

### CITY OF SPARKS FISCAL POLICIES

On February 14, 2005, the Sparks City Council adopted Financial Policies in furtherance of the priority objective to achieve financial stability. These Financial Polices have since been revised, and in 2011, a new set of Fiscal Policies were presented to the City Council as part of the Sparks Sustainable Services to the Initiative (SSSI) and to be in compliance with GASB54.

## The City of Sparks Fiscal Policies are as follows:

### 1 Minimum General Fund unrestricted ending Fund Balance level equal to 8.3% of expenditures

	GOAL	RESULTS	AMOUNT OVER/(UNDER) GOAL	STATUS
<b>FY12 ACTUALS</b>	8.3%	13.1%	\$2,200,000	✓
<b>FY13 EST. ACTUALS</b>	8.3%	9.4%	\$550,000	✓
<b>FY14 BUDGET</b>	8.3%	3.1%	(\$2,500,000)	✗

**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 1 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 available only for specific purposes as defined by GASB 54.

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## The City of Sparks Fiscal Policies are as follows:

### 2 Establish a Contingency budget up to 3% of total expenditures in the annual budget

	GOAL	BUDGET	Contingency Amount	STATUS
<b>FY12 BUDGET</b>	up to 3%	1%	550,000	
<b>FY13 BUDGET</b>	up to 3%	2%	1,000,000	
<b>FY14 BUDGET</b>	up to 3%	2%	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 below 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, expenditures exclude contingency and transfers-out.

**Proposed FY14 Policy Language Change**

**Establish a General Fund Contingency amount up to 3% of total expenditures, in the annual budget.** *(Note: This language change is being proposed for clarification purposes only.)*

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### The City of Sparks Fiscal Policies are as follows:

#### 3 Transfer an amount equal to 2% of total expenditures from the General fund to the Capital Projects Fund

	GOAL	RESULTS	Transfer Amount	STATUS
FY12 ACTUALS	2%	3%	1,310,000	✓
FY13 EST. ACTUALS	2%	2%	1,210,000	✓
FY14 BUDGET	2%	2%	1,300,000	✓

Purpose of this Fiscal Policy

This policy ensures that the City continues to invest in infrastructure and technology needs.

Proposed FY14 Policy Language Change

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

Purpose of FY14 Policy Language Change

The proposed policy wording change is meant to shift focus towards allocation of resources rather than allocation of expenditures. In other words, to help determine a level of resources to be made available for infrastructure needs.

Impact if proposed policy language change is implemented in FY14

	GOAL	RESULTS	Transfer Amount	STATUS
FY12 ACTUALS	2.5%	2.5%	1,310,000	✓
FY13 EST. ACTUALS	2.5%	2.4%	1,210,000	⚠
FY14 BUDGET	2.5%	2.5%	1,300,000	✓

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### The City of Sparks Fiscal Policies are as follows:

#### 4 Transfer an amount equal to 2% of total expenditures from the General Fund to replenish the depleted Stabilization Fund

	GOAL	RESULTS	Amount Committed	STATUS
FY12 ACTUALS	2%	0.4%	200,000	✘
FY13 EST. ACTUALS	2%	0.0%	-	✘
FY14 BUDGET	2%	0.4%	200,000	✘

**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.

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### The City of Sparks Fiscal Policies are as follows:

Proposed FY14 Policy Language Change

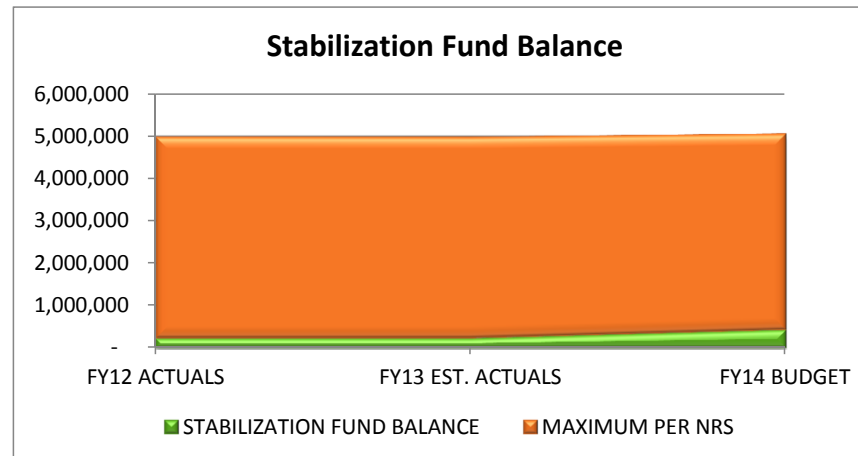
**Commit a portion of annual business license receipts to the Stabilization Fund up to the maximum Fund balance allowed within NRS 354.6115.**

Purpose of FY14 Policy Language Change

The proposed policy wording change is meant for clarification purposes and to reflect compliance with GASB 54.

Impact if proposed policy language change is implemented in FY14

	MAX ALLOWED PER NRS	STABILIZATION FUND BALANCE	AMOUNT COMMITTED	STATUS
<b>FY12 ACTUALS</b>	\$ 4,995,813	\$ 228,641	\$ 200,000	✓
<b>FY13 EST. ACTUALS</b>	\$ 4,984,951	\$ 228,921	\$ -	✗
<b>FY14 BUDGET</b>	\$ 5,067,846	\$ 429,271	\$ 200,000	✓



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### The City of Sparks Fiscal Policies are as follows:

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

	GOAL	RESULTS	STATUS
FY12 ACTUALS	<=78%	76%	
FY13 EST. ACTUALS	<=78%	79%	
FY14 BUDGET	<=78%	81%	

**Purpose of this Fiscal Policy**

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

**Proposed FY14 Proposed Replacement Policy**

**General Fund total uses match total revenues within the confines of the Council's fiscal policies, seeking a balanced allocation of resources.**

**Purpose of FY14 Policy Language Change**

This policy is designed to achieve fiscal balance and sustainability. It is critical to the City's sustainability that uses (i.e., expenditures + transfers-out) do not outpace its revenues. It is also critical that the level of expenditures do not become over-weighted in one of more areas resulting in other service areas of the City becoming neglected. It is therefore recommended to broaden the current fiscal policy to encompass all City uses, not just personnel costs, and to ensure they are in balance and in-line with expected resources.

