\$ 621,561	100%
Project Total		\$ 2,350,120	\$ 1,956,853	83%	\$ 1,793,305	\$ 1,793,304	100%
In-Car Video System Replacement (PD-05)	Capital Reserves	\$ 164,419	\$ 19,785	12%	\$ 840	\$ 839	100%
	Development Impact Fees	\$ 20,881	\$ 31,785	152%	\$ -	\$ -	N/A
Project Total		\$ 185,300	\$ 51,570	28%	\$ 840	\$ 839	100%
Public Transit							
Transit Maintenance/Operations Center (PT-01)	Grant	\$ 9,306,000	\$ -	0%	\$ 68,390	\$ -	0%
	Outside Participation	\$ 475,000	\$ -	0%	\$ -	\$ -	N/A
	Transportation Sales Tax	\$ 1,360,000	\$ 99,698	7%	\$ 180,000	\$ 99,698	55%
	Debt Financing	\$ 5,729,000	\$ -	0%	\$ -	\$ -	N/A
Project Total		\$ 16,870,000	\$ 99,698	1%	\$ 248,390	\$ 99,698	40%
Transit Hub (PT-02)	Grant	\$ 1,902,000	\$ -	0%	\$ -	\$ -	N/A
	Transportation Sales Tax	\$ 1,242,939	\$ -	0%	\$ 80,000	\$ -	0%
	Debt Financing	\$ 1,268,000	\$ 76,163	6%	\$ -	\$ 76,163	∞
Project Total		\$ 4,412,939	\$ 76,163	2%	\$ 80,000	\$ 76,163	95%
Transit Bus Acquisition (PT-03)	Grant	\$ 10,560,740	\$ -	0%	\$ -	\$ -	N/A
	Transportation Sales Tax	\$ 47,560	\$ -	0%	\$ 394,650	\$ -	0%
	Debt Financing	\$ 1,830,000	\$ -	0%	\$ -	\$ -	N/A
Project Total		\$ 12,438,300	\$ -	0%	\$ 394,650	\$ -	0%
Bus Stop Improvements (PT-04)	Transportation Sales Tax	\$ 259,500	\$ -	0%	\$ 184,800	\$ -	0%
	Debt Financing	\$ -	\$ 184,800	∞%	\$ -	\$ 184,800	∞
Project Total		\$ 259,500	\$ 184,800	71%	\$ 184,800	\$ 184,800	100%
Public Works							
Real Estate/Land Acquisition (PW-05)	Capital Reserves	\$ 4,000,000	\$ 2,145,079	54%	\$ 39,029	\$ -	0%
Sedona in Motion							
Unspecified Projects (SIM-00)	Capital Reserves	\$ -	\$ -	N/A	\$ 1	\$ -	0%
Uptown Northbound Improvements (SIM-01b)	Transportation Sales Tax	\$ 938,131	\$ 16,187	2%	\$ 254,712	\$ 15,656	6%
	Debt Financing	\$ -	\$ 165,423	∞%	\$ -	\$ 165,423	∞
	Development Impact Fees	\$ 798,124	\$ 55,063	7%	\$ 205,288	\$ 12,619	6%
Project Total		\$ 1,736,255	\$ 193,698	11%	\$ 460,000	\$ 193,698	42%
Uptown Parking Garage (SIM-03a)	Capital Reserves	\$ 4,400,000	\$ -	0%	\$ -	\$ -	N/A
	Transportation Sales Tax	\$ 1,036,520	\$ 844,522	81%	\$ -	\$ 497,982	∞
	Paid Parking Revenues	\$ 898,880	\$ 898,880	100%	\$ -	\$ -	N/A
	Debt Financing	\$ 12,602,790	\$ 115,494	1%	\$ 936,492	\$ 115,494	12%
Project Total		\$ 18,938,190	\$ 1,858,896	10%	\$ 936,492	\$ 613,476	66%
Wayfinding Signage (SIM-03c)	Capital Reserves	\$ 57,367	\$ 57,366	100%	\$ -	\$ -	N/A
	Transportation Sales Tax	\$ 243,280	\$ -	0%	\$ -	\$ -	N/A
Project Total		\$ 300,647	\$ 57,366	19%	\$ -	\$ -	N/A
Pedestrian Crossing at Oak Creek (SIM-04c)	Capital Reserves	\$ 255,595	\$ 253,065	99%	\$ -	\$ -	N/A
