



FINAL BUDGET

FY2014-2015



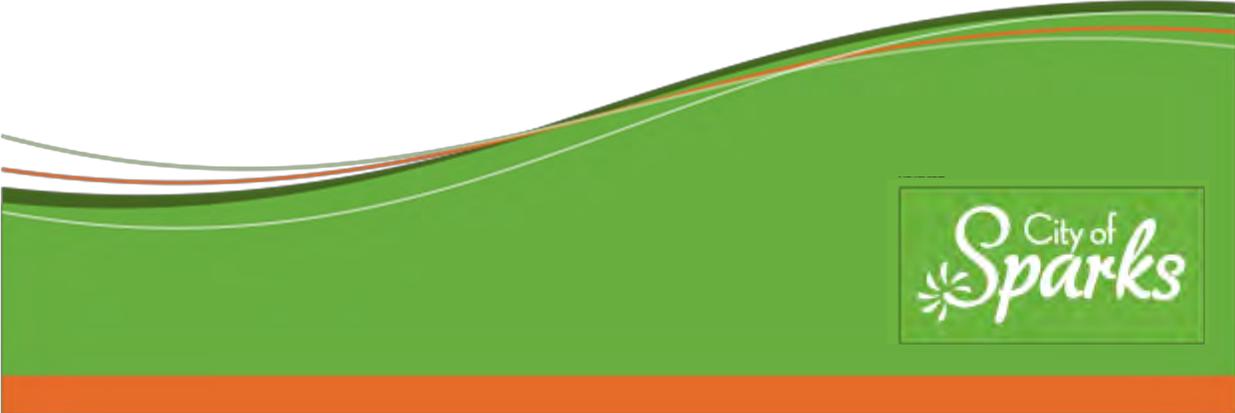
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INTRODUCTION



FY2014-15 Budget Message

This message is intended to convey the broad economic and operating assumptions used to produce the Final FY15 Budget.

The budget process at the City of Sparks is driven by a set of six Fiscal Policies. These policies were revised under the direction of City Council on February 25, 2014. Below are the policies and the results produced from the FY14 budget.

The City of Sparks Fiscal Policies are as follows:

- 1 General Fund unrestricted ending Fund Balance not lower than 5.5% and up to 8.3% of expenditures for FY15**

	GOAL	RESULTS	AMOUNT OVER/(UNDER) GOAL	STATUS
FY13 ACTUALS	8.3%	11.6%	\$1,658,257	✔
FY14 EST. ACTUALS	8.3%	8.2%	(\$50,000)	☹
FY15 BUDGET	5.5% - 8.3%	6.4%	(\$950,000)	✔

- 2 Establish a General Fund Contingency amount up to 3% of total expenditures in the annual budget**

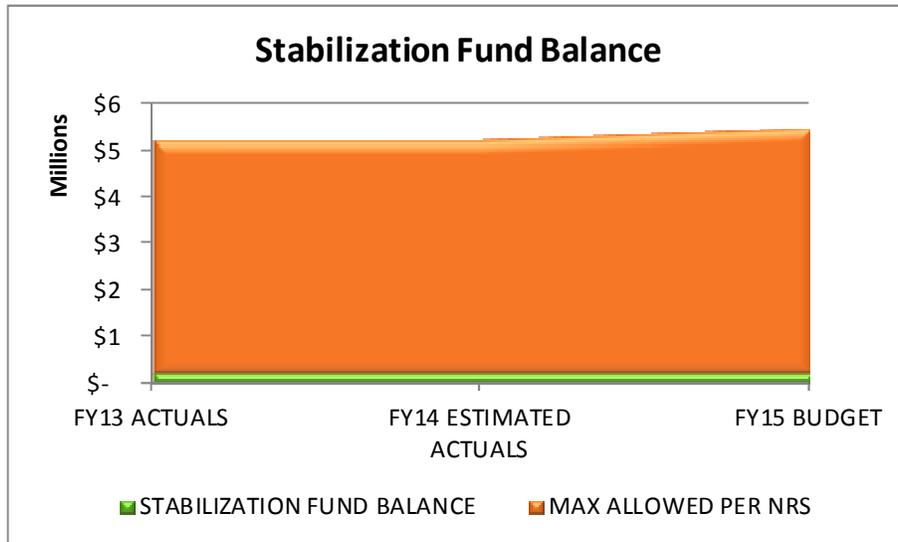
	GOAL	BUDGET	Contingency Amount	STATUS
FY13 BUDGET	up to 3%	1.9%	1,000,000	✔
FY14 BUDGET	up to 3%	1.9%	1,000,000	✔
FY15 BUDGET	up to 3%	1.9%	1,000,000	✔

- 3 Transfer an annual amount equal to 2.5% of total revenues from the General Fund to the Capital Projects Fund.**

	GOAL	RESULTS	Transfer Amount	STATUS
FY13 ACTUALS	2.5%	2.3%	1,210,000	☹
FY14 ESTIMATED ACTUALS	2.5%	2.4%	1,300,000	☹
FY15 BUDGET	2.5%	1.6%	902,000	✘

4 Commit a portion of annual business license receipts to the Stabilization Fund up to the maximum Fund balance allowed within NRS 354.6115.

	MAX ALLOWED PER NRS	STABILIZATION FUND BALANCE	AMOUNT COMMITTED	STATUS
FY13 ACTUALS	\$ 5,011,574	\$ 228,922	\$ -	✘
FY14 ESTIMATED ACTUALS	\$ 5,011,574	\$ 229,022	\$ -	✘
FY15 BUDGET	\$ 5,270,588	\$ 229,122	\$ -	✘



5 Reduce General Fund Personnel costs so that they do not exceed 78% of General Fund Total Revenues

	GOAL	RESULTS	STATUS
FY13 ACTUALS	<=78%	77.6%	✔
FY14 EST. ACTUALS	<=78%	79.0%	⚠
FY15 BUDGET	<=78%	80.5%	✘

6 Report the annual obligation for the Other Post Employment Benefit (OPEB) existing net liability and determine annually whether to establish an irrevocable trust fund or pay-as-you-go

	NET OPEB OBLIGATION	FUNDING STATUS
FY09 ACTUALS	\$ 2,025,422	Pay Go
FY10 ACTUALS	\$ 4,566,159	Pay Go
FY11 ACTUALS	\$ 4,958,920	Pay Go
FY12 ACTUALS	\$ 5,473,423	Pay Go
FY13 ACTUALS	\$ 6,018,434	Pay Go

GENERAL FUND

The following table provides a snapshot of the projected General Fund fiscal outcomes for the current fiscal year and next and provides a comparison to FY13 actual results.

General Fund Summary of Revenues, Expenses & Fund Balance

	FY13 Actuals	FY14 Estimates	FY15 Budget
Resources (including Transfers-in)	52,116	53,958	57,047
Expenditures (including Transfers-out)	(\$52,800)	(\$55,475)	(\$57,813)
Change in Fund Balance	(\$685)	(\$1,517)	(\$766)
Beginning Fund Balance	6,492	5,808	4,290
Ending Fund Balance	5,808	4,290	3,524
Ending Fund Balance as a % of Expenditures*	11.6%	8.2%	6.4%

All figures shown in \$000's

*Calculation uses unrestricted ending fund balance and expenditures exclude Transfers-out, Capital Outlay & Contingency

GENERAL FUND REVENUES AND TRANSFERS-IN

The General Fund's primary revenues come from Consolidated Tax Revenue (CTAX), Property Taxes and Licenses & Permits. These sources account for 90% of total General Fund Revenues.

CTAX

We are projecting that FY15 CTAX revenue will increase 3% over FY14 estimates. This would be the 5th straight year of modest increases in this revenue source after 4 years of significant decline. FY15's CTAX projection of \$20M (36% of General Fund revenues) is still \$5.2M or 21% less than the high of \$25.2M the City received in FY06.

Property Tax

Property taxes make up 35% of General Fund revenues. Growth in Northern Nevada helped push these revenues up 10.5% on average between FY05 and FY09, but the subsequent 4 years (FY10-FY13) resulted in steady decreases. FY14 is expected to remain relatively flat over FY13.

Property tax revenues are expected to improve in FY15 due to a significant increase in assessed values. In addition, the City Council has approved a 4.37 cent increase to the City's property tax rate bringing the total tax rate to the cap of \$3.66 per \$100 of assessed value. This will be the first property tax increase in 10 years since the current rate was established in FY05. Even with these factors, property tax receipts are only expected to increase by 4%.

The reasons:

- NRS 361.4722 and NRS 361.4723 (the "property tax abatement laws") place further restrictions on property taxes requiring the amount of calculated tax that is greater than 3% for residential properties and up to 8% for certain commercial properties from the previous year's tax levy, be abated (i.e., removed) from the current property tax levy. In other words, tax bills may only increase no more than 3% for residential properties and up to 8% for certain commercial properties (the "up to" 8% for commercial properties is actually calculated annually per a formula based on the average 10 year assessed value

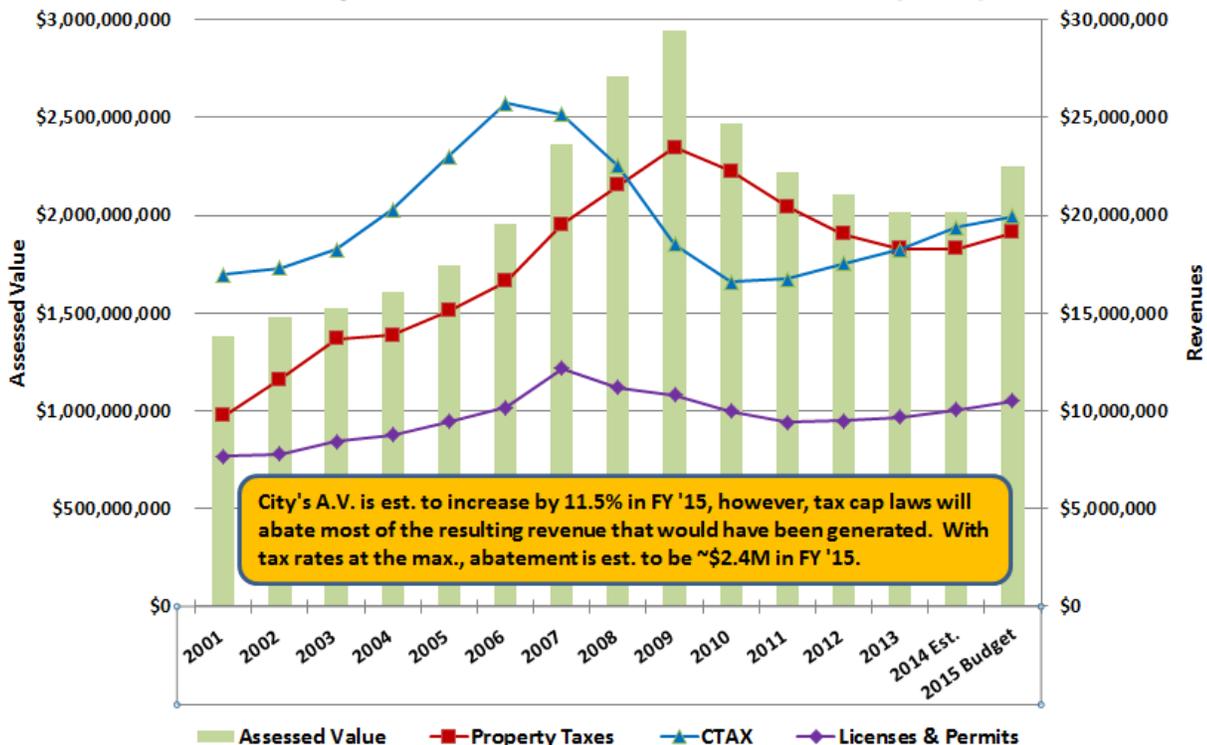
growth rate in a county and changes in CPI). For FY15, this formula for commercial properties resulted in a cap of 3%. Thus, both residential and commercial properties are capped at 3% for FY15

- Due to the abatement laws, increasing the property tax rate to the maximum will only result in additional revenue for FY15 of an estimated \$250K. An additional \$960K is estimated to be generated in FY15 if the abatement laws were not in effect
- Based on data provided by Washoe County Treasurer and Assessor offices, an estimated 11.2%, or 3,750 of the 33,595 parcels in Sparks will be affected by a property tax rate increase. An estimated 1,239 residential parcels are expected to be affected (3.7% of all City parcels)
- If the property tax rate increase is approved, abatement for FY15 is estimated to be \$2.4M. Without the property tax rate increase, abatement is still estimated to be quite high at \$1.8M due to increased assessed valuations (up from about \$280K of abatement in FY14)

Licenses & Permits

Business licenses, permits and franchise fees are expected to account for \$10.5M or 19% of General Fund Revenues. We are projecting that FY14 will result in a 6% increase over FY13 and that FY15 will grow another 4%. City Council has approved an increase in the City’s garbage franchise fee from 5% to 8% that is expected to raise an additional \$400k of General Fund revenue. Without the fee increase, revenues from this category are expected to be flat in FY15.

Sparks General Fund Primary Revenue Sources Compared to Assessed Valuation (A.V.)



TRANSFERS-IN

FY15 budgeted transfers-in include:

- \$704k from Development Services Enterprise Fund – This is the final repayment on a \$1.1M General Fund subsidy to the Fund in FY10 & FY11.
- \$1M from Motor Vehicle Fund - This amount is meant to offset the Contingency budget in the General Fund and the transfer will be made only if the General Fund has insufficient resources to meet the emergency budget shortfall for which the contingency budget would be utilized.

GENERAL FUND EXPENDITURES & TRANSFERS-OUT

General Fund Expenditures by Type

	FY13 Actuals	FY14 Estimates	FY15 Budget
Salaries & Benefits	40,371	42,325	44,539
Services & Supplies	9,623	10,204	10,547
Capital Outlay	122	176	91
Contingency	0	0	1,000
Total Expenditures	50,116	52,706	56,178

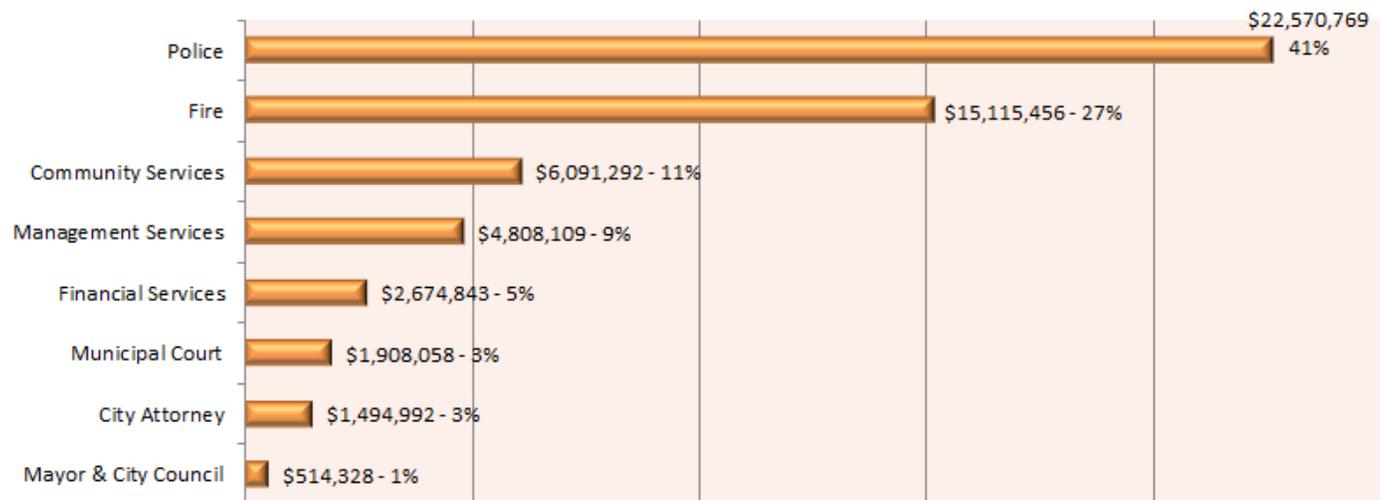
All figures shown in \$000's

FY15 Expenditures excluding contingency increasing \$2.5M or 4.7% over FY14

Main drivers:

- New Needs (\$225k)
- Additional Police Department salaries due to the expiration of a grant (\$350k)
- 25% contribution and premium rate increase for Group Health Self Insurance Fund (\$971k)

**FY15 Expenditures by Department - General Fund
(excludes contingency)**



TRANSFERS-OUT

FY15 budgeted transfers-OUT include:

- \$734K to Parks & Recreation Fund – This transfer subsidizes Parks and Recreation costs that are not covered by user fees.
- \$902k to Capital Projects Fund – One of the City’s fiscal policies is to transfer an annual amount equal to 2.5% of total revenues from the General Fund to the Capital Projects Fund. We will fall short of this goal in FY15, with a transfer equal to 1.6% of total revenues. This policy ensures that the City continues to invest in infrastructure and technology needs.
- In FY14 and FY15, the transfer out to the Debt Service Fund in the amount of \$730k for the payment of 2007 CTAX Bond debt service, has been eliminated. This will again be paid with unspent 2007 CTAX bond proceeds in FY15, leaving \$120k of bond proceeds which could be used to partially fund FY16’s debt service payment.

GENERAL FUND ENDING FUND BALANCE

The City’s fiscal policy adopted for FY15 is to maintain a minimum unrestricted ending fund balance between 5.5% and 8.3% of expenditures within the General Fund. The FY15 General Fund budget meets that goal and results in an ending fund balance equal to 6.4% of expenditures.

AREAS OUTSIDE THE GENERAL FUND

SPECIAL REVENUE FUNDS

The City maintains 9 Special Revenue Funds to account for revenues that are restricted for a specific purpose:

1. **Community Development Block Grant Fund** - To account for revolving Fund monies received from the repayment of Single Family Housing Rehab Deferred Loans, which is a program funded by the U.S. Department of Housing and Urban Development’s (HUD) Community Development Block Grant (CDBG). Per HUD regulations, the program income generated must remain in the loan program.
2. **Community Development Block Grant Entitlement Fund** - Entitlement grant spending of Community Development Block Grant (CDBG) for programs that benefit low and moderate income households, as approved by the granting Federal agency, U.S. Department of Housing & Urban Development (HUD).
3. **Sparks Grants & Donations Fund** - Special Revenue Fund to account for grants received by the City. This fund does not include grants received by Proprietary Funds or Community Development Block Grants. Virtually the entire budget for this Fund is established after the start of the fiscal year as the balances of existing grants and donations are determined and as new grants and donations are awarded.
4. **Municipal Court Admin Assessments Fund** - To account for monies received from the Municipal Court administrative assessments and collection fees to finance Municipal Court related improvements to operations and facilities per NRS 176.0611.

5. **Impact Fee Service Area 1 Fund** - To account for impact fees collected from development in Impact Fee Service Area 1, to be used for the construction of sanitary sewers, flood control, parks, and public facilities.
6. **Tourism Improvement District 1 Fund** - This fund was established to account for the \$83M in Sales Tax Anticipation (STAR) Bond issued in May of 2008. The proceeds were used to acquire, improve, and equip certain property commonly referred to as 'Legends at the Sparks Marina. The fund will be dissolved once bond proceeds are spent.
7. **Parks & Recreation Fund** - Used to provide recreation programs offered by and administered by the City of Sparks Parks and Recreation Department. Originally, the maintenance and operation of parks resided here, but in FY12, that function was moved to the General Fund and is no longer accounted for in this fund. Special Events are also accounted for in this fund.
8. **Tourism & Marketing Fund** - Revenue and spending related to the Washoe County Taxes on Transient Lodging Act of 1999 which added 1% to transient lodging taxes collected county-wide. Sparks receives a small portion of this 1% and is capped at \$200,000 per year. Funds must be used for the marketing and promotion of tourism in the City of Sparks and for the operation and maintenance of capital improvements within redevelopment areas.
9. **Stabilization Fund** - Reserve to stabilize the operation of the City in the event of a revenue shortfall or natural disaster. In order to comply with GASB54, the Council approved a policy in June of 2011, which states that Stabilization Fund resources may only be used if General Fund revenues decrease by 4% or more from the previous year or to pay expenses incurred to mitigate the effects of a declared natural disaster.

DEBT SERVICE FUND

The City has 1 Debt Service Fund to account for the retirement of general obligation bonds and long term leases. Per various bond covenants, reserves in our Debt Service Fund exceed one year of debt requirements. This is attributable to capitalized interest and cash flow needs.

CAPITAL PROJECTS FUNDS

The City's 9 Capital Projects Funds contain total expenditures of \$8.5M in the FY15 budget, and as outlined in the FY15 Capital Improvement Program. These expenditures will be primarily funded by franchise fees, fuel taxes, residential construction taxes and a \$902k transfer from the General Fund.

1. **Road Fund** - To provide for maintenance, repair, acquisition and construction of roads and streets. Funding is provided by a portion of the City's electric and gas Franchise fees, water utility Right of Way fees and fuel taxes.
2. **Parks & Recreation Project Fund** - To provide for specific parks and recreation projects. Funding is provided by a portion of the City's electric and natural gas franchise fees.

3. **Capital Projects Fund** - Used for acquiring and constructing fixed assets or for the renovation and rehabilitation of capital facilities. Funding comes mainly from City transfers and bond proceeds.
4. **Capital Facilities Fund** - To provide for the acquisition of land, improvements to land, purchase of major equipment, renovations of government facilities and repayment of short-term financing for these activities. Funding is provided by a special ad valorem tax rate as required by NRS 354.598155.
5. **Rec & Parks District 1 Fund** - Construction Tax revenues collected in district 1 to be used for the acquisition, improvement and expansion of neighborhood parks, playgrounds and recreational facilities within that district.
6. **Rec & Parks District 2 Fund** - Construction Tax revenues collected in district 2 to be used for the acquisition, improvement and expansion of neighborhood parks, playgrounds and recreational facilities within that district.
7. **Rec & Parks District 3 Fund** - Construction Tax revenues collected in district 3 to be used for the acquisition, improvement and expansion of neighborhood parks, playgrounds and recreational facilities within that district.
8. **Victorian Square Room Tax Fund** - To account for the resources received pursuant to section 6.6 of the Washoe County Taxes on Transient Lodging Act of 1999. Taxes on the revenue from the rental of transient lodging in the amount of 2.5% must be used for improvements and land acquisitions in the Victorian Square area.
9. **Local Improvement District 3 Fund** - Accounts for proceeds of \$26M received in June 2008 from special assessment bonds and from developer cash contribution (\$2.6M) to be used to acquire public roadway, water, sewer and storm drain improvements constructed by RED Development per an Acquisition Agreement. The Fund will be dissolved once bond proceeds are spent.

ENTERPRISE FUNDS

Sewer Operations, Development Services and the Joint Treatment Plant funds comprise the City's Enterprise Funds.

1. The **Sewer Operations Fund** includes the operations, maintenance and capital improvements of sewer, storm drain and effluent reuse infrastructure. It also accounts for the City of Sparks' reimbursement of its share of the sewage treatment costs at the jointly owned (with the City of Reno) Truckee Meadows Water Reclamation Facility. The primary resources to this fund include Sewer, Storm Drain and Effluent Reuse user fees. Connection fees also comprise a significant portion of this fund's revenues, and although connection fees have fallen sharply during the economic downturn, we are beginning to see a slight improvement. FY14 revenue estimates include a \$4.8 million contribution from the Flood Project for the North Truckee Drain Realignment Project. On January 27, 2014, City Council approved a five-year 8.25% annual increase to the sewer component of residential and commercial sewer bills. City Council also approved a 13.4% reduction in multi-family residential sewer rates. These rate changes will be effective on July 1, 2014. The increase will fund energy efficiency and other capital improvements at the Truckee

Meadows Water Reclamation Facility (TMWRF), as well as provide funding for 100% of FY15 proposed sewer and storm drain CIP projects.

2. The **Development Services Fund** accounts for all activities related to building and development in the community, including, permit processing, building inspection, plan checking and development reviews. With permit activity showing some improvement since FY11, the Development Services Enterprise fund was able to repay the General Fund for the subsidies it received during the economic downturn. \$60,000 was repaid in FY13 and \$352,000 in FY14. The remaining balance to date is \$704,000 and is scheduled to be repaid in full to the General Fund in FY15. Revenues in Fund 2201 are driven by construction and new development. The biggest revenues in this fund come from building permits and plan checking, which are amounts that are both calculated as a percentage of a project's total valuation. While both revenue sources appear to be marginally growing as the housing market recovers in our area, they are still nowhere near FY06 levels.
3. The **Joint Treatment Plant Fund** accounts for the operation of the Truckee Meadows Water Reclamation Facility (TMWRF), which provides waste water treatment. TMWRF is a joint venture between the City of Reno and the City of Sparks. Operating costs are shared between the two entities based on actual flow contributed to the plant each year. Capital improvement costs are shared based on capacity ownership which is currently 31.37% City of Sparks and 68.63% City of Reno.

INTERNAL SERVICE FUNDS

The City currently maintains 4 Internal Service Funds. They account for user fees collected from all departments and Funds to provide city-wide services.

1. The **Motor Vehicle Maintenance Fund** uses maintenance, repair and replacement cost fees, collected on all City vehicles to pay for the maintenance and replacement of the fleet. The FY15 budget includes a \$1M transfer to the General Fund. This amount is meant to offset the Contingency budget in the General Fund and the transfer will be made only if the General Fund has insufficient resources to meet the emergency budget shortfall for which the contingency budget would be utilized.
2. The **Group Self-Insurance Fund** accumulates resources from City health insurance contributions for all active employees, any premiums paid by active employees and premiums paid by retirees participating in our health plan. Contribution and premium rates were reduced 8% in FY13 and another 8% in FY14. The expenses in this fund, the largest of which are health and dental insurance claims, are quickly outpacing the revenues. In FY15, the fund will require a rate increase of 25% to both contributions and premiums to maintain a positive reserve.
3. The **Workers Compensation Self Insurance Fund** collects revenue from other Funds of the City to pay workers' compensation claims and to pay the cost of administering a self-funded insurance program. Worker's Comp claims costs have been especially volatile over the past few years. This is due to the need to record the liability associated with actuarially determined costs that we expect to incur in the long and

short term. The amount of the liability is based on an actuarial estimate of the expected future cost of indemnity (wage replacement) benefits, medical benefits, and allocated loss adjustment expenses due to claims for disability filed by public safety (active or retired) employees who develop heart disease, lung disease, hepatitis, or cancer (HLHC) and file workers compensation claims under the presumptive benefit laws. HLHC does not apply to non-public safety positions. Current reserves in the fund do not cover the total liability, causing a negative ending net asset balance. Cash reserves are sufficient to cover expected claims costs over the next few years, but long term solutions are needed.

4. The ***Municipal Self-Insurance Fund's*** liability claims are funded by the General Fund and the Enterprise funds. The amount each pays is based on the origin of the prior year's claims. A portion of this fund's revenue also comes from reimbursement from the City's insurance or from third-party insurance for damage done to City property, vehicles, and such. In FY13, 28% of this fund's revenues came from such recoveries and reimbursements. In FY14, staff has been proactive at filing claims and such recoveries and reimbursements are projected to comprise 44% of total revenues. In FY15, expenditures are projected to increase by 36% from FY14. This is largely due to an anticipated claim that could cost the City \$300,000 in deductibles.

Respectfully Submitted,

Jeff Cronk, CPA
Financial Services Director

City of Sparks Elected Officials



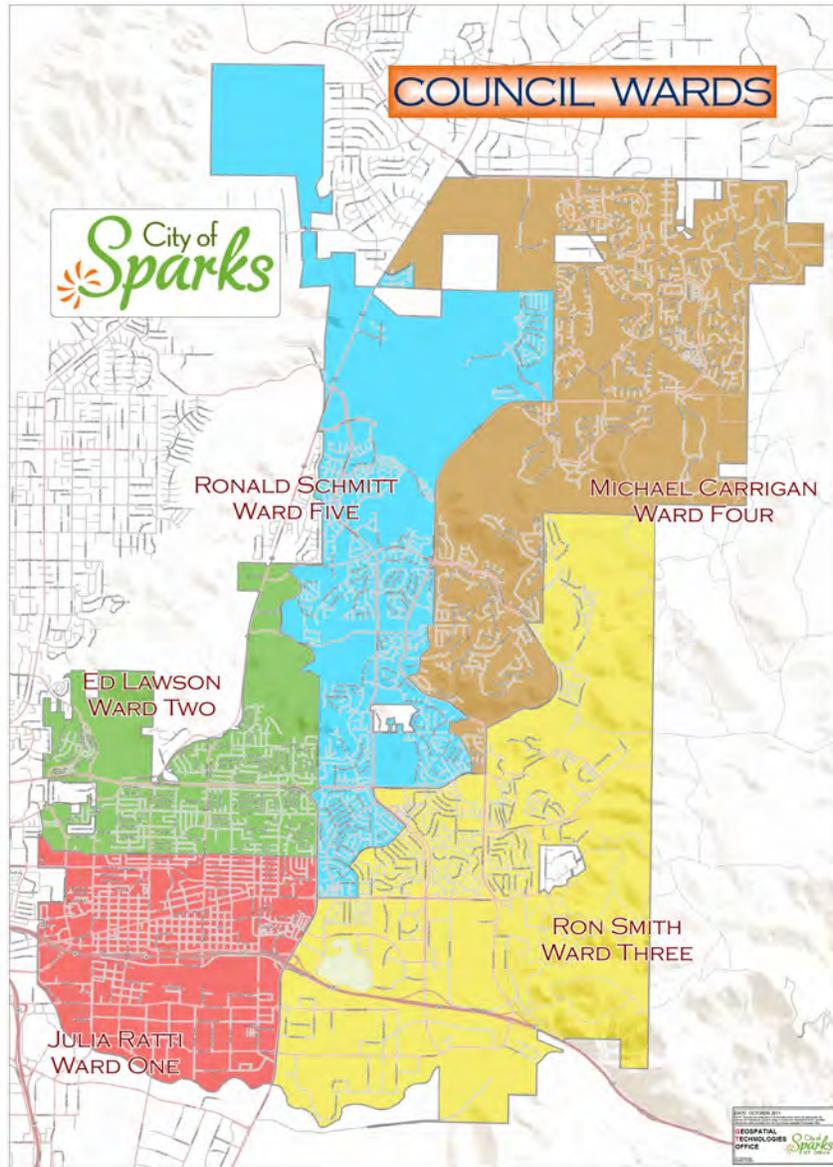
Geno Martini
Mayor



Julia Ratti
Ward 1



Ed Lawson
Ward 2



Ron Smith
Ward 3



Mike Carrigan
Ward 4



Ron Schmitt
Ward 5



Chet Adams
City Attorney



Barbara McCarthy
Municipal Judge
Department 1



Jim Spoo
Municipal Judge
Department 2



City of Sparks Leadership

OFFICE	OFFICIAL	TERM
<u>MAYOR, CITY COUNCIL & CITY ATTORNEY</u>		
Mayor	Geno Martini	11/2010—11/2014
Ward 1	Julia Ratti	11/2012—11/2016
Ward 2	Ed Lawson	11/2010—11/2014
Ward 3	Ron Smith	11/2012—11/2016
Ward 4	Mike Carrigan	11/2010—11/2014
Ward 5	Ron Schmitt	11/2012—11/2016
City Attorney	Chet Adams	11/2012—11/2016
<u>JUDICIAL</u>		
Department 1	Barbara McCarthy	11/2008—11/2014
Department 2	Jim Spoo	11/2012—11/2018
<u>STAFF</u>		
City Manager	Stephen W. Driscoll	Appointed
Assistant City Manager	<i>Vacant</i>	Appointed
City Clerk	Teresa Gardner	Appointed
<u>DIRECTORS</u>		
Deputy City Manager for Community Services	Neil Krutz	Appointed
Financial Services	Jeff Cronk	Appointed
Parks & Recreation	Tracy Domingues	Appointed
Fire Chief	Tom Garrison	Appointed
Police Chief	Brian Allen	Appointed



City of Sparks Profile



Incorporated	March 15, 1905
City Slogan	"It's Happening Here!"
Total Square Miles	35.81 - as of April 2011
Why the name "Sparks"?	The City had been called East Reno, New Wadsworth and Harriman for a while, but that did not suit the independent spirit of the new citizenry, and in 1904 was officially named the City of Sparks to honor then current Governor John Sparks. In 1905 Sparks became an incorporated city and in celebration, Governor Sparks hosted a barbecue for all the citizens of Sparks at his Alamo Stock Farm at Moana Springs (near the current site of the Reno Sparks Convention Center in Reno).



Since the 1990's Sparks has grown tremendously, offering residents and visitors a wide array of services and activities. Sparks was reported as the fastest growing city in Nevada between 1999 - 2008 and continues to grow. Quality of life is cited as one of the main reasons people relocate to the Sparks area. Summer and winter outdoor activities abound! Sparks is known as the premiere special events venue for all of northern Nevada with attractions on our Victorian Square bringing thousands of visitors to such annual events as Hometown Farmer's Market, Hot August Nights, Best in the West (Nugget) Rib Cook-off and Hometowne Christmas.

Sparks is also well known for its outstanding Parks and Recreation system designed to appeal to young and old alike, with numerous neighborhood parks, regional sports facilities and an unusually large number of fun and exciting recreation programs for pre-schoolers to senior citizens.

Opened in 2009 is the Whitewater Park at Rock Park. Along with pools for kayaking, tubing and rafting for all skill levels, the new features include improved riverbank landscaping, shade and play structures, parking and better access for people with disabilities.



New to the growing list of recreational activities is the Golden Eagle Regional Park, located on 450 acres east of Wingfield Springs, south of Vista Boulevard. The facility consists of six softball fields, two baseball fields, two youth baseball/softball fields, stadium-size soccer/football field and two multi-purpose fields, along with volleyball and bocce ball. Plenty of sporting fun for the whole family!



Another wonderful destination park is the picturesque Sparks Marina. Eighty acres of water accommodate swimming, boating, fishing, scuba diving and picnicking facilities, and breathtaking views of the nearby mountains. Few other cities in the country can offer such an amenity to its residents and visitors.

As the city continues to develop as the ideal tourist and local destination, The Legends at Sparks Marina provides both tourists and locals alike a shopping experience unlike any other in northern Nevada. An IMAX theater recently opened its doors expanding the repertoire of the City's wholesome entertainment options.

STATISTICAL DATA

People Quick Facts	Sparks	Nevada
Population, 2013 estimate	93,282	2,790,136
Population, 2012 estimate	92,089	2,754,354
Population, percent change, July 2012 to July 2013	1.3%	1.3%
Population, 2010	90,264	2,700,552
Persons under 5 years, percent, 2010	7.2%	6.9%
Persons under 18 years, percent, 2010	25.8%	24.6%
Persons 65 years and over, percent, 2010	11.3%	12.0%
Female persons, percent, 2010	50.6%	49.5%
White persons, percent, 2010 (a)	74.5%	66.2%
Black persons, percent, 2010 (a)	2.6%	8.1%
American Indian and Alaska Native persons, percent, 2010 (a)	1.2%	1.2%
Asian persons, percent, 2010 (a)	5.9%	7.2%
Native Hawaiian and Other Pacific Islander, percent, 2010 (a)	0.6%	0.6%
Persons reporting two or more races, percent, 2010	4.0%	4.7%
Persons of Hispanic or Latino origin, percent, 2010 (b)	26.3%	26.5%
White persons not Hispanic, percent, 2010	61.4%	54.1%
Living in same house 1 year & over, percent, 2008-2012	75.6%	77.7%
Foreign born persons, percent, 2008-2012	17.8%	19.2%
Language other than English spoken at home, percent age 5+, 2008-2012	28.0%	29.0%
High school graduate or higher, percent of persons age 25+, 2008-2012	84.8%	84.4%
Bachelor's degree or higher, percent of persons age 25+, 2008-2012	20.9%	22.2%
Veterans, 2008-2012	7,875	229,570
Mean travel time to work (minutes), workers age 16+, 2008-2012	21.8	23.8
Housing	Sparks	Nevada
Housing units, 2010	36,455	1,173,814
Homeownership rate, 2008-2012	58.8%	57.8%
Housing units in multi-unit structures, percent, 2008-2012	27.0%	29.9%
Median value of owner-occupied housing units, 2008-2012	\$198,500	\$190,900
Households, 2008-2012	33,517	992,896
Persons per household, 2008-2012	2.68	2.69
Per capita money income in the past 12 months (2012 dollars), 2008-2012	\$25,376	\$27,003
Median household income, 2008-2012	\$53,508	\$54,083
Persons below poverty level, percent, 2008-2012	13.4%	14.2%
Business Quick Facts	Sparks	Nevada
Total number of firms, 2007	7,057	221,260
Black-owned firms, percent, 2007	0.4%	3.9%
American Indian- and Alaska Native-owned firms, percent, 2007	0.7%	0.8%
Asian-owned firms, percent, 2007	4.6%	7.9%
Native Hawaiian and Other Pacific Islander-owned firms, percent, 2007	(Fewer than 25)	0.3%
Hispanic-owned firms, percent, 2007	6.9%	8.1%
Women-owned firms, percent, 2007	30.8%	28.6%
Manufacturers shipments, 2007 (\$1000)	1,522,340	15,735,787
Merchant wholesaler sales, 2007 (\$1000)	2,998,822	19,255,893
Retail sales, 2007 (\$1000)	1,166,353	37,433,983
Retail sales per capita, 2007	\$13,410	\$14,579
Accommodation and food services sales, 2007 (\$1000)	340,277	28,815,533

Source: US Census Bureau

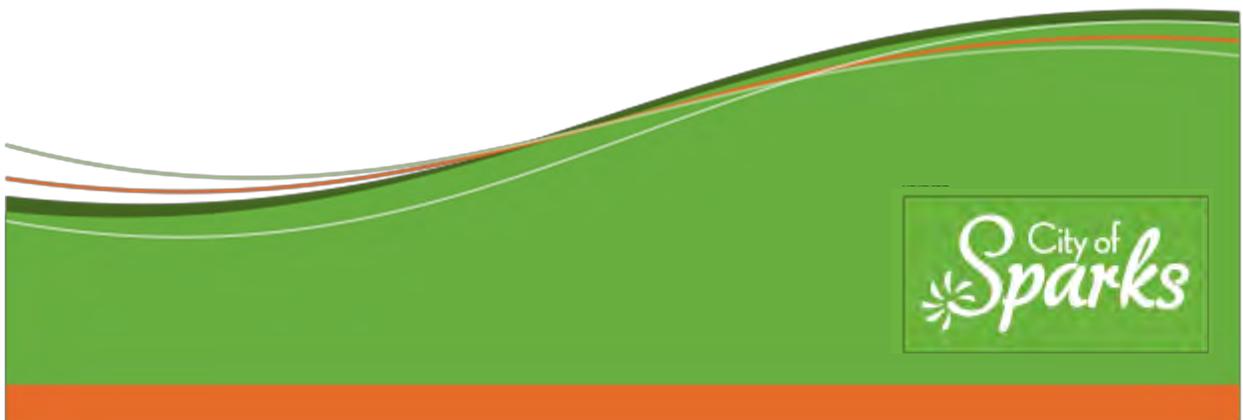
2013 Real Property Assessment Roll Sparks Top Real Property Taxpayers		
OWNER	PARCELS	TOTAL ASSESED VALUE
Sparks Legends Development Inc	22	\$ 30,697,294
PAR Industrial LLC	7	\$ 20,673,931
Northwestern Mutual Life Insurance	13	\$ 15,605,833
Prologis NA3 NV III LLC	10	\$ 14,280,710
Prime Park Vista LLC	3	\$ 13,957,229
Inland American Sparks Crossing	3	\$ 13,131,016
Scheels All Sports Inc	1	\$ 12,084,698
Sparks Family Hospital Inc	6	\$ 11,918,316
MWSH Sparks LLC	1	\$ 10,324,345
US Inst Real Est Equities LP	5	\$ 10,029,821

Source: Washoe County Assesor

Sparks Principal Employers As of March 2013	
EMPLOYER	# of EMPLOYEES
Sparks Nugget, Inc.	1,000-1,499
United Parcel Service	900-990
City of Sparks	600-699
Northern Nevada Medical Center	400-499
Henry Shein, Inc.	400-499
Western Village Inn & Casino	400-499
Wal-mart Supercenter	400-499
Department of Transportation	300-399
Rail City Casino	300-399
Scheels	200-299
Sanmar Corporation	200-299

Source: City of Sparks FY13 Comprehensive Financial Report

POLICY DOCUMENTS



City of Sparks Strategic Plan

VISION: Be the city of choice for residents, businesses, and visitors.

MISSION: By establishing financial stability and an effective work environment, the City of Sparks provides a safe environment, economic development, special events, cost-effective sustainable services, and opportunities for citizen involvement.



CORE SERVICES

1. Patrol
 2. Emergency Services
 3. Communications/Dispatch
 4. Detectives
 5. Signal Maintenance
 6. Records
 7. Buildings and Safety
 8. Prevention
 9. Streets Maintenance
 10. Court
 11. Criminal Division
 12. Civil Division
 13. Property and Evidence
 14. Essential Training (SPD)
 15. Essential Training (SFD)
 16. Pavement Management
 17. Parks Maintenance
 18. Facility Maintenance
 19. Advanced Planning
 20. Capital Projects
 21. Community Appearance
 22. Emergency Management
 23. Entitlement Review
 24. Alf Sorensen
 25. Special Events
 26. Larry D. Johnson
-
- Cost Recovery Programs
City Administration
Grants

CORE VALUES

We will take the initiative to be positive and proactive in addressing problems, seeking solutions that are results oriented by:

- Respect
- Diversity
- Quality
- Leadership
- Teamwork
- Listening
- Responsibility
- Risk-Taking
- Creativity
- Innovation

CUSTOMER SERVICE VALUES:

THE 3 P'S

Interactions will be Polite, Professional and Performed consistent with the City's Strategic Plan.

DIVERSITY

We will create an organizational culture that respects and values individual and group differences and encourages the productive potential of every employee.



Strategic Goals and Fiscal Year 2012-2013 Objectives

The Vision and Mission are supported by two core goals: Financial Stability and Employee Relations and five Strategic Goals representing community well-being, sustained growth and engagement

A. Financial Stability: Maintain fiscal policies to ensure a prosperous, sustainable city.

Core Services supporting this Strategic Goal: City Administration

Our FY 12/13 Citywide Objectives:

- i. Strengthen and stabilize the City's financial position for sustainability and a balanced budget.
- ii. Establish performance-based spending priorities based on the City's Core Services.
- iii. Develop a three-year General Fund budget model, including at least three levels of revenue projections.
- iv. Continue efforts to create a financially sustainable health care plan.

B. Employee Relations: Provide a successful and efficient work environment.

Core Services supporting this Strategic Goal: City Administration

Our FY 12/13 Citywide Objectives:

- i. Improve overall workplace satisfaction by providing a working environment that encourages resourcefulness, appreciation and openness, where employees feel safe in expressing concerns.
- ii. Focus on employee retention through career development and succession planning to transfer institutional knowledge and skills throughout the organization.
- iii. Build trust, respect and meaningful, effective communication between and among departments.

1. Promote the safety of our residents, businesses and visitors.

Core Services supporting this Strategic Goal: 1, 2, 3, 4, 6, 8, 10, 11, 12, 13, 14 and 15

Our FY 12/13 Citywide Objectives:

- 1.1. Innovate Police Services with personnel and technology to respond, investigate, prevent and decrease crime.
- 1.2. Advance the Fire Department’s Business Plan goals and seek opportunities to increase business inspection frequencies and plan check turnaround times via increases in personnel and technology resources to improve service levels.
- 1.3. Maintain legal representation to the City of Sparks with civil, criminal and victim advocate support to enhance and assist the Police Services objective.
- 1.4. Maintain supervision and enforcement of all court orders.
- 1.5. Support the Truckee River Flood Management Authority components as well as break ground on the North Truckee Drain project.
- 1.6. The City’s Emergency Management Team will address disasters as they relate to preparedness, response, mitigations, recovery of events through the uses of Incident Command System (ICS) and National Incident Management System (NIMS) standards.
- 1.7. Continue efforts to improve the EMS system and amend the Franchise agreement with REMSA.

2. Explore and promote opportunities for economic development and special events.

Core Services supporting this Strategic Goal: 19, 25 and City Administration

Our FY 12/13 Citywide Objectives:

- 2.1. Retain and expand existing companies and jobs through proactive outreach to employers in coordination with EDawn.
- 2.2. Actively engage in regional economic development collaboration, through the Smarter Regions Initiative, specifically WNDD and Business Visitation efforts.
- 2.3. Grow the special events calendar to capture new community events and pursue special event producers to produce their events in the City of Sparks, based on available resources.

- 2.4. Increase advertising to gain public brand awareness.
- 2.5. Increase the economic viability of Victorian Square by updating the infrastructure to include year-round events and promoting development in commercial areas, pending a review of the funding sources and needs.
- 2.6 Complete and begin initial implementation of Comprehensive Plan.

3. Manage resources to keep pace with technology, infrastructure, and sustainability needs.

Core Services supporting this Strategic Goal: 5, 7, 9, 16, 17, 18, 20, 21, 22, and 23

Our FY 12/13 Citywide Objectives:

- 3.1. Develop/maintain the technology framework to replace current hardware and software within the City and seek technology solutions in support of City operations.
- 3.2. Manage and benchmark the City's infrastructure maintenance programs (building facilities, parks, roads, sanitary sewer, and storm drains) to gain efficiency and understanding of proportional responsibilities.
- 3.3. Utilize energy conservation and generation sources as funding and opportunity allows.
- 3.4. Utilize the Asset Management Plan for Truckee Meadows Water Reclamation Facility (TMWRF) to address the future technology and system upgrades needed.
- 3.5. Operate the City's traffic control system efficiently and safely by maintaining federally mandated safety standards which are currently in place.

4. Encourage our citizens to interact with their City government and build strong alliances with other government entities.

Core Services supporting this Strategic Goal: City Administration

Our FY 12/13 Citywide Objectives:

- 4.1. Maintain support for the interaction, encouragement, and solicitation of volunteers with Citizen Groups.
- 4.2. Initiate and advance state strategic alliances to improve funding and resource opportunities.

5. Improve and promote quality of life in the City of Sparks.

Core Services supporting this Strategic Goal: 17, 24, and 26

Our FY 12/13 Citywide Objectives:

- 5.1. Pursue revenue to maintain, support, and enhance recreation opportunities.
- 5.2. Develop and implement a Park Maintenance and Safety Plan to avoid further decline.
- 5.3. Rebuild budget to support recreational services or activities (FY12-13).
- 5.4. Engage the community on the benefits of Parks and Recreation in Sparks and its relationship with other citywide services (i.e. after-school juvenile delinquency, fire starter prevention program, etc.)
- 5.5. Prioritize the implementation of the Parks and Recreation Master Plan.

CITY OF SPARKS PERFORMANCE MEASURES SUMMARY (as of September 2013)

These Performance Measures are presented to and adopted by City Council every year in September. The following pages represent the summarized performance measures for FY13. FY14 Performance measures will be updated at the beginning of FY15 and will be presented to City Council for adoption in September 2014.

Goal	Goal Statement	Trend
Core Goal A	Financial Stability: Maintain fiscal policies to ensure a prosperous, sustainable city.	Favorable
Core Goal B	Employee Relations: Provide a successful and efficient work environment.	Stable
Strategic Goal 1	Promote the safety of our residents, businesses and visitors.	Stable
Strategic Goal 2	Explore and promote opportunities for economic development and special events.	Stable
Strategic Goal 3	Manage resources to keep pace with technology, infrastructure, and sustainability needs.	Unfavorable
Strategic Goal 4	Encourage our citizens to interact with their city government and build strong alliances with other government entities.	Stable
Strategic Goal 5	Improve and promote quality of life in the City of Sparks.	Unfavorable

Legend:

	<i>TRENDING FAVORABLY = The resources being utilized in the development or completion of the objective are creating favorable results. The objective's timelines and milestones are providing the desired results.</i>
	<i>STABLE TRENDING = The resources being utilized in the development or completion of the objective are generating neither favorable nor unfavorable results. The objective's timelines and milestones are being accomplished as planned but the desired results are not materializing or are being affected by outside influences.</i>
	<i>TRENDING UNFAVORABLY = The resources being utilized in the development or completion of the objective are perceived as having unfavorable results. The objective's timelines and milestones are not providing the desired results or the results are being negatively affected by outside influences.</i>

Core Goal A. Financial Stability: Maintain fiscal policies to ensure a prosperous, sustainable city.

Composite Trend

Stable

Core Services supporting this Strategic Goal:

City Administration

Performance Measures

a.1. Financial Performance Measures	FY12/13 Estimate	FY11/12 Actual	FY10/11 Actual	FY09/10 Actual	Trend
Total General Fund Expenditures & Transfers Out	\$52.8M	\$52.4M	\$53.7M	\$60.1M	Stable
Total General Fund Revenues & Transfers In	\$52.1M	\$53.0M	\$55.6M	\$58.7M	Unfavorable
General Fund Unrestricted Fund Balance as a % of Expenditures (Target = 8.3%)	11.6%	13.1%	13.0%	8.1%	Stable
a.2. Personnel Costs as a % of Total General Fund Revenues	FY12/13 Estimate	FY11/12 Actual	FY10/11 Actual	FY09/10 Actual	Trend
% of General Fund Personnel Costs	77.6%	76.3%	74.3%	76.1%	Stable
a.3. Central IT Total Expenditures per FTE	FY12/13 Estimate	FY11/12 Actual	FY10/11 Actual	FY09/10 Actual	Trend

a.4. Personnel to Service Levels	FY12/13 Estimate	FY11/12 Actual	FY10/11 Actual	FY09/10 Actual	Trend
FTE per 1,000 Citizens - City	5.0	5.0	4.8	5.1	Stable
FTE per 1,000 Citizens - Elected	0.1	0.1			Stable
FTE per 1,000 Citizens - Management Service	0.2	0.2			Stable
FTE per 1,000 Citizens - City Attorney	0.1	0.1			Stable
FTE per 1,000 Citizens - Community Services	1.5	1.5			Stable
FTE per 1,000 Citizens - Financial Services	0.2	0.2			Stable
FTE per 1,000 Citizens - Fire	1.0	1.0			Stable
FTE per 1,000 Citizens - Fire Dept. (Sworn)	0.9	1.0	1.0	1.0	Stable
FTE per 1,000 Citizens - Municipal Court	0.0	0.2			Stable
FTE per 1,000 Citizens - Parks & Rec	0.1	0.1	0.2	0.2	Stable
FTE per 1,000 Citizens - Police	1.7	1.6	1.6	1.7	Stable
FTE per 1,000 Citizens - Police (Sworn)	1.2	1.2	1.1	1.2	Stable
b.1. Establish Performance-Based Spending Priorities based on Core Services	FY12/13 Estimate	FY11/12 Actual	FY10/11 Actual	FY09/10 Actual	Trend
% of General Fund Expenditures Allocated to Core Services	78.7%	78.3%	N/A	N/A	Stable
c.1. Prioritize Spending Reductions for Core Services in General Fund & Enterprise Funds	FY12/13 Estimate	FY11/12 Actual	FY10/11 Actual	FY09/10 Actual	Trend
% of General Fund Expenditures Allocated to Core Services					

Core Goal B. Employee Relations: Provide a successful and efficient work environment.

Composite Trend

Stable

Core Services supporting this Strategic Goal:

City Administration

A. Improve overall workplace satisfaction by providing a working environment that encourages resourcefulness, appreciation and openness, where employees feel safe in expressing concerns.

Goals

1. Find triggers to employee fatigue and address with change.
2. Provide clear expectation of employee time off.
3. Provide clear expectations for employee performance:
 - a. Provide clear direction on current priorities to enable employees to understand service expectations.
 - b. Relate performance to strategic goals/objectives.
 - c. Relate performance to succession planning
4. Reward employees regularly.

B. Focus on employee retention through career development and succession planning to transfer institutional knowledge and skills throughout the organization.

Goals

1. Provide training and advancement opportunities for employees
 - a. Include training/development on performance analysis.
 - b. Partner with educational institutions to implement a continuing education program

B. Build trust, respect and meaningful, effective communication between and among departments

Goals

1. Define and implement inter-department trust expectations.
2. Analyze the scope of communication issues.
3. Define employee expectations for communication.
4. Negotiate towards contract simplicity.

Strategic Goal 1: Promote the safety of our residents, businesses and visitors.

Composite Trend

Stable

Core Services supporting this Strategic Goal: 1, 2, 3, 4, 6, 8, 10, 11, 12, 13, 14 and 15

CORE SERVICE 1 Patrol

Composite Trend

Stable

Goals

1. Maintain a six minute response by patrol officers to Priority One calls for service.
2. Reduce Crime in the "Big 5" by 5%.
3. Reduce traffic accidents by 5% at the top five (5) high accident locations.
4. Improve Patrol Division staffing levels.
5. Develop and Implement a SafeShield Program.

Performance Measures

1. Priority One calls for service	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	Trend
Average Response Time	6:53	*	6:40	6:43	9:13	10:34	Stable

* Based on Spillman time stamps, data not available for FY11/12

2a. Violent Crimes	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	Trend
Homicide	2	6	9	4	1	1	Decreasing
Sexual Assault	34	46	38	51	52	40	Decreasing
Robbery	61	63	99	100	149	122	Decreasing
Aggravated Assault	138	130	189	237	257	190	Decreasing
2b. Property Crimes	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	Trend
Burglary	530	643	675	808	903	827	Decreasing
Larceny	1,572	1,650	1,635	2,061	2,140	2,290	Decreasing
GTA	232	218	204	249	299	326	Stable
Arson	13	27	14	23	42	26	Stable
3. Traffic Accident Statistics (injury and fatal accidents)	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	Trend
Injury	392	454	443	500	499	629	Stable
Fatal	5	2	5	1	1	10	Stable

CORE SERVICE 2 Emergency Services

Composite Trend

Stable

Goals

1. Maintain a six minute response time to all Priority 1 calls for service.
2. Increase compliance with NFPA 1710 response time standards.
3. Maintain Special Teams membership at at 100% SFD-designated strength.
4. Maintain the City of Sparks' ISO Rating of 2.

Performance Measures

1. Response Time (from time call received to arrival time) - Six minutes or less to 90% of all Priority 1 calls for service (SFD Standard).						
	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Average Time	5:29	5:34	4:53	5:03	4:53	Stable
Six Minutes / 90% Compliance	67.60%	66.40%	80.00%	76.10%	80.00%	Stable
2. Travel Time (from en route time to arrival time) Four minutes or less to 90% of all Priority 1 EMS calls.						
	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Average Time	3:34	3:25	3:20	3:26	3:20	Stable
Travel Time 4 minutes or less	66.90%	70.60%	72.50%	71.00%	74.00%	Stable
3. Travel Time (en route time to arrival time) - Four minutes or less to 90% of all structure fire calls with first company having the ability to initiate an interior fire attack (2in/2out capability).						
	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
4 personnel on scene within 4 minutes (with the arrival of a second company)	42.90%	47.8	N/A	N/A	N/A	Stable

4. Travel Time (en route time to arrival time) - Eight minutes or less for 90% of all structure fire calls for the deployment of a full alarm assignment (15 personnel). (NFPA 1710 standard)

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Full alarm assignment of scene within 8 minutes	35.30%	80%*	16.70%	21.50%	29.20%	Unfavorable

* Figure from the 4th quarter only

5. Special Team Membership

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Hazardous Materials	114%	90%	90%	N/A	N/A	Stable
Technical Rescue	100%	95%	100%	N/A	N/A	Stable
Swift Water Rescue	100%	94%	117%	N/A	N/A	Stable

CORE SERVICE 3 Communications/Dispatch

Composite Trend Stable

- Goals**
1. Hire and train new Emergency Communications Dispatcher.
 2. Complete Standard Operating Procedure manual.

Performance Measures

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	Trend
911	38,038	*	27,517	26,439	14,409	28,013	Stable
Non-911	94,260	*	131,259	105,315	129,210	170,837	Stable

* Data not available due to conversion to Intrado phone system.

CORE SERVICE 4 Detectives

Composite Trend Stable

- Goals**
1. Reduce Crime in the "Big 5" by 5%.

