

INTEROFFICE MEMO

DATE: OCTOBER 14, 2010

TO: MAYOR AND CITY COUNCIL,
TIM ERNSTER, CITY MANAGER, ALISON ZELMS, ASSISTANT CITY MANAGER

CC: DEPARTMENT HEADS, CITY ASSISTANTS

FROM: BARBARA ASHLEY

RE: **MONTHLY REPORT – AUGUST 2010**

Please find attached the financial summary for the month-end August 31, 2010. For the month of August, please note the following:

1. Revenues over expenditures remain positive at \$7,362. Increased expenditures include payments for contracts for outside services funded through the General Services budget. These include payments to the Library, Chamber, Main Street, Humane Society as well as others. Information Technology also made their annual payments for software related updates and maintenance.
2. Revenue collection remains on target. Sales and Bed taxes are in line with the projections and have come in above the budgeted amounts for August. Sales taxes collected in August by category remained flat in the *restaurant and bar* category, while *accommodations and retail* categories show increases. The *construction* category remains down. *The City sales tax comparison from August 2009 to current is different due to the City sales tax re-allocation that took place in January 2010. Our projections take this into consideration, but the comparison does not as it is comparing actual to actual.*
3. Franchise Fees are collected on a quarterly basis therefore the low monthly target will continue until the quarter(s) end. Same for the 'In-Lieu' fees, which are posted through the Miscellaneous category, they are usually paid annually so the monthly target will not be met until the spring or thereafter.
4. Overall revenue collections for August increased over August 2009 by approximately 5.5%, while expenditures decreased by approximately 21%. These numbers are cumulative.

Should you have any questions, please feel free to contact my office or Alison Zelms in the City Manager's office.

ATTACHMENTS

**City of Sedona
FY 2010/11 General Fund Budget Comparison**

August-10

<u>Revenues</u>	<u>Budget</u>	<u>FYTD Actual</u>	<u>Balance</u>	<u>17% Target</u>	<u>Prior FYTD</u>	<u>PY to CY Comparison</u>
Bed Tax	1,225,785 **	256,866	(968,919)	21.0% 2	209,053	18.61%
City Sales Tax	5,396,616 **	972,844	(4,423,772)	18.0% 2	696,468	28.41%
Franchise Fees	667,787 **	-	(667,787)	0.0% 3	-	0.00%
Vehicle License Tax	600,023 **	97,293	(502,730)	16.2%	100,605	-3.40%
State Sales Tax	820,369 **	128,458	(691,911)	15.7% 2	131,803	-2.60%
State Income Tax	1,064,174 **	177,389	(886,785)	16.7% 2	235,297	-32.64%
Fines	299,119 **	38,167	(260,952)	12.8%	51,560	-35.09%
Licenses & Permits	172,839 **	28,495	(144,344)	16.5%	69,981	-145.59%
Charges for Services	134,269 **	19,622	(114,647)	14.6%	29,391	-49.79%
Contributions & Donations	- **	-	0	0.0%	-	0.00%
Interest	303,790 **	8,256	(295,534)	2.7%	114,963	-1292.48%
Miscellaneous	447,374 **	10,602	(436,772)	2.4% 3	3,033	71.39%
	11,132,145 **	1,737,992	(9,394,153)	15.6% 4	1,642,154	5.51%

****NOTE:** Budget amounts do not include "beginning cash" or "transfers" from other funds.

<u>Expenditures</u>	<u>Budget</u>	<u>FYTD Actual</u>	<u>Balance</u>	<u>17% Target</u>	<u>Prior FYTD</u>	<u>PY to CY Comparison</u>
City Council	61,838	14,449 *	(47,389)	23.4%	17,012	-17.74%
City Manager	246,222	32,889 *	(213,333)	13.4%	73,931	-124.79%
Human Resources	1,563,615	198,958 *	(1,364,657)	12.7%	267,244	-34.32%
Financial Services	376,922	37,768 *	(339,154)	10.0%	36,897	2.31%
Information Systems	453,065	161,587 *	(291,478)	35.7% 1	100,322	37.91%
Legal	335,289	38,259 *	(297,030)	11.4%	53,136	-38.89%
City Clerk	186,292	21,882 *	(164,410)	11.7%	34,664	-58.41%
Parks & Recreation	315,050	36,731 *	(278,319)	11.7%	117,252	-219.22%
General Services	2,978,981	699,559 *	(2,279,422)	23.5% 1	647,098	7.50%
Contingencies	300,000	-	(300,000)	0.0%	-	0.00%
Community Development	788,847	94,494 *	(694,353)	12.0%	157,872	-67.07%
Public Works	755,192	100,486 *	(654,706)	13.3%	101,074	-0.59%
Arts & Culture	84,218	11,097 *	(73,121)	13.2%	14,488	-30.55%
Police	2,050,437	254,972 *	(1,795,465)	12.4%	412,568	-61.81%
Municipal Court	296,507	27,499 *	(269,008)	9.3%	53,533	-94.67%
	10,792,475	1,730,630	(9,061,845)	16.0% 4	2,087,091	-20.60%

