



FISCAL YEAR 2025 BUDGET HIGHLIGHTS

INTRODUCTION BY ANETTE SPICKARD, CITY MANAGER

Thank you for reading our Budget-in-Brief! The goal of this document is to break down our 400-page Fiscal Year 2024-2025 budget into easy-to-read highlights. This document allows residents to better understand the major components of our budget from a 10,000-foot perspective. If you'd like to drill down the entire budget, line by line, it will be available by September 30 at www.sedonaaz.gov under the Financial Services Department. Every year, we encourage and welcome dozens of residents to become involved in City programs and initiatives through volunteer work groups, including the Citizens Budget Work Group who provided feedback and edits to this budget. Residents can sign up to become involved at www.sedonaaz.gov/citizenengagement. Thank you to our Financial Services Department for their dedication and commitment to another transparent and balanced budget.

Sincerely, Anette Spickard

FY25 TOTAL BUDGET (All Funds)

Net Resources Available \$111.7M
 Minus:
 Expenditures/Debt Refinancing \$106.1M
 Equals:
 Total Surplus (unspent resources) \$5.6M

CITY FUNDS

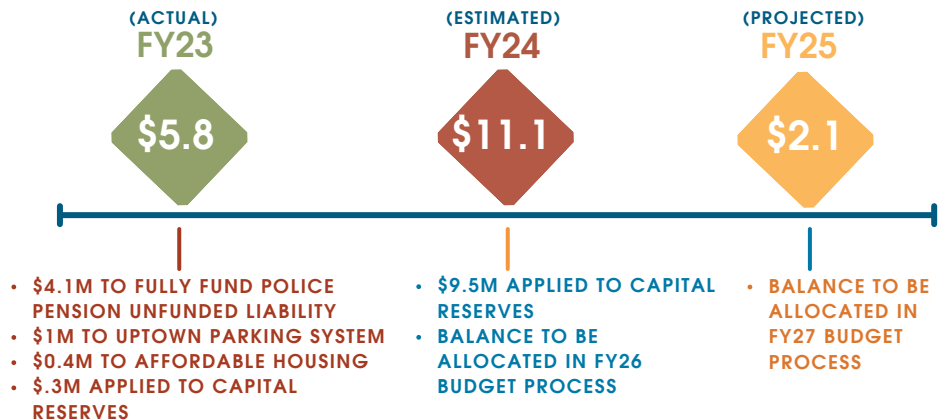
GENERAL FUND: primary operating fund for unrestricted funding sources

OTHER FUNDS WITH RESTRICTED FUNDING SOURCES:

- Streets Fund
- Affordable Housing Fund
- Grants, Donations & Restricted Funds
- Transportation Sales Tax Fund
- Capital Improvements Fund
- Development Impact Fees Funds
- Art in Public Places Fund
- Public Transit Enterprise Fund
- Wastewater Enterprise Fund
- IT Internal Service Fund

Surpluses (unspent resources) - General Fund only

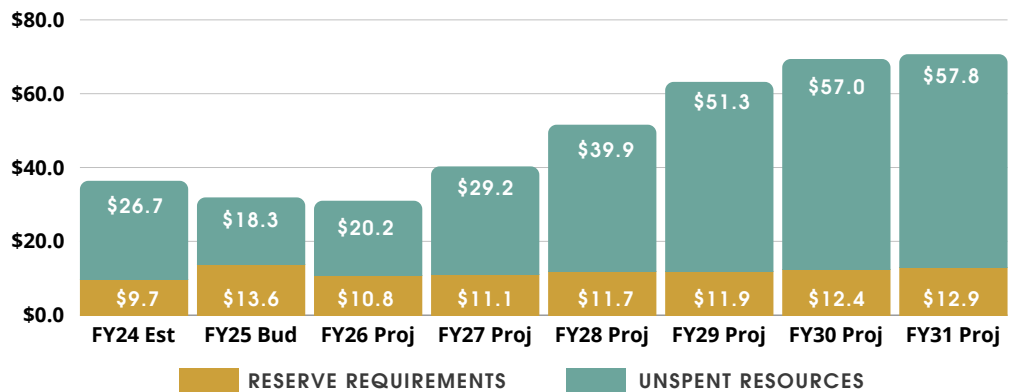
(IN MILLIONS OF DOLLARS)



General Fund - Fund Balances

Reserve Requirements & Unspent Resources*

(IN MILLIONS OF DOLLARS)



*Projections based on scenario of maintaining current status quo





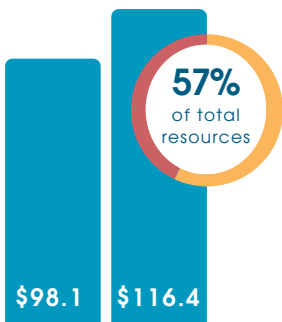
WHAT DOES IT COST TO RUN THE CITY AND HOW ARE THOSE COSTS PAID?