Performance Measures

1a. Crime Statistics for Part One UCR Crimes - Violent

Violent Crimes	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	Trend
Homicide	2	6	9	4	1	1	Decreasing
Sexual Assault	34	46	38	51	52	40	Decreasing
Robbery	61	63	99	100	149	122	Decreasing
Aggravated Assault	138	130	189	237	257	190	Decreasing

1b. Crime Statistics for Part One UCR Crimes--Property

Property Crimes	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	Trend
Burglary	530	565	675	808	903	827	Decreasing
Larceny	1572	1650	1,635	2,061	2,140	2,290	Decreasing
GTA	232	218	204	249	299	326	Decreasing
Arson	14	27	14	23	42	26	Stable

2a. Clearance Rates for Part One UCR Crimes--Violent

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	Trend
Total UCR Part One - Violent	235	234	335	392	459	353	Stable
Total UCR Part One - Cleared	130	114	171	239	229	190	Stable
Percentage Cleared	55%	49%	51%	61%	50%	54%	Stable

2b. Clearance Rates for Part One UCR Crimes--Property

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	Trend
Total UCR Part One - Property	2,334	2,252	2,528	3,141	3,384	3,469	Stable
Total UCR Part One - Cleared	717	782	908	1,225	1,030	1,009	Stable
Percentage Cleared	31%	35%	36%	39%	30%	29%	Stable

CORE SERVICE 6 Records

Composite Trend Stable

- Goals**
1. Hire and train IT staff.

Performance Measures

1. Number of reports processed

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	Trend
Total Cases Processed	11,845	11,623	12,400	13,826	15,432	18,049	Decreasing

2. Number of citations processed

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	FY07/08	Trend
Citations Processed	6,567	6,190	6,167	7,064	6,502	6,738	Stable

CORE SERVICE 8 Prevention

Composite Trend Stable

- Goals
1. Provide Public Fire Safety Education to the community.
 2. Complete 100% of Target Hazard inspections annually.
 3. Conduct fire investigations on all suspicious/incendiary fires.
 4. Complete 100% of fire plan reviews in a timely manner.

Performance Measures

1a. Quantity of public fire safety education presentations conducted annually.

	FY12/13	2012	2011	2011	2010	2009	Trend
Fire Safety Presentations	3	17	11	12	9	15	Unfavorable

1b. Quantity of Juveniles attending / completing the Youth Firesetter Intervention Program.

	FY12/13	FY 11/12	2011	2010	2009	2008	Trend
Juvenile Firestters Attendance	52	83	85	73	39	39	Decreasing
% Completion of Youth Firesetters education	100%	93%	100%	100%	100%	100%	Stable

2a. Target Hazard Inspections - Inspect 100% of the target hazard businesses during the month when the inspection is due, based on the Prevention Bureau's Inspection Frequency Schedule

	FY12/13	2012	2011	2010	2009	2008	Trend
T.H. Inspections	3,511	2,949	3,392	4,374	4,879	6,024	Stable
% initial fire inspections completed in same month	75%	80%	80%	80%	80%	90%	Stable

2b. Fire Safety Deficiencies - Correct 100% of all fire safety deficiencies found during target hazard inspections

	FY12/13	FY 11/12	2011	2010	2009	2008	Trend
Fire Safety Deficiencies	2,199	2,235	2,987	2,980	3,372	4,258	Decreasing
% of deficiencies corrected	100%	100%	100%	100%	100%	100%	Stable

3. Fire Investigations - Complete 100% of the initial fire investigation cause and origin reports within 48 hours of completing the fire investigation

	FY12/13	FY 11/12	2011	2010	2009	2008	Trend
Fire Investigations	43	58	49	55	55	48	Decreasing
% of reports completed within 48 hrs	100%	100%	100%	100%	100%	100%	Stable

4. Fire Plan Review - Complete 100% of initial fire plans review within 15 days of plan submittal to the City.

	FY12/13	FY11/12	2011	2010	2009	2008	Trend
Fire Plan Review	242	397	388	306	548	825	Decreasing
% completed within 15-day	50%	70%	80%	80%	90%	100%	Unfavorable

CORE SERVICE 10 Court

Composite Trend Stable

- Goals
- The Sparks Municipal Court adjudicates misdemeanor criminal cases issued by the Sparks Police Department or the Sparks City Attorney's Office.

CORE SERVICE 11 Criminal Division

Composite Trend Stable

- Goals
1. Represent the city and people of Sparks in prosecuting complaints and citations alleging misdemeanor crimes committed by adults within the City of Sparks.

Performance Measures

1a. DUI Prosecutions	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
1 st & 2 nd DUI Offense Prosecutions	279	368	338	299	284	Stable
1 st & 2 nd DUI Offense Convictions	262	346	322	284	269	Stable
% of 1 st & 2 nd DUI Offense Convictions	94	94%	95%	95%	95%	Stable

1b. Domestic Violence Prosecutions	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
1 st & 2 nd Domestic Violence Offense Prosecutions	305	354	390	381	253	Stable
1 st & 2 nd Domestic Violence Offense Convictions	142	183	233	253	125	Unfavorable
% of 1 st & 2 nd Domestic Violence Offense Convictions	46%	52%	60%	66%	50%	Unfavorable

CORE SERVICE 12 Civil Division

Composite Trend

Favorable

Goals

1. Represent the city in litigation field by or against the city.
2. Provide professional legal advice and assistance to the city and its departments in all aspects of its governmental affairs.

Performance Measures

1. Civil Litigation Claims

	FY12/13	FY11/12	FY10/11	FY09/10	Trend
Civil Litigation Damages Claims	\$1.5 M	\$14.1 M	\$10 M	\$38 M	Favorable
Average Civil Litigation Damage Claim Payout	0%	0.14%	0.00%	0.00%	Favorable

CORE SERVICE 13 Property and Evidence

Composite Trend

Favorable

Goals

1. The Property and Evidence Unit is a vital support system for the Police Department. Performance measures are used to determine staff workloads and resource allocation and may not fully reflect FY goals.

Performance Measures

1. Number of items processed through property and evidence unit/items "disposed"

	CY13	CY12	CY11	CY10	CY09*	CY08**	Trend
Items Processed	Unknown	Unknown	9,988	8,819	10,915	11,466	Stable

Trending - Unable to determine, new metric and will require research.

** Reduction in personnel from 3 to 2

* Reduction in personnel from 2 to 1

CORE SERVICE 14 Essential Training (Police Department)

Composite Trend

Stable

Goals

1. 100% compliance to POST standards for annual training requirements.
2. Provide specialty training personnel as required to maintain certifications and specialized skills.

Performance Measures

POST ITR	2013	2012	2011	2010	2009	Trend
100% Compliance on POST and ITR	NA	100%	100%	100%	100%	Favorable
In-Service Hours Provided	48	60	56	58	51	Favorable
# of Specialty Training Attended	Unknown	93	88	89	n/a	Favorable

CORE SERVICE 15 Essential Training (Fire Department)

Composite Trend

Favorable

Goals

1. 100% compliance to ISO, NFPA and OSHA mandated operational training requirements.
2. 100% compliance with Nevada State mandated EMS training requirements.
3. 100% compliance for all personnel to be certified as outlined by positional requirements.

Performance Measures

1. Mandated Operational Training - Achieve 100% compliance with ISO, NFPA, and OSHA mandated training hours in specific subject areas

	FY12/13	FY11/12	Trend
Total Training Hours	17,359		Favorable

2. EIMS Training - Achieve 100% compliance with Nevada State mandated EMS training requirements						
	2013	2012	2011	2010	2009	Trend
EMT-Basic	100	100%	100%	100%	100%	Stable
EMT-Intermediate		100%	100%	100%	100%	Stable
EMT-Advanced (paramedic)		100%	100%	100%	100%	Stable

3. Positional Certification Requirements - Achieve 100% compliance for all personnel certifications as outlined by positional requirements			
	2013	2012	Trend
% Firefighter Completed	98		Favorable
% Fire Apparatus Operator Completed	98		Favorable
% Officer I (Captain) Completed	100		Favorable
% Officer II (Chief Officer) Completed	100		Favorable

Strategic Goal 2: Explore and promote opportunities for economic development and special events.

Composite Trend

Stable

Core Services supporting this Strategic Goal: 19, 25 and City Administration

CORE SERVICE 19 Advance Planning

Composite Trend

Favorable

Goals

1. Update and maintain the City's master plan and zoning code
2. Participate in regional planning and in select initiatives of other public agencies such as RTC.

Performance Measures

1. Completion of significant advancement of the advance planning program.

	Task	Status
Phase 1	Staff prepared "quick fixes"	Completed
Phase 2	Consultant-assisted analysis of zoning codes	Completed
Phase 3	Consultant-assisted reorganization of amendments to zoning code	In progress

2. Positively influence planning initiatives of other public agencies (e.g. RTC's corridor studies, Washoe County School District school site decisions, etc.).

a. Sparks staff participated in and succeeded in influencing RTC's corridor planning initiatives for 4th Street - Prater Way and Wells Avenue - Oddie Blvd. and the Regional Transportation Plan update.

CORE SERVICE 25 Special Events (Parks & Rec Department)

Composite Trend

Favorable

Goals

1. Increase special event days by expanding the existing calendar and adding events to other venues (i.e. Golden Eagle Sports Complex and Sparks Marina).
2. Pursue naming rights/opportunities for various event venues.

Performance Measures

1. Track number of event days on an annual basis

	FY12/13	FY11/12	FY10/11	FY09/10	Trend
Number of event days	237	200	154	118	Favorable

2. Track the number of successful leads.

	FY12/13	FY11/12	FY10/11	FY09/10	Trend
Successful Event Leads	3	10	1	3	Favorable
Unsuccessful Event Leads	1	3	2	4	Stable

Strategic Goal 3: Manage resources to keep pace with technology, infrastructure, and sustainability needs.

Composite Trend

Unfavorable

Core Services supporting this Strategic Goal: 5, 7, 9, 16, 17, 18, 20, 21, 22, and 23

CORE SERVICE 5 Signal Maintenance**Composite Trend** Stable**Goals**

1. Complete 100% of signal conflict-monitor inspection/maintenance every six months.
2. Complete 100 % of ground and overhead signal maintenance (all signals) annually.

Performance Measures

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Biannual Conflict Monitor Inspection/Maintenance	100%	100%	100%	100%	100%	Stable
Signal Ground and overhead maintenance (% of signals serviced annually)	25%	65%	86%	181%	131%	Unfavorable

CORE SERVICE 7 Building and Safety**Composite Trend** Unfavorable**Goals**

1. Our standards, pre-recession, were 10 working days on initial plan check and same day service for inspection requests.

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Valuation (\$'s in millions)	\$130	\$110	\$66	\$60	\$152	Stable
Plan Check turnaround time in days	90% in 20 working days	20-30	20-30	20-30	10-20	Unfavorable
Inspection turnaround time in days	1-2	1-3	1-2	1+	1+	Unfavorable

CORE SERVICE 9 Street Maintenance**Composite Trend** Stable**Goals**

1. Restripe all roadways annually.
2. Repaint all cross walks and stop bars annually.
3. Replace old street name signs per federal requirements.

Performance Measures

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
% of restriping completed	28%	78%	94%	37%	79%	Unfavorable
Square Footage of crosswalks repainted	69,536	68,174	88,079	89,114	74,243	Stable
Square footage of stop bars, arrows and directions repainted	22,146	34,894	47,163	40,850	35,883	Unfavorable

CORE SERVICE 16 Pavement Management**Composite Trend** Stable**Goals**

Maintain the City's pavement structures to handle the traffic loads applied and to make the most of maintenance funds expended.

Performance Measures**Maintain Pavement Condition high enough to maximize maintenance investment (PCI ≥ 70).**

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Citywide Pavement Condition Index	84	83	86	82	79	Stable

CORE SERVICE 17 Parks Maintenance**Composite Trend** Unfavorable**Goals**

1. Maintain the City's park system in a useable manner that protects the investment.
2. Develop a maintenance/safety plan for the parks & trail system to avoid further decline & address liability associated with further decline.
3. Secure open space/increase park acreage inventory.

Performance Measures - Parks Maintenance in Community Services Department

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Man-hours per park acre	89	101	117	143	187	Unfavorable

Performance Measures - Parks Maintenance in Parks & Recreation Department

1a. Track percentage of turf loss in the park system.

	FY12/13	FY11/12	Trend
Turf Loss	5-10%	10-15%	Stable

1b. Number of calls/complaints/concerns received from citizens.

	FY12/13	FY11/12	Trend
# of Citizen Contacts	170	70 (4th quarter only)	Undetermined at this point

1c. Number of claims filed with Risk Management Division as they relate to the park system.

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Number of Claims Filed	unavailable	24	45	N/A	N/A	Undetermined at this point

2a. Total park acreage (developed & undeveloped)

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Total park acreage	1,288.65	1,288.65	1,284.65	1,277.75	1,010.75	Unfavorable

2b. Number of funding sources identified for funding maintenance projects necessary to avoid further decline and reduce liability associated with decline

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Total park acreage	1	1	1	1	1	Unfavorable

CORE SERVICE 18 Facilities Maintenance

Composite Trend Unfavorable

Goals 1. Maintain the City's buildings in a useable manner

Performance Measures

	FY12/13	FY11/12	FY10/11	FY08/09	FY06/07	Trend
Building Maintenance 1,000 SF/FTE	450	423	423	247	182	Unfavorable

CORE SERVICE 20 Capital Projects

Composite Trend Stable

Goals 1. Expend CIP funds in a timely manner to meet the City's needs. Deliver all planned capital facilities on time and at or under budget.

Performance Measures

CIP Category	FY13 Budget (\$)	Expended (\$)	Remaining (\$)	% Expended	Trend
Programmed CIP	\$7,584,184	\$5,224,026	\$2,360,158	69%	Stable
Annual Non-Programmed	\$3,489,900	\$1,139,862	\$2,350,038	33%	Stable
Emergency & Reserve	\$658,069	\$238,673	\$419,397	36%	Stable
Capitalized Materials & Supplies	\$4,116,276	\$3,333,128	\$783,148	81%	Stable
Total - all categories	\$15,848,429	\$9,935,689	\$5,912,741	63%	Stable

CORE SERVICE 21 Community Appearance

Composite Trend Unfavorable

Goals 1. Abate public nuisances to improve the appearance of Sparks.
2. Remove graffiti from public property.
3. Log graffiti, both public and private for future use.

Performance Measures

	FY12/13	2012	2011	2010	2009	Trend
Public property graffiti removed	21,581	13,861	13,238	12,366	14,596	Stable
FTE's abating/logging graffiti	1	1	1	1.3	1	Unfavorable
Direct employee & material cost	\$122,514	\$125,405	\$95,976	\$155,458	\$137,632	Unfavorable

CORE SERVICE 22 Emergency ManagementComposite Trend **Stable****Goals**

1. Reconfigure city Emergency Operations Center support personnel toward an overhead team-type ICS structure.
2. Develop a Hazardous Mitigation Plan for delivery disruption at the Truckee Meadows Water Reclamation Facility (TMWRF)

Performance Measures

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Number of city EOC assignees trained to ICS300 or higher	80%	80%	62%	50%	78%	Stable

CORE SERVICE 23 Entitlement ReviewComposite Trend **Stable****Goals**

1. Comply with City ordinances and Nevada statutory requirements (e.g., 65 day review of special use permits) for processing of land use entitlement applications.

Performance Measures

1. Land use entitlements processed:

Entitlement / Action	FY12/13	FY11/12	FY10/11	FY09/10	Trend
Annexations	0	0	3	0	Stable
Administrative reviews	2	14	0	3	Stable
Tentative map	2	1	2	3	Stable
Final map	1	3	4	2	Stable
Boundary line adjustment	3	4	1	4	Stable
Parcel maps	7	2	3	3	Stable
Planned development reviews	3	4	1	2	Stable
Special use permits	13	14	7	3	Stable
Site plan reviews	11	15	13	12	Stable
Master plan amendment	0	5	0	4	Stable
Totals	42	62	34	36	Stable

Strategic Goal 4: Encourage our citizens to interact with their city government and build strong alliances with other government entities.Composite Trend **Stable**Core Services supporting this Strategic Goal: *City Administration*

Department	Composite Trend
City Administration	Favorable
Management Services	Favorable
City Attorney's Office	Stable
Community Services Dept.	Favorable
Financial Services	Stable
Fire Department	Stable
Municipal Court	Stable
Parks & Recreation Dept.	Favorable
Police Department	Favorable

Strategic Goal 5: Improve and promote quality of life in the City of Sparks.Composite Trend **Unfavorable**Core Services supporting this Strategic Goal: *17, 24, and 26*

CORE SERVICE 17 Parks Maintenance

Composite Trend

Unfavorable

Goals

1. Maintain the City's park system in a useable manner that protects the investment.
2. Develop a maintenance/safety plan for the parks & trail system to avoid further decline & address liability associated with further decline.
3. Secure open space/increase park acreage inventory.

Performance Measures - Parks Maintenance in Community Services Department

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Man-hours per park acre	89	101	117	143	187	Unfavorable

Performance Measures - Parks Maintenance in Parks & Recreation Department**1a. Track percentage of turf loss in the park system.**

	FY12/13	FY11/12	Trend
Turf Loss	5-10%	10-15%	Stable

1b. Number of calls/complaints/concerns received from citizens.

	FY12/13	FY11/12	Trend
# of Citizen Contacts	170	70 (4th quarter only)	Undetermined at this point

1c. Number of claims filed with Risk Management Division as they relate to the park system.

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Number of Claims Filed	unavailable	24	45	N/A	N/A	Undetermined at this point

2a. Total park acreage (developed & undeveloped)

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Total park acreage	1,288.65	1,288.65	1,284.65	1,277.75	1,010.75	Stable

2b. Number of funding sources identified for funding maintenance projects necessary to avoid further decline and reduce liability associated with decline

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Total park acreage	1	1	1	1	1	Unfavorable

CORE SERVICE 24 & 26 Alf Sorensen and Larry D. Johnson Community Centers

Composite Trend

Stable

Goals

1. Increase participation in community center programming for citizens of all ages and abilities.
2. Increase facility inventory.
3. Rebuild budget to support recreational services/activities (FY12/13).

	FY12/13	FY11/12	FY10/11	FY09/10	FY08/09	Trend
Average daily Comm. Ctr. Count -- All persons entering facilities.	635*	660*	522	597	588	Stable
Average daily Comm. Ctr. Count - Registrants	32	33	34	39	41	Stable
Number of Community Centers	3	4	3	3	3	Stable

* Tracking includes Sparks Senior Citizens Center, tracking began on November 1, 2011.

CITY OF SPARKS FISCAL POLICIES

In 2011, City Council adopted Fiscal Policies as part of the Sparks Sustainable Services to the Initiative (SSSI) and to be in compliance with GASB54. These Fiscal Policies are reviewed annually by City Council and were last revisited at a workshop on February 25, 2014 where City Council revised Fiscal Policy #1.

The City of Sparks Fiscal Policies are as follows:

1 General Fund unrestricted ending Fund Balance not lower than 5.5% and up to 8.3% of expenditures for FY15

	GOAL	RESULTS	AMOUNT OVER/(UNDER) GOAL	STATUS
FY13 ACTUALS	8.3%	11.6%	\$1,658,257	✓
FY14 EST. ACTUALS	8.3%	8.2%	(\$50,000)	⚠
FY15 BUDGET	5.5% - 8.3%	6.4%	(\$950,000)	✓

Purpose of this Fiscal Policy

This policy primarily serves a two-fold purpose. The first is to maintain a minimum amount of working capital approximately equal to one month of expenditures. The second is to match the language in NAC 354.660 that excludes a portion of ending fund balance from negotiations, equal to 8.3% of expenditures. According to NAC 354.660, this is calculated by dividing the unrestricted ending fund balance (including committed, assigned and unassigned fund balances) by total expenditures excluding contingency, transfers-out, and capital outlay. Any restricted fund balance amounts (including nonspendable and restricted fund balances) are excluded from this calculation due to the very nature of being restricted and would only be available for specific purposes as defined by GASB 54. City Council revised this fiscal policy at a workshop on February 25, 2014, authorizing a reduced General Fund unrestricted ending Fund Balance to at least 5.5% and up to 8.3% for FY15.

CITY OF SPARKS FISCAL POLICIES

2 Establish a General Fund Contingency amount up to 3% of total expenditures in the annual budget

	GOAL	BUDGET	Contingency Amount	STATUS
FY13 BUDGET	up to 3%	1.9%	1,000,000	✓
FY14 BUDGET	up to 3%	1.9%	1,000,000	✓
FY15 BUDGET	up to 3%	1.9%	1,000,000	✓

Purpose of this Fiscal Policy

The contingency budget was established using the guidelines set forth in NRS 354.608 to provide for expenditures that are one-time, unexpected, and usually of an emergency nature. Utilization of contingency budget requires the approval of City Council. The contingency budget is distinguished from the Stabilization Fund in that the Stabilization Fund is much more restrictive in nature as it may only be used for two specific reasons (see details in Policy #4). In order to maximize flexibility and the City's ability to respond to emergency needs, a transfer into the General Fund from the Vehicle Internal Service Fund will also be included in the budget matching the amount established as the contingency budget as long as that value is determined to be available in the Vehicle Internal Service Fund. Per NRS 354.608, contingency and transfers-out are excluded from the calculation of total expenditures .

3 Transfer an annual amount equal to 2.5% of total revenues from the General Fund to the Capital Projects Fund.

	GOAL	RESULTS	Transfer Amount	STATUS
FY13 ACTUALS	2.5%	2.3%	1,210,000	⚠
FY14 ESTIMATED ACTUALS	2.5%	2.4%	1,300,000	⚠
FY15 BUDGET	2.5%	1.6%	902,000	✗

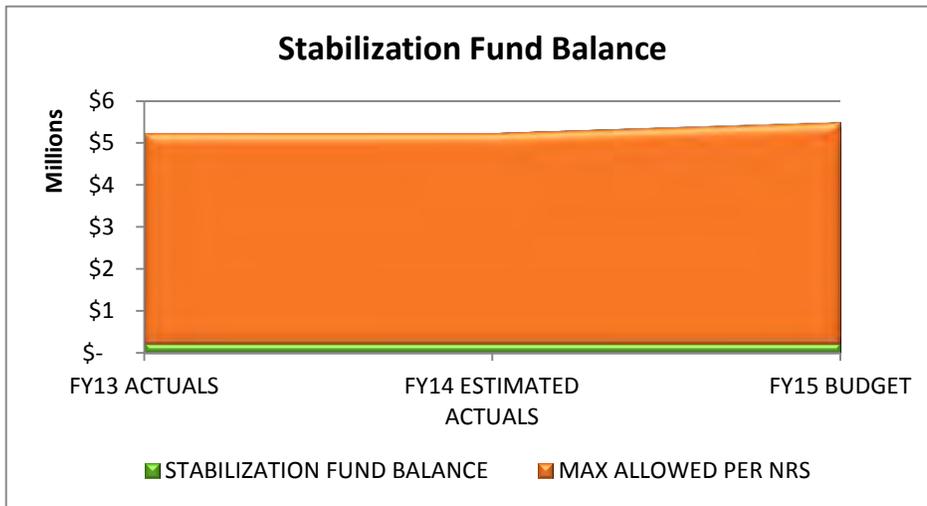
Purpose of this Fiscal Policy

This policy ensures that the City continues to invest in infrastructure and technology needs. The City Manager is recommending a reduced transfer to Capital Projects Fund in FY15. At the end of FY14, the Capital Projects Fund is estimated to have an ending fund balance of \$1.6M which could be used to offset the reduced General Fund transfer in FY15. Refer to the section on Other Funds for more information.

CITY OF SPARKS FISCAL POLICIES

4 Commit a portion of annual business license receipts to the Stabilization Fund up to the maximum Fund balance allowed within NRS 354.6115.

	MAX ALLOWED PER NRS	STABILIZATION FUND BALANCE	AMOUNT COMMITTED	STATUS
FY13 ACTUALS	\$ 5,011,574	\$ 228,922	\$ -	⊗
FY14 ESTIMATED ACTUALS	\$ 5,011,574	\$ 229,022	\$ -	⊗
FY15 BUDGET	\$ 5,270,588	\$ 229,122	\$ -	⊗



Purpose of this Fiscal Policy

The stabilization fund was established in accordance with NRS 354.6115 to stabilize operation of local government and mitigate effects of natural disasters. Per NRS 354.6115: *"The balance in the fund must not exceed 10 percent of the expenditures from the general fund for the previous fiscal year, excluding any federal funds expended by the local government."*

In June 2011, the City Council adopted the following Stabilization policy in compliance with GASB 54: *"The Council will authorize the use of the Stabilization Fund's resources only A) if the total actual General Fund revenues decrease by 4% or more from the previous year; or B) to pay for expenses incurred to mitigate the effects of a natural disaster (upon formal declaration by the City)."*

In 2009, the City transferred \$625,000 from the Stabilization Fund to the General Fund in order to help mitigate the steep revenue decline brought about from the effects of the Great Recession. In 2011 and 2012, the City Council established a fiscal policy goal of re-establishing the Stabilization Fund by gradually committing a portion of the City's business license revenues to the Stabilization Fund.

CITY OF SPARKS FISCAL POLICIES

5 Reduce General Fund Personnel costs so that they do not exceed 78% of General Fund Total Revenues

	GOAL	RESULTS	STATUS
FY13 ACTUALS	<=78%	77.6%	✔
FY14 EST. ACTUALS	<=78%	79.0%	!
FY15 BUDGET	<=78%	80.5%	✘

Expanded Dashboard as Requested by City Council

TOTAL USES AS % OF TOTAL REVENUES BY EXPENSE CATEGORY	GOAL	FY13 RESULTS	FY14 EA RESULTS	FY15 BUDGET	FY15 STATUS
PERSONNEL COSTS	<=77%	77.6%	79.0%	80.5%	✘
SERVICES & SUPPLIES & CAP. OUTLAY	<=16%	18.7%	19.4%	19.2%	✘
TRANSFERS-OUT	<=5%	5.2%	5.2%	3.0%	✔
CONTINGENCY	<=2%	0.0%	0.0%	1.8%	✔
TOTAL		101.4%	103.5%	104.5%	

TOTAL USES AS % OF TOTAL REVENUES BY FUNCTION	GOAL	FY13 RESULTS	FY14 EA RESULTS	FY15 BUDGET	FY15 STATUS
POLICE	<=38%	38.1%	39.7%	40.8%	✘
FIRE	<=27%	27.4%	27.2%	27.3%	✔
TOTAL PUBLIC SAFETY	<=65%	65.5%	67.0%	68.1%	✘
MANAGEMENT SERVICES	<=9%	8.4%	8.5%	10.5%	✘
FINANCIAL SERVICES	<=4%	4.5%	4.6%	4.8%	!
LEGAL SERVICES	<=3%	2.7%	2.8%	2.7%	✔
TOTAL CENTRAL SERVICES	<=16%	15.6%	15.9%	18.0%	✘
COMMUNITY SERVICES	<=10%	10.6%	11.1%	11.0%	!
MUNICIPAL COURT	<=4%	3.6%	3.4%	3.4%	✔
TRANSFERS-OUT	<=5%	5.2%	5.2%	3.0%	✔
TOTAL		100.5%	102.6%	103.5%	

Purpose of this Fiscal Policy

The purpose of this policy is to achieve a balanced, sustainable expenditure model.

CITY OF SPARKS FISCAL POLICIES

6 Report the annual obligation for the Other Post Employment Benefit (OPEB) existing net liability and determine annually whether to establish an irrevocable trust fund or pay-as-you-go

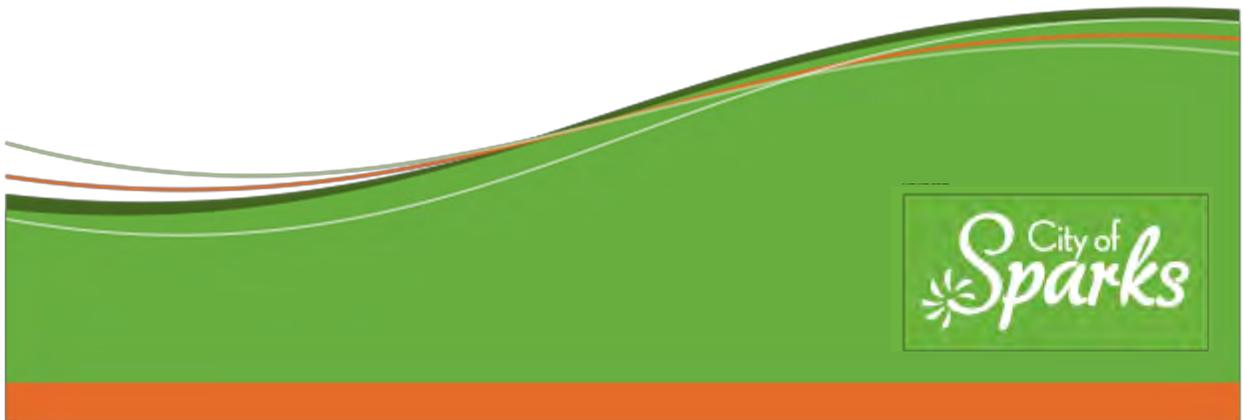
	NET OPEB OBLIGATION ¹	FUNDING STATUS
FY09 ACTUALS	\$ 2,025,422	Pay Go
FY10 ACTUALS	\$ 4,566,159	Pay Go
FY11 ACTUALS	\$ 4,958,920	Pay Go
FY12 ACTUALS	\$ 5,473,423	Pay Go
FY13 ACTUALS	\$ 6,018,434	Pay Go

Purpose of this Fiscal Policy

The purpose of this fiscal policy is to recognize the need to accumulate resources to address the unfunded OPEB liability.

¹ Under the current Pay Go funding model, the Net OPEB Obligation is expected to grow \$500,000 to \$600,000 per year.

FY2014-15 BUDGET PROCESS



Basis of Budgeting

Fund Accounting

The city uses funds to report its financial position and the results of its operation. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. A fund is a separate, self-balancing set of accounts. There are three types of funds: governmental, proprietary and fiduciary. Along with the City Budget, the City of Sparks prepared budgets for Redevelopment Agencies 1 & 2, for FY14.

Fund Balance

The Fund Balance is the difference between assets & liabilities reported by Governmental Funds. It is important that all governments have a policy for ending fund balance in the General Fund. At minimum there should be no less than one month of regular general fund operating expenditures. The City of Sparks financial policies require an operating reserve not lower than 5.5% up to 8.3% of total General Fund expenditures.

MODIFIED ACCRUAL ACCOUNTING

Modified accrual as defined by the Governmental Accounting, Auditing and Financial Reporting book by Stephen J. Gautheier is a *“basis of accounting used in conjunction with the current financial resources measurement focus that modifies the accrual basis of accounting in two important ways 1) revenues are not recognized until they are measurable and available, and 2) expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred.”*

The Modified Accrual method is used as the basis for budgeting in the Governmental Funds and is the same as the basis for accounting used in the City’s audited financial statements. Governmental Funds are used to account for activities supported by the taxpayers. The City of Sparks has four governmental fund types: a General Fund, Special Revenue Funds, Capital Project Funds, and Debt Service Funds. For detailed information about these funds, please refer to the “Other Funds” section of this document.

ACCRUAL BASIS OF ACCOUNTING

The Accrual method is used as the basis for budgeting in the Proprietary Funds and is the same as the basis for accounting used in the City’s audited financial statements. Using accrual accounting, revenues and expenses are recognized when they occur, regardless of the timing of related cash flows. The Accrual method is used as the basis for budgeting in the Proprietary Funds and is the same as the basis for accounting used in the City’s audited financial statements.

Proprietary funds are used to account for business-type activities, where costs are fully recovered through fees and charges on those who use the services. The two types of proprietary funds are enterprise funds and internal service funds. For more detailed information about the City’s Proprietary Funds, please refer to the “Other Funds” section.



Budget Process

Preparing the Operating Budget

The budget process generally begins in October as the Financial Services Department begins pulling together preliminary revenue projections based on past history and current economic conditions. Budget preparation packages are distributed to each of the department managers and budget contact personnel. The package includes a base budget broken down into “Groups” - Salaries and Wages, Benefits, Discretionary Services and Supplies, Non-Discretionary Services and Supplies, and Capital Outlay. The individual department staff give input as to how the base budget may need adjusting to meet the needs of the coming year.

The Financial Services Department reviews current revenues, economic trends and history to determine estimates for License & Permits, Fines and Forfeitures, Charges for Services, and Miscellaneous revenue. The Nevada Department of Taxation releases preliminary revenue estimates in February for property and CTAX estimates. Final revenue estimates are issued from the Nevada Department of Taxation in mid-March. The Financial Services Department adjusts these estimates based on historical trends and industry outlooks to project property tax and CTAX estimates for the City.

Personnel complements are generated by Human Resources. Payroll cost projections including benefits are completed by Finance based on the approved complement plus any additions approved as part of the City Manger’s recommendations. Adjustments for temporary help & overtime costs are also made.

“New Need” requests are due from each department for submission to the Financial Services Department in early March, but for FY15 budget development, this was advanced to December. The City Manager and Finance Director review new needs with each department head and determine what funds are available based on the City Council priorities.

The Truckee Meadows Water Reclamation Facility (TMWRF) is a Nevada Municipal Joint Venture between the Cities of Reno and Sparks. It provides waste water treatment to both cities. The budget is approved by the Joint Coordinating Committee (JCC), which advises both City Councils on matters relating to the facility. The budget is submitted to the City of Sparks in time for inclusion in the final budget approved by the City Council prior to June 1st of each year.

Preparing the Capital Plan

Capital Improvement project requests are due to the Community Services Department by January. The Financial Services Department supplies preliminary estimates of available resources for these projects. The Community Services Department will then prioritize these projects and present the plan to City Council at a budget workshop. The City Manager will present his budget recommendations along with the Capital Improvement Plan to City Council.

Budget Adoption

NRS 354.596 requires the Tentative Budget be filed with the state by April 15. The Tentative Budget reflects the City Managers preliminary recommendations and City Council's direction as provided at the budget retreat. Following current year financial updates and new financial projections the City Manager prepares the final budget recommendation for Council. On the 3rd Tuesday in May, the City Council holds a public hearing on the tentative budget and takes action on the final budget. The final budget must be submitted to the State on or before June 1. The Sparks City Council approved the FY15 final budget on May 27, 2014.

Budget Amendment Procedures

NRS 354.598005 outlines procedures and requirements for augmenting or amending the City's budget.

Budget Augmentations:

If it is anticipated that resources actually available during a budget period exceed those estimated, the budget may be augmented. The augmentation requires that the governing body, by majority vote of all members, adopt a resolution reciting the appropriations to be augmented and the nature of the unanticipated resources intended to be used for the augmentation.

Budget Transfers:

Budget appropriations may be transferred between functions, funds, or contingency accounts, given that the transfer does not increase the total appropriations for any fiscal year.

- Transfers within functions – Can be made by the person designated to administer the budget. At Sparks, this is the Finance Director or designee.
- Transfers between functions – Can be made by the person designated to administer the budget. At Sparks, this is the Finance Director or designee. In addition, the City Council must be advised of the action at the next regular meeting and the action must be recorded in the official minutes of the meeting.
- Transfers between funds or from the contingency account – The City Council can authorize if the transfer is announced at a regularly scheduled meeting with the exact amount and reason for the transfer outlined. The action must be recorded in the official minutes of the meeting.

FY15 Budget Calendar

October—February

Preliminary revenue projections, budget package distribution, and other budget data collection (October-January)

Final Property Tax appeal to Washoe County deadline (1/15/14)

Finalize FY15 Fiscal Policy decisions

Preliminary revenue projections from Dept. of Taxation (2/15/14)

Truckee Meadows Water Reclamation Facility (TMWRF) budget presented at the Joint Coordinating Committee (February)

Council FY15 Budget Workshop & Preliminary CIP (2/25/14)

March—April

Presentation to the Sparks Citizens Advisory Committee (SCAC) on the FY15 Tentative Budget (3/5/14)

Final revenue projections from Dept. of Taxation including population certified by the Governor (3/14/14)

Dept. of Taxation to provide Final Abated Revenue Projections Package for property taxes including centrally assessed properties (3/25/14)

Finalize FY14 estimates & FY15 Budget for CTAX & Property Tax Revenue

Final City Manager Budget Recommendations and CIP presentation (4/14/14)

Tentative budget mailed to Dept. of Taxation (4/15/14)

May—June

Public Hearing on the Tentative Budget (5/20/14)

Council approval of Final Budget (5/27/14)

Final Budget in the mail to Dept. of Taxation (6/1/14)

Economic Review and Expectations

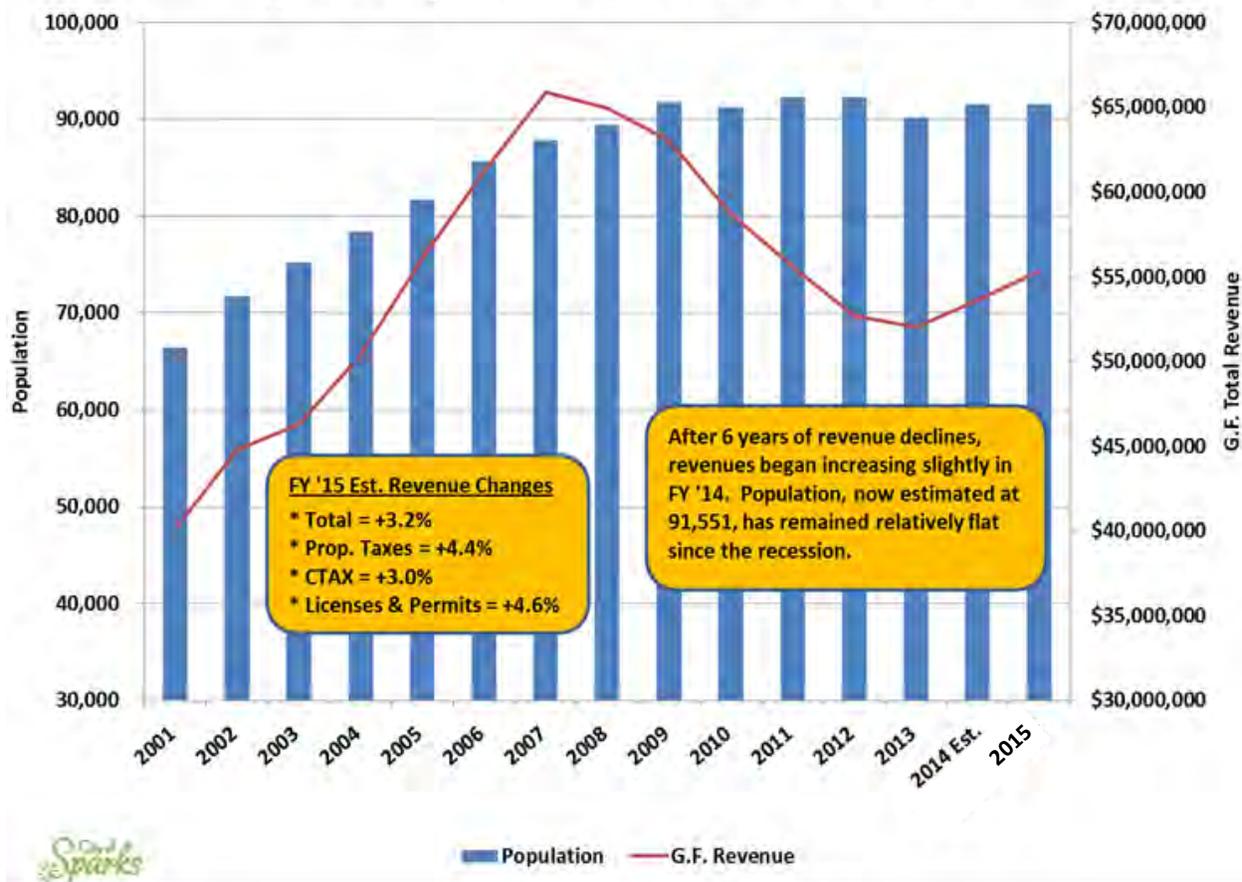
Although the City recognizes that the national and local economic landscape is gradually improving, the City is still taking a cautious approach with its revenue projections. The economic data presented in the following pages would present several assumptions considered in coming up with projections for the FY15 budget.

Local Economic Trends Influencing FY15 Budget Projections

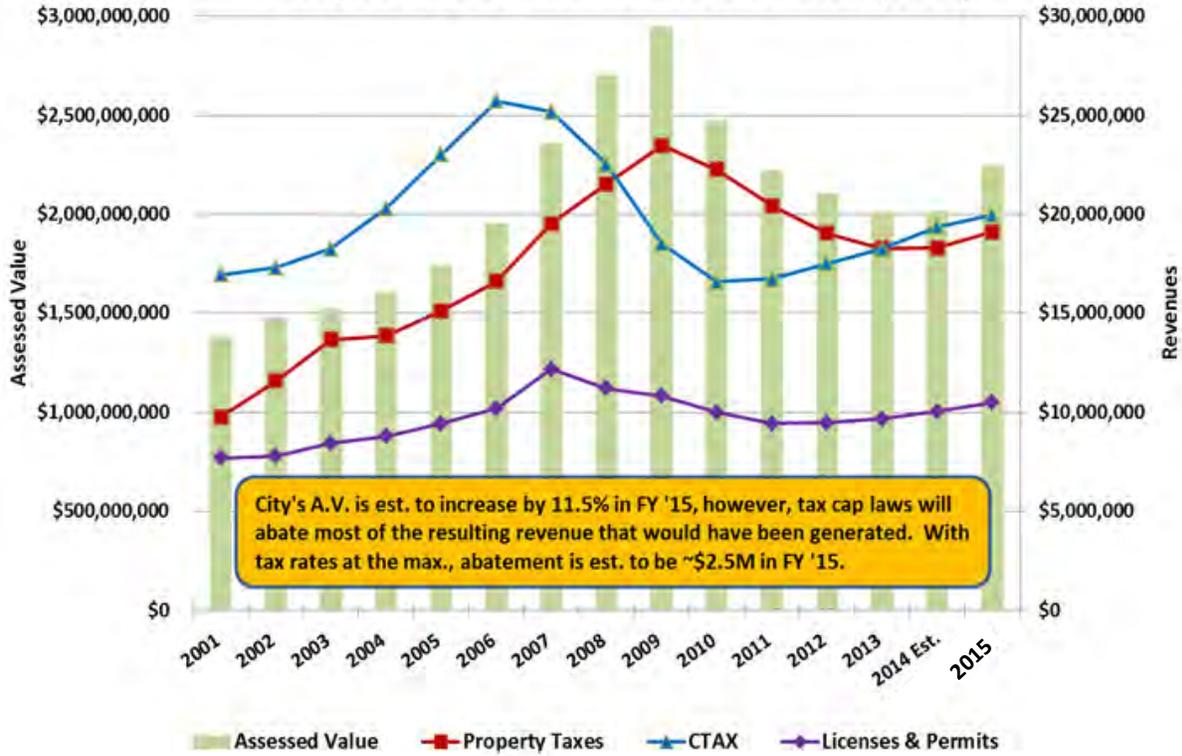
Local Revenues

- Property Taxes increasing 4.4%
- CTAX revenues increasing 3.0%
- License & Permit revenue increasing 4.6%
- Total G.F. revenues increasing 3.2%

Sparks Population vs. G.F. Total Revenue



Sparks General Fund Primary Revenue Sources Compared to Assessed Valuation (A.V.)



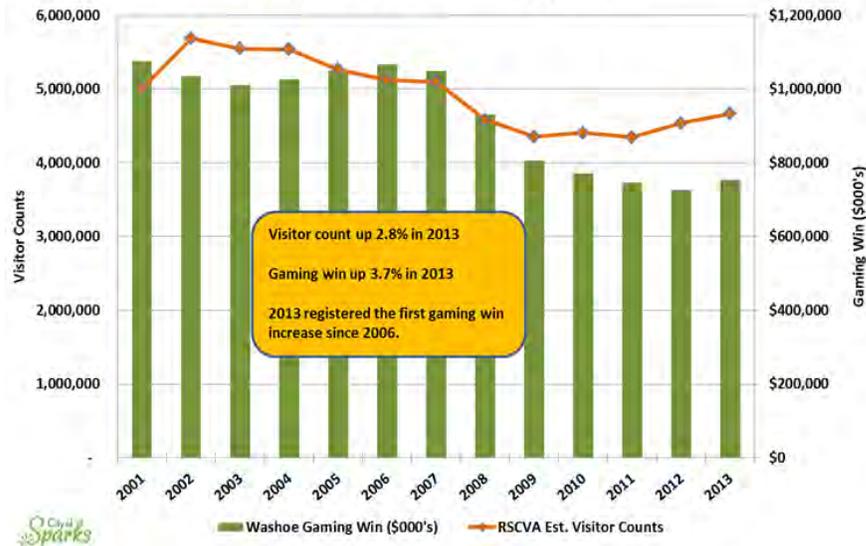
Sparks General Fund Revenues & Expenditures per Capita



Visitor Count

- Visitor count in Washoe County is up 2.8% in 2013
- Gaming win in Washoe County is down 3.7% in 2013

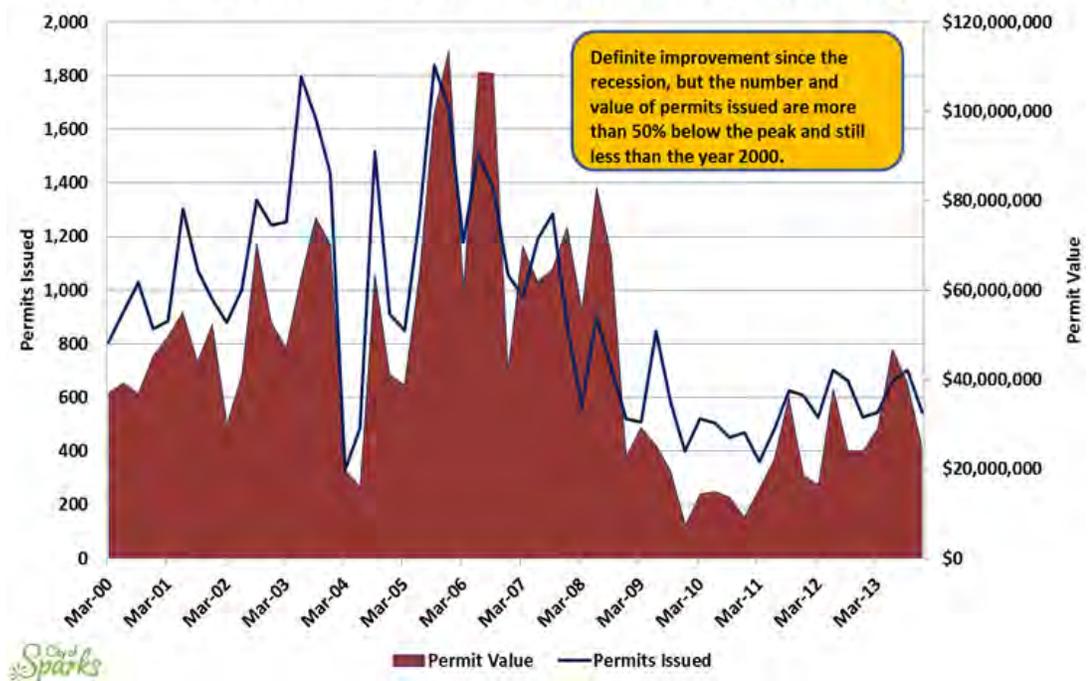
**Washoe County Est. Visitor Counts
And Total Gaming Win**



Housing and Construction

- Building permits in Sparks have been growing, but still down from peak

**Sparks Community Development
Permits Issued - Quarterly History**



Employment

- Economic recovery hinges on job recovery. There were approximately 8,900 jobs added in the Reno/Sparks Metropolitan Statistical Area since January 2011.
- The unemployment in January 2014 in the Reno/Sparks MSA was 9.1%

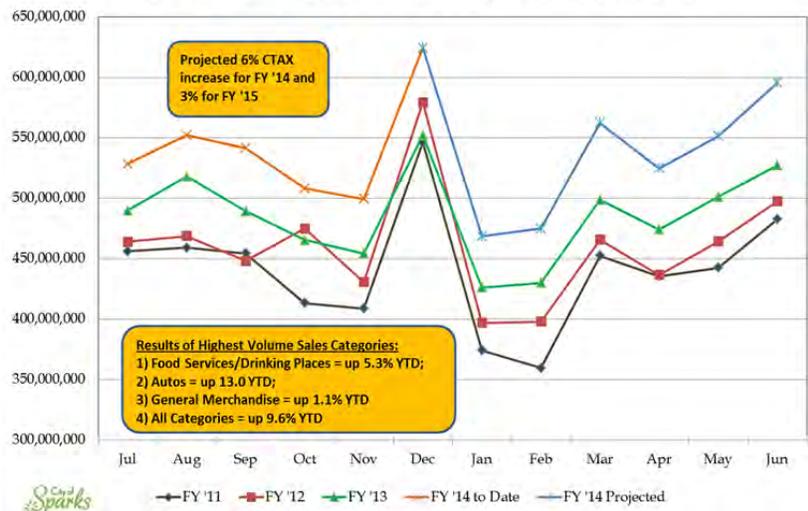
**Total Employment - Reno/Sparks MSA
Since July 2006**



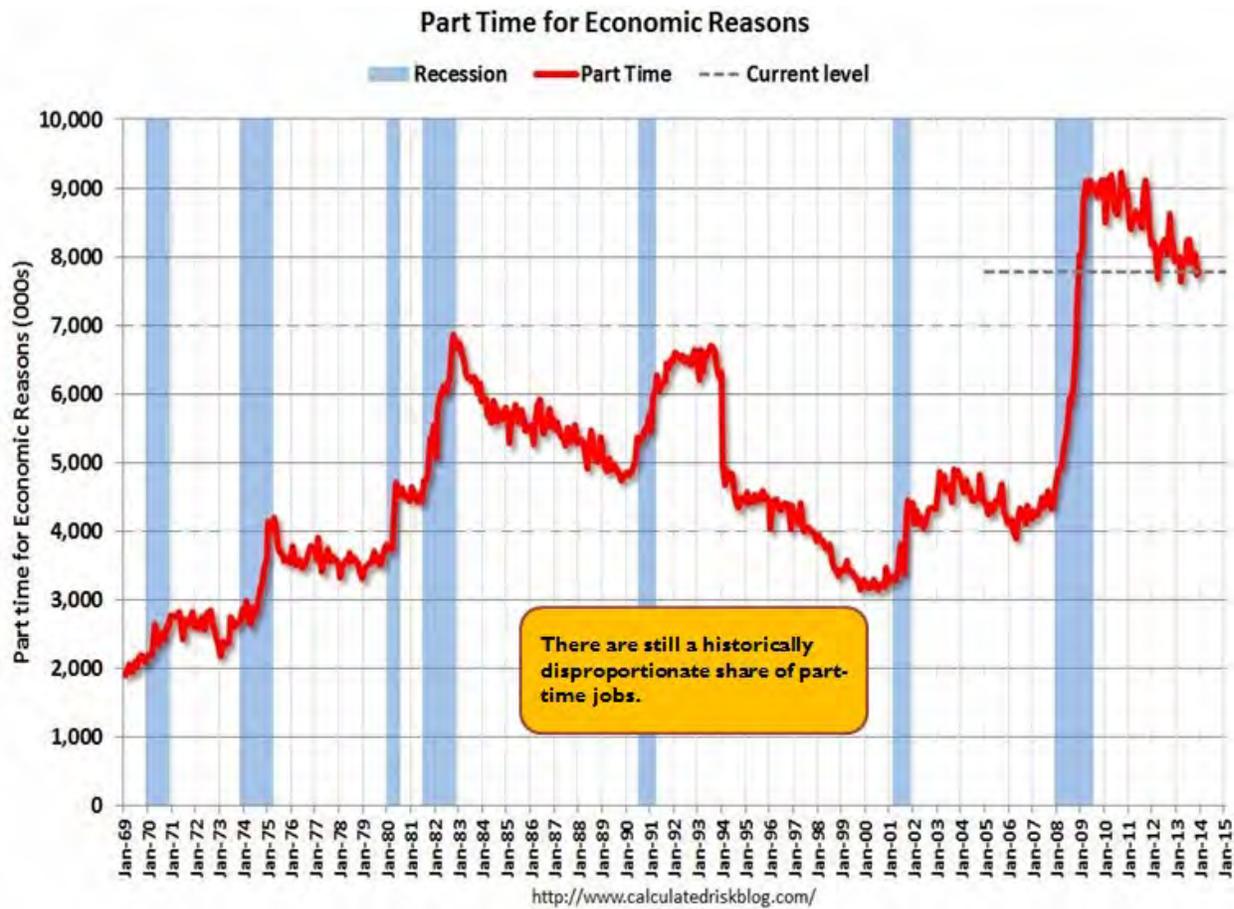
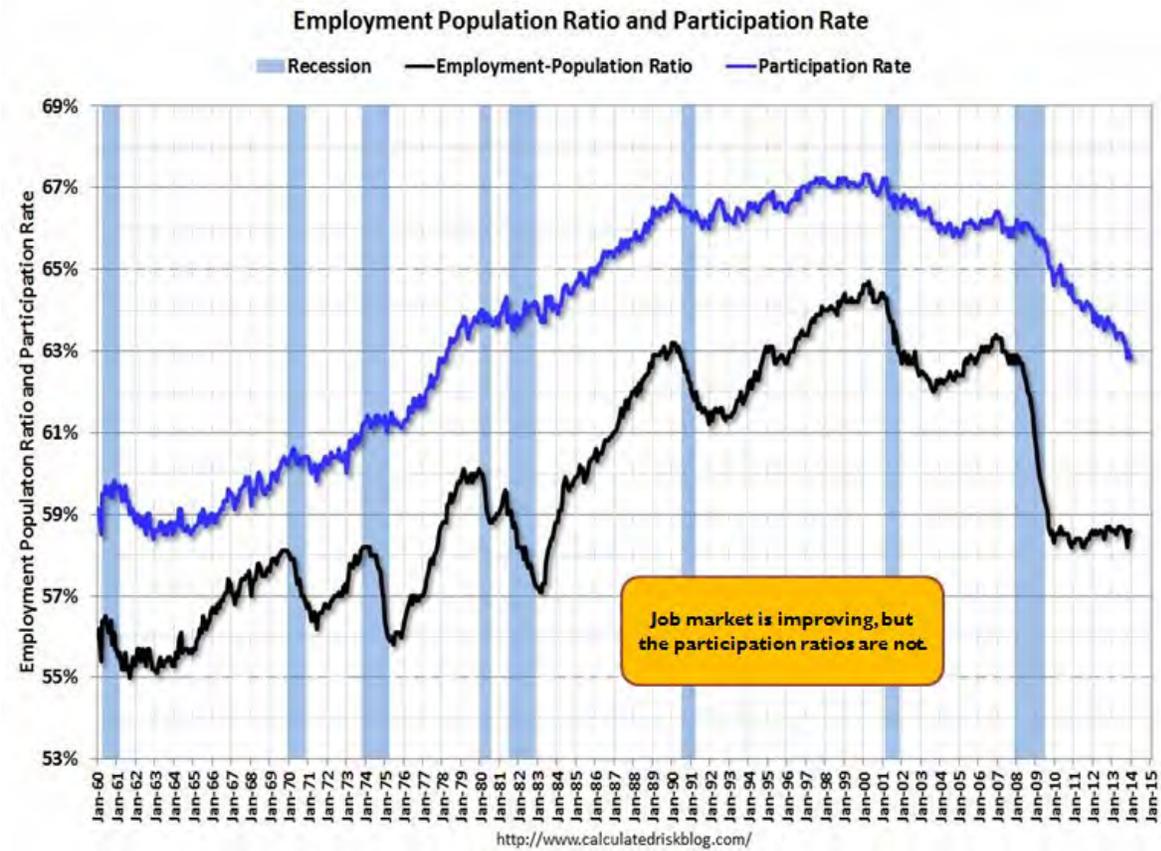
Taxable Sales

- Taxable sales in Washoe County is stronger than in previous three years.
- In December 2013:
 - Food services/drinking places is up 5.3%
 - Auto sales are up 13%
 - General Merchandise is up 1.1%
 - All categories up by 9.6%

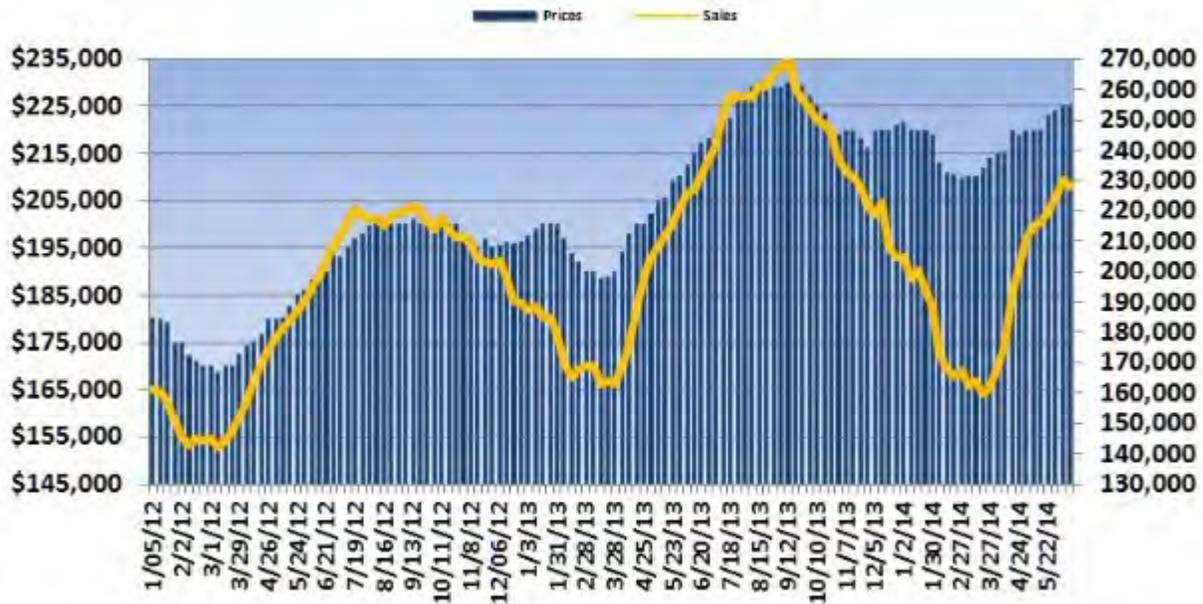
**Washoe County Taxable Sales by Month
Fiscal Year 2011 - 2014 (Actual thru. Dec. '13)**



Other National Economic Trends



US Home Sales and Prices*



*Based on the Top 100 MSAs (excluding Wichita)

Source: DataQuick; DQNews.com

As can be seen in the chart above, U.S. home sales and prices are holding steady. According to the National Association of Realtors, *“The median existing single-family home price increased in 74 percent of measured markets, with 125 out of 170 metropolitan statistical areas (MSAs) showing gains based on closings in the first quarter compared with the first quarter of 2013. Thirty-seven areas, 22 percent, had double-digit increases, and 45 areas recorded lower median prices.”*

Furthermore: *“in the fourth quarter of 2013, price increases were recorded in 73 percent of metro areas from a year earlier, with 26 percent rising at double-digit rates, but 89 percent of markets were showing year-over-year gains in the first quarter of 2013.”*

City Council Direction for Preparing the FY15 Budget

February 25, 2014 Budget Workshop

Direction for Filing the FY15 Tentative Budget

A City Council Budget Workshop is held every year in order for staff to seek direction from City Council on fiscal policies, budget priorities, approval of which “new needs” would be budgeted, and ultimately, how to file a tentative budget for the following fiscal year. This workshop is also the platform for the Financial Services Director to present local and economic data that could influence the City’s budget and review FY14 and FY15 General Fund financial summary and projections with City Council.

