



Redevelopment Agency
of the City of Sparks
Area 2
2015-2016
Final Budget



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Area #2

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

This budget contains 2 funds, including Debt Service, requiring property tax revenues totaling \$ 2,729,325

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 \$ 1,881,769 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

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:

5/19/15

APPROVED BY THE GOVERNING BOARD

SCHEDULED PUBLIC HEARING:

Date and Time May 19, 2014 9:00 am

Publication Date May 7, 2015

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

Redevelopment Agency of the City of Sparks - Area 2

2015-2016 FINAL Budget

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Redevelopment Agency of the City of Sparks - Area 2 Budget Message - FINAL Fiscal Year 2014/2015 (FY16)

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 2015-2016.

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 FY14 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.

	FY14 Actuals	FY15 Estimates	FY16 Budget
Property Tax Revenues	2,362	2,649	2,729
Land Sale	100	2,150	0
Other Revenue	866	43	66
Expenditures (including debt service)	(\$3,201)	(\$3,272)	(\$2,955)
Change in Fund Balance	126	1,570	(\$160)
Beginning Fund Balance	2,284	2,411	3,981
Ending Fund Balance	2,411	3,981	3,820
<i>Less Bond Reserves</i>	(\$2,271)	(\$2,248)	(\$2,450)
<i>Less Land Sale Receivable</i>	0	(\$1,600)	(\$1,300)
Unrestricted Fund Balance	140	133	70

All figures shown in \$000's

REVENUES

For operating and debt service purposes, the effective tax rate in this budget document is \$3.1940. 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 is expected to increase 6% in FY16 to \$90.3M.

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 FY16 total expenditure budget of \$3.0M, \$2.9M is slated for debt service.

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 06/30/14 (1)	ESTIMATED CURRENT YEAR 06/30/15 (2)	BUDGET YEAR 06/30/16 (3)	PROPRIETARY FUNDS BUDGET YEAR 06/30/2016 (4)	TOTAL (MEMO ONLY) COLUMNS 3+4 (5)

REVENUES:

Property Taxes	2,361,531	2,649,325	2,729,325	0	2,729,325
Intergovernmental Revenues	0	0	0	0	0
Charges for Services	2,250	0	0	0	0
Fines and Forfeits	1,000	0	0	0	0
Miscellaneous Revenue	1,129	42,528	66,000	0	66,000
TOTAL REVENUES	2,365,909	2,691,853	2,795,325	0	2,795,325

EXPENDITURES-EXPENSES:

General Government	64	0	0	0	0
Community Support	152,648	181,582	50,500	0	50,500
Debt Service	1,181	149,733	2,500	0	2,500
Principal	735,000	955,000	915,000	0	915,000
Interest	1,236,451	912,714	913,769	0	913,769
TOTAL EXPENDITURES-EXPENSES	2,125,343	2,199,029	1,881,769	0	1,881,769
Excess of Revenues over (under)					
Expenditures/Expenses	240,566	492,824	913,556	0	913,556

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 YEAR 06/30/2016 (4)	TOTAL (MEMO ONLY) COLUMNS 3+4 (5)
	ACTUAL PRIOR YEAR 06/30/14 (1)	ESTIMATED CURRENT YEAR 06/30/15 (2)	BUDGET YEAR 06/30/16 (3)		
OTHER FINANCING SOURCES (USES):					
Bond Sales Proceeds	0	0	0	0	0
Sale Of General Fixed Assets	100,000	2,150,000	0	0	0
Operating Transfers (in)	965,636	0	0	0	0
Operating Transfers (out)	(1,179,713)	(1,072,899)	(1,073,725)	0	(1,073,725)
TOTAL OTHER FINANCING SOURCES (USES)	(114,076)	1,077,101	(1,073,725)	0	(1,073,725)
Excess of Revenues and Other Sources over(under)					
Expenditures and Other Uses (Net Income)	126,490	1,569,925	(160,169)	0	XXXXXXXXXXXX
FUND BALANCE JULY 1, BEGINNING OF YEAR:	2,284,200	2,410,690	3,980,615		
Prior Period Adjustments	0	0	0	0	
Residual Equity Transfers				XXXXXXXXXXXX	XXXXXXXXXXXX
FUND BALANCE JUNE 30, END OF YEAR	2,410,690	3,980,615	3,820,446	XXXXXXXXXXXX	XXXXXXXXXXXX
TOTAL ENDING FUND BALANCE	2,410,690	3,980,615	3,820,446	XXXXXXXXXXXX	XXXXXXXXXXXX

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/14	ESTIMATED CURRENT YEAR ENDING 06/30/15	BUDGET YEAR ENDING 06/30/16
General Government			
Judicial			
Public Safety			
Public Works			
Culture and Recreation			
Community Support			
Total General Government	0.0	0.0	0.0
Utilities			
Hospitals			
Transit Systems			
Airports			
Other			
TOTAL FTE's	0.0	0.0	0.0