The FY25 budget is \$106.1 million, an increase from the FY24 budget of \$85.8 million or 24%. Even with the significant initiatives included in the budget, projected available funds are \$5.6 million more than what is budgeted for FY25, on top of fully funded reserves. This means the city could adopt a budget up to \$5.6 million higher and still be in balance. Out of conservatism and setting aside surpluses for large initiatives, Sedona has a long history of budgeting less than is statutorily allowed.

What financial resources are available for the City of Sedona? Answer: \$202.6 million

IN MILLIONS OF DOLLARS

FY24 **FY25**
BUDGET BUDGET



Fund balance consists of the accumulated surpluses from prior years and reserve balances required by City policy.

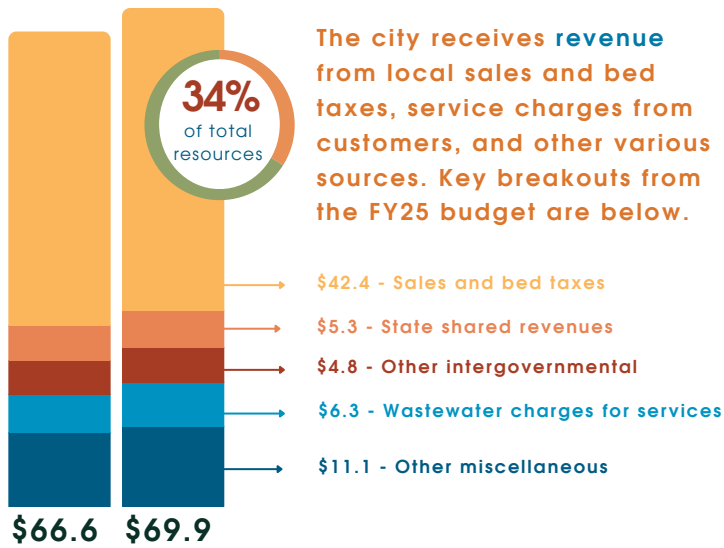


Proceeds of new debt for the Forrest Road Project and the Uptown Parking Garage.

\$0 \$17.7



The city receives revenue from local sales and bed taxes, service charges from customers, and other various sources. Key breakouts from the FY25 budget are below.



\$164.7 **\$204.0** TOTAL FINANCIAL RESOURCES AVAILABLE

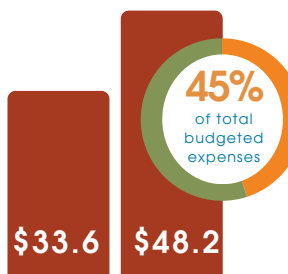
What are the expenses for running the City of Sedona? Answer: \$106.1 million

IN MILLIONS OF DOLLARS

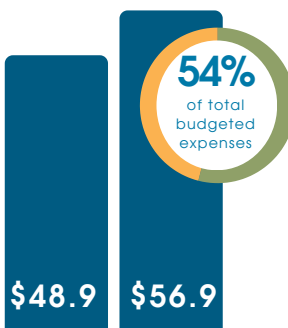
FY24 **FY25**
BUDGET BUDGET



The city sets aside balances for contingencies in case of emergencies or potential projects not yet defined adequately to budget specific amounts.



The capital improvement budget is used to acquire or construct major facilities including roads and wastewater infrastructure.



The operating budget is used to pay for city services and long-term debt payments. Additional detail is included on the following page.

\$85.8 **\$106.1** TOTAL EXPENDITURE LIMIT

FINAL BUDGET ADOPTION JUNE 25

Sedona is required by law to adopt a balanced budget each year and cannot spend more than that total amount. The FY25 budget was adopted by the City Council on June 25, 2024. The city's financial statements are audited annually by an independent auditor. The most recent audit for FY23 received a clean opinion.

