City of North Las Vegas

Adopted Budget

Fiscal Year 2007-08

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CITY PRIORITIES

Achieving North Las Vegas Vision 2025

Well - Planned Quality Growth

Pivotal Development and Redevelopment

Economic Development

Community Services and Cultural Amenities

Safe and Livable Community

Community Spirit, Relationships and Pride

Responsible Fiscal Management

Quality Municipal Services

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NORTH LAS VEGAS
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Your Community of Choice

City Council

Pictured left to right: Councilmember Robert L. Eliason, Councilmember Shari Buck, Mayor Michael L. Montandon, Councilmember Stephanie S. Smith and Councilmember-Mayor Pro Tempore William E. Robinson

Gregory E. Rose
City Manager

GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

City of North Las Vegas

Nevada

For the Fiscal Year Beginning

July 1, 2006

President

Executive Director

For the third year in a row, the Government Finance Officers Association of the United States and Canada (GFOA) presented its Distinguished Budget Presentation Award to the City of North Las Vegas, Nevada for its budget for the fiscal year beginning July 1, 2006. In order to receive this award, a governmental entity must publish a document that meets program criteria as a policy document, as a financial plan, as an operations guide, and as a communications device. In addition to receiving this prestigious award, the City's budget also received two special recognitions as an outstanding communications device and an outstanding policy document.

This award is valid for a period of one year and reflects the commitment of the City and our staff to meeting the highest principles of governmental budgeting. We believe our current budget continues to conform to program requirements, and we are submitting it to the GFOA to determine its eligibility for another award.

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Mayor
Michael L. Montandon

Council Members
William E. Robinson
Stephanie S. Smith
Shari Buck
Robert L. Eliason

City Manager
Gregory E. Rose

Budget Message
May 15, 2007

Honorable Mayor and Members of the City Council

We are pleased to present to you the fiscal 2008 program of services. This document represents our continued commitment to prudent fiscal management, effective service delivery, and a way of providing our citizens with the highest quality of life. Although our economy is not as robust today as it has been in the past, we continue to be a strong, financially sound municipal government. This is an exciting time in the history of North Las Vegas.

The fiscal 2008 budget is a financial plan that will move our City toward achievement of its goals, within the constraints of available resources. This budget document is the means for allocating the resources of the City to a variety of programs necessary to protect the community's physical security, enhance the community's quality of life, increase economic development efforts, and maintain and develop the City's facilities and infrastructure.

The City of North Las Vegas... A Place with Room to Grow

Part of the Las Vegas Valley, North Las Vegas is a city surrounded by majestic mountains, desert valleys, and an underlying current of dynamic growth. Sunshine is enjoyed 86% of the year with an average daily temperature of 78 degrees. On May 1, 1946, the City of North Las Vegas incorporated as a unique and separate entity. The population at the date of incorporation was 2,875 and the total land area was 2.5 square miles.

Today, the City has a population projected to approach 215,000 by July 2007 and comprises more than 82.1 square miles. North Las Vegas continues to grow at a rapid pace with its population increasing by approximately 1,200 residents each month. Over the last decade, the City's population increased by over 125%, and at present, our community is the second fastest growing large city[1] in the United States. North Las Vegas is approximately 48% built-out with a majority of land remaining undeveloped. However, growth is a double-edged sword. Without a growing population to fuel and maintain a healthy local economy, the City would not have the financial resources it needs to continue improving and expanding the services its residents enjoy. However, if not properly and effectively managed, growth can outstrip available resources.

[1] Cities with a population exceeding 100,000

Organization of the Adopted Budget

This budget message is intended to provide the City Council with a broad overview of the adopted budget and key changes and issues. The All Funds Summary and General Fund Summary provide a detailed analysis of revenues, expenditures, and changes in fund balance, focusing mainly on the General Fund. The General Fund warrants the most attention during the budget review process since it provides the core services to the citizenry and is the largest fund with the greatest potential for revenue fluctuations.

Following the General Fund are other fund summaries, individual departmental budgets and the capital improvement program. The departmental budgets provide the staff, City Council, and citizens an overview of the costs of each city service or function and the funding source for each program. Each departmental budget includes a description, services provided, fiscal 2007 accomplishments, a multi-year summary of budget and staffing, fiscal 2008 goals, objectives, and performance measures.