***NOTE:** Amounts do not include "encumbrances".

<u>Revenue / Expense</u>	<u>Actual Revenues</u>	-	<u>Actual Expenditures</u>	+/-	<u>Transfers and/or Reserve</u>	=	<u>YTD Rev over Exp</u>	<u>PYTD Rev over Exp</u>	
General Fund	1,737,992		1,730,630 *		0		7,362 1	(444,937)	6143.76%

City of Sedona

Sales Tax Worksheet*

August 31, 2010

Month	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	2011 Budget	2011 Collections	Budget Variance	% Change from 2010	% Change from Budget
July	896,544	933,022	949,697	987,755	1,021,011	1,181,174	1,069,178	1,253,632	1,252,755	1,073,215	955,150	1,140,395	185,245	5.89%	16.24%
August	806,622	883,457	812,892	938,115	1,043,646	1,095,421	1,058,491	1,230,340	1,090,523	1,001,376	883,209	917,875	34,666	-9.10%	3.78%
September	815,464	861,455	842,239	957,697	972,637	1,049,959	1,032,607	1,137,149	1,017,988	990,181	866,196	0	0	0.00%	0.00%
October	901,601	852,214	948,253	937,372	1,090,521	1,139,917	1,178,952	1,155,616	1,601,792	1,089,433	1,017,566	0	0	0.00%	0.00%
November	946,365	980,338	977,970	1,053,186	1,116,598	1,331,960	1,331,215	1,361,830	1,191,160	1,075,186	980,482	0	0	0.00%	0.00%
December	829,897	769,014	847,479	999,121	944,662	1,074,367	1,156,793	1,132,785	963,540	851,434	835,972	0	0	0.00%	0.00%
January	812,928	799,021	882,138	830,649	918,105	1,052,208	1,092,120	1,026,332	938,932	906,327	812,648	0	0	0.00%	0.00%
February	643,032	662,146	736,372	748,373	739,579	810,751	918,581	909,590	731,583	681,004	661,648	0	0	0.00%	0.00%
March	748,564	799,602	771,127	859,229	880,416	1,102,828	1,076,654	985,533	1,027,075	917,669	805,420	0	0	0.00%	0.00%
April	881,747	1,035,541	1,087,984	1,147,949	1,153,061	1,316,931	1,383,320	1,406,892	1,130,233	1,218,124	1,042,696	0	0	0.00%	0.00%
May	997,709	1,094,861	1,084,585	1,167,307	1,214,920	1,371,983	1,452,116	1,345,307	1,414,982	1,201,785	1,100,020	0	0	0.00%	0.00%
June	1,038,580	980,892	1,060,217	1,155,541	1,182,999	1,370,439	1,415,780	1,309,472	1,172,116	1,128,769	1,034,537	0	0	0.00%	0.00%
Refund															
Total	\$10,319,052	\$10,651,562	\$11,000,954	\$11,782,294	\$12,278,155	\$13,897,940	\$14,165,807	\$14,254,478	\$13,532,679	\$12,134,503	\$10,995,545	\$2,058,271	219,912	-0.79%	10.68%

cumulative averages

* Bed tax is included due to reporting inconsistencies by vendors.