	Debt Financing	\$ 1,766,210	\$ 38,367	2%	\$ 74,930	\$ 38,367	51%
	Transportation Sales Tax	\$ 808,805	\$ 231,554	29%	\$ 27,930	\$ 44,929	161%
Project Total		\$ 2,830,610	\$ 522,986	18%	\$ 102,860	\$ 83,296	81%
SR 89A & SR 179 Roundabout Modernization (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	\$ 470,819	50%	\$ 7,550	\$ 7,544	100%
Project Total		\$ 1,210,930	\$ 738,149	61%	\$ 7,550	\$ 7,544	100%
Portal Lane to Ranger Road Connection (SIM-05a)	Capital Reserves	\$ 309,999	\$ 33,138	11%	\$ -	\$ -	N/A
	Debt Financing	\$ -	\$ 256	∞%	\$ -	\$ 256	∞
	Transportation Sales Tax	\$ 294,445	\$ 8,220	3%	\$ 146,076	\$ 1,824	1%
	Development Impact Fees	\$ 471,651	\$ 17,831	4%	\$ 278,914	\$ 1,471	1%
Project Total		\$ 1,076,095	\$ 59,445	6%	\$ 424,990	\$ 3,551	1%
Forest Road Connection (SIM-05b)	Capital Reserves	\$ 148,091	\$ 148,091	100%	\$ -	\$ -	N/A
	Debt Financing	\$ 10,631,000	\$ 3,149,901	30%	\$ 4,878,782	\$ 3,149,901	65%
	Transportation Sales Tax	\$ 2,199,985	\$ 418,837	19%	\$ -	\$ 289,702	∞
	Development Impact Fees	\$ 1,854,556	\$ 419,036	23%	\$ 128,413	\$ 233,509	182%
Project Total		\$ 14,833,632	\$ 4,135,865	28%	\$ 5,007,195	\$ 3,673,112	73%
Los Abregados to Brewer Road Connection (SIM-05c)	Outside Participation	\$ 50,000	\$ 75,000	150%	\$ 50,000	\$ 75,000	150%
	Debt Financing	\$ -	\$ 80,190	∞%	\$ -	\$ 80,190	∞
	Transportation Sales Tax	\$ 63,678	\$ 1,410	2%	\$ 97,292	\$ 1,410	1%
	Development Impact Fees	\$ 51,322	\$ 90	0%	\$ 9,418	\$ 90	1%
Project Total		\$ 165,000	\$ 156,690	95%	\$ 156,710	\$ 156,690	100%

Capital Projects Summary								
Project	Funding Source	Total Project to Date			FY 2022			
		Budget	Actuals	% of Budget	Budget	Actuals	% of Budget	
Sedona in Motion (continued)								
Ranger Road/Brewer Road Intersection & Ranger Extension Improvements (SIM-05d)	Transportation Sales Tax	\$ 2,772,340	\$ 17,949	1%	\$ 279,806	\$ 16,006	6%	
	Debt Financing	\$ -	\$ 67,562	∞	\$ -	\$ 67,562	∞	
	Development Impact Fees	\$ 176,960	\$ 2,588	1%	\$ 116,479	\$ 1,022	1%	
	Project Total	\$ 2,949,300	\$ 88,100	3%	\$ 396,285	\$ 84,590	21%	
Posse Grounds Parking Improvements & Soldiers Pass Shared Use Path (SIM-11b)	Capital Reserves	\$ 75,068	\$ 75,068	100%	\$ -	\$ -	N/A	
	Debt Financing	\$ -	\$ 768,470	∞	\$ -	\$ 768,470	∞	
	Transportation Sales Tax	\$ 1,367,880	\$ 649,184	47%	\$ 1,399,580	\$ 628,215	45%	
	Project Total	\$ 1,442,948	\$ 1,492,721	103%	\$ 1,399,580	\$ 1,396,685	100%	
Navoti Drive to Dry Creek Road Shared Use Path (SIM-11e)	Capital Reserves	\$ 49,445	\$ 49,445	100%	\$ -	\$ -	N/A	
	Debt Financing	\$ -	\$ 6,650	∞	\$ -	\$ 6,650	∞	
	Transportation Sales Tax	\$ 824,000	\$ 18,961	2%	\$ 25,620	\$ 18,961	74%	