Budget Summary and Highlights

A housing slowdown that began in 2006 continues to be the weak sector in an otherwise growing local economy. The City continues to benefit, however, from prudent fiscal management and healthy reserves. Slower rates of expansion throughout the Las Vegas Valley are anticipated to impact development in and out of North Las Vegas. It is anticipated that the housing imbalance will subside in 2007 and the Las Vegas valley will continue to expand at a slower, more measured pace.

The fiscal 2008 operating budget amounts to $433.4 million and is supplemented with $314.3 million in capital improvement projects to produce a total financial program of $747.8 million. This represents an increase of $100.4 million or 30.1% over the 2007 operating budget and a $127.9 million, or 68.6% increase over the 2007 capital plan.

	2006-07 Amended Budget	2007-08 Adopted Budget	2007 vs. 2008 Variance Amount	Percent
Operating Budget	333,021,370	433,423,139	100,401,769	30.1
Capital Improvement Projects	186,424,788	314,332,038	127,907,250	68.6
Total Budget	**519,446,158**	**747,755,177**	**228,309,019**	**44.0**

The following highlights are included in the fiscal 2008 budget:

Finance

- The city's tax rate is $1.1637, a reduction of $0.005 per hundred of assessed valuation.
- The city's assessed valuation of property increased by an estimated 29.6%.
- Appropriations for nearly $314.3 million in projects identified in the fiscal 2008 Capital Improvement Program (CIP).
- General Fund reserves are projected to be 18.0% of total expenditures.

General Services

- Approximately 114 vehicles are targeted for replacement at a cost of $4.8 million in addition to $630,000 in supplemental requests in support of custodial and maintenance staffing, services, and additional appropriations for fleet supplies and services.

Information Technology

- Provides for nearly $3.3 million for Oracle 11i migration and updates, network systems, personal computers, and software as well as two additional full-time equivalents.

Library

- Appropriations for a new automation system, shelving rehab at the Main Library and books and materials total $183,500.
- Funding of $3.6 million will be used to construct a library and mini-park at Alexander Road and Martin Luther King Jr. Blvd.

Parks

- An additional $26.6 million for new parks, facilities, trails, renovation of existing parks, neighborhood improvement projects and new personnel, including $7.1 million in funding for Craig Ranch Regional Park, $2.6 million in funding for a multi-generational center and $5.9 million in funding for the Las Vegas Wash trail system.

Public Safety - Fire

- Over $10.1 million in supplemental requests in support of the Fire Department including remodeling of Fire Station #54, Fire Station #53 relocation, and 19 additional full time equivalents including staffing for Rescue units 54 and 56.

Public Safety - Police

- Almost $14.0 million in supplemental requests including 40 additional police officers, 10 new corrections officers and 13.5 additional staff. Over $3.1 million is appropriated for new vehicles, radios and equipment for the new officers.
- CIP Projects include $695,000 toward a Downtown Precinct, $843,200 for the North Central Police Precinct, $1.8 million for a temporary Northeast Command Facility and $950,000 for a new public safety information system.

Public Works

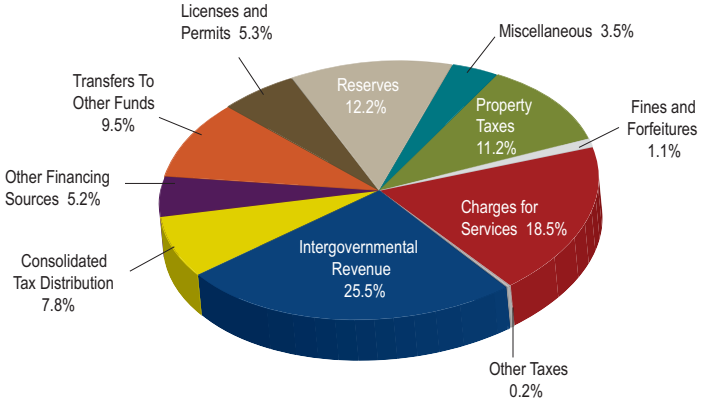
- A very ambitious Public Works program includes over $191.6 million in capital expenditures. Highlights include various street and flood control improvement projects ($186.3 million), design on a new city hall ($5.3 million) and $1.8 million for street maintenance and betterment programs.

Utilities

- Approximately $78.5 million in supplemental Water and Wastewater Fund requests including $55.2 million for the design and construction of a new water reclamation facility, $19.2 million in capital outlay, pipeline improvements and interceptor projects, and five additional full time equivalents.

