



# General Fund

## In This Section

This section includes tables and analysis related to the General Fund. The funds revenue sources are described and trends and projections are presented. Expenditure trends are also included and are summarized by expense object and function.

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# GENERAL FUND

The General Fund accounts for activity associated with traditional city services such as police, fire, parks and recreation, planning and economic development, public works, and general administration. The General Fund's total financial program amounts to \$223.6 million in fiscal 2009.

## General Fund Fiscal Years 2007 - 2009

### Statement of Revenue, Expenditures and Changes in Fund Balance

	2006-07 Actual	2007-08 Amended Budget	2008-09 Adopted Budget	2008 vs. 2009 Variance Amount	Percent
<b>Revenues</b>					
Property Taxes	20,595,593	23,470,000	27,713,100	4,243,100	18.1
Other Taxes	357,956	358,000	375,000	17,000	4.7
Charges for Services	17,302,087	22,882,600	25,037,500	2,154,900	9.4
Intergovernmental Resources	6,051,367	5,928,661	6,007,900	79,239	1.3
Consolidated Tax Revenue	52,955,745	52,000,000	52,000,000	-	-
Licenses and Permits	34,578,793	33,814,660	36,496,800	2,682,140	7.9
Fines & Forfeits	6,666,070	9,500,130	9,785,000	284,870	3.0
Miscellaneous	19,080,143	13,787,030	9,578,000	(4,209,030)	(30.5)
<b>Total Revenues</b>	<b>157,587,754</b>	<b>161,741,081</b>	<b>166,993,300</b>	<b>5,252,219</b>	<b>3.2</b>
<b>Expenditures by Function</b>					
General Government	30,887,484	37,787,660	42,804,000	3,947,619	(29.7)
Judicial	7,570,317	9,058,200	9,652,400	594,200	6.6
Public Safety	101,463,360	112,657,989	121,912,000	9,254,011	8.2
Public Works	20,897,805	21,082,451	20,890,500	(191,951)	(0.9)
Culture and Recreation	11,476,814	13,710,224	14,425,100	714,876	5.2
Community Support	2,515,480	3,369,565	3,561,200	191,635	5.7
Contingency	-	1,863,480	1,000,000	(863,480)	100.0
<b>Total Expenditures</b>	<b>174,811,260</b>	<b>199,529,569</b>	<b>214,245,200</b>	<b>14,715,631</b>	<b>7.4</b>
<b>Other Financing Sources / (Uses)</b>					
Sale of equipment	157,535	93,600	96,400	2,800	3.0
Operating transfers in	35,732,558	56,977,890	46,458,300	(10,519,590)	(18.5)
Operating transfers (out)	(13,785,431)	(13,296,719)	(9,349,100)	3,947,619	(29.7)
<b>Total Other Financing Sources / (Uses)</b>	<b>22,104,662</b>	<b>43,774,771</b>	<b>37,205,600</b>	<b>(6,569,171)</b>	<b>(15.0)</b>
<b>Increase (Decrease) in Fund Balance</b>	<b>4,881,156</b>	<b>5,986,283</b>	<b>(10,046,300)</b>	<b>(16,032,583)</b>	<b>(267.8)</b>
<b>Beginning Fund Balance</b>	<b>32,228,811</b>	<b>37,109,967</b>	<b>43,096,250</b>	<b>5,986,283</b>	<b>16.1</b>
<b>Ending Fund Balance</b>	<b>37,109,967</b>	<b>43,096,250</b>	<b>33,049,950</b>	<b>(10,046,300)</b>	<b>(23.3)</b>