	Project Total	\$ 873,445	\$ 75,056	9%	\$ 25,620	\$ 25,611	100%	
Bicycle Green Lanes (SIM-11f)	Capital Reserves	\$ 1,500	\$ 1,833	122%	\$ -	\$ -	N/A	
	Transportation Sales Tax	\$ 48,500	\$ 33,333	69%	\$ 16,670	\$ 16,667	100%	
	Project Total	\$ 50,000	\$ 35,166	70%	\$ 16,670	\$ 16,667	100%	
Thunder Mountain/Sanborn Shared Use Path & Drainage Improvements (SIM-11g)	Yavapai County Flood Control	\$ 290,000	\$ 290,000	100%	\$ -	\$ -	N/A	
	Development Impact Fees	\$ 77,199	\$ 77,074	100%	\$ -	\$ -	N/A	
	Transportation Sales Tax	\$ 1,261,525	\$ 969,080	77%	\$ 1,710	\$ 1,706	100%	
	Capital Reserves	\$ 1,392,476	\$ 1,317,717	95%	\$ -	\$ -	N/A	
	Project Total	\$ 3,021,200	\$ 2,653,870	88%	\$ 1,710	\$ 1,706	100%	
Chapel Road Shared Use Path (SIM-11h)	Capital Reserves	\$ 68,910	\$ 68,910	100%	\$ -	\$ -	N/A	
	Debt Financing	\$ -	\$ 322,161	∞	\$ -	\$ 322,161	∞	
	Transportation Sales Tax	\$ 1,552,000	\$ 6,244	0%	\$ 832,060	\$ 6,244	1%	
	Project Total	\$ 1,620,910	\$ 397,315	25%	\$ 832,060	\$ 328,405	39%	
Dry Creek Road Shared Use Path (SIM-11i)	Capital Reserves	\$ 52,700	\$ 52,700	100%	\$ -	\$ -	N/A	
	Outside Participation	\$ 17,000	\$ 17,000	100%	\$ -	\$ -	N/A	
	Debt Financing	\$ -	\$ 47,239	∞	\$ -	\$ 47,239	∞	
	Transportation Sales Tax	\$ 690,000	\$ 653,278	95%	\$ 198,920	\$ 136,800	69%	
	Project Total	\$ 759,700	\$ 770,217	101%	\$ 198,920	\$ 184,039	93%	
Piñon Drive Shared Use Path (SIM-11j)	Development Impact Fees	\$ 38,680	\$ 38,680	100%	\$ -	\$ -	N/A	
	Debt Financing	\$ -	\$ 4,214	∞	\$ -	\$ 4,214	∞	
	Transportation Sales Tax	\$ 370,200	\$ -	0%	\$ 4,220	\$ -	0%	
	Project Total	\$ 408,880	\$ 42,894	10%	\$ 4,220	\$ 4,214	100%	
Dry Creek Road Pathway, Thunder Mountain to Two Fences (SIM-11m)	Capital Reserves	\$ 1,400,000	\$ -	0%	\$ -	\$ -	N/A	
	Debt Financing	\$ -	\$ 9,770	∞	\$ -	\$ 9,770	∞	
	Transportation Sales Tax	\$ 1,485,000	\$ -	0%	\$ 9,780	\$ -	0%	
	Project Total	\$ 2,885,000	\$ 9,770	0%	\$ 9,780	\$ 9,770	100%	
Travel Information System (SIM-12a)	Capital Reserves	\$ 99,013	\$ 99,013	100%	\$ -	\$ -	N/A	
	Development Impact Fees	\$ 30,288	\$ 288	1%	\$ 9,850	\$ -	0%	
	Transportation Sales Tax	\$ 470,000	\$ -	0%	\$ 46,990	\$ -	0%	
	Project Total	\$ 599,301	\$ 99,301	17%	\$ 56,840	\$ -	0%	
Traffic Video Cameras (SIM-12b) (estimated to resume in FY2023)	Capital Reserves	\$ 21,279	\$ 21,278	100%	\$ -	\$ -	N/A	
	Transportation Sales Tax	\$ 27,000	\$ -	0%	\$ -	\$ -	N/A	
	Project Total	\$ 48,279	\$ 21,278	44%	\$ -	\$ -	N/A	
Storm Drainage								
Improvements to Back O'Beyond Road, Low Water Crossing (SD-03)	Yavapai County Flood Control	\$ 300,000	\$ 36,585	12%	\$ -	\$ 36,585	∞	