POPULATION (AS OF JULY 1)	90,264	91,551	92,396
SOURCE OF POPULATION ESTIMATE*	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	Dept of Taxation- FY 2016 Final Revenue Projections Part B
Assessed Valuation (Secured and Unsecured Only)	81,982,027	85,206,271	90,319,684
Net Proceeds of Mines			
TOTAL ASSESSED VALUE	81,982,027	85,206,271	90,319,684
TAX RATE			
General Fund			
Special Revenue Funds			
Capital Projects Funds	0.7423	0.8184	0.8184
Debt Service Funds	2.3815	2.3756	2.3756
Enterprise Fund			
Other			
TOTAL TAX RATE	3.1238	3.1940	3.1940

*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 2015-2016

	(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	0.8184	90,319,684	739,166	0.8184	739,166	39,840	699,326
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	0.8184	90,319,684	739,166	0.8184	739,166	39,840	699,325
N. Debt	2.3756	90,319,684	2,145,644	2.3756	2,145,644	115,646	2,030,000
O. TOTAL M AND N	3.1940	90,319,684	2,884,811	3.1940	2,884,811	155,486	2,729,325

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
11/20/2014

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

Budget For Fiscal Year Ending June 30, 2016

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

GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUNDS	Beginning 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	1,732,897	0	699,325	0.8184	62,000	0	0	2,494,222
R/A 2 Debt Service Fund	2,247,718	0	2,030,000	2.3756	4,000	0	0	4,281,718
Subtotal Governmental Fund Types, Expendable Trust Funds	3,980,615	0	2,729,325	3.1940	66,000	0	0	6,775,940
TOTAL ALL FUNDS	XXXXXXXXXX	0	2,729,325	3.1940	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

SCHEDULE A-1 ESTIMATED EXPENDITURES AND OTHER FINANCING USES

Budget For Fiscal Year Ending June 30, 2016

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)	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	50,500	0	0	1,073,725	1,369,997	2,494,222
R/A 2 Debt Service Fund	DS	0	0	1,831,269	0	0	0	2,450,449	4,281,718
TOTAL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS		0	0	1,881,769	0	0	1,073,725	3,820,446	6,775,940

* 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 06/30/16	
	ACTUAL PRIOR YEAR ENDING 06/30/2014	ESTIMATED CURRENT YEAR ENDING 06/30/2015	TENTATIVE APPROVED	FINAL APPROVED
<u>Taxes</u>				
Property Taxes	193,955	564,825	604,825	604,825
Personal Property Taxes	90,576	94,500	94,500	94,500
Total Taxes	284,531	659,325	699,325	699,325
<u>Charges for Services</u>				
Planned Development	2,250	0	0	0
Total Charges for Services	2,250	0	0	0
<u>Fines and Forfeits</u>				
Forfeits - Misd	1,000	0	0	0
Total Fines and Forfeits	1,000	0	0	0
<u>Miscellaneous Revenue</u>				
Interest Earned	144	1,000	1,000	1,000
Non-Investment Interest Earned	0	37,528	61,000	61,000
Total Miscellaneous Revenue	144	38,528	62,000	62,000
Total Revenue	287,925	697,853	761,325	761,325
<u>Other Financing Sources(Specify)</u>				
Sale Of General Fixed Assets	100,000	2,150,000	0	0
Operating Transfers In (Schedule T)				
T/I from General Fund 1101	861,580	0	0	0
T/I from R/A 2 Debt Svc 3606	52,028	0	0	0
Total Other Financing Sources	1,013,608	2,150,000	0	0
<u>Beginning Fund Balance</u>				
Prior Period Adjustment(s)	0	0	0	0
Residual Equity Transfers	0	0	0	0
Total Beginning Fund Balance	118,388	139,525	1,732,897	1,732,897
Total Resources	1,419,921	2,987,378	2,494,222	2,494,222

Redevelopment Agency of the City of Sparks - Area 2
SCHEDULE B - Capital Projects Fund
R/A 2 Revolving Fund (3601)

<u>EXPENDITURES</u>	(1)	(2)	(3) (4) Budget Year Ending 06/30/16	
	ACTUAL PRIOR YEAR ENDING 06/30/2014	ESTIMATED CURRENT YEAR ENDING 06/30/2015	TENTATIVE APPROVED	FINAL APPROVED
<u>General Government Function</u>				
Services and Supplies	58	0	0	0
Non-discretionary Services & Supplies	5	0	0	0
Total General Government Function	64	0	0	0
<u>Community Support Function</u>				
Services and Supplies	59,634	121,000	50,000	50,000
Non-discretionary Services & Supplies	90	500	500	500
Total Community Support Function	59,724	121,500	50,500	50,500
Total Expenditures	59,788	121,500	50,500	50,500
Other Uses				
Contingency (not to exceed 3% of total expenditures)	0	0	0	0
Rebates Special Assessment	92,924	60,082	0	0
Operating Transfers Out (Schedule T)				
T/O to Debt Svc GO 1301	1,075,657	1,072,899	1,073,725	1,073,725
T/O to R/A 2 Debt Svc 3606	52,028	0	0	0
Total Other Uses	1,220,608	1,132,981	1,073,725	1,073,725
<i>Ending Fund Balance</i>	<i>139,525</i>	<i>1,732,897</i>	<i>1,369,997</i>	<i>1,369,997</i>
Total Commitments and Fund Balance	1,419,921	2,987,378	2,494,222	2,494,222