Based on projections and information available to the Financial Services Department at that time, a \$3.9M shortfall was identified early in the budget process. However, due to more favorable revenue projections (CTAX, property taxes, licenses and permits), and adjustments recommended by the City Manager, the shortfall has been reduced to \$1.194M. See the table below for the revised revenue projections and City Manager recommended adjustments. At the workshop, City Council approved to file the tentative budget with these adjustments.

Budget Item Description	Amount (\$000's)
Previously identified budget gap (Moderate Revenue Assumptions)	(\$3,900)
New Revenue Projections:	
New Property Tax Projections	\$50
New CTAX Projections	\$1,025
New Licenses/Permits Projections after 2nd Qtr Data	\$384
Subtotal New Revenue Projections	<u>\$1,459</u>
One-Time Items Recommended to Include:	
Reduced CIP Transfer	\$1,060
Remove G.F. Contributions to Muni Insurance Fund	\$300
Subtotal One-Time Items	<u>\$1,360</u>
City Manager Recommended Adjustment to Expenditures:	
Increase CIP Transfer to Fund IT WIG Results	(\$662)
New Needs	(\$280)
Position Reclassifications	(\$35)
Fire Dept. Overtime Budget Reduction	\$150
Reduce Wellness Program from \$200k to \$150k	\$50
Assume FY '15 Vacancy and/or Overtime Savings	\$500
Changed Funding Source for Customer Service Employees	\$164
Subtotal City Manager Recommended Adjustments	<u>(\$113)</u>
Subtotal All Budget Gap Adjustments	<u>\$2,706</u>
Budget Gap Remaining Prior to Dept. Reductions as Recommended by the C.M.	(\$1,194)

Council Direction for Preparing the FY15 Budget (continued)

The departments were tasked to review their budgets and to come up with proposed departmental budget reductions. Below is a list of department expenditure reductions as recommended by the City Manager. City Council moved to approve the implementation of these reductions at this Budget Workshop.

Budget Item Description	Amount (\$000's)
Department Exp Reductions as Recommended by the City Manager:	
Vacant Fire Inspector Position	\$115
Vacant Fire Dept. Office Specialist	\$65
Reduce PD Overtime -- Dignitary Services	\$20
Reduce PD Overtime -- Schedule Changes & Other Actions	\$40
Reduce PD Overtime -- Moving 2 Motor/Traffic Positions to Patrol	\$75
Vacant Recreation Specialist	\$62
Vacant Court Clerk Specialist	\$64
Contractual Legal Services (Legal Dept.)	\$45
Vacant Park Maintenance Worker II	\$61
Adjust 3 Community Services Employee Funding Sources	\$129
Subtotal Dept. Exp Reductions	\$676
FY '15 Tentative Budget Gap Remaining	(\$518)

All these reductions would still leave a budget gap of \$518k as stated in the table above. To fill this budget gap, City Council provided staff direction to file a tentative budget with the following:

1. Increase the property tax rate by 4.37 pennies to the maximum allowed by law
2. Increase the garbage franchise fee from 5% to 8%
3. Reduce the ending General Fund balance to no lower than 5.5% of expenditures



May 14, 2014 City Council Meeting

Presentation of City Manager’s FY15 Budget Recommendations for Final Budget

On the May 14, 2014 City Council meeting, City Council approved the City Manager Budget Recommendations for the FY15 Final Budget.

The City Manager Recommendations included the following:

1. FY ‘15 City Manager’s final budget recommendations

- The City Manager’s final budget recommendations have been prepared based upon direction received from City Council at the February 25, 2014 budget workshop.
- The City Manager’s final budget recommendations include the following items which were specifically voted on by Council at the February 25 workshop:
 - No changes are included in the City Manager’s final budget recommendations from what was presented on February 25 regarding new needs, reclassifications, and department budget reductions
 - Increasing the property tax rate by 4.37 pennies to the maximum rate allowed --expected to provide an additional \$250K of General Fund revenue
 - Increasing the garbage franchise fee from 5% to 8% -- expected to raise additional General Fund revenue of about \$400K

2. Approval of the City’s property tax rate -- including an increase of the property tax rate equal to 4.37 pennies per \$100 of assessed value

- The Nevada State Constitution caps the property tax rate at \$5.00 per \$100 of assessed value. NRS 361.453 further caps the rate at \$3.64 per \$100 of assessed value
- SB 507 ('03 Legislature) added a total of 2 cents considered to be outside of the \$3.64 cap, which effectively raised the cap to \$3.66 per \$100 of assessed value
- The City of Sparks current property tax rate is \$3.6163 per \$100 of assessed value
- This means that the City of Sparks total tax rate is \$0.0437 (4.37 cents) under the maximum rate allowed of \$3.66 per \$100 of assessed value
- The City Council has the authority to raise the property tax rate up to the \$3.66 cap by approving the rate increase as part of the final budget



Council Direction for Preparing the FY15 Budget *(continued)*

- NRS 361.4722 and NRS 361.4723 (the “property tax abatement laws”) place further restrictions on property taxes requiring the amount of calculated tax that is greater than 3% for residential properties and up to 8% for certain commercial properties from the previous year’s tax levy, be abated (i.e., removed) from the current property tax levy. In other words, tax bills may only increase no more than 3% for residential properties and up to 8% for certain commercial properties (the “up to” 8% for commercial properties is actually calculated annually per a formula based on the average 10 year assessed value growth rate in a county and changes in CPI). For FY ’15, this formula for commercial properties resulted in a cap of 3%. Thus, both residential and commercial properties are capped at 3% for FY ’15
- Due to the abatement laws, increasing the property tax rate to the maximum will only result in additional revenue for FY ’15 of an estimated \$250K. An additional \$960K would have been generated in FY ’15 if the abatement laws were not in effect
- Based on data provided by the County Treasurer and Assessor offices, an estimated 11.2%, or 3,750 of the 33,595 parcels in Sparks will be affected by a property tax increase. An estimated 1,239 residential parcels are expected to be affected (3.7% of all City parcels)
- Abatement for FY ’15 is estimated to be \$2.5M with the property tax rate increase. Without the property tax rate increase, abatement is still estimated to be quite high at \$1.8M due to increased assessed valuations (up from about \$280K of abatement in FY ’14)
- This is the first property tax increase in 10 years since the current rate was established in FY ’05

3. Approval of the proposed five-year Capital Improvements Plan (CIP)

- The CIP can be found on the CIP section of this document

The FY15 Final Budget was subsequently filed based on these City Manager recommendations as approved by City Council on May 27, 2014.



FY15 Position Reclassifications

Reclassification Process:

Over time, the City complement of employees and specific positions must be reviewed to reflect new duties and responsibilities. The reclassification process takes a critical look at all positions, with job descriptions rewritten and positions reclassified when significant changes in job breadth or depth occurred. All department heads were requested to identify employees who were potentially working 'out of class' or if organizational changes warranted a review of positions.

The City Manager will implement these changes within a framework of cost control. As new or reclassified positions are filled, the impacted employees will be eligible for a promotional increase, if the salary range has moved up. The maximum promotional increase is defined by the employee Resolution or Bargaining Agreement, and is limited to a maximum increase of 5%.

Departmental Changes:

Management Services

No reclassifications were identified.

Financial Services

The Information Technology Division will be reorganized to better reflect current needs and direction of the City. The position of IT Operations Administrator will be reclassified to IT Manager to encompass managerial responsibility for the IT division as a whole. In conjunction with this, 'flattening organization' the Systems Administrator will be changed to Senior Systems Analyst, and pay range for Senior System Analyst will be increased to reflect comparability internally. Finally, the position of IT Support Specialist II will be reclassified to and IT Operations Specialist to reflect a broadening job scope.

Parks and Recreation Department

The position of Recreation Supervisor has changed over the last several years in regards to responsibility level. Although it would appear that these supervisors have a small employee span of control, the job requires on average supervision, directly or indirectly for up to 100 temporary or regular employees.

The position of Recreation Specialist will be changed to Recreation Specialist I/II. Initially, this position was designed to be entry level, and has grown over time to encompass more responsibility. This position also will supervise a number of temporary employees on a daily basis.

Community Services Department

The position of Office Specialist will be reclassified to the position of Senior Permit Technician. The position has been responsible for processing all building permit request, and is more appropriately classified as a Technician. In addition, the requirements have been changed to reflect certifications necessary to complete the job.

Police Department

The Senior Systems Analyst will be reclassified to mirror the changed pay grade of the IT Division.

FY15 Position Reclassifications *(continued)*

Fire Department

No reclassifications were identified.

Legal Department

No reclassifications were identified.

Municipal Court

No reclassifications were identified.

Recommendations:

The City Manager has reviewed all requests, and is recommending the approval of the reclassifications contained within this report for the FY 14/15 Budget. Following is a detailed listing of budgetary impact to be considered.

Reclassification Requests FY15					
Requesting Department	Current Title	Requested Change	Financial Impact FY15		
			1101	2201	1221
Community Services	Office Specialist	Senior Permit Technician	\$0	\$4,814	\$0
Financial Services	IT Operations Administrator	IT Manager	\$8,465	\$0	\$0
Financial Services	IT Support Specialist II	IT Operations Specialist	\$11,523	\$0	\$0
Financial Services	Systems Administrator	Senior Systems Analyst	\$0	\$0	\$0
Financial Services & Police Department	Senior Systems Analyst	Increase pay range	\$15,272	\$0	\$0
Parks and Recreation	Recreation Supervisor	increase pay range	\$0	\$0	\$22,907
Parks and Recreation	Recreation Specialist	Recreation Specialist I/II	\$0	\$0	\$9,156
Total			\$35,260	\$4,814	\$32,063



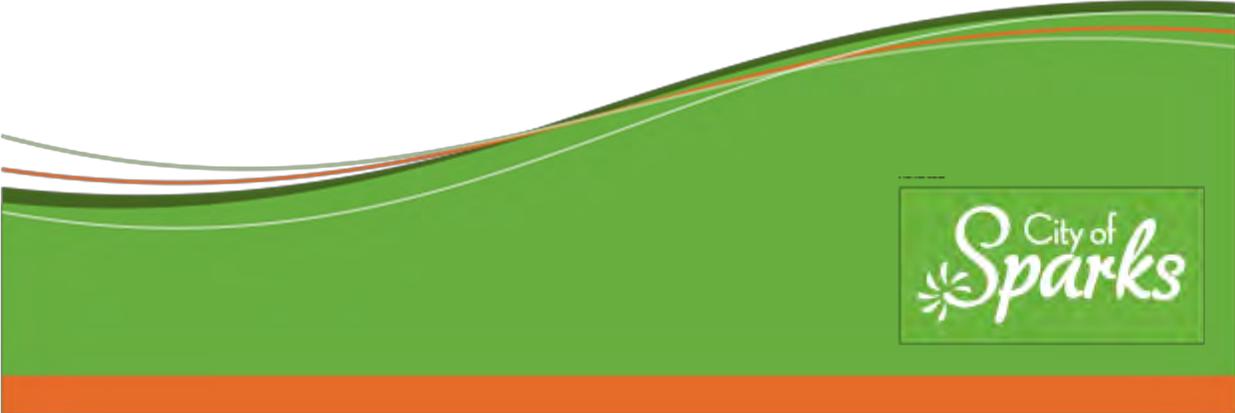
Looking Beyond the FY15 Budget

- Total G.F. revenues are expected to continue trending up for the next few years, but at a moderate 2% - 3% pace
- Property tax revenues are expected to be capped at 3% for both residential and commercial properties for several years. Property tax abatement is est. to be ~\$2.5M in FY '15, up from ~\$280K in FY '14 due to tax cap laws
- CTAX revenues are expected to grow at a somewhat slower pace over the next couple of years. Since FY '10, CTAX revenues have grown by \$2.9M (est. through FY '14). CTAX revenues are est. to increase 3% to \$19.95M in FY '15, but are still \$5.7M, or 22% lower than the peak in FY '06
- Health insurance cost pressures are expected to continue
- Long term solutions are needed to address growing liabilities created by post-employment medical (OPEB) and Heart/Lung/Cancer workers compensation benefits
 - ✓ Net OPEB liability was ~\$6M at the end of FY '13
 - ✓ The Workers Compensation Fund had a negative Fund balance of \$757K at the end of FY '13 (assets in the Fund are insufficient to pay all long-term liabilities)
- PERS contribution rate increases are also expected, but due to the recent positive investment returns, increases are expected to be relatively small (at least for the FY '16-FY '17 biennium)
- Most employment contracts and resolutions are set to expire after FY '15
- The Governmental Accounting Standards Board (GASB) is issuing statement #'s 67 & 68 revising the existing reporting requirements for public pension plans and liabilities.
 - ✓ The City will need to record a liability for PERS pension benefits beginning in FY '15 which will be reflected in the year end government-wide financial statements that are presented in the Comprehensive Annual Financial Report (CAFR). Funding the liability is not required
 - ✓ The valuation of this liability is unknown at this time
 - ✓ This liability will be an entry on the government-wide (i.e., consolidated) financial statements only and is not required to be included in the budget for FY '15

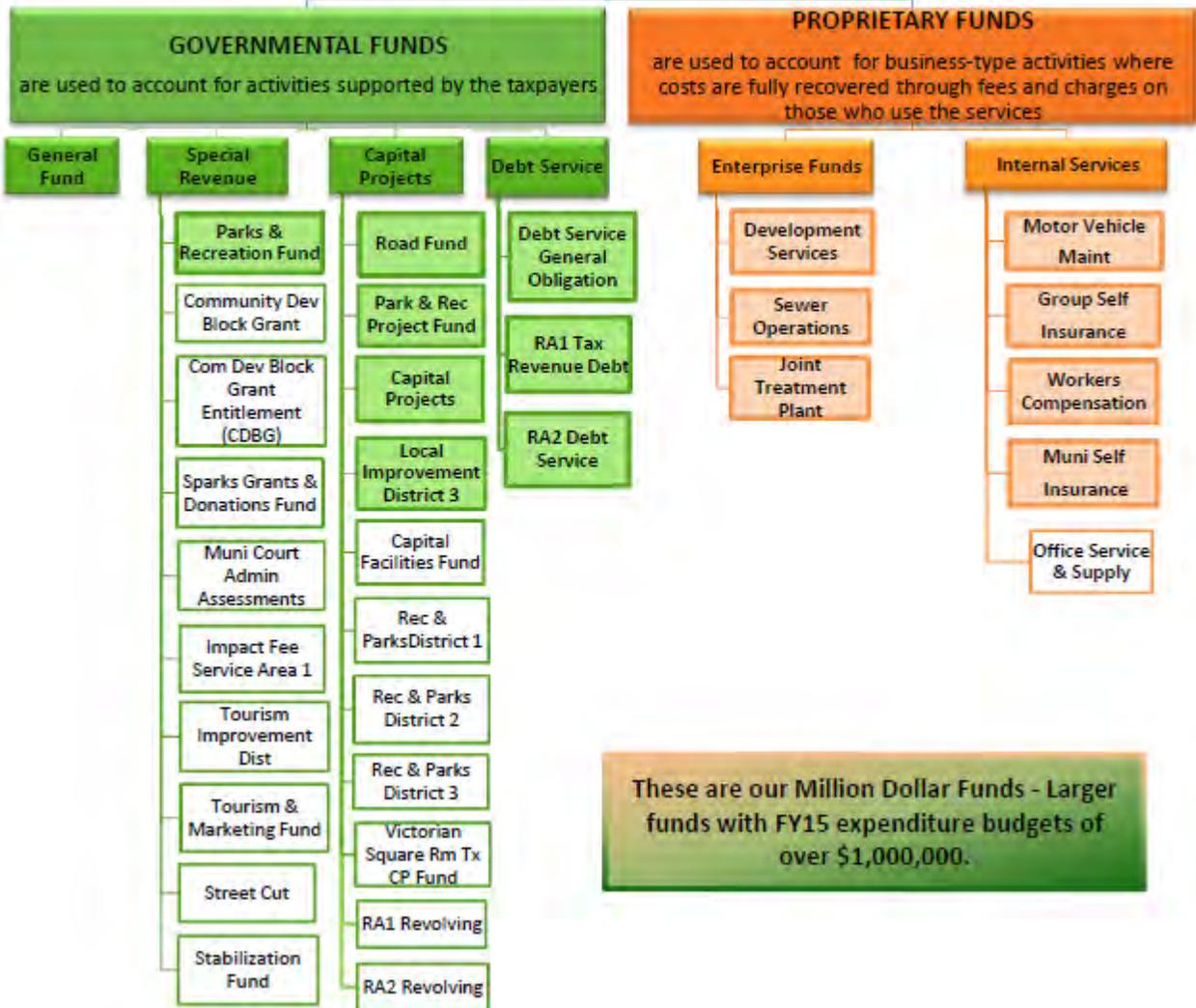
City of Sparks General Fund -- FY '15 Recommended Final Budget
Sources & Uses: Multi-Year Results & Projections Summary (\$000's)

	FY '12 Actuals	FY '13 Actuals	FY '14 Budget	FY '14 Projection	FY '15 Recommended Final Budget
Sources (excluding beginning fund balance)					
Total Revenues	\$52,689	\$52,056	\$52,333	\$53,606	\$55,343
Transfer-In From Vehicle Fund (Assume No Usage, Budget Matches Contingency)	\$0	\$0	\$1,000	\$0	\$1,000
Transfers-In, Other	\$312	\$60	\$352	\$352	\$704
Total Sources	\$53,000	\$52,116	\$53,685	\$53,958	\$57,047
<i>% Change in Total Revenues (excl. transfers) =</i>	-5.3%	-1.2%	0.5%	3.0%	3.2%
<i>% Change in Total Sources =</i>	-4.8%	-1.9%	3.0%	3.5%	5.7%
Uses					
Total Expenditures	\$49,850	\$50,116	\$51,166	\$52,706	\$55,178
Total Transfers-Out	\$2,536	\$2,684	\$2,885	\$2,769	\$1,636
Contingency (Assume No Usage; Budget Matches Trans-In from Vehicle Fund)	\$0	\$0	\$1,000	\$0	\$1,000
Total Uses	\$52,385	\$52,800	\$55,051	\$55,475	\$57,813
<i>% Change in Total Expenditures (excl. transfers & contingency) =</i>	-0.2%	0.5%	2.1%	5.2%	4.7%
Net Sources/(Uses)	\$615	(\$685)	(\$1,366)	(\$1,517)	(\$766)
Fund Balance					
Unrestricted Ending Fund Balance	\$6,477	\$5,808	\$3,396	\$4,290	\$3,524
Unrestricted Ending Fund Balance as a % of Exp's (Less Cap. Outlay)	13.1%	11.6%	6.6%	8.2%	6.4%
Unrestricted Ending Fund Balance Amount Over/(Short) of 8.3%	\$2,200	\$1,550	(\$775)	(\$50)	(\$950)

FY2014-15 CITY OF SPARKS BUDGET



CITY OF SPARKS FUND STRUCTURE



Budget Summary

Budget Summary for City of Sparks Schedule S-1

	GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS			PROPRIETARY FUNDS BUDGET YEAR 06/30/2015	TOTAL (MEMO ONLY) COLUMNS 3+4 (5)
	ACTUAL PRIOR YEAR 06/30/13 (1)	ESTIMATED CURRENT YEAR 06/30/14 (2)	BUDGET YEAR 06/30/15 (3)		
REVENUES:					
Property Taxes	18,273,139	18,300,000	19,100,000	0	19,100,000
Other Taxes	879,293	980,796	986,000	0	986,000
Licenses and Permits	13,878,721	14,209,369	14,657,813	1,553,317	16,211,130
Intergovernmental Revenues	35,022,113	35,722,404	35,087,079	12,847,750	47,934,829
Charges for Services	5,168,422	5,302,275	5,033,133	66,528,950	71,562,083
Fines and Forfeits	686,356	637,500	637,500	0	637,500
Miscellaneous Revenue	317,091	378,031	325,432	901,590	1,227,022
Other Financing Sources	0	0	0	50,000	50,000
Special Assessments	2,715,177	2,800,000	2,900,000	0	2,900,000
TOTAL REVENUES	76,940,313	78,330,375	78,726,957	81,881,607	160,608,564
EXPENDITURES-EXPENSES:					
Not Applicable	0	0	0	15,659,400	15,659,400
General Government	9,841,877	11,779,603	11,744,160	0	11,744,160
Judicial	2,362,874	2,151,010	2,845,209	0	2,845,209
Public Safety	35,851,295	39,315,007	39,184,691	125,435	39,310,126
Public Works	7,645,064	8,585,497	6,742,530	0	6,742,530
Culture and Recreation	9,504,336	8,394,975	7,889,019	0	7,889,019
Community Support	1,274,351	1,443,039	2,309,177	0	2,309,177
Intergovernmental	0	0	0	0	0
Contingency	0	0	1,000,000	0	1,000,000
Utility Enterprise	0	0	0	42,557,407	42,557,407
Other Enterprise	0	0	0	15,863,631	15,863,631
Principal	3,985,000	4,355,000	4,775,000	0	4,775,000
Interest	8,970,869	9,712,659	9,260,167	1,265,109	10,525,276
TOTAL EXPENDITURES-EXPENSES	79,435,666	85,736,791	85,749,954	75,470,982	161,220,935
Excess of Revenues over (under) Expenditures/Expenses	(2,495,353)	(7,406,417)	(7,022,996)	6,410,625	(612,371)



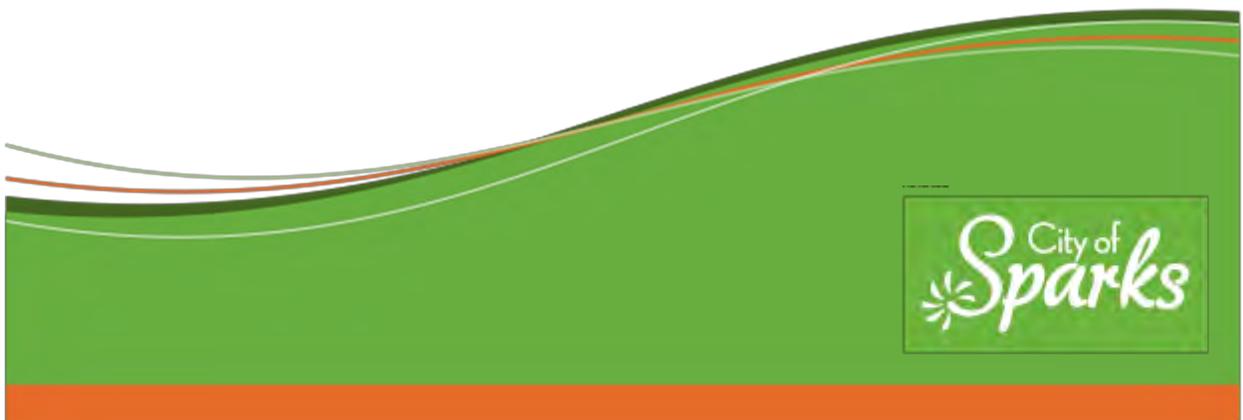
Budget Summary (continued)

**Budget Summary for City of Sparks
Schedule S-1**

	GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS			PROPRIETARY FUNDS BUDGET YEAR 06/30/2015 (4)	TOTAL (MEMO ONLY) COLUMNS 3+4 (5)
	ACTUAL PRIOR YEAR 06/30/13 (1)	ESTIMATED CURRENT YEAR 06/30/14 (2)	BUDGET YEAR 06/30/15 (3)		
Operating Transfers (in)	4,013,724	4,465,455	5,476,992	22,000	5,498,992
Operating Transfers (out)	(2,698,454)	(3,514,155)	(2,387,410)	(1,732,728)	(4,120,138)
TOTAL OTHER FINANCING SOURCES (USES)	1,315,270	951,301	3,089,582	(1,710,728)	1,378,854
Excess of Revenues and Other Sources over					
(under) Expenditures and Other Uses (Net Incurr	(1,180,083)	(6,455,116)	(3,933,414)	4,699,897	XXXXXXXXXXXXXXXXXX
FUND BALANCE JULY 1, BEGINNING OF YEAR:	40,759,752	39,579,669	33,124,553		
Prior Period Adjustments	0	0	0	0	
Residual Equity Transfers				XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
FUND BALANCE JUNE 30, END OF YEAR	39,579,669	33,124,553	29,191,139	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX
TOTAL ENDING FUND BALANCE	39,579,669	33,124,553	29,191,139	XXXXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXXXX

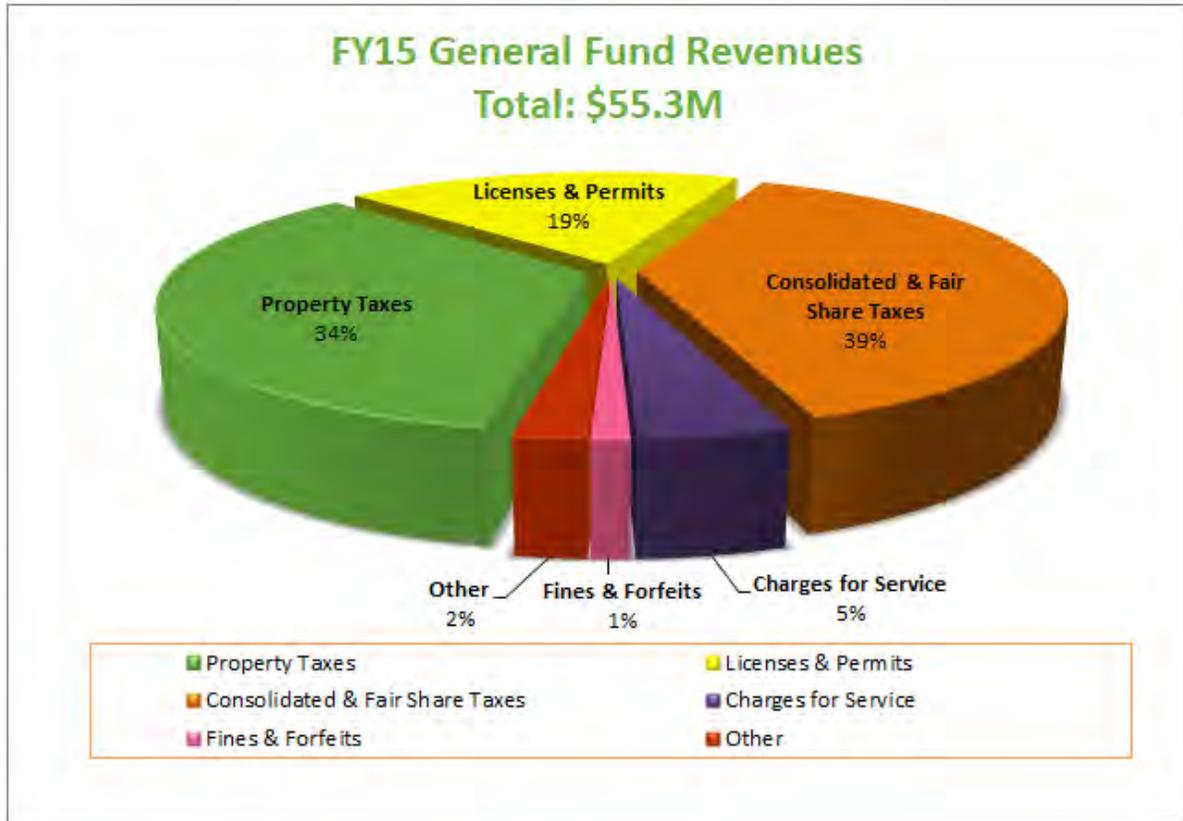


FY2014-15 CITY OF SPARKS BUDGET: GENERAL FUND



Overview: FY15 General Fund Revenues

The General Fund budgeted revenue (excluding transfers-in) for the City of Sparks for FY15 totals \$55.3 million, which is a 3% increase from FY14 estimated actuals. Most revenues for the City are generated through four major sources: Intergovernmental revenue (Consolidated Tax), Ad Valorem (property taxes), Licenses and Permits, and Charges for Services.



Top 3 General Fund Revenues FY10 to FY15 (CTAX, Property Tax, Licenses & Permits)

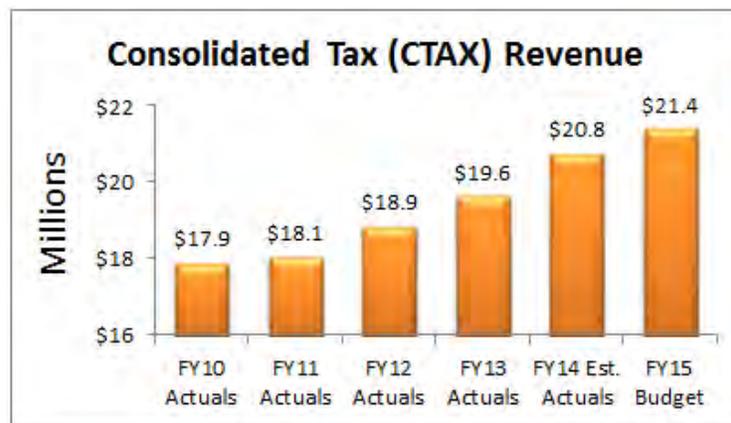


The City is projecting a 3% increase in total revenues in FY15. Due to the improving local economy and housing market, each of the Top 3 General Fund Revenues are expected to rise in FY15. Property taxes are projected to increase by 4%, Licenses and Permits by 5%, and Consolidated and Fair Share Taxes by 3%.

Overview: FY15 General Fund Revenues *(continued)*

Consolidated Tax Revenue (CTAX) – Reported in Intergovernmental Revenues

Consolidated Tax Revenue or CTAX is the General Fund’s biggest revenue source (39%). CTAX is a consolidation of six tax components consisting of two types of sales tax (Basic City/County Relief Tax or BCCRT, and Supplemental City/County Relief Tax or SCCRT); Real Property Transfer Tax or RPTT; Cigarette Tax; Liquor Tax; and the Government Services Tax (previously called the Motor Vehicle Privilege Tax). These taxes were combined in FY98 and distributed based upon a complex formula administered by the Nevada Department of Taxation. The City of Sparks receives approximately 12.9% of the tax allocated to applicable government agencies in Washoe County.



The local economy is showing signs of recovery from the great recession as evidenced by the growth in taxable sales in Washoe County, Nevada. According to data from the State of Nevada Department of Taxation, there has been single-digit year-over-year growth in taxable sales of at least 3% since fiscal year 2010-2011. The month of December typically has the highest taxable sales and December 2014 posted a growth of 13%, the highest in four years.

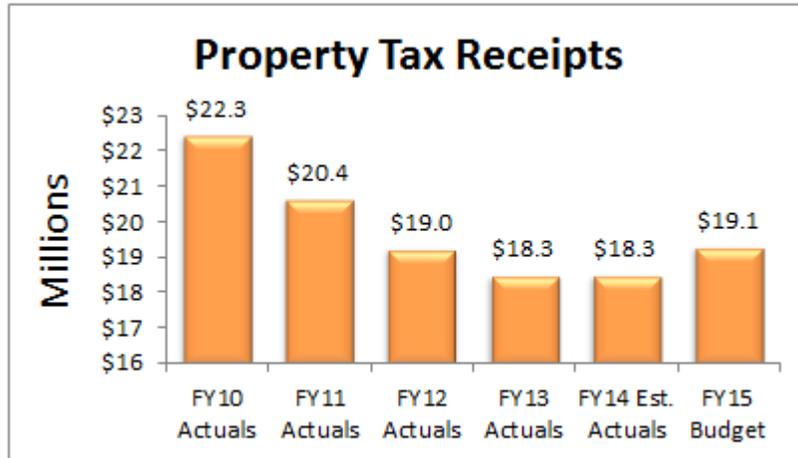
TAXABLE SALES DATA, WASHOE COUNTY

SOURCE: http://tax.nv.gov/Publications/Monthly_Taxable_Sales_Statistics/

	FY10	FY11	FY12	FY13	FY14	CHANGE (\$)	CHANGE (%)
JULY	442,976,895	456,029,081	463,770,490	489,543,239	528,249,234	38,705,995	7.9%
AUG	465,479,530	458,939,649	468,590,983	517,759,582	552,089,363	34,329,781	6.6%
SEP	443,405,279	454,272,798	448,081,987	489,010,242	541,330,846	52,320,604	10.7%
OCT	428,521,665	412,997,281	474,645,459	465,228,661	507,876,072	42,647,411	9.2%
NOV	398,727,719	408,622,151	430,363,775	454,150,141	499,180,513	45,030,372	9.9%
DEC	517,214,036	546,112,806	579,281,104	552,159,596	624,296,947	72,137,351	13.1%
JAN	373,087,094	374,041,984	396,728,684	426,020,126	457,916,106	31,895,980	7.5%
FEB	359,457,029	371,077,742	397,802,501	429,977,203	476,118,246	46,141,043	10.7%
MAR	442,827,175	452,264,975	465,702,073	498,604,958	555,541,950	56,936,992	11.4%
APR	395,012,027	435,405,196	436,326,704	474,104,844	TBD	TBD	TBD
MAY	425,202,499	442,238,407	464,082,290	501,024,541	TBD	TBD	TBD
JUN	473,450,037	482,553,897	497,229,301	527,143,003	TBD	TBD	TBD
TOTAL	5,165,360,985	5,294,555,967	5,522,605,351	5,824,726,136	4,742,599,277	420,145,529	
CHANGE		129,194,982	228,049,384	302,120,785			
% CHANGE		3%	4%	5%			

Ad Valorem Revenue (Property Tax)

Ad Valorem revenues are the General Fund’s second biggest revenue source that (34% of total). For FY15 the total Property Tax revenue is estimated at \$19.1 million, a 4% increase from FY14 estimated actuals. This includes the City’s property tax rate increase by \$0.0437 (4.37 cents) that was approved by City Council in the Final FY15 Budget.



Some more information regarding the City’s Property Tax Rate:

- The Nevada State Constitution caps the property tax rate at \$5.00 per \$100 of assessed value. NRS 361.453 further caps the rate at \$3.64 per \$100 of assessed value
- SB 507 ('03 Legislature) added a total of 2 cents considered to be outside of the \$3.64 cap, which effectively raised the cap to \$3.66 per \$100 of assessed value
- As part of the final budget, City Council approved to raise the current property tax rate from \$3.6163 per \$100 of assessed value to the maximum rate allowed of \$3.66 per \$100 of assessed value
- NRS 361.4722 and NRS 361.4723 (the “property tax abatement laws”) place further restrictions on property taxes requiring the amount of calculated tax that is greater than 3% for residential properties and up to 8% for certain commercial properties from the previous year’s tax levy, be abated (i.e., removed) from the current property tax levy. In other words, tax bills may only increase no more than 3% for residential properties and up to 8% for certain commercial properties (the “up to” 8% for commercial properties is actually calculated annually per a formula based on the average 10 year assessed value growth rate in a county and changes in CPI). For FY '15, this formula for commercial properties resulted in a cap of 3%. Thus, both residential and commercial properties are capped at 3% for FY '15



Overview: FY15 General Fund Revenues *(continued)*

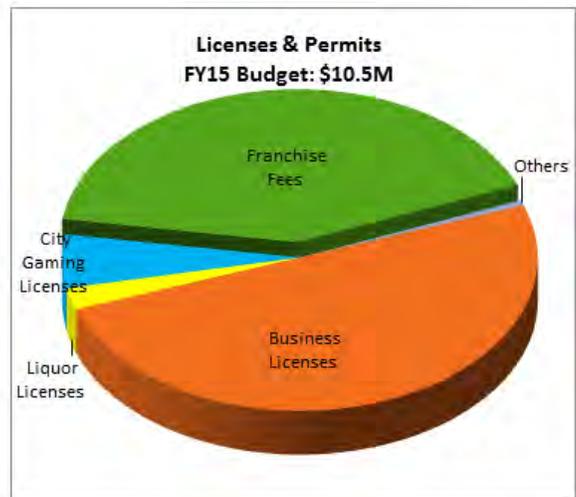
- Due to the abatement laws, increasing the property tax rate to the maximum will only result in additional revenue for FY '15 of an estimated \$250K. An additional \$960K would have been generated in FY '15 if the abatement laws were not in effect
- Based on data provided by the County Treasurer and Assessor offices, an estimated 11.2%, or 3,750 of the 33,595 parcels in Sparks will be affected by a property tax increase. An estimated 1,239 residential parcels are expected to be affected (3.7% of all City parcels)
- With the property tax rate increase, abatement for FY '15 is estimated to be \$2.5M
- The rate increase approved by City Council on May 27, 2014 is the first property tax increase in 10 years since the current rate was established in FY '05

Licenses & Permits

Revenues in this category include business licenses and permits, liquor licenses, gaming licenses, and franchise fees. Licenses and Permits account for \$10.5 million in General Fund revenue, which is 19% of the revenue supplied to the General Fund.



Licenses & Permits is a revenue category comprising of various revenues, the biggest of which in FY15 the Budget are Business Licenses (50%) and Franchise Fees (41%). Business Licenses are fees assessed against all entities doing business in the city limits of Sparks. These fees are collected on a percentage basis of gross income or as a flat fee. Franchise Fees for Cable TV, Garbage, Gas, Electric and Water are also included. Flat fees are collected for City gaming companies based on the number of gaming devices in the establishment.



Overview: FY15 General Fund Revenues *(continued)*

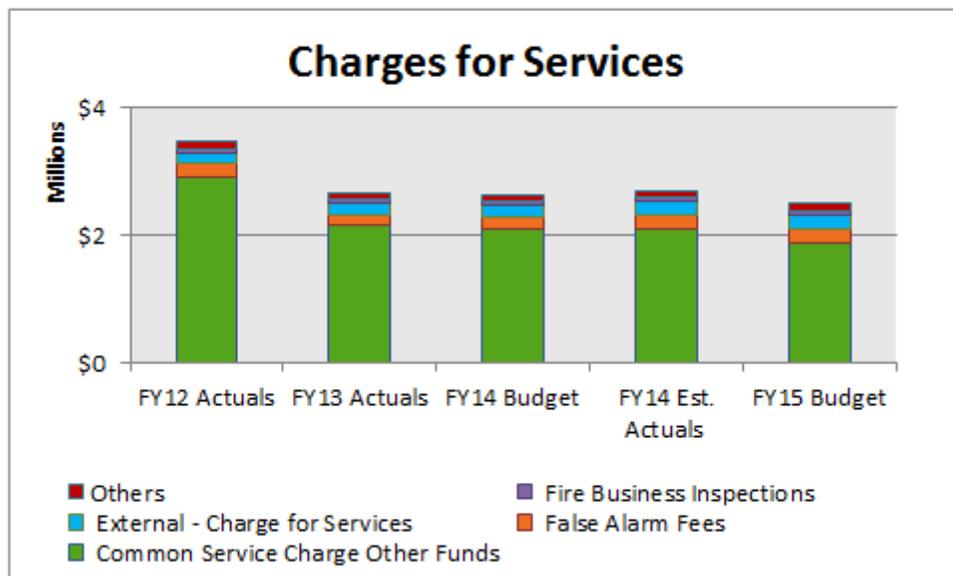
As with all city revenues during the recession, this revenue category declined, but since FY12 it has been creeping up again, albeit slowly. Estimates for License & Permits are based on historic figures, with estimates for growth in the business community and a review of taxable sales data that has shown signs of strengthening.

The projected increase in FY15 Business Licenses revenues is minimal at 1%, but Franchise Fees are projected to increase aggressively by 11%. The increase in Franchise Fees is attributed to the following: (1) an increase in electric and gas rates would also increase franchise fees collected by the City, (2) the garbage franchise fee increase from 5% to 8% approved by City Council in the FY15 final budget would increase the revenue by about \$400K, and (3) improving housing market and occupancy rates would also increase franchise fee revenues collected from utilities (electric, gas, and water).

Charges for Services

The General Fund generates charges for services provided to other funds under the City's cost allocation plan and likewise to outside agencies. The largest of these charges for services is the common service charge which is the result of a study undertaken annually to determine the amounts to be charged to other funds for central services such as Payroll, Accounting, Human Resources, etc. These charges have declined due to decreasing overall central service costs and a change in policy not to charge Redevelopment funds.

Other charges for services could also include revenues generated from service fees charged to the public that could range from false alarm fees and fire business inspection fees to sales of city memorabilia and special event receipts.



FY15 Budget: General Fund Revenues and Transfers In

REVENUES	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE APPROVED	FINAL APPROVED

Taxes

Property Taxes	18,273,139	18,300,000	19,100,000	19,100,000
Subtotal	18,273,139	18,300,000	19,100,000	19,100,000

Licenses and Permits

Business Licenses	5,050,704	5,213,000	5,258,000	5,258,000
Liquor Licenses	235,010	238,000	240,000	240,000
City Gaming Licenses	561,900	590,000	590,000	590,000

Franchise Fees

Cable TV Franchise Fees	770,132	817,164	817,164	817,164
Electric Franchise Fees	1,493,369	1,526,495	1,480,700	1,480,700
Garbage Franchise Fees	611,782	665,000	1,091,600	1,091,600
Gas Franchise Fees	405,875	484,959	509,207	509,207
Right Of Way Fees TMWA	465,063	446,147	456,612	456,612

Nonbusiness Licenses and Permits

Bicycle Licenses	6	0	0	0
Other Licenses and Permits	68,366	57,200	57,100	57,100
Subtotal	9,662,207	10,037,965	10,500,383	10,500,383

Intergovernmental Revenues

Federal Grants	60,161	0	0	0
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State Shared Revenue

Consolidated Taxes From State	18,252,243	19,375,000	19,950,000	19,950,000
State Distributive Fund	1,385,805	1,400,000	1,450,000	1,450,000

Other Local Gov't Shared Revenues

County Gaming Licenses	429,435	435,000	450,000	450,000
Other	520,194	545,163	604,405	604,405
Subtotal	20,647,838	21,755,163	22,454,405	22,454,405



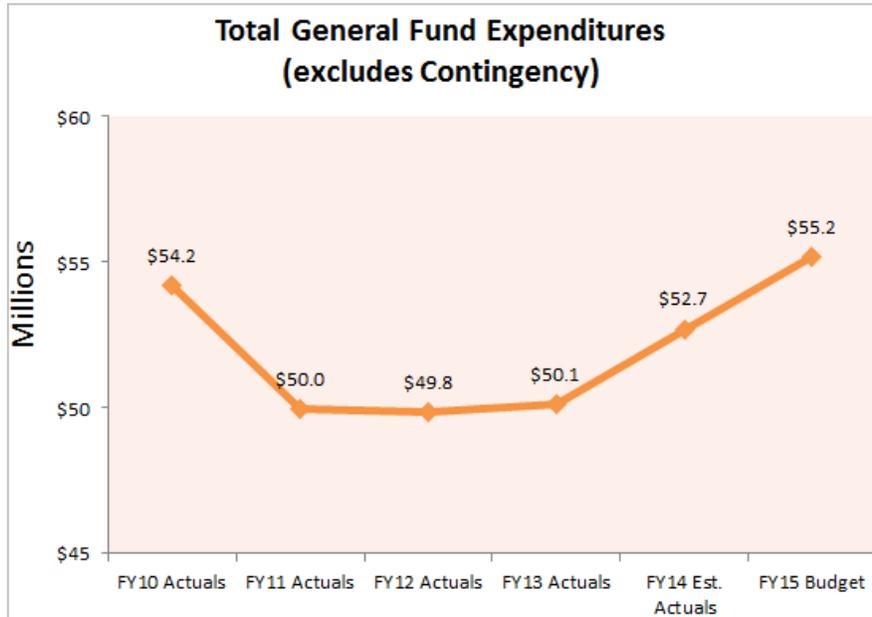
FY15 Budget: General Fund Revenues and Transfers In (continued)

REVENUES	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE APPROVED	FINAL APPROVED
Charges for Services				
Building and Zoning Fees	21,364	30,000	37,000	37,000
Other	2,658,451	2,675,047	2,469,098	2,469,098
Subtotal	2,679,815	2,705,047	2,506,098	2,506,098
Fines and Forfeits				
Fines-Court	677,627	627,500	627,500	627,500
Fines-Bail	8,729	10,000	10,000	10,000
Subtotal	686,356	637,500	637,500	637,500
Miscellaneous Revenue				
Interest Earned	(6,051)	50,000	50,000	50,000
Rents and Royalties	68,788	64,845	65,372	65,372
Other Miscellaneous	43,494	55,026	29,500	29,500
Subtotal	106,231	169,871	144,872	144,872
Subtotal Revenue All Sources	52,055,586	53,605,546	55,343,258	55,343,258
Other Financing Sources				
Operating Transfers In (Schedule T)				
T/I from Development Svcs 2201	60,000	352,000	704,000	704,000
T/I from Motor Vehicle 1702	0	0	1,000,000	1,000,000
Total Transfers In	60,000	352,000	1,704,000	1,704,000
Subtotal Other Financing Sources	60,000	352,000	1,704,000	1,704,000
Beginning Fund Balance	6,492,291	5,807,764	4,290,469	4,290,469
Prior Period Adjustment(s)	0	0	0	0
Residual Equity Transfers				
Total Beginning Fund Balance	6,492,291	5,807,764	4,290,469	4,290,469
Total Available Resources	58,607,877	59,765,310	61,337,727	61,337,727



Overview: FY15 General Fund Expenditures

The General Fund budget for expenditures in FY15 amounts to \$56.2M. This section will discuss how this budget is spread across the City. As can be seen in the chart below, the city's expenditures have been creeping up in the recent years after a sharp decline in FY10. There is a citywide mandate to control these expenditures and to reduce costs whenever necessary.



Here are the highlights of the FY15 General Fund expenditures budget.

- FY '15 General Fund Expenditures compared to FY '14 estimates:
 - Salaries & Wages increasing 1.7%
 - Benefits increasing 11.9% -- primarily driven by a 25% contribution and premium rate increase planned for the Group Health Self Insurance Fund
 - Services & Supplies increasing 2.5%
 - Total General Fund expenditures increasing 4.7%
- FY '15 General Fund transfers:
 - \$1.116M subsidy to the Development Services Fund made during the recession is expected to be paid back to the General Fund during FY '15
 - \$1.0M transfer-in from the Motor Vehicle Fund to offset the contingency budget
 - \$734K transfer-out to the Parks & Rec. Fund representing a subsidy of about 22.6% of the expenditures in that Fund
 - \$902K transfer-out to the Capital Projects Fund

Overview: FY15 General Fund Expenditures *(continued)*

- Transfer-out to the Debt Service Fund of approximately \$730K for the City's 2007 CTAX bonds was removed in FY '15 as the debt service will be paid from unspent CTAX bond proceeds. The transfer from the General Fund to pay debt service will need to be reinstated in FY '16
- General Fund ending fund balance:
 - A net reduction of \$766K is included in the final budget recommendation
 - General Fund subsidy of the Redevelopment Agency:
 - \$250K was paid to RDA #2 in FY '13, and another \$786K is estimated for FY '14. No subsidy is expected in FY '15 pending the outcome of the 10.2 acre land sale and final property assessments
 - No subsidy is expected for RDA #1, but a subsidy may become necessary in FY '16 or FY '17 pending the result of property assessments
- Other Post-Employment Benefit (OPEB) Liability
 - Net OPEB liability was ~\$6.0M as of June 30, 2013 (latest valuation available) and is expected to grow by ~\$500K annually
- Workers Compensation Liability
 - Long-term liabilities from the heart/lung/cancer benefits for the City's public safety employees is ~\$6.7M as of June 30, 2013 (latest valuation available)
 - A negative fund balance of \$757K existed at June 30, 2013
 - Fund assets (\$6.5M as of June 30, 2013) are expected to be sufficient to cover claims as they come due for the next few years, but long-term solutions are needed

Overview: FY15 General Fund Expenditures *(continued)*

The graphic below illustrates the City of Sparks’ spending by each of its five strategic goals. The biggest resources are channeled to Strategic Goal #1 which is promoting the safety of our residents, businesses and visitors. The City is allocating the second most resources to Strategic Goal #4 which is encouraging citizens to interact with their City government and building alliances with other government entities.

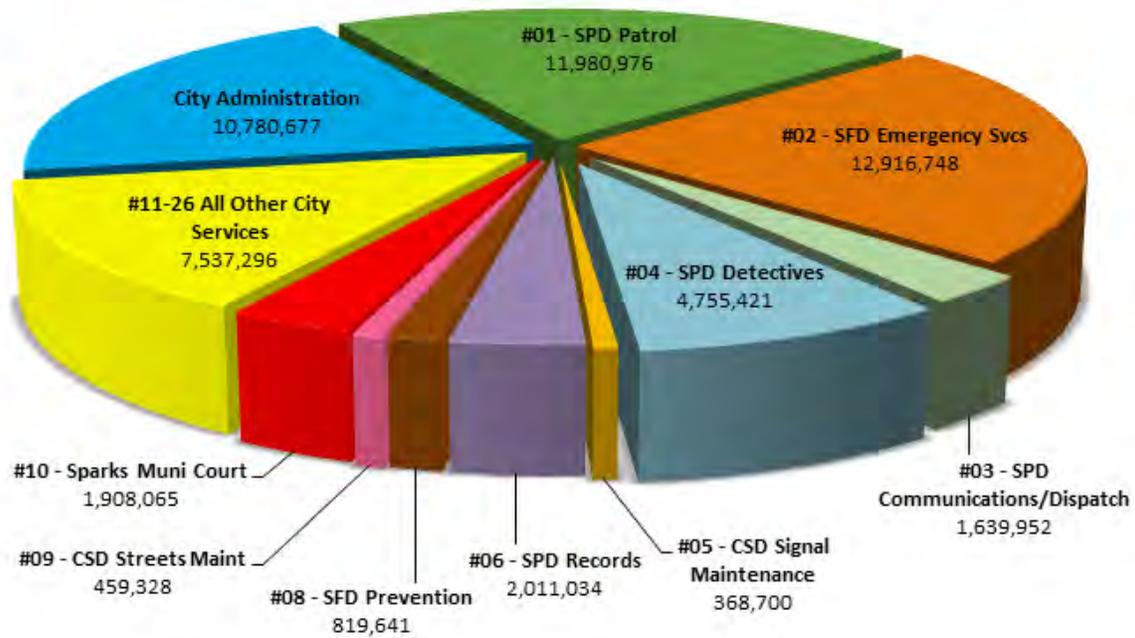


Legend	Strategic Goal	FY15 Budget	% of Budget
	#1 - Promote the safety of our residents, businesses and visitors	\$ 38,448,461	70%
	#2 - Explore and promote opportunities for economic development and special events	\$ 299,760	0%
	#3 - Manage resources to keep pace with technology, infrastructure, and sustainability needs	\$ 3,229,613	6%
	#4 - Encourage our citizens to interact with their City government and build strong alliances with other government entities	\$ 10,791,954	20%
	#5 - Improve and promote quality of life in the City of Sparks	\$ 2,408,052	4%

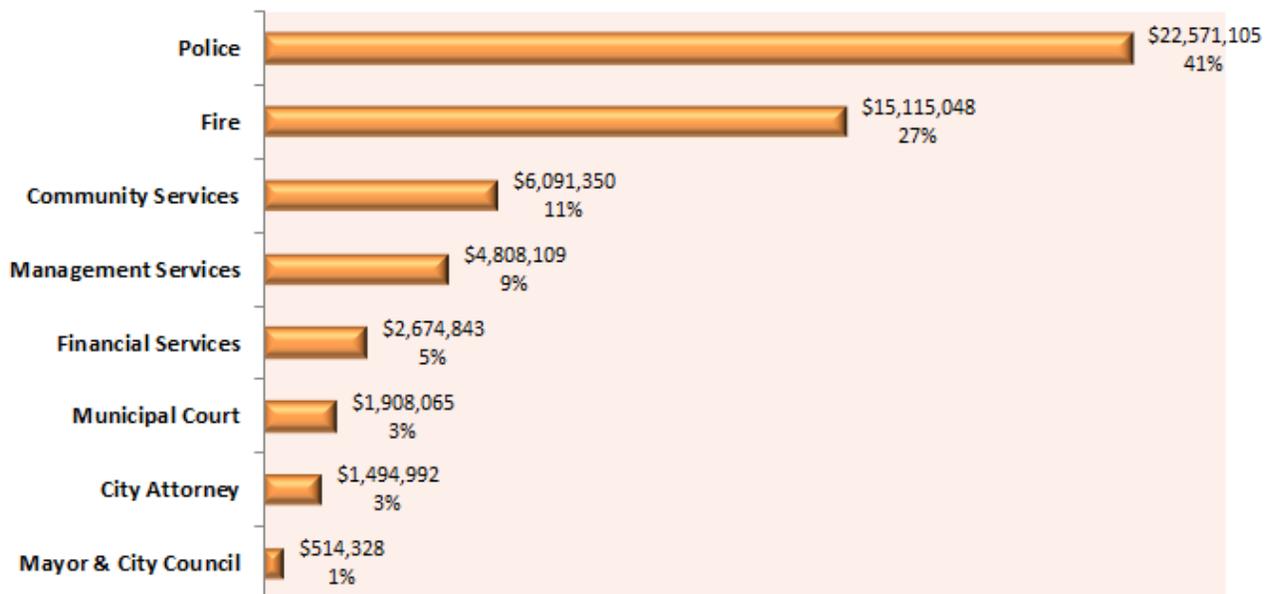


Overview: FY15 General Fund Expenditures (continued)

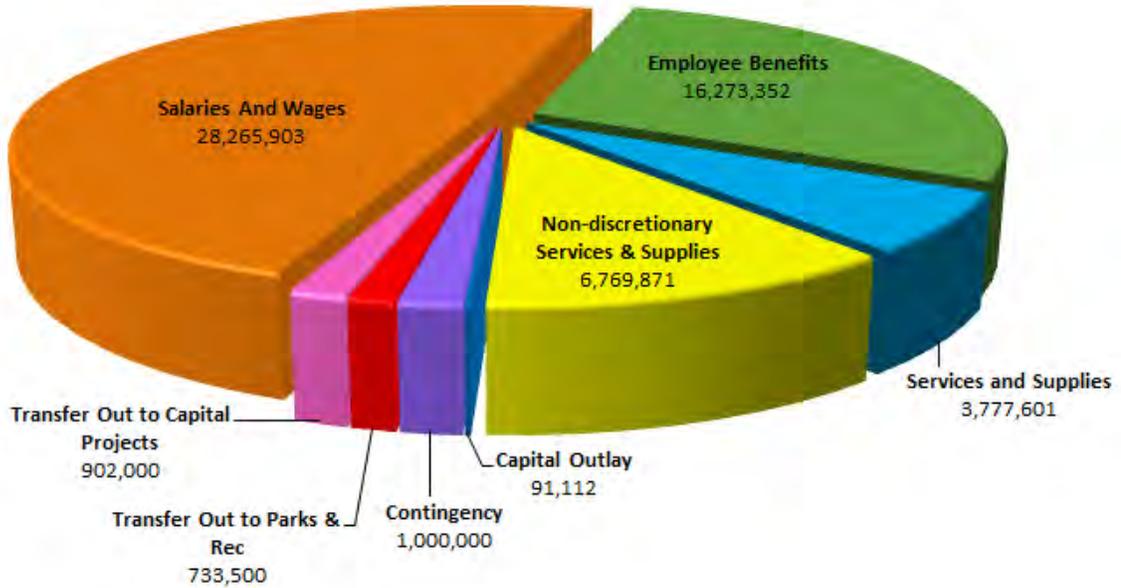
FY15 Expenditures by Core Service - General Fund
(excludes contingency)



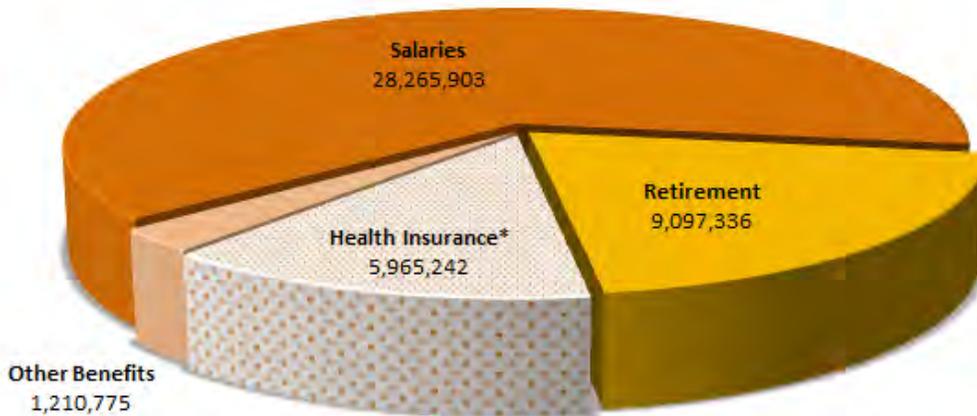
FY15 Expenditures by Department - General Fund
(excludes contingency)



FY15 General Fund Expenditures & Transfers-Out



FY15 Salary & Benefits - General Fund



* Health insurance costs include Sick Leave Conversion and NV PEB Subsidy. Health insurance is 9% of total General Fund expenditures of \$51.9M (excludes transfers out and contingency).

