

PUBLIC NOTICE

**CITY OF SEDONA
TENTATIVE BUDGET 2026-2027 FISCAL YEAR**

Notice is hereby given that the City Council of the City of Sedona adopted the 2026-2027 Tentative Budget during its regular meeting on Tuesday, May 26, 2026. The City Council will hold a public hearing in the City Council Chambers located at 102 Roadrunner Drive, Sedona, Arizona 86336, on Tuesday, June 23, 2026 at 4:00 p.m., to review, take public testimony, discuss, possibly amend and adopt the Final 2026-2027 Fiscal Year Budget for the City of Sedona.

Copies of the Tentative 2026-2027 Fiscal Year Budget are available for public inspection online at <http://www.sedonaz.gov> and in hardcopy form at the City offices located at 102 Roadrunner Drive, Sedona, Arizona 86336 and at the Community Library Sedona located at 3250 White Bear Road, Sedona, Arizona 86336. Persons with further questions regarding the 2025-2026 Budget may contact City offices at the above address or by calling (928) 204-7185.

Please publish June 12th and June 19th along with the attached Summary Schedule of Estimated Revenues and Expenditures/Expenses Fiscal Year 2027 and the Tentative 2026-27 Budget Consolidated Financial Schedule.

/s/JoAnne Cook, CMC, City Clerk

Posted 5/27/26

Published: 6-12 & 6-19, 2026

**Exhibit A
City of Sedona
FY 2026-27 Tentative Budget - Consolidated Financial Schedule**

Fund/Department	Beginning Fund Balances	Revenues						Other Financing Sources (Uses)			Ending Fund Balances	
		Taxes	Contingent Revenues	In-Lieu Fees	Intergovernmental	Charges for Services	Other Revenues	Total Revenues	Transfers In	Transfer Out		Expenditures
General Fund												
General Revenues		\$37,711,000		\$575,500	\$4,296,500	\$822,500	\$2,571,330	\$45,976,830	\$1,918,037	\$(19,194,491)		
General Government											15,946,329	
Public Safety											11,395,162	
Public Works & Streets											3,199,635	
Health & Welfare											1,758,820	
Public Transportation											-	
Culture & Recreation											3,371,222	
Tourism Management & Economic Development											1,887,993	
Debt Service											2,339,384	
Contingencies											1,800,000	
Total General Fund	27,942,780	37,711,000	-	575,500	4,296,500	822,600	2,571,330	46,976,830	1,918,037	(19,194,491)	41,698,646	14,944,610
Special Revenue Funds												
Streets Fund	1,549,829				1,068,000		33,000	1,101,000	2,000,000	(263,504)	2,972,123	1,415,202
Affordable Housing Fund	21,121,644						70,500	70,500		(47,093)	2,407,330	18,737,721
Grants, Donations & Restricted Funds	603,064				1,855,400		96,137	1,951,537			1,523,100	1,031,501
Transportation Sales Tax Fund	2,294,595	4,737,000					160,000	4,897,000		(1,000,000)	3,877,440	2,314,156
Total Special Revenue Funds	25,569,132	4,737,000	-	-	2,923,400	-	359,637	8,020,037	2,000,000	(1,310,697)	10,779,993	23,488,579
Capital Projects Funds												
Capital Improvements Fund	26,824,950				2,744,000		478,625	3,222,625	5,400,000	(2,250,083)	21,988,275	11,209,218
Development Impact Fees Funds	(2,033,571)						450,442	450,442	2,200,000		58,350	558,521
Art in Public Places Fund	145,787						5,500	5,500	50,083		35,000	166,369
Total Capital Projects Funds	24,937,166	-	-	-	2,744,000	-	934,667	3,678,567	7,660,083	(2,250,083)	22,081,625	11,934,108
Enterprise Funds												
Parking Garage Fund												
Administration							1,300,000	1,300,000	800,000		101,560	
Debt Service											1,642,150	
Total Parking Garage Fund	-	-	-	-	-	-	1,300,000	1,300,000	800,000	-	1,743,710	356,290
Public Transit Fund												
Administration									1,900,000	(315,244)	374,835	
Operations & Capital Projects Management					1,250,000		25,800	1,275,800			3,208,332	
Departmental Allocations							114,000	114,000			-	
Capital Projects											730,592	
Total Public Transit Fund	7,417,508	-	-	-	1,250,000	25,800	114,000	1,389,800	1,900,000	(315,244)	4,313,760	6,078,304
Wastewater Fund												
Administration							6,278,100	1,878,300	8,156,400	7,600,000	(1,512,187)	918,396
Operations											3,546,587	
Departmental Allocations											-	
Capital Projects/Management											9,499,420	
Debt Service											-	
Contingencies											100,000	
Total Wastewater Fund	10,162,280	-	-	-	-	6,278,100	1,878,300	8,156,400	7,600,000	(1,512,187)	14,064,403	10,342,090
Total Enterprise Funds	17,579,789	-	-	-	1,250,000	7,603,900	1,992,300	10,846,200	10,300,000	(1,827,431)	20,121,873	16,776,684
Internal Service Fund												
Information Technology Fund	3,696,401						600	21,600	2,843,552	(129,070)	3,281,185	3,151,298
Total Internal Service Fund	3,696,401	-	-	-	-	-	600	21,600	2,843,552	(129,070)	3,281,185	3,151,298
Total All Funds	99,725,267	\$42,448,000	\$0	\$575,500	\$11,213,900	\$8,427,000	\$5,878,834	\$88,643,234	\$24,711,672	(\$24,711,672)	97,963,222	\$70,305,279

