



Redevelopment Agency
of the City of Sparks
Area 2
2014-2015
Tentative Budget



BRIAN SANDOVAL
Governor
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Chair, Nevada Tax Commission
WILLIAM CHISEL
Executive Director

STATE OF NEVADA
DEPARTMENT OF TAXATION

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Area #2

Redevelopment Agency of the City of Sparks - Area 2 herewith submits the **TENTATIVE** budget for the fiscal year ending June 30, 2015

This budget contains 2 funds, including Debt Service, requiring property tax revenues totaling \$ 2,649,325

The property tax rates computed herein are based on preliminary data. If the final state computed revenue limitation permits, the tax rate will be increased by an amount not to exceed _____ If the final computation requires, the tax rate will be lowered.

This budget contains 2 governmental fund types with estimated expenditures of \$ 2,069,433 and 0 proprietary funds with estimated expenses of \$ 0

Copies of this budget have been filed for public record and inspection in the offices enumerated in NRS 354.596 (Local Government Budget and Finance Act).

CERTIFICATION

APPROVED BY THE GOVERNING BOARD

I Jeff Cronk, CPA
(Printed Name)
Chief Financial Officer
(Title)

certify that all applicable funds and financial operations of this Local Government are listed herein

Signed 

Dated: 4/11/14

SCHEDULED PUBLIC HEARING:

Date and Time May 20, 2014 9:00 am Publication Date between May 6 & May 13

Place: City of Sparks Council Chambers, 745 Fourth St, Sparks, NV

Redevelopment Agency of the City of Sparks - Area 2

2014-2015 TENTATIVE Budget

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Area #2

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REDEVELOPMENT AGENCY OF THE CITY OF SPARKS - AREA 2
BUDGET MESSAGE – Tentative Budget
Fiscal Year 2014/2015 (FY15)

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 overall direction of the Agency's budget process for 2014-2015.

For operating and debt service purposes, the overlapping property tax rate in this budget document is \$3.1773. This rate includes estimated 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 final "carve out" rates will be provided to us by the Department of Taxation in time for the Final Budget. The rate also includes a planned 4.37 cent increase in the City's operating tax rate in FY15.

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 2 is expected to increase approximately 10% to \$91.5 million. With the planned 4.37 cent increase, FY15 Property tax revenue, after abatements per AB489 and SB509, is expected to increase by \$256k from FY14 estimates.

A General Fund subsidy was needed in Redevelopment Area 2 in FY13 and FY14, but is removed in the FY15 budget due to an expected increase in property tax revenues and the sale of fixed assets.

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. Minor differences between results reported in the City's annual audit versus the prior year actual column in the budget are due to rounding.

In light of the foregoing, the Tentative Budget for the Redevelopment Agency of the City of Sparks Area 2 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			PROPRIETARY FUNDS BUDGET 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	2,407,837	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 BUDGET 42,185 (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)		
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	0.6063	0.7907
Debt Service Funds	2.5130	2.5273	2.3866
Enterprise Fund			
Other			
TOTAL TAX RATE	3.1336	3.1336	3.1773

***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	0.7907	91,480,223	723,353	0.7907	723,353	64,028	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. SCRT Loss (NRS 354.59813)							
J. Other:							
K. Other:							
L. SUBTOTAL LEGISLATIVE OVERRIDES							
M. SUBTOTAL A, C, L	0.7907	91,480,223	723,353	0.7907	723,353	64,028	659,325
N. Debt	2.3866	91,480,223	2,183,248	2.3866	2,183,248	193,248	1,990,000
O. TOTAL M AND N	3.1773	91,480,223	2,906,601	3.1773	2,906,601	257,276	2,649,325

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 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	0.7907	45,660	550,000	0	1,325,987
R/A 2 Debt Service Fund	2,268,991	0	1,990,000	2.3866	150	0	0	4,259,141
Subtotal Governmental Fund Types, Expendable Trust Funds	2,339,993	0	2,649,325	3.1773	45,810	550,000	0	5,585,128
TOTAL ALL FUNDS	XXXXXXXXXX	0	2,649,325	3.1773	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		ENDING FUND BALANCES (7)	TOTAL (8)
						AND USES OTHER THAN OPERATING TRANSFERS OUT (5)	OPERATING TRANSFERS OUT (6)		
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) (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	386,840	242,023	564,825	0
Personal Property Taxes	120,998	74,000	94,500	0
Subtotal	507,838	316,023	659,325	0
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	0
Contributions From Other Funds	0	0	0	0
Subtotal	(2,381)	0	45,660	0
Total All Revenue	505,457	317,023	704,985	0
Other Financing Sources(Specify)				
Sale Of General Fixed Assets	0	100,000	550,000	0
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	0
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	0
Total Resources	1,332,337	1,373,400	1,325,987	0