FY15 Budget: General Fund Expenditures

<u>EXPENDITURES BY FUNCTION AND ACTIVITY</u>	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE APPROVED	FINAL APPROVED
	General Government			
LEGISLATIVE				
Salaries And Wages	228,186	244,867	244,865	244,865
Employee Benefits	135,449	141,249	148,013	148,013
Services and Supplies	3,672	3,672	3,672	3,672
Non-discretionary Services & Supplies	2,569	2,427	7,226	7,226
Department Subtotal	369,876	392,215	403,776	403,776
MAYOR				
Salaries And Wages	55,873	58,677	58,677	58,677
Employee Benefits	39,999	40,553	44,610	44,610
Services and Supplies	1,963	1,963	5,630	5,630
Non-discretionary Services & Supplies	532	675	1,635	1,635
Department Subtotal	98,367	101,868	110,552	110,552
MANAGEMENT SERVICES				
Salaries And Wages	1,578,032	1,669,458	1,532,475	1,532,475
Employee Benefits	1,472,027	1,437,007	1,692,171	1,692,171
Services and Supplies	828,921	777,887	864,268	864,268
Non-discretionary Services & Supplies	392,228	470,616	540,771	540,771
Department Subtotal	4,271,208	4,354,968	4,629,685	4,629,685
LEGAL				
Salaries And Wages	876,162	929,005	932,624	932,624
Employee Benefits	389,969	424,532	463,450	463,450
Services and Supplies	141,078	141,078	95,592	95,592
Non-discretionary Services & Supplies	2,482	2,352	3,327	3,327
Department Subtotal	1,409,691	1,496,967	1,494,993	1,494,993
FINANCIAL SERVICES				
Salaries And Wages	1,279,730	1,337,567	1,452,761	1,452,761
Employee Benefits	506,334	556,423	656,899	656,899
Services and Supplies	471,716	362,944	437,944	437,944
Non-discretionary Services & Supplies	20,467	125,809	127,238	127,238
Capital Outlay	59,267	85,000	0	0
Department Subtotal	2,337,514	2,467,743	2,674,842	2,674,842
COMMUNITY SERVICES				
Salaries And Wages	486,020	401,498	410,334	410,334
Employee Benefits	183,983	159,846	183,349	183,349
Services and Supplies	81,340	184,386	54,005	54,005
Non-discretionary Services & Supplies	9,100	9,371	10,881	10,881
Department Subtotal	760,443	755,101	658,569	658,569

FY15 Budget: General Fund Expenditures (continued)

EXPENDITURES BY FUNCTION AND ACTIVITY	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE	FINAL
			APPROVED	APPROVED
Salary and Wages	4,504,003	4,641,071	4,631,736	4,631,736
Employee Benefits	2,727,762	2,759,611	3,188,491	3,188,491
Services and Supplies	1,956,066	2,083,181	2,152,190	2,152,190
Capital Outlay	59,267	85,000	0	0
General Government Function Subtotal	9,247,098	9,568,863	9,972,417	9,972,417

Judicial

MUNICIPAL COURT

Salaries And Wages	1,105,819	1,073,444	1,084,242	1,084,242
Employee Benefits	599,727	579,002	628,822	628,822
Services and Supplies	157,233	162,274	162,274	162,274
Non-discretionary Services & Supplies	37,172	27,769	32,726	32,719
Department Subtotal	1,899,951	1,842,489	1,908,064	1,908,057

Salary and Wages	1,105,819	1,073,444	1,084,242	1,084,242
Employee Benefits	599,727	579,002	628,822	628,822
Services and Supplies	194,405	190,043	195,000	194,993
Capital Outlay	0	0	0	0
Judicial Function Subtotal	1,899,951	1,842,489	1,908,064	1,908,057

Public Safety

POLICE

Salaries And Wages	11,625,691	12,589,523	13,009,463	13,009,463
Employee Benefits	6,229,574	6,398,624	7,300,921	7,300,921
Services and Supplies	772,591	1,041,033	562,227	562,227
Non-discretionary Services & Supplies	1,196,176	1,263,544	1,698,493	1,698,157
Department Subtotal	19,824,032	21,292,724	22,571,104	22,570,768

FIRE

Salaries And Wages	8,304,923	8,543,327	8,588,355	8,588,355
Employee Benefits	4,056,386	4,306,525	4,597,137	4,597,137
Services and Supplies	442,559	386,182	448,455	448,455
Non-discretionary Services & Supplies	1,421,807	1,309,514	1,420,753	1,421,161
Capital Outlay	30,193	60,693	60,348	60,348
Department Subtotal	14,255,868	14,606,241	15,115,048	15,115,456



FY15 Budget: General Fund Expenditures (continued)

EXPENDITURES BY FUNCTION AND ACTIVITY	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE	FINAL
			APPROVED	APPROVED

COMMUNITY SERVICES

Salaries And Wages	0	52,862	59,200	59,200
Employee Benefits	0	28,263	37,146	37,146
Services and Supplies	68,440	68,440	68,440	68,440
Non-discretionary Services & Supplies	69,086	1,093,376	1,149,482	1,149,482
Department Subtotal	137,526	1,242,941	1,314,268	1,314,268

Salary and Wages	19,930,614	21,185,712	21,657,018	21,657,018
Employee Benefits	10,285,960	10,733,412	11,935,204	11,935,204
Services and Supplies	3,970,658	5,162,089	5,347,850	5,347,922
Capital Outlay	30,193	60,693	60,348	60,348
Public Safety Function Subtotal	34,217,425	37,141,906	39,000,420	39,000,492

Public Works

COMMUNITY SERVICES

Salaries And Wages	254,490	357,387	379,161	379,161
Employee Benefits	111,295	164,415	194,261	194,261
Services and Supplies	454,748	552,756	570,170	570,170
Non-discretionary Services & Supplies	1,318,168	321,930	346,111	346,054
Capital Outlay	32,220	30,764	30,764	30,764
Department Subtotal	2,170,921	1,427,252	1,520,467	1,520,410

Salary and Wages	254,490	357,387	379,161	379,161
Employee Benefits	111,295	164,415	194,261	194,261
Services and Supplies	1,772,916	874,686	916,282	916,224
Capital Outlay	32,220	30,764	30,764	30,764
Public Works Function Subtotal	2,170,921	1,427,252	1,520,468	1,520,410

Culture and Recreation

COMMUNITY SERVICES

Salaries And Wages	534,364	528,975	513,745	513,745
Employee Benefits	317,459	302,037	326,573	326,573
Services and Supplies	384,453	508,001	504,924	504,924
Non-discretionary Services & Supplies	1,219,657	1,207,935	1,252,803	1,252,803
Department Subtotal	2,455,933	2,546,948	2,598,045	2,598,045



FY15 Budget: General Fund Expenditures (continued)

EXPENDITURES BY FUNCTION AND ACTIVITY	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE APPROVED	FINAL APPROVED

Community Support

MANAGEMENT SERVICES

Services and Supplies	32,275	80,000	0	0
Non-discretionary Services & Supplies	92,133	98,424	178,424	178,424
Department Subtotal	124,408	178,424	178,424	178,424

Salary and Wages	0	0	0	0
Employee Benefits	0	0	0	0
Services and Supplies	124,408	178,424	178,424	178,424
Capital Outlay	0	0	0	0
Community Support Function Subtotal	124,408	178,424	178,424	178,424

Intergovernmental

MANAGEMENT SERVICES

Services and Supplies	0	0	0	0
Department Subtotal	0	0	0	0

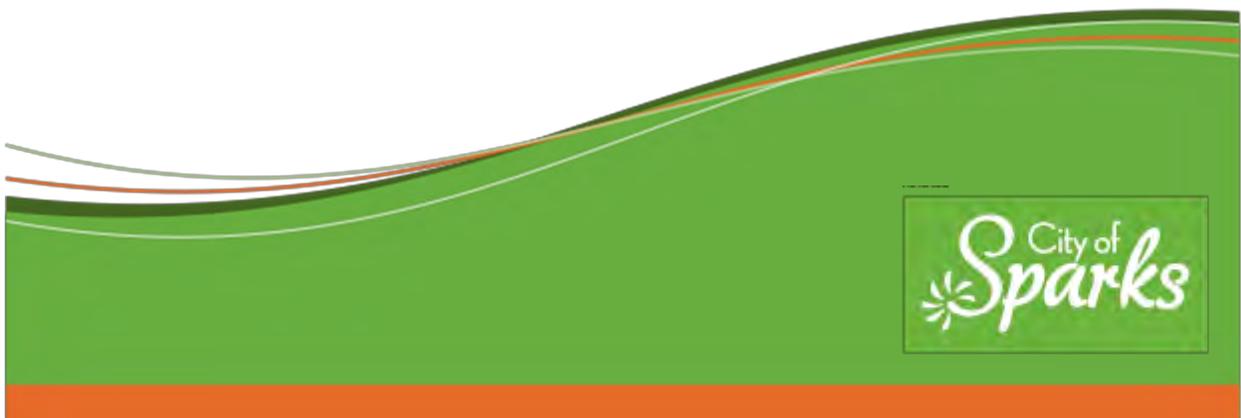
Salary and Wages	0	0	0	0
Employee Benefits	0	0	0	0
Services and Supplies	0	0	0	0
Capital Outlay	0	0	0	0
Intergovernmental Function Subtotal	0	0	0	0

FY15 Budget: General Fund Expenditures (continued)

EXPENDITURES BY FUNCTION AND ACTIVITY	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE APPROVED	FINAL APPROVED
Page Function Summary				
10 General Government	9,247,098	9,568,863	9,972,417	9,972,417
12 Judicial	1,899,951	1,842,488	1,908,065	1,908,058
13 Public Safety	34,217,426	37,141,906	39,000,420	39,000,491
14 Public Works	2,170,920	1,427,252	1,520,468	1,520,411
15 Culture and Recreation	2,455,933	2,546,948	2,598,045	2,598,045
16 Community Support	124,408	178,424	178,424	178,424
17 Intergovernmental	0	0	0	0
Total Expenditures - All Functions	50,115,736	52,705,881	55,177,839	55,177,846
Other Uses				
Contingency (not to exceed 3% of Total Expenditures All Functions)				
Contingency	0	0	1,000,000	1,000,000
Operating Transfers Out (Schedule T)				
T/O to Grants & Donations 1204	5,928	0	0	0
T/O to Parks & Rec 1221	475,000	683,000	733,500	733,500
T/O to Debt Svc GO 1301	729,879	0	0	0
T/O to Capital Projects 1404	1,210,000	1,300,000	902,000	902,000
T/O to R/A 2 Revolving 3601	250,000	785,960	0	0
T/O to Grants & Donations 1204	13,571	0	0	0
Total Transfers Out	2,684,378	2,768,960	1,635,500	1,635,500
Total Expenditures and Other Uses	52,800,113	55,474,841	57,813,339	57,813,346
Total Ending Fund Balance	5,807,764	4,290,469	3,524,388	3,524,381
Total General Fund Commitments and Fund Balance	58,607,877	59,765,310	61,337,727	61,337,727



FY2014-15 CITY OF SPARKS BUDGET: OTHER FUNDS



Million Dollar Funds -
Larger funds with an FY15
expenditure budget of
over \$1,000,000

Million Dollar Funds

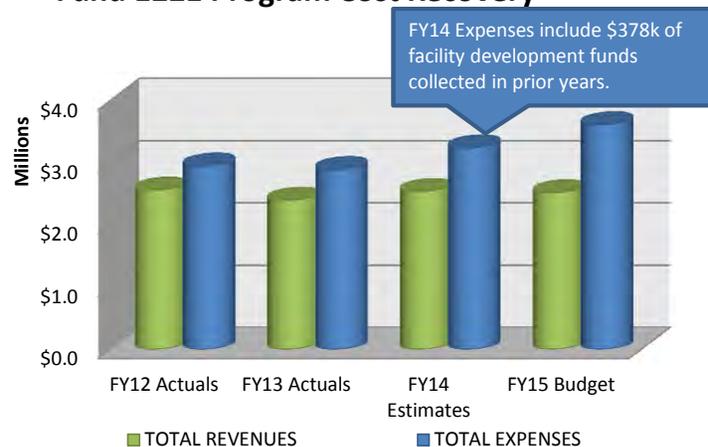
Special Revenue Fund

Fund 1221 - Parks and Recreation	Purpose of Fund: Used to provide recreation programs offered by and administered by the City of Sparks Parks and Recreation Department. Originally, the maintenance and operation of parks resided here, but in FY12, that function was moved to the General Fund and is no longer accounted for in this fund. Special Events are also accounted for in this fund.				
	FY12 Actuals	FY13 Actuals	FY14 Budget	FY14 Est. Actuals	FY15 Budget
BEG FUND BALANCE	\$ 515,966	\$ 404,013	\$ 378,450	\$ 378,450	\$ 360,110
TOTAL REVENUES	\$ 2,559,784	\$ 2,396,806	\$ 2,468,213	\$ 2,536,101	\$ 2,517,035
<i>Rec Program Fees</i>	\$ 2,259,455	\$ 2,129,558	\$ 1,988,610	\$ 2,141,381	\$ 2,119,525
<i>Special Event Revenue</i>	\$ 66,283	\$ 76,905	\$ 295,727	\$ 209,419	\$ 212,445
<i>All other revenues</i>	\$ 234,046	\$ 190,343	\$ 183,876	\$ 185,301	\$ 185,065
TRANSFER IN	\$ 313,557	\$ 475,000	\$ 835,000	\$ 683,000	\$ 733,500
TOTAL EXPENSES	\$ (2,946,865)	\$ (2,889,595)	\$ (3,595,100)	\$ (3,237,441)	\$ (3,610,053)
<i>Salaries & Benefits</i>	\$ (2,374,256)	\$ (2,381,065)	\$ (2,546,940)	\$ (2,536,875)	\$ (2,593,873)
<i>Services & Supplies</i>	\$ (572,609)	\$ (508,530)	\$ (1,048,160)	\$ (676,566)	\$ (635,811)
<i>Capital Outlay</i>	\$ -	\$ -	\$ -	\$ (24,000)	\$ (380,369)
TRANSFER OUT	\$ (38,429)	\$ (7,774)	\$ -	\$ -	\$ -
CHANGE IN FUND BALANCE	\$ (111,953)	\$ (25,563)	\$ (291,887)	\$ (18,340)	\$ (359,518)
ENDING FUND BALANCE	\$ 404,013	\$ 378,450	\$ 86,563	\$ 360,110	\$ 592

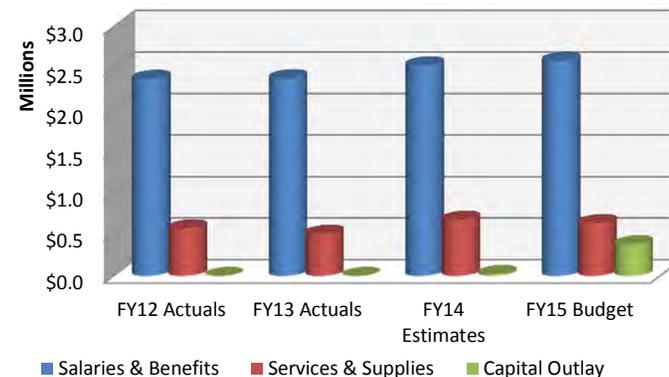
FISCAL NOTES

Historically, the majority of revenue in this fund has been made up of program fees (74% - 79%) and the General Fund transfer (11%-17%). In FY12 the parks maintenance function was moved out of this fund, into the General Fund. This is the reason for the sharp decline in expenditures in FY12. Special Events have been moved to this fund from the Redevelopment Agency beginning in FY14. In FY15 we anticipate a slight increase in Special Event Revenue and a slight reduction in program fee revenue due to the change in the school district "tracks" resulting in relatively little change in the total annual revenue from FY14. Ending Fund Balance in FY14 is comprised of a reserve of Facility Development Fees collected in prior years. These funds will be used in FY15 to construct a bathroom and storage facility at the Golden Eagle Regional Park and other sport facility improvements, hence the large capital outlay figure in FY15.

Fund 1221 Program Cost Recovery



Fund 1221 Major Expenses



Million Dollar Funds

Debt Service Fund

Fund 1301 - General Obligation Debt Service Fund	Purpose of Fund: This fund exists to account for the accumulation of resources to pay principal and interest on the City's general obligation bonds, revenue bonds, emergency loans, long term contracts imposed by the State, long term lease agreements, retirement of other bond issuances, etc...
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		FY13 Actuals	FY14 Est. Actuals	FY15 Budget	Principal Balance 7/1/2015	Maturity Date
Various Purpose Med Term Bonds 2007A	Beginning Reserve	0	0	0	\$1,640,000	03/01/2017
	Contribution From Redevelopment Agency	0	0	0		
	T/I from R/A2 Revolving 3601	866,664	864,448	866,287		
	T/I from R/A 2 Bond Proceeds 3602	0	0	0		
	Professional Services-Other	0	0	0		
	Principal	(720,000)	(745,000)	(775,000)		
	Interest	(146,664)	(119,448)	(91,287)		
	ENDING RESERVE	0	0	0		
Various Purpose Med Term Bonds 2007B	Beginning Reserve	0	0	0	\$385,000	03/01/2017
	Contribution From Redevelopment Agency	0	0	0		
	T/I from R/A2 Revolving 3601	210,240	211,208	206,612		
	T/I from R/A 2 Bond Proceeds 3602	0	0	0		
	Professional Services-Other	0	0	0		
	Principal	(160,000)	(170,000)	(175,000)		
	Interest	(50,240)	(41,208)	(31,612)		
	ENDING RESERVE	0	0	0		
CTAX Revenue Bonds 2007	Beginning Reserve	0	0	0	\$7,275,000	05/01/2026
	Contribution From Redevelopment Agency	0	0	0		
	Refunding Bond Proceeds	0	0	0		
	T/I from General Fund 1101	204,006	0	0		
	T/I from Cap Project 1404	0	204,006	204,006		
	T/I from Sewer Operations 1630	1,147	1,147	1,147		
	T/I from Development Svcs 2201	6,882	6,882	6,882		
	T/I from R/A Revolving 3401	85,513	85,513	85,513		
	Professional Services-Other	0	0	0		
	Principal	0	0	0		
	Interest	(297,548)	(297,548)	(297,548)		
ENDING RESERVE	0	0	0			

Million Dollar Funds

Debt Service Fund

Fund 1301 - General Obligation Debt Service Fund	Purpose of Fund: This fund exists to account for the accumulation of resources to pay principal and interest on the City's general obligation bonds, revenue bonds, emergency loans, long term contracts imposed by the State, long term lease agreements, retirement of other bond issuances, etc...
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		FY13 Actuals	FY14 Est. Actuals	FY15 Budget	Principal Balance 7/1/2015	Maturity Date
CTAX Revenue Bonds 2011	BEGINNING RESERVE	0	0	0	\$2,175,000	05/01/2018
	Contribution From Redevelopment Agency	0	0	0		
	Refunding Bond Proceeds	0	0	0		
	T/I from General Fund 1101	525,873	0	0		
	T/I from Cap Project 1404	0	519,189	525,904		
	T/I from Sewer Operations 1630	2,957	2,919	2,957		
	T/I from Development Svcs 2201	17,740	17,515	17,741		
	T/I from R/A Revolving 3401	220,430	217,628	220,443		
	Professional Services-Other	0	0	0		
	Principal	(645,000)	(655,000)	(685,000)		
	Interest	(122,000)	(102,251)	(82,045)		
	ENDING RESERVE	0	0	0		
Sr. & Subordinate STAR Bonds Series A 2008	BEGINNING RESERVE	10,253,467	11,183,397	11,185,246	\$107,951,045	06/15/2028
	Sales Taxes not Consolidated	9,226,882	9,431,500	9,714,445		
	Interest Earned	12,352	3,540	3,540		
	Bond Sales Proceeds	0	0	0		
	Principal on Sr. Star	(1,550,000)	(1,815,000)	(2,105,000)		
	Interest on Sr. Star	(5,394,550)	(5,293,800)	(5,175,825)		
	Interest on Subordinate Star	(1,364,754)	(2,324,391)	(2,113,000)		
		ENDING RESERVE	11,183,397	11,185,246		
LID3 2008 Bonds	BEGINNING RESERVE	4,916,678	5,131,637	5,429,124	\$21,550,000	09/01/2027
	Special Assessment Principal	884,710	800,000	900,000		
	Special Assessment Interest	1,830,467	2,000,000	2,000,000		
	Spec. Assess. Penalty/Prepay	0	0	0		
	Interest Earned	1,945	650	650		
	Professional Services-Other	0	0	0		
	Principal	(910,000)	(970,000)	(1,035,000)		
	Interest	(1,595,112)	(1,534,013)	(1,468,850)		
	Interest Earned	2,949	850	850		
		ENDING RESERVE	5,131,637	5,429,124		

Total Ending Reserve In Debt Service Fund	16,315,033	16,614,369	17,336,179
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FISCAL NOTES

The existing debt in this fund is either backed by ad valorem taxes (GO bonds), consolidated taxes (CTAX bonds), sales tax revenues (STAR bonds), local improvement district assessments (LID bonds), or a payment agreement with the Redevelopment Agency of the City of Sparks. All revenue collected within this fund is pledged for debt service. There are no reserve requirements on the first four debt issues listed above. Per bond covenants, STAR bonds will require an ending reserve in FY15 of \$8.0M and \$3.5M will be on hand at year end to make future STAR bond payments. LID bonds will require an ending reserve of \$2.5M and another \$3.3M will be on hand at year end to make future LID bond payments. This comprises the total FY15 ending reserve.

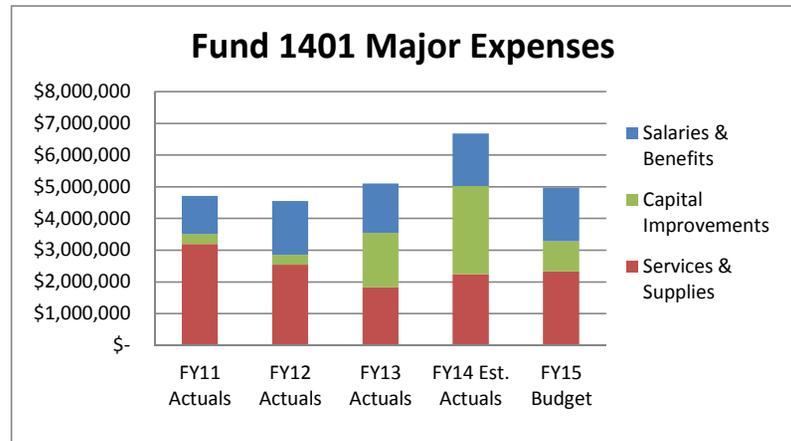
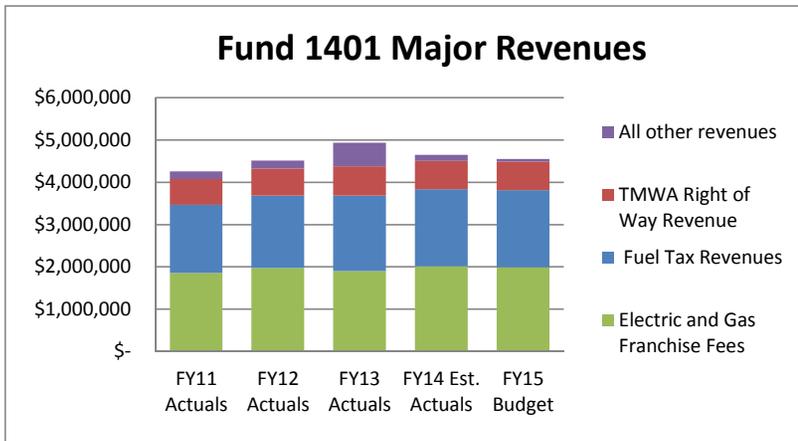
Million Dollar Funds

Capital Projects Fund

Fund 1401 - Road Fund	Purpose of Fund: To provide for maintenance, repair, acquisition and construction of roads and streets. Funding is provided by a portion of the City's electric and gas Franchise fees, water utility Right of Way fees and fuel taxes.				
	FY12 Actuals	FY13 Actuals	FY14 Budget	FY14 Est. Actuals	FY15 Budget
BEG FUND BALANCE	\$ 4,640,916	\$ 4,567,731	\$ 4,403,417	\$ 4,403,417	\$ 2,366,855
TOTAL REVENUES	\$ 4,513,978	\$ 4,937,195	\$ 4,188,193	\$ 4,646,249	\$ 4,552,999
<i>Fuel Tax Revenues</i>	\$ 1,703,191	\$ 1,783,118	\$ 1,706,000	\$ 1,825,524	\$ 1,825,524
<i>TMWA Right of Way Revenue</i>	\$ 642,230	\$ 697,595	\$ 728,324	\$ 669,222	\$ 672,568
<i>Electric and Gas Franchise Fees</i>	\$ 1,979,317	\$ 1,899,244	\$ 1,722,225	\$ 2,011,454	\$ 1,989,907
<i>All other revenues</i>	\$ 189,240	\$ 557,238	\$ 31,644	\$ 140,049	\$ 65,000
TRANSFER IN	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ (4,550,129)	\$ (5,101,509)	\$ (4,828,332)	\$ (6,682,811)	\$ (4,972,645)
<i>Salaries & Benefits</i>	\$ (1,695,632)	\$ (1,558,096)	\$ (1,611,123)	\$ (1,659,108)	\$ (1,685,692)
<i>Services & Supplies</i>	\$ (2,540,365)	\$ (1,834,671)	\$ (1,734,209)	\$ (2,246,546)	\$ (2,336,953)
<i>Capital Improvements</i>	\$ (314,132)	\$ (1,708,742)	\$ (1,483,000)	\$ (2,777,157)	\$ (950,000)
TRANSFER OUT	\$ -	\$ -	\$ -	\$ -	\$ -
PRIOR PERIOD ADJUSTMENT	\$ (37,034)				
CHANGE IN FUND BALANCE	\$ (73,185)	\$ (164,314)	\$ (640,139)	\$ (2,036,562)	\$ (419,646)
ENDING FUND BLANCE	\$ 4,567,731	\$ 4,403,417	\$ 3,763,278	\$ 2,366,855	\$ 1,947,209

FISCAL NOTES

Electric franchise fees have been relatively consistent year over year. Gas franchise fees have steadily declined over the last 3 years as Gas rates have decreased mainly due to a deferred energy credit which NV Energy was required to give. This requirement ended 10/1/13 and FY14 gas revenues are expected to increase. The Gas franchise fee increase will be offset by an expected decrease in Electric rates. Fuel tax revenue is conservatively projected to grow 2% in FY14 and remain flat in FY15. Expenditures in this fund represent road maintenance employee costs and projects outlined in the Capital Improvement Plan.



Million Dollar Funds

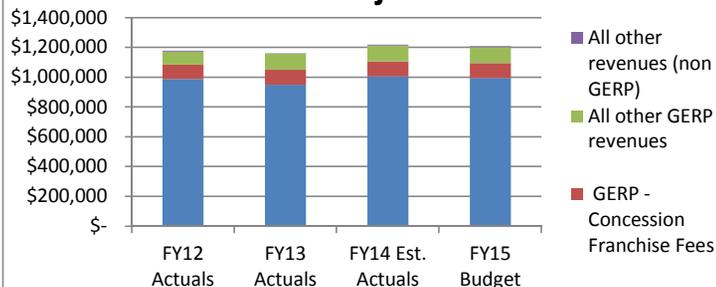
Capital Projects Fund

Fund 1402 - Parks & Rec Project Fund	Purpose of Fund: To provide for specific parks and recreation projects. Funding is provided by a portion of the City's electric and natural gas franchise fees. Golden Eagle Regional Park (GERP) generates specific concession franchise fees, advertising, facility rentals and sponsorship revenues that are subsequently used for GERP related projects.				
	FY12 Actuals	FY13 Actuals	FY14 Budget	FY14 Est. Actuals	FY15 Budget
BEG FUND BALANCE	\$ 758,071	\$ 1,248,691	\$ 1,415,638	\$ 1,415,638	\$ 913,833
TOTAL REVENUES	\$ 1,178,683	\$ 1,160,729	\$ 1,106,618	\$ 1,219,488	\$ 1,208,715
<i>Electric and Gas Franchise Fees</i>	\$ 989,658	\$ 949,622	\$ 961,113	\$ 1,005,728	\$ 994,955
<i>GERP - Concession Franchise Fees</i>	\$ 94,663	\$ 101,217	\$ 100,000	\$ 100,000	\$ 100,000
<i>All other GERP revenues</i>	\$ 88,055	\$ 109,827	\$ 43,000	\$ 108,000	\$ 108,000
<i>All other revenues (non GERP)</i>	\$ 6,307	\$ 63	\$ 2,505	\$ 5,760	\$ 5,760
TRANSFER IN	\$ 309,377	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ (997,440)	\$ (993,782)	\$ (1,744,840)	\$ (1,721,293)	\$ (1,181,020)
<i>Salaries & Benefits</i>	\$ (425,018)	\$ (376,881)	\$ (417,291)	\$ (353,595)	\$ (347,631)
<i>Services & Supplies</i>	\$ (123,166)	\$ (237,454)	\$ (512,549)	\$ (551,694)	\$ (673,389)
<i>Capital Improvements</i>	\$ (449,256)	\$ (379,447)	\$ (815,000)	\$ (816,004)	\$ (160,000)
TRANSFER OUT	\$ -	\$ -	\$ -	\$ -	\$ -
CHANGE IN FUND BALANCE	\$ 490,620	\$ 166,947	\$ (638,222)	\$ (501,805)	\$ 27,695
ENDING FUND BLANCE	\$ 1,248,691	\$ 1,415,638	\$ 777,416	\$ 913,833	\$ 941,528

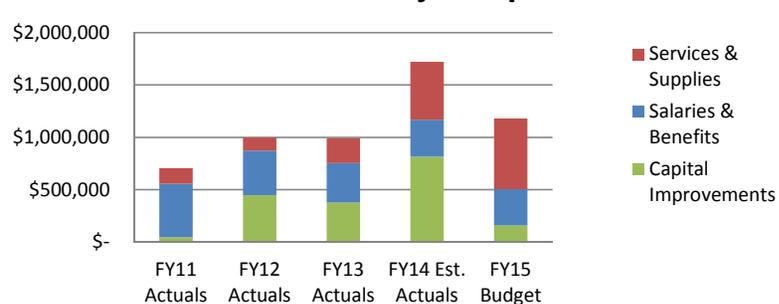
FISCAL NOTES

Electric and Gas franchise fees make up over 80% of the revenue in this fund. Electric franchise fees have been relatively consistent year over year. Gas franchise fees have steadily declined over the last 3 years as Gas rates have decreased mainly due to a deferred energy credit which NV Energy was required to give. This requirement ended 10/1/13 and FY14 gas revenues are expected to increase. The Gas franchise fee increase will be offset by an expected decrease in Electric rates. Golden Eagle Regional Parks (GERP) concession franchise fees are contractual with a contract expiration date of July 2014. The hope is to utilize one of the two 5 year extension clauses in the current contract. Other GERP revenue should continue to increase as we continue to develop new ways to market GERP. Expenses in the fund are detailed in the approved FY15 CIP document.

Fund 1402 Major Revenues



Fund 1402 Major Expenses



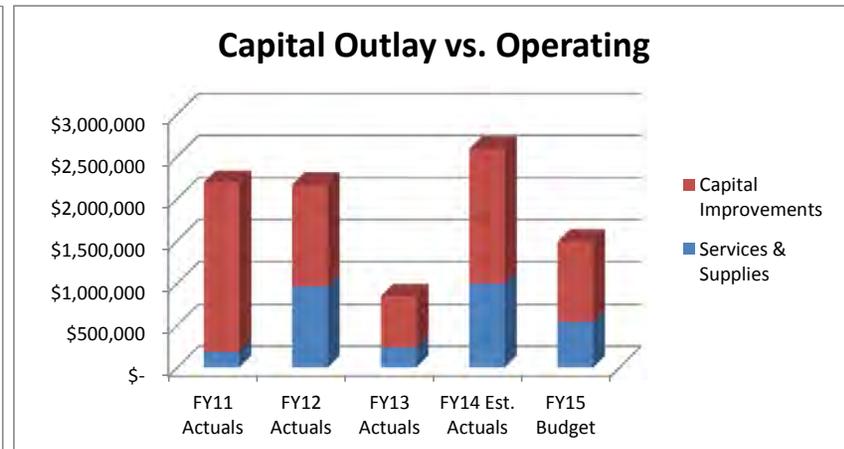
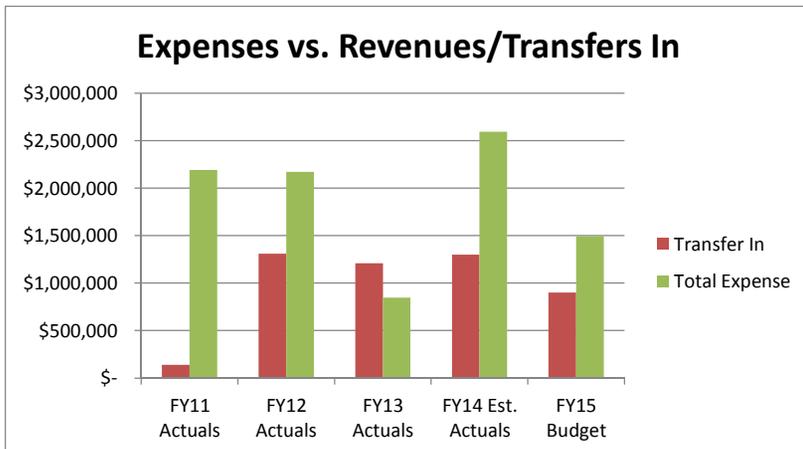
Million Dollar Funds

Capital Projects Fund

Fund 1404 - Capital Projects Fund	Purpose of Fund: Used for acquiring and constructing fixed assets or for the renovation and rehabilitation of capital facilities. Funding comes mainly from City transfers and bond proceeds.				
	FY12 Actuals	FY13 Actuals	FY14 Budget	FY14 Est. Actuals	FY15 Budget
BEG FUND BALANCE	\$ 3,331,337	\$ 3,169,546	\$ 3,560,986	\$ 3,560,986	\$ 1,559,257
TOTAL REVENUES	\$ 1,010,739	\$ 29,610	\$ 2,000	\$ 16,400	\$ 16,900
TRANSFER IN	\$ 1,310,000	\$ 1,210,000	\$ 1,300,000	\$ 1,300,000	\$ 902,000
TOTAL EXPENSES	\$ (2,173,153)	\$ (848,170)	\$ (1,120,200)	\$ (2,594,934)	\$ (1,493,088)
<i>Salaries & Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Services & Supplies</i>	\$ (963,387)	\$ (239,604)	\$ (785,200)	\$ (992,602)	\$ (543,088)
<i>Capital Improvements</i>	\$ (1,209,766)	\$ (608,566)	\$ (335,000)	\$ (1,602,332)	\$ (950,000)
TRANSFER OUT	\$ (309,377)	\$ -	\$ (723,195)	\$ (723,195)	\$ (729,910)
CHANGE IN FUND BALANCE	\$ (161,791)	\$ 391,440	\$ (541,395)	\$ (2,001,729)	\$ (1,304,098)
ENDING FUND BLANCE	\$ 3,169,546	\$ 3,560,986	\$ 3,019,591	\$ 1,559,257	\$ 255,159

FISCAL NOTES

The City's fiscal policies include an annual transfer from the General Fund to this Capital Projects Fund equal to 2.5% of General Fund revenues. The Community Services Department was tasked with reducing this transfer by as much as possible in FY15 to help with a General Fund budget gap. These efforts resulted in a transfer reduction of \$1,060,000 down to \$240,000. Additionally, in FY15 we have included budget for the City's Wildly Important Goal (WIG) of becoming sustainable in meeting our technology needs. The current plan is a "pay as you go" program that includes a partial pre-funding for future years that will help to address our Citywide IT needs. The initial cost of the WIG is \$662,000, which makes up the balance of the \$902,000 transfer budgeted for FY15. For several years, this fund has maintained a \$3M ending fund balance. The reduction in the initial transfer amount is expected to reduce this fund balance down to \$1.5M. In FY14 the Capital Projects Fund will transfer out bond proceeds remaining from a 2007 CTAX issue to the Debt Service fund to cover debt service on those CTX bonds. In FY15 we have budgeted for an additional transfer out to the Debt Service Fund in the amount of \$729,910 to cover debt service on those CTX bonds which will leave \$120,318 of bond proceeds in the fund. Expenses for this fund are detailed in the approved FY15 CIP document. Revenues in this fund consist primarily of rebates from other agencies and interest earnings. FY11 and FY12, specifically, had large NV Energy Solar generations rebates.



Million Dollar Funds

Capital Projects Fund

Fund 1427 - Local Improvement District 3 (Legends)	Purpose of Fund: Accounts for proceeds of \$26M received June 2008 from special assessment bonds and from developer cash contribution (\$2.6M) to be used to acquire public roadway, water, sewer and storm drain improvements constructed by RED Development per an Acquisition Agreement. The Fund will be dissolved once bond proceeds are spent.			
	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ 1,158,913	\$ 1,156,510	\$ 1,155,978	\$ 1,152,403
REVENUES	\$ 1,827	\$ 1,362	\$ 425	\$ 425
TRANSFER IN				
EXPENSES	\$ (4,231)	\$ (1,894)	\$ (4,000)	\$ (1,152,828)
TRANSFER OUT				
CHANGE IN FB	\$ (2,404)	\$ (532)	\$ (3,575)	\$ (1,152,403)
END FUND BAL	\$ 1,156,510	\$ 1,155,978	\$ 1,152,403	\$ -
FISCAL NOTES				
<p>All cash in this fund is being held in a trust account to pay on-going administrative and legal costs associated with the special assessment debt issue and for additional public infrastructure related to new properties being developed in the Local Improvement District 3 (LID3) . At 6/30/13 there was \$30,710 available for on-going administrative and legal costs and \$1.1 available for additional public infrastructure. Once these funds have been exhausted, the fund will be dissolved and any remaining on-going administrative and legal fees will be paid from special assessments. The FY15 Expenditure budget represents the entire remaining balance in order to provide flexibility should administrative or public infrastructure costs related to new properties arise.</p>				

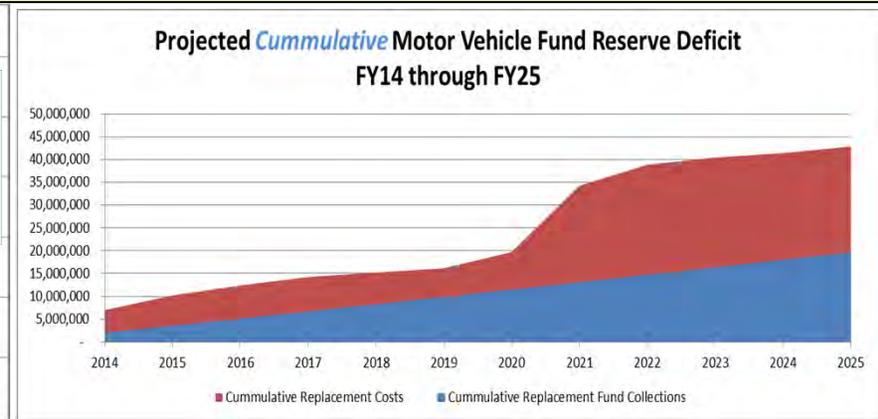
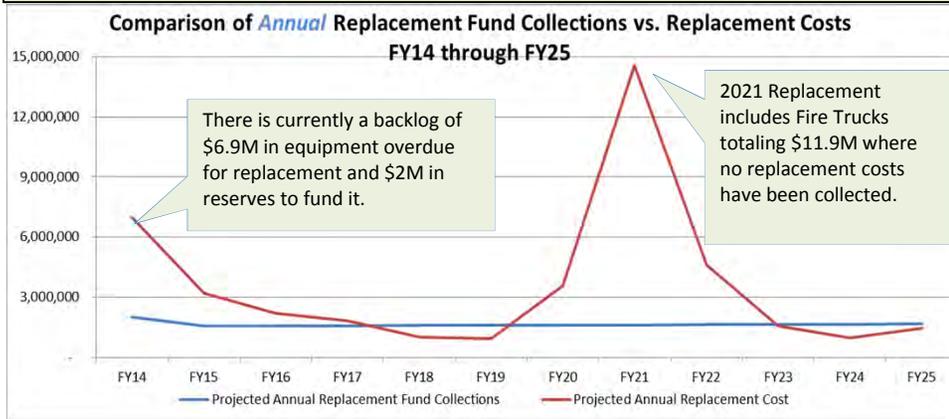
Million Dollar Funds

Internal Service Fund

Fund 1702 - Motor Vehicle Fund	Purpose of Fund: To account for the costs of maintaining the City's fleet including acquisition of replacement vehicles. Such costs are billed to the user departments and include replacement cost funding vehicles and equipment.				
	FY12 Actuals	FY13 Actuals	FY14 Budget	FY14 Est. Actuals	FY15 Budget
BEG NET ASSETS	\$ 7,451,059	\$ 8,441,447	\$ 8,377,415	\$ 8,377,415	\$ 7,889,831
TOTAL REVENUES	\$ 4,048,097	\$ 4,402,801	\$ 3,675,924	\$ 3,695,132	\$ 4,259,758
<i>Rent Motor Vehicle Equipment</i>	\$ 2,962,271	\$ 2,975,490	\$ 2,911,413	\$ 2,911,413	\$ 3,491,039
<i>Fuel Reimbursement</i>	\$ 616,612	\$ 659,994	\$ 668,511	\$ 661,719	\$ 661,719
<i>All other revenues</i>	\$ 469,214	\$ 767,317	\$ 96,000	\$ 122,000	\$ 107,000
TRANSFER IN	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ (3,106,014)	\$ (4,466,833)	\$ (3,924,231)	\$ (4,182,716)	\$ (4,293,146)
<i>Salaries</i>	\$ (395,033)	\$ (468,683)	\$ (481,994)	\$ (534,007)	\$ (541,842)
<i>Benefits</i>	\$ (214,971)	\$ (227,786)	\$ (233,274)	\$ (251,747)	\$ (281,548)
<i>Services and Supplies</i>	\$ (1,496,919)	\$ (1,947,370)	\$ (1,603,212)	\$ (1,537,556)	\$ (1,545,995)
<i>All other expenses</i>	\$ (999,091)	\$ (1,822,994)	\$ (1,605,751)	\$ (1,859,406)	\$ (1,923,761)
TRANSFER OUT	\$ -	\$ -	\$ (1,000,000)	\$ -	\$ (1,000,000)
PRIOR PERIOD ADJUSTMENT	\$ 48,305				
CHANGE IN NET ASSETS	\$ 990,388	\$ (64,032)	\$ (1,248,307)	\$ (487,584)	\$ (1,033,388)
END NET ASSETS	\$ 8,441,447	\$ 8,377,415	\$ 7,129,108	\$ 7,889,831	\$ 6,856,443

FISCAL NOTES

Resources to this fund include user charges to all departments based on the number and type of vehicles used by each. A "rent" is charged on each vehicle to fund the operation of the City's garage and to collect funds for the eventual replacement of each vehicle. FY15 includes a \$1M transfer to the General Fund. This amount is meant to offset the Contingency budget in the General Fund and will only be made if the General Fund is unable to meet an emergency budget shortfall. The FY13 audited Ending Net Asset figure of \$8,377,415 represents an investment in Capital Assets of \$5,331,244 with a remaining balance of \$3,046,170 available to fund replacement vehicles. We anticipate a decrease in the FY15 Ending Net Asset figure resulting in a reduction of funds available for future replacement vehicles.



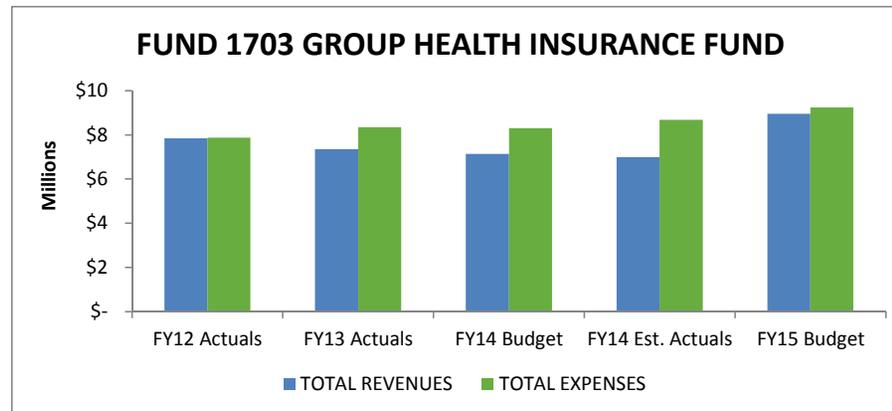
Million Dollar Funds

Internal Service Fund

Fund 1703 - Group Self Insurance	Purpose of Fund: To account for the premiums collected from other funds and retirees to fund operations of our self-funded group health and accident insurance program, which covers the active city employees, their dependents and some retirees.				
	FY12 Actuals	FY13 Actuals	FY14 Budget	FY14 Est. Actuals	FY15 Budget
BEG NET ASSETS	\$ 3,837,251	\$ 3,799,514	\$ 2,814,139	\$ 2,814,139	\$ 1,132,426
TOTAL REVENUES	\$ 7,840,515	\$ 7,356,963	\$ 7,140,452	\$ 6,995,361	\$ 8,945,357
<i>Contribution Health Insurance</i>	\$ 6,288,520	\$ 5,859,787	\$ 5,660,162	\$ 5,609,856	\$ 7,228,726
<i>Retiree Sick Leave Conversion</i>	\$ 768,398	\$ 788,197	\$ 712,864	\$ 712,864	\$ 891,080
<i>All other revenues</i>	\$ 783,597	\$ 708,979	\$ 767,426	\$ 672,641	\$ 825,551
TRANSFER IN	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ (7,878,252)	\$ (8,342,338)	\$ (8,308,897)	\$ (8,677,074)	\$ (9,243,661)
<i>Health/Dental Insurance Claims</i>	\$ (5,462,030)	\$ (5,510,668)	\$ (5,560,000)	\$ (5,518,000)	\$ (6,259,910)
<i>Prescription Claims</i>	\$ (1,483,626)	\$ (1,867,191)	\$ (1,790,067)	\$ (2,200,000)	\$ (2,032,465)
<i>All other expenses</i>	\$ (932,596)	\$ (964,479)	\$ (958,830)	\$ (959,074)	\$ (951,286)
TRANSFER OUT	\$ -	\$ -	\$ -	\$ -	\$ -
CHANGE IN NET ASSETS	\$ (37,737)	\$ (985,375)	\$ (1,168,445)	\$ (1,681,713)	\$ (298,304)
END NET ASSETS	\$ 3,799,514	\$ 2,814,139	\$ 1,645,694	\$ 1,132,426	\$ 834,122

FISCAL NOTES

Resources to this fund include City health insurance contributions for all active employees, any premiums paid by active employees and premiums paid by retirees participating in our health plan. Contribution and premium rates were reduced 8% in FY13 and another 8% in FY14. The expenses in this fund, the largest of which are health and dental insurance claims, are quickly outpacing the revenues. In FY15, the fund will require a rate increase of 25% to both contributions and premiums to maintain a positive reserve.



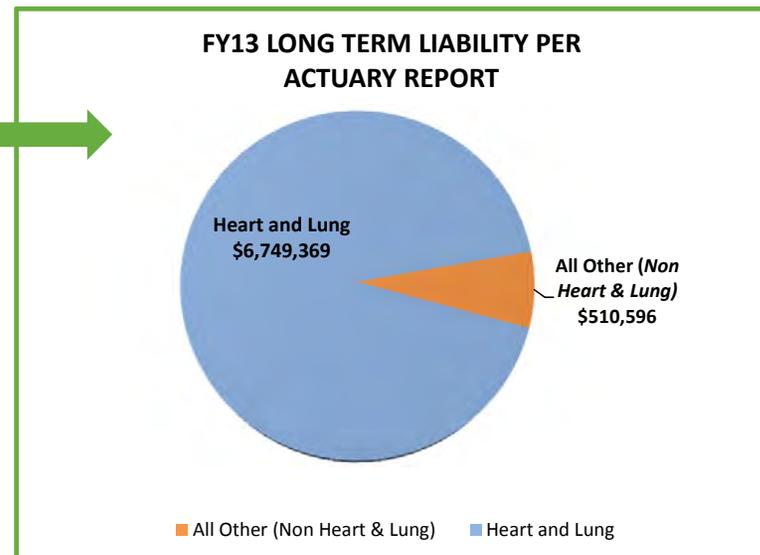
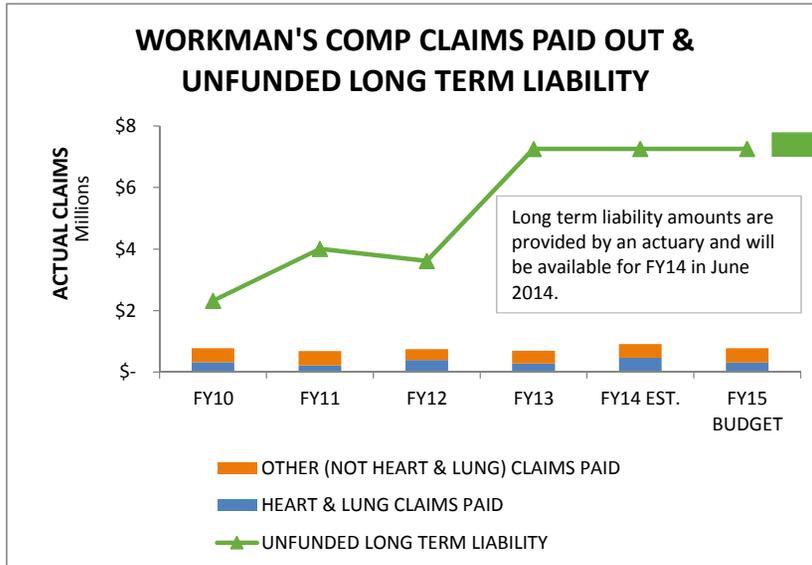
Million Dollar Funds

Internal Service Fund

Fund 1704 - Worker's Comp Self Insurance	Purpose of Fund: To account for the contribution received from other city funds for worker's compensation premiums, and the costs of worker's compensation claims and administration of a self-funded insurance program.				
	FY12 Actuals	FY13 Actuals	FY14 Budget	FY14 Est. Actuals	FY15 Budget
BEG NET ASSETS	\$ 3,512,828	\$ 3,430,130	\$ (756,856)	\$ (756,856)	\$ (1,446,291)
TOTAL REVENUES	\$ 582,002	\$ 429,985	\$ 467,458	\$ 533,495	\$ 499,066
<i>City Paid Worker's Comp Premiums</i>	\$ 300,962	\$ 293,424	\$ 297,458	\$ 305,537	\$ 284,066
<i>Worker's Comp Reimbursement</i>	\$ 213,625	\$ 149,398	\$ 120,000	\$ 162,958	\$ 150,000
<i>All other revenues</i>	\$ 67,415	\$ (12,837)	\$ 50,000	\$ 65,000	\$ 65,000
TRANSFER IN	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ (664,700)	\$ (4,616,971)	\$ (1,812,766)	\$ (1,222,930)	\$ (1,028,416)
<i>Workman's Comp. Insurance Claims</i>	\$ (356,053)	\$ (4,337,496)	\$ (1,500,000)	\$ (908,700)	\$ (732,876)
<i>All other expenses</i>	\$ (308,647)	\$ (279,475)	\$ (312,766)	\$ (314,230)	\$ (295,540)
TRANSFER OUT	\$ -	\$ -	\$ -	\$ -	\$ -
CHANGE IN NET ASSETS	\$ (82,698)	\$ (4,186,986)	\$ (1,345,308)	\$ (689,435)	\$ (529,350)
END NET ASSETS	\$ 3,430,130	\$ (756,856)	\$ (2,102,164)	\$ (1,446,291)	\$ (1,975,641)

FISCAL NOTES

Worker's Comp claims costs have been especially volatile over the past few years. This is due to the need to record the liability associated with actuarially determined costs that we expect to incur in the long and short term. The amount of the liability is based on an actuarial estimate of the expected future cost of indemnity (wage replacement) benefits, medical benefits, and allocated loss adjustment expenses due to claims for disability filed by public safety (active or retired) employees who develop heart disease, lung disease, hepatitis, or cancer (HLHC) and file workers compensation claims under the presumptive benefit laws. HLHC does not apply to non-public safety positions. Current reserves in the fund do not cover the total liability, causing a negative ending net asset balance. Cash reserves are sufficient to cover expected claims costs over the next few years, but long term solutions are needed.