City of Sedona
Summary Schedule of estimated revenues and expenditures/expenses
Fiscal year 2027

Fiscal year	S c h	Funds								
		General Fund	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Permanent Fund	Enterprise Funds Available	Internal Service Funds	Total all funds	
2026	Adopted/adjusted budgeted expenditures/expenses*	E 1	36,981,730	7,571,681	0	34,514,352	0	21,179,209	3,044,722	103,291,695
2026	Actual expenditures/expenses**	E 2	34,584,044	4,799,959	0	24,333,994	0	18,466,635	2,740,250	84,924,882
2027	Beginning fund balance/(deficit) or net position/(deficit) at July 1***	3	27,942,780	25,569,132	0	24,937,186	0	17,579,789	3,696,401	99,725,267
2027	Primary property tax levy	B 4	0	0	0	0	0	0	0	0
2027	Secondary property tax levy	B 5	0	0	0	0	0	0	0	0
2027	Estimated revenues other than property taxes	C 6	45,976,830	8,020,037	0	3,678,567	0	10,846,200	21,600	68,543,234
2027	Other financing sources	D 7	0	0	0	0	0	0	0	0
2027	Other financing (uses)	D 8	0	0	0	0	0	0	0	0
2027	Interfund transfers in	D 9	1,918,037	2,000,000	0	7,650,083	0	10,300,000	2,843,552	24,711,672
2027	Interfund Transfers (out)	D 10	19,194,491	1,310,597	0	2,250,083	0	1,827,431	129,070	24,711,672
2027	Line 11: Reduction for fund balance reserved for future budget year expenditures									
	Maintained for future debt retirement									
	Maintained for future capital projects			1,163,232		10,994,138		5,400,000		17,557,370
	Maintained for future financial stability	11	12,599,226	966,637				1,616,408		15,182,271
	Reserve for loans			17,150,000						17,150,000
	Reserve for future transit system							5,300,000		5,300,000
	Equipment replacement reserve		2,015,352	204,215				2,949,761	1,890,673	7,060,201
2027	Total financial resources available	12	42,028,578	14,794,488	0	23,021,595	0	21,632,388	4,541,610	106,018,659
2027	Budgeted expenditures/expenses	E 13	41,698,546	10,779,993	0	22,081,625	0	20,121,873	3,281,185	97,963,222

Expenditure limitation comparison

	2026	2027
1 Budgeted expenditures/expenses	\$ 103,291,695	\$ 97,963,222
2 Add/subtract: estimated net reconciling items		
3 Budgeted expenditures/expenses adjusted for reconciling items	103,291,695	97,963,222
4 Less: estimated exclusions		
5 Amount subject to the expenditure limitation	\$ 103,457,498	\$ 97,963,222
6 EEC expenditure limitation or voter-approved alternative expenditure limitation	\$ 103,457,498	\$ 97,963,222

The city/town does not levy property taxes and does not have special assessment districts for which property taxes are levied. Therefore, Schedule B has been omitted.

- * Includes expenditure/expense adjustments approved in the current year from Schedule E.
- ** Includes actual amounts as of the date the proposed budget was prepared, adjusted for estimated activity for the remainder of the fiscal year.
- *** Amounts on this line represent beginning fund balance/(deficit) or net position/(deficit) amounts except for nonspendable amounts (e.g., prepaids and inventories) or amounts legally or contractually required to be maintained intact (e.g., principal of a permanent fund). See the Instructions tab, cell C17 for more information about the amounts that should and should not be included on this line.