Where the Money Comes From - Revenues and Other Sources $747,755,177

The City expects to receive $656.7 million in revenue in fiscal 2008, an increase of $30.5 million over the amended 2007 budget. This revenue, supplemented with available fund balances of $91.1 million, provides the resources to fund the 2008 financial program. The beginning fund balance and net assets is estimated at $522.6 million as of June 30, 2007, however approximately $300 million in bond proceeds are restricted for capital projects.

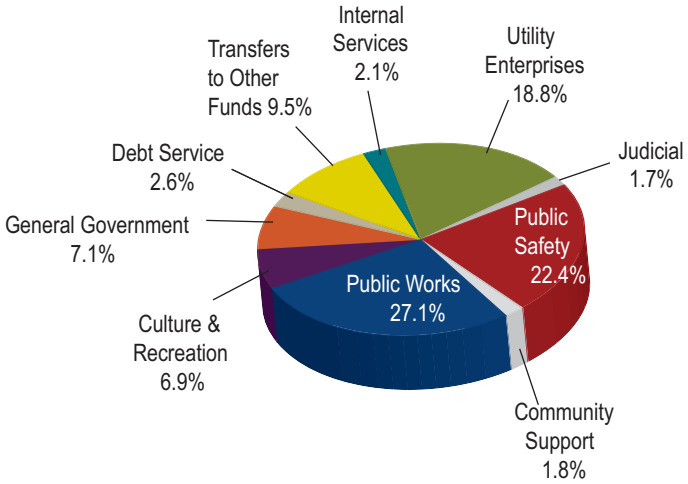


Total Revenues by Source

	2006-07 Amended Budget	2007-08 Adopted Budget	2007 vs. 2008 Variance Amount	Percent
Property Taxes	68,464,300	83,507,000	15,042,700	22.0
Other Taxes	2,091,500	1,784,100	(307,400)	(14.7)
Licenses and Permits	32,430,000	39,980,000	7,550,000	23.3
Intergovernmental Revenue	70,680,959	190,082,039	119,401,080	168.9
Consolidated Tax Distribution	54,000,000	58,500,000	4,500,000	8.3
Charges for Services	129,697,200	138,118,100	8,420,900	6.5
Fines and Forfeitures	8,137,300	8,449,300	312,000	3.8
Miscellaneous	30,499,129	25,839,250	(4,659,879)	(15.3)
Other Financing Sources	153,706,200	39,240,900	(114,465,300)	(74.5)
Transfers From Other Funds	76,438,522	71,178,140	(5,260,382)	(6.9)
Reserves		91,076,348	91,076,348	100.0
Total Revenues	**626,145,110**	**747,755,177**	**121,610,067**	**19.4**

Where the Money Goes - Expenditures by Function $747,755,177

The fiscal 2008 program amounts to $747.7 million and represents a $228.3 million increase above the fiscal 2007 amended budget. A large component of the City's budget is the capital improvement program estimated at $314.3 million in fiscal 2008. Appropriations include $55.2 million toward the design and construction of a new wastewater reclamation facility, $186.3 million in various street and flood control projects and $26.6 million for new parks and park facilities. More information can be found in the "CIP" section of this document.



Total Expenditures by Function

	2006-07 Amended Budget	2007-08 Adopted Budget	2007 vs. 2008 Variance Amount	Percent
General Government	47,643,810	52,824,709	5,180,899	10.9
Judicial	10,276,727	12,372,300	2,095,573	20.4
Public Safety	152,156,985	167,590,967	15,433,982	10.1
Public Works	76,909,654	202,896,839	125,987,185	163.8
Culture & Recreation	32,015,714	51,590,000	19,574,286	61.1
Community Support	11,911,957	13,270,322	1,358,365	11.4
Utility Enterprises	76,767,944	140,430,100	63,662,156	82.9
Internal Services	15,569,445	15,945,300	375,855	2.4
Debt Service	19,755,400	19,656,500	(98,900)	(0.5)
Transfers to Other Funds	76,438,522	71,178,140	(5,260,382)	(6.9)
Total Expenditures by Function	**519,446,158**	**747,755,177**	**228,309,019**	**44.0**

Linking the Budget with the Strategic Plan

The key characteristic of a budget is to provide linkage with city goals or priorities. The City must be receptive to the needs of its citizenry and be proactive in the management of growth, development, and revitalization in order to promote a safe and vibrant environment throughout the community. The following seven Vision Elements represent the areas of strategic importance, which must be addressed in order for the Visioning 2025 Strategic Plan to become reality. These Vision Elements provide overall direction and serve as a basis for decisions during the budget process.