Determining balanced spending is difficult when considering the vast change in fiscal and organizational change the City of Sparks has endured over the past several years. This policy will become more meaningful over time as City staff is able to report on fiscal activity since the organizational changes took full effect in FY '12. However, the measures on the following tables are offered as a starting point:

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### The City of Sparks Fiscal Policies are as follows:

*Impact if proposed Replacement Policy is implemented in FY14*

TOTAL USES AS % OF TOTAL REVENUES BY EXPENSE CATEGORY	GOAL	FY12 RESULTS	FY13 EA RESULTS	FY14 BUDGET	FY14 STATUS
PERSONNEL COSTS	<=77%	76%	79%	81%	✘
SERVICES & SUPPLIES & CAP. OUTLAY	<=16%	18%	19%	20%	✘
TRANSFERS-OUT	<=5%	5%	5%	6%	⚠
CONTINGENCY	<=2%	0%	0%	2%	✔
TOTAL		100%	103%	109%	

TOTAL USES AS % OF TOTAL REVENUES BY FUNCTION	GOAL	FY12 RESULTS	FY13 EA RESULTS	FY14 BUDGET	FY14 STATUS
POLICE	<=38%	38%	39%	41%	✘
FIRE	<=27%	27%	28%	28%	⚠
TOTAL PUBLIC SAFETY	<=65%	65%	67%	69%	✘
MANAGEMENT SERVICES	<=9%	9%	9%	11%	✘
FINANCIAL SERVICES	<=4%	4%	5%	5%	⚠
LEGAL SERVICES	<=3%	3%	3%	3%	✔
TOTAL CENTRAL SERVICES	<=16%	15%	16%	18%	✘
COMMUNITY SERVICES	<=10%	10%	11%	11%	⚠
MUNICIPAL COURT	<=4%	4%	4%	4%	✔
TRANSFERS-OUT	<=5%	5%	5%	6%	⚠
TOTAL		99%	103%	108%	

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## The City of Sparks Fiscal Policies are as follows:

### 6 Consider funding the Other Post Employment Benefit (OPEB) liability

	NET OPEB OBLIGATION	RESULTS	STATUS
FY12 ACTUALS	\$ 5,473,423	\$ -	⊗
FY13 EST. ACTUALS	\$ 6,008,291	\$ -	⊗
FY14 BUDGET	\$ 6,543,159	\$ -	⊗

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.

Proposed FY14 Policy Language Change

**Establish an irrevocable trust to fund the Other Post Employment Benefit (OPEB) existing net liability and pay the on-going Annual Required Contribution.** *(Note: This language change is being proposed for clarification purposes only.)*



**City of Sparks General Fund**  
**Sources & Uses: FY '11 - FY '17 Multi-Year Projection Summary (\$000's)**

Projection WITHOUT Savings Assumptions							
	FY '11	FY '12	FY '13	FY '14	FY '15	FY '16	FY '17
<u>Sources (excluding beginning fund balance)</u>	Actuals	Actuals	Projection	Projection	Projection	Projection	Projection
Total Revenues	\$55,639	\$52,689	\$51,409	\$51,894	\$52,754	\$53,631	\$54,523
Total Transfers-In	\$6	\$312	\$60	\$352	\$352	\$352	\$0
Total Sources	\$55,645	\$53,000	\$51,469	\$52,246	\$53,106	\$53,983	\$54,523
<i>% Change in Total Revenues (excl. transfers) =</i>		-5.3%	-2.4%	0.9%	1.7%	1.7%	1.7%
<u>Uses</u>							
Total Expenditures	\$49,958	\$49,850	\$50,678	\$52,205	\$53,272	\$54,603	\$55,605
Total Transfers-Out	\$3,696	\$2,535.798	\$2,515	\$3,175	\$3,075	\$3,715	\$3,655
Contingency (Assume No Usage; Budget Would Match Trans-In from Vehicle Fund)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Uses	\$53,654	\$52,385	\$53,193	\$55,380	\$56,347	\$58,318	\$59,260
<i>% Change in Total Expenditures (excl. transfers &amp; contingency) =</i>		-0.2%	1.7%	3.0%	2.0%	2.5%	1.8%
<b>Net Sources/(Uses)</b>	\$1,991	\$615	(\$1,724)	(\$3,135)	(\$3,240)	(\$4,335)	(\$4,737)
<u>Fund Balance</u>							
Unrestricted Ending Fund Balance	\$6,498	\$6,477	\$4,768	\$1,633	(\$1,607)	(\$5,942)	(\$10,680)
Unrestricted Ending Fund Balance as a % of Exp's (Less Cap. Outlay) -- Min. Goal: 8.3%	13.0%	13.1%	9.4%	3.1%	-3.0%	-10.9%	-19.3%
Unrestricted Ending Fund Balance Amount Over/(Short) of 8.3% Goal	\$2,200	\$2,200	\$550	(\$2,500)	(\$5,550)	(\$9,650)	(\$14,100)

Projection WITH Savings Assumptions							
	FY '11	FY '12	FY '13	FY '14	FY '15	FY '16	FY '17
<u>Sources (excluding beginning fund balance)</u>	Actuals	Actuals	Projection	Projection	Projection	Projection	Projection
Total Revenues	\$55,639	\$52,689	\$51,409	\$51,894	\$52,754	\$53,631	\$54,523
Total Transfers-In	\$6	\$312	\$60	\$352	\$352	\$352	\$0
Total Sources	\$55,645	\$53,000	\$51,469	\$52,246	\$53,106	\$53,983	\$54,523
<i>% Change in Total Revenues (excl. transfers) =</i>		-5.3%	-2.4%	0.9%	1.7%	1.7%	1.7%
<u>Uses</u>							
Total Expenditures	\$49,958	\$49,850	\$50,678	\$49,941	\$51,007	\$52,338	\$53,340
Total Transfers-Out	\$3,696	\$2,536	\$2,515	\$2,925	\$2,825	\$3,465	\$3,405
Contingency (Assume No Usage; Budget Would Match Trans-In from Vehicle Fund)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Uses	\$53,654	\$52,385	\$53,193	\$52,866	\$53,832	\$55,803	\$56,745
<i>% Change in Total Expenditures (excl. transfers &amp; contingency) =</i>		-0.2%	1.7%	-1.5%	2.1%	2.6%	1.9%
<b>Net Sources/(Uses)</b>	\$1,991	\$615	(\$1,724)	(\$620)	(\$726)	(\$1,820)	(\$2,222)
<u>Fund Balance</u>							
Unrestricted Ending Fund Balance	\$6,498	\$6,477	\$4,768	\$4,148	\$3,422	\$1,602	(\$621)
Unrestricted Ending Fund Balance as a % of Exp's (Less Cap. Outlay) -- Min. Goal: 8.3%	13.0%	13.1%	9.4%	8.3%	6.7%	3.1%	-1.2%
Unrestricted Ending Fund Balance Amount Over/(Short) of 8.3% Goal	\$2,200	\$2,200	\$550	\$0	(\$750)	(\$2,500)	(\$4,650)

**City of Sparks General Fund**  
**Sources & Uses: FY '11 - FY '17 Multi-Year Projections (\$000's) -- NO SAVINGS ASSUMPTIONS**