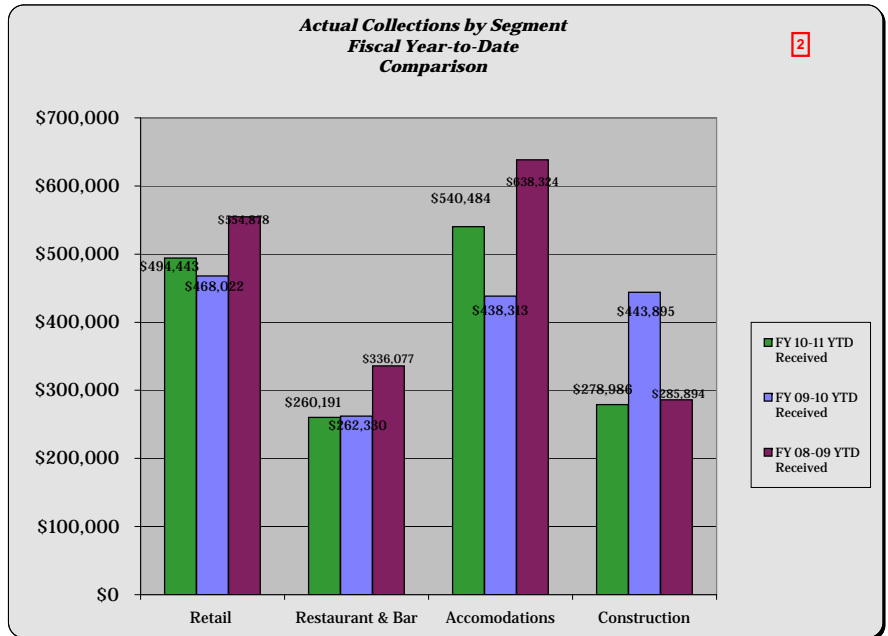
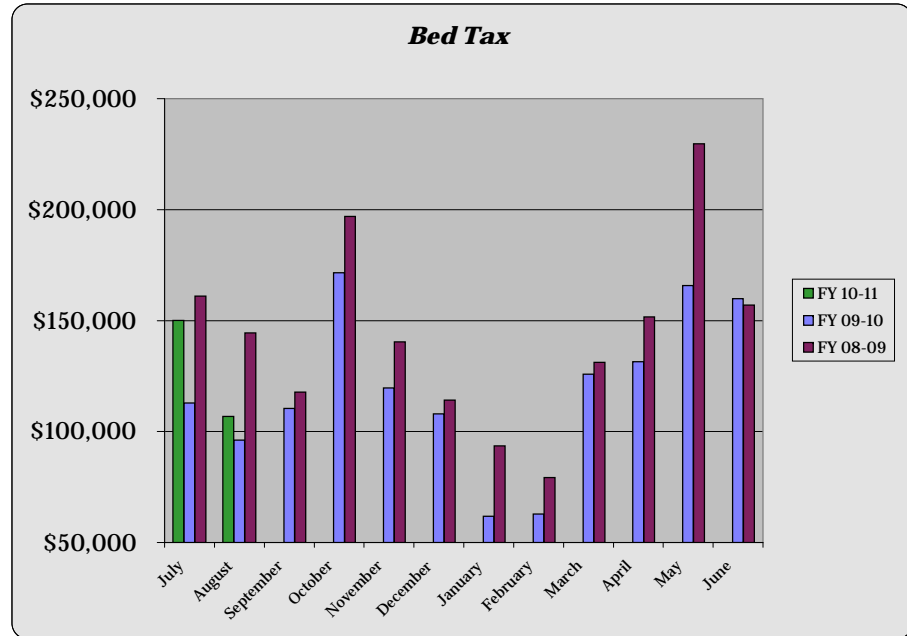
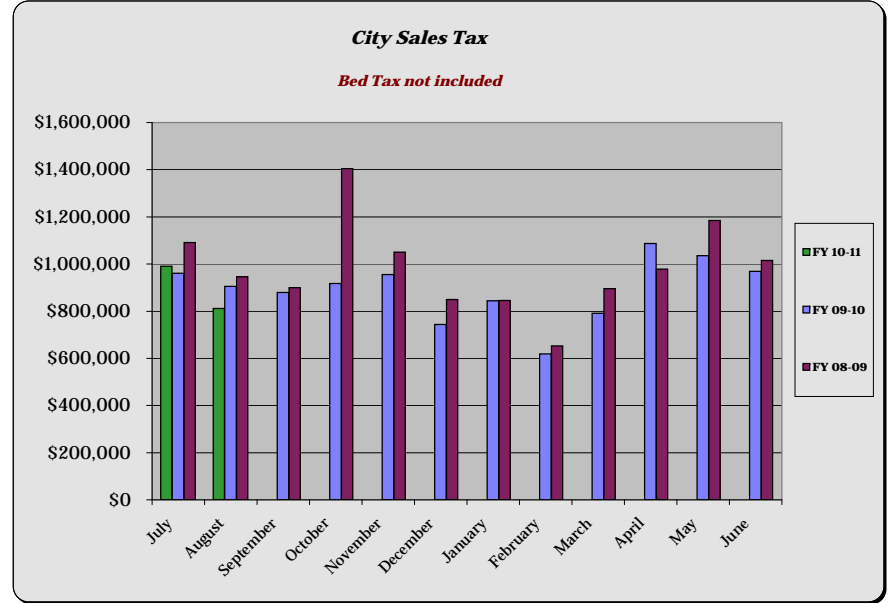
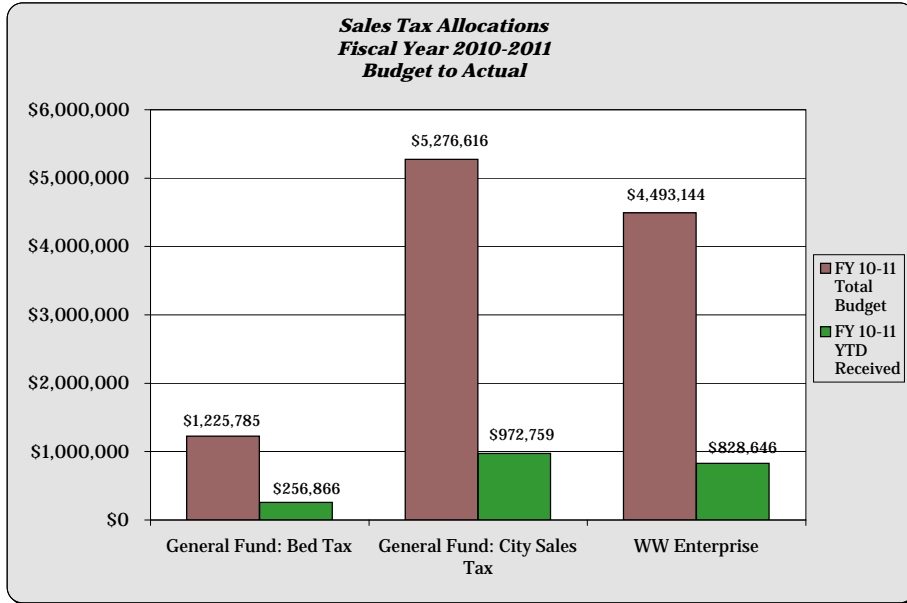
** The fiscal year is July 1 through June 30.