Million Dollar Funds

Internal Service Fund

Fund 1707 - Municipal Self Insurance	Purpose of Fund: To account for monies received from other City funds and insurance claims cover the cost to repair and replace damaged real and personal property owned by the city. Settlement of claims or litigations against the City would also be recorded here.				
	FY12 Actuals	FY13 Actuals	FY14 Budget	FY14 Est. Actuals	FY15 Budget
BEG NET ASSETS	\$ 2,588,396	\$ 2,374,329	\$ 1,918,003	\$ 1,918,003	\$ 1,536,818
TOTAL REVENUES	\$ 464,236	\$ 334,410	\$ 273,418	\$ 466,418	\$ 315,527
TRANSFER IN	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ (678,303)	\$ (790,736)	\$ (966,964)	\$ (847,603)	\$ (1,151,690)
TRANSFER OUT	\$ -	\$ -	\$ -	\$ -	\$ -
CHANGE IN NET ASSETS	\$ (214,067)	\$ (456,326)	\$ (693,546)	\$ (381,185)	\$ (836,163)
END NET ASSETS	\$ 2,374,329	\$ 1,918,003	\$ 1,224,457	\$ 1,536,818	\$ 700,655
FISCAL NOTES					
<p>Liability claims are funded by the General Fund and the Enterprise funds. The amount each pays is based on the origin of the prior year's claims. A portion of this fund's revenue also comes from reimbursement from the City's insurance or from third-party insurance for damage done to City property, vehicles, and such. In FY13, 28% of this fund's revenues came from such recoveries and reimbursements. In FY14, staff has been proactive at filing claims and such recoveries and reimbursements are projected to comprise 44% of total revenues. In FY15, expenditures are projected to increase by 36% from FY14. This is largely due to an anticipated claim that could cost the City \$300,000 in deductibles.</p>					

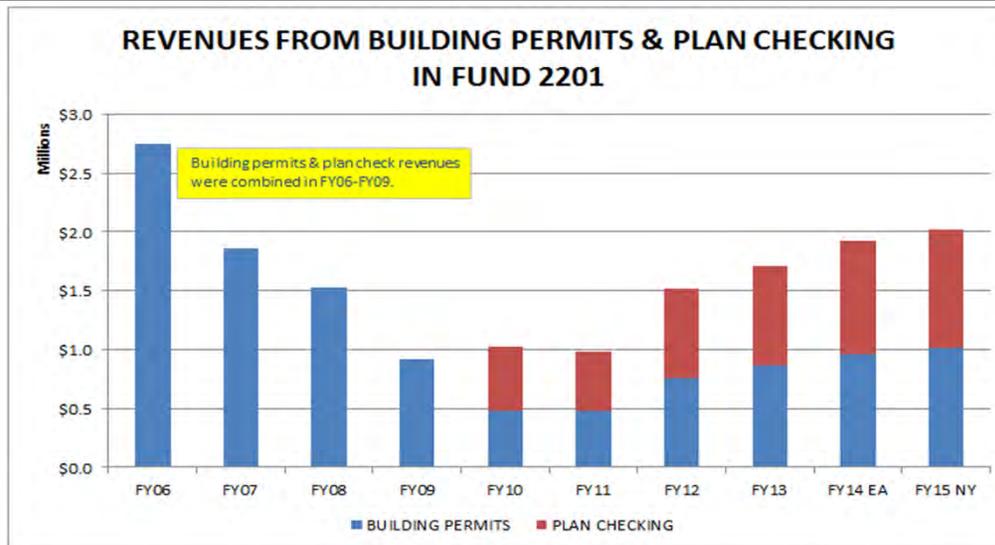
Million Dollar Funds

Enterprise Fund

Fund 2201 - Development Services Fund	Purpose of Fund: Process all activities related to the building and development in the community-including, but not limited to, permit processing, issuance, monitoring, building inspection, plan checking, development reviews and administration. Fees approved by Council.				
	FY12 Actuals	FY13 Actuals	FY14 Budget	FY14 Est. Actuals	FY15 Budget
BEG NET ASSETS	\$ 182,807	\$ 712,785	\$ 1,071,419	\$ 1,071,419	\$ 1,423,920
TOTAL REVENUES	\$ 2,024,334	\$ 2,124,584	\$ 2,061,300	\$ 2,450,894	\$ 2,530,140
<i>Building Permits (402120)</i>	\$ 762,365	\$ 871,650	\$ 800,796	\$ 963,024	\$ 1,011,175
<i>Plan Checking (404120)</i>	\$ 756,461	\$ 838,491	\$ 905,659	\$ 963,118	\$ 1,011,274
<i>All other revenues</i>	\$ 505,508	\$ 414,443	\$ 354,845	\$ 524,752	\$ 507,691
TRANSFER IN	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL EXPENSES	\$ (1,469,831)	\$ (1,681,328)	\$ (1,788,308)	\$ (1,721,996)	\$ (2,195,914)
<i>Base Salary and Wages</i>	\$ (717,397)	\$ (928,113)	\$ (866,159)	\$ (868,742)	\$ (984,344)
<i>Benefits</i>	\$ (315,226)	\$ (345,171)	\$ (387,514)	\$ (383,944)	\$ (483,383)
<i>Services and Supplies</i>	\$ (431,479)	\$ (408,044)	\$ (515,635)	\$ (469,310)	\$ (728,187)
<i>Depreciation</i>	\$ (5,729)	\$ -	\$ (19,000)	\$ -	\$ -
TRANSFER OUT	\$ (24,525)	\$ (84,622)	\$ (376,397)	\$ (376,397)	\$ (728,624)
CHANGE IN NET ASSETS	\$ 529,978	\$ 358,634	\$ (103,405)	\$ 352,501	\$ (394,398)
END NET ASSETS	\$ 712,785	\$ 1,071,419	\$ 968,014	\$ 1,423,920	\$ 1,029,522

FISCAL NOTES

With permit activity showing some improvement since FY11, the Development Services Enterprise fund was able to repay the General Fund for the subsidies it received during the economic downturn. \$60,000 was repaid in FY13 and \$352,000 in FY14. The remaining balance to date is \$704,000 and is scheduled to be repaid in full to the General Fund in FY15. Revenues in Fund 2201 are driven by construction and new development. The biggest revenues in this fund come from building permits and plan checking, which are amounts that are both calculated as a percentage of a project's total valuation. While both revenue sources appear to be marginally growing as the housing market recovers in our area, they are still nowhere near FY06 levels.



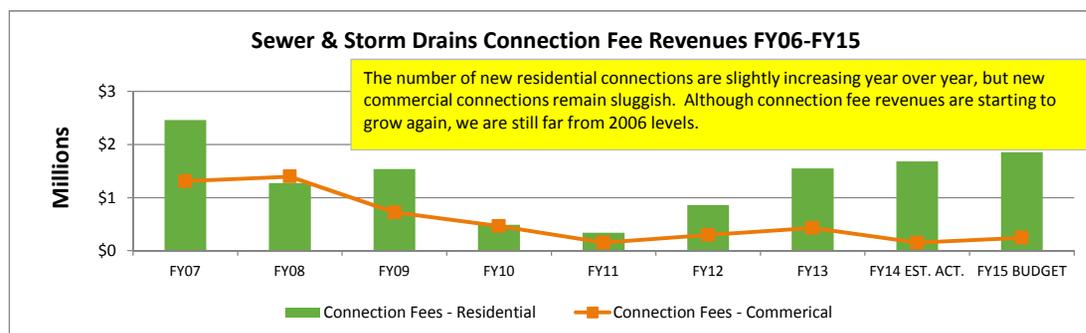
Million Dollar Funds

Enterprise Fund

Funds 16XX - Sewer Operations (Sewer, Drains, Effluent)	Purpose of Funds: To account for the provision of sewer, storm drain and effluent reuse services to the residents of the city and some residents of Washoe County. All activities necessary to provide such services are accounted for in this fund including, but not limited to administration, operations, maintenance, capital improvements, and debt financing.				
	FY12 Actuals	FY13 Actuals	FY14 Budget	FY14 Est. Actuals	FY15 Budget
BEG NET ASSETS	\$ 182,333,507	\$ 183,139,123	\$ 182,441,827	\$ 182,441,827	\$ 189,928,666
TOTAL REVENUES	\$ 21,201,744	\$ 23,586,377	\$ 28,382,280	\$ 30,857,952	\$ 25,707,767
<i>Sewer & SD User Fees (Residential)</i>	\$ 10,535,168	\$ 10,880,584	\$ 10,973,374	\$ 11,051,104	\$ 11,357,833
<i>Sewer & SD User Fees (Commercial)</i>	\$ 3,234,908	\$ 3,657,850	\$ 3,388,855	\$ 3,690,422	\$ 3,941,426
<i>Sewer & SD Connection Fees (Residential)</i>	\$ 861,141	\$ 1,550,761	\$ 772,672	\$ 1,679,734	\$ 1,855,186
<i>Sewer & SD Connection Fees (Commercial)</i>	\$ 294,014	\$ 427,193	\$ 237,928	\$ 150,631	\$ 244,828
<i>River Flood Fees (All)</i>	\$ 3,034,777	\$ 3,016,822	\$ 2,977,433	\$ 3,156,576	\$ 3,189,268
<i>River Flood Contribution from Washoe County Flood Project</i>	\$ -	\$ -	\$ 5,000,000	\$ 4,750,000	\$ -
<i>Effluent Reuse User & Meter Fees Reimbursement from Sun Valley for TMWRF Operating & Capital</i>	\$ 779,202	\$ 856,868	\$ 803,719	\$ 790,172	\$ 816,326
<i>All other revenues</i>	\$ 682,349	\$ 1,158,172	\$ 2,143,032	\$ 3,242,207	\$ 1,974,056
<i>All other revenues</i>	\$ 1,780,185	\$ 2,038,127	\$ 2,085,267	\$ 2,347,106	\$ 2,328,844
NET TRANSFERS	\$ 11,252	\$ 2,200	\$ 10,934	\$ 17,934	\$ 17,896
TOTAL EXPENSES	\$ (20,407,380)	\$ (24,285,873)	\$ (23,118,725)	\$ (23,389,047)	\$ (24,947,982)
<i>Salaries & Wages</i>	\$ (2,097,111)	\$ (2,503,149)	\$ (2,333,276)	\$ (2,679,022)	\$ (2,883,412)
<i>Benefits</i>	\$ (1,088,068)	\$ (1,121,651)	\$ (1,150,460)	\$ (1,252,852)	\$ (1,505,882)
<i>Services and Supplies</i>	\$ (3,154,359)	\$ (4,253,679)	\$ (4,100,796)	\$ (4,536,225)	\$ (4,360,621)
<i>Sparks Share of TMWRF Operating</i>	\$ (5,327,311)	\$ (7,139,093)	\$ (6,756,433)	\$ (6,003,288)	\$ (7,031,776)
<i>Depreciation</i>	\$ (5,497,272)	\$ (5,629,127)	\$ (5,695,000)	\$ (5,652,041)	\$ (5,933,424)
<i>Debt Service Interest</i>	\$ (1,539,574)	\$ (1,420,018)	\$ (1,357,410)	\$ (1,357,410)	\$ (1,229,248)
<i>All other expenses</i>	\$ (1,703,685)	\$ (2,219,156)	\$ (1,725,350)	\$ (1,908,209)	\$ (2,003,619)
CHANGE IN NET ASSETS	\$ 805,616	\$ (697,296)	\$ 5,274,489	\$ 7,486,839	\$ 777,681
END NET ASSETS	\$ 183,139,123	\$ 182,441,827	\$ 187,716,316	\$ 189,928,666	\$ 190,706,347

FISCAL NOTES

The primary resources to this fund include Sewer, Storm Drain and Effluent Reuse user fees. Connection fees also comprise a significant portion of this fund's revenues, and although connection fees have fallen sharply during the economic downturn, we are beginning to see a slight improvement. FY14 revenue estimates include a \$4.8 million contribution from the Flood Project for the North Truckee Drain Realignment Project. On January 27, 2014, City Council approved a five-year 8.25% annual increase to the sewer component of residential and commercial sewer bills. City Council also approved a 13.4% reduction in multi-family residential sewer rates. These rate changes will be effective on July 1, 2014. The increase will fund energy efficiency and other capital improvements at the Truckee Meadows Water Reclamation Facility (TMWRF), as well as provide funding for 100% of FY15 proposed sewer and storm drain CIP projects.



Million Dollar Funds

Enterprise Fund

Fund 5605 - Truckee Meadows Water Reclamation Fund	Purpose of Fund: To account for the operation of the Truckee Meadows Water Reclamation Facility (TMWRF), which provides waste water treatment. TMWRF is a joint venture between the City of Reno and the City of Sparks.				
	FY12 Actuals	FY13 Actuals	FY14 Budget	FY14 Est. Actuals	FY15 Budget
BEG NET ASSETS	\$ 111,887,013	\$ 104,128,354	\$ 106,295,042	\$ 106,295,042	\$ 148,105,720
REVENUES					
Operating Contribution - Sparks	\$ 5,327,311	\$ 7,107,695	\$ 6,756,433	\$ 6,092,298	\$ 8,505,451
Operating Contribution - Reno	\$ 10,733,184	\$ 14,942,021	\$ 13,612,674	\$ 12,686,115	\$ 17,862,265
Caital Contributions - Sparks	\$ 847,193	\$ 2,482,534	\$ 5,365,528	\$ 14,843,438	\$ 4,021,634
Caital Contributions - Reno	\$ 1,976,666	\$ 5,431,188	\$ 15,930,491	\$ 32,473,865	\$ 8,798,366
All other revenues	\$ 491,222	\$ 403,953	\$ 470,150	\$ 480,150	\$ 436,275
TOTAL REVENUES	\$ 19,375,576	\$ 30,367,391	\$ 42,135,276	\$ 66,575,866	\$ 39,623,991
TRANSFER IN	\$ -	\$ -	\$ -	\$ -	\$ -
EXPENSES					
Base Salary and Wages	\$ (3,226,597)	\$ (3,395,234)	\$ (3,667,509)	\$ (3,619,023)	\$ (4,090,026)
Benefits	\$ (1,401,480)	\$ (1,355,970)	\$ (1,679,076)	\$ (1,560,160)	\$ (1,869,073)
Services and Supplies	\$ (11,882,892)	\$ (17,715,349)	\$ (15,452,672)	\$ (14,029,380)	\$ (20,816,617)
Depreciation	\$ (5,439,216)	\$ (5,734,150)	\$ (5,810,757)	\$ (5,556,625)	\$ (5,834,456)
TOTAL EXPENSES	\$ (21,950,185)	\$ (28,200,703)	\$ (26,610,014)	\$ (24,765,188)	\$ (32,610,172)
TRANSFER OUT	\$ -	\$ -	\$ -	\$ -	\$ -
CHANGE IN NET ASSETS	\$ (2,574,609)	\$ 2,166,688	\$ 15,525,262	\$ 41,810,678	\$ 7,013,819
PRIOR PERIOD ADJUSTMENT	\$ (5,184,050)				
END NET ASSETS	\$ 104,128,354	\$ 106,295,042	\$ 121,820,304	\$ 148,105,720	\$ 155,119,539

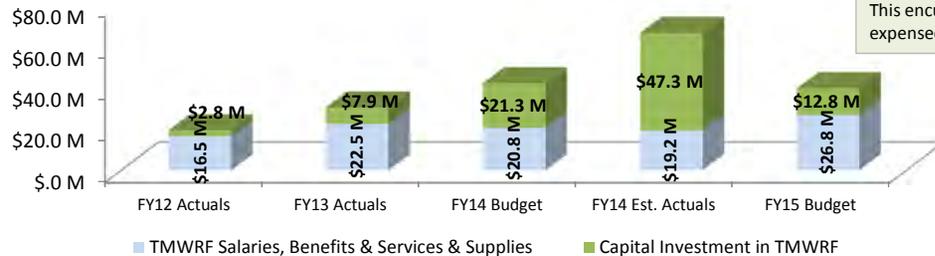
FISCAL NOTES

TMWRF's budget is determined by the Joint Coordinating Committee each year. Operating costs of the plant are allocated based on actual inflow from each agency. Current flow splits are approximately 33% Sparks and 67% Reno. Capital investments are split on capacity ownership of 31.37% Sparks and 68.63% Reno. FY13 operating expenses before depreciation increased by \$6M primarily due to increased professional services and rental equipment related to two emergencies; the headworks to grit chamber pipe failure and an electrical emergency.

TMWRF Operating Costs & Capital Investment

	FY12 Actuals	FY13 Actuals	FY14 Budget	FY14 Est. Actuals	FY15 Budget
TMWRF Salaries, Benefits & Services & Supplies	\$ 16,510,969	\$ 22,466,553	\$ 20,799,257	\$ 19,208,563	\$ 26,775,716
Capital Investment in TMWRF	\$ 2,823,859	\$ 7,913,722	\$ 21,296,019	\$ 47,317,303	\$ 12,820,000

TMWRF Operating Costs & Capital Investment/Encumbrances (excluding depreciation expense)



FY14 Estimates include the \$25M Ameresco project (Sparks & Reno contributions) to lower energy, chemical & other operating costs. This encumbrance is expected to be expensed in future years.

Smaller Funds - Funds
with FY15 expenditure
budgets of under
\$1,000,000

Smaller Funds

GOVERNMENTAL FUNDS

Special Revenue Funds

FUND 1202- Community Development Block Grant (CDBG)	Purpose of Fund: To account for revolving fund monies received from the repayment of Single Family Housing Rehab Deferred Loans, which is a program funded by the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG). Per HUD regulations, the program income generated must remain in the loan program.			
	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ -	\$ -	\$ -	\$ -
REVENUES	\$ 6,000	\$ 10,538	\$ 49,244	\$ -
TRANSFER IN	\$ -	\$ -	\$ -	\$ -
EXPENSES	\$ (6,000)	\$ (10,538)	\$ (49,244)	\$ -
TRANSFER OUT	\$ -	\$ -	\$ -	\$ -
CHANGE IN FB	\$ -	\$ -	\$ -	\$ -
END FUND BAL	\$ -	\$ -	\$ -	\$ -
FISCAL NOTES				
Repayment of these loans occurs when the property changes hands. All funds collected are re-loaned to new applicants.				

FUND 1203 - Community Development Block Grant (CDBG) Entitlement	Purpose of Fund: Entitlement grant spending of Community Development Block Grant (CDBG) for programs that benefit low and moderate income households, as approved by the granting Federal agency, U.S. Department of Housing & Urban Development (HUD).			
	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ -	\$ -	\$ -	\$ -
REVENUES	\$ 550,159	\$ 614,185	\$ 910,893	\$ 631,705
TRANSFER IN	\$ -	\$ -	\$ -	\$ -
EXPENSES	\$ (550,159)	\$ (614,185)	\$ (910,893)	\$ (631,705)
TRANSFER OUT	\$ -	\$ -	\$ -	\$ -
CHANGE IN FB	\$ -	\$ -	\$ -	\$ -
END FUND BAL	\$ -	\$ -	\$ -	\$ -
FISCAL NOTES				
The budget for this fund may be adjusted after the start of the fiscal year as the balances of existing grants are determined and as new grants are awarded. Grant fund revenues match expenditures each year.				

FUND 1204 - Sparks Grants & Donations Fund	Purpose of Fund: Special Revenue Fund to account for grants received by the City. Does not include grants received by Proprietary Funds or Community Development Block Grants.			
	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ -	\$ 506,068.00	\$ 525,568.00	\$ 3,483.00
REVENUES	\$ 2,357,843.00	\$ 1,956,002.00	\$ 1,294,308.00	\$ 300.00
TRANSFER IN	\$ 225,592.00	\$ 27,272.00	\$ -	\$ -
EXPENSES	\$ (2,072,061.00)	\$ (1,963,774.00)	\$ (1,816,393.00)	\$ (1,200.00)
TRANSFER OUT	\$ (5,308.00)	\$ -	\$ -	\$ -
CHANGE IN FB	\$ 506,066.00	\$ 19,500.00	\$ (522,085.00)	\$ (900.00)
END FUND BAL	\$ 506,068.00	\$ 525,568.00	\$ 3,483.00	\$ 2,583.00
FISCAL NOTES				
Virtually all of the budget for this fund is established after the start of the fiscal year as the balances of existing grants and donations are determined and as new grants and donations are awarded. Grants awarded to the Police and Fire Departments historically make up 80-90% of the revenues in this fund.				

Smaller Funds

FUND 1208- Muni Court Admin Assessments	Purpose of Fund: To account for monies received from the Municipal Court administrative assessments and collection fees to finance Municipal Court related improvements to operations and facilities per NRS 176.0611.			
	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ 1,011,836	\$ 927,045	\$ 761,879	\$ 760,627
REVENUES	\$ 290,921	\$ 274,920	\$ 280,000	\$ 280,000
TRANSFER IN	\$ -	\$ -	\$ -	\$ -
EXPENSES	\$ (173,712)	\$ (440,086)	\$ (281,252)	\$ (937,151)
TRANSFER OUT	\$ (202,000)		\$ -	
CHANGE IN FB	\$ (84,791)	\$ (165,166)	\$ (1,252)	\$ (657,151)
END FUND BAL	\$ 927,045	\$ 761,879	\$ 760,627	\$ 103,476
FISCAL NOTES				
Collection of Administrative Assessments and fees dropped in FY13 over FY12 in two of three fee types. In light of this trend, FY14 & FY15 revenue projections are conservative. Expenses are trending up. In FY13 and FY14, this is due to a court remodeling project and FY15 expenses represent the entire balance available in the fund.				

FUND 1210 -Impact Fee Service Area 1	Purpose of Fund: To account for impact fees collected from development in Impact Fee Service Area 1, to be used for the construction of sanitary sewers, flood control, parks, and public facilities.			
	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ 204,359	\$ 259,189	\$ 287,016	\$ 311,230
REVENUES	\$ 88,697	\$ 59,765	\$ 91,250	\$ 106,500
TRANSFER IN	\$ -			
EXPENSES	\$ (18,528)	\$ (25,634)	\$ (45,036)	\$ (60,036)
TRANSFER OUT	\$ (15,339)	\$ (6,304)	\$ (22,000)	\$ (22,000)
CHANGE IN FB	\$ 54,830	\$ 27,827	\$ 24,214	\$ 24,464
END FUND BAL	\$ 259,189	\$ 287,016	\$ 311,230	\$ 335,694
FISCAL NOTES				
Four types of impact fees are collected in this fund--Sewer, Flood, Parks & Public Facilities. Revenues in this fund are only recorded from developers paying cash for impact fees. Several developers use credits, earned as a result of constructing and conveying public assets to the City, to pay these fees and those transactions do not result in revenue. Credit balances total \$5M across all fee types. All cash collected in this fund for Public Facility impact fees is used to repay Red Hawk Land Co. for Fire Station 5. All cash collected for Sewer impact fees is used to repay the City's Sewer Fund 1631 for the I-80 Reliever line.				

FUND 1215 - Tourism Improvement Dist 1 (Legends)	Purpose of Fund: This fund was established to account for the \$83M in Sales Tax Anticipation (STAR) Bond issued in May of 2008. The proceeds were used to acquire, improve, and equip certain property commonly referred to as 'Legends at the Sparks Marina. The fund will be dissolved once bond proceeds are spent.			
	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ 75,910	\$ 73,903	\$ 62,768	\$ 51,633
REVENUES	\$ 118	\$ 85	\$ 85	\$ 85
TRANSFER IN	\$ -			
EXPENSES	\$ (2,125)	\$ (11,220)	\$ (11,220)	\$ (51,220)
TRANSFER OUT	\$ -	\$ -	\$ -	
CHANGE IN FB	\$ (2,007)	\$ (11,135)	\$ (11,135)	\$ (51,135)
END FUND BAL	\$ 73,903	\$ 62,768	\$ 51,633	\$ 498
FISCAL NOTES				
The remaining balance of bond proceeds along with interest earnings on that balance are held by fiscal agent in a trust account and are being used to pay on-going fiscal agent and legal fees associated the Senior and Sub-STAR bond issue. It is expected that the balance of the proceeds will fund these fees through FY19, at which time the fund will be dissolved and the fees will be paid from sales taxes collected in the district. The FY15 Expenditure budget represents the entire remaining balance.				

Smaller Funds

Fund 1222 - Tourism & Marketing Fund	Purpose of Fund: Revenue and spending related to the Washoe County Taxes on Transient Lodging Act of 1999 which added 1% to transient lodging taxes collected county-wide. Sparks receives a small portion of this 1% and is capped at \$200,000 per year. Funds must be used for the marketing and promotion of tourism in the City of Sparks and for the operation and maintenance of capital improvements within redevelopment areas.			
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	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ 241,848	\$ 259,340	\$ 286,676	\$ 260,918
REVENUES	\$ 106,147	\$ 101,687	\$ 146,898	\$ 170,150
TRANSFER IN	\$ 100,000	\$ 100,000		
EXPENSES	\$ (188,655)	\$ (174,351)	\$ (172,656)	\$ (245,000)
TRANSFER OUT	\$ -			
CHANGE IN FB	\$ 17,492	\$ 27,336	\$ (25,758)	\$ (74,850)
END FUND BAL	\$ 259,340	\$ 286,676	\$ 260,918	\$ 186,068

FISCAL NOTES

Due to an overpayment of funds to the City by the RSCVA in prior years, an MOU was established in FY09 to facilitate repayment of those funds. This MOU was fulfilled in FY13 and revenues are expected to return to normal levels in FY14 and beyond. The TOURMARK committee meets every February to establish the following fiscal year's budget.

Fund 1224 - Street Cut Fund	Purpose of Fund: To account for resources received principally from private utility companies to repair city streets after utility installation, according to the provisions of Sparks Municipal Code Chapter 50.			
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	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ 182,798	\$ 204,482	\$ 433,209	\$ 148,303
REVENUES	\$ 178,048	\$ 437,642	\$ 225,100	\$ 225,100
TRANSFER IN				
EXPENSES	\$ (156,364)	\$ (208,915)	\$ (510,006)	\$ (250,240)
TRANSFER OUT				
CHANGE IN FB	\$ 21,684	\$ 228,727	\$ (284,906)	\$ (25,140)
END FUND BAL	\$ 204,482	\$ 433,209	\$ 148,303	\$ 123,163

FISCAL NOTES

Street Cut permit revenues doubled in FY13 due to a large gas main replacement project that NV Energy completed in compliance with federal regulations. Since that project is essentially complete, FY14 and FY15 revenues are projected to return to normal levels. Expenses in this fund represent the pavement repair costs associated with the street cut permit revenue. FY14 expenses increased due to the increased revenue received in FY13. Estimates for these costs come from the approved CIP.

Fund 1299 - Stabilization Fund	Purpose of Fund: Reserve to stabilize the operation of the City in the event of a revenue shortfall or natural disaster. In order to comply with GASB54, the Council approved a policy in June of 2011, which states that Stabilization Fund resources could only be used if General Fund revenues decrease by 4% or more from the previous year or to pay expenses incurred to mitigate the effects of a declared natural disaster.			
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	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ 28,280	\$ 228,640	\$ 228,921	\$ 229,021
REVENUES	\$ 200,361	\$ 281	\$ 100	\$ 100
TRANSFER IN	\$ -			\$ -
EXPENSES				\$ -
TRANSFER OUT	\$ -			
CHANGE IN FB	\$ 200,361	\$ 281	\$ 100	\$ 100
END FUND BAL	\$ 228,640	\$ 228,921	\$ 229,021	\$ 229,121

FISCAL NOTES

The City of Sparks has a Fiscal Policy to commit a portion of General Fund Business License revenue to the Stabilization Fund each year. We met our Fiscal Policy obligation in FY12 with a commitment of \$200k. Council did not choose to commit these funds in FY13 or FY14, and the FY15 budget currently contains no commitment.

Smaller Funds

Capital Project Funds

Fund 1405 - Capital Facilities Fund	Purpose of Fund: To provide for the acquisition of land, improvements to land, purchase of major equipment, renovations of government facilities and repayment of short-term financing for these activities. Funding is provided by a special ad valorem tax rate as required by NRS 354.59815.			
	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ 253,825	\$ 370,999	\$ 306,602	\$ 217,176
REVENUES	\$ 226,575	\$ 172,792	\$ 183,000	\$ 183,000
TRANSFER IN				
EXPENSES	\$ (109,403)	\$ (237,189)	\$ (272,426)	\$ (400,035)
TRANSFER OUT				
CHANGE IN FB	\$ 117,172	\$ (64,397)	\$ (89,426)	\$ (217,035)
END FUND BAL	\$ 370,999	\$ 306,602	\$ 217,176	\$ 141
FISCAL NOTES				
In 2009, the Nevada Legislature redirected this ad valorem revenue to help fill its own budget gap. In 2011 the redirection expired, and the City began receiving the funds again in FY12. Revenues in this fund now remain stable. Expenses represent qualified projects from the approved CIP.				

Fund 1406 - Rec & Parks District 1 Fund	Purpose of Fund: Construction Tax revenues collected in Park District 1 to be used for the acquisition, improvement and expansion of neighborhood parks, playgrounds and recreational facilities within that district.			
	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ 423,479	\$ 263,142	\$ 288,725	\$ 226,057
REVENUES	\$ 13,538	\$ 58,541	\$ 56,200	\$ 26,200
TRANSFER IN				
EXPENSES	\$ (173,876)	\$ (32,959)	\$ (118,868)	\$ (50,020)
TRANSFER OUT				
CHANGE IN FB	\$ (160,338)	\$ 25,582	\$ (62,668)	\$ (23,820)
END FUND BAL	\$ 263,142	\$ 288,725	\$ 226,057	\$ 202,237
FISCAL NOTES				
FY13 Residential Construction Tax revenues increased significantly due to a large building permit for a 43 unit apartment building. FY14 is continuing the upward trend with a steady flow of smaller permits. Unsure if this trend will continue in this district, FY15 is projected at a more conservative level. Expenses represent Park District 1 park construction projects from the approved CIP.				

Fund 1407 - Rec & Parks District 2 Fund	Purpose of Fund: Construction Tax revenues collected in Park District 2 to be used for the acquisition, improvement and expansion of neighborhood parks, playgrounds and recreational facilities within that district.			
	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ 1,876,371	\$ 1,855,109	\$ 1,150,212	\$ 932,048
REVENUES	\$ 94,890	\$ 121,550	\$ 121,500	\$ 122,000
TRANSFER IN				
EXPENSES	\$ (116,153)	\$ (826,447)	\$ (339,664)	\$ (225,250)
TRANSFER OUT				
CHANGE IN FB	\$ (21,263)	\$ (704,897)	\$ (218,164)	\$ (103,250)
END FUND BAL	\$ 1,855,109	\$ 1,150,212	\$ 932,048	\$ 828,798
FISCAL NOTES				
This fund has seen a steady increase in Residential Construction Tax revenues since FY11. That trend appears to be leveling off, however, and this is reflected in FY14 and FY15 estimates. Expenses represent Park District 2 park construction projects from the approved CIP. FY13 expenditures include a significant investment (\$700k) in Pah Rah and Les Hick Parks.				

Smaller Funds

Fund 1408 - Rec & Parks District 3 Fund	Purpose of Fund: Construction Tax revenues collected in Park District 3 to be used for the acquisition, improvement and expansion of neighborhood parks, playgrounds and recreational facilities within that district.			
	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ 2,424,743	\$ 2,438,879	\$ 914,873	\$ 961,611
REVENUES	\$ 105,480	\$ 121,836	\$ 125,000	\$ 125,000
TRANSFER IN				
EXPENSES	\$ (91,344)	\$ (1,645,842)	\$ (78,262)	\$ (225,200)
TRANSFER OUT				
CHANGE IN FB	\$ 14,136	\$ (1,524,006)	\$ 46,738	\$ (100,200)
END FUND BAL	\$ 2,438,879	\$ 914,873	\$ 961,611	\$ 861,411
FISCAL NOTES				
Residential Construction Tax receipt continue to grow in Park District 3. FY13 saw a 15.5% increase over FY12. Revenues are expected to remain steady in FY14 and FY15. Expenses represent Park District 3 park construction projects from the approved CIP. FY13 expenditures include a significant investment (\$1.6M) in the construction of a little league park.				

Fund 1415 - Victorian Square Room Tax CP Fund	Purpose of Fund: To account for the resources received pursuant to section 6.6 of the Washoe County Taxes on Transient Lodging Act of 1999. Taxes on the revenue from the rental of transient lodging in the amount of 2.5% must be used for improvements and land acquisitions in the Victorian Square area.			
	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG FUND BAL	\$ 656,919	\$ 1,164,023	\$ 1,295,947	\$ 1,765,141
REVENUES	\$ 594,150	\$ 469,895	\$ 586,048	\$ 598,000
TRANSFER IN				
EXPENSES	\$ (87,045)	\$ (337,971)	\$ (116,854)	\$ (50,250)
TRANSFER OUT				
CHANGE IN FB	\$ 507,105	\$ 131,924	\$ 469,194	\$ 547,750
END FUND BAL	\$ 1,164,023	\$ 1,295,947	\$ 1,765,141	\$ 2,312,891
FISCAL NOTES				
After a two month hiatus (caused by a technicality in the verbiage of the law) in FY13, legislative action restored these revenues. Revenues remain steady and are expected to return to FY12 levels in FY14 and FY15. Expenses represent improvements to Victorian Square which are approved each year in the CIP.				

PROPRIETARY FUNDS

Internal Service Funds				
Fund 1701 - Office Service & Supply	Purpose of Fund: To account for the cost of operating a facility and to provide office supplies and printing services to City offices. Such costs are billed to the user departments and include depreciation on equipment.			
	FY12 - Actuals	FY13 - Actuals	FY14 - Estimates	FY15 - Budget
BEG NET ASSETS	\$ 144,280	\$ 11,326	\$ -	\$ -
REVENUES	\$ 5,264			
TRANSFER IN				
EXPENSES	\$ (33,954)	\$ (11,326)		
TRANSFER OUT	\$ (104,264)			
CHANGE IN NET ASSETS	\$ (132,954)	\$ (11,326)	\$ -	\$ -
END NET ASSETS	\$ 11,326	\$ -	\$ -	\$ -
FISCAL NOTES				
This fund will be closed and all costs incorporated in the General Fund. It is reported here as the filed FY15 budget will include it due to FY13 activity.				

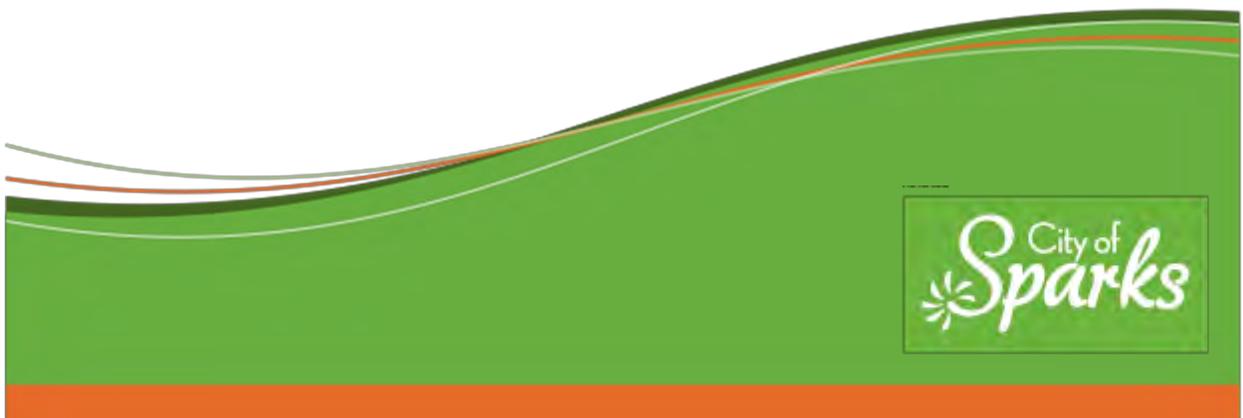
Redevelopment Area 1

Funds 3301 & 3401 - Redevelopment Area 1	Purpose of Funds: To accumulate monies for the repayment of debt for land acquisitions and capital improvements in Redevelopment Area 1 and to pay other necessary or incidental expenditures in accordance with a redevelopment plan for the Redevelopment Agency Area 1 until the Area terminates in 2023.			
	FY12 Actuals	FY13 Actuals	FY14 Estimates	FY15 Budget
BEG NET ASSETS	\$ 4,160,031	\$ 3,670,981	\$ 3,612,292	\$ 3,385,751
REVENUES				
Property Taxes (Real & Personal)	\$ 2,487,259	\$ 2,381,301	\$ 2,221,123	\$ 2,260,334
State Govt'l Svcs Tax (Formerly Motor Veh Priv Tax)	\$ 177,572	\$ 162,774	\$ 177,572	\$ 177,572
Special Events Receipts	\$ 197,907	\$ 180,044	\$ -	\$ -
All other revenues	\$ 54,117	\$ 231,115	\$ 34,272	\$ 16,000
TOTAL REVENUES	\$ 2,916,855	\$ 2,955,234	\$ 2,432,967	\$ 2,453,906
TRANSFER IN	\$ -	\$ -	\$ -	\$ -
EXPENSES				
Salaries & Benefits	\$ (247,414)	\$ (228,296)	\$ (17,924)	\$ (18,199)
Services and Supplies	\$ (464,481)	\$ (89,404)	\$ (49,361)	\$ (34,624)
Capital Outlay	\$ -	\$ -	\$ -	\$ -
Debt Service - Principal	\$ (1,350,000)	\$ (1,405,000)	\$ (1,460,000)	\$ (1,520,000)
Debt Service - Interest	\$ (939,281)	\$ (885,281)	\$ (829,082)	\$ (770,682)
TOTAL EXPENSES	\$ (3,001,176)	\$ (2,607,981)	\$ (2,356,367)	\$ (2,343,505)
TRANSFERS OUT				
Transfer out to City Debt Service Fund	\$ (304,729)	\$ (305,942)	\$ (303,141)	\$ (305,955)
Other transfers out	\$ (100,000)	\$ (100,000)	\$ -	\$ -
TOTAL TRANSFERS OUT	\$ (404,729)	\$ (405,942)	\$ (303,141)	\$ (305,955)
CHANGE IN NET ASSETS	\$ (489,050)	\$ (58,689)	\$ (226,541)	\$ (195,554)
END NET ASSETS	\$ 3,670,981	\$ 3,612,292	\$ 3,385,751	\$ 3,190,197
FISCAL NOTES				
<p>Resources to this fund consist mainly of property taxes collected within Redevelopment Agency Area 1 (RDA1). These resources are expected to be sufficient to repay the remaining debt issued in the name of the RDA1--Tax Increment Revenue Bonds 2010. This debt will be paid in full in FY23. In addition, RDA 1 is expected to pay (via transfer to General Obligation Debt Service Fund) for it's share of principal and interest on two City issued Revenue Bonds--CTAX Bonds Series 2007 (maturing FY26) and Series 2011 (maturing FY18). RDA1's transfer pays the principal and interest the for the portion of the bond proceeds that were spent on improvements to Victorian Square. Looking forward, assuming expenses continue to exceed revenues, a subsidy from the General Fund is likely to occur in FY16. This subsidy is estimated to be less than \$250k. Ending Net Assets represent the required \$2.2M reserve on the Tax Increment Revenue Bonds 2010 plus cash on hand to make future debt service payments.</p>				

Redevelopment Area 2

Funds 3601 & 3606 - Redevelopment Area 2	Purpose of Funds: To accumulate monies for the repayment of debt for land acquisitions and capital improvements in Redevelopment Area 2 and to pay other necessary or incidental expenditures in accordance with a redevelopment plan for the Redevelopment Agency Area 2.			
	FY12 Actuals	FY13 Actuals	FY14 Estimates	FY15 Budget
BEG NET ASSETS	\$ 3,984,441	\$ 2,813,007	\$ 2,284,197	\$ 2,339,989
REVENUES				
Property Taxes (Real & Personal)	\$ 2,290,522	\$ 2,407,837	\$ 2,393,023	\$ 2,649,325
Sale of General Fixed Assets	\$ -	\$ -	\$ 100,000	\$ 550,000
All other revenues	\$ 16,187	\$ (1,609)	\$ 1,150	\$ 45,810
TOTAL REVENUES	\$ 2,306,709	\$ 2,406,228	\$ 2,494,173	\$ 3,245,135
TRANSFERS IN				
T/I from General Fund 1101	\$ -	\$ 250,000	\$ 785,960	\$ -
TOTAL TRANSFERS IN	\$ -	\$ 250,000	\$ 785,960	\$ -
EXPENSES				
Salaries & Benefits	\$ (38,319)	\$ -	\$ -	\$ -
Services and Supplies	\$ (249,228)	\$ (46,191)	\$ (84,309)	\$ (52,520)
Rebates Special Assessment	\$ (92,924)	\$ (92,924)	\$ (92,924)	\$ (46,462)
Debt Service - Principal	\$ (705,000)	\$ (690,000)	\$ (735,000)	\$ (780,000)
Debt Service - Interest	\$ (1,321,218)	\$ (1,279,019)	\$ (1,236,451)	\$ (1,190,451)
TOTAL EXPENSES	\$ (2,406,689)	\$ (2,108,134)	\$ (2,148,684)	\$ (2,069,433)
TRANSFERS OUT				
Transfer out to City Debt Service Fund	\$ (1,071,454)	\$ (1,076,904)	\$ (1,075,657)	\$ (1,072,899)
TOTAL TRANSFERS OUT	\$ (1,071,454)	\$ (1,076,904)	\$ (1,075,657)	\$ (1,072,899)
CHANGE IN NET ASSETS	\$ (1,171,434)	\$ (528,810)	\$ 55,792	\$ 102,803
END NET ASSETS	\$ 2,813,007	\$ 2,284,197	\$ 2,339,989	\$ 2,442,792
FISCAL NOTES				
<p>Resources to this fund consist mainly of property taxes collected within Redevelopment Agency Area 2 (RDA2). These resources are used to repay the remaining 2 bonds issued in the name of RDA2--Tax Increment Revenue Bonds - Series 2008 (maturing FY28) and Series 2009 (maturing FY29). In addition, RDA2 will pay (via transfer to General Obligation Debt Service Fund) for principal and interest on debt originally issued in RDA2's name but subsequently refinanced as General Obligation (GO) debt--G.O. Limited Tax Med Term Bonds Series 2007A & Series 2007B--both maturing in FY17. Ending Net Assets represent the required \$1.2M reserve on the Tax Increment Revenue Bonds-Series 2008, \$723k reserve on the 2009 series, and cash on hand to make future debt service payments. A subsidy from the General Fund was needed in FY13 in the amount of \$250k followed by an estimated \$786k in FY14. However, further subsidies are not expected due to rising property tax assessments and the sale of 10.2 acres of land owned by RDA2.</p>				

FY2014-15 CITY OF SPARKS BUDGET: CAPITAL IMPROVEMENT PLAN (CIP)



CAPITAL IMPROVEMENT PLAN

The City's infrastructure is the foundation of our economy, supporting the basic needs of business and industry and providing for the quality of life of our local residents. This is one of a City's primary responsibilities and the continued maintenance and investment into the City's portfolio of assets through capital improvement projects attracts business, provides jobs, and maintains the City's ability to support our business community and provide for our residents.

The Capital Improvement Plan (CIP) outlines the City's plan for achieving the goals, objectives, and service delivery levels desired by the Mayor and City Council. The purpose of this plan is to forecast and match projected revenues and major capital needs over a five (5)-year period. Capital planning is an important management tool that strengthens the linkages between community infrastructure needs and the financial capacity of the City. It allows for the systematic evaluation of projects assuring the greatest needs are being addressed. The City's CIP is made up of fifteen funds that are each unique in their revenue streams and terms of use based upon federal, state, or local statutes.

The City of Sparks takes a long term view of the community and its needs. Larger capital improvement projects take years to plan and complete, including financing. Due to the recent recession experienced in Northern Nevada, the primary focus of the Capital Improvement Plan has been to preserve the existing infrastructure while integrating sustainable systems that create efficiency and reduce operating and maintenance cost.

Nevada Revised Statutes (NRS) 354.59801 requires that each local government have on file, a copy of its plan for capital improvements. NRS 354.5945 further requires a five year capital improvement plan be submitted to the:

- Department of Taxation
- Debt management commission of Washoe County
- Director of the Legislative Counsel Bureau

In addition, NRS 354.5945 requires that copies be available for public record and inspection at:

- The Sparks City Clerk
- The Washoe County Clerk

The Community Services Department partners with Financial Services to ensure the appropriations for funding the CIP are correct. Then Community Services Department schedules meetings with all the various Departments City wide. In these meetings the following is reviewed:

- We review the 2 to 5 year projects to determine:
 - If the project is still relevant
 - If the project's scope needs updating
 - If additional funding is needed
- Request for new projects are submitted using:
 - Project Title
 - Brief Project Description
 - Engineer's Estimate to cost with related expenses such as consultants, permitting, etc.
 - Desired completion timeframe

Recommendations are then developed based on fund availability and restrictions, risk analysis, citizen concerns, and Council priorities.

A presentation of the draft CIP Document is reviewed annually at a Council Retreat. Council provides input for any revisions to staff's recommendations. The recommendations from this retreat are then used to prepare the final CIP document.

Truckee Meadows Water Reclamation Facility (TMWRF) CIP

On March 24, 2014 the City Council approved a \$25M contract with Ameresco for improvements that will lower energy, chemical and operational costs at the plant. TMWRF is a joint venture between the City of Sparks and the City of Reno. Sparks' share of the Ameresco contract is \$7.8M. This project is ***not shown on the FY15 5-year CIP*** since it was approved in FY14 outside of the CIP process.

City of Sparks' share of TMWRF's FY15 CIP approved by the joint Coordinating Committee is \$2.9M. The FY15 CIP includes the following non-routine capital expenditures, some of which were approved in prior years:

- **Centrate Pretreatment Project Evaluation/Design**
- **Construction Assistance Oversight Coordination of Ameresco**
- **Headworks Near-Term Rehabilitation:** The scope of work will include rehabilitation of the air exhaust treatment system, repair or replacement of gates, repair of damaged concrete, rehabilitation of flumes, and replacement of bar screens that are operating beyond their useful life span. These improvements are designed to allow the Headworks facility to reliably operate for approximately 15 years with proper maintenance.
- **Aeration System Evaluation and Optimization:** Operation of the check and control valves, and electronic controls serving the aeration blowers is proving to be very problematic and subjecting the blowers to operational disruptions that impact the aeration process. These systems need to be evaluated and replaced before significant blower damage occurs.
- **Nitrification System Valve Improvements:** Control valves for the nitrification towers are presently direct buried and operational difficulties are being encountered. This project will replace the hand operated valves and place the valves in concrete boxes providing access for maintenance.
- **Plant-wide Water Systems 2 and 3 Piping Upgrades Replacements:** Condition assessment of #2 and #3 water distribution piping to identify segments requiring replacement. Prioritize and construct replacement/rehabilitation improvements identified.
- **Clarifier Basin Concrete and Steel Rehabilitation:** Clarifiers must be periodically removed from service to permit repairs to the mechanical, structural steel components, and the concrete structure.
- **Plant-wide HVAC Rehabilitation:** HVAC systems serving the buildings at TMWRF have or are approaching the end of their useful lives having been exposed to the prevalent corrosive atmosphere associated with the wastewater treatment plant processes.
- **Activated Sludge Flow Improvements:** The Activated Sludge (AS) system "2C" is having trouble operating properly since effluent flows through the system exceed design overflow specification for the single connected clarifier. This needs to be corrected by providing connections, pumps and instrumentation, to connect the "2C" treatment train.

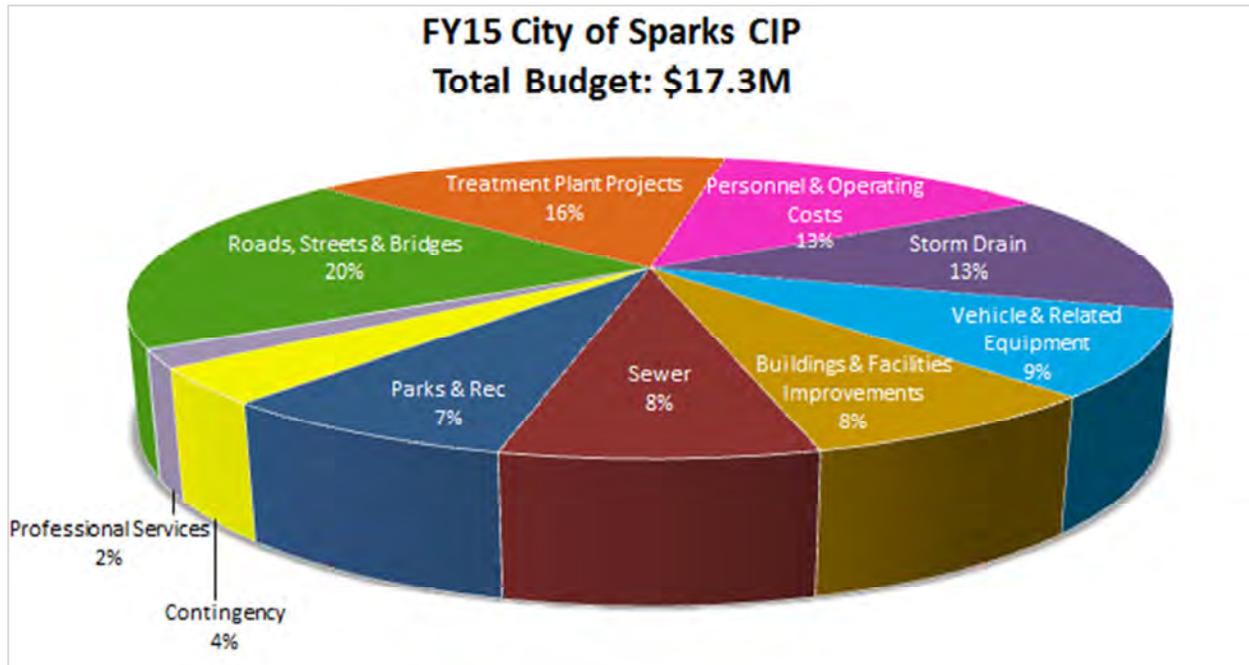
- **Electrical Substation Rehabilitation:** The current 24.9 KV transformers installed in 1986 that service TMWRF have performed beyond their intended service life. This project would replace both transformers and associated switch gear with new equipment.
- **Disinfection Project Evaluation:** This project will lead to the design and construction of improvements that will determine the least cost methods to reliably meet disinfection requirements in the reuse effluent and still meet river discharge waste loading allocations per the current discharge permit.
- **Nitrification Tower Rehabilitation and Improvements:** To meet total nitrogen permitted discharge limits, the final nitrification towers need to be reliably operating at an extremely high level of performance all year. Four of the towers have been in operation since 1989 and need to be evaluated for media replacement. Other reliability improvements that have been identified include distribution arm modifications to allow for proper flushing, complete instrumentation of each tower, concrete seam rehabilitation, ventilation rehabilitation, updated blowers with variable speed drives, and tower covers.
- **Traveling Water Screen Rehabilitation:** The system includes two screens that were installed in the 1980's. The original purpose was biofilm screening but they should be modified or replaced with screens that are more effective in removing snail shells and other debris. Based on the fouling of the downstream mechanical equipment, the operational efficiency of the screen is suspect. Project consists of evaluating the existing screens and modifying or replacing the screens.

FY15 CIP Budget Summary

Below is a summary of the FY15 CIP by fund:

Fund Name	FY15 CIP Budget
Road Fund	4,971,844
Sanitary Sewer Cap Proj Fund	3,648,492
Storm Drains Cap Proj Fund	2,240,000
Motor Vehicle Maintenance	1,515,000
Park & Recreation Project Fund	1,146,482
Capital Projects	873,000
Sanitary Sewer Operations Fund	770,000
Storm Drains Operations Fund	517,000
Capital Facilities Fund	400,000
Rec & Parks District 2	225,000
Rec & Parks District 3	225,000
Effluent Operations Fund	205,000
Comm Dev Blk Grant Entitlement	200,000
Street Cut	200,000
Muni Court Admin Assessments	65,000
Victorian Square Rm Tax CP Fund	50,000
Rec & Parks District 1	50,000
Total	17,301,819

The pie chart below shows the FY15 CIP by project category.



FY15 Significant Non-Routine Capital Expenditures

Truckee Meadows Water Reclamation Facility (TMWRF): \$2.9 Million

TMWRF is a joint venture between the City of Sparks and the City of Reno. CIP projects are split between Reno and Sparks based on capacity. See the detailed write-up on TMWRF CIP projects funded in FY15 at the beginning of this Capital Improvements section.

Pah Rah Bathroom Replacement: \$160K

This project is for the removal and replacement of the existing bathroom at Pah Rah Park. The existing structure has become dilapidated and maintenance intensive. With the addition of the "All Abilities" playground, it has been determined a new structure needs to be constructed.

City Hall HVAC Upgrades & Construction: \$700K

This project is to provide the construction of HVAC system upgrades for City Hall. The existing system is inefficient and prone to constant repairs and maintenance. Additionally over the years with various remodels of the existing City Hall, the building needs to be completely rezoned to match with offices, open spaces, and conference rooms.

Howard Drive Storm Drain Relocation: \$275K

This project will relocate the existing North Truckee Ditch facilities to City of Sparks right-of-way on Howard Drive. Currently, the section of North Truckee Ditch between Goldy Way and Fargo Way is partially located in easement within private property, and is located such that replacement is not feasible in its current position.

La Posada Ditch Rehabilitation: \$345K

This project will removal damaged ditch lining and replace it with better materials.

Sparks Marina Pump Rehabilitation: \$70K

This project will replacement and upgrade the Sparks Marina Lake Pump Stations.

North Truckee Drain Phase 1 & 2: \$350K

Phase 1 of realigning the North Truckee Drain to prevent future flooding is underway in FY14. This CIP will fund further work require to complete the realignment project.

Impact of Capital Improvements on Operating Budget

City staff identified the following capital improvement projects as having a notable impact on the FY15 operating budget.

FY15 CIP Project	Project Description	Impact on FY15 Operating Budget
IT Sustainability Plan	Technology spending at the City of Sparks has been curtailed for several years. This project will allow for the upgrade and/or replacement of various technology components throughout the City. This should reduce down time of computers and technology components and improve productivity of staff.	<u>COSTS</u> <i>IT Personnel Costs: \$58,300</i> <i>IT Professional Services: \$75,000</i> TOTAL: \$133,300
IT Voice Over Internet Telephone System	This project addresses replacing the City's aged telephone system with a newer technology, Voice-over IP (VOIP), which uses computers and the internet to provide phone service through a third-party provider rather than managing the system in-house.	<u>COSTS</u> <i>Annual cost of current service: \$97,000</i> <i>Estimated annual cost of VOIP service: \$106,985</i> TOTAL ADDITIONAL OPERATING COSTS PER YEAR (ESTIMATE): \$9,985
Ameresco Energy Projects at the Truckee Meadows Water Reclamation Facility (TMWRF)	<p>Various energy projects will be implemented in the course of two years and upon completion in FY17 is projected to save the City \$1M in energy costs. The first project is to retrofit light fixtures in FY15 to more energy efficient ones.</p> <hr/> <p>Ameresco has provided a guaranteed minimum savings to TMWRF and each year, Ameresco must measure and verify those savings. A 15-year performance agreement is in place with Ameresco for measurement and verification.</p> <hr/> <p>In addition, due to the magnitude of this project, the city hired a consultant to perform construction management services.</p>	<p><u>SAVINGS</u> <i>Energy Savings from Lighting Retrofit (assumes the completion in the 4th quarter of FY15): \$7,608</i></p> <p>Significant budget savings as a result of these energy efficiency projects <i>in total</i> is estimated at \$1M and is projected to occur in FY16, if not later.</p> <hr/> <p><u>COSTS</u> <i>Annual Measurement and Verification Contract: \$39,585</i> for the first year, escalating at 2.3% over the 15 year period. NOTE: These costs will likely begin in FY17, after all the energy efficiency projects have been completed.</p> <hr/> <p><u>COSTS</u> <i>Construction Management Services (contract already awarded in FY14, continuing to FY15): \$125,166</i></p>

City of Sparks

Five Year Capital Improvement Plan 2014-2015

Project #	Project Description	FY15 Budget
<i>ROAD FUND (1401): Transportation Systems, Road Improvements & related road maintenance projects</i>		

PAVEMENT MANAGEMENT PROGRAM

Planned Capital Improvements

Street Improvement - Corrective / Rehabilitation

15-0500	Street Improvements - Corrective & Rehab	1,700,000
15-0501	Sidewalk Rehabilitation	175,000
15-0502	Alley, Parking Lot and Pathway - Rehab	130,000

Annual Recurring Capital Projects and Maintenance / Materials

15-0503	Street & Alley Surfaces - Preventative	392,500
15-0590	Annual Pavement Management Program Support:	50,000
15-0591	Annual Street Surface Maintenance and Materials for: Crack Seal and Road Surfacing	260,625

TRAFFIC PROGRAM

Planned Capital Improvements

15-0600	Stanford Way Traffic Calming Improvements	10,000
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Annual Recurring Capital Projects and Maintenance/Supplies

15-0690	Traffic Safety Safe Route To School Plan Updates Citywide Signal Coordination/Capacity Improvements Traffic Calming Enhancements	75,000
15-0691	Electrical System Upgrades Traffic Signal Detection Upgrades Traffic Signal Conflict Monitor Replacement Projects Traffic Computer Maintenance and Upgrades Traffic Signal LED Replacement Program Contracting Services - Street Sign & Traffic Signal Electrical	55,000
15-0692	MUTCD Sign Compliance Requirements Program	56,250
15-0693	Traffic Signs and Paint Traffic Paint Materials Street Signs	108,000

TOTAL ROAD FUND PROJECTS

3,012,375

CAPITAL PROJECTS FUND (1404): Acquisition and construction of fixed assets and rehabilitation of capital facilities.