	FY '11 Actuals	FY '12 Actuals	FY '13 Projection	FY '14 Projection	FY '15 Projection	FY '16 Projection	FY '17 Projection
<b>Sources (excluding beginning fund balance)</b>							
<b>Revenues</b>							
Property Taxes	\$20,445	\$19,040	\$18,282	\$18,099	\$18,280	\$18,463	\$18,648
Consolidated & Fair Share Taxes	\$18,055	\$18,851	\$19,050	\$19,805	\$20,201	\$20,605	\$21,017
Licenses & Permits	\$9,418	\$9,675	\$9,548	\$9,660	\$9,853	\$10,050	\$10,251
Less: Policy to Commit Business License Rev. to Stabilization Fund	\$0	(\$200)	\$0	(\$200)	(\$200)	(\$200)	(\$200)
Other Revenues	\$7,722	\$5,323	\$4,529	\$4,530	\$4,620	\$4,713	\$4,807
<b>Total Revenues</b>	<b>\$55,639</b>	<b>\$52,689</b>	<b>\$51,409</b>	<b>\$51,894</b>	<b>\$52,754</b>	<b>\$53,631</b>	<b>\$54,523</b>
<b>Transfers-In</b>							
From Dev. Svcs. Fund to Begin Subsidy Repayment	\$0	\$0	\$60	\$352	\$352	\$352	\$0
From Vehicle Fund (Would match Contingency usage, up to \$1.0M)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Transfers-In	\$6	\$312	\$0	\$0	\$0	\$0	\$0
<b>Total Transfers</b>	<b>\$6</b>	<b>\$312</b>	<b>\$60</b>	<b>\$352</b>	<b>\$352</b>	<b>\$352</b>	<b>\$0</b>
<b>Total Sources</b>	<b>\$55,645</b>	<b>\$53,000</b>	<b>\$51,469</b>	<b>\$52,246</b>	<b>\$53,106</b>	<b>\$53,983</b>	<b>\$54,523</b>
<b>Uses</b>							
<b>Expenditures</b>							
Salaries & Wages	\$26,869	\$25,793	\$26,473	\$27,332	\$27,468	\$27,606	\$27,744
Retirement	\$7,711	\$7,991	\$8,150	\$8,652	\$8,695	\$9,130	\$9,175
Health Insurance Costs - Group	\$4,444	\$4,412	\$4,184	\$3,999	\$4,599	\$5,059	\$5,565
Health Insurance Costs - Sick Leave Conversion & PEBP Subsidy	\$945	\$906	\$844	\$854	\$939	\$1,033	\$1,137
Other Benefits	\$1,397	\$1,096	\$1,054	\$1,130	\$1,130	\$1,130	\$1,130
Services & Supplies - Discretionary Costs	\$3,599	\$3,780	\$4,552	\$4,764	\$4,859	\$4,957	\$5,056
Services & Supplies - Non-Discretionary Costs (FY '12 Incl. Maint. Cost Adj.)	\$4,869	\$5,371	\$5,234	\$5,293	\$5,399	\$5,507	\$5,617
Capital Outlay	\$125	\$500	\$188	\$182	\$182	\$182	\$182
Underspend / Process Innovations Savings Goal -- Svcs. & Supp.	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Underspend / Process Innovations Goal -- SWB's	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Department Expenditures</b>	<b>\$49,958</b>	<b>\$49,850</b>	<b>\$50,678</b>	<b>\$52,205</b>	<b>\$53,272</b>	<b>\$54,603</b>	<b>\$55,605</b>
<b>Transfers-Out</b>							
To Parks & Rec. Fund	\$2,614	\$314	\$375	\$1,125	\$1,125	\$1,125	\$1,125
Underspend / Process Innovations Goal -- P & R Fund Trans. Reduction	\$0	\$0	\$0	\$0	\$0	\$0	\$0
To Debt Service Fund	\$741	\$725	\$730	\$0	\$0	\$730	\$730
To RDA #2 Revolving Fund	\$0	\$0	\$200	\$750	\$650	\$560	\$500
To Capital Projets Fund	\$140	\$1,310	\$1,210	\$1,300	\$1,300	\$1,300	\$1,300
Other Transfers-Out	\$200	\$187	\$0	\$0	\$0	\$0	\$0
Total Transfers-Out	\$3,696	\$2,536	\$2,515	\$3,175	\$3,075	\$3,715	\$3,655
Contingency Budget Usage (= transfer-in from Vehicle Fund up to \$1.0M)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Uses</b>	<b>\$53,654</b>	<b>\$52,385</b>	<b>\$53,193</b>	<b>\$55,380</b>	<b>\$56,347</b>	<b>\$58,318</b>	<b>\$59,260</b>
<b>Net Sources/(Uses)</b>	<b>\$1,991</b>	<b>\$615</b>	<b>(\$1,724)</b>	<b>(\$3,135)</b>	<b>(\$3,240)</b>	<b>(\$4,335)</b>	<b>(\$4,737)</b>
<b>Fund Balance</b>							
Total Beginning Fund Balance	\$4,853	\$6,845	\$6,492	\$4,768	\$1,633	(\$1,607)	(\$5,942)
Less: FY '12 Prior Period Adjustment for Maintenance Cost Allocation Error	\$0	(\$967)	\$0	\$0	\$0	\$0	\$0
Beginning Fund Balance -- Adjusted	\$4,853	\$5,877	\$6,492	\$4,768	\$1,633	(\$1,607)	(\$5,942)
Total Ending Fund Balance	\$6,845	\$6,492	\$4,768	\$1,633	(\$1,607)	(\$5,942)	(\$10,680)
Less: Restricted Fund Balance	(\$347)	(\$15)	\$0	\$0	\$0	\$0	\$0
Unrestricted Ending Fund Balance	\$6,498	\$6,477	\$4,768	\$1,633	(\$1,607)	(\$5,942)	(\$10,680)
Unrestricted Ending Fund Balance as a % of Exp's -- Min. Goal: 8.3%	13.0%	13.1%	9.4%	3.1%	-3.0%	-10.9%	-19.3%
Ending Fund Balance Amount Over/(Short) of 8.3% Goal	\$2,200	\$2,200	\$550	(\$2,500)	(\$5,550)	(\$9,650)	(\$14,100)

# General Fund Change in Expenditures from FY12 to FY14

A comparison of FY12 Actuals to the FY14 Tentative Budget by Expenditure Type

	FY12 Actls	FY14 Tentative Budget	Change
<b>TOTAL SALARIES, WAGES &amp; BENEFITS</b>	<b>40,198,549</b>	<b>41,966,415</b>	<b>1,767,866</b>
<i>Added Positions</i>			
Fire IT Support Specialist			78,000
3 Police Officers			255,000
Property Evvidence Tech			60,000
Police Sr. Systems Analyst			90,000
Loss of COPS Grant-6 officers			550,000
Code Enforcement Officer			79,000
<i>Overtime</i>			
Police Overtime (OT, CB, WH)			193,582
Fire Overtime (OT, CB, WH)			371,916
<i>PERS/Health Insurance</i>			
PERS rate increase			260,000
Splitting PERS rate salary reductions			(94,000)
FY14 Health Insurance 8% reduction			(350,000)
Total Primary Drivers of Change =			<u>1,493,498</u>
<b>TOTAL SERVICES &amp; SUPPLIES</b>	<b>9,150,558</b>	<b>10,057,206</b>	<b>906,648</b>
Wellness Program			400,000
Park & Street Maintenance Temps			400,000
Special Events Temps- Maintenance			40,000
Total Primary Drivers of Change =			<u>840,000</u>
<b>TRANSFERS-OUT</b>	<b>2,535,798</b>	<b>3,175,000</b>	<b>639,202</b>
Increase Transfer to Parks & Rec			811,443
Decrease Transfer to Debt Service (Utilizing Unspent CTAX Bond Proceeds)			(725,078)
Decrease Transfer to Capital Projects (per fiscal policy)			(10,000)
New Transfer to RA2 (to cover debt service)			750,000
One-time transfer to new Grant Fund			(187,163)
Total Primary Drivers of Change =			<u>639,202</u>