Vision Element Priority: Planned Quality Growth

According to a recent study, the City of North Las Vegas is the 2nd fastest growing city in the United States. With a projected population increase of 300,000 over the next twenty years, efficient planning is essential. The City promotes and encourages mixed-use development and is establishing entryways and gateways that positively identify various and distinctive areas within the City.

The updated comprehensive plan will ensure a better quality of life for North Las Vegas residents by developing a well-balanced mix of commercial, residential, industrial, and public uses for land within the city limits. Within the next eighteen months, the City will be developing a Comprehensive Transportation Plan along with revising standards for neighborhood roadways, an annexation plan in conjunction with BLM land sales (phase II and III), and the planning and construction of a 25 million gallon per day reclamation facility.

The 2008 fiscal budget proposes an ambitious street improvement program. Included in the Public Works budget are improvements for the North 5th Street Super Arterial, Losee Road, Ann Road, Craig Road, Lamb Boulevard, Simmons Street, and various traffic signal improvements. Major Flood Control projects include the Centennial Parkway Channel and the Gowan Outfall at Lone Mountain. These projects and other upgrades will help accommodate the large growth projected over the next ten years.

The 1,905 acre, master planned community of Aliante has defined the City's growth and provided a new definition for the quality of life in North Las Vegas. At over 90% complete and containing 428 acres of parks and open space, this development will provide homes for 20,000 people.

The City's newest master planned community, Park Highlands, contains 2,675 acres and will be home to 50,000 people. This community is expected to contain 15,750 residential units, more than 28 acres of neighborhood commercial, 113 acres of regional commercial and 118 acres of mixed commercial and residential uses. The Olympia Group, the developer of Park Highlands, will donate land for a fire station, five elementary schools, a middle school and 130 acres of parks and trails.

Vision Element: Pivotal Centers for Redevelopment and Revitalization

The City is committed to revitalizing the mature parts of our city and reinvesting in the central redevelopment area. Since the inception of the North Las Vegas Redevelopment Agency, more than $125 million in market-driven private investment has been generated in the downtown area. The City will create a downtown marketing plan and aggressively market itself in both national and international venues. The City will also seek to maximize on the varied growth opportunities provided by certain key projects, i.e., the proposed sites for the University of Nevada Las Vegas and the Veterans Administration Hospital.

The Redevelopment Agency is purchasing entryway signs to delineate the boundaries that separate it from the City of Las Vegas. The City continues its investment in the rehabilitation program for commercial property owners, neighborhood beautification projects and property acquisitions within the redevelopment area.

Vision Element Priority: Economic Development

The economic base over the past ten years has changed dramatically from light manufacturing and regional distribution. In order to avoid the inevitable ups and downs of our economy, the City is diversifying its expansion efforts by establishing new business parks, establishing new international partnerships, and exploring the possibility of expanding the airport. The City is developing a comprehensive plan to use fiber and wireless technology and is also working with UNLV and the Community College of Southern Nevada to develop an educated and trained workforce that is better equipped to use those advanced technologies in the future.

Development, however, can only proceed as fast as its ability to provide its citizens with electricity, clean water, and proper reclamation of its wastewater. Toward that goal, the City is looking toward building its own reclamation plant in the near future as well as improving and adding capacity to its current infrastructure.

Vision Element Priority: Community Services and Amenities

As a growing city, one of our most important quality of life initiatives is to provide a variety of open spaces, parks, and leisure opportunities for our citizens. Our rapid growth necessitates ensuring that sufficient park and recreational resources are available to meet prescribed national standards. With the current high cost of land, the City is actively pursuing maximum use of its facilities through joint agreements with various community groups and local governments.

The 2008 budget commits significant funding for new parks, personnel and refurbishing of existing parks. Various facility improvements include developing Craig Ranch Golf Course into a regional park, extension of the regional trail systems, development of McCool Regional Park, construction of Sandstone Ridge Park, design and construction of a new multi-generational center, and renovation of existing parks and recreational facilities. This budget also includes improvements to the existing Main Library as well as the construction of a new library at Alexander and Martin Luther King Blvd.

Other features such as the creation of jobs, improved streets, lighting, parks, transportation and traffic, and flood control all impact the quality of life in the community. Consequently, the City: 1) is aggressively pursuing renovation of many of its streets, 2) encouraging the development of high-tech industries, and 3) is upgrading many of its community facilities and projects including a new city hall and a new downtown command center.