CITY FACILITIES

Planned Capital Improvements

15-1000	City Hall HVAC Upgrades Construction	700,000
15-1001	Fire Station 3 - Grout Repair & Exterior Painting Project	38,000
15-1002	Fire Station 4 & 5 - Exterior Painting & Wood Refurbishment Project	35,000

Annual Recurring Capital Projects and Maintenance/Supplies

	City Facilities ADA Mitigation Improvements	
080730	IT Sustainability Plan (City's Wildly Important Goal WIG)	619,838
15-1090	Annual Citywide Facilities Improvements	100,000

TOTAL CAPITAL PROJECTS

5,335,827

City of Sparks

Five Year Capital Improvement Plan 2014-2015

Project #	Project Description	FY15 Budget
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CAPITAL FACILITIES FUND (1405): Acquisition of land, improvements to land, purchase of major equipment, renovations to government facilities and repayment of short term financing for these activities.

CAPITAL FACILITIES PROJECTS

15-1500	City Hall HVAC Upgrades	300,000
15-1501	Fire Station No 2 Electrical Main Shutoff & Upgrade Project	50,000
15-1502	IT Voice Over Internet Telephone System	50,000
TOTAL CAPITAL PROJECTS - CAPITAL FACILITIES		400,000

PARKS & RECREATION PROJECTS (1402): Park Improvement Projects, including Sparks Marina.

PARKS & RECREATION PROJECTS

Planned Capital Improvements

15-1600	Deer Park Picnic Shelters Roof Replacement	35,000
15-1601	Small Wonders Exterior Painting Project	8,000
15-1602	Gondolfo Roofs	20,000
15-1603	Pah Rah Bathroom Replacement Project	160,000

Annual Recurring Capital Projects and Maintenance/Supplies

15-1690	Bike Path Rehabilitation	100,000
15-1691	Annual Sports Court Rehabilitation Project	20,000
15-1692	Nursery Re-Stock	5,000
15-1693	Sports Fields Grass Turf Replacement	15,000
15-1694	Marina Park Landscape, Path Modifications, and Upgrades	30,000
15-1695	Victorian Square Enhancements	150,000
15-1696	Annual Park Facilities Improvements	45,000

TOTAL CAPITAL PROJECTS PARKS AND RECREATION 588,000

GOLDEN EAGLE REGIONAL PARK (GERP) PROJECTS

Planned Capital Improvements

15-1700	Volleyball Court Retrofit to Basketball Court	70,000
15-1701	HVAC Building System Upgrades	30,000
15-1702	GERP Parking Lot Slurry Seal Project	85,000

Annual Recurring Capital Projects and Maintenance/Supplies

15-1790	Annual GERP Site & Facilities Improvements	25,000
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TOTAL CAPITAL PROJECTS - GERP 210,000

TOTAL PARKS AND REC PROJECTS FUND 1402 798,000

City of Sparks

Five Year Capital Improvement Plan 2014-2015

Project #	Project Description	FY15 Budget
<i>PARK CONSTRUCTION TAX DIST #1 (1406): Construction of new park facilities located in Park District #1.</i>		
15-1890	Annual Park District 1 Improvements	50,000
TOTAL CAPITAL PROJECTS - PARK DISTRICT #1		50,000
<i>PARK CONSTRUCTION TAX DIST #2 (1407): Construction of new park facilities located in Park District #2.</i>		
15-1990	Annual Park District 2 Improvements	225,000
TOTAL CAPITAL PROJECTS - PARK DISTRICT #2		225,000
<i>PARK CONSTRUCTION TAX DIST #3 (1408): Construction of new park facilities located in Park District #3.</i>		
15-2090	Annual Park District 3 Improvements	225,000
TOTAL CAPITAL PROJECTS - PARK DISTRICT #3		225,000
<i>VICTORIAN SQUARE ROOM TAX (1415): Capital projects and land acquisitions in the Victorian Square.</i>		
15-2190	Victorian Square Development Contribution	50,000
TOTAL VICTORIAN SQUARE ROOM TAX PROJECTS		50,000
<i>COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) (1203): Projects that; benefit low and moderate income people; help to prevent or eliminate slum and blight; or meet an urgent need such as a natural disaster.</i>		
15-2290	Pedestrian and Street Improvements	200,000
TOTAL CDBG CAPITAL PROJECTS		200,000
<i>MUNICIPAL COURT ADMINISTRATIVE ASSESSMENT FUND (1208): Projects that enhance or support municipal court facilities and operations.</i>		
15-2390	Annual Municipal Court Facility Improvements	65,000
TOTAL MUNI COURT CAPITAL PROJECTS		65,000
<i>STREET CUT (1224): Street repairs as a result of street cuts from local vendors.</i>		
15-2490	Street Cut Repair Contract	200,000
TOTAL STREET CUT PROJECTS		200,000

City of Sparks

Five Year Capital Improvement Plan 2014-2015

Project #	Project Description	FY15 Budget
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SPARKS UTILITIES (1600's): Sanitary sewer, storm drain, and effluent projects

SEWER PROJECTS

EXPANSION / REHABILITATION OF SEWER INFRASTRUCTURE SYSTEMS

15-6590	TMWRF Projects	2,873,492
15-6592	Annual Sewer System Rehab	600,000
15-6593	Annual Sewer System Street Improvement Coordination	175,000

SEWER OPERATIONAL EFFICIENCY PROJECTS

15-6594	Sewer Water Rights	50,000
15-6595	Large Diameter Maintenance and Assessments	500,000
15-6596	Sanitary Sewer Real Property/Right of Way Services	20,000
15-6597	Annual Contingency for Emergencies	200,000

TOTAL SANITARY SEWER PROJECTS

4,418,492

STORM DRAIN PROJECTS

EXPANSION / REHABILITATION OF STORM DRAINS INFRASTRUCTURE SYSTEMS

15-6600	Howard Drive Storm Drain Pipeline Relocation	275,000
15-6601	La Posada Ditch Rehabilitaion	345,000
15-6602	Sparks Marina Pump Station Rehabilitation	70,000
15-6690	Annual Storm Drain Street Improvement Coordination	850,000
15-6691	Annual Storm Drain System Dam, Ditch, Flood & Drainage Structures	350,000

RIVER FLOOD PROJECTS

15-6800	North Truckee Drain Relocation Phase 1 & 2	350,000
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STORM DRAINS OPERATIONAL EFFICIENCY PROJECTS

15-6692	Pioneer Diversion Monitoring	175,000
15-6693	FEMA CRS/CAV	50,000
15-6694	Storm Drains Real Property/Right of Way Services	12,000
15-6695	Storm Drain Outreach Maintenance Program	30,000
15-6696	Annual Contingency for Emergencies	250,000

TOTAL STORM DRAINS PROJECTS

2,757,000

EFFLUENT PROJECTS

EFFLUENT REUSE OPERATIONAL EFFICIENCY PROJECTS

15-6790	Effluent Metered Site Upgrades	25,000
15-6791	Annual Contingency for Emergencies	180,000

TOTAL EFFLUENT REUSE PROJECTS

205,000

TOTAL SPARKS UTILITIES PROJECTS

7,380,492

MOTOR VEHICLE FUND (1702): Vehicle replacement and capital improvements to the vehicle maintenance facility.

15-7500	Vehicle & Equipment Replacement Plan	1,515,000
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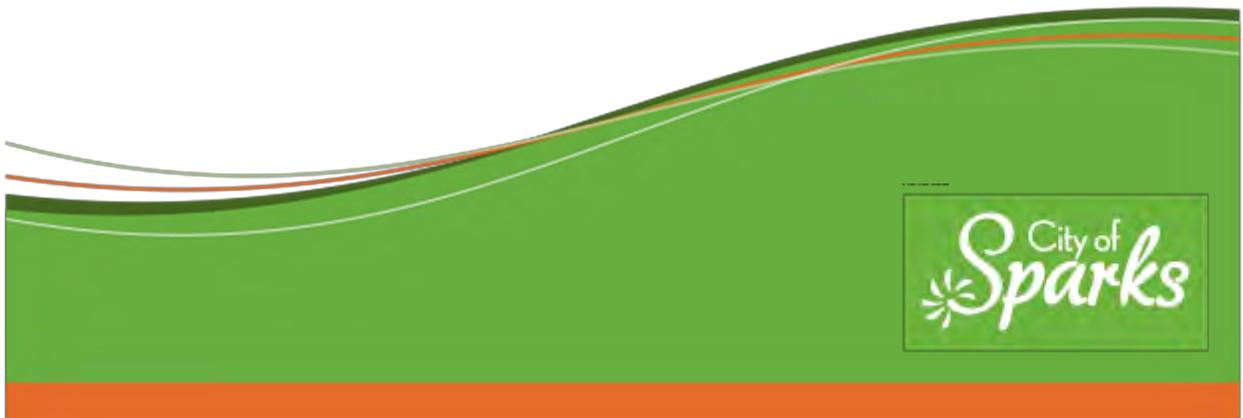
TOTAL MOTOR VEHICLE RELATED PROJECTS

1,515,000

TOTAL CIP ALL FUNDS

15,613,705

DEBT MANAGEMENT POLICY AND REVIEW



City of Sparks & Redevelopment Agency Debt

NAME OF BOND OR LOAN	TERM (years)	Original Amount of Issue	Final Payment Date	Interest Rate	Outstanding Principal Balance 7/1/14	Outstanding Principal Balance 6/30/15	FY15 Debt Service (P&I)
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City General Obligation (G.O) Bonds and Notes Payable

G.O. Limited Tax Medium Term Bonds, Series 2007A (currently paid by RDA2)	10	7,090,000	03/01/2017	3.78%	2,415,000	1,640,000	866,287
G.O. Limited Tax, Medium Term Bonds, Series 2007B (currently paid by RDA2)	10	1,315,000	03/01/2017	5.65%	560,000	385,000	206,612
Subtotal City G.O Bonds & Notes Payable					\$ 2,975,000	\$ 2,025,000	\$ 1,072,899

City Issued Revenue Bonds

CTAX Bonds Series 2007 (partially funded (29%) by RDA1)	20	13,635,000	05/01/2026	4.09%	7,275,000	7,275,000	297,548
CTAX Revenue Bonds, Series 2011 (partially funded (29%) by RDA1)	6	4,180,000	05/01/2018	3.05%	2,860,000	2,175,000	767,045
Sr. Sales Tax Anticipation Revenue Bonds Series 2008A	20	83,290,000	06/15/2028	6.5%-6.75%	77,340,000	75,235,000	7,280,825
Subordinate Sales Tax Anticipation Revenue Bonds Series 2008A	20	36,600,000	06/15/2028	5.75%	32,716,045	32,716,045	2,113,000
Subtotal City Issue Revenue Bonds					\$ 120,191,045	\$ 117,401,045	\$ 10,458,418

Tax Allocation Bonds

Local Improvement District #3, Ltd Obligation Improvement Bonds	20	26,120,000	09/01/2027	6.5%-6.75%	22,585,000	21,550,000	2,503,850
Subtotal Tax Allocation Bonds					\$ 22,585,000	\$ 21,550,000	\$ 2,503,850

Capital Leases in the Motor Vehicle Internal Service Fund

American LaFrance / MBCC Fire Equipment Lease	9.5	3,046,040	08/18/2014	4.41%	410,190	0	428,279
American LaFrance / MBCC Fire Equipment Lease	9	1,263,900	07/20/2015	5.31%	334,685	171,671	180,786
Subtotal City Leases in Motor Vehicle Fund 1702					\$ 744,875	\$ 171,671	\$ 609,065

Sewer & Effluent G.O. Bonds - SRF Loans

1995 - NE Interceptor	20	4,700,000	07/01/2015	3.825%	535,322	181,831	370,619
1996 - Effluent Pipeline	20	6,814,489	07/01/2016	3.663%	1,232,325	752,772	520,341
2000 - Denitrification Plant	20	3,070,670	01/01/2020	3.71%	1,281,033	1,086,657	240,116
2001 - Effluent Pipeline	20	7,038,807	07/01/2021	3.138%	3,566,660	3,137,824	537,402
2002 - NW Interceptor	20	3,082,361	01/01/2022	3.25%	1,412,468	1,254,965	201,624
2003 - Effluent Pipeline	20	8,243,494	01/01/2024	3.05%	5,121,506	4,649,090	625,047
2005 - Vista/Prater Interceptor	20	4,091,227	01/01/2025	2.88%	2,687,805	2,476,889	286,850
2005 - Sparks Bl/Sun Valley Interceptor	20	5,160,261	07/01/2025	2.66%	3,572,546	3,303,161	362,635
2006 - Sparks Bl/Sun Valley Interceptor Ph.II	20	13,385,606	07/01/2026	3.05%	10,175,733	9,480,724	963,843
Sparks portion of SRF Water Pollution bonds, Series 2004 & 2005 issued by City of Reno for TMWRF Expansion	17	12,029,831	01/01/2024	2.76%	7,739,883	7,057,710	890,835
2010 - Sparks Bl/Sun Valley Interceptor Ph.III	20	4,772,645	07/01/2029	2.78%	4,154,087	3,936,273	331,589
x	20	2,509,299	07/01/2029	2.78%	2,184,082	2,069,562	174,339
Subtotal Sewer & Effluent G.O. Bonds - SRF Loans					\$ 43,663,450	\$ 39,387,458	\$ 5,505,240

NAME OF BOND OR LOAN	TERM (years)	Original Amount of Issue	Final Payment Date	Interest Rate	Outstanding Principal Balance 7/1/14	Outstanding Principal Balance 6/30/15	FY15 Debt Service (P&I)
Redevelopment Issued Debt							
Redevelopment Agency #1 Tax Increment Refunding Revenue Bonds, Series 2010	14	22,165,000	01/15/2023	4%-5.375%	16,345,000	14,825,000	2,290,681
Redevelopment Agency #2 Tax Increment Revenue Bonds, Series 2008	20	12,700,000	06/01/2028	6.4%-6.7%	10,965,000	10,460,000	1,229,020
Redevelopment Agency #2 Tax Increment Revenue Bonds, Series 2009	20	7,230,000	06/01/2029	5%-7.75%	6,270,000	5,995,000	741,431
Subtotal Redevelopment Issued Debt					\$ 33,580,000	\$ 31,280,000	\$ 4,261,132
TOTAL		\$ 293,533,630			\$ 223,739,370	\$ 211,815,174	\$ 24,410,604

Other Long Term Liabilities as of 6/30/13 (Business & Governmental Debt)

Sick Leave Conversion	5,010,761
Compensated Absences	10,363,135
Developer Credits	311,643
Workers Compensation (Heart/Lung/Cancer)	6,749,369
Other Post Employment Benefits (OPEB)	6,018,434
Total	\$ 28,453,342

Note: These balances are determined at end of audit each year

Affordability of Existing, Authorized and Proposed General Obligation Debt

NRS 350.013 1.(c)(1) A discussion of its ability to afford existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt;

NRS 350.013 1.(c)(6) A discussion of its sources of money projected to be available to pay existing general obligation debt, authorized future general obligation debt and proposed future general obligation debt;

Outstanding, Authorized, and Proposed General Obligation Debt

As of June 30, 2013, the City has no general obligation bonds paid from a specific property tax outstanding. The City has \$3,890,000 of general obligation medium-term debt outstanding. The City has \$47,811,282 in general obligation revenue supported debt. The City currently has authorization to issue up to \$16,268,056 of general obligation revenue supported debt through the State revolving fund for the purpose of providing infrastructure for the City's sewer system. The City may issue a portion of these bonds during fiscal year 2014, however the timing and amount have not been determined. The City reserves the privilege of issuing bonds or other securities at any time legal requirements are satisfied.

The City has \$122,661,045 of revenue debt, \$23,555,000 of special assessment debt, and \$1,292,535 of lease financing debt outstanding which is not counted against its debt limit.

The following table lists the outstanding debt and other obligations of the City.

Outstanding Debt and Other Obligations

June 30, 2013

Issue	Date Issued	Maturity Date	Original Amount	Amount Outstanding
<u>GENERAL OBLIGATION MEDIUM-TERM BONDS</u>				
Medium-Term Bonds, Series 2007A	03/29/07	03/01/17	\$7,090,000	\$3,160,000
Medium-Term Bonds, Series 2007B	03/29/07	03/01/17	1,315,000	<u>730,000</u>
		TOTAL MEDIUM-TERM BONDS		\$3,890,000
<u>GENERAL OBLIGATION REVENUE BONDS²</u>				
Sewer Bonds	09/01/95	07/01/15	4,700,000	875,670
Sewer Bonds	05/15/96	07/01/16	6,814,489	1,694,784
Sewer Bonds	10/11/99	01/01/20	3,070,670	1,468,393
Sewer Bonds	09/10/01	07/01/21	7,038,807	3,982,351
Sewer Bonds	06/27/02	01/01/22	3,082,361	1,565,030
Sewer Bonds	11/14/03	01/01/24	8,243,494	5,579,837
Sewer Bonds	04/01/05	01/01/25	4,091,227	2,892,773
Sewer Bonds	09/28/05	07/01/25	5,160,261	3,834,906
Sewer Bonds	06/28/06	07/01/26	13,385,606	10,852,434
Reno Clean Water SRF Loan	07/01/07	01/01/24	12,047,541	8,403,635
Sewer Bonds	08/27/09	07/01/29	4,772,645	4,365,981
Sewer Bonds	08/27/09	07/01/29	2,509,299	<u>2,295,488</u>
		TOTAL G.O. REVENUE DEBT		47,811,282
		TOTAL GENERAL OBLIGATION DEBT		\$51,701,282
<u>REVENUE BONDS</u>				
Consolidated Tax Revenue Bonds	11/01/07	05/01/26	\$13,635,000	\$7,275,000
Sales Tax Anticipation Bonds	07/02/08	06/15/28	83,290,000	79,155,000
Sales Tax Anticipation Bonds	07/02/08	06/15/28	36,000,000	32,716,045
Consolidated Tax Refunding Revenue Bonds	05/12/11	05/01/18	4,180,000	<u>3,515,000</u>
		TOTAL REVENUE BONDS		\$122,661,045
<u>SPECIAL ASSESSMENT BONDS</u>				
Local Improvement District #3	2009	2028	\$26,120,000	\$23,555,000

- table continues on next page -

Issue	Date Issued	Maturity Date	Original Amount	Amount Outstanding
LEASE FINANCING				
Fire Equipment Lease 2005	01/18/05	08/18/14	\$3,046,040	\$803,055
Fire Equipment Lease 2006	07/20/06	07/20/15	1,263,900	<u>489,480</u>
TOTAL LEASE FINANCING				\$1,292,535

SOURCE: The City; compiled by JNA Consulting Group, LLC

Appendix B contains individual debt service schedules for each of the outstanding bond issues.

General Obligation Bonds

The District currently has no outstanding general obligation debt outstanding which is paid by the levy of a specific property tax.

General Obligation General Fund Supported Medium-Term Bonds

The City currently has \$3,890,000 of outstanding debt secured by the General Fund and other legally available resources. While the City may pay principal and interest on the bonds from specific revenue sources, the bonds are secured by all legally available funds of the City. Debt service payments on these bonds are currently made from the Debt Service Fund. The following table details the payments on the bonds.

**Medium-Term Bonds
Outstanding Debt Service
June 30, 2013**

Fiscal Year	Outstanding Bonds		Total Debt Service
	Principal	Interest	
2014	\$915,000	\$160,657	\$1,075,657
2015	950,000	122,899	1,072,899
2016	990,000	83,725	1,073,725
2017	<u>1,035,000</u>	<u>42,853</u>	<u>1,077,853</u>
TOTAL	\$3,890,000	\$410,134	\$4,300,134

SOURCE: The City

While the revenues shown are not pledged to the outstanding bonds, the following table demonstrates the sufficiency of these revenues to pay the outstanding bonds.

**Medium-Term Bonds Debt Service Coverage
Debt Service Fund**

	2012 Audited	2013 Estimated	2014 Budgeted¹
Total Revenues	\$9,584,472	\$10,138,673	\$11,116,597
Other Financing Sources	2,129,873	2,141,451	751,668
Special Assessment Debt Service	(2,507,475)	(2,505,113)	(2,504,013)
Revenue Bonds Debt Service	<u>(7,839,375)</u>	<u>(8,549,221)</u>	<u>(9,114,636)</u>
Remaining Revenues	\$1,367,495	\$1,225,790	\$249,616
Medium-Term Debt Service	\$1,071,454	\$1,076,904	\$1,075,657
Coverage	1.28	1.14	0.23

¹ The City has a budgeted ending fund balance of \$14,492,981 in fiscal year 2014 (\$3,772,964 of which is reserved specifically for the medium-term debt service) which would be available for payment of the medium-term bonds.

SOURCE: The City

General Obligation Sewer System Revenue Secured Bonds

The City currently has \$47,811,282 of outstanding general obligation debt secured by a lien on the net pledged revenues of its sewer system. The City has authorization to issue up to \$16,268,056 of general obligation revenue supported debt through the State revolving fund for the purpose of providing infrastructure for the City's sewer system. The City may issue a portion of these bonds during fiscal year 2014, however the amount and timing have not been determined. The following table details the payments on the sewer system debt.

Sewer System Revenue Secured Bonds Outstanding Debt Service June 30, 2013

Fiscal Year	Principal	Interest	Annual Debt Service
2014	\$4,147,832	\$1,357,410	\$5,505,242
2015	4,275,992	1,229,249	5,505,241
2016	4,222,872	1,097,059	5,319,930
2017	3,903,043	971,409	4,874,452
2018	3,754,409	859,872	4,614,282
2019	3,864,422	749,859	4,614,282
2020	3,977,688	636,594	4,614,282
2021	3,851,958	522,206	4,374,165
2022	3,694,245	411,219	4,105,465
2023	3,323,788	311,351	3,635,140
2024	3,104,792	217,824	3,322,616
2025	1,977,089	142,167	2,119,257
2026	1,561,189	89,901	1,651,090
2027	938,127	49,723	987,850
2028	475,521	30,408	505,929
2029	488,808	17,121	505,929
2030	<u>249,503</u>	<u>3,462</u>	<u>252,965</u>
Total	\$47,811,280	\$8,696,834	\$56,508,114

SOURCE: The City

The following table demonstrates the debt service coverage for the bonds.

**Sewer System Revenue Secured Bonds
Debt Service Coverage**

	2012 Actual	2013 Estimated	2014 Budgeted
Sewer Fund			
Operating Revenue	\$19,851,753	\$21,611,880	\$21,949,844
Operating Expenses ¹	(11,666,849)	(14,304,695)	(14,340,965)
Connection Charges	589,860	2,085,126	1,214,036
Other Pledged Revenues	<u>760,130</u>	<u>218,000</u>	<u>218,400</u>
Total Pledged Revenues	9,534,894	9,610,311	9,041,315
Outstanding Debt Service	5,505,993	5,505,586	5,505,585
Coverage	1.73	1.75	1.64

¹ Operating expenses exclude depreciation.

SOURCE: The City; compiled by JNA Consulting Group, LLC

General Obligation Debt Limit

NRS 350.013 1.(c)(2) A discussion of its capacity to incur authorized and proposed future general obligation debt without exceeding the applicable debt limit;

The City is limited by state statutes as to the amount of general obligation debt it can have outstanding. The limit is equal to 20 percent of the City's total assessed valuation. As of June 30, 2013, the City has no general obligation debt outstanding. The city has \$47,811,282 of general obligation revenue supported debt and \$3,890,000 of general obligation medium-term debt outstanding. Based on the fiscal year 2013 assessed value, the City's available general obligation debt limit is approximately \$383,223,186.

General Obligation Debt Limit Based on Fiscal Year 2013 Assessed Value

Total Assessed Value	\$2,013,263,084
Redevelopment Agency #1 Assessed Value	78,444,485
Redevelopment Agency #2 Assessed Value	<u>82,914,769</u>
Total Assessed Value	\$2,174,622,338
General Obligation Debt Limit (20%)	434,924,468
Less: Outstanding General Obligation Debt	51,701,282
Less: Proposed General Obligation Debt	<u>0</u>
Available General Obligation Debt Limit	<u>\$383,223,186</u>

Other factors also limit the amount of debt the City can issue. These factors include, but are not limited to, voter approval, overlapping tax rates, available revenues, market conditions, and types of projects to be funded.

General Obligation Debt Comparisons

NRS 350.013 1.(c)(3) A discussion of its general obligation debt that is payable from property taxes per capita as compared with such debt of other municipalities in this state;

NRS 350.013 1.(c)(4) A discussion of its general obligation debt that is payable from property taxes as a percentage of assessed valuation of all taxable property within the boundaries of the municipality;

The following table shows a comparison of the City's outstanding debt with other comparable local governments.

General Obligation Debt Comparison June 30, 2013

District	General Obligation Debt	Population ¹	FY 2014 Assessed Value ²	GO Debt Per Capita	GO Debt as a % of Assessed Value
Henderson	\$428,452,222	270,861	\$8,255,600,100	1,581.82	5.19%
Las Vegas	254,590,000	589,156	11,926,888,555	432.13	2.13%
North Las Vegas	458,042,700	222,009	3,987,869,401	2,063.17	11.49%
Reno	120,187,319	229,859	5,936,927,777	522.87	2.02%
Sparks	51,701,282	90,214	2,013,263,084	<u>573.10</u>	<u>2.57%</u>
			Average:	\$1,034.62	4.68%

¹ 2012 population estimates from the cities' 2014 budgets or the State of Nevada Demographer's website.

² Excludes redevelopment agencies; includes net proceeds of minerals.

SOURCE: Nevada Department of Taxation, *Fiscal Year 2012-2013 Property Tax Rates for Nevada Local Governments*, and the cities' 2014 budgets; compiled by JNA Consulting Group, LLC

Method of Sale

NRS 350.013 1.(c)(5) Policy regarding the manner in which the municipality expects to sell its debt;

Bonds can generally be sold at a competitive sale, negotiated sale or be privately placed.

Competitive Sale - Offering documents are sent to any firm interested in purchasing the bonds. A day and time are chosen for the sale and bonds are generally awarded to the firm offering the lowest true interest cost on the bonds (the "TIC"). The TIC is the discount rate which results in a present value of the future debt service payments equal to amount bid for the bonds.

Negotiated Sale - One firm, or group of firms, is chosen in advance to offer the bonds for sale. At the time of sale, interest rates and other terms of the bonds are negotiated with the underwriter.

Private Placement - A purchaser, usually an individual or bank, is identified and the bonds are placed directly. Interest rates and other terms of the bonds are negotiated with the purchaser.

NRS 350 generally requires bonds issued by the City to be sold at competitive sale. For most City general obligation bonds a competitive sale will usually result in the lowest TIC on the bonds. There are certain circumstances under which the City would consider a negotiated sale or private placements. Such circumstances include, but are not limited to:

- 1) Bonds issued with a variable rate of interest
- 2) Bonds rated below A- or not rated
- 3) Very small or very large bond issues
- 4) Unstable or highly volatile markets
- 5) Bonds with unusual security or structure

The City will follow the requirements of NRS 350.155 in choosing a method of sale for its bonds. If the City determines that a negotiated sale is warranted for a general obligation bond or a bond secured by an excise tax, it will distribute a request for proposal to underwriting firms. The selection of an underwriter(s) will be based on a determination of the firm that demonstrates its ability to obtain the overall best interest rate for City. Consideration in making this determination will be given to the firm's experience with similar financings, proposed compensation structure and marketing plan.

Operational Costs of Future Capital Projects

NRS 350.013 1.(c)(7) A discussion of its operational costs and revenue sources, for the ensuing 5 fiscal years, associated with each project included in its plan for capital improvement submitted pursuant to paragraph (d), if those costs and revenues are expected to affect the property tax rate.

The City has prepared a Capital Improvement Plan which will be sent under separate cover. Some projects will have an impact on the City's general fund, which is funded in part by the levy of property taxes. The City anticipates that any financial impact on the general fund will be provided for within the maximum rate calculated by the Department of Taxation and that no tax overrides for operational costs will be required.

Capital Improvement Plan

NRS 350.013 1.(d) Either:

(1) Its plan for capital improvement for the ensuing 5 fiscal years, which must include any contemplated issuance of general obligation debt during this period and the sources of money projected to be available to pay the debt; or

(2) A statement indicating that no changes are contemplated in its plan for capital improvement for the ensuing 5 fiscal years.

A detailed capital plan is submitted under separate cover.

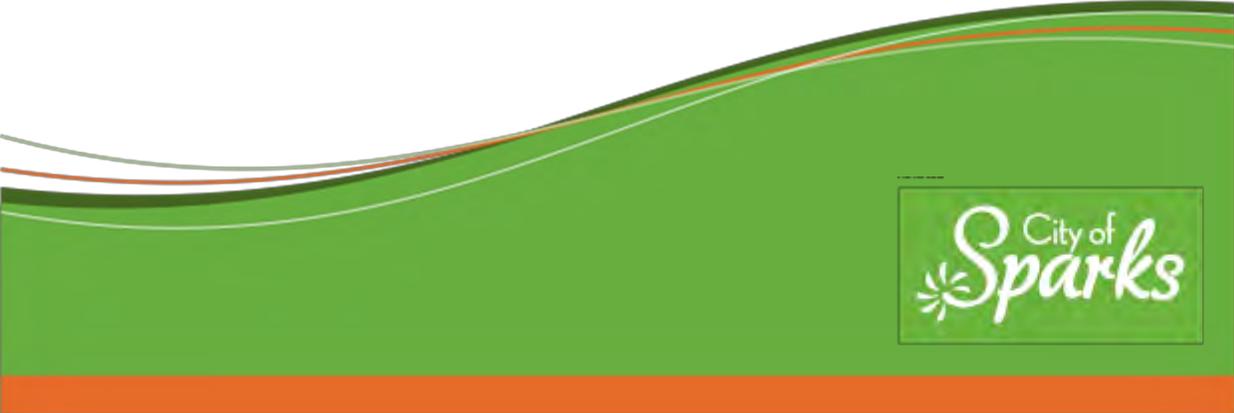
Chief Financial Officer of the City

NRS 350.013 1.(e) A statement containing the name, title, mailing address and telephone number of the chief financial officer of the municipality.

The chief financial officer of the City is:

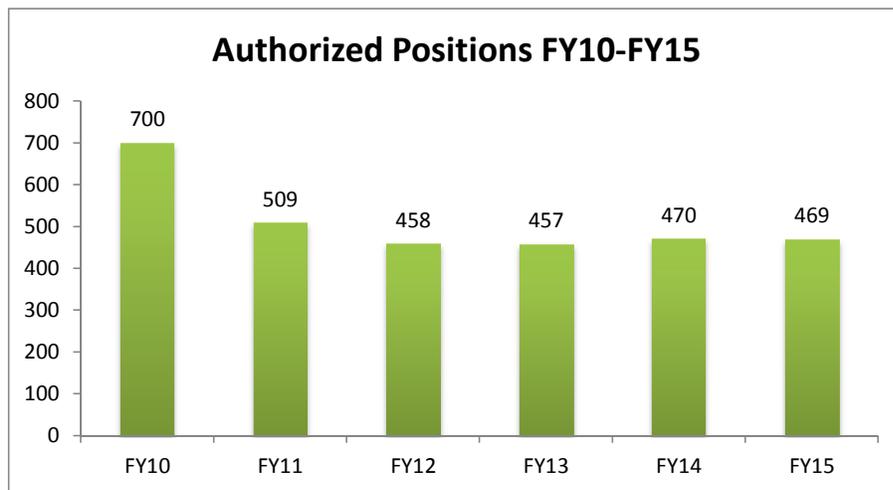
Jeff Cronk
Finance Director
City of Sparks
431 Prater Way
Sparks, Nevada 89734-0857
775-353-2301
775-353-2489 fax

BUDGETED EMPLOYEE COMPLEMENT



AUTHORIZED POSITIONS (excludes temporary FTE's)

Departments	FY10	FY11	FY12	FY13	FY14	FY15
Mayor and City Council	6	6	6	6	6	6
Management Services	0	0	21	20	21	19
City Attorney	14	12	10	10	10	10
Community Services	0	0	134	135	146	150
Financial Services	27	20	21	21	20	21
Fire	117	94	92	91	91	89
Municipal Court	19	17	15	15	15	14
Parks & Recreation	45	33	10	10	10	9
Police	169	155	149	149	151	151
Administrative Service	33	19	0	0	0	0
City Manager	11	6	0	0	0	0
Community Development	84	20	0	0	0	0
Public Works	175	127	0	0	0	0
TOTAL	700	509	458	457	470	469



Sparks Sustainable Services Initiative produced the following structural changes to Departments for FY12:

1. Administrative Services, City Manager and City Clerk combined to form a new department called Management Services.
2. Public Works and Community Development and Parks Maintenance (formerly a division of Parks & Rec Dept.) combined to form a new department called Community Services.
3. Information Technology moved from the old Administrative Services to Financial Services Department.
4. The Revenue Division (formerly in Finance Dept.) is being reorganized into a new Customer Service Division within Management Services to consolidate and enhance the customer service function of the City.

City of Sparks
FY15 Budgeted Employee Complement

All positions filled, vacant, temporary and newly added via FY15 New Needs

	General Fund	Parks & Recreation Fund	Sewer Enterprise Fund	Development Services Enterprise Fund	Road Fund	Parks & Rec Project Fund	Motor Vehicle Fund	TMWRF Fund	Other Funds	Total
Base Salaries & Wages										
Base Salaries & Wages	22,593,436	1,900,095	2,682,223	919,788	1,017,208	209,450	509,808	3,381,096	114,898	33,328,002
Special Pays *	1,102,160	0	1,347	19,212	0	0	284	119,992	0	1,242,995
Longevity	917,826	27,798	99,624	27,458	41,105	9,204	17,227	94,447	4,920	1,239,609
Overtime/Premium Pays**	3,652,481	197,318	100,218	17,886	47,331	18,554	14,523	543,393	1,011	4,592,715
Total Salaries & Wages	28,265,903	2,125,211	2,883,412	984,344	1,105,644	237,208	541,842	4,138,928	120,829	40,403,321
Benefits										
Retirement	9,097,336	214,875	736,820	243,518	278,779	60,539	136,412	965,431	30,856	11,764,566
Health Insurance***	5,965,242	219,890	679,161	210,569	267,241	43,262	129,316	822,127	22,405	8,359,213
Workers Comp	197,367	5,483	26,114	7,561	8,722	1,857	4,933	31,629	1,012	284,678
Medicare	410,888	9,072	41,066	13,968	13,444	3,448	7,868	56,120	1,752	557,626
Cell, Uniform & Car Allowance	364,657	10,593	16,646	7,067	10,811	1,054	2,581	17,813	723	431,945
Deferred Compensation Match	209,025	8,750	5,075	700	1,050	263	438	0	0	225,301
Other Benefits	28,838	0	1,000	0	0	0	0	4,000	0	33,838
Total Benefits	16,273,353	468,663	1,505,882	483,383	580,047	110,423	281,548	1,897,120	56,748	21,657,167
Total Salaries, Wages & Benefits	44,539,256	2,593,874	4,389,294	1,467,727	1,685,691	347,631	823,390	6,036,048	177,577	62,060,488
FTE's (filled)	314.3	9.0	40.3	9.5	14.3	3.0	8.1	49.0	1.5	449.0
FTE's (funded vacancies)	7.2		1.8	1.0				3.0		13.0
Temporary FTE's****	1.5	103.5	0.5							105.5
FY15 New Needs	3.0		2.0	2.0						7.0
Total FTE's in FY15 Budget	326.0	112.5	44.6	12.5	14.3	3.0	8.1	52.0	1.5	574.5

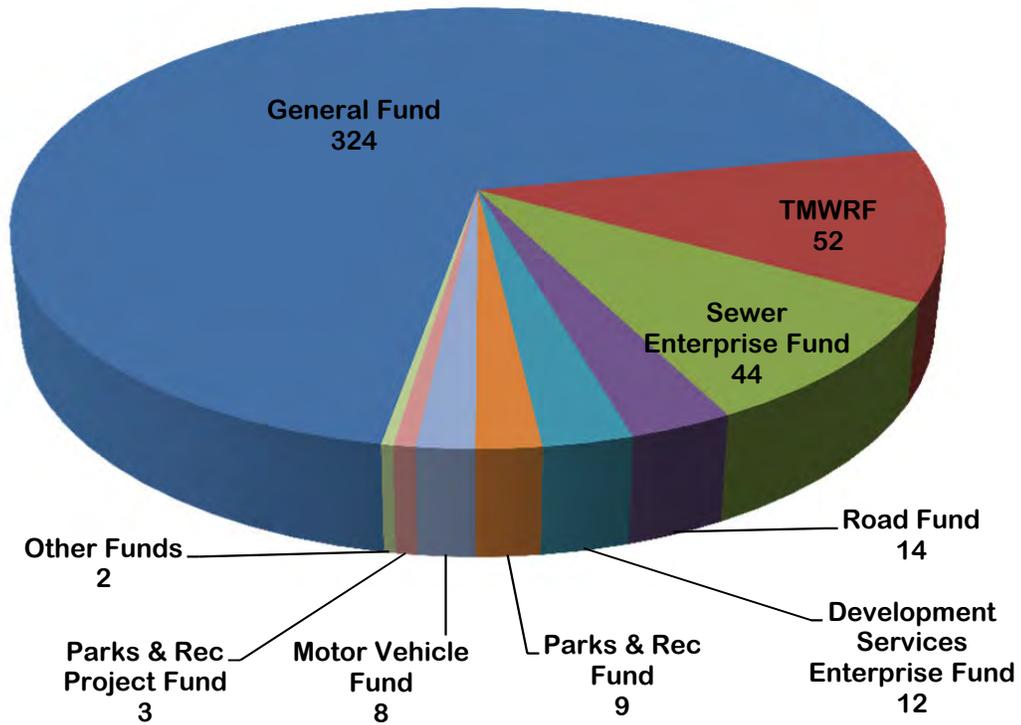
* **Special Pays** include Biligual, Enducaiton Incentive, and Special Assignment

** **Overtime/Premium Pays** includes Overtime, Callback, Worked Holiday, Standby, Night Differential and comp bank cashouts.

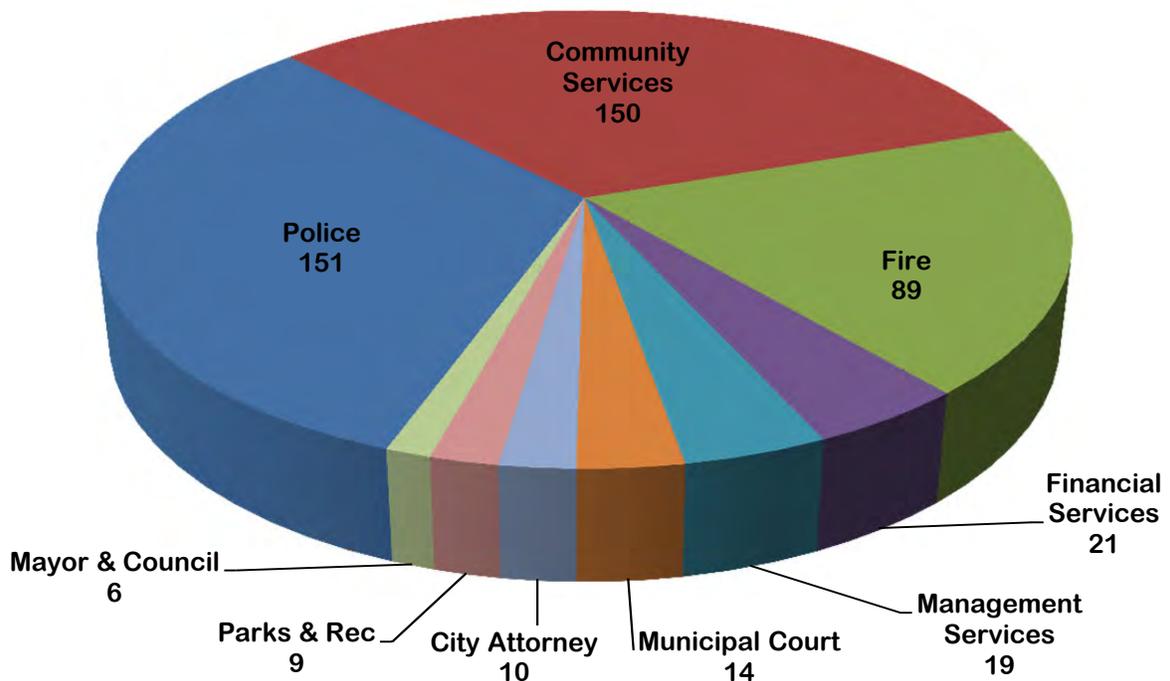
*** **Health insurance** costs include Health Insurance Fund contributions & premiums, Sick Leave Conversion and NV PEB Subsidy

**** **Temporary FTE's** count all temporary employees as 1/2 FTE

City of Sparks FY15 Budgeted FTE Counts by *Fund*
(excluding temporary employees)



City of Sparks FY15 Budgeted FTE Counts by *Department*
(excluding temporary employees)



Mayor & City Council - FY15 Budgeted Employee Complement

FY15 Budgeted Salaries & Benefits

	General Fund
Salaries & Wages	303,542
Overtime/Premium Pays*	0
Benefits	192,623
Total Salaries & Benefits	496,165
FTE's (filled)	6.0
FTE's (funded vacancies)	
Temporary FTE's**	
FY15 New Needs	
Total FTE's in FY15 Budget	6.0

* **Overtime/Premium Pays** includes Overtime, Callback, Worked Holiday, Standby, Night Differential and comp bank cashouts

** **Temporary FTE's** count all temporary employees as 1/2 FTE

All positions filled, vacant, temporary & newly added via FY15 New Needs

Position Title	Filled	Vacant	Temporary FTE's	FY15 New Needs	Total
Mayor	1				1
City Council - Ward 1	1				1
City Council - Ward 2	1				1
City Council - Ward 3	1				1
City Council - Ward 4	1				1
City Council - Ward 5	1				1
TOTAL	6	0	0	0	6

Management Services Department - FY15 Budgeted Employee Complement

FY15 Budgeted Salaries & Benefits

	General Fund	Sewer Enterprise Fund	Total
Salaries & Wages	1,522,845	104,985	1,627,830
Overtime/Premium Pays*	9,631	234	9,865
Benefits	1,692,171	60,678	1,752,849
Total Salaries & Benefits	3,224,647	165,897	3,390,544
FTE's (filled)	16.2	1.8	18.0
FTE's (funded vacancies)	0.2	0.8	1.0
Temporary FTE's**			0.0
FY15 New Needs			0.0
Total FTE's in FY15 Budget	16.4	2.6	19.0

* Overtime/Premium Pays includes Overtime, Callback, Worked Holiday, Standby, Night Differential and comp bank cashouts

**Temporary FTE's count all temporary employees as 1/2 FTE

All positions filled, vacant, temporary & newly added via FY15 New Needs

Position Title	Filled	Vacant	Temporary FTE's	FY15 New Needs	Total
Admin Analyst Sr	1				1
Administrative Assistant/CF	1				1
Administrative Secretary/CF	1				1
Assistant City Clerk/Records Coordinator	1				1
Assistant City Mgr	1				1
City Clerk	1				1
City Manager	1				1
Community Relations Mgr	1				1
Contracts & Risk Mgr	1				1
Customer Service Specialist I	1				1
Customer Service Specialist II	2	1			3
Employee & Customer Relations Mgr	1				1
Human Resources Analyst I	1				1
Human Resources Analyst Sr	2				2
Human Resources Tech II	1				1
Records Technician	1				1
TOTAL	18	1	0.0	0	19.0

City Attorney - FY15 Budgeted Employee Complement

FY15 Budgeted Salaries & Benefits

	General Fund
Salaries & Wages	932,424
Overtime/Premium Pays*	200
Benefits	463,450
Total Salaries & Benefits	1,396,074
FTE's (filled)	10.0
FTE's (funded vacancies)	
Temporary FTE's**	
FY15 New Needs	
Total FTE's in FY15 Budget	10.0

* Overtime/Premium Pays includes Overtime, Callback, Worked Holiday, Standby, Night Differential and comp bank cashouts

** Temporary FTE's count all temporary employees as 1/2 FTE

All positions filled, vacant, temporary & newly added via FY15 New Needs

Position Title	Filled	Vacant	Temporary FTE's	FY15 New Needs	Total
Administrative Assistant/CF	1				1
Assistant City Attorney Sr	3				3
Chief Assistant City Attorney	1				1
City Attorney	1				1
Legal Secretary I - Civil	1				1
Legal Secretary II - Criminal	1				1
Legal Secretary Sr	1				1
Victim Advocate	1				1
TOTAL	10	0	0.0	0	10.0

Municipal Court - FY15 Budgeted Employee Complement

FY15 Budgeted Salaries & Benefits

	General Fund
Salaries & Wages	1,084,242
Overtime/Premium Pays*	0
Benefits	628,822
Total Salaries & Benefits	1,713,064
FTE's (filled)	14.0
FTE's (funded vacancies)	
Temporary FTE's**	0.5
FY15 New Needs	
Total FTE's in FY15 Budget	14.5

* Overtime/Premium Pays includes Overtime, Callback, Worked Holiday, Standby, Night Differential and comp bank cashouts

**Temporary FTE's count all temporary employees as 1/2 FTE

All positions filled, vacant, temporary & newly added via FY15 New Needs

Position Title	Filled	Vacant	Temporary FTE's	FY15 New Needs	Total
Admin Asst to the Judges	1				1
Marshal	5				5
Muni Court Clerk I	2				2
Muni Court Clerk II	2				2
Muni Court Clerk/Int II	1		0.5		2
Municipal Court Administrator	1				1
Municipal Court Judge	2				2
TOTAL	14	0	0.5	0	14.5

Financial Services Department - FY15 Budgeted Employee Complement

FY15 Budgeted Salaries & Benefits

	General Fund	Sewer Enterprise Fund	Total
Salaries & Wages	1,445,767	146,565	1,592,332
Overtime/Premium Pays*	6,994	0	6,994
Benefits	656,899	62,029	718,928
Total Salaries & Benefits	2,109,660	208,594	2,318,254
FTE's (filled)	16.9	2.1	19.0
FTE's (funded vacancies)			0.0
Temporary FTE's**			0.0
FY15 New Needs	2.0		2.0
Total FTE's in FY15 Budget	18.9	2.1	21.0

* **Overtime/Premium Pays** includes Overtime, Callback, Worked Holiday, Standby, Night Differential and comp bank cashouts

** **Temporary FTE's** count all temporary employees as 1/2 FTE

All positions filled, vacant, temporary & newly added via FY15 New Needs

Position Title	Filled	Vacant	Temporary FTE's	FY15 New Needs	Total
Accountant II	4				4
Accountant Sr	1				1
Accounting Mgr	1				1
Accounting Specialist II	3				3
Admin Analyst Sr	1				1
Budget Administrator	1				1
Finance Services Director	1				1
IT Operations Administrator	1				1
IT Support Specialist II	2				2
IT Systems Administrator	1				1
IT Technician				1	1
Network Administrator	1				1
Payroll Technician	1				1
Systems Analyst				1	1
Systems Analyst Senior	1				1
TOTAL	19	0	0.0	2	21.0

Police Department - FY15 Budgeted Employee Complement

FY15 Budgeted Salaries & Benefits

	General Fund
Salaries & Wages	10,484,372
Overtime/Premium Pays*	2,525,091
Benefits	7,300,921
Total Salaries & Benefits	20,310,384
FTE's (filled)	145.0
FTE's (funded vacancies)	6.0
Temporary FTE's**	1.0
FY15 New Needs	
Total FTE's in FY15 Budget	152.0

* Overtime/Premium Pays includes Overtime, Callback, Worked Holiday, Standby, Night Differential and comp bank cashouts

**Temporary FTE's count all temporary employees as 1/2 FTE

All positions filled, vacant, temporary & newly added via FY15 New Needs

Position Title	Filled	Vacant	Temporary FTE's	FY15 New Needs	Total
Admin Division Mgr	1				1
Administrative Assistant	1				1
Administrative Secretary	2				2
Crime Analyst/Statistician	1				1
Deputy Police Chief	2				2
Detective	23				23
Emergency Com Supervisor	3				3
Emergency Communication Dispatcher	11	1			12
IT Support Specialist II	1		0.5		2
Police Assistant II	4	1			5
Police Chief	1				1
Police Lieutenant	5				5
Police Office Asst I	1				1
Police Office Asst II	8				8
Police Officer	60	4		3	67
Police Records Supervisor	3				3
Police Sergeant	10				10
Property Evidence Tech I	1		0.5		2
Property Evidence Tech II	1				1
Sergeant Detective	3				3
Systems Analyst Senior	1				1
Terminal Agency Coord	1				1
Victim Advocate	1				1
TOTAL	145	6	1	3	155

Fire Department - FY15 Budgeted Employee Complement

FY15 Budgeted Salaries & Benefits

	General Fund	Development Services Enterprise Fund	Total
Salaries & Wages	7,497,464	78,448	7,575,912
Overtime/Premium Pays*	1,090,891	1,092	1,091,983
Benefits	4,597,137	35,799	4,632,936
Total Salaries & Benefits	13,185,492	115,339	13,300,831
FTE's (filled)	87.0	1.0	88.0
FTE's (funded vacancies)	1.0		1.0
Temporary FTE's**			0.0
FY15 New Needs			0.0
Total FTE's in FY15 Budget	88.0	1.0	89.0

* **Overtime/Premium Pays** includes Overtime, Callback, Worked Holiday, Standby, Night Differential and comp bank cashouts

** **Temporary FTE's** count all temporary employees as 1/2 FTE

All positions filled, vacant, temporary & newly added via FY15 New Needs

Position Title	Filled	Vacant	Temporary FTE's	FY15 New Needs	Total
Administrative Assistant	1				1
Assistant Fire Marshal	1				1
Fire Apparatus Operator	20	1			21
Fire Battalion Chief	5				5
Fire Captain	23				23
Fire Chief	1				1
Fire Marshal	1				1
Fire Prev Inspector II	4				4
Firefighter	30				30
IT Support Specialist II	1				1
Office Specialist	1				1
TOTAL	88	1	0.0	0	89.0

Community Services Department - FY15 Budgeted Employee Complement

FY15 Budgeted Salaries & Benefits

	General Fund	Sewer Enterprise Fund	Development Services Enterprise Fund	Road Fund	Parks & Rec Project Fund	Motor Vehicle Fund	TMWRF	Other Funds	Total
Salaries & Wages	1,342,766	2,531,644	888,010	1,058,313	218,654	527,319	3,595,535	119,818	10,282,059
Overtime/Premium Pays*	19,674	99,984	16,794	47,331	18,554	14,523	543,393	1,011	761,264
Benefits	741,329	1,383,174	447,583	580,047	110,423	281,548	1,897,121	56,748	5,497,973
Total Salaries & Benefits	2,103,769	4,014,802	1,352,387	1,685,691	347,631	823,390	6,036,049	177,577	16,541,296
FTE's (filled)	19.2	36.4	8.5	14.3	3.0	8.1	49.0	1.5	140.0
FTE's (funded vacancies)		1.0	1.0				3.0		5.0
Temporary FTE's**		0.5							0.5
FY15 New Needs	1.0	2.0	2.0						5.0
Total FTE's in FY15 Budget	20.2	39.9	11.5	14.3	3.0	8.1	52.0	1.5	150.5

* Overtime/Premium Pays includes Overtime, Callback, Worked Holiday, Standby, Night Differential and comp bank cashouts

**Temporary FTE's count all temporary employees as 1/2 FTE

Community Services Department - All positions filled, vacant, temporary & newly added via FY15 New Needs

Position Title	Filled	Vacant	Temporary FTE's	FY15 New Needs	Total
Admin Analyst Sr	1				1
Administrative Assistant	1				1
Administrative Secretary	2	1			3
Asst Community Svcs Dir & City Engineer	1				1
Building Inspector II	1			2	3
Building Inspector Sr	1				1
Building Official	1				1
Capital Projects Coord I	1				1

Community Services Department - All positions filled, vacant, temporary & newly added via FY15 New Needs

Position Title	Filled	Vacant	Temporary FTE's	FY15 New Needs	Total
Capital Projects Mgr	1				1
Chemist I	1				1
Chemist II	4				4
City Planner	1				1
Civil Engineer Sr	3			1	4
Code Enforcement Officer II	2				2
Code Enforcement Officer Senior				1	1
Crew Supervisor	14				14
Deputy City Mgr for Community Services	1				1
Electrician I	1				1
Electrician III	1				1
Envir Control Officer II	3				3
Envir Control Supervisor	1				1
Equipment Mechanic II	4				4
Equipment Parts Technician	1				1
Equipment Service Worker	1				1
Fleet & Facilities Mgr	1				1
Geographic Technology Intern			0.5		1
Geographic Technology Specialist				1	1
Housing Specialist	1				1
Infrastructure Coordinator I	1				1
Laboratory Manager	1				1
Laboratory Quality Assurance Officer	1				1
Maintenance & Ops Mgr	1				1
Maintenance Worker II	27	1			28
Maintenance Worker III	9				9
Maintenance Worker IV	5				5

Community Services Department - All positions filled, vacant, temporary & newly added via FY15 New Needs

Position Title	Filled	Vacant	Temporary FTE's	FY15 New Needs	Total
Mechanic Lead	1				1
Office Specialist	1				1
Planner Sr	3				3
Plans Examiner Sr	1				1
Public Works Insp I	1				1
Public Works Insp II	1				1
Safety Coordinator	1				1
Systems Analyst I	1				1
TMWRF Maintenance Mgr	1				1
TMWRF Operations Mgr	1				1
Transportation Mgr	1				1
Transportation Svcs Coord I	1				1
Treatment Plant Mechanic I	3				3
Treatment Plant Mgr	1				1
Treatment Plant Process Engineer	1				1
Trtmt Plant E&I Tech I	1				1
Trtmt Plant E&I Tech II	2				2
Trtmt Plant Mechanic II	4				4
Utility Mgr	1				1
Wastewater Plant Operator I	6				6
Wastewater Plant Operator II	9				9
Wastewater Plant Operator III	1	2			3
WW Systems Analyst	2	1			3
TOTAL	140	5	0.5	5	150.5

Parks & Recreation Department - FY15 Budgeted Employee Complement

FY15 Budgeted Salaries & Benefits

	Parks & Rec Fund
Salaries & Wages	1,927,893
Overtime/Premium Pays*	197,318
Benefits	468,663
Total Salaries & Benefits	2,593,874
FTE's (filled)	9.0
FTE's (funded vacancies)	
Temporary FTE's**	103.5
FY15 New Needs	
Total FTE's in FY15 Budget	112.5

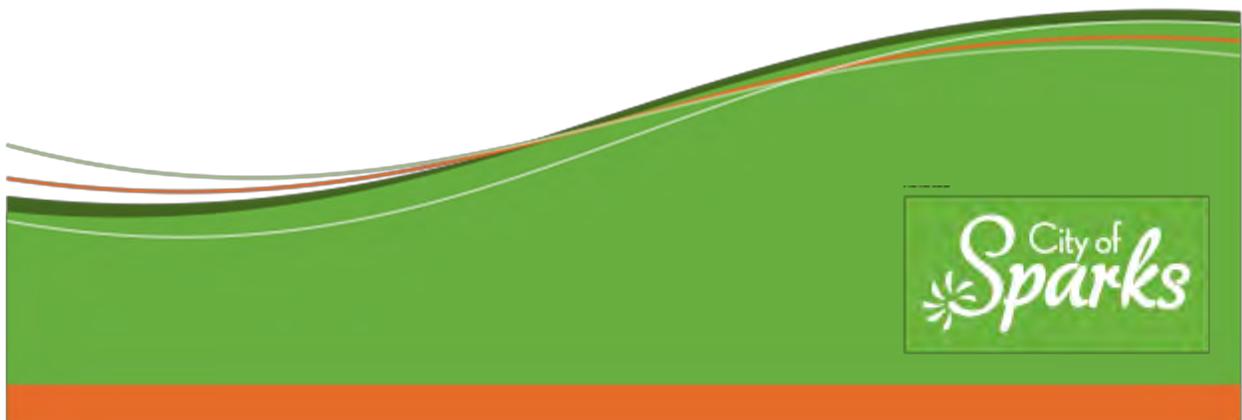
* Overtime/Premium Pays includes Overtime, Callback, Worked Holiday, Standby, Night Differential and comp bank cashouts