# General Fund Change in Revenues & Expenses

A comparison of FY12 Actuals to FY13 Estimates to the FY14 Tentative Budget

Summary of Results	FY12	FY13 Estimates	Change FY12 to FY13	FY14 Tentative Budget	Change FY13 to FY14
<b>Beginning Fund Balance</b>	<b>5,877,318</b>	<b>6,492,290</b>		<b>4,767,810</b>	
Revenues	52,688,713	51,408,853	(1,279,860)	51,893,585	484,732
Transfers-In	311,572	60,000	(251,572)	1,352,000	1,292,000
<b>Total Incoming Resources</b>	<b>53,000,285</b>	<b>51,468,853</b>	<b>(1,531,432)</b>	<b>53,245,585</b>	<b>1,776,732</b>
Expenditures	(49,849,515)	(50,678,454)	828,939	(52,205,478)	1,527,024
Contingency	0	0	-	(1,000,000)	1,000,000
Transfers-Out	(2,535,798)	(2,514,879)	(20,919)	(3,175,000)	660,121
<b>Total Outgoing Uses</b>	<b>(52,385,313)</b>	<b>(53,193,333)</b>	<b>808,020</b>	<b>(56,380,478)</b>	<b>3,187,145</b>
<b>Net Change in Resources</b>	<b>614,972</b>	<b>(1,724,480)</b>		<b>(3,134,893)</b>	
<b>Ending Fund Balance</b>	<b>6,492,290</b>	<b>4,767,810</b>		<b>1,632,917</b>	

Cause of Change -- Revenues							
	FY12	FY13 Estimates	FY14 Tentative Budget	Change from FY12 to FY13	Change from FY13 to FY14	% Change from FY12 to FY13	% Change from FY13 to FY14
CTAX & Fair Share	18,850,723	19,050,337	19,805,151	199,614	754,814	1%	4%
Property Taxes	19,040,250	18,282,000	18,099,180	(758,250)	(182,820)	-4%	-1%
Licenses & Permits	9,474,514	9,547,721	9,459,665	73,207	(88,056)	1%	-1%
Charges for Service (Common Svc Charge)	3,459,703	2,697,482	2,697,895	(762,221)	413	-22%	0%
All Other	1,863,523	1,831,313	1,831,694	(32,210)	381	-2%	0%
	<b>52,688,713</b>	<b>51,408,853</b>	<b>51,893,585</b>	<b>(1,279,860)</b>	<b>484,732</b>	<b>-2%</b>	<b>1%</b>

## General Fund Change in Revenues & Expenses

A comparison of FY12 Actuals to FY13 Estimates to the FY14 Tentative Budget

Cause of Change --Expenditures		
	Change from FY12 to FY13	Change from FY13 to FY14
<b><u>Management Services</u></b>		
New Wellness Program	0	400,000
Arbitration costs	60,000	0
Management Services Total	<b>60,000</b>	<b>400,000</b>
<b><u>Police</u></b>		
Overtime, Callback & Worked Holiday	208,552	(14,972)
Loss of COPS Grant	0	550,000
Fill unbudgeted positions of Systems Analyst and Prop. Evidence Tech	42,000	108,000
Other Salary and Benefits changes likely due to vacancies	0	350,000
One-time software purchase - Spillman	(140,900)	0
Police Total	<b>109,652</b>	<b>993,028</b>
<b><u>Fire</u></b>		
Overtime, Callback & Worked Holiday	383,137	(11,222)
Other Salary and Benefits changes likely due to vacancies	(150,000)	250,000
Fire Lease costs	0	(79,189)
Fire Total	<b>233,137</b>	<b>159,589</b>
<b><u>Community Services</u></b>		
FY13 New Need for zoning code re-write	150,000	(150,000)
Unbudgeted Parks & Street Mtc Temps	200,000	200,000
Special Events Temps- Maintenance	0	40,000
Other Salary and Benefits changes likely due to vacancies	(180,856)	82,331
Community Services Total	<b>169,144</b>	<b>172,331</b>
<b><u>City-wide Items</u></b>		
PERS rate increase		260,000
Splitting PERS rate salary reductions		(94,000)
Encumbrance roll from FY '12 to FY '13	273,000	
Health Insurance	(225,000)	(350,000)
City-wide Total	<b>48,000</b>	<b>(184,000)</b>
Subtotal All Identified Major Causes of Change =	619,933	1,540,948
Miscellaneous Other Unidentified Changes =	209,006	(13,924)
<b>Total Change in Expenditures =</b>	<b>828,939</b>	<b>1,527,024</b>

# Parks & Rec Change in Revenues & Expenses resulting in change to Transfer from General Fund

A comparison of FY12 Actuals to FY13 Estimates to the FY14 Tentative Budget

## Summary of Results

	FY12	FY13	Change FY12 to FY13	FY14	Change FY13 to FY14
<b>Beginning Fund Balance</b>	<b>515,968</b>	<b>404,016</b>		<b>180,391</b>	
Revenues	2,559,784	2,338,633	(221,151)	2,220,657	(117,976)
Expenditures/Transfers Out	(2,985,293)	(2,937,258)	(48,035)	(3,520,154)	582,896
<i>Net Revenues/(Expenses)</i>	<i>(425,509)</i>	<i>(598,625)</i>		<i>(1,299,497)</i>	
Transfer from General Fund	313,557	375,000	61,443	1,125,000	750,000
<b>Ending Fund Balance</b>	<b>404,016</b>	<b>180,391</b>		<b>5,894</b>	

Cause of Change -- Revenues							
	FY12	FY13 Estimates	FY14 Budget	Change from FY12 to FY13	Change from FY13 to FY14	% Change from FY12 to FY13	% Change from FY13 to FY14
Facility Development and Non-Resident Fees	36,213	38,000	38,000	1,787	0	5%	0%
Marketing	21,181	20,082	20,080	(1,099)	(2)	-5%	0%
Recreation Programs	79,203	81,025	81,025	1,822	0	2%	0%
Special Events P&R	62,061	78,127	87,196	16,066	9,069	26%	10%
Aquatics	192,554	181,826	181,826	(10,728)	0	-6%	0%
Alf Sorensen	110,482	167,629	167,629	57,147	0	52%	0%
Youth Watch	1,511,797	1,341,343	1,234,000	(170,454)	(107,343)	-11%	-9%
Larry D Johnson	363,629	315,500	325,500	(48,129)	10,000	-13%	3%
Park/Facility Rental	103,073	76,200	76,200	(26,873)	0	-26%	0%
Other Revenues	79,591	38,901	9,201	(40,690)	(29,700)	-51%	-323%
	<b>2,559,785</b>	<b>2,338,633</b>	<b>2,220,657</b>	<b>(221,152)</b>	<b>(117,976)</b>	<b>-9%</b>	<b>-5%</b>

# Parks & Rec Change in Revenues & Expenses resulting in change to Transfer from General Fund

A comparison of FY12 Actuals to FY13 Estimates to the FY14 Tentative Budget

Cause of Change --Expenditures		
	Change from FY12 to FY13	Change from FY13 to FY14
Recreation Specialist Vacancy	(47,463)	47,463
On-going Part-Timer costs	18,949	103,900
Facility Development and Non-Resident Fee Expenditure (use of restricted fund balance)	0	424,949
One-time transfer of grant balances to new Grant Fund	(38,429)	0
Subtotal All Identified Major Causes of Change =	(28,514)	576,312
Miscellaneous Other Unidentified Changes =	(19,521)	6,584
<b>Total Change in Expenditures =</b>	<b>(48,035)</b>	<b>582,896</b>

