



February 22, 2021 Budget Workshop

Fiscal Review and Policy Discussion

FY22 Budget Preparation



February 22, 2021 Council Budget Workshop Agenda Item Topics

FY22 Budget Calendar – Key Dates

General Fund Fiscal Review

- FY19 Through FY22 Summary
- FY21 & FY22 Assumptions & Expectations
- FY22 Key Budget Items

Fiscal Policy Review

- Current Fiscal Policies
- Payments to Other Governments & Non-Profits

Other Fiscal Items for Reference

- General Fund FY21 & FY22 Causes of Change
- Redevelopment Agency Fiscal Summary – Areas No.1 & No.2

FY22 Budget Calendar – Key Dates

- ❑ **March 22** – CIP Council Workshop
- ❑ **April 15** – Tentative Budget Due to Department of Taxation
- ❑ **April 26** – City Manager’s Final Budget Recommendation Presented to Council
- ❑ **May 24** – Final Budget Presented to Council for Approval
- ❑ **June 1** – Final Budget Due to the Department of Taxation
 - *Should the Legislature take action that affects the City’s FY22 final budget, the City is allowed an additional 30 days to file an amended budget with the Department of Taxation if necessary.*



General Fund Fiscal Review

City of Sparks General Fund Summary

FY19 Results Through FY22 Tentative Budget

(Amounts listed in \$000's)

	FY19 Actuals	FY20 Actuals	FY21 Budget	FY21 Estimates *	FY22 Budget
<u>Resources (excluding beginning fund balance)</u>					
Total Revenues	\$72,853	\$76,071	\$80,964	\$81,610	\$84,423
Transfer-In From Vehicle Fund (Assume No Usage, Budget Matches Contingency)	\$0	\$0	\$1,000	\$0	\$1,000
Transfers-In, Other	\$0	\$1,112	\$0	\$15,996	\$0
Total Resources	\$72,853	\$77,182	\$81,964	\$97,605	\$85,423
	6.1%	4.4%	6.4%	7.3%	3.4%
<i>% Change in Total Revenues (excl. transfers) =</i>					
	6.1%	5.9%	6.2%	26.5%	-12.5%
<i>% Change in Total Resources =</i>					
<u>Uses</u>					
Total Expenditures	\$66,231	\$71,462	\$79,358	\$83,155	\$83,031
Total Transfers-Out	\$5,081	\$7,216	\$4,591	\$4,817	\$6,415
Contingency (FY20 Assume No Usage; Budget Matches Trans-In from Vehicle Fund)	\$0	\$0	\$1,000	\$0	\$1,000
Total Uses	\$71,311	\$78,678	\$84,949	\$87,972	\$90,446
	6.9%	7.9%	11.0%	16.4%	-0.1%
<i>% Change in Total Expenditures (excl. transfers & contingency) =</i>					
	10.4%	10.3%	8.0%	11.8%	2.8%
<i>% Change in Total Uses =</i>					
Net Resources/(Uses)	\$1,541	(\$1,496)	(\$2,985)	\$9,634	(\$5,023)
<u>Fund Balance</u>					
Unrestricted Beginning Fund Balance	\$6,815	\$8,357	\$6,960	\$6,861	\$16,494
Unrestricted Ending Fund Balance	\$8,357	\$6,861	\$3,975	\$16,494	\$11,471
Unrestricted Ending Fund Balance as a % of Exp's (Less Capital Outlay)	12.6%	9.6%	5.0%	19.9%	13.8%
Unrestricted Ending Fund Balance Amount Over/(Short) of 8.3%	\$2,650	\$850	(\$2,400)	\$8,900	\$4,200

* **Note:** FY21 Estimates include a transfer-in of approximately \$16.0M from the Grants and Donations Fund to cover CARES Act Coronavirus Relief Fund (CRF) eligible expenditures within the General Fund. Of that transfer-in, \$8.0M was used to cover unbudgeted pandemic related expenditures and \$8.0M was used to fund budgeted payroll expenditures of employees who were significantly dedicated to the COVID-19 pandemic response.