** Temporary FTE's count all temporary employees as 1/2 FTE

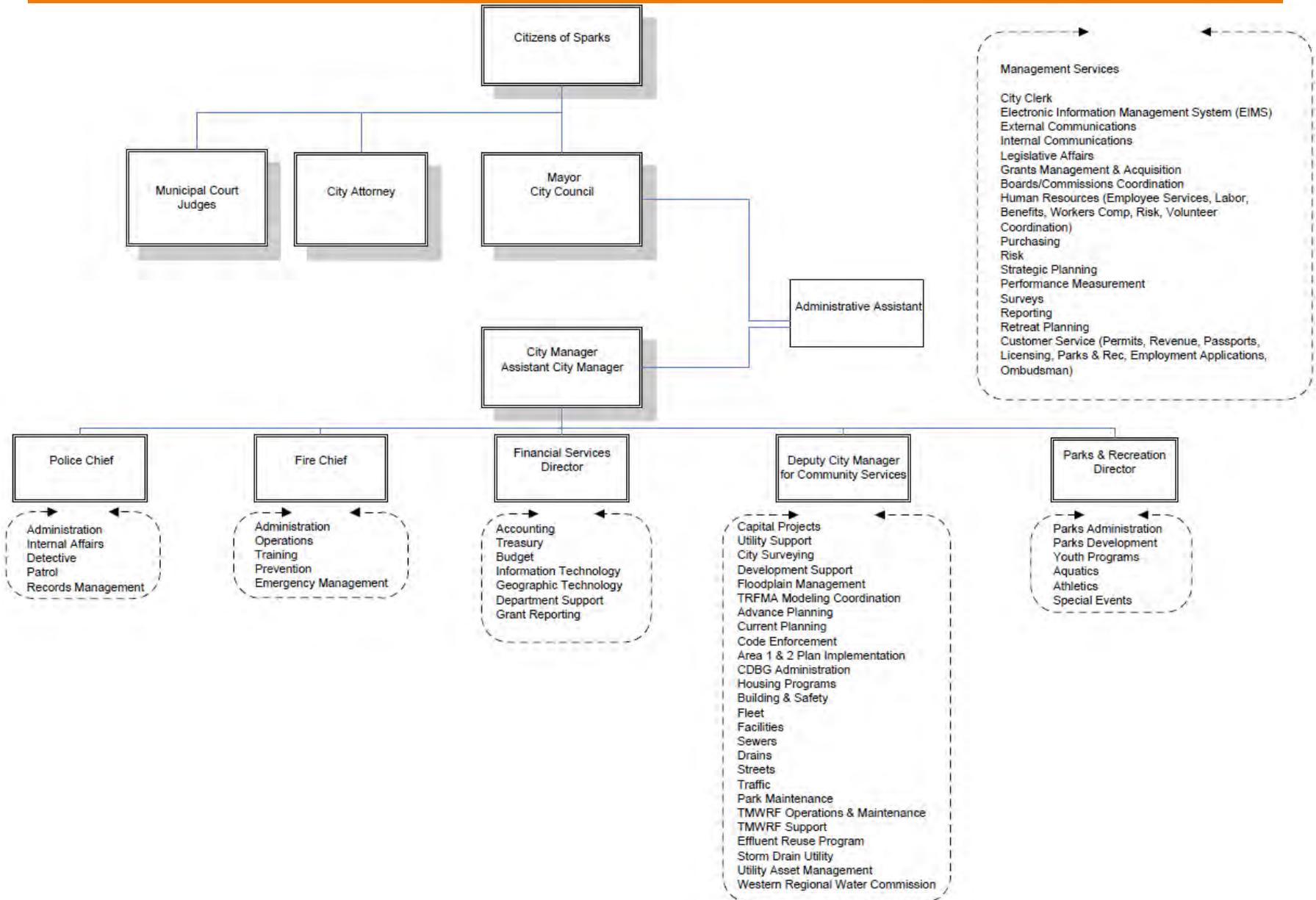
All positions filled, vacant, temporary & newly added via FY15 New Needs

Position Title	Filled	Vacant	Temporary FTE's	FY15 New Needs	Total
Administrative Secretary	1				1
Parks & Rec Director	1				1
Parks Dev & Ops Mgr	1				1
Recreation Specialist	2				2
Recreation Supervisor	3				3
Special Events Supervisor	1				1
Temporary Employees			103.5		104
TOTAL	9	0	103.5	0	112.5

DEPARTMENT REVIEW



City of Sparks Organizational Chart



DEPARTMENT/FUND RELATIONSHIP

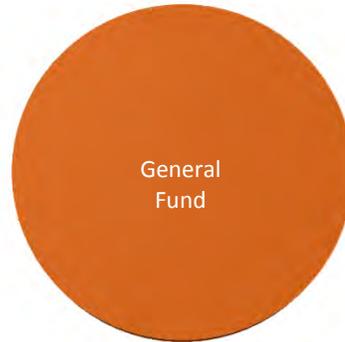
MAYOR

FY15 Budget: \$111k



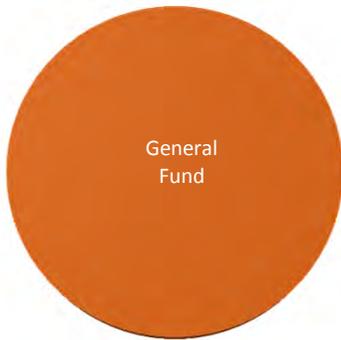
LEGISLATIVE

FY15 Budget: \$404k



LEGAL

FY15 Budget: \$1.5M



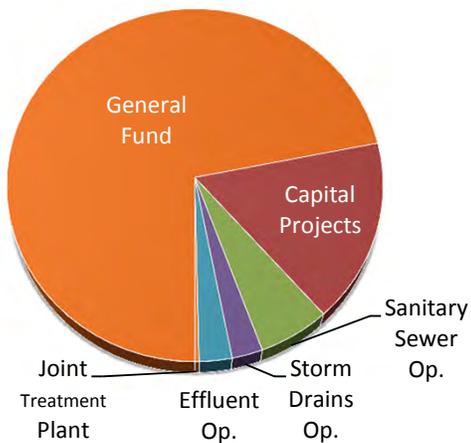
PARKS & RECREATION FUND

FY15 Budget: \$3.6M



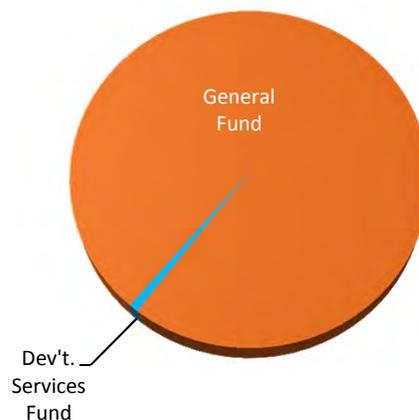
FINANCIAL SERVICES

FY15 Budget: \$3.7M



FIRE DEPARTMENT

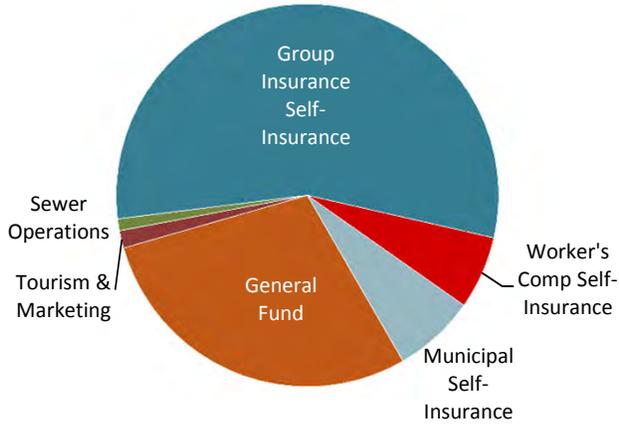
FY15 Budget: \$15.2M



DEPARTMENT/FUND RELATIONSHIP

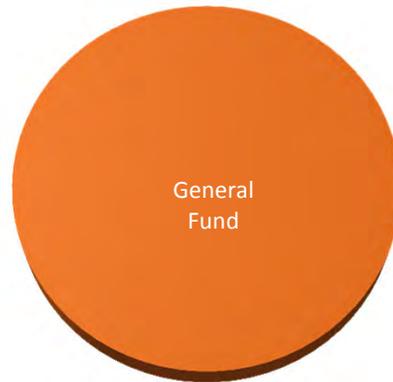
MANAGEMENT SERVICES

FY15 Budget: \$16.6M



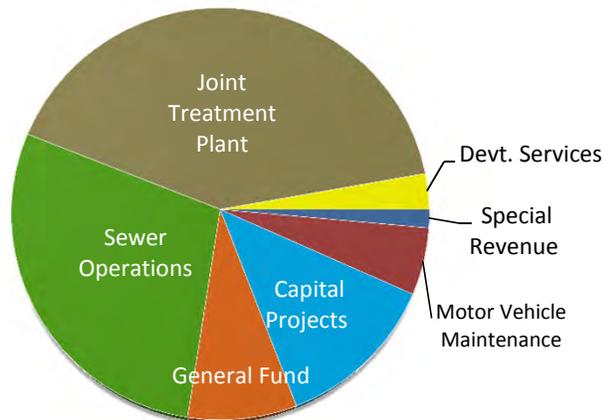
POLICE DEPARTMENT

FY15 Budget: \$22.6M



COMMUNITY SERVICES

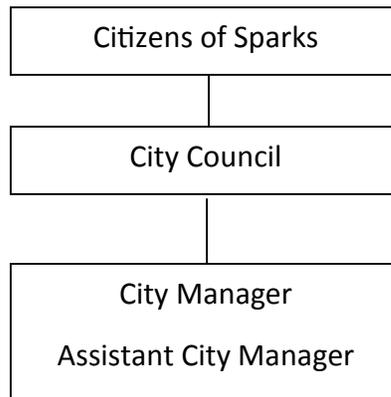
FY15 BUDGET: \$73.8M



Legislative

Five elected City Council members serve as the legislative branch of the City of Sparks, and also act as the Redevelopment Agency of the City. All legislative powers of the City as outlined in the Municipal Charter, Nevada Revised Statutes, and State Constitution are vested in the City Council. These responsibilities include: enacting, amending, and repealing laws, ordinances, and policies affecting the operations and services of the City government, including the health, safety and general welfare of the residents of and visitors to the City; administering City government through the City Manager; providing public leadership for positive promotion of government services; identifying community needs and desires; representing diverse public interests; adopting the annual budget; and providing oversight of the financial affairs of the City. City Council members also represent the City by serving on various regional boards and commissions, as well as make representative appointments to such boards.

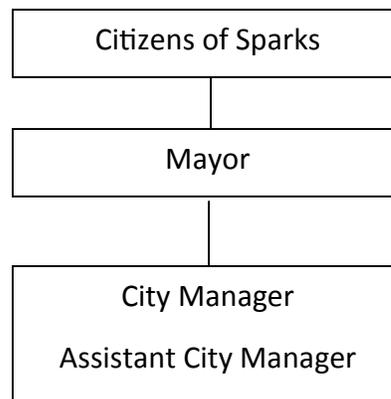
DEPARTMENT ORGANIZATIONAL CHART



Mayor

The Mayor serves as a member of the executive branch of the government. The Mayor, along with the City Attorney and City Manager, is separately elected at-large in the City and serves as the chairman of the City Council and as a voting member of the Redevelopment Agency. The Mayor presides over the meetings of the City Council and acts as the head of government of the City. He performs any necessary emergency duties to protect the general health, welfare and safety of the City, and any other duties prescribed by law. The Mayor has veto power which may be overturned by a 4/5 vote of the Council.

DEPARTMENT ORGANIZATIONAL CHART



Management Services

The City Manager is the Chief Executive Officer for all City operations. The City Manager's Office is responsible for the following functions: City Council Services, City Management, Redevelopment Management, City Clerk, Community Relations, Employee and Customer Relations, Contracts and Risk Management, and Organizational Efficiency and Reporting.

The City Manager's Office serves the citizens and visitors of Sparks through the following Management Services Core Services:

City Council Services: Proclamations, correspondence, agenda review, and implementation of all Council policy.

City Management: Evaluation and strategic assessment of department organization and operational efficiencies, service effectiveness to ensure fiscal responsibility and performance measurement.

Redevelopment Management: Oversight and direction of all Redevelopment activities.

Special Projects: Development, resource allocation, milestone management, and reporting on City-wide projects as defined by the City Manager and Council.

City Clerk: Prepare and provide all public notifications, agendas for City Council meetings, and City Council/Joint Meetings and Redevelopment Agency meetings; Perform tracking of all Council actions and records and retention management of all records in the City Clerk's custody; Take and transcribe minutes for City Council meetings, City Council/Joint meetings and Redevelopment Agency meetings; Codify City ordinances; Process Community Service applications for boards and commissions; and conduct the City's Municipal Elections.

Community Relations: Proclamations, correspondence, agenda review, and implementation of all Council policy.

- **Public Information:** Development and production of public information materials
- **Legislative Relations:** Representation to federal, state, regional and inter-local agencies and coordination of legislative analysis and relations with the Mayor, City Council, Department Managers, and contract lobbyists or strategists

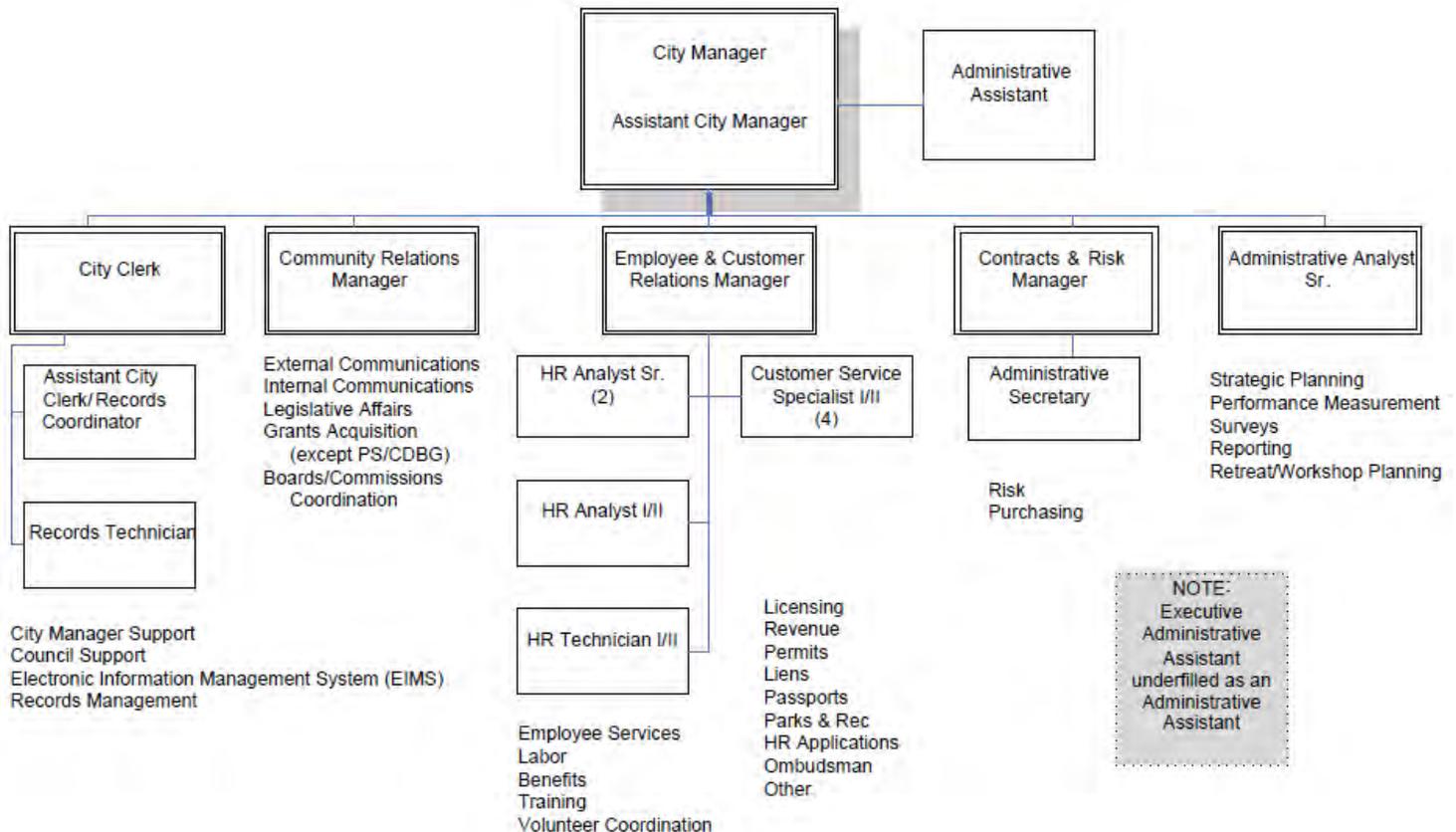
Employee & Customer Relations

- **Human Resources:** Administration of recruitment, employee services, promotional support, labor relations, benefits and worker’s compensation programs, and grievance resolution; Job responsibility and compensation analysis; Conduct external and internal supervisory and skill set training; and Volunteer coordination.
- **City-wide Customer Services:** Billing, payments processing, collections, and lien filing, where applicable; Business licensing processing; U.S. Passport Services Agent; City program registration; and Providing central city reception services.

Contracts and Risk Management: Centralized purchasing and contract administration; Oversight of all franchise agreements; Risk analysis and assessment; Coordination of city safety planning and programming; and City asset liability coverage.

Organizational Efficiency and Reporting: Strategic planning, performance measurement data collection and reporting; Retreat coordination and support; City-wide reporting; Citizen and employee surveys; Federal and State grants application, acquisition, administration, and reporting.

DEPARTMENT ORGANIZATIONAL CHART



City Attorney

The City Attorney is an elected official charged with the responsibility of representing the City of Sparks as its attorney. The City Attorney is responsible for the following functions: Civil, Criminal and Victim Advocate Divisions.

The City Attorney's Office serves the citizens of Sparks through the following key service areas:

City Attorney's Office

- Represent the City on a daily basis
- Prosecute misdemeanor cases
- Represent the City in civil litigation
- Perform transactional and administrative functions

Civil Division

- Represent the City in Federal and State Court litigation
- Advise the City Council, its committees or any city officer upon legal questions arising in the conduct of City business
- Review claims or potential claims against the City
- Draft contracts and agreements
- Draft legislation
- Attend all regular, special, and emergency meetings of the City Council, Planning Commission, Parks and Recreation Commission, and Civil Service Commission
- Review contracts, agreements, memoranda of agreement, interlocal agreements, and land transaction documents
- Advise City departments on legal questions arising in the conduct of City business

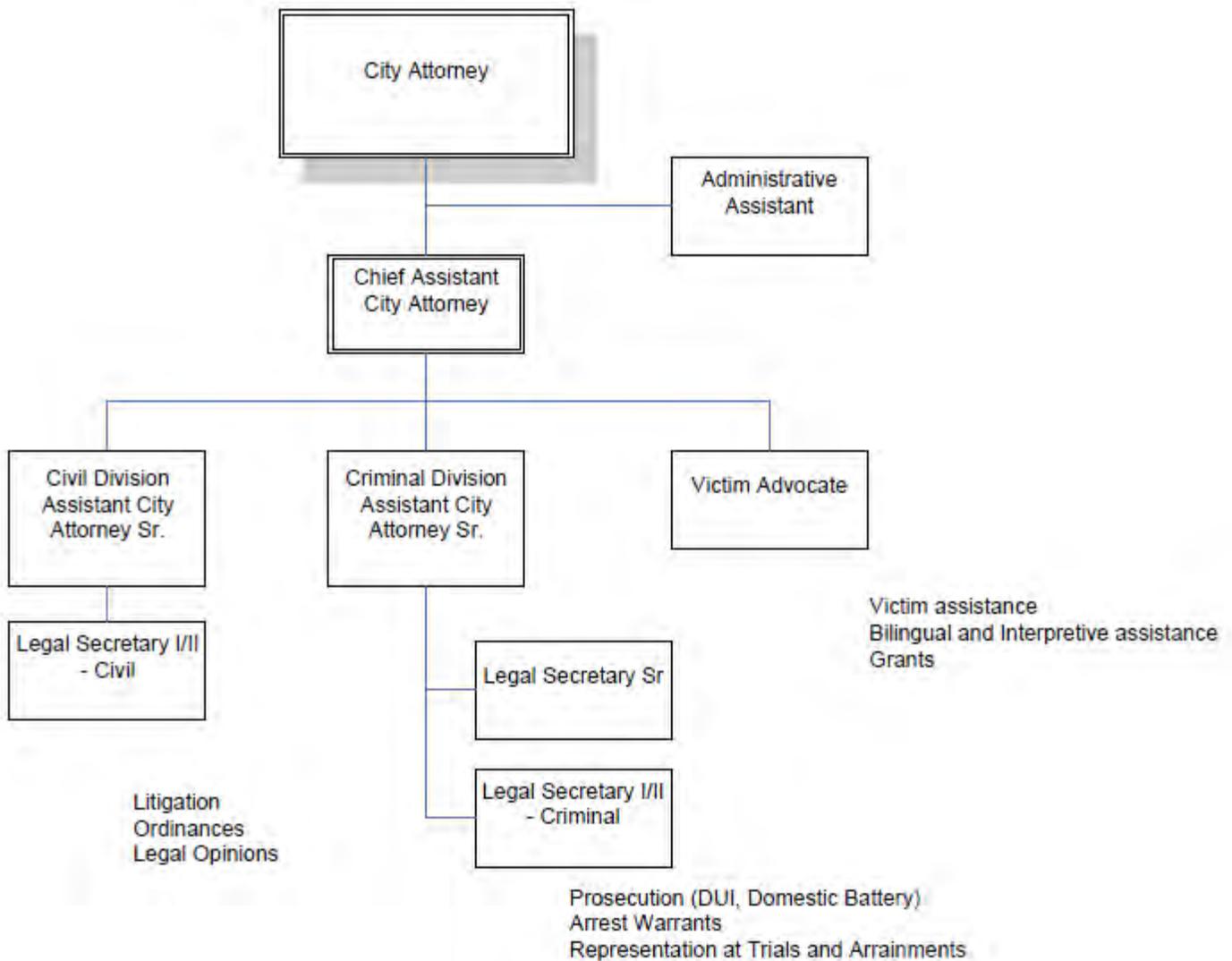
Criminal Division

- Prosecute all misdemeanors in Sparks Municipal Court
- Represent the City in all appeals to the District Court from Sparks Municipal Court
- Provide advice to law enforcement officials on civil and criminal matters
- Provide education to community through mock trials & presentations to local schools
- Participate in regional public safety and law enforcement cooperative efforts
- Aid the police department in the preparation of arrest warrants

Victim Advocate

- Advise and assist victims
- Arrange for attendance at Court and counsel witnesses
- Assist victims in obtaining social services and other assistance
- Provide education to community regarding domestic violence

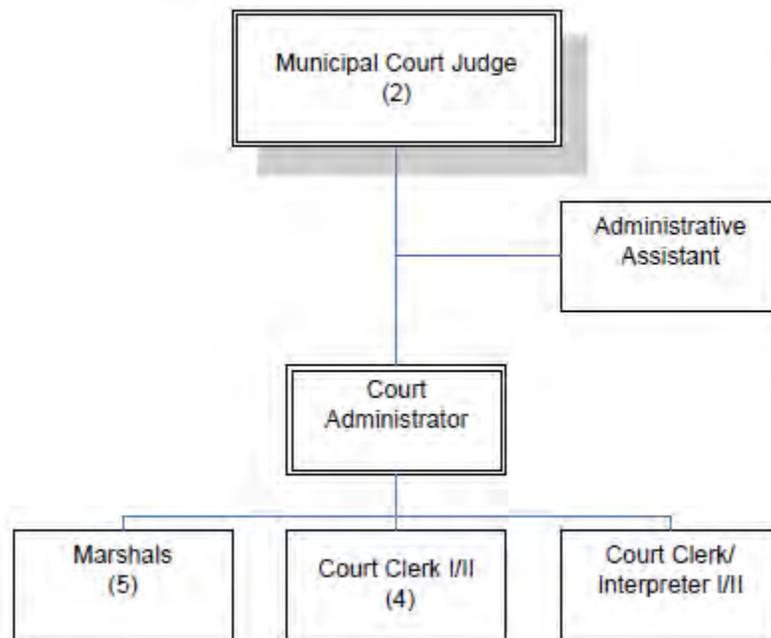
DEPARTMENT ORGANIZATIONAL CHART



Municipal Court

The Sparks Municipal Court adjudicates misdemeanor criminal cases originating from the Sparks Police Department and the Sparks City Attorney's Office. These are cases in which the penalty for each convicted offense may not exceed six months in jail and/or a fine of \$1,000, or, any combination of jail and fine(s) not to exceed the combined maximums. The judge may also suspend a jail sentence or a fine for one (1) to three (3) year on any number of conditions.

DEPARTMENT ORGANIZATIONAL CHART



Financial Services

The Financial Services Department provides stewardship of all city assets and technology resources, by coordinating financial, accounting, budgetary, and information technology services with all departments and stakeholders. The Key Services provided by the Financial Services Department are categorized under the City's "Administration" Core Service classification.

The Financial Services Department provides the following key services:

Administration: Provide leadership and administrative services for the Financial Services Department and coordinate the financial and information technology needs of City departments and stakeholders; Acts as the Chief Financial Officer of the Redevelopment Agency and provides accounting, budgeting, financial, and reporting services for the two redevelopment areas.

Accounting: Process, measure, and report on the City's financial transactions while maintaining quality internal controls over the City's financial assets and systems; Provides services relating to payroll, accounts receivable and payable, general ledger maintenance, debt and investment management, fixed assets system maintenance, grant and other compliance reporting, financial reporting in accordance to Generally Accepted Accounting Principles, and coordinating the annual audit resulting in the preparation of the Comprehensive Annual Financial Report.

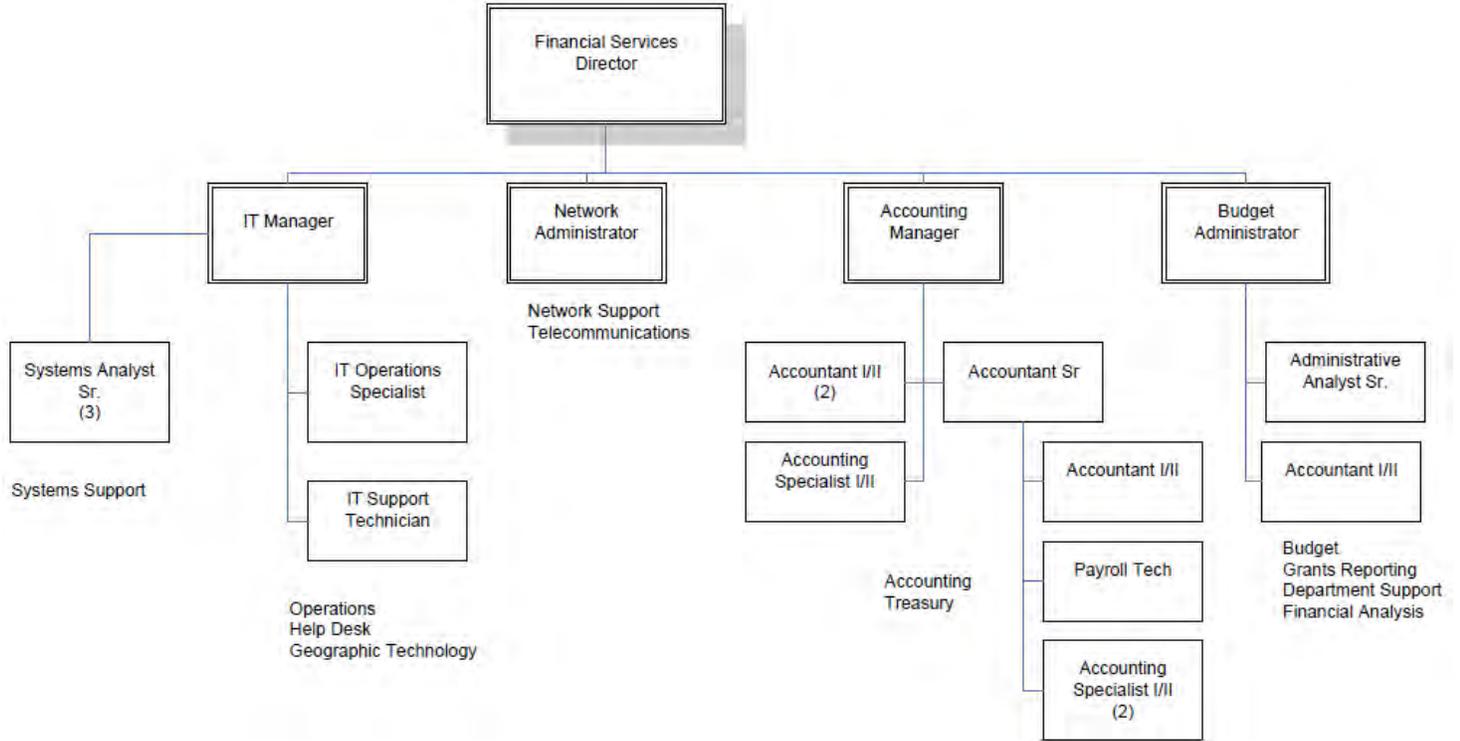
Budget: Prepare the tentative and final budget documents in accordance with Nevada Revised Statutes, as well as other reports and financial analysis as needed.

Information Technology Systems: Provides computer software development services and project management and support for both in-house and purchased software systems.

Information Technology Operations: Operates and supports City technology infrastructure including computer servers, workstations, printers, e-mail, web sites, and power systems.

Network Administration: Supports and maintains the internal/external data communications network; Maintains network security; and Plans for redundancy and fault tolerance.

DEPARTMENT ORGANIZATIONAL CHART



Police Department

The Sparks Police Department provides service delivery to the community to protect safety of life, protection of property, quality of life, and to prevent crime through the Office of the Chief and three divisions of the Department: Administration Division, Patrol Division, and Detective Division.



Office of the Chief: The Office of the Chief consist of the Chief of Police, the Deputy Chief of Police, an Administrative Assistant and the Internal Affairs Section. This office is responsible for the following:

- Oversee the overall operations of the police department
- Maintain professional employee conduct by performing quality internal affairs investigations
- Provide fiscal stability and integrity
- Provide an effective response to all emergency, disaster, and terrorism events
- Maintain, manage, and coordinate the overall operation and function of the police facility
- Maintain the well being and development of employees
- Deliver sound and consistent management practices
- Coordinate department teams responsible for developing innovated ideas to enhance internal and external customer service
- Establish a leadership role for building a strong community partnership
- Provide for the Emergency Management function within the Department
- Maintain the well being and development of employees and delivers sound and consistent management practices
- Research and develop department General Orders that ensure service delivery that complies with the highest ethical and legal standards
- Coordinate with the City to provide the department's appropriate statistical data concerning all police services for the annual report
- Provide community informational and educational outreach programs including but not limited to Neighborhood Watch, Regional Citizens Police Academy, and residential and business crime prevention strategies
- Coordinate and administer the citizen volunteer program

Administration Division: The Administration Division consists of the Communications Section, the Records Section, the Terminal Agency Coordinator and Information Technology. This division is responsible for the following activities:

- Receive and dispatch emergency and non emergency police, fire and medical calls for service
- Perform all radio and telecommunications dispatch functions for police and fire departments
- Maintain all official department records with an organized filing, microfilming and imaging systems
- Correlate and perform data entry of all police reports, citations and investigations
- Provides official record copies to courts, prosecutors, law enforcement agencies and citizens as necessary
- Provide technical support for the department's computer systems, process Department statistics, compile and audit Uniform Crime Reports (UCR)
- Process a variety of work permits and business license applications including but not limited to alcoholic beverage and gaming
- Perform data entry of all arrest warrants into the Sparks Police Records Management System (RMS), NCIC, and NCJIS
- Provide Terminal Agency Coordinator function to validate all department warrants, missing/unidentified person records and stolen articles listed in National Crime Information Center (NCIC) and Nevada Criminal Justice Information Services (NCJIS)
- Provide police assistant function to facilitate citizen reports and referrals
- Provide Information Technology support for all computer systems within the Department including but not limited to servers, mobile data computers, personal computers, Computer Aided Dispatch and Records management Systems

Patrol Division: The Patrol Division consists of the Patrol Section, Traffic Section and Training Section. This division is responsible for the following:

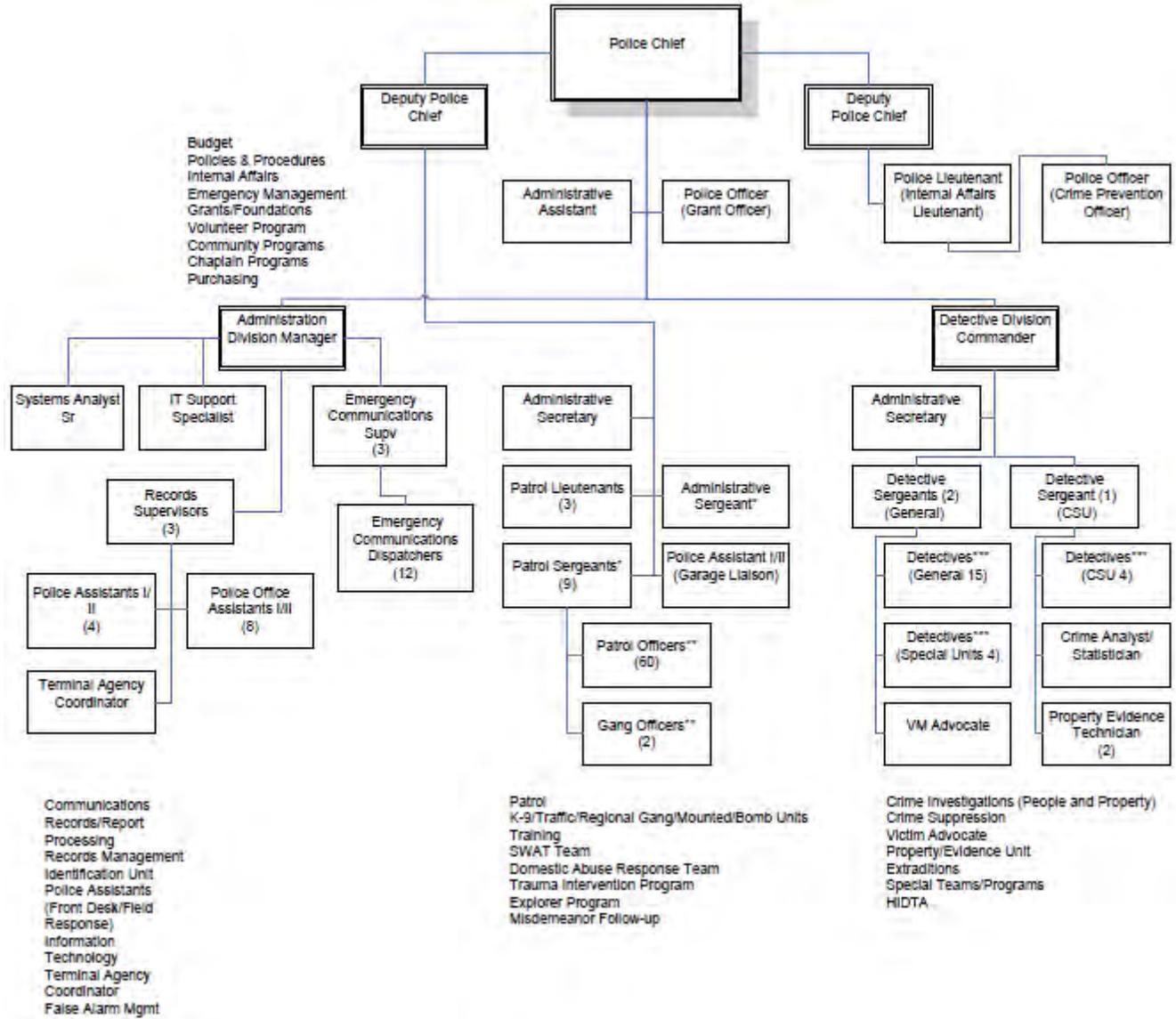
- Deliver uniformed police response to emergency and non-emergency calls for service
- Perform service delivery through a Community Policing Philosophy and proactive problem solving strategies including the ComStat model
- Provide specialized support activities to the department and community through special units such as SWAT, Regional Gang Unit, Consolidated Bomb Squad, K-9 Unit and Mounted Unit
- Coordinate and perform risk assessment of all special events in the City

- Provide safe streets and highways through enforcement of traffic laws and investigation of traffic accidents
- Coordinate mandatory and specialized annual police officer in-service training courses that meet the Nevada Commission on Peace Officers Standards and Training requirements
- Assists Human Resources in the physical abilities phase of the police officer testing process
- Conducts thorough police applicant background investigations in a timely manner
- Continues partnership with regional law enforcement agencies in coordinating and training newly hired officers in the Northern Nevada Law Enforcement Academy

Detective Division: The Detective Division also includes the Property and Evidence Unit and is responsible for the following tasks:

- Conduct criminal investigations, prepares cases for prosecution, and prepare weekly crime analysis reports
- Conduct investigations for outside agencies as requested
- Conduct police applicant and licensing background investigations
- Participate with the Regional Repeat Offender Program (ROP) to minimize the effects of career criminals
- Participate in the Drug Enforcement Administration (DEA) Task Force
- Participate in the Interdiction task Force through the HIDTA Initiative
- Participate in the Fugitive Investigative Strike Team through the HIDTA Initiative
- Participate in the Regional Street Enforcement Team (SET) enforcing street level drug crimes, vice, and juvenile alcohol crimes
- Participate in the Regional Sex Offender Notification Unit (RSONU)
- Provide appropriate supervisory levels that are consistent with commonly accepted span of control in unity of command standards
- Oversee and manage the Property and Evidence Unit

DEPARTMENT ORGANIZATIONAL CHART



Fire Department

The Fire Department administers and coordinates the resources necessary to ensure the cost effective and efficient protection of life and property from fire and medical emergencies through the following divisions: Administration, Prevention Bureau, Operations (including EMS and Special Teams), and Training/Safety.



Fire Administration: Administration oversees and manages the department's fire service programs and personnel functions. This program has eight major activities:

- Maintain a professional workforce and a quality work environment
- Develop and implement budget management procedures
- Establish, coordinate, and assign employees to work-related committees and teams
- Review, modify, and develop, as necessary, operating procedures
- Plan and develop the current and future fire service needs of the City of Sparks
- Procure operating supplies, equipment, and apparatus
- Collect and manage data through the development of reporting systems and technological strategic planning
- Maintain and manage the fire department's records and record management system

Fire Prevention Bureau: Fire Prevention and Risk Reduction saves lives and protects property through fire prevention education, inspection, investigation, and engineering efforts. This program has the following four major activities:

- Conduct fire and life safety inspections of new and existing businesses
- Provide public fire safety education programs
- Investigate the causes and origins of fires
- Provide fire prevention engineering

Fire Operations

Operations provides effective emergency and non-emergency services that limit the loss of life and property of the citizens and residents of the City of Sparks, including mutual aid to regional jurisdictions, through good stewardship and high standards of care. This program has the following nine major activities divided into two service categories:

Emergency Services

- Provide fire suppression
- Deliver emergency medical services (EMS)
- Provide Rescue responses
- Provide hazardous materials responses
- Supply emergency management support

Non-Emergency Support Services

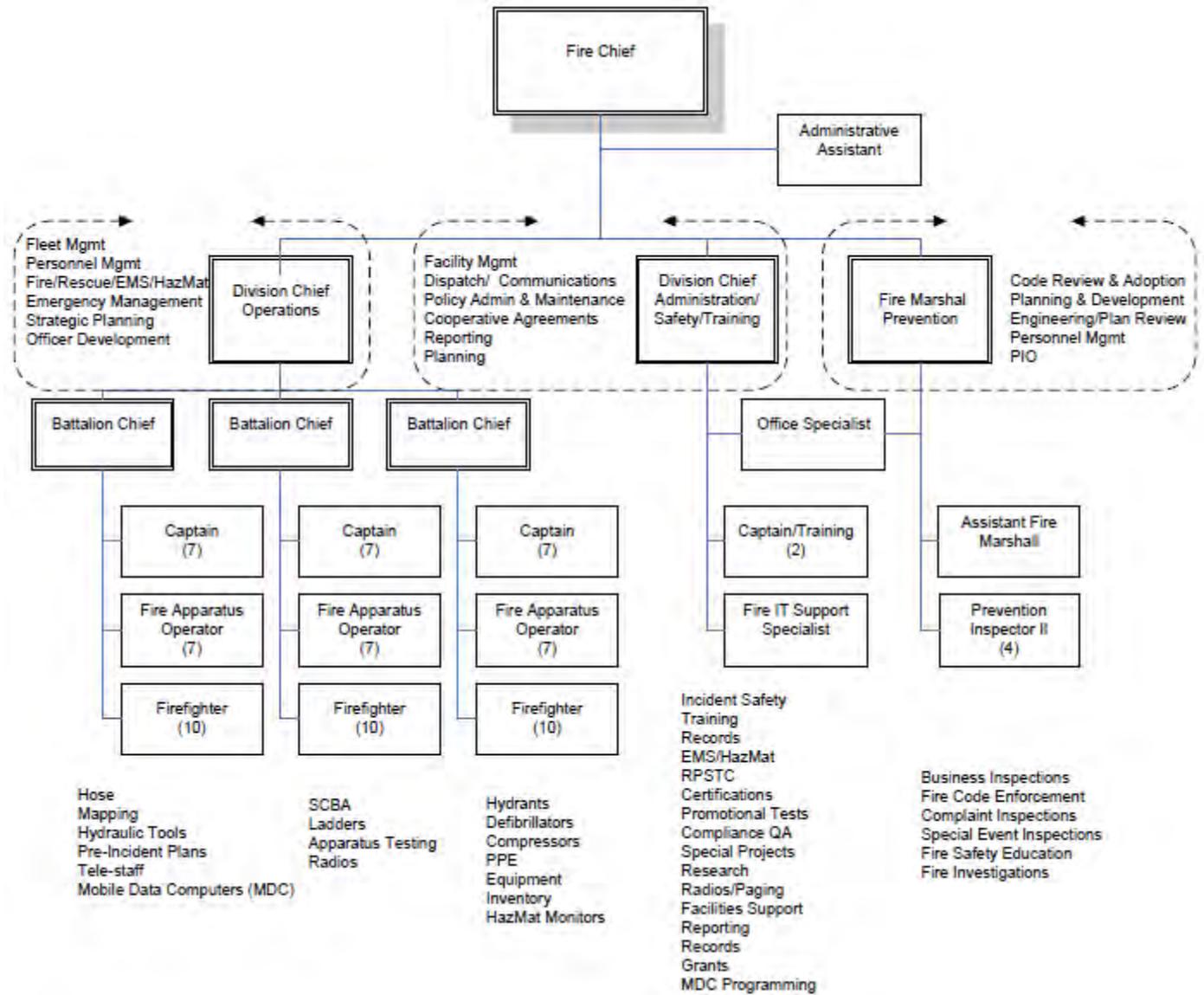
- Perform equipment testing and maintenance
- Provide maps and pre-incident planning
- Administer personnel management and development
- Perform project management

Fire Training and Safety

The Training Division maintains and enhances the knowledge, skills, and abilities of the Fire Department's personnel. This program has the following five major activities:

- Schedule, deliver, and document personnel training related to departmental operations
- Ensure compliance with applicable OSHA law
- Progress towards achieving nationally recognized firefighting standards
- Review and coordinate training, budget, and documentation of the department's operations for fire, EMS, technical rescue, and Haz-Mat
- Ensure safety oversight at emergency incidents

DEPARTMENT ORGANIZATIONAL CHART



Community Services



The Community Services Department provides all services associated with traditional Community Development, Public Works, Parks and Waste Water Treatment departments and is comprised of the following divisions:

Administration

- Provide management, supervision, direction and support for middle management/divisional staff and for services they provide
- Manage and analyze the department's divisional budgets and fiscal internal controls; manage department records including personnel, travel & training and those relating to budgets and the expenditure of funds
- Provide succession planning to ensure that staff are adequately prepared to fill vacancies as they occur, and/or advance within the organization
- Serve as staff support for Planning Commission, Sparks Building Code Board of Appeals, Capital Improvements Advisory Committee, and Enterprise Fund Oversight Committee
- Administer the City's Impact Fee Program
- Develop programs for infrastructure and capital investment including development of the City's Capital Improvement Program (CIP)
- Support and oversee city emergency response plans and efforts as part of the Emergency Management Team
- Coordination of infrastructure and regional programs with federal, state and local agencies; and assistance in development of city sustainability practices

Building & Safety Division

- Process all applications for building permits, street cut permits, fire sprinkler permits, flood plain permits, within the City of Sparks and sewer tap permits in Washoe County areas adjacent to the City
- Review building construction plans for compliance with City codes and ordinances
- Inspect all building construction to ensure compliance with City codes and ordinances



- Provide guidance and assistance for code compliance and permit application to contractors, architects, engineers and the general public
- Assign addresses for all new construction
- Respond to complaints and resolve unpermitted construction issues
- Institute building code updates
- Assess and collect building, Impact Fee Service Area #1, sewer and RTC fees as they pertain to new growth

Capital Projects Division

- Assist in the development and administration of the Capital Improvement Program (CIP), engineering design, coordinate and select consultants for design, prepare project specifications and bid documents, manage construction and inspection, and approve payment requests
- Provide technical review and approval of development-related civil improvement plans, reports, and specifications
- Provide inspections and materials testing services related to the construction of new developments within the public rights-of-way

Maintenance & Operations Services Division

- **Facility Maintenance / Electrical:** Maintain 692,211 square feet of City facilities, provide custodial services, and oversee contracts with vendors for maintenance services, and provide 24-hour response and routine maintenance for 108 traffic signals and over 2,500 street and park lighting
- **Fleet & Equipment Services:** Responsible for the requisition, repair, and maintenance of all of the City's fleet according to national standards and federal laws. Maintain a fleet parts inventory, secure a safe and reliable fuel source, and respond to the special needs of the various City departments
- **Park Maintenance:** Maintain a safe, accessible and aesthetic parks system totaling 594 developed park and trail acres
- **Sanitary Sewer & Effluent Maintenance:** Maintain sanitary sewer lines, sewage lift stations, and reclaimed water system
- **Storm System Maintenance and Street Sweeping:** Maintain storm drain lines and ditches, and catch basins
- **Street / Traffic Maintenance:** Maintain a safe, accessible roadway system totaling 650 lane miles. Provide Graffiti Removal and Identification Program (GRIP) review and removal services

Planning & Community Enhancement Division

- Update and maintain the City's Comprehensive Plan
- Coordinate City review of planning entitlements (annexations, master plan amendments, rezoning, planned developments, special use permits, site plan reviews, etcetera)
- Participate in Regional Planning
- Research, prepare, and process zoning code amendments. Perform zoning research and verification for lenders and others.
- Represent Sparks on technical committees of the Washoe County HOME Consortium, RTC, and other agencies
- Administer the City's Community Development Block Grant (CDBG) and EPA Brownfields Grant programs
- Review building permit and business license applications for zoning code compliance
- Zoning code enforcement
- Administer the City's housing rehabilitation programs
- Serve the public at the planning counter and by telephone

Traffic Engineering & Pavement Management Division is responsible for all traffic control and traffic flow within the City, as well as the administrator of the City's Pavement Management Program. The duties of the division include:

- Traffic surveys, impact studies, accident reviews, traffic circulation plan development, and residential traffic calming projects
- Traffic signal timing and synchronization
- Coordination of projects with state, regional, local agencies, and utility companies
- Participation in state and regional technical advisory committees
- Development and administration of the 5 year Pavement Management Program using US Army Corps of Engineers Micro Paver and Asset Management software Administer the Encroachment Permit Program that monitors all roadway utility street cut requests, in addition to construction activities within the City of Sparks public right-of-way



Truckee Meadows Water Reclamation Facility

The Truckee Meadows Water Reclamation Facility (TMWRF) is responsible for the daily operations (24/7) of the community wastewater treatment plant that services Sparks, Reno and portions of Washoe County. TMWRF currently treats approximately 28 million gallons of wastewater each day.

- **Administration** - Develops and implements budget management and cost tracking procedures; plans and develops future wastewater needs for the community; maintains compliance with all regulatory bodies; collaborates on regional water management efforts;
- **Plant Operations** - Operates wastewater treatment facility and provides effluent water for reuse; assures NPDES permit compliance at all times; administers and operates septage receiving operations for the metropolitan area and surrounding communities within 150 mile radius
- **Plant Maintenance** - Perform routine preventative maintenance and facility predictive maintenance program; evaluate facility and process equipment, buildings and grounds for serviceability and state of repair; Repair, overhaul and install plant equipment
- **Laboratory** - Perform analysis for wastewater treatment plant process control and test TMWRF final effluent; conduct testing for the Truckee River sampling/monitoring program; and conduct all testing on the septage waste collected at the wastewater treatment plant
- **Environmental Control** - Inspect and monitor the Sparks industrial commercial community to maintain compliance with federal, state and local pre-treatment and storm water programs, including hazardous spill response.

Utility Engineering and Support Services Division

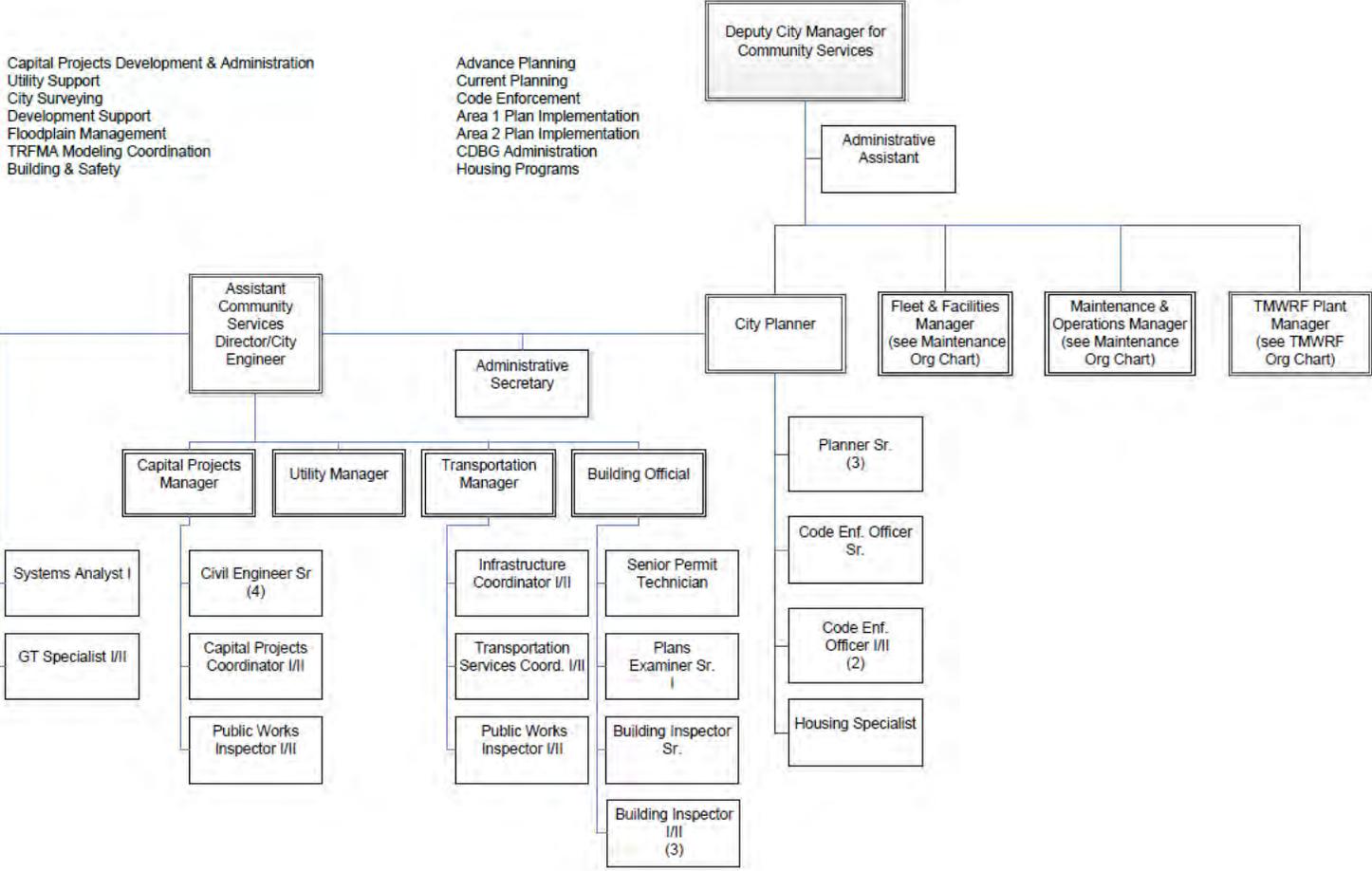
- Responsible for management, engineering and support services to construct, operate and maintain sewer, storm, flood and effluent utilities
- Engineering, design, project management and coordination for utility related civil improvement projects
- Manage utility infrastructure, including: ensure appropriate cost recovery and a fair rate structure; establish and administer effluent user contracts and billings; manage effluent discharge permits; develop and implement a capacity, maintenance, operation and management system (CMOM); develop a long term CIP for system reinvestment



DEPARTMENT ORGANIZATIONAL CHART

Capital Projects Development & Administration
 Utility Support
 City Surveying
 Development Support
 Floodplain Management
 TRFMA Modeling Coordination
 Building & Safety

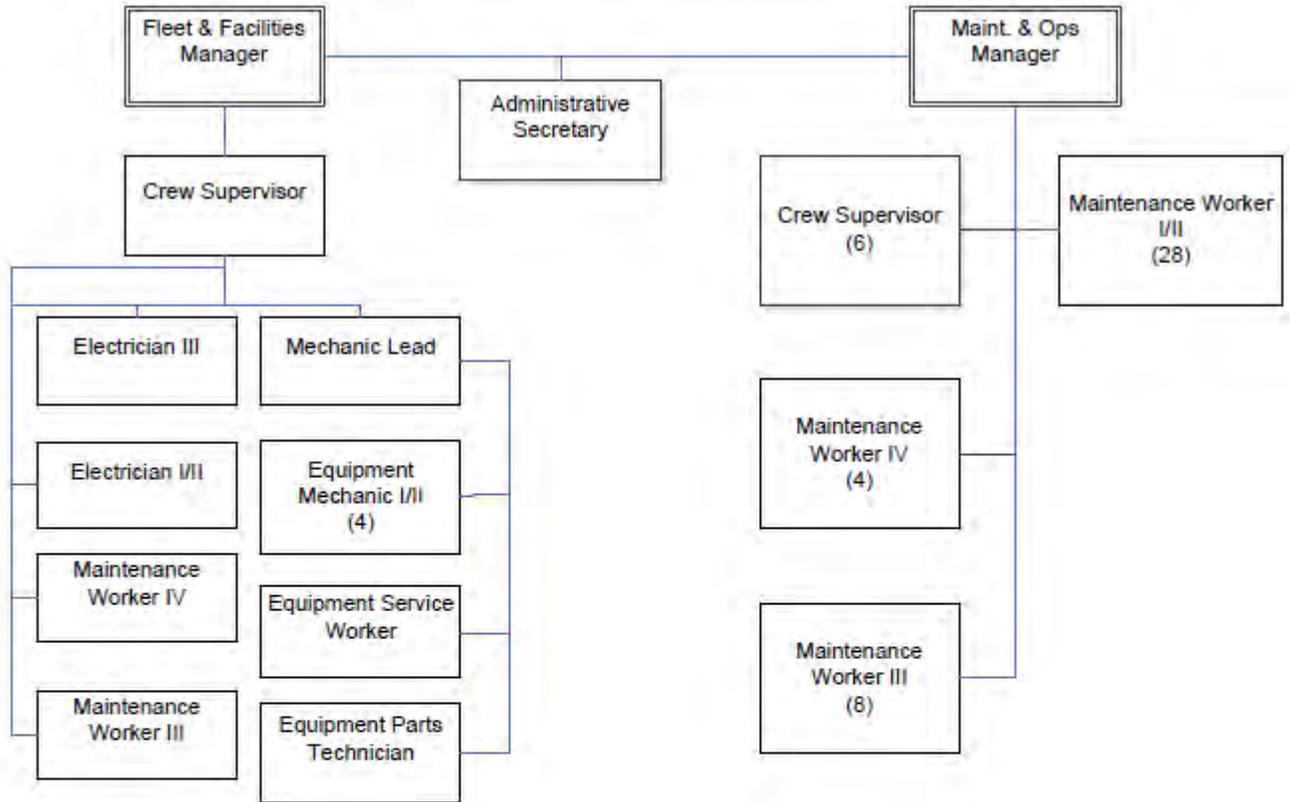
Advance Planning
 Current Planning
 Code Enforcement
 Area 1 Plan Implementation
 Area 2 Plan Implementation
 CDBG Administration
 Housing Programs



NOTE:
 Building Inspector Sr. underfilled as a Building Inspector II



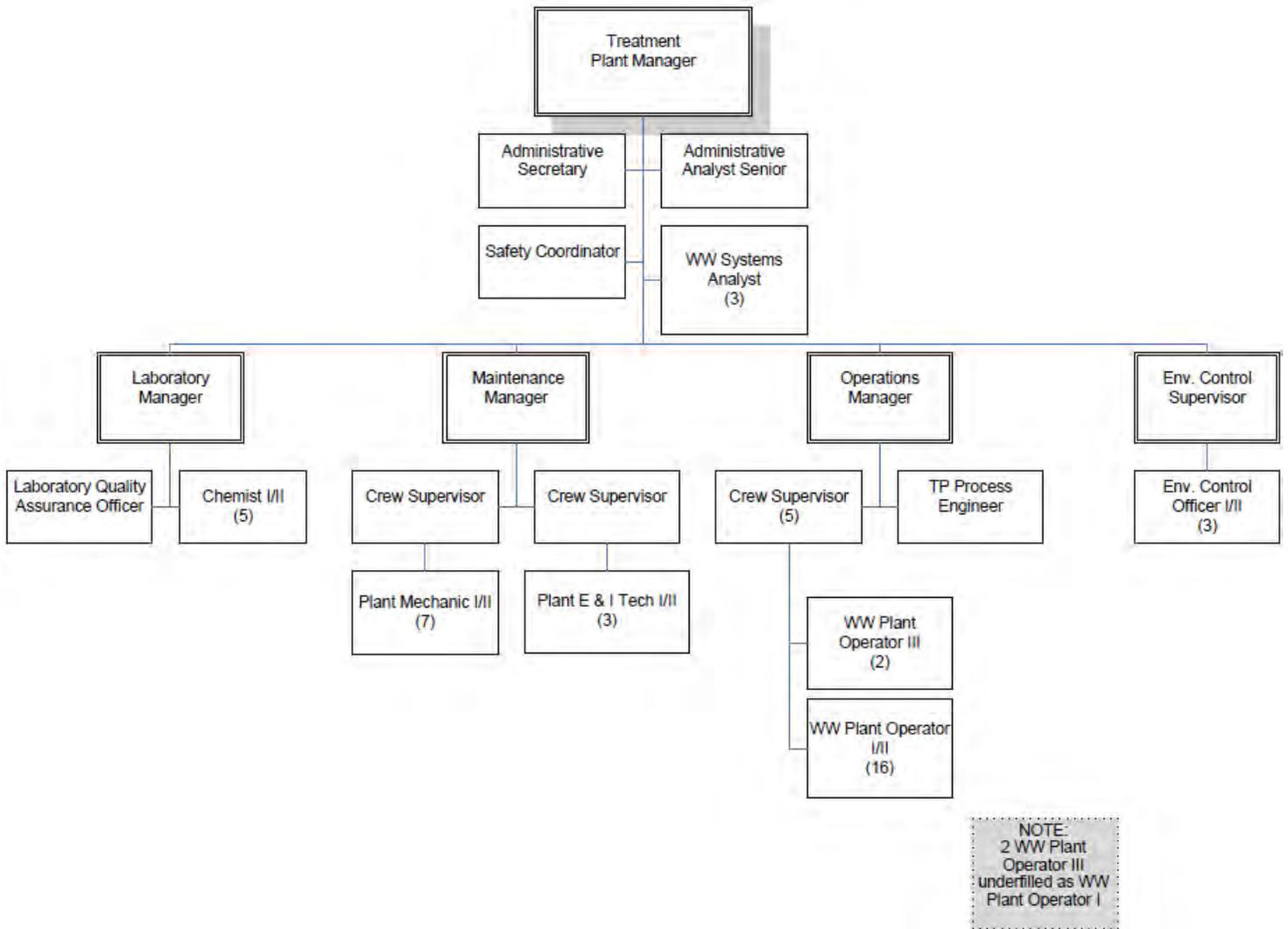
DEPARTMENT ORGANIZATIONAL CHART (Continued)



- Fleet
- Facilities
- Sewers
- Drains
- Streets
- Traffic
- Parks
- Snow Removal
- Community Service
- Maintenance Management Tracking



DEPARTMENT ORGANIZATIONAL CHART (Continued)



Parks and Recreation



The Parks & Recreation Department provides the citizens of Sparks with an enhanced quality of life through the creation and maintenance of high quality recreational services, special events, and facilities, and ensures the dedication and preservation of natural resources to support leisure experiences. Key service areas include:

Administration: Provide direction and planning for Parks and Recreation operations – policies/procedures, budget development, oversight of resource management and expenditures, customer service, grant management, identifying and addressing leisure service needs and business office operations.