CITY OF NORTH LAS VEGAS

**General Fund  
Summary of Revenues For the Years 2007-2009**

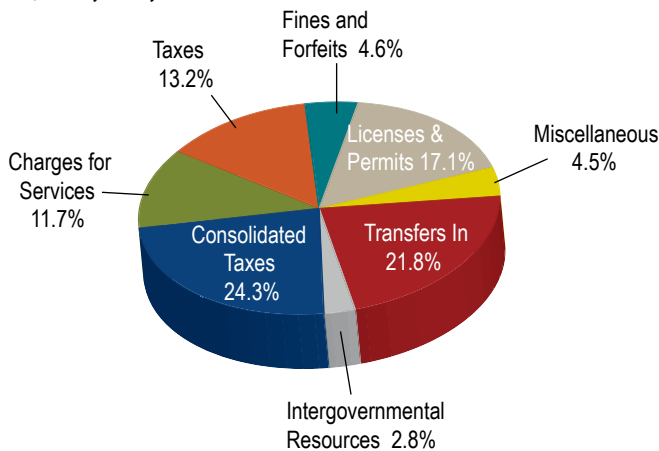
	2006-07 Actual	2007-08 Amended Budget	2008-09 Adopted Budget	2008 vs. 2009 Variance Amount Percent	
<b>Taxes</b>					
Property Taxes	20,595,593	23,470,000	27,713,100	4,243,100	18.1
Room Taxes	357,956	358,000	375,000	17,000	4.7
<b>Total Taxes</b>	<b>20,953,549</b>	<b>23,828,000</b>	<b>28,088,100</b>	<b>4,260,100</b>	<b>17.9</b>
<b>Licenses &amp; Permits</b>					
Business Licenses	4,567,506	5,073,000	5,478,900	405,900	8.0
Liquor Licenses	645,910	374,100	404,000	29,900	8.0
City Gaming Licenses	1,278,683	1,105,500	1,193,900	88,400	8.0
Utility Franchise Fees	15,773,376	17,527,800	19,631,200	2,103,400	12.0
Animal Licenses	49,305	59,500	62,500	3,000	5.0
Engineering Permits	2,208,087	1,572,800	1,500,000	(72,800)	(4.6)
County Gaming Licenses	1,162,433	1,190,560	1,226,300	35,740	3.0
Building Permits	8,893,493	6,911,400	7,000,000	88,600	1.3
<b>Total Licenses &amp; Permits</b>	<b>34,578,793</b>	<b>33,814,660</b>	<b>36,496,800</b>	<b>2,682,140</b>	<b>7.9</b>
<b>Intergovernmental Revenues</b>					
Grants	142,279	95,661	-	(95,661)	(100.0)
Motor Vehicle Taxes	2,791,880	3,124,900	3,218,500	93,600	3.0
Consolidated Tax Distribution	52,955,745	52,000,000	52,000,000	-	-
Room and Gaming Taxes - LVCVA	2,044,170	1,435,100	1,478,200	43,100	3.0
Regional Transportation Commission	51,484	-	-	-	-
CC Flood Control	1,021,554	1,273,000	1,311,200	38,200	3.0
County Gaming Licenses	-	-	-	-	-
<b>Total Intergovernmental Revenues</b>	<b>59,007,112</b>	<b>57,928,661</b>	<b>58,007,900</b>	<b>79,239</b>	<b>0.1</b>
<b>Charges for Services</b>					
Building and Zoning Fees	1,312,097	1,454,700	1,498,400	43,700	3.0
Special Inspector Services	900,508	443,800	457,100	13,300	3.0
Court Fees	1,778,136	2,335,200	2,405,200	70,000	3.0
Other Fees	192,627	221,600	228,300	6,700	3.0
Police - Other Fees	545,093	401,000	413,200	12,200	3.0
Fire Prevention Fees	178,325	199,400	205,400	6,000	3.0
Prisoner Board	12,230,236	17,726,200	19,726,200	2,000,000	11.3
Swimming Pool & Recreation Fees	165,065	100,700	103,700	3,000	3.0
<b>Total Charges for Services</b>	<b>17,302,087</b>	<b>22,882,600</b>	<b>25,037,500</b>	<b>2,154,900</b>	<b>9.4</b>
<b>Other Revenues</b>					
Fines & Forfeitures	6,666,070	9,500,130	9,785,000	284,870	3.0
Interest Earnings	14,861,844	10,415,700	6,417,700	(3,998,000)	(38.4)
Refunds & Reimbursements	3,888,044	1,347,600	1,265,100	(82,500)	(6.1)
Inmate Payphone Commission	272,407	266,000	273,900	7,900	3.0
Other Miscellaneous Revenue	215,383	1,851,330	1,717,700	(133,630)	(7.2)
<b>Total Other Revenues</b>	<b>25,903,748</b>	<b>23,380,760</b>	<b>19,459,400</b>	<b>(3,921,360)</b>	<b>(16.8)</b>
<b>Transfer In from Other Funds:</b>					
Special Revenue Funds	1,772,815	-	-	-	-
Land Fund	-	2,000,000	-	(2,000,000)	(100.0)
Street Maint, Parks, Fire	-	360,000	-	(360,000)	(100.0)
Air Quality / Pollution	-	4,438	-	(4,438)	(100.0)
E-911 Fund	-	-	200,000	200,000	100.0
Equipment Replacement Fund	-	1,247,907	-	(1,247,907)	(100.0)
Capital Projects	2,200,000	282,832	-	(282,832)	(100.0)
Capital - Technology Improvements	-	120,000	-	(120,000)	(100.0)
Capital - Muni Crt Remodel	-	20,995	-	(20,995)	(100.0)
Capital - General Govt	-	7,600,000	5,200,000	(2,400,000)	(31.6)
Sp. Rev - Other deposits	-	32,718	-	(32,718)	(100.0)
Water Fund	18,653,724	21,618,000	22,482,700	864,700	4.0
Wastewater Fund	13,029,219	17,691,000	18,575,600	884,600	5.0
Self Insurance Fund	76,800	3,000,000	-	(3,000,000)	(100.0)
Motor Equipment Fund	-	3,000,000	-	(3,000,000)	(100.0)
<b>Transfers from Other Funds</b>	<b>35,732,558</b>	<b>56,977,890</b>	<b>46,458,300</b>	<b>(10,519,590)</b>	<b>(18.5)</b>
<b>Total Revenues</b>	<b>193,477,847</b>	<b>218,812,571</b>	<b>213,548,000</b>	<b>(5,264,571)</b>	<b>(2.4)</b>
<b>Beginning Fund Balance</b>	<b>32,228,811</b>	<b>37,109,967</b>	<b>43,096,250</b>	<b>5,986,283</b>	<b>16.1</b>
<b>Total Financial Resources</b>	<b>225,706,658</b>	<b>255,922,538</b>	<b>256,644,250</b>	<b>721,712</b>	<b>0.3</b>



