



Message from the City Manager

As Fiscal Year (FY) 2012-2013 closes, we are optimistic about the stability of the City of Sparks finances. It is encouraging to see that revenues are leveling out after several turbulent years. Thanks to some overall “belt-tightening” and the wage concessions provided by our dedicated city team, we have weathered the economic downturn and hope to end the current year (FY 2012-2013) with a healthy fund balance and a solid platform upon which to begin the next.

As we embark on the new fiscal year, I can’t help but to reflect on the tremendous effort and sacrifices put forth by the employees of the City of Sparks. In a comprehensive effort to streamline expenses while maintaining core services, our team met the challenge. Now that revenues are beginning to rebound, the time is right to return the wage concessions provided by our employees. They’ve earned it. This action, however, results in an unbudgeted expenditure in FY 2013-2014 that will need to be mitigated through a program called Process Innovations, a comprehensive effort to look across all city services and continue to streamline and reduce expenses.

In this document, you will find a brief overview of the City of Sparks’ FY 2013-2014 Budget. The General Fund budget consists of \$54 million in total spending (excluding contingency), up \$714,000 from FY 2012-2013 preliminary estimates, and requires no property tax rate increase, staff layoffs, or service reductions.

Revenue Highlights

- Consolidated Tax Revenue (CTAX) is projected to increase 2.5%
- Property tax revenues remain flat over FY 2012-2013
- Business licenses, permits and franchise fees are expected to increase 3.3%
- The General Fund will continue to be paid back a subsidy given to the Development Services Fund over the course of two fiscal years-- FY 2009-2010 & FY 2010-2011.

Expenditure Highlights

- Public Employees Retirement System contributions will increase from 23.75% to 25.75% for Regular Members, and from 39.75% to 40.5% for Police and Fire Members
- Redevelopment Area 2 will require support from the General Fund to make its FY 2013-2014 debt service payments
- A \$1.3M investment by the General Fund in needed capital improvements will be made per fiscal policy
- A new Employee Wellness Program will be implemented
- A contingency budget of \$1M is included
- Additional funding for part-time help to maintain streets and parks is included
- Health insurance fund contributions will be reduced 8%
- All General Fund Debt service costs in FY 2013-2014 will be funded by unused bond proceeds

The City’s fiscal policy is to maintain a minimum unrestricted ending fund balance equal to 8.3% of expenditures within the General Fund. The FY 2013-2014 General Fund budget falls short of that goal and results in an ending fund balance equal to 6.6% of expenditures. Our goal in FY 2013-2014 is to utilize Process Innovation to achieve the policy goal of 8.3%.

The financial stability the new fiscal year brings, largely due to the hard work and sacrifice of the entire City team, is a welcomed relief, though the economic challenges remain far from over as revenue streams are well below pre-recessionary levels. This year will permit us to regroup and focus on confronting and finding solutions for the next series of challenges on the horizon, and allow us to strengthen our sustainable city government.

Shaun D. Carey
City Manager

Sparks Mayor, City Council, City Attorney and Judges



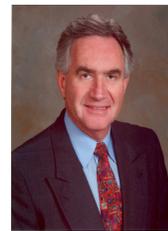
Julia Ratti, Ward 1; Ed Lawson, Ward 2; Ron Smith, Ward 3; Mayor Geno Martini; Mike Carrigan, Ward 4; Ron Schmitt, Ward 5



City Attorney
Chet Adams



Municipal Judge
Barbara McCarthy



Municipal Judge
Jim Spoo

SENIOR STAFF: Shaun Carey, City Manager; Steve Driscoll, Assistant City Manager; Brian Allen, Police Chief; Andy Flock, Fire Chief; Jeff Cronk, Financial Services Director; Neil Krutz, Deputy City Manager for Community Services; Tracy Dominguez, Parks & Recreation Director