FY21 & FY22 Assumptions and Expectations - General Fund

Revenues

	FY21 Estimates	FY22 Tentative Budget
CTAX & Fair Share <i>(42% of total rev)</i>	9.3% increase vs. FY20	5.0% increase vs. FY21 Estimates
Property Taxes <i>(33% of total rev)</i>	6.4% increase vs. FY20	6.6% increase vs. FY21 Estimates
Licenses & Permits <i>(19% of total rev)</i>	2.5% increase vs. FY20	1.3% increase vs. FY21 Estimates
Total Revenues	7.3% increase vs. FY20	3.4% increase vs. FY21 Estimates

Note: FY21 total revenues are expected to exceed FY21 budget by about 0.8%, or \$646K

FY21 & FY22 Assumptions and Expectations - General Fund

Transfers-In & Contingency

	FY21 Estimates	FY22 Tentative Budget
Transfer-In from Motor Vehicle Fund	\$0	\$1M
Transfer-In from Fund 1204 CARES	16M	0
Contingency Budget	\$0	\$1M

Note: FY21 contingency budget not expected to be used but remains available.

FY21 & FY22 Assumptions and Expectations - General Fund

Expenditures

	FY21 Estimates	FY22 Tentative Budget
Salaries & Benefits <i>(77% of total exp)</i>	3.3% increase vs. FY20	8.4% increase vs. FY21 Estimates
Services & Supplies <i>(23% of total exp)</i>	70.4% increase vs. FY20 <i>(Includes 8.0M of CARES Act Funded Expenditures)</i>	20.6% decrease vs. FY21 Estimates
Total Expenditures	16.4% increase vs. FY20	0.1% decrease vs. FY21 Estimates

Note: *FY21 total expenditures without CARES Act Funded Expenditures are expected to be under FY21 budget by about \$4.2M or 5.3%.*

FY21 & FY22 Assumptions and Expectations - General Fund

Transfers-Out

	FY21 Estimates	FY22 Tentative Budget
Capital Projects	1.1% of total revenues (\$900K)	2.5% of total revenues (\$2.1M)
IT Hardware & Software Replacement Plans	IT Hardware (\$72K) and Software (\$233K) of marijuana revenues designated	IT Hardware (\$380K) and Software (\$275K) of marijuana revenues designated
GERP turf replacement	\$800K of marijuana revenues designated	\$800K of marijuana revenues designated
Parks & Rec Operations Fund Subsidy	Subsidy of FY21 Parks & Recreation Operations (\$2.1M)	Subsidy of FY21 Parks & Recreation Operations (\$1.9M)
Debt Service	Debt service fully funded (\$712K)	Debt service fully funded (\$712K)
Self Insurance Fund	No Transfer Expected	Fund Contribution of \$250K

FY22 Key Budget Items

Employee Contracts

- ❑ Discussions with bargaining employee groups have begun, but none have been settled at this time.
- ❑ All contracts for FY21 have been settled with the exception of Non-Supervisory Police Officers.
- ❑ The FY22 tentative budget contains no Cost of Living Adjustment (COLA) or other payroll related changes pending the outcome of negotiations.

FY22 Key Budget Items

PERS Contribution Rates

- ❑ Contribution rates are increasing 0.25% points for Regular Member employees, and 1.50% points for Public Safety Member employees. Rates for Municipal Judges remain unchanged.
- ❑ Total General Fund PERS impact \$345K (Public Safety \$283K, Reg \$62K)
- ❑ Rates are set each biennium by the NV Legislature and the following rates take effect July 2021:
 - 29.75% for non-public safety employees.
 - 44.00% for public safety employees.
 - 22.50% for judicial employees.

FY22 Key Budget Items

Health Insurance

- ❑ No premium increase included in FY22 tentative budget.
 - *This recommendation may change pending a review with the City's insurance brokers regarding healthcare spending trends.*
- ❑ Total plan costs expected to be \$12.5M (9% increase) with \$11.0M or 90% representing claims costs.
- ❑ FY22 ending fund balance is projected to be \$9M, equating to approximately 9 months of expenses.

FY22 Key Budget Items

Workers Compensation

- ❑ 21% increase in FY22 budgeted contributions to this Fund is expected to be needed to maintain a minimum \$1M cash reserve.
- ❑ Financial Services Department recommends increasing the reserve in this Fund to \$3M in subsequent years to protect against rising stop loss limits which are currently \$3M for a single Heart/Lung/Cancer claim.
- ❑ Benefits are established by the Nevada Legislature and subject to dramatic change making long-term funding solutions difficult.
- ❑ The long-term benefit liability totaled \$8.5M at the end of FY20.