	Capital Reserves	\$ 547,750	\$ -	0%	\$ 59,760	\$ -	0%	
	Project Total	\$ 847,750	\$ 36,585	4%	\$ 59,760	\$ 36,585	61%	
Stormwater Master Plan Update & Project Implementations (SD-10)	Yavapai County Flood Control	\$ 270,000	\$ 246,854	91%	\$ 177,630	\$ 176,854	100%	
	Capital Reserves	\$ 108,534	\$ 108,523	100%	\$ -	\$ -	N/A	
	Project Total	\$ 378,534	\$ 355,377	94%	\$ 177,630	\$ 176,854	100%	
Streets & Transportation								
Sanborn Drive/Thunder Mountain Road Overlay (ST-02)	Capital Reserves	\$ 623,915	\$ 760,299	122%	\$ 74,290	\$ 74,030	100%	
	Grant	\$ 353,454	\$ 438,173	124%	\$ -	\$ -	N/A	
	Project Total	\$ 977,369	\$ 1,198,472	123%	\$ 74,290	\$ 74,030	100%	
Shelby Drive/Sunset Drive Improvements (ST-04)	Grant	\$ 1,000,000	\$ 500,000	50%	\$ 800,000	\$ 326,784	41%	
	Wastewater Fees	\$ 227,500	\$ 227,500	100%	\$ 227,500	\$ 227,500	100%	
	Capital Reserves	\$ 842,303	\$ 1,685,723	200%	\$ 549,450	\$ 1,000,848	182%	
	Project Total	\$ 2,069,803	\$ 2,413,223	117%	\$ 1,576,950	\$ 1,555,131	99%	
Forest Road/Ranger Road/SR 89A Intersection Improvements (ST-08)	Capital Reserves	\$ 5,017,000	\$ 5,908	0%	\$ 67,010	\$ 5,908	9%	
Apple-Cedar Sidewalk (ST-09)	Capital Reserves	\$ 64,920	\$ 64,920	100%	\$ 64,920	\$ 64,920	100%	
Wastewater								
SR179 Sewer Main Replacement (WW-01B)	Wastewater Fees	\$ 2,289,748	\$ 2,915,319	127%	\$ 1,333,130	\$ 1,168,585	88%	
Brewer Road Force Main Valve Replacements (WW-01C)	Wastewater Fees	\$ 100,000	\$ -	0%	\$ 63,080	\$ -	0%	
Miscellaneous Rehabs/Replacements (WW-01D)	Wastewater Fees	\$ 460,000	\$ -	0%	\$ 40,000	\$ -	0%	
Major Lift Station Upgrades (WW-01F)	Wastewater Fees	\$ 4,025,016	\$ 290,529	7%	\$ 1,102,000	\$ 265,513	24%	
	Grant	\$ 1,914,000	\$ -	0%	\$ -	\$ -	N/A	
	Equipment Replacement Reserve	\$ 631,000	\$ -	0%	\$ -	\$ -	N/A	
	Project Total	\$ 6,570,016	\$ 290,529	4%	\$ 1,102,000	\$ 265,513	24%	
Juniper Lane Extension (WW-01H)	Wastewater Fees	\$ 60,000	\$ 11,147	19%	\$ 60,000	\$ 11,147	19%	
WWRP Tertiary Filter Upgrades (WW-02)	Wastewater Fees	\$ 2,005,983	\$ 1,955,291	97%	\$ 5,320	\$ 5,319	100%	
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 FY2026)	Wastewater Fees	\$ 10,621,299	\$ 5,477,698	52%	\$ -	\$ -	N/A	
WWRP Reservoir Liner Replacement (WW-07)	Wastewater Fees	\$ 1,050,000	\$ -	0%	\$ 286,970	\$ -	0%	
Area 4 Valve Vault Upgrade (WW-14)	Wastewater Fees	\$ 115,000	\$ -	0%	\$ 65,000	\$ -	0%	
VACCON Storage Building (WW-15)	Wastewater Fees	\$ 85,000	\$ 76,625	90%	\$ 87,130	\$ 76,625	88%	
Grand Totals		\$ 133,871,079	\$ 34,135,458	25%	\$ 18,956,095	\$ 13,168,430	69%	