**Sparks RDA #1  
Financial Overview**

	<u>FY '14 Est.</u>	<u>Comments</u>
Revenues	\$2,432,717	6.0% Decline in Property Tax Revenue Expected
Expenses:		
Debt Service	\$2,592,222	
Common Service Charges	\$0	Recommend we stop charging common service charges in FY13.
Special Events Subsidy	\$119,116	
Other Operating Exp's	<u>\$16,500</u>	Recommend we reduce operating costs to those that are debt related only
Net Revenues/(Expenses)	<u>(\$295,121)</u>	
Est. FY '14 Unrestricted Beginning Fund Balance	<u>\$558,393</u>	
Est. FY '14 Unrestricted Ending Fund Balance	<u>\$375,531</u>	
Est. Fund Balance Coverage Ratio of Net Expenses	<u>1.3</u>	(By FY '15 or '16, the General Fund would need to begin subsidizing costs)

**\*\* City Issued Debt Partially Paid by RDA #1**

	<u>Tax Increment Refunding Bonds</u>	<u>2011 CTAX Refunding Bonds</u>	<u>2007 CTAX Refunding Bonds</u>	<u>Total RDA Debt Service</u>
Original Issue Amount	\$22,165,000	\$4,180,000	\$13,635,000	
Issue Date	5/11/2010	5/12/2011	2/15/2007	
Maturity Date	1/15/2023	5/1/2018	5/1/2026	
Interest Rate	4.0% - 5.375%	3.05%	4.09%	
FY '13 Principal Payment	\$1,405,000	\$645,000	\$0	
FY '13 Interest Payment	\$882,281	\$122,000	\$297,548	
Total FY '13 Debt Service	<u>\$2,287,281</u>	<u>\$767,000</u>	<u>\$297,548</u>	
Total FY '13 Debt Service Paid by RDA	<u>\$2,287,281</u>	<u>\$220,430</u>	<u>\$85,513</u>	<u>\$2,593,223</u>
6/30/13 Debt Outstanding	<u>\$19,210,000</u>	<u>\$3,515,000</u>	<u>\$7,275,000</u>	
FY '14 Principal Payment	\$1,460,000	\$655,000	\$0	
FY '14 Interest Payment	\$829,081	\$102,251	\$297,548	
Total FY '14 Debt Service	<u>\$2,289,081</u>	<u>\$757,251</u>	<u>\$297,548</u>	
Total FY '14 Debt Service Paid by RDA	<u>\$2,289,081</u>	<u>\$217,628</u>	<u>\$85,513</u>	<u>\$2,592,222</u>
6/30/14 Debt Outstanding	<u>\$17,750,000</u>	<u>\$2,860,000</u>	<u>\$7,275,000</u>	
		<b>FY '14 D.S. from RDA-Issued Debt =</b>	<b>\$2,289,081</b>	
		<b>FY '14 D.S. from City-Issued Debt =</b>	<b>\$303,141</b>	
		<b>Total FY '14 RDA Debt Service =</b>	<b><u>\$2,592,222</u></b>	

**\*\* City Issued Debt Partially Paid by RDA #1 Notes:**

- 1) Both bonds are issued in the City's name, but about 29% (\$303,141 in FY '14) is allocated to RDA #1 for Victorian Square portion of the original bonding project.
- 2) The 2007 Refunding bonds will be interest only until FY '19 after the 2011 Refunding bonds mature.
- 3) \$1.6M remains in Capital Projects Fund as unspent CTAX bond proceeds which can be used for projects or debt service.



**Sparks RDA #2  
Financial Overview**

	<u>FY '14 Est.</u>	<u>Comments</u>
Revenues	\$3,146,523	.5% decrease in Property Tax Revenue Expected
Expenses:		
Debt Service	\$3,047,108	
Common Service Charges	\$0	Recommend we stop charging common service charges in FY13.
Special Assessment Charges	\$92,924	
Other Operating Exp's	\$4,300	
Net Revenues/(Expenses)	<u>\$2,191</u>	
Est. FY '14 Unrestricted Beginning Fund Balance	\$3,099	(Assuming a General Fund Subsidy of \$200k in FY13)
Est. FY '14 Unrestricted Ending Fund Balance	<u><u>\$48,542</u></u>	(Assumes a G.F. Subsidy of \$750k in FY '14)

	<u>Redevelopment Area #2 Debt</u>		<u>** City Issued Debt Paid by RDA #2</u>		<u>Total RDA Debt Service</u>
	<u>2008 Tax Increment Bonds</u>	<u>2009 Tax Increment Bonds</u>	<u>2007A Ad Valorem Refunding Bonds</u>	<u>2007B Ad Valorem Refunding Bonds</u>	
Original Issue Amount	\$12,700,000	\$7,230,000	\$7,090,000	\$1,315,000	
Issue Date	7/30/2008	11/24/2009	3/29/2007	3/29/2007	
Maturity Date	6/1/2028	6/1/2029	3/1/2017	3/1/2017	
Interest Rate	6.4% - 6.70%	5.0% - 7.75%	3.78%	5.65%	
FY '13 Principal Payment	\$445,000	\$245,000	\$720,000	\$160,000	
FY '13 Interest Payment	\$782,900	\$496,119	\$146,664	\$50,241	
Total FY '13 Debt Service	<u>\$1,227,900</u>	<u>\$741,119</u>	<u>\$866,664</u>	<u>\$210,241</u>	<u>\$3,045,923</u>
6/30/13 Debt Outstanding	<u>\$11,440,000</u>	<u>\$6,530,000</u>	<u>\$3,160,000</u>	<u>\$730,000</u>	
FY '14 Principal Payment	\$475,000	\$260,000	\$745,000	\$170,000	
FY '14 Interest Payment	\$754,420	\$482,031	\$119,448	\$41,209	
Total FY '14 Debt Service	<u>\$1,229,420</u>	<u>\$742,031</u>	<u>\$864,448</u>	<u>\$211,209</u>	<u>\$3,047,108</u>
6/30/14 Debt Outstanding	<u>\$10,965,000</u>	<u>\$6,270,000</u>	<u>\$2,415,000</u>	<u>\$560,000</u>	
<b>FY '14 D.S. from RDA-Issued Debt =</b>	<u><u>\$1,971,451</u></u>				
<b>FY '14 D.S. from City-Issued Debt =</b>			<u><u>\$1,075,657</u></u>		<u><u>\$3,047,108</u></u>

\*\* The 2007 debt issued by the City is scheduled to mature in FY '17, removing the need for a G.F. subsidy at that time.