FY22 Key Budget Items

General Liability Fund

- ❑ Cash reserves in this Fund are down to critically low levels.
- ❑ FY21 contributions to the Fund are expected to total \$1.3M and FY22 tentative budget assumes a \$2.1M (\$1.8M General Fund) contribution.
- ❑ These planned contributions simply cover the anticipated policy premiums and claims costs leaving ending reserves at the same critically low levels.
 - *To help improve the projected cash levels, a transfer from the General Fund of \$250 is included in the FY22 tentative budget.*
- ❑ Additional funding is likely needed in subsequent years to secure the financial health of this fund, but simply maintaining solvency is the initial goal for FY22.

FY22 Key Budget Items

Capital Improvement Plan (CIP)

- ❑ FY22 - full funding of Fiscal Policy #3 including 2.5% of General Fund revenues (\$2.1M) plus \$655K of designated marijuana license revenue to fund IT hardware needs (\$380K), IT software needs (\$275K) and \$800K designated for turf replacement at GERP.
- ❑ A CIP Workshop is scheduled for March 22, 2021 to more thoroughly present and discuss capital funding from all sources and potential uses.



Fiscal Policy Review

FY22 Tentative Budget Fiscal Policy Impact Summary

- ❑ Fully meets all fiscal policies as approved by Council last year.
- ❑ Excludes New Needs.
- ❑ Fully funds current complement (i.e., no vacancy savings).

FY22 Fiscal Policies – Policy #1 Summary

□ **City Ending Fund Balance Minimum Targets**




- Fiscal Policy #1 as adopted in FY11 is to maintain a balance equal to at least 8.3% of expenditures.
- Minimum budgeted fund balance allowed by Council in prior years is 5.0% - 6.0%.
- Optimal minimum fund balance to meet cash flow needs is 12.5%.

□ **Statutory Ending Fund Balance Minimum Targets**

- Nevada Administrative Code 354.650 requires 4.0% minimum budgeted balance.
- Nevada Revised Statutes 354.6241 removes balance of 16.67% from negotiations.

FY22 Fiscal Policies

1. Achieve a General Fund minimum unrestricted ending fund balance equal to 8.3% of expenditures




	Policy Target	RESULTS	AMOUNT OVER/ (UNDER) Policy Target	STATUS
FY20 Actuals	8.3%	9.6%	850K	
FY21 Estimates	8.3%	19.9%	8.9M	
FY22 BUDGET	8.3%	13.8%	4.2M	

The Purpose of this Fiscal Policy

The purpose of this policy is to help maintain fiscal stability throughout each fiscal year.

FY22 Fiscal Policies

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




	GOAL	BUDGET	Contingency Amount	STATUS
FY20 BUDGET	up to 3%	1.3%	1,000,000	
FY21 BUDGET	up to 3%	1.3%	1,000,000	
FY22 BUDGET	up to 3%	1.2%	1,000,000	




The 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 may be of an emergency nature.

FY22 Fiscal Policies

3. Transfer a minimum of 2.5% of total General Fund revenues plus full funding of IT Hardware and Software Replacement Plans from the General Fund to the Capital Projects Fund

2.5% of General Fund Revenues	GOAL		RESULTS		STATUS
	%	\$	%	\$	
FY20 Actuals	2.5%	\$ 1,900,000	2.5%	\$ 1,900,000	
FY21 Estimates	2.5%	\$ 2,000,000	1.1%	\$ 900,000	
FY22 BUDGET	2.5%	\$ 2,100,000	2.5%	\$ 2,100,000	

Full funding of IT Hardware & Software	GOAL		RESULTS		STATUS
	Hardware	Software	Hardware	Software	
FY20 Actuals	\$ 483,842	\$ 433,400	\$ 483,842	\$ 433,400	
FY21 Estimates	\$ 72,300	\$ 233,000	\$ 72,300	\$ 233,000	
FY22 BUDGET	\$ 274,580	\$ 379,000	\$ 274,580	\$ 379,000	

FY22 Fiscal Policies

3a. Council Allocation of Electric and Gas Franchise Fees:

	FY20	FY21	FY22
General Fund	2%	2%	2%
Road Fund	2%	2%	2%
Parks & Rec Project Fund	1%	1%	1%
Parks & Rec Project Fund - GERP	0%	0%	0%
Total	5%	5%	5%

3b. Council Designation of Revenue from Marijuana Licensing Fees




	FY20	FY21	FY22
GERP Turf Replacement/Maintenance	\$ 882,758	\$ 800,000	\$ 800,000
IT Hardware & Software Replacement Plans	\$ 917,242	\$ 305,300	\$ 653,580
Total	\$ 1,800,000	\$ 1,105,300	\$ 1,453,580

The Purpose of this Fiscal Policy

This policy ensures that the City continues to invest in infrastructure and technology needs as detailed in the City's 5 Year Capital Improvement Plan.

FY22 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
FY20 Actuals	\$ 6,623,068	\$ 812,100	\$ 200,000	
FY21 Estimates	\$ 7,146,199	\$ 1,032,100	\$ 200,000	
FY22 BUDGET	\$ 8,315,496	\$ 1,232,100	\$ 200,000	




The Purpose of this Fiscal Policy

The Stabilization Fund was established in accordance with NRS 354.6115 to stabilize operation of local government and mitigate efforts of natural disasters. Per NRS 354.6115: “The balance in the fund must not exceed 10 percent of expenditures from the general fund for the previous fiscal year, excluding and federal funds expending by the local government.

In June 2011, the City Council adopted the following Stabilization policy in compliance with GASB Statement 54: “The Council will authorize the use of the Stabilization Fund’s resources only if A) the total actual General Fund revenue 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).”

FY22 Fiscal Policies

5. General Fund personnel costs do not exceed 78% of General Fund total revenues

	GOAL	RESULTS	STATUS
FY20 Actuals	<=78%	75.5%	
FY21 Estimates	<=78%	72.7%	
FY22 BUDGET	<=78%	76.1%	

The Purpose of this Fiscal Policy

The purpose of this policy is to achieve a balanced, sustainable expenditure model. This policy was adopted by Council in FY11 and modified in FY13 based on historical expenditure and fiscal stability trends.

FY22 Fiscal Policies

6. Report the annual Other Post Employment Benefit (OPEB), Workers Compensation, and other benefit liabilities and determine strategies to reduce or fund these liabilities

	OPEB OBLIGATION	Workers Comp L/T Liability	Sick Leave Conversion	Compensated Absences	Pension Liability
FY20	\$43,493,794	\$8,502,962	\$5,275,717	\$15,861,763	\$89,439,220

The Purpose of this Fiscal Policy

OPEB and Workers Comp obligations (particularly the Heart, Lung and Cancer (HCL) portion) have been identified by the Financial Services Department as two of the greatest financial risk threatening the City’s short-term fiscal sustainability. Other large benefit liabilities worth noting include Sick Leave Conversion, Compensated Absences, and Pension liabilities. **These liabilities are currently on a “Pay-As-You-Go” funding status, and the City Manager recommends continuing that status.**

FY22 Payments to Other Governments & Non-Profits

	FY20 Actuals	FY21 Estimates	FY22 Budget
State of Nevada			
Nevada Commission on Ethics (Costshare) NRS 281A.270	19,956	19,880	21,400
Wildland Fire Protection Plan (WFPP)	25,633	25,633	25,633
TOTAL PAYMENTS TO STATE OF NEVADA	45,589	45,513	47,033

Washoe County			
800 Megahertz (MHz) Radio Operation	118,637	112,845	112,845
Accela Software	106,313	109,500	110,436
Forensic Services	539,500	689,500	1,000,000
Regional Emergency Operation Center (EOC)	15,634	17,120	17,120
Regional Emergency Operation Center (EOC) Roof Repair	0	18,000	0
Regional Planning (Fiscal Year 19 Includes \$12K For Servers)	266,669	268,045	269,564
Regional Training Center	143,625	141,707	100,504
Registrar of Voters Election Services (Expenses occur during election cycles)	0	18,617	0
Senior Center Staffing	21,500	21,500	21,500
Sheriff- Extraditions	33,735	40,000	40,000
Sheriff - Work Crew Park Maintenance & Weed Abatement	66,863	40,000	84,600
Technology Services - Base Map Subscription	10,000	10,000	10,000
P25 System Contribution	0	96,292	101,719
TOTAL PAYMENTS TO WASHOE COUNTY	1,322,475	1,583,126	1,868,288