City of Sedona

Sales Tax Worksheet*

August 31, 2010



8/31/20

**ARIZONA DEPARTMENT OF REVENUE
2010-2011**

	% Inc/Dec	GENERAL FUND BED TAX	% Inc/Dec	GEN. FUND CITY SALES TAX	% Inc/Dec	WW FUND CITY SALES TAX	% Inc/Dec	TOTAL CITY SALES TAX	Month collected for:
July	24.79%	\$150,105.76	3.03%	\$534,756.42	3.03%	\$455,533.25	5.89%	\$1,140,395.43	June
August	9.92%	\$106,759.77	-11.60%	\$438,002.43	-11.60%	\$373,113.19	-9.10%	\$917,875.39	July
September								\$0.00	August
October								\$0.00	September
November								\$0.00	October
December								\$0.00	November
January								\$0.00	December
February								\$0.00	January
March								\$0.00	February
April								\$0.00	March
May								\$0.00	April
June								\$0.00	May
TOTAL 10-11		\$256,865.53		\$972,758.85		\$828,646.44		\$2,058,270.82	
TOTAL 09-10		\$209,052.71		\$1,007,390.87		\$858,147.78		\$2,074,591.36	
DIFFERENCE		\$47,812.82		(\$34,632.02)		(\$29,501.34)		(\$16,320.54)	
% INCR/DECR		18.61%		-3.56%		-3.56%		-0.79%	

	% Inc Dec	STREETS FUND HURF	% Inc Dec	STREETS FUND LTAF	% Inc Dec	GEN. FUND STATE SALES TAX	% Inc Dec	GEN. FUND INCOME TAX
July	-10.62%	\$77,002.92	0.00%	\$0.00	-2.41%	\$65,942.52	-32.64%	\$88,694.69
August	1.55%	\$82,039.96	0.00%	\$0.00	-2.81%	\$62,515.17	-32.64%	\$88,694.47
September								
October								
November								
December								
January								
February								
March								
April								
May								
June								
TOTAL 10-11		\$159,042.88		\$0.00		\$128,457.69		\$177,389.16
TOTAL 09-10		\$165,949.52		\$8,923.68		\$131,803.46		\$235,296.86
DIFFERENCE		(\$6,906.64)		(\$8,923.68)		(\$3,345.77)		(\$57,907.70)
% INCR/DECR		-4.34%		0.00%		-2.60%		-32.64%

\$2,523,160.55	
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TOTAL 09-10	\$2,616,564.88
DIFFERENCE	(\$93,404.33)
% INCR/DECR	-3.70%