Parks Administration: Ensure a safe, aesthetic and functional parks system through the oversight of maintenance and safety requirements, and plan/coordinate/implement improvements and renovations.

Project development: Provide additional programming and open space opportunities through innovative facility/park development projects.

Facility Management: Operate recreational facilities (daily usage and rentals) including Alf Sorensen Community Center, Larry D. Johnson Community Center, Recreation Center, Sports Complex at Golden Eagle Regional Park, Shadow Mountain Sports Complex, Sparks Marina Park, Deer Park pool (seasonal), six reservable park sites and approximately 15 sports fields at eight school sites.

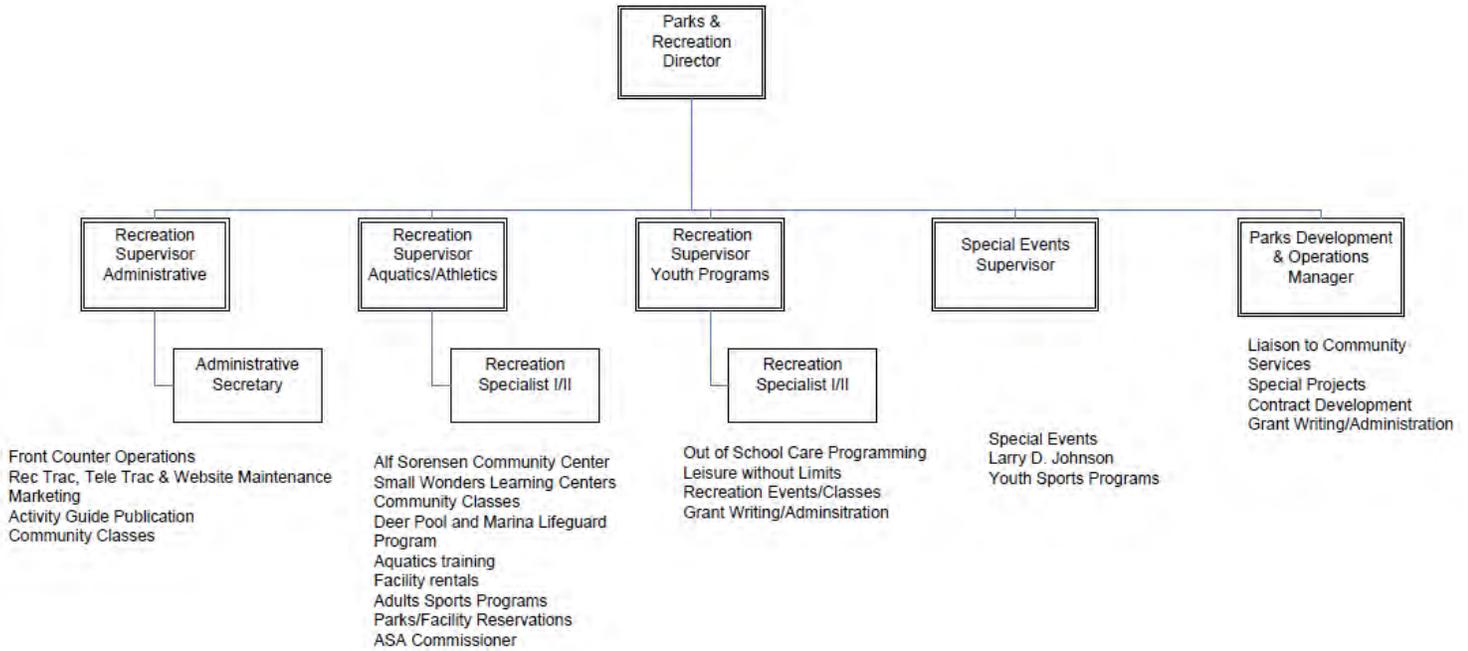
Recreation Programs/Services: Develop, administer and coordinate programs and services for all ages and abilities ranging from youth/adult sports, kids out-of-school programs, community classes, swimming lessons/aquatic programs, arts and programming for people with disabilities.

Special Events: Recruit, facilitate, produce, manage, coordinate and support family-oriented events at Victorian Square, Sparks Marina and sports complex venues for residents and visitors to the area.

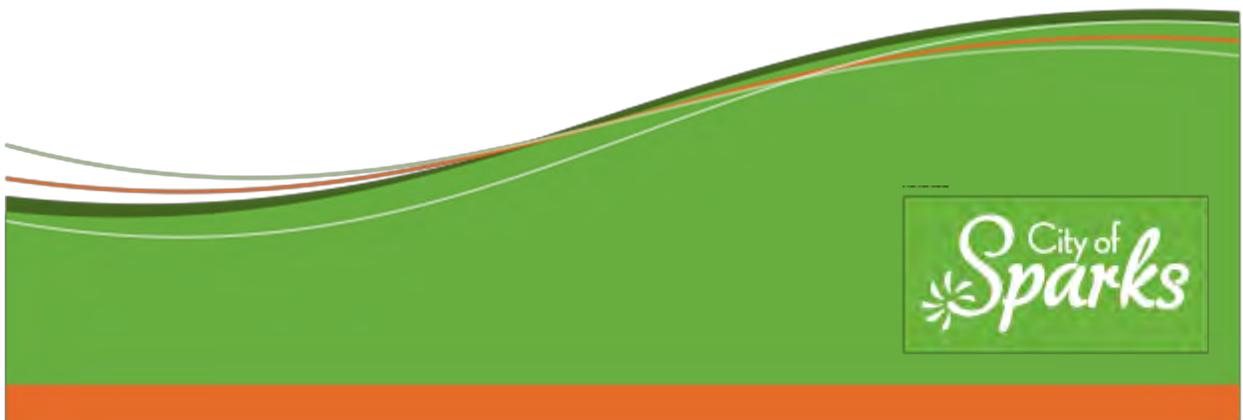
Marketing: Broaden awareness of parks and recreation services, programs and events and the related benefits, and encourage/engage community participation.



DEPARTMENT ORGANIZATIONAL CHART



**FY2014-15 BUDGET:
REDEVELOPMENT AGENCY
AREAS 1 & 2**



Redevelopment Agency of the City of Sparks - Area 1 Budget Message Fiscal Year 2014/2015 (FINAL)

This message is intended to convey the underlying assumptions used in the preparation of this document so that elected officials, City staff and other interested parties may have a brief summary of the Redevelopment Agency Area 1's (RA1) budget process for 2014-2015.

Combined Fund Overview

The following table provides a snapshot of the projected fiscal outcomes for the current fiscal year and next and provides a comparison to FY13 actual results. This look combines the results of both the operating and debt service Funds to give an overall view of the entire Redevelopment Agency Area 1.

	FY13 Actuals	FY14 Estimates	FY15 Budget
Property Tax Revenues	2,381	2,221	2,260
Other Revenue	574	212	194
Expenditures (including debt service)	(\$3,014)	(\$2,660)	(\$2,649)
Change in Fund Balance	(\$59)	(\$227)	(\$196)
Beginning Fund Balance	3,671	3,612	3,386
Ending Fund Balance	3,612	3,386	3,190
Less Bond Reserves	(\$2,925)	(\$3,034)	(\$3,058)
Unrestricted Fund Balance	687	351	132

All figures shown in \$000's

REVENUES

For operating and debt service purposes, the effective tax rate in this budget document is \$3.1705. This rate includes reductions for amounts "carved out" after being levied and collected in accordance with the 1999 Session's SB 312. These amounts generally relate to voter-approved bonds or overrides on or after the November 6, 1996 general election. The "carve out" rates were provided to us by the Department of Taxation. We are not sure if all entities, entitled to the carve outs, had notified the Department of Taxation by the time this rate was furnished to us. The tax rate has also been impacted by the City Council approval of a 4.37 cent increase in the City's property tax rate.

Assessed value and estimated revenue information for the City's redevelopment districts was determined from information provided by the Department of Taxation as well as the Washoe County Assessor's and Treasurer's Office. Assessed value in Redevelopment Area 1 is expected to remain relatively flat in FY15 at \$73.7M.

Property tax revenues account for 92% of RA1 revenues. Despite the planned 4.37 cent increase, property tax revenue, after abatements in FY15, is projected to increase by only \$39k, or 1.7% from FY14 estimates. This follows a 6.7% drop from FY13 to FY14 estimates.

EXPENDITURES

Of the FY15 total expenditure budget of \$2.34M, \$2.29M is slated for debt service. There are virtually no resources to fund any other expenditure. Beginning FY14, the budget for all special events previously funded by RA1 was moved to the City's Parks & Recreation Fund. Looking forward, assuming expenses continue to exceed revenues, a subsidy from the General Fund is likely to occur in FY16. This subsidy is estimated to be less than \$250k.

ENDING FUND BALANCE

Amounts budgeted as ending fund balances in Funds which receive ad valorem taxes are those amounts deemed appropriate for carrying on the activities of the Funds given cash flow requirements.

Per bond covenants, reserves in our Debt Service Fund (number 3301) exceed one year of debt requirements. This is attributable to capitalized interest and cash flow needs.

In light of the foregoing, the Final Budget for the Redevelopment Agency Area 1 of the City of Sparks is submitted to the Nevada State Department of Taxation in accordance with state statutes.

Respectfully submitted,

Jeff Cronk, CPA
Chief Financial Officer

Budget Summary for Redevelopment Agency of the City of Sparks - Area 1
 Schedule S-1

	GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS			PROPRIETARY FUNDS BUDGET YEAR 06/30/2015 (4)	TOTAL (MEMO ONLY) COLUMNS 3+4 (5)
	ACTUAL PRIOR YEAR 06/30/13 (1)	ESTIMATED CURRENT YEAR 06/30/14 (2)	BUDGET YEAR 06/30/15 (3)		
	REVENUES:				
Property Taxes	2,381,301	2,221,123	2,260,334	0	2,260,334
Intergovernmental Revenues	162,774	177,572	177,572	0	177,572
Charges for Services	197,784	18,272	0	0	0
Miscellaneous Revenue	125,117	16,000	16,000	0	16,000
TOTAL REVENUES	2,866,976	2,432,967	2,453,906	0	2,453,906
EXPENDITURES-EXPENSES:					
Not Applicable	0	0	0	0	0
General Government	1,512	910	910	0	910
Culture and Recreation	232,104	0	0	0	0
Community Support	83,181	65,375	50,913	0	50,913
Intergovernmental	0	0	0	0	0
Debt Service	903	1,000	1,000	0	1,000
Principal	1,405,000	1,460,000	1,520,000	0	1,520,000
Interest	885,281	829,082	770,682	0	770,682
TOTAL EXPENDITURES-EXPENSES	2,607,981	2,356,367	2,343,505	0	2,343,505
Excess of Revenues over (under) Expenditures/Expenses	258,995	76,600	110,401	0	110,401

Budget Summary for Redevelopment Agency of the City of Sparks - Area 1
 Schedule S-1

	GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS			PROPRIETARY FUNDS	TOTAL
	ACTUAL PRIOR YEAR 06/30/13 (1)	ESTIMATED CURRENT YEAR 06/30/14 (2)	BUDGET YEAR 06/30/15 (3)	BUDGET YEAR 06/30/2015 (4)	(MEMO ONLY) COLUMNS 3+4 (5)
Other Financing Sources					
Sale Of General Fixed Assets	88,258	0	0	0	0
Operating Transfers (in)	300,000	166,158	0	0	0
Operating Transfers (out)	(705,942)	(469,299)	(305,955)	0	(305,955)
TOTAL OTHER FINANCING SOURCES (USES)	(317,684)	(303,141)	(305,955)	0	(305,955)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (Net Income)	(58,689)	(226,541)	(195,554)	0	XXXXXXXXXXXXXXXX
FUND BALANCE JULY 1, BEGINNING OF YEAR:	3,670,979	3,612,290	3,385,749		
Prior Period Adjustments	0	0	0	0	
Residual Equity Transfers				XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
FUND BALANCE JUNE 30, END OF YEAR	3,612,290	3,385,749	3,190,195	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX
TOTAL ENDING FUND BALANCE	3,612,290	3,385,749	3,190,195	XXXXXXXXXXXXXXXX	XXXXXXXXXXXXXXXX

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/13	ESTIMATED CURRENT YEAR ENDING 06/30/14	BUDGET YEAR ENDING 06/30/15
General Government			
Judicial			
Table of Content			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support	0.0	0.0	0.0
TOTAL GENERAL GOVERNMENT	0.0	0.0	0.0
Utilities			
Hospitals			
Transit Systems			
Airports			
Other			
TOTAL	0.0	0.0	0.0

POPULATION (AS OF JULY 1)	91,237	90,264	91,551
SOURCE OF POPULATION ESTIMATE*	July 2011 estimates certified by Governor March 1, 2012	July 2012 estimates certified by Governor February 27, 2013 (from Final Part B, Mar 15)	Dept of Taxation- FY 2015 Final Revenue Projections Part B
Assessed Valuation (Secured and Unsecured Only)	78,444,485	72,628,310	73,690,148
Net Proceeds of Mines			
TOTAL ASSESSED VALUE	78,444,485	72,628,310	73,690,148
TAX RATE			
General Fund			
Special Revenue Funds			
Capital Projects Funds	0.5753	0.1263	0.1730
Debt Service Funds	2.5583	2.9975	2.9975
Enterprise Fund			
Other			
TOTAL TAX RATE	3.1336	3.1238	3.1705

***Use the population certified by the state in March each year. Small districts may use a number developed per the instructions (page 6) or the best information available**

PROPERTY TAX RATE AND REVENUE RECONCILIATION

Fiscal Year 2014-2015

	(1) ALLOWED TAX RATE	(2) ASSESSED VALUATION	(3) ALLOWED AD VALOREM REVENUE [(1) X (2)/100]	(4) TAX RATE LEVIED	(5) TOTAL PREABATED AD VALOREM REVENUE [(2)X(4)/100]	(6) AD VALOREM TAX ABATEMENT [(5)-(7)]	(7) BUDGETED AD VALOREM REVENUE WITH CAP
OPERATING RATE: Table of Content Revenue Limitations	0.1730	73,690,148	127,481	0.1730	127,481	4,147	123,334
B. PROPERTY TAX Outside Revenue Limitations: Net Proceeds of Mines							
VOTER APPROVED: C. Voter Approved Overrides							
LEGISLATIVE OVERRIDES D. Accident Indigent (NRS 428.185)							
E. Medical Indigent (NRS 428.285)							
F. Capital Acquisition (NRS 354.59815)							
G. Youth Services Levy (NRS 62B.150, 62B.160)							
H. Legislative Overrides							
I. SCCRT Loss (NRS 354.59813)							
J. Other:							
K. Other:							
L. SUBTOTAL LEGISLATIVE OVERRIDES							
M. SUBTOTAL A, C, L	0.1730	73,690,148	127,481	0.1730	127,481	4,147	123,334
N. Debt	2.9975	73,690,148	2,208,865	2.9975	2,208,865	71,865	2,137,000
O. TOTAL M AND N	3.1705	73,690,148	2,336,346	3.1705	2,336,346	76,012	2,260,334

Note:

Final carveout rates for Redevelopment Areas 1 & 2 are subject to change per the State's final revenue projections

SCHEDULE A - ESTIMATED REVENUES & OTHER RESOURCES - GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST FUNDS & TAX SUPPORTED PROPRIETARY FUND TYPES

Budget For Fiscal Year Ending June 30, 2015

Budget Summary for Redevelopment Agency of the City of Sparks - Area 1

GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUNDS	BEGINNING FUND BALANCES (1)	CONSOLIDATED TAX REVENUE (2)	PROPERTY TAX REQUIRED (3)	TAX RATE (4)	OTHER REVENUE (5)	OTHER FINANCING SOURCES OTHER THAN TRANSFERS IN (6)	OPERATING TRANSFERS IN (7)	TOTAL (8)
R/A Revolving	351,336	0	123,334	0.1730	15,000	0	0	489,670
R/A Tax Revenue Debt	3,034,412	0	2,137,000	2.9975	178,572	0	0	5,349,984
Subtotal Governmental Fund Types, Expendable Trust Funds	3,385,749	0	2,260,334	3.1705	193,572	0	0	5,839,655
TOTAL ALL FUNDS	XXXXXXXXXX	0	2,260,334	3.1705	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

SCHEDULE A-1 ESTIMATED EXPENDITURES AND OTHER FINANCING USES

Budget For Fiscal Year Ending June 30, 2015

Budget Summary for Redevelopment Agency of the City of Sparks - Area 1

GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUNDS FUND NAME	*	SALARIES AND WAGES (1)	EMPLOYEE BENEFITS (2)	SERVICES, SUPPLIES AND OTHER CHARGES ** (3)	CAPITAL OUTLAY *** (4)	CONTINGENCIES AND USES OTHER THAN OPERATING TRANSFERS		ENDING FUND BALANCES (7)	TOTAL (8)
				OUT (5)		OPERATING TRANSFERS OUT (6)			
R/A Revolving	CP	12,196	6,003	33,624	0	0	305,955	131,891	489,670
R/A Tax Revenue Debt	DS	0	0	2,291,682	0	0	0	3,058,302	5,349,984
TOTAL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS		12,196	6,003	2,325,306	0	0	305,955	3,190,194	5,839,655

* FUND TYPES: SR - Special Revenue
 CP - Capital Projects
 DS - Debt Service
 T - Expendable Trust

** Include Debt Service Requirements in this column

*** Capital Outlay must agree with CIP.

<u>REVENUES</u>	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE	FINAL
			APPROVED	APPROVED
Taxes				
Property Taxes	238,112	0	39,784	39,784
Personal Property Taxes	78,189	0	83,550	83,550
Subtotal	316,301	0	123,334	123,334
Intergovernmental Revenues				
CDBG Entitlement	0	0	0	0
Federal Grants - LEPC	0	0	0	0
Subtotal	0	0	0	0
Charges for Services				
Facility Reservation Fees	0	0	0	0
Facade Loans Collections	17,740	18,272	0	0
Special Events Receipts	180,044	0	0	0
Subtotal	197,784	18,272	0	0
Miscellaneous Revenue				
Interest Earned	(1,959)	0	0	0
Property Rentals	15,000	15,000	15,000	15,000
Recoveries/Reimbursements	111,489	0	0	0
Miscellaneous Revenue	0	0	0	0
Subtotal	124,530	15,000	15,000	15,000
Total All Revenue	638,615	33,272	138,334	138,334
Other Financing Sources(Specify)				
Sale Of General Fixed Assets	88,258	0	0	0
Operating Transfers In (Schedule T)				
T/I from R/A Tax Rev Debt 3301	0	83,079	0	0
Total Other Financing Sources	0	83,079	0	0
Beginning Fund Balance	983,356	687,489	351,335	351,335
Prior Period Adjustment(s)	0	0	0	0
Residual Equity Transfers	0	0	0	0
Total Beginning Fund Balance	983,356	687,489	351,335	351,335
Total Resources	1,710,229	803,840	489,669	489,669

<u>EXPENDITURES</u>	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE	FINAL
			APPROVED	APPROVED
Not Applicable				
Services and Supplies	0	0	0	0
Subtotal	0	0	0	0
General Government				
Services and Supplies	760	760	760	760
Non-discretionary Services & Supplies	752	150	150	150
Subtotal	1,512	910	910	910
Culture and Recreation				
Salaries And Wages	182,734	0	0	0
Employee Benefits	7,422	0	0	0
Services and Supplies	41,949	0	0	0
Subtotal	232,105	0	0	0
Community Support				
Salaries And Wages	26,846	12,196	12,196	12,196
Employee Benefits	11,294	5,728	6,003	6,003
Services and Supplies	27,356	17,415	2,436	2,436
Non-discretionary Services & Supplies	17,685	30,036	30,278	30,278
Subtotal	83,181	65,375	50,913	50,913
Intergovernmental				
Services and Supplies	0	0	0	0
Subtotal	0	0	0	0
Total All Expenditures	316,797	66,285	51,824	51,824
Other Uses				
Operating Transfers Out (Schedule T)				
T/O to Tourism & Marketing 1222	100,000	0	0	0
T/O to Debt Svc GO 1301	305,942	303,141	305,955	305,955
T/O to R/A Tax Rev Debt 3301	300,000	83,079	0	0
Subtotal	705,942	386,220	305,955	305,955
Ending Fund Balance	687,489	351,335	131,891	131,891
Total Commitments and Fund Balance	1,710,229	803,840	489,669	489,669

Redevelopment Agency of the
City of Sparks - Area 1
Schedule B - Capital Projects Fund
RA1 REVOLVING (3401)

<u>REVENUES</u>	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE APPROVED	FINAL APPROVED
Taxes				
Property Taxes	1,993,277	2,066,123	2,064,000	2,064,000
Personal Property Taxes	71,723	155,000	73,000	73,000
Subtotal	2,065,000	2,221,123	2,137,000	2,137,000
Intergovernmental Revenues				
State Govnmt'l Services Tax (Formerly Motor Ve	162,774	177,572	177,572	177,572
Subtotal	162,774	177,572	177,572	177,572
Miscellaneous Revenue				
Interest Earned	586	1,000	1,000	1,000
Subtotal	586	1,000	1,000	1,000
Total All Revenue	2,228,360	2,399,695	2,315,572	2,315,572
Other Financing Sources				
Operating Transfers In (Schedule T)				
T/I from R/A Revolving 3401	300,000	83,079	0	0
Subtotal Other Financing Sources	300,000	83,079	0	0
Beginning Fund Balance	2,687,623	2,924,799	3,034,412	3,034,412
Prior Period Adjustment(s)	0	0	0	0
Residual Equity Transfers	0	0	0	0
Total Beginning Fund Balance	2,687,623	2,924,799	3,034,412	3,034,412
Total Available Resources	5,215,983	5,407,573	5,349,984	5,349,984

<u>EXPENDITURES and RESERVES</u>	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE	FINAL
			APPROVED	APPROVED
Type: 4 Revenue Bonds				
Principal	1,405,000	1,460,000	1,520,000	1,520,000
Interest	885,281	829,082	770,682	770,682
Payments to Refunded Bond Escrow Agent	0	0	0	0
Loss on disposition of assets	0	0	0	0
Fiscal Agent Charges	903	1,000	1,000	1,000
Transfers Out	0	83,079	0	0
Reserves - increase or (decrease)	0	0	0	0
Other (Specify)	0	0	0	0
Subtotal	2,291,184	2,373,161	2,291,682	2,291,682
TOTAL RESERVED (MEMO ONLY)	2,924,799	3,034,412	3,058,302	3,082,192
Ending Fund Balance				
Reserved	2,924,799	3,034,412	3,058,302	3,058,302
Unreserved	0	0	0	0
Total Ending Fund Balance	2,924,799	3,034,412	3,058,302	3,058,302
Total Commitments & Fund Balance	5,215,983	5,407,573	5,349,984	5,349,984

ALL EXISTING OR PROPOSED
 GENERAL OBLIGATION BONDS, REVENUE BONDS,
 MEDIUM-TERM FINANCING, CAPITAL LEASES AND
 SPECIAL ASSESSMENT BONDS

- * - Type
- 1 - General Obligation Bonds
- 2 - G. O. Revenue Supported Bonds
- 3 - G. O. Special Assessment Bonds
- 4 - Revenue Bonds
- 5 - Medium-Term Financing
- 6 - Medium-Term Financing - Lease Purchase
- 7 - Capital Leases
- 8 - Special Assessment Bonds
- 9 - Mortgages
- 10 - Other (Specify type)
- 11 - Proposed (Specify type)

(1) NAME OF BOND OR LOAN (List and Subtotal By Fund)	(2) *	(3) TERM	(4) ORIGINAL AMOUNT OF ISSUE	(5) ISSUE DATE	(6) FINAL PAYMENT DATE	(7) INTEREST RATE	(8) BEGINNING OUTSTANDIN G BALANCE 07/01/2014	(9) (10) REQUIREMENTS FOR FISCAL YEAR ENDING 06/30/2015		(11) (9) + (10) TOTAL
								INTEREST PAYABLE	PRINCIPAL PAYABLE	
R/A 1 Tax Revenue Debt Service Fund 3301 <u>Type 4 Revenue Bonds</u> - Tax Increment Refunding Revenue Bonds Series 2010	4	14	22,165,000	05/11/2010	01/15/2023	4.00-5.375%	16,345,000	770,681	1,520,000	2,290,681
Total Type 4 Revenue Bonds			22,165,000				16,345,000	770,681	1,520,000	2,290,681
TOTAL RA 1 TAX REVENUE DEBT SERVICE FUND 3301			22,165,000				16,345,000	770,681	1,520,000	2,290,681

SCHEDULE C-1 - INDEBTEDNESS

Transfer Schedule for Fiscal Year 2014-2015

TRANSFERS IN				TRANSFERS OUT		
FUND TYPE	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
Capital Projects			0	T/O to Debt Svc GO 1301		305,955
Subtotal			0			305,955

Total Transfers

0

305,955

Note: Transfers in do not match transfers out due to the fact that transfers out include \$305,955 to the City's GO Debt Service Fund, the budget for which is filed under a separate document. The transfers in will not match the transfers out in the City's Budget document , and will be off by this same figure plus a \$1,072,899 transfer from Redevelopment Area 2 to the City's GO Debt Service Fund.

Redevelopment Agency of the City of Sparks - Area 2 Budget Message Fiscal Year 2014/2015 (FINAL)

This message is intended to convey the underlying assumptions used in the preparation of this document so that elected officials, City staff and other interested parties may have a brief summary of the Redevelopment Agency Area 2's (RA2) budget process for 2014-2015.

Combined Fund Overview

The following table provides a snapshot of the projected fiscal outcomes for the current fiscal year and next and provides a comparison to FY13 actual results. This look combines the results of both the operating and Debt Service Funds to give an overall view of the entire Redevelopment Agency Area 2.

	FY13 Actuals	FY14 Estimates	FY15 Budget
Property Tax Revenues	2,408	2,393	2,649
Other Revenue	248	887	596
Expenditures (including debt service)	(\$3,185)	(\$3,224)	(\$3,142)
Change in Fund Balance	(\$529)	56	103
Beginning Fund Balance	2,813	2,284	2,340
Ending Fund Balance	2,284	2,340	2,443
Less Bond Reserves	(\$2,166)	(\$2,269)	(\$2,286)
Unrestricted Fund Balance	118	71	157

All figures shown in \$000's

REVENUES

For operating and debt service purposes, the effective tax rate in this budget document is \$3.1705. This rate includes reductions for amounts "carved out" after being levied and collected in accordance with the 1999 Session's SB 312. These amounts generally relate to voter-approved bonds or overrides on or after the November 6, 1996 general election. The "carve out" rates were provided to us by the Department of Taxation. We are not sure if all entities, entitled to the carve outs, had notified the Department of Taxation by the time this rate was furnished to us. The tax rate has also been impacted by the City Council approval of a 4.37 cent increase in the City's property tax rate.

Assessed value information for the City's redevelopment districts was determined from information provided by the Department of Taxation as well as the Washoe County Assessor's and Treasurer's Office. Assessed value in Redevelopment Area 2 increased to \$91.5M, largely due to new development at "Legends at the Marina". This is expected to result in a 10% increase in property tax revenues in FY15 compared to FY14 estimates.

Due to a lack of growth of property valuations and tax receipts, a \$250k subsidy was required from the General Fund in FY13 and another \$786k subsidy was required in FY14 pay for City issued debt service which previously has been paid by RA2. Further subsidies are not expected due to rising property tax assessments and the sale of 10.2 acres of land owned by RA2. Additionally, the 2007 refunding bonds that were issued by the City for the benefit of RA2 will be maturing in FY17. Upon maturity, this will relieve RA2 of nearly \$1M in annual debt service costs.

EXPENDITURES

Of the FY15 total expenditure budget of \$2.1M, \$2.0M is slated for debt service. There are virtually no resources to fund any other expenditure.

ENDING FUND BALANCE

Amounts budgeted as ending fund balances in Funds which receive ad valorem taxes are those amounts deemed appropriate for carrying on the activities of the Funds given cash flow requirements.

Per bond covenants, reserves in our Debt Service Fund (number 3606) exceed one year of debt requirements. This is attributable to capitalized interest and cash flow needs.

In light of the foregoing, the Final Budget for the Redevelopment Agency Area 2 of the City of Sparks is submitted to the Nevada State Department of Taxation in accordance with state statutes.

Respectfully submitted,

Jeff Cronk, CPA
Chief Financial Officer

Budget Summary for Redevelopment Agency of the City of Sparks - Area 2
 Schedule S-1

	GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS				
	ACTUAL PRIOR YEAR 06/30/13	ESTIMATED CURRENT YEAR 06/30/14	BUDGET YEAR 06/30/15	PROPRIETARY FUNDS BUDGET 06/30/2015	TOTAL (MEMO ONLY) COLUMNS 3+4
	(1)	(2)	(3)	(4)	(5)
REVENUES:					
Property Taxes	2,407,837	2,393,023	2,649,325	0	2,649,325
Fines and Forfeits	0	1,000	0	0	0
Miscellaneous Revenue	(1,609)	150	45,810	0	45,810
TOTAL REVENUES	2,406,228	2,394,173	2,695,135	0	2,695,135
EXPENDITURES-EXPENSES:					
General Government	22	22	0	0	0
Community Support	137,022	174,691	96,462	0	96,462
Debt Service	2,071	2,520	2,520	0	2,520
Principal	690,000	735,000	780,000	0	780,000
Interest	1,279,019	1,236,451	1,190,451	0	1,190,451
TOTAL EXPENDITURES-EXPENSES	2,108,134	2,148,684	2,069,433	0	2,069,433
Excess of Revenues over (under) Expenditures/Expenses	298,094	245,489	625,702	0	625,702

Budget Summary for Redevelopment Agency of the City of Sparks - Area 2
 Schedule S-1

	GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS			PROPRIETARY FUNDS	TOTAL
	ACTUAL PRIOR YEAR 06/30/13 (1)	ESTIMATED CURRENT YEAR 06/30/14 (2)	BUDGET YEAR 06/30/15 (3)	BUDGET 42,185 (4)	(MEMO ONLY) COLUMNS 3+4 (5)
Other Financing Sources					
Sale Of General Fixed Assets	0	100,000	550,000	0	550,000
Operating Transfers (in)	330,000	890,016	0	0	0
Operating Transfers (out)	(1,156,904)	(1,179,713)	(1,072,899)	0	(1,072,899)
TOTAL OTHER FINANCING SOURCES (USES)	(826,904)	(189,697)	(522,899)	0	(522,899)
Excess of Revenues and Other Sources over (under) Expenditures and Other Uses (Net Income)	(528,810)	55,792	102,803	0	XXXXXXXXXXXXXX
FUND BALANCE JULY 1, BEGINNING OF YEAR:	2,813,009	2,284,199	2,339,991		
Prior Period Adjustments	0	0	0	0	
Residual Equity Transfers				XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
FUND BALANCE JUNE 30, END OF YEAR	2,284,199	2,339,991	2,442,794	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX
TOTAL ENDING FUND BALANCE	2,284,199	2,339,991	2,442,794	XXXXXXXXXXXXXX	XXXXXXXXXXXXXX

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/13	ESTIMATED CURRENT YEAR ENDING 06/30/14	BUDGET YEAR ENDING 06/30/15
General Government			
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support	0.0	0.0	0.0
TOTAL GENERAL GOVERNMENT	0.0	0.0	0.0
Area #2			
Hospitals			
Transit Systems			
Airports			
Other			
TOTAL	0.0	0.0	0.0

POPULATION (AS OF JULY 1)	91,237	90,264	91,551
SOURCE OF POPULATION ESTIMATE*	July 2011 estimates certified by Governor March 1, 2012	July 2012 estimates certified by Governor February 27, 2013 (from Final Part B, Mar 15)	Dept of Taxation- FY 2015 Final Revenue Projections Part B
Assessed Valuation (Secured and Unsecured Only)	82,914,769	83,163,839	91,480,223
Net Proceeds of Mines			
TOTAL ASSESSED VALUE	82,914,769	83,163,839	91,480,223
TAX RATE			
General Fund			
Special Revenue Funds			
Capital Projects Funds	0.6206	0.7423	0.7890
Debt Service Funds	2.5130	2.3815	2.3815
Enterprise Fund			
Other			
TOTAL TAX RATE	3.1336	3.1238	3.1705

***Use the population certified by the state in March each year. Small districts may use a number developed per the instructions (page 6) or the best information available**

PROPERTY TAX RATE AND REVENUE RECONCILIATION

Fiscal Year 2014-2015

	(1) ALLOWED TAX RATE	(2) ASSESSED VALUATION	(3) ALLOWED AD VALOREM REVENUE [(1) X (2)/100]	(4) TAX RATE LEVIED	(5) TOTAL PREABATED AD VALOREM REVENUE [(2)X(4)/100]	(6) AD VALOREM TAX ABATEMENT [(5)-(7)]	(7) BUDGETED AD VALOREM REVENUE WITH CAP
OPERATING RATE:							
A. PROPERTY TAX Subject to Revenue Limitations	0.7890	91,480,223	721,805	0.7890	721,805	62,480	659,325
B. PROPERTY TAX Outside Revenue Limitations: Net Proceeds of Mines							
VOTER APPROVED:							
C. Voter Approved Overrides							
LEGISLATIVE OVERRIDES							
Area #2							
E. Medical Indigent (NRS 428.285)							
F. Capital Acquisition (NRS 354.59815)							
G. Youth Services Levy (NRS 62B.150, 62B.160)							
H. Legislative Overrides							
I. SCCRT Loss (NRS 354.59813)							
J. Other:							
K. Other:							
L. SUBTOTAL LEGISLATIVE OVERRIDES							
M. SUBTOTAL A, C, L	0.7890	91,480,223	721,805	0.7890	721,805	62,480	659,325
N. Debt	2.3815	91,480,223	2,178,575	2.3815	2,178,575	188,575	1,990,000
O. TOTAL M AND N	3.1705	91,480,223	2,900,380	3.1705	2,900,380	251,055	2,649,325

Note:
Final carveout rates for Redevelopment Areas 1 & 2 are subject to change per the State's final revenue projections

Redevelopment Agency of the City of Sparks - Area 2
SCHEDULE S-3 - PROPERTY TAX RATE
AND REVENUE RECONCILIATION

Form 27
11/01/2013

SCHEDULE A - ESTIMATED REVENUES & OTHER RESOURCES - GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST FUNDS & TAX SUPPORTED PROPRIETARY FUND TYPES

Budget For Fiscal Year Ending June 30, 2015

Budget Summary for: Redevelopment Agency of the City of Sparks - Area 2

GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUNDS	BEGINNING FUND BALANCES (1)	CONSOLIDATED TAX REVENUE (2)	PROPERTY TAX REQUIRED (3)	TAX RATE (4)	OTHER REVENUE (5)	OTHER FINANCING SOURCES OTHER THAN TRANSFERS IN (6)	OPERATING TRANSFERS IN (7)	TOTAL (8)
R/A 2 Revolving Fund	71,002	0	659,325	0.789	45,660	550,000	0	1,325,987
R/A 2 Debt Service Fund	2,268,991	0	1,990,000	2.3815	150	0	0	4,259,141
Subtotal Governmental Fund Types, Expendable Trust Funds	2,339,993	0	2,649,325	3.1705	45,810	550,000	0	5,585,128
TOTAL ALL FUNDS	XXXXXXXXXX	0	2,649,325	3.1705	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

SCHEDULE A-1 ESTIMATED EXPENDITURES AND OTHER FINANCING USES

Budget For Fiscal Year Ending June 30, 2015

Budget Summary for : Redevelopment Agency of the City of Sparks - Area 2

GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUNDS	*	SALARIES AND WAGES (1)	EMPLOYEE BENEFITS (2)	SERVICES, SUPPLIES AND OTHER CHARGES ** (3)	CAPITAL OUTLAY *** (4)	CONTINGENCIES AND USES OTHER THAN OPERATING TRANSFERS OUT (5)	OPERATING TRANSFERS OUT (6)	ENDING FUND BALANCES (7)	TOTAL (8)
R/A 2 Revolving Fund	CP	0	0	96,462	0	0	1,072,899	156,626	1,325,987
R/A 2 Bond Proceeds Fund	CP	0	0	0	0	0	0	0	0
R/A 2 Debt Service Fund	DS	0	0	1,972,971	0	0	0	2,286,170	4,259,141
TOTAL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS		0	0	2,069,433	0	0	1,072,899	2,442,796	5,585,128

* FUND TYPES: SR - Special Revenue
 CP - Capital Projects
 DS - Debt Service
 T - Expendable Trust

** Include Debt Service Requirements in this column

*** Capital Outlay must agree with CIP.

<u>REVENUES</u>	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE	FINAL
			APPROVED	APPROVED
Taxes				
Property Taxes	386,840	242,023	564,825	564,825
Personal Property Taxes	120,998	74,000	94,500	94,500
Subtotal	507,838	316,023	659,325	659,325
Fines and Forfeits				
Forfeits - Misd	0	1,000	0	0
Subtotal	0	1,000	0	0
Miscellaneous Revenue				
Interest Earned	(2,381)	0	0	0
Non-Investment Interest Earned	0	0	45,660	45,660
Contributions From Other Funds	0	0	0	0
Subtotal	(2,381)	0	45,660	45,660
Total All Revenue	505,457	317,023	704,985	704,985
Other Financing Sources(Specify)				
Sale Of General Fixed Assets	0	100,000	550,000	550,000
Operating Transfers In (Schedule T)				
T/I from General Fund 1101	250,000	785,960	0	0
T/I from R/A 2 Debt Svc 3606	80,000	52,028	0	0
Total Other Financing Sources	330,000	837,988	0	0
Beginning Fund Balance	496,880	118,389	71,002	71,002
Prior Period Adjustment(s)	0	0	0	0
Residual Equity Transfers	0	0	0	0
Total Beginning Fund Balance	496,880	118,389	71,002	71,002
Total Resources	1,332,337	1,373,400	1,325,987	1,325,987

Redevelopment Agency of the
City of Sparks - Area 2
Schedule B - Capital Projects Fund
RA2 REVOLVING (3601)

05/12/2014 2:45 PM

Form 14
11/1/2013

<u>EXPENDITURES</u>	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE APPROVED	FINAL APPROVED
General Government				
Services and Supplies	22	22	0	0
Non-discretionary Services & Supplies	0	0	0	0
Subtotal	22	22	0	0
Community Support				
Services and Supplies	44,098	81,767	50,000	50,000
Non-discretionary Services & Supplies	0	0	0	0
Subtotal	44,098	81,767	50,000	50,000
 Total All Expenditures	 44,120	 81,789	 50,000	 50,000
 Other Uses				
Contingency (not to exceed 3% of total expenditures)				
Rebates Special Assessment	92,924	92,924	46,462	46,462
Subtotal	92,924	92,924	46,462	46,462
 Operating Transfers Out (Schedule T)				
T/O to Debt Svc GO 1301	1,076,904	1,075,657	1,072,899	1,072,899
T/O to R/A 2 Debt Svc 3606	0	52,028	0	0
Subtotal	1,076,904	1,127,685	1,072,899	1,072,899
 Ending Fund Balance	 118,389	 71,002	 156,626	 156,626
 Total Commitments and Fund Balance	 1,332,337	 1,373,400	 1,325,987	 1,325,987

REVENUES	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE APPROVED	FINAL APPROVED
Taxes				
Property Taxes	1,749,547	1,926,000	1,837,000	1,837,000
Personal Property Taxes	150,453	151,000	153,000	153,000
Subtotal	1,900,000	2,077,000	1,990,000	1,990,000
Miscellaneous Revenue				
Interest Earned	771	150	150	150
Subtotal	771	150	150	150
Total All Revenue	1,900,771	2,077,150	1,990,150	1,990,150
Other Financing Sources				
Operating Transfers In (Schedule T)				
T/I from R/A2 Revolving 3601	0	52,028	0	0
Bond Proceeds	0	0	0	0
Subtotal Other Financing Sources	0	52,028	0	0
Beginning Fund Balance	2,316,130	2,165,811	2,268,990	2,268,990
Prior Period Adjustment(s)	0	0	0	0
Residual Equity Transfers	0	0	0	0
Total Beginning Fund Balance	2,316,130	2,165,811	2,268,990	2,268,990
Total Available Resources	4,216,901	4,294,989	4,259,140	4,259,140

<u>EXPENDITURES and RESERVES</u>	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/15	
	ACTUAL PRIOR YEAR ENDING 06/30/2013	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE APPROVED	FINAL APPROVED

Type:				
Principal	690,000	735,000	780,000	780,000
Interest	1,279,019	1,236,451	1,190,451	1,190,451
Fiscal Agent Charges	2,071	2,520	2,520	2,520
Transfers Out	80,000	52,028	0	0
Reserves - increase or (decrease)	0	0	0	0
Other (Specify)	0	0	0	0
Subtotal	2,051,090	2,025,999	1,972,971	1,972,971
TOTAL RESERVED (MEMO ONLY)	2,165,811	2,268,990	2,286,169	2,303,348

Ending Fund Balance				
Reserved	2,165,811	2,268,990	2,286,169	2,286,169
Unreserved	0	0	0	0
Total Ending Fund Balance	2,165,811	2,268,990	2,286,169	2,286,169

Total Commitments & Fund Balance	4,216,901	4,294,989	4,259,140	4,259,140
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Redevelopment Agency of the
City of sparks - Area 2
Schedule C - Debt Service Fund
RA2 TAX REVENUE DEBT (3606)
The Above is Repaid by Property Tax (Debt Rate)

ALL EXISTING OR PROPOSED
 GENERAL OBLIGATION BONDS, REVENUE BONDS,
 MEDIUM-TERM FINANCING, CAPITAL LEASES AND
 SPECIAL ASSESSMENT BONDS

- * - Type
- 1 - General Obligation Bonds
- 2 - G. O. Revenue Supported Bonds
- 3 - G. O. Special Assessment Bonds
- 4 - Revenue Bonds
- 5 - Medium-Term Financing
- 6 - Medium-Term Financing - Lease Purchas
- 7 - Capital Leases
- 8 - Special Assessment Bonds
- 9 - Mortgages
- 10 - Other (Specify type)
- 11 - Proposed (Specify type)

(1) NAME OF BOND OR LOAN (List and Subtotal By Fund)	(2) *	(3) TERM	(4) ORIGINAL AMOUNT OF ISSUE	(5) ISSUE DATE	(6) FINAL PAYMENT DATE	(7) INTEREST RATE	(8) BEGINNING OUTSTANDIN G BALANCE 07/01/2014	(9) (10) FISCAL YEAR ENDING 06/30/2015		(11) (9) + (10) TOTAL
								(9) INTEREST PAYABLE	(10) PRINCIPAL PAYABLE	
R/A 2 Debt Service Fund 3606										
<u>Type 4 Revenue Bonds</u>										
- Tax Increment Revenue Bonds Series 2008	4	20	12,700,000	07/30/2008	06/01/2028	6.40-6.70%	10,965,000	724,020	505,000	1,229,020
- Tax Increment Revenue Bonds Series 2009	4	20	7,230,000	11/24/2009	06/01/2029	5.00-7.75%	6,270,000	466,431	275,000	741,431
Total Type 4 Revenue Bonds			19,930,000				17,235,000	1,190,451	780,000	1,970,451
TOTAL RA2 DEBT SERVICE FUND 3606			19,930,000				17,235,000	1,190,451	780,000	1,970,451

SCHEDULE C-1 - INDEBTEDNESS

Redevelopment Agency of the City of Sparks - Area 2, Budget Fiscal Year 2014-2015

Form 22
 11/01/2013

TRANSFERS IN				TRANSFERS OUT		
FUND TYPE	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
Capital Projects			0	T/O to Debt Svc GO 1301		1,072,899
Subtotal			0			1,072,899

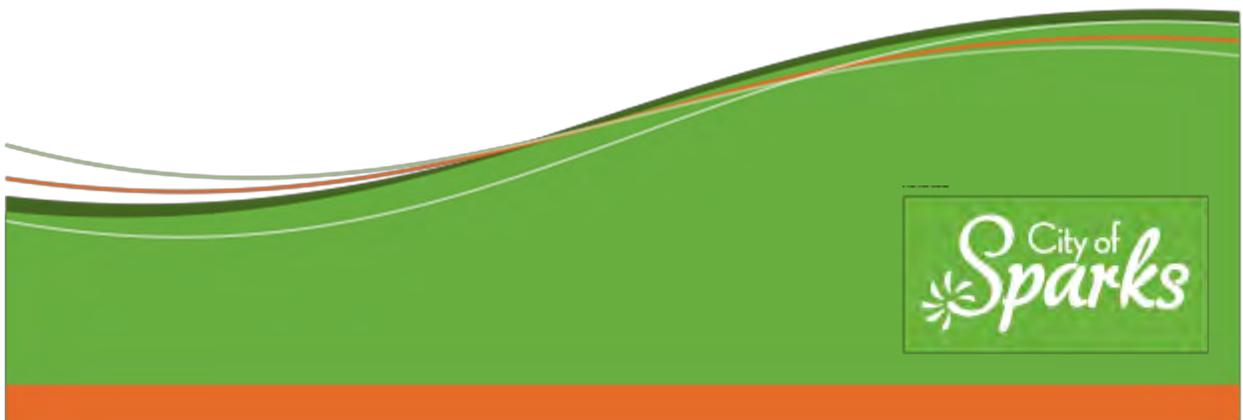
Total Transfers

0

1,072,899

Note: Transfers in do not match transfers out due to the fact that transfers out include \$1,072,899 to the City's GO Debt Service Fund, the budget for which is filed under a separate document. The transfers in will not match the transfers out in the City's Budget document , and will be off by this same figure plus a \$305,955 transfer from Redevelopment Area 1 to the City's GO Debt Service Fund.

APPENDIX: GLOSSARY OF TERMS



Glossary

Accountability: The state of being obligated to explain one's actions, to justify what one does. Accountability requires governments to answer to the citizenry.

Accrual Basis Accounting: A method of accounting that recognizes expenses when incurred and revenue when earned rather than when payment is made or received.

Ad Valorem Tax: "According to value". Refers to the property tax system in Nevada.

Adopted Budget: The budget that has been approved by the Sparks City Council.

Agency Fund: A fund normally used to account for assets held by a government as an agent for individuals, private organizations or other governments and / or other funds.

Annual budget: A budget based on the annual fiscal year of the city, July 1 to June 30.

Assessed Valuation: Thirty-five percent of the total appraised value of the property.

Balanced Budget: A budget where total budgeted uses do not exceed total resources including revenues, transfers in and beginning fund balance.

Bond: A written promise to pay a specified sum of money. There are two types of bonds: (1) General Obligation Bonds are secured by the full faith and credit of the City of Sparks. A property tax rate is established to redeem these bonds, (2) Revenue Bonds are redeemed by revenue other than property tax.

Budgetary Accounts: Accounts used to enter the formally adopted annual operating budget into the general ledger as part of the management control technique of formal budgetary integration.

Budget Calendar: The schedule prepared with key deadline dates used to prepare the budget allowing submission to the State of Nevada.

Capital Asset: An assets as assets with an initial, individual cost of more than \$5,000 for non-infrastructure assets and \$15,000 for infrastructure assets and an estimated useful life in excess of two years.

Capital Improvement Plan (CIP): A five year plan of capital expenditures and the proposed means of financing for the project. The State of Nevada requires that a capital improvement plan to be submitted each year in August.

Capital Project Fund: A fund created to account for financial resources to be used for the acquisition or construction of major capital facilities.

Debt Service: Actual cost of interest and principal on bonds as well as interest cost of bond anticipation notes.

Enterprise Fund: A fund established to account for operations that are financed and operated in a manner similar to a private business.

Expenditures: Decreases in net financial resources. Expenditures include current operating expenses requiring the present or future use of net current assets, debt service and capital outlays, and intergovernmental grants, entitlements and shared revenues.

Expenditure Group: Expenditure groups include Salaries & Wages, Employee Benefits, Services & Supplies and Capital Outlay

Financial Policies: A set of goals designed to restore and maintain the City of Sparks' financial strength and stability

Fiscal Year (FY): A twelve month period of which an organization plans and uses its funds. The City of Sparks fiscal year begins on July 1 and ends June 30. This document abbreviates using "FY". For instance, FY12 is fiscal year ending 06/30/2012.

Fund: A fiscal and accounting entity with a self-balancing set of accounts.

Fund Balance: The difference between fund assets and fund liabilities of governmental and similar trust funds.

Governmental Funds: These funds are used to account for activities supported by the taxpayers. The City of Sparks has four governmental fund types; General Fund, Special Revenue Fund, Capital Project Fund, and Debt Service Fund.

High Deductible Health Plan (HDHP) – A new health insurance plan in the early stages of implementation at the City of Sparks. It is anticipated that a switch to this plan will limit the City's liability for employee health claims and will bring better control over rising health care costs.

Red Book: Publication by the Nevada Department of Taxation listing assessed valuations and tax rates for counties and cities in Nevada.

Modified Accrual Accounting: "Basis of accounting used in conjunction with the current financial resources measurement focus that modifies the accrual basis of accounting in two important ways 1) revenues are not recognized until they are measurable and available, and 2) expenditures are recognized in the period in which governments in general normally liquidate the related liability rather than when that liability is first incurred." This definition comes directly from the Governmental Accounting, Auditing and Financial Reporting by Stephen J. Gauthier.

Nevada Revised Statute: The Nevada Revised Statutes (NRS) are the current codified laws of the State of Nevada.

Proprietary Fund: Proprietary funds are used to account for business-type activities, where costs are fully recovered through fees and charges on those who use the services. The two

types of proprietary funds are enterprise funds and the internal service funds. The Accrual method is used as the basis for budgeting in the Proprietary Funds and is the same as the basis for accounting used in the City's audited financial statements.

Sparks Citizens Advisory Committee (SCAC): The SCAC exists to provide essential citizen input to the City Council, and to engage in and promote volunteerism in the City of Sparks. The SCAC is to perform in a positive and collaborative manner to gather information and provide constructive feedback and suggestions to the Mayor and the City Council of Sparks on City programs, initiatives and any matter referred to the SCAC by the City Council. While the SCAC receives updates from City departments and divisions periodically, the SCAC acts in an advisory capacity to the City Council, and shall not advise or otherwise engage in matters involving land use, zoning matters, political races or matters not deemed appropriate by the City Council.

Sparks Sustainable Services Initiative (SSSI): A plan developed by Sparks leadership in FY11 to address the current budget shortfall and eliminate structural deficits caused by new lower revenue projections. It resulted in a departmental restructure in several departments, 18 layoffs and prioritized list of core services.

Special Revenue Fund: These funds account for the proceeds of specific revenue sources that are restricted for specific expenditures, other than major capital projects. The Modified Accrual method of accounting is used to account for these Special Revenue Funds.