FY22 Payments to Other Governments & Non-Profits

	FY20 Actuals	FY21 Estimates	FY22 Budget
City of Reno			
**Community Assistance Center	302,267	242,937	0
NV Cares Campus	0	162,000	650,000
Regional Hazmat Team (TRIAD)	16,000	16,000	16,000
Temporary Homeless Overflow Shelter	19,048	24,000	0
Triage Center	87,000	87,000	90,000
TOTAL PAYMENTS TO CITY OF RENO	424,315	531,937	756,000

**** Community Assistance Center funding breakdown**

General Fund

Community Development Block Grant (CDBG) Fund

	FY20 Actuals	FY21 Estimates	FY22 Budget
	224,397	242,937	TBD
	77,870	90,064	TBD
Total	302,267	333,001	TBD

FY22 Payments to Other Governments & Non-Profits

FY20 Actuals	FY21 Estimates	FY22 Budget
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Membership Dues and Subsidies

Alliance for Innovation	5,100	5,100	5,100
Economic Development Authority of Nevada (EDAWN)	100,000	100,000	100,000
Karma Box	0	12,000	24,000
Keep Truckee Meadows Beautiful	0	20,000	10,000
Mesa Meadows Landscape Maintenance	47,133	62,000	62,000
National League of Cities	8,203	8,051	8,203
Nevada League of Cities and Municipalities (NLC and M)	21,819	22,820	21,347
Promontory Landscape Maintenance	13,077	18,500	18,500
Regional Air Services Corporation	10,000	10,000	10,000
Sparks Heritage Foundation and Museum	1,000	0	0
The Chamber	1,362	1,362	1,362
Western Nevada Development District (WNDD)	5,000	5,000	5,000
TOTAL MEMBERSHIPS AND SUBSIDIES	212,694	264,833	265,512

Total Payments to Other Governments and Non-Profits	2,005,074	2,425,409	2,936,833
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Other Fiscal Items for Reference

Cause of Change in General Fund Revenue and Transfers from FY21 Budget to FY21 Estimates

	FY21 Budget	FY21 Estimates	Change	
REVENUES	80,963,784	81,609,545	645,761	1%
<u>Primary Causes of Change</u>				
CTAX and Fair Share (42% of total revenue)			225,000	
Property Taxes (33% of total revenue)			175,000	
Licenses and Permits (19% of total revenue)			(439,000)	
Reno/Washoe County Reimbursement for UNR SARS-CoV-2			1,144,000	
Court Fines & Fees			(153,000)	
All Other Revenue			(310,000)	
Total Primary Causes of Change =			642,000	
TRANSFERS-IN	1,000,000	15,995,877	14,995,877	-
<u>Primary Causes of Change</u>				
Removed Contingency Offset Transfer from Motor Vehicle Fund			(1,000,000)	
Fund transfer-in for CARES Expenditures			15,995,877	
Total Primary Causes of Change =			14,995,877	

Cause of Change in General Fund Expenditures and Transfers from FY21 Budget to FY21 Estimates

	FY21 Budget	FY21 Estimates	Change	
SALARIES & BENEFITS	63,019,553	59,310,416	(3,709,137)	-6%
<u>Primary Causes of Change</u>				
Vacancy Savings			(3,200,000)	
Overtime Savings to Budget			(500,000)	
Total Primary Causes of Change =			<u>(3,700,000)</u>	
SERVICES & SUPPLIES and CAPITAL OUTLAY	16,344,853	23,844,543	7,499,690	46%
<u>Primary Causes of Change</u>				
COVID-19 Expenses covered by CARES Act - Community costs			7,240,230	
COVID-19 Expenses covered by CARES Act - City costs			682,620	
NV Cares Campus operations (Assumes April 1 start date)			160,000	
P25 Radio Contract - Fire			100,000	
Services & Supplies savings due to pandemic			(700,000)	
Total Primary Causes of Change =			<u>7,482,850</u>	
TRANSFERS-OUT	4,591,247	4,816,899	225,652	5%
<u>Primary Causes of Change</u>				
P25 Radio (Reclassified Transfer-out to GF payment)			(114,347)	
FY21 budgeted transfer to Parks & Rec Fund increase due to reduction in program revenue as a result of pandemic			340,000	
Total Primary Causes of Change =			<u>225,653</u>	