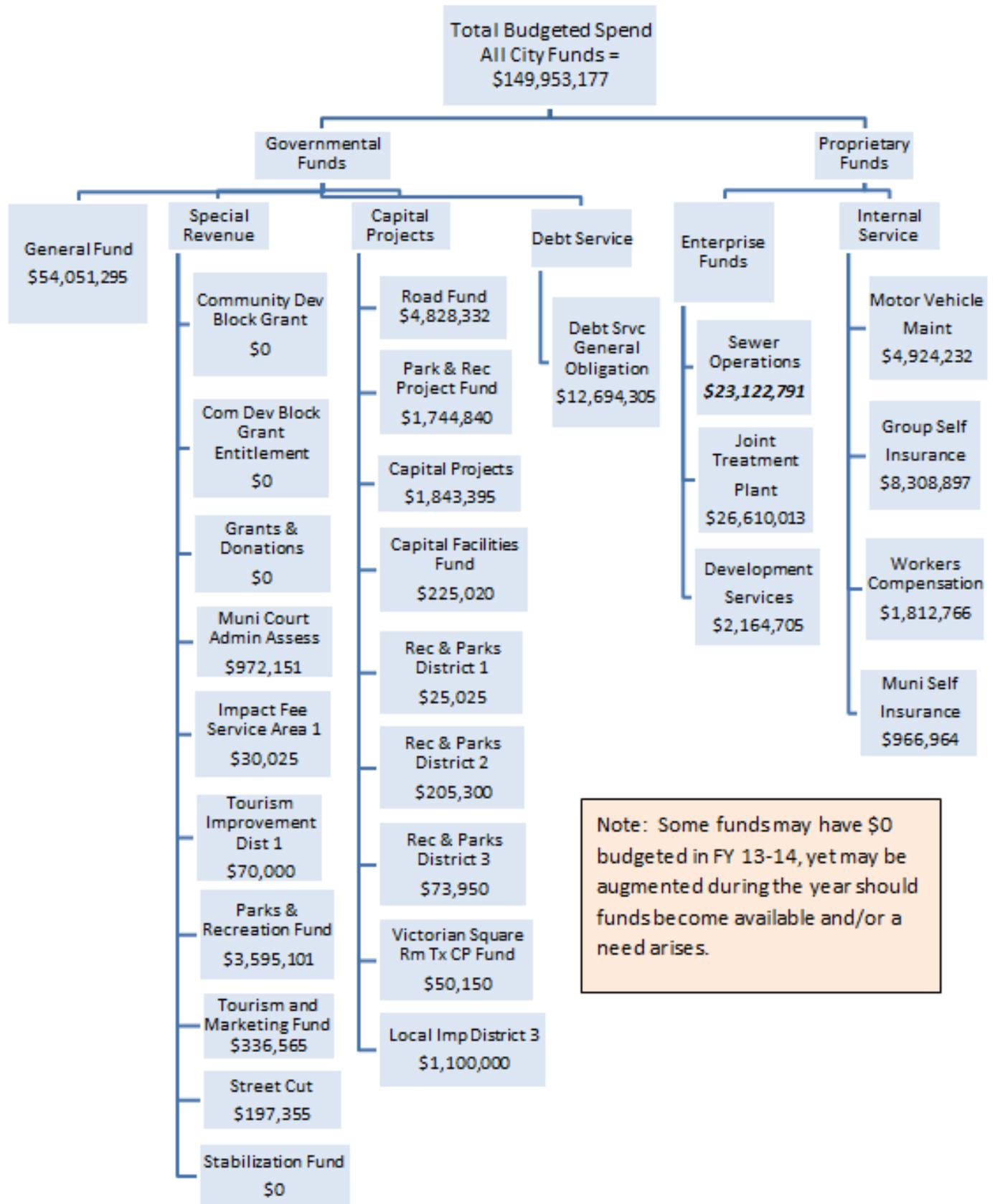
The City of Sparks Vision

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

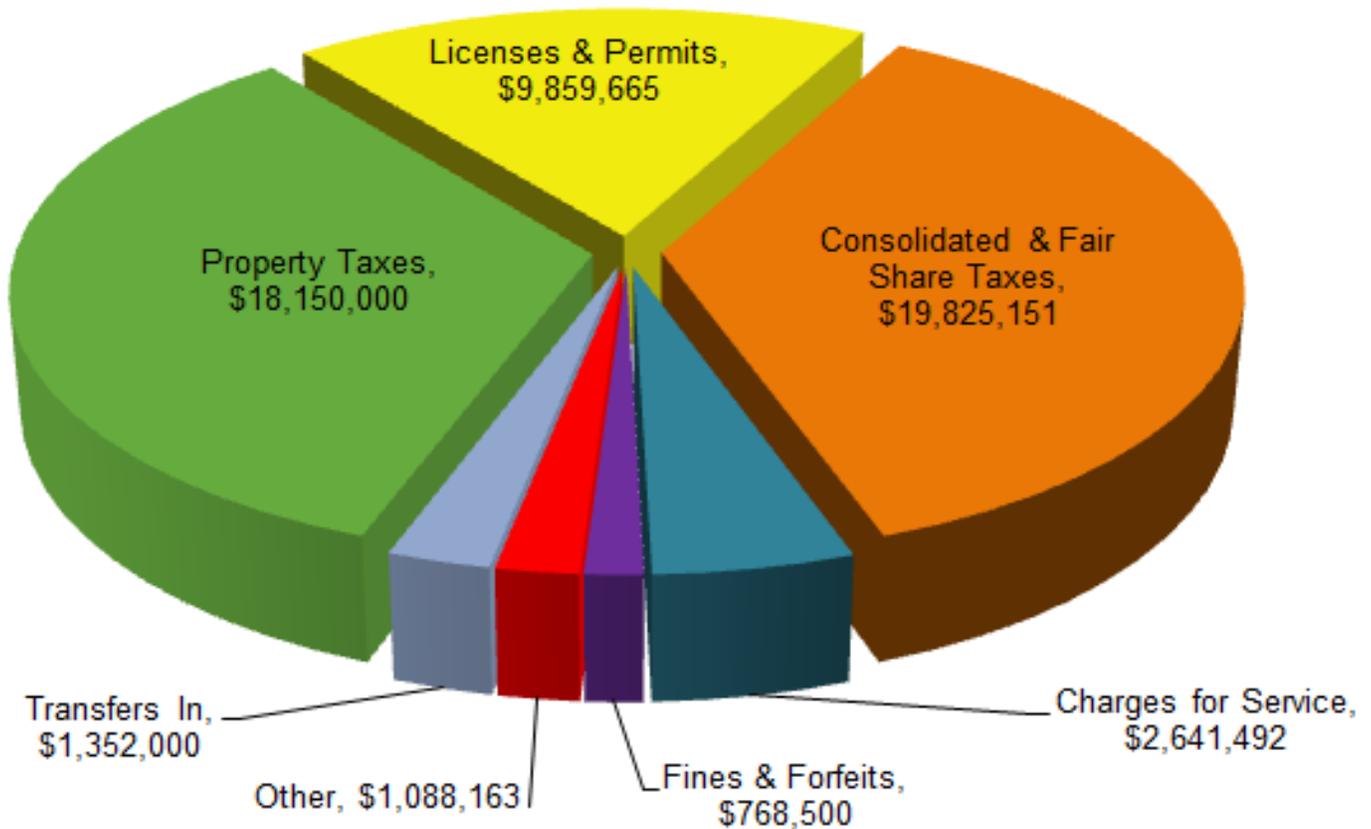
The City of Sparks Mission

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

Funds Utilized by City of Sparks with FY 2013-14 Budgeted Expenditures



General Fund Revenues Fiscal Year 2013-14



General Fund Expenditures by Department Fiscal Year 2013-14