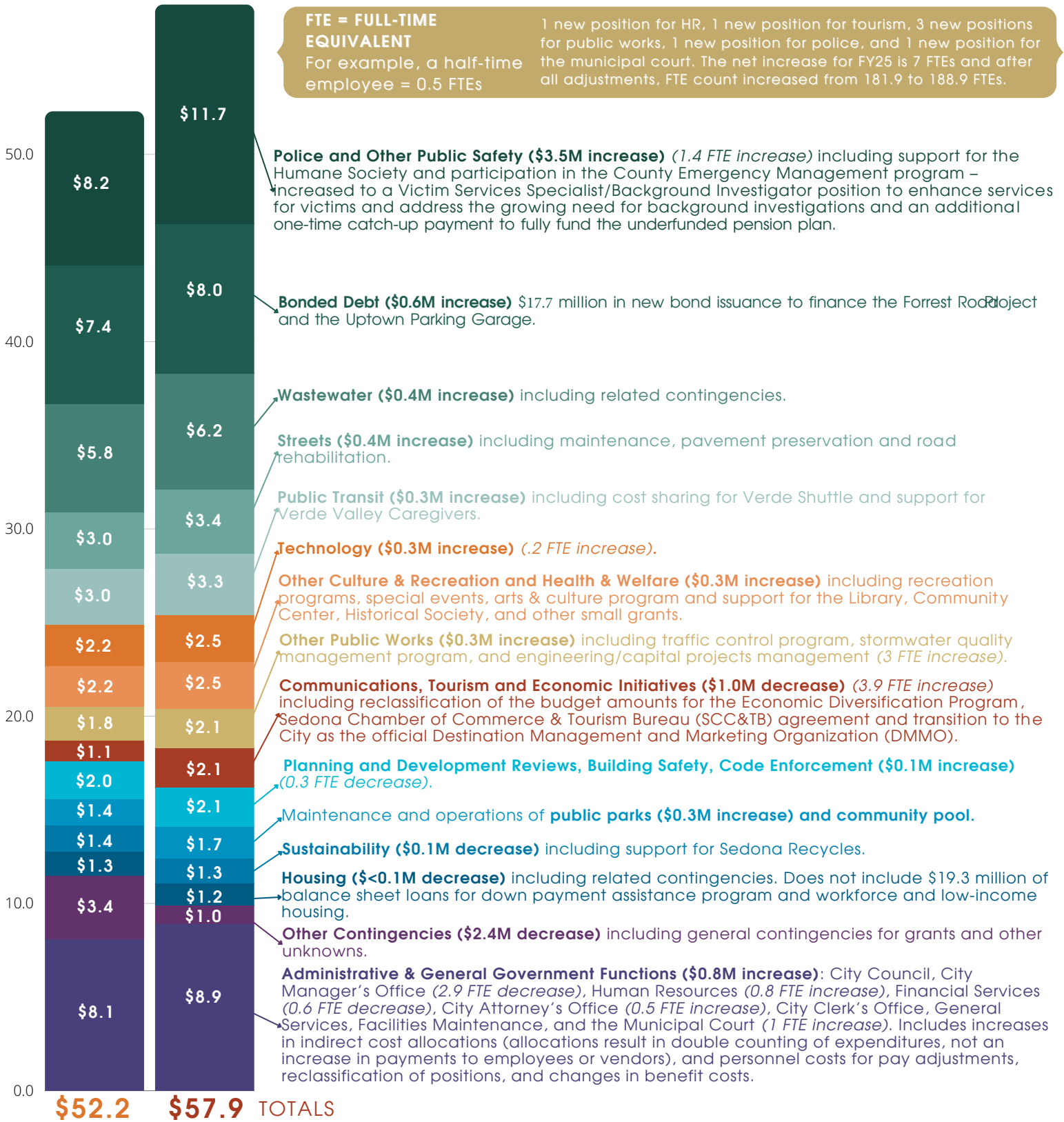
OPERATING & CONTINGENCY BUDGETS FOR FY25

The FY25 operating budget includes adjustments to positions and year over year budget changes. Increases and decreases to budget categories and FTEs are explained in summary detail below.

BUDGET
FY24

BUDGET
FY25

60.0





HOW THE BUDGET ALIGNS WITH THE COMMUNITY PLAN

City of Sedona, Financial Services Department
102 Roadrunner Drive
Sedona, AZ 86336
928-204-7185
FinanceDept@SedonaAZ.gov

The Sedona Community Plan 2024 was adopted by City Council March 26, 2024 and represents the citizens' vision and values for the community and proposes desired conditions for the future. City Council has included funding in the FY25 budget to pursue numerous Community Plan goals including the following:



ENVIRONMENTAL SUSTAINABILITY

BUDGETED AMOUNT
FY24 FY25

\$1.5M

\$1.4M

- Includes streetlight LED retrofits and decarbonization road mapping plan.



AFFORDABLE HOUSING PROGRAM

BUDGETED AMOUNT
FY24 FY25

\$1.4M

\$1.3M

- Includes strategic plan to address homelessness.
- \$19.3M budgeted as balance sheet loans for down payment assistance program and workforce and low-income housing.



PARK AMENITIES

BUDGETED AMOUNT
FY24 FY25

\$3.8M

\$2.7M

- Includes construction of the Ranger Station Park.
- Includes \$1.2 million to pickleball courts at Posse Ground Park.



PUBLIC TRANSIT SYSTEM

BUDGETED AMOUNT
FY24 FY25

\$4.7M

\$5.5M

- Includes trailhead shuttle program, micro transit program, Sedona's share of the Verde Shuttle cost and grant-funded transit improvements, including maintenance center design and additional micro-transit vehicles.



TRAFFIC IMPROVEMENTS

BUDGETED AMOUNT
FY24 FY25

\$20M

\$32M

- Includes funds for the Uptown Parking Garage, the Forest Road bypass and the underpass at Oak Creek.



For more information about the Community Plan go to www.PlanSedona.com.