Cause of Change in General Fund Revenue and Transfers from FY21 Estimates to FY22 Budget

	FY21 Estimates	FY22 Budget	Change	
REVENUES	81,609,545	84,423,260	2,813,715	3%
Primary Causes of Change				
CTAX and Fair Share (42% of total rev)			1,700,000	
Property Taxes (33% of total rev)			1,750,000	
Licenses and Permits (19% of total rev)			200,000	
Common Service Charge Revenue			270,000	
Reno/Washoe County Reimbursement for UNR SARS-CoV-2			(1,144,000)	
Total Primary Causes of Change =			<u>2,776,000</u>	
TRANSFERS-IN	15,995,877	1,000,000	(14,995,877)	-
Primary Causes of Change				
Transfer In CARES Funding			(15,995,877)	
Transfer from Vehicle Fund/Contingency Offset (to be transferred only if necessary)			1,000,000	
Total Primary Causes of Change =			<u>(14,995,877)</u>	

Cause of Change in General Fund Expenditures and Transfers from FY21 Estimates to FY22 Budget

	FY21 Estimates	FY22 Budget	Change	
SALARIES and BENEFITS	59,310,416	64,265,832	4,955,416	8%
Primary Causes of Change				
Vacancy Savings re-loaded in FY20			3,200,000	
OT Budget Increase to Actual			700,000	
Contribution increase to Workers Comp Fund			560,000	
Merit Increases			150,000	
Holiday Comp Cash Outs			140,000	
Callback, Worked Holiday & Special Assignment			100,000	
Total Primary Causes of Change =			<u>4,850,000</u>	
SERVICES and SUPPLIES, CAPITAL OUTLAY and CONTINGENCY	23,844,543	19,765,080	(4,079,463)	-17%
Primary Causes of Change				
COVID-19 Expenses covered by CARES Act - Community costs			(7,240,230)	
COVID-19 Expenses covered by CARES Act - City costs			(682,620)	
Contingency (offset by transfer-in from Motor Vehicle Fund if necessary)			1,000,000	
GF increased contribution to Liability Self Insurance Fund			786,000	
Travel & Training back to prepandemic levels			573,000	
NV Cares Campus Operations Contribution increase funding in FY22			488,000	
Washoe County Forensic Services Contract increase over prior year			310,000	
Overall Services and Supplies increases			250,000	
Federal & State Legislative support			215,000	
Outside Legal Council			132,000	
Employee Wellness Support			100,000	
Total Primary Causes of Change =			<u>(4,068,850)</u>	
TRANSFERS-OUT	4,816,899	6,415,365	1,598,466	33%
Primary Causes of Change				
Full Funding of General Capital Projects Fund transfer (2.5% of revenues)			1,548,280	
Transfer to Muni Self Insurance Fund			250,000	
Total Primary Causes of Change =			<u>1,798,280</u>	

Sparks Redevelopment Agency Fiscal Summary

Sparks Redevelopment Area #1

(Chief Administrative Officer's FY22 Tentative Budget Recommendations)

	FY18 Actuals	FY19 Actuals	FY20 Actuals	FY21 Estimate	FY22 Budget
Revenues	\$2,940,371	\$3,409,535	\$3,592,542	\$3,737,572	\$3,907,572
Expenditures	(\$2,970,912)	(\$3,259,669)	(\$5,809,739)	(\$3,837,503)	(\$2,651,445)
Net Revenues/(Expenses)	(\$30,541)	\$149,866	(\$2,217,197)	(\$99,931)	\$1,256,127
Beginning Fund Balance	\$5,110,871	\$5,080,330	\$5,230,196	\$3,012,999	\$2,913,068
Ending Fund Balance	\$5,080,330	\$5,230,196	\$3,012,999	\$2,913,068	\$4,169,195
Less: Restricted for Debt Service	(\$3,354,041)	(\$3,486,429)	(\$2,926,981)	(\$2,835,953)	(\$843,675)
Unrestricted Ending Fund Balance	\$1,726,289	\$1,743,767	\$86,019	\$77,115	\$3,325,520