Redevelopment Agency of the City of Sparks - Area 2
SCHEDULE B - Capital Projects Fund
R/A 2 Revolving Fund (3601)

<u>REVENUES</u>	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/16	
	ACTUAL PRIOR YEAR ENDING 06/30/2014	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE APPROVED	FINAL APPROVED
Taxes				
Property Taxes	1,902,000	1,837,000	1,877,000	1,877,000
Personal Property Taxes	175,000	153,000	153,000	153,000
Subtotal	2,077,000	1,990,000	2,030,000	2,030,000
Miscellaneous Revenue				
Interest Earned	985	4,000	4,000	4,000
Subtotal	985	4,000	4,000	4,000
Total All Revenue	2,077,985	1,994,000	2,034,000	2,034,000
Other Financing Sources				
Operating Transfers In (Schedule T)				
T/I from R/A2 Revolving 3601	52,028	0	0	0
Bond Proceeds	0	0	0	0
Subtotal Other Financing Sources	52,028	0	0	0
Beginning Fund Balance	2,165,812	2,271,165	2,247,718	2,247,718
Prior Period Adjustment(s)	0	0	0	0
Residual Equity Transfers	0	0	0	0
Total Beginning Fund Balance	2,165,812	2,271,165	2,247,718	2,247,718
Total Available Resources	4,295,825	4,265,165	4,281,718	4,281,718

<u>EXPENDITURES and RESERVES</u>	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/16	
	ACTUAL PRIOR YEAR ENDING 06/30/2014	ESTIMATED CURRENT YEAR ENDING 06/30/2014	TENTATIVE APPROVED	FINAL APPROVED

Type: 4 Revenue Bonds

Principal	735,000	955,000	915,000	915,000
Interest	1,236,451	912,714	913,769	913,769
Fiscal Agent Charges	1,181	149,733	2,500	2,500
Transfers Out	52,028	0	0	0
Reserves - increase or (decrease)	0	0	0	0
Other (Specify)	0	0	0	0
Subtotal	2,024,660	2,017,447	1,831,269	1,831,269
TOTAL RESERVED (MEMO ONLY)	2,271,165	2,247,718	2,450,449	2,450,449
<i>Ending Fund Balance</i>				
Reserved	2,271,165	2,247,718	2,450,449	2,450,449
Unreserved	0	0	0	0
Total Ending Fund Balance	2,271,165	2,247,718	2,450,449	2,450,449
Total Commitments & Fund Balance	4,295,825	4,265,165	4,281,718	4,281,718

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 07/01/2015	(9) (10) FISCAL YEAR ENDING 06/30/2016		(11) (9) + (10) TOTAL
								INTEREST PAYABLE	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%	10,460,000	691,700	535,000	1,226,700
- Tax Increment Revenue Bonds Series 2014 ¹	4	15	7,285,000	08/14/2014	06/01/2029	3.249%	6,835,000	222,069	380,000	602,069
Total Type 4 Revenue Bonds			19,985,000				17,295,000	913,769	915,000	1,828,769
TOTAL RA2 DEBT SERVICE FUND 3606			19,985,000				17,295,000	913,769	915,000	1,828,769

SCHEDULE C-1 - INDEBTEDNESS

Redevelopment Agency #2 of the City of Sparks Budget Fiscal Year 2015-2016

Form 22
 11/20/2014

¹ Tax Increment Revenues Bonds Series 2014 are a refunding of a 2009 bond issue. In August 2014 Tax Increment Revenues Bonds Series 2009 were refunded into private placement as Tax Increment Revenues Bonds Series 2014. The refunding achieved a lower interest rate, but all other terms remained the same including the date of the final payment.

Transfer Schedule for Fiscal Year 2015-2016

FUND TYPE	TRANSFERS IN			TRANSFERS OUT		
	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
Capital Projects			0	T/O to Debt Svc GO 1301		1,073,725
Total Transfers			0			1,073,725

FY16 Note: Transfers in do not match transfers out due to the fact that transfers out include \$1,073,725 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 \$291,695 transfer from Redevelopment Area 1 to the City's GO Debt Service Fund.

Proof of Publication to be attached when available