<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	0
Non-discretionary Services & Supplies	0	0	0	0
Subtotal	44,098	81,767	50,000	0
Total All Expenditures	44,120	81,789	50,000	0
Other Uses				
Contingency (not to exceed 3% of total expenditures)				
Rebates Special Assessment	92,924	92,924	46,462	0
Subtotal	92,924	92,924	46,462	0
Operating Transfers Out (Schedule T)				
T/O to Debt Svc GO 1301	1,076,904	1,075,657	1,072,899	0
T/O to R/A 2 Debt Svc 3606	0	52,028	0	0
Subtotal	1,076,904	1,127,685	1,072,899	0
Ending Fund Balance	118,389	71,002	156,626	0
Total Commitments and Fund Balance	1,332,337	1,373,400	1,325,987	0

EFB note: Need \$47k each August to pay Special Assessment Debt. May want to leave this much in efb

<u>REVENUES</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
Taxes				
Property Taxes	1,749,547	1,926,000	1,837,000	0
Personal Property Taxes	150,453	151,000	153,000	0
Subtotal	1,900,000	2,077,000	1,990,000	
Miscellaneous Revenue				
Interest Earned	771	150	150	0
Subtotal	771	150	150	
Total All Revenue	1,900,771	2,077,150	1,990,150	0
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	
Subtotal Other Financing Sources	0	52,028	0	0
Beginning Fund Balance	2,316,130	2,165,811	2,268,990	0
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	0
Total Available Resources	4,216,901	4,294,989	4,259,140	0

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)

<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 APPROVED	FINAL APPROVED
Type:				
Principal	690,000	735,000	780,000	0
Interest	1,279,019	1,236,451	1,190,451	0
Fiscal Agent Charges	2,071	2,520	2,520	0
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	0
TOTAL RESERVED (MEMO ONLY)	2,165,811	2,268,990	2,286,169	0
Ending Fund Balance				
Reserved	2,165,811	2,268,990	2,286,169	0
Unreserved	0	0	0	0
Total Ending Fund Balance	2,165,811	2,268,990	2,286,169	0
Total Commitments & Fund Balance	4,216,901	4,294,989	4,259,140	0

Ending Fund Balance note: Restricted = \$1,953,945 and in FY14 will need extra cash for Dec pmt of approx \$281k

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

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.

Schedule of Existing Contracts
Budget Year 2014-2015

Local Government: Redevelopment Agency of the City of Sparks - Area 2

Contact: Stacie Hemmerling

E-mail Address: shemmerling@cityofsparks.us

Daytime Telephone: 775-353-2246

Total Number of Existing Contracts: 0

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 2014-15	Proposed Expenditure FY 2015-16	Reason or need for contract:
1	<i>None</i>	<i>N/A</i>	<i>N/A</i>	0	0	
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
18						
19						
20	Total Proposed Expenditures			0	0	

Additional Explanations (Reference Line Number and Vendor):

Form 31
11/01/2013

Schedule of Privatization Contracts
Budget Year 2014-2015

Local Government: Redevelopment Agency of the City of Sparks - Area 2
 Contact: Stacie Hemmerling
 E-mail Address: shemmerling@cityofsparks.us
 Daytime Telephone: 775-353-2246

Total Number of Privatization Contracts: 0

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Duration (Months/ Years)	Proposed Expenditure FY 2014-15	Proposed Expenditure FY 2015-16	Position Class or Grade	Number of FTEs employed by Position Class or Grade	Equivalent hourly wage of FTEs by Position Class or Grade	Reason or need for contract:
1	<i>None</i>									
2										
3										
4										
5										
6										
7										
8										
9										
10										
11	Total				0	0		0		

Attach additional sheets if necessary.