Victorian Square Room Tax Fund Balance	\$4,373,982	\$5,107,400	\$4,838,017	\$4,471,808	\$5,371,808
<i>Note: The Victorian Square Room Tax Fund is a City Resource, but is Potentially Available for Victorian Square CIP Needs</i>					

** City Issued Debt Partially Paid by RDA #1

RDA #1 Debt Information	Tax Increment Refunding Bonds	2011 CTAX Refunding Bonds	2014 CTAX Refunding Bonds	Total RDA #1 Debt Service
Original Issue Amount	\$22,165,000	\$4,180,000	\$7,330,000	
Issue Date	5/11/2010	5/12/2011	8/14/2014	
Maturity Date	1/15/2022	5/1/2018	5/1/2026	
Interest Rate	4.0% - 5.375%	3.05%	3.09%	
FY21 Principal Payment	\$1,975,000	\$0	\$865,000	
FY21 Interest Payment	\$202,500	\$0	\$172,886	
Total FY21 Debt Service	\$2,177,500	\$0	\$1,037,886	
Total FY21 Debt Service Paid by RDA	\$2,177,500	\$0	\$298,280	\$2,475,780
6/30/21 Debt Outstanding	\$2,075,000	\$0	\$4,730,000	
FY22 Principal Payment	\$2,075,000	\$0	\$892,000	
FY22 Interest Payment	\$103,750	\$0	\$146,157	
Total FY22 Debt Service	\$2,178,750	\$0	\$1,038,157	
Total FY22 Debt Service Paid by RDA	\$2,178,750	\$0	\$298,358	\$2,477,108
6/30/22 Debt Outstanding	\$0	\$0	\$3,838,000	

** Both CTAX bonds were issued by the City, but about 29% (\$298,358 in FY22) is allocated to RDA #1.

Sparks Redevelopment Agency Fiscal Summary

Sparks Redevelopment Area #2

(Chief Administrative Officer's FY22 Tentative Budget Recommendations)

	FY18 Actuals	FY19 Actuals	FY20 Actuals	FY21 Estimate	FY22 Budget
Revenues	\$2,726,580	\$3,555,085	\$4,276,634	\$4,540,528	\$4,725,000
Transfer-Out To General Fund	\$0	\$0	(\$1,111,580)	\$0	\$0
Expenditures	(\$1,598,670)	(\$1,686,853)	(\$1,601,266)	(\$1,743,783)	(\$1,664,798)
Net Revenues/(Expenses)	\$1,127,910	\$1,868,231	\$1,563,788	\$2,796,745	\$3,060,202
Beginning Fund Balance	\$2,890,790	\$4,018,700	\$5,886,931	\$7,450,720	\$10,247,465
Ending Fund Balance	\$4,018,700	\$5,886,931	\$7,450,720	\$10,247,465	\$13,307,667
Less: Restricted for Debt Service & Note Receivab	(\$1,804,665)	(\$2,082,306)	(\$2,361,103)	(\$2,306,534)	(\$2,308,908)
Unrestricted Ending Fund Balance	\$2,214,035	\$3,804,625	\$5,089,617	\$7,940,931	\$10,998,759

RDA #2 Debt Information			
	2016 TIF	2014 Tax	Total RDA #2
	<u>Refunding Bonds</u>	<u>Increment Bonds</u>	<u>Debt Service</u>
Original Issue Amount	\$9,660,000	\$7,285,000	
Issue Date	9/26/2016	8/14/2014	
Maturity Date	6/1/2028	6/1/2029	
Interest Rate	2.33%	3.25%	
FY21 Principal Payment	\$794,000	\$430,000	
FY21 Interest Payment	\$160,933	\$158,064	
Total FY21 Debt Service	<u>\$954,933</u>	<u>\$588,064</u>	<u>\$1,542,997</u>
6/30/21 Debt Outstanding	<u>\$6,113,000</u>	<u>\$4,435,000</u>	
FY22 Principal Payment	\$814,000	\$445,000	
FY22 Interest Payment	\$142,433	\$144,093	
Total FY22 Debt Service	<u>\$956,433</u>	<u>\$589,093</u>	<u>\$1,545,526</u>
6/30/22 Debt Outstanding	<u>\$5,299,000</u>	<u>\$3,990,000</u>	