### General Fund Revenue Analysis

Although North Las Vegas' general fund revenues are anticipated to increase, generally they are not anticipated to keep pace with the rate of population growth and inflation. This is particularly true in fiscal 2008 and fiscal 2009. General Fund resources include revenues, transfers from other funds, and ending fund balance. The City relies upon sales and use taxes, revenue from licenses and permits, charges for services, and other intergovernmental revenue for the bulk of its General Fund revenues. In addition, the city receives revenues from property taxes, fines and forfeitures, and other sources.

#### Where The Operating Dollar Comes From \$213,548,000



The 2009 budget estimates total revenue at \$213.5 million, a 2.4%, or \$5.3 million decrease as compared to the amended 2008 revenue budget. The revenue variance is attributed to the following:

Increases (Decreases) In:	
Consolidated Taxes	\$0.0M
Transfers from Other Funds (Net)	(10.5)
Charges for Services, Miscellaneous	2.1
Taxes	4.3
Licenses, Permits, Franchise Fees	2.7
Miscellaneous, Fines and Forfeits	(3.9)
Intergovernmental Revenue	0.0
<b>Net Revenue Variance</b>	<b>\$(5.3) M</b>

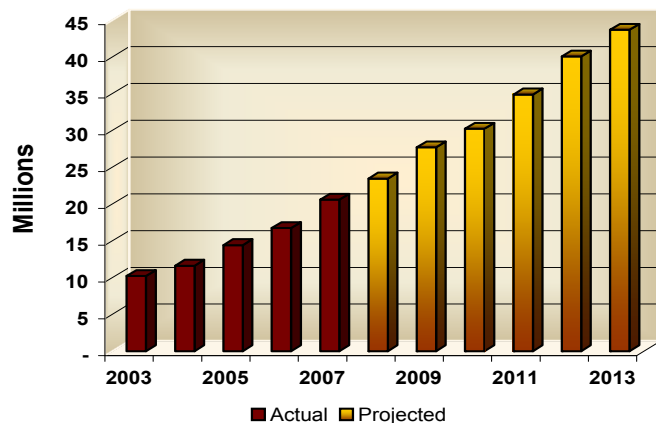
### Property Taxes

The General Fund receives only 29.3% of the total property taxes levied by the City. The City's property tax rate is \$1.1637 per \$100 of assessed valuation. Of this, \$0.3737 goes to the General Fund. Property tax revenue amounts to 13.0% of the General Fund budget and is projected at \$27.7 million in fiscal 2009.