## Options to Consider to Close the FY14 \$2.5M Budget Gap

Fund	Dept	Item Description	Amount	Pursue	Do not pursue
1101	All	Remove Stabilization Fund Commitment (Policy #4)	\$ 200,000		
1101	All	Reduce Capital Fund Transfer by 50% (Policy #3)	\$ 650,000		
1101	All	Reduce Ending Fund Balance Policy to 5% (Policy #1)	\$ 1,600,000		
1101	All	Raise Property Tax Rate from \$3.6163 by 4.37 cents to \$3.66 Cap	\$ 800,000		
1101	All	Shift 1/2 of Gas % Electrical Franchise Fees from Road Fund to General Fund	\$ 1,000,000		
All	All	1% Across-the-Board Underspend	\$ 525,000		
1101	Management Services	Employee Development Fund	\$ 200,000		
1101	Management Services	Eliminate Budget for Grant Match-General Government	\$ 100,000		
1101	Police	Do not fill Vacant Property Evidence Tech or resulting Dispatch vacancy	\$ 60,000		
1101	Police	Eliminate Budget for Grant Match-Police	\$ 45,835		
1101	Police	Return Police Overtime, Call Back & Worked Holiday to FY12 levels	\$ 193,580		
1101	Fire	Do not fill Vacant Fire Fighter	\$ 67,000		
1101	Fire	Return Fire Overtime, Call Back & Worked Holiday to FY12 levels	\$ 371,915		
1221	Parks & Recreation	Return Parks and Rec Temp costs to FY12 levels	\$ 122,849		
1221	Parks & Recreation	Do not fill Vacant Rec Specialist	\$ 57,000		
1101	Community Services	Do not fill Vacant Maint Worker II	\$ 56,407		
1101	Management Services	Wellness Program	\$ 400,000		
1101& 1221	All	1% pay cut across all bargaining units (General Fund & Parks & Rec)	\$ 313,781		
			<b>\$ 6,763,367</b>		

# Supplementary Information

# General Fund Expenditures by Core Service

	FY12 Actuals	FY13 Estimates	FY14 Tentative Budget	% of Total
<b>City Administration</b>				
Salaries And Wages	4,195,368	4,436,493	4,381,446	
Employee Benefits	2,921,051	2,890,845	3,019,936	
Services and Supplies	1,636,311	1,818,963	2,056,176	
Non-discretionary Services & Supplies	1,666,481	1,418,902	1,459,411	
Capital Outlay	262,234	110,000	110,000	
Core Service Subtotal	10,681,445	10,675,203	11,026,969	21%
<b>City Grants</b>				
Salaries And Wages	42,848	38,298	36,445	
Employee Benefits	13,144	12,723	12,805	
Services and Supplies	15,131	3,037	3,037	
Non-discretionary Services & Supplies	122	151	192	
Core Service Subtotal	71,245	54,209	52,479	0%
<b>City Svc #01 - SPD Patrol</b>				
Salaries And Wages	6,009,383	6,123,823	6,704,757	
Employee Benefits	3,428,421	3,538,133	3,742,737	
Services and Supplies	156,967	182,130	180,231	
Non-discretionary Services & Supplies	723,941	698,195	732,270	
Capital Outlay	140,900	0	0	
Core Service Subtotal	10,459,612	10,542,281	11,359,995	22%
<b>City Svc #02 - SFD Emergency Svcs</b>				
Salaries And Wages	6,885,317	7,220,360	7,344,750	
Employee Benefits	3,533,014	3,424,920	3,562,822	
Services and Supplies	414,391	334,842	330,532	
Non-discretionary Services & Supplies	1,128,856	1,198,309	1,087,406	
Capital Outlay	97,274	47,044	41,093	
Core Service Subtotal	12,058,852	12,225,475	12,366,603	24%
<b>City Svc #03 - SPD Communications/Dispatch</b>				
Salaries And Wages	925,168	929,596	968,764	
Employee Benefits	422,037	393,772	433,432	
Services and Supplies	23,905	27,567	27,567	
Non-discretionary Services & Supplies	89,124	95,620	97,145	
Core Service Subtotal	1,460,234	1,446,555	1,526,908	3%
<b>City Svc #04 - SPD Detectives</b>				
Salaries And Wages	2,640,503	2,625,471	2,616,063	
Employee Benefits	1,524,247	1,491,598	1,504,156	
Services and Supplies	55,063	101,662	103,162	
Non-discretionary Services & Supplies	250,863	193,792	184,338	
Core Service Subtotal	4,470,676	4,412,523	4,407,719	8%
<b>City Svc #05 - CSD Signal Maintenance</b>				
Salaries And Wages	22,409	20,306	20,109	
Employee Benefits	(1,719)	7,420	7,184	
Services and Supplies	47,600	99,544	79,005	
Non-discretionary Services & Supplies	57,636	60,399	153,036	
Core Service Subtotal	125,926	187,669	259,334	0%

# General Fund Expenditures by Core Service

	FY12 Actuals	FY13 Estimates	FY14 Tentative Budget	% of Total
City Svc #06 - SPD Records				
Salaries And Wages	1,026,523	1,091,696	1,146,842	
Employee Benefits	519,217	520,290	571,739	
Services and Supplies	138,572	141,455	138,420	
Non-discretionary Services & Supplies	10,564	11,272	14,549	
<b>Core Service Subtotal</b>	<b>1,694,876</b>	<b>1,764,713</b>	<b>1,871,550</b>	<b>4%</b>
City Svc #08 - SFD Prevention				
Salaries And Wages	619,779	640,758	617,426	
Employee Benefits	297,443	306,740	303,181	
Services and Supplies	15,593	14,270	15,392	
Non-discretionary Services & Supplies	33,148	23,992	18,177	
<b>Core Service Subtotal</b>	<b>965,963</b>	<b>985,760</b>	<b>954,176</b>	<b>2%</b>
City Svc #09 - CSD Streets Maint				
Salaries And Wages	0	0	0	
Employee Benefits	0	0	0	
Services and Supplies	80,469	179,740	274,457	
Non-discretionary Services & Supplies	122,421	152,832	138,096	
<b>Core Service Subtotal</b>	<b>202,890</b>	<b>332,572</b>	<b>412,553</b>	<b>1%</b>
City Svc #10 - Sparks Muni Court				
Salaries And Wages	1,042,568	1,114,119	1,120,449	
Employee Benefits	578,366	605,678	633,325	
Services and Supplies	174,517	166,309	166,084	
Non-discretionary Services & Supplies	46,837	37,882	28,412	
<b>Core Service Subtotal</b>	<b>1,842,288</b>	<b>1,923,988</b>	<b>1,948,270</b>	<b>4%</b>
City Svc #11 - CA Criminal Division				
Salaries And Wages	282,896	382,105	386,443	
Employee Benefits	133,408	170,810	183,708	
Services and Supplies	37,264	58,571	58,571	
Non-discretionary Services & Supplies	794	769	744	
<b>Core Service Subtotal</b>	<b>454,362</b>	<b>612,255</b>	<b>629,466</b>	<b>1%</b>
City Svc #12 - CA Civil Division				
Salaries And Wages	349,987	272,163	265,328	
Employee Benefits	159,772	117,815	122,398	
Services and Supplies	105,993	86,809	71,647	
Non-discretionary Services & Supplies	3,536	1,715	1,908	
<b>Core Service Subtotal</b>	<b>619,288</b>	<b>478,502</b>	<b>461,281</b>	<b>1%</b>
City Svc #13 - SPD Property & Evidence				
Salaries And Wages	90,682	114,860	138,376	
Employee Benefits	35,556	44,425	63,004	
Services and Supplies	218,632	254,628	254,629	
Non-discretionary Services & Supplies	29,217	13,926	14,754	
<b>Core Service Subtotal</b>	<b>374,087</b>	<b>427,839</b>	<b>470,763</b>	<b>1%</b>