Vision Element Priority: Safe and Livable Community

The Police Department is committed to having a positive impact in the City of North Las Vegas by enhancing the quality of life in the community by reducing crime and the fear of crime. The City is devising specific initiatives for Homeland Security preparedness. Additionally, several studies are underway that: 1) will evaluate the levels of lighting throughout the City, 2) will have focus group discussions on the creation of ordinances that mandate incorporation of public safety technologies, 3) will evaluate and develop a Master Transportation Plan, and 4) evaluating development of more opportunities for the co-location of City services.

City of North Las Vegas residents must feel and be secure and safe in their community. It will require efficient and effective use of policing resources and active citizen involvement in promoting safety and security in their neighborhoods. The quarter-cent sales tax will enable the City to hire and equip thirty new police officers in fiscal 2008, bringing the total number of officers hired through this funding source to 105. In addition, funding for 10 officers, 10 corrections officers, and 13.5 other support positions is included in this budget.

Knowing the importance of having a presence in all parts of the City, plans are underway for a North Central and Downtown Police Precinct as well as a temporary Northeast Command facility. Funding has also been appropriated for the relocation of Fire Station #53 and the remodeling of Fire Station #54. Sixteen Fire Fighters are planned to staff Rescues 54 and 56.

Vision Element Priority: Community Spirit, Relationships and Pride

A positive image is essential to encouraging growth in the community as well as providing a sense of civic pride among its citizenry. Civic pride comes from the positive image residents have of their community and opportunities for meaningful involvement in the community.

It is important that citizens have access to City services. The City is addressing this priority with the delivery of the following services in fiscal 2008: 1) the City Manager's Office will continue to hold a minimum of four town hall meetings annually and increase the awareness of government services and programs; and 2) the Fire and Police departments will open more non-sensitive facilities to the public.

In addition the City has promoted events that can be experienced by all residents in the Community. In September, 2006, the City sponsored the first annual Balloonapalooza. The event was a huge success and is planned again for September, 2007. In May, the City held its Taste and Tunes event on the City Hall Campus. The event grows larger and attracts more citizens every year.

Vision Element Priority: Fiscal Policies and Management

Fiscal policies and management must be aligned with the City commitment to Visioning 2025. Prudent fiscal management such as budget and CIP prioritization is critical. We plan on addressing these priorities in fiscal 2008 by: continuing to explore alternatives that reduce the cost of our municipal government such as aggressive grant acquisition, implementing changes to fleet operations, developing a master plan for citywide technology to provide services to customers in the most effective manner, and developing a comprehensive maintenance, capital improvement and investment plan for City infrastructure in order to provide services to customers in the most effective manner.

Technology is an increasing proportion of the City budget. For the most part, it delivers no direct public services but rather it supports the delivery of high-quality services. As a result, it is important that technology investments are focused on areas having a significant return on investment. Effective use of technology can simplify work procedures, improve efficiencies, and enhance customer service. Appropriations are included that will enhance information technologies and include upgrades to applications, hardware replacements, and personal computers.

Other Issues Affecting the Budget

There are a number of issues in the City's current environment and in the short-term, foreseeable future which could impact our fiscal security. While the City's short-term financial outlook remains solid, there are other economic, social, demographic and technological trends that threaten to erode our tax revenues over the long term.

At a projected growth rate of 1,200 new residents per month, the City is faced with many challenges. The demand for services and the ability to provide them impacts all areas of future growth, not only in terms of quantity, but quality. Providing municipal services, developing infrastructure and public facilities, increasing physical security and quality of life, developing pedestrian-oriented neighborhoods with proper planning for commercial and industrial areas, regional malls, infrastructure and municipal facilities, family oriented open spaces and parks, quality educational opportunities, cultural amenities, as well as up to date transportation systems that allow people to travel easily throughout the city, will continue to be a difficult balancing act.

Most of the City's physical infrastructure is aging at the same rate and a majority of our buildings are over 40 years old. Planning for infrastructure requirements is no small undertaking. A global assessment of city facilities and space needs will continue to be an issue that competes with investment in new infrastructure.

Acknowledgements

We must express our personal appreciation to members of the management staff for their diligent efforts in developing a budget that reflects the needs of their departments. Through this process we believe that the departments have strengthened their understanding and relationships as to the needs and contributions that each provides to the City.

A special note of thanks and appreciation should go to the Finance Department for its excellent performance in gathering, analyzing and presenting information clearly and accurately.

We are confident that the programs included in this budget document reflect the policies and direction of the City Council and provides the financial plan for a successful year.

Respectfully submitted,

Gregory Rose
City Manager

Philip F. Stoeckinger
Finance Director

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