State law requires that property be assessed at 35% of taxable value, which may be adjusted upward or downward by the State Legislature. Taxes on real property are due on the third Monday in August unless the taxpayer elects to pay in installments on or before the third Monday in August and the first Mondays in October, January, and March of each fiscal year. The County distributes property taxes to the City on a monthly basis.

The following chart presents an historical and projected summary of General Fund property tax revenue. The growth rate in property tax revenue averaged 19.0% over the past five years; an 18.1% increase in property tax revenue is anticipated in fiscal 2009. Due to property tax limitations implemented in the 2005 legislative session, the future growth rate in assessed valuation is projected to be 9.0%.

Property Taxes - Fiscal 2003 to 2013



**Licenses and Permits**

Licenses and permits account for 17.1% of the General Fund budget and are projected at \$36.5 million, an increase of 7.9% over fiscal 2008. License and permit revenue is directly influenced by the local economy and includes building permits and business, gaming, liquor, and dog licenses.

**Business License Revenue**

Business license fees are assessed against all entities engaged in business within the city limits. Business license fees may be “flat” in nature, meaning the business pays a prescribed amount based on the nature of the business, or “gross” fees, which are based on a percentage of gross income. Gaming fees are a flat fee and are assessed based on the number of gaming devices on the property. Business license revenue is expected to increase by 8.0% in 2009 as a result of population growth and aggressive enforcement activities.

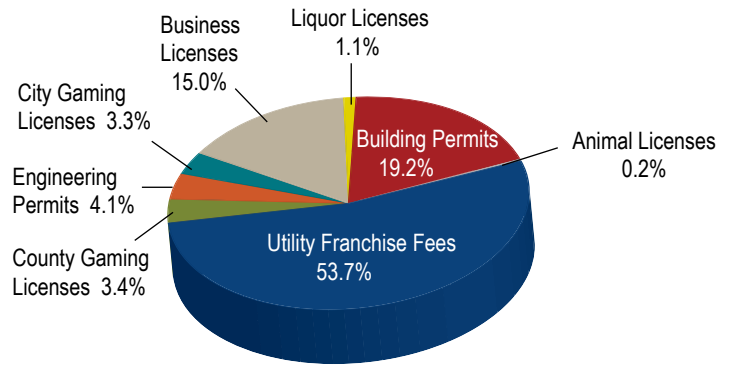
**Building Permit Revenue**

Building permit revenue is highly dependent upon residential and commercial construction and can fluctuate with the economy. In calendar 2007, over 2,100 single-family building permits were valued at \$278 million, a 46.3% decrease from the previous year.

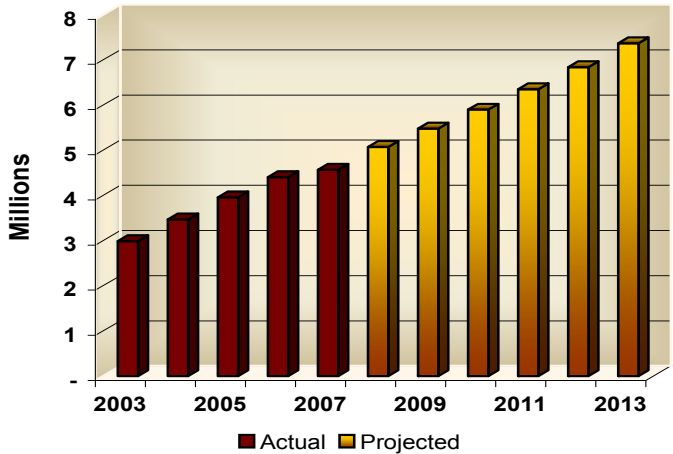
As of March 31, 2008 residential single-family permits were down 76% in North Las Vegas as compared to the same quarter one year ago. Slower rates of expansion throughout the Las Vegas Valley are anticipated to impact development in and out of North Las Vegas. The double-digit growth rates of the last five years are not expected to be repeated during the next ten years. Outside of the slowdown expected between fiscal years 2007 to 2009, the City expects average growth rates in the mid to high single digits.