# General Fund Expenditures by Core Service

	FY12 Actuals	FY13 Estimates	FY14 Tentative Budget	% of Total
City Svc #14 - SPD Essential Training (incl. Marshals)				
Salaries And Wages	51,637	0	89,710	
Employee Benefits	32,786	0	58,306	
Services and Supplies	105,100	96,418	95,418	
Non-discretionary Services & Supplies	11,073	11,222	32,301	
Core Service Subtotal	200,596	107,640	275,735	1%
City Svc #15 - SFD Essential Training				
Salaries And Wages	276,561	217,095	228,003	
Employee Benefits	131,833	107,733	109,243	
Services and Supplies	39,135	49,508	49,508	
Non-discretionary Services & Supplies	23,457	21,488	22,026	
Core Service Subtotal	470,986	395,824	408,780	1%
City Svc #16 - CSD Pavement Management				
Services and Supplies	197	8,769	8,582	
Non-discretionary Services & Supplies	1,378	1,173	2,062	
Core Service Subtotal	1,575	9,942	10,644	0%
City Svc #17 - CSD Parks Maintenance				
Salaries And Wages	743,428	533,774	544,911	
Employee Benefits	441,983	317,407	339,960	
Services and Supplies	214,991	401,317	497,892	
Non-discretionary Services & Supplies	944,597	961,957	972,415	
Core Service Subtotal	2,344,999	2,214,455	2,355,178	4%
City Svc #18 - CSD Facility Maintenance				
Salaries And Wages	53,177	79,226	133,935	
Employee Benefits	33,302	44,104	82,378	
Services and Supplies	247,268	295,192	283,025	
Non-discretionary Services & Supplies	188,382	299,698	301,122	
Capital Outlay	0	30,764	30,764	
Core Service Subtotal	522,129	748,984	831,224	2%
City Svc #19 - CSD Advanced Planning				
Salaries And Wages	291,525	321,981	253,825	
Employee Benefits	114,830	124,772	104,641	
Services and Supplies	22,572	193,329	21,738	
Non-discretionary Services & Supplies	1,022	1,072	3,111	
Core Service Subtotal	429,949	641,154	383,315	1%
City Svc #20 - Capital Projects				
Salaries And Wages	172,891	168,770	169,582	
Employee Benefits	63,347	69,869	72,250	
Services and Supplies	5,342	11,493	10,744	
Non-discretionary Services & Supplies	14,016	7,532	8,616	
Core Service Subtotal	255,596	257,664	261,192	0%

## General Fund Expenditures by Core Service

	FY12 Actuals	FY13 Estimates	FY14 Tentative Budget	% of Total
City Svc #21 - CSD Community Appearance				
Salaries And Wages	69,779	120,594	147,620	
Employee Benefits	23,393	42,434	57,277	
Services and Supplies	23,416	26,581	38,251	
Non-discretionary Services & Supplies	20,754	18,254	16,371	
Core Service Subtotal	137,342	207,863	259,519	0%
City Svc #22 - SFD Emergency Management				
Salaries And Wages	644	21,375	16,903	
Employee Benefits	44	489	245	
Services and Supplies	1,611	0	0	
Non-discretionary Services & Supplies	2,300	1,872	4,674	
Core Service Subtotal	4,599	23,736	21,822	0%

## Summary by Account Type

	FY12 Actuals	FY13 Estimates	FY14 Tentative Budget	% of Total
Salary and Wages	25,793,075	26,472,862	27,331,687	52%
Employee Benefits	14,405,474	14,231,978	14,984,728	29%
Services and Supplies	9,150,558	9,784,157	10,057,206	19%
Capital Outlay	500,408	187,808	181,857	0%
<b>Total Expenditures</b>	<b>49,849,515</b>	<b>50,676,805</b>	<b>52,555,478</b>	
Adjustment for pending 8% Health Insurance reduction			(350,000)	
<b>Adjusted Total</b>	<b>49,849,515</b>	<b>50,676,805</b>	<b>52,205,478</b>	

## General Fund Expenditures by Department

amounts do not reflect the 8% health insurance reduction proposed for FY14

	FY12 Actuals	FY13 Estimates	FY14 Tentative Budget	% of Total
<b>LEGISLATIVE</b>				
Salaries And Wages	229,607	237,982	248,245	
Employee Benefits	137,206	136,396	144,359	
Services and Supplies	4,181	4,366	4,366	
Non-discretionary Services & Supplies	3,281	2,164	2,148	
<b>Department Subtotal</b>	<b>374,275</b>	<b>380,908</b>	<b>399,118</b>	<b>1%</b>
<b>MAYOR</b>				
Salaries And Wages	56,076	56,951	58,677	
Employee Benefits	41,594	40,229	41,801	
Services and Supplies	215	261	261	
Non-discretionary Services & Supplies	310	533	654	
<b>Department Subtotal</b>	<b>98,195</b>	<b>97,974</b>	<b>101,393</b>	<b>0%</b>
<b>MANAGEMENT SERVICES</b>				
Salaries And Wages	1,562,082	1,588,672	1,528,736	
Employee Benefits	1,511,412	1,484,624	1,542,506	
Services and Supplies	1,175,016	1,171,106	1,526,578	
Non-discretionary Services & Supplies	285,456	171,494	174,244	
Capital Outlay	6,665	0	0	
<b>Department Subtotal</b>	<b>4,540,631</b>	<b>4,415,896</b>	<b>4,772,064</b>	<b>9%</b>
<b>LEGAL</b>				
Salaries And Wages	862,357	875,101	871,983	
Employee Benefits	405,933	389,655	417,715	
Services and Supplies	143,256	145,380	130,218	
Non-discretionary Services & Supplies	4,330	2,484	2,652	
<b>Department Subtotal</b>	<b>1,415,876</b>	<b>1,412,620</b>	<b>1,422,568</b>	<b>3%</b>
<b>JUDICIAL</b>				
Salaries And Wages	1,042,568	1,114,119	1,120,449	
Employee Benefits	578,366	605,678	633,325	
Services and Supplies	174,517	166,309	166,084	
Non-discretionary Services & Supplies	46,837	37,882	28,412	
<b>Department Subtotal</b>	<b>1,842,288</b>	<b>1,923,988</b>	<b>1,948,270</b>	<b>4%</b>
<b>FINANCIAL SERVICES</b>				
Salaries And Wages	1,125,861	1,266,735	1,270,347	
Employee Benefits	501,337	503,302	545,829	
Services and Supplies	268,224	449,333	340,614	
Non-discretionary Services & Supplies	13,836	20,729	127,940	
Capital Outlay	255,569	110,000	110,000	
<b>Department Subtotal</b>	<b>2,164,827</b>	<b>2,350,099</b>	<b>2,394,730</b>	<b>5%</b>
<b>POLICE</b>				
Salaries And Wages	11,375,019	11,578,870	12,300,081	
Employee Benefits	6,338,199	6,382,783	6,762,357	
Services and Supplies	770,105	858,774	853,841	
Non-discretionary Services & Supplies	1,277,925	1,186,688	1,248,247	
Capital Outlay	140,900	0	0	
<b>Department Subtotal</b>	<b>19,902,148</b>	<b>20,007,115</b>	<b>21,164,526</b>	<b>40%</b>



## General Fund Expenditures by Department

amounts do not reflect the 8% health insurance reduction proposed for FY14

	FY12 Actuals	FY13 Estimates	FY14 Tentative Budget	% of Total
<b>FIRE</b>				
Salaries And Wages	8,129,907	8,455,788	8,611,375	
Employee Benefits	4,195,687	4,063,473	4,211,818	
Services and Supplies	540,506	478,458	459,690	
Non-discretionary Services & Supplies	1,294,577	1,354,150	1,245,128	
Capital Outlay	97,274	47,044	41,093	
<b>Department Subtotal</b>	<b>14,257,951</b>	<b>14,398,913</b>	<b>14,569,104</b>	<b>28%</b>
<b>COMMUNITY SERVICES</b>				
Salaries And Wages	1,409,598	1,298,644	1,321,795	
Employee Benefits	695,740	625,838	685,018	
Services and Supplies	704,017	1,278,147	1,282,418	
Non-discretionary Services & Supplies	2,443,968	2,457,549	2,463,710	
Capital Outlay	0	30,764	30,764	
<b>Department Subtotal</b>	<b>5,253,323</b>	<b>5,690,942</b>	<b>5,783,705</b>	<b>11%</b>

## Summary by Account Type

	FY12 Actuals	FY13 Estimates	FY14 Tentative Budget	% of Total
Salary and Wages	25,793,075	26,472,862	27,331,687	52%
Employee Benefits	14,405,474	14,231,978	14,984,728	29%
Services and Supplies	9,150,558	9,785,806	10,057,206	19%
Capital Outlay	500,408	187,808	181,857	0%
<b>Total Expenditures</b>	<b>49,849,515</b>	<b>50,678,454</b>	<b>52,555,478</b>	
Adjustment for pending 8% Health Insurance reduction				
			(350,000)	
<b>Adjusted Total</b>	<b>49,849,515</b>	<b>50,678,454</b>	<b>52,205,478</b>	

## City of Sparks Summary of Funds Budgeted (Excluding General Fund)

Fund Name	Fund #	Fund Description	FY14 Beginning Fund Balance	FY14 Revenues & Transfers In	FY14 Expenses & Transfers Out	FY14 Ending Fund Balance
<b>GOVERNMENTAL FUNDS</b>						
<b>Special Revenue Funds</b>						
Community Development Block Grant (CDBG)	1202	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. Budget for this fund is established after the start of the fiscal year.	-	-	-	-
Community Development Block Grant (CDBG) Entitlement	1203	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). Budget for this fund is established after the start of the fiscal year.	-	-	-	-
Sparks Grants & Donations Fund	1204	Special Revenue Fund to account for all grants received by the City. Does not include grants received by Proprietary Funds and Community Development Block Grants. Budget for this fund is established after the start of the fiscal year.	506,182	-	-	506,182
Muni Court Admin Assessments	1208	To account for monies received from the Municipal Court administrative assessments and collection fees to finance Municipal Court related improvements to operations and facilities.	718,299	275,000	972,151	21,148
Impact Fee Service Area 1	1210	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.	295,882	51,693	15,025	332,550
Tourism Improvement Dist 1 (Legends)	1215	Bond proceeds used to acquire, improve, and equip certain property commonly referred to as 'Legends at the Sparks Marina'. Fund will be dissolved once bond proceeds are spent.	71,008	125	70,000	1,133
Parks & Recreation Fund	1221	Used to provide recreation programs and special events.	180,390	3,345,657	3,520,154	5,893
Tourism & Marketing Fund	1222	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 with redevelopment areas.	232,373	110,400	336,565	6,208
Street Cut	1224	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.	92,666	200,100	237,642	55,124
Stabilization Fund	1299	Reserve to stabilize the operation of the City in the event of a revenue shortfall or natural disaster.	228,921	200,350	-	429,271

## City of Sparks Summary of Funds Budgeted (Excluding General Fund)

Fund Name	Fund #	Fund Description	FY14 Beginning Fund Balance	FY14 Revenues & Transfers In	FY14 Expenses & Transfers Out	FY14 Ending Fund Balance
<b>Capital Project Funds</b>						
Road Fund	1401	To provide for the maintenance, repair, acquisition and construction of roads and streets. Funding is provided by a portion of the City's franchise fees and fuel taxes.	2,130,616	4,388,194	4,737,113	1,781,697
Park & Recreation Project Fund	1402	To provide for specific parks and recreation projects. Funding is provided by a portion a portion of the City's franchise fees.	1,208,634	1,106,617	1,748,514	566,737
Capital Projects	1404	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.	1,919,607	1,302,000	1,843,395	1,378,212
Capital Facilities Fund	1405	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. Financing is provided by a special ad valorem tax rate as required by NRS 354.598155. In 2009, the Nevada Legislature redirected the revenue to help fill its own budget gap. In 2011 the redirection expired, and the City began receiving the funds again in FY12.	115,141	181,150	225,020	71,271
Rec & Parks District 1	1406	Construction Tax revenues collected in district 1 to be used for the acquisition, improvement and expansion of neighborhood parks, playgrounds and recreational facilities within the corresponding district.	97,091	26,400	25,025	98,466
Rec & Parks District 2	1407	Construction Tax revenues collected in district 2 to be used for the acquisition, improvement and expansion of neighborhood parks, playgrounds and recreational facilities within the corresponding district.	876,082	60,000	205,300	730,782
Rec & Parks District 3	1408	Construction Tax revenues collected in district 3 to be used for the acquisition, improvement and expansion of neighborhood parks, playgrounds and recreational facilities within the corresponding district.	713,402	80,000	73,950	719,452
Victorian Square Room Tax CP Fund	1415	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.	1,109,578	-	50,150	1,059,428
Local Improvement District 3 (Legends)	1427	Acquire infrastructure per Acquisition Agreement with RED Development. Fund will be dissolved once bond proceeds are spent.	1,152,560	1,050	1,100,000	53,610
<b>Debt Service Funds</b>						
General Obligation	1301	This fund exists to account for the accumulation of resources to pay principal and interest on the City's general obligation bonds, emergency loans, long term contracts imposed by the State, long term lease agreements, retirement of other bond issuances, etc.	15,319,031	11,868,255	11,743,268	15,444,018

## City of Sparks Summary of Funds Budgeted (Excluding General Fund)

Fund Name	Fund #	Fund Description	FY14 Beginning Fund Balance	FY14 Revenues & Transfers In	FY14 Expenses & Transfers Out	FY14 Ending Fund Balance
<b>PROPRIETARY FUNDS</b>						
<b>Enterprise Funds</b>						
Sewer Operations (Sewer, Drains, Effluent)	16xx	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.	182,499,478	21,502,280	20,211,522	183,790,236
Development Services Fund	2201	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, administration. Fees approved by Council.	869,855	2,061,301	2,173,237	757,919
Joint Treatment Plant	5605	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.	106,805,790	26,933,119	24,055,451	109,683,458
<b>Internal Service Funds</b>						
Office Service & Supply	1701		4	-	-	4
Motor Vehicle Maintenance	1702	To account for the cost of maintaining the City's fleet including acquisition of replacement vehicles. Such costs are billed to the user departments and include depreciation on vehicles and equipment.	7,679,738	3,721,695	5,431,020	5,970,413
Group Self Insurance	1703	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 and some retirees.	3,171,287	7,576,675	8,308,897	2,439,065
Worker's Comp Self Insurance	1704	To account for the money received from other city funds for workers' compensation claims, compensating injured workers, and the cost of administering a self-funded insurance program.	2,557,120	423,451	1,812,766	1,167,805
Municipal Self Insurance	1707	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.	2,190,942	363,418	916,200	1,638,160