Building permit revenue will generate approximately \$7 million in fiscal 2009.

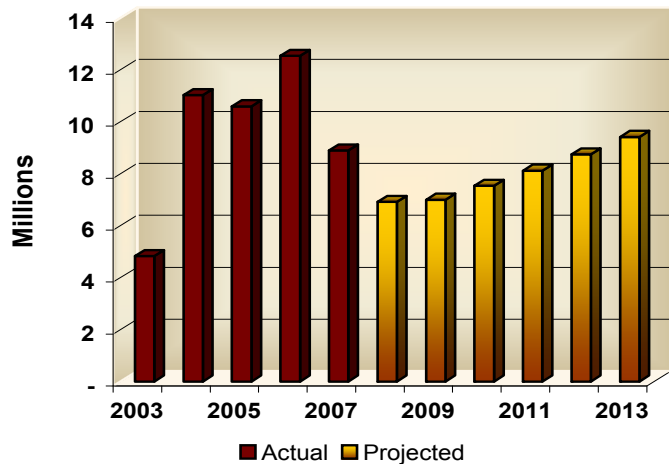
**Licenses and Permits - \$36,496,800**



**Business License Revenue Fiscal 2003 to 2013**



**Building Permit Revenue Fiscal 2003 to 2013**



**Intergovernmental Revenue**

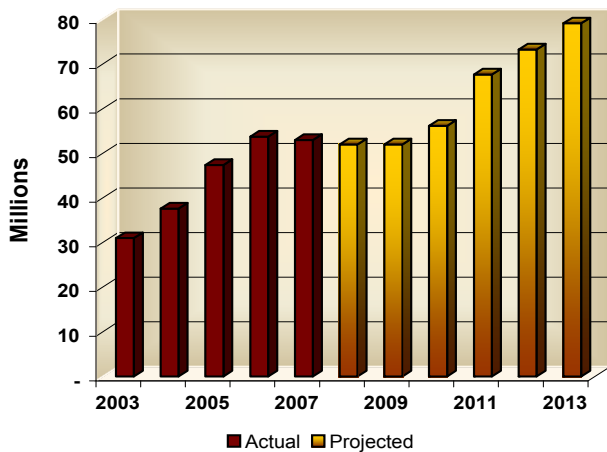
This revenue source accounts for state shared revenues, miscellaneous grants, and the Consolidated Tax distribution. Intergovernmental revenue is projected at \$58,007,900 and accounts for 27.1% of total General Fund Revenue.

**The Consolidated Tax Distribution (CTX)**

is the largest single revenue source in the General Fund and is highly elastic in nature. Accounting for 24.3% of all General Fund revenue, the Consolidated Tax is collected by the State and distributed to the City based on statutory formulas. The CTX consists of local government revenues from the following six sources: Sales and Use Tax, Supplemental City/County Relief Tax ("SCCRT") and Basic City/County Relief Tax ("BCCRT"), Cigarette Tax, Liquor Tax, Governmental Services Tax, and Real Property Transfer Tax. CTX is estimated to be \$52.0 million in fiscal 2009 and is projected to remain flat over 2008 levels. The chart below presents an historical summary of Consolidated Tax revenue.

**Consolidated Tax Distribution**

Fiscal 2003 to 2013



**Other Intergovernmental Revenue**

Other intergovernmental revenue includes county gaming taxes, motor vehicle fuel taxes, room and gaming taxes, and miscellaneous federal grants. Other Intergovernmental revenue will increase by an estimated \$79,000.

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*Intergovernmental revenue is projected at \$58,007,900 and accounts for 27.1% of total General Fund Revenue.*

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**Transfers from Other Funds**

The second largest single revenue source is the transfer from the utilities fund and accounts for 19.2% of all General Fund revenue. Prior to fiscal year 2005, this revenue was reflected as a payment in lieu of tax (PILT) on the City's financial statements but is now reflected as a transfer in, in accordance with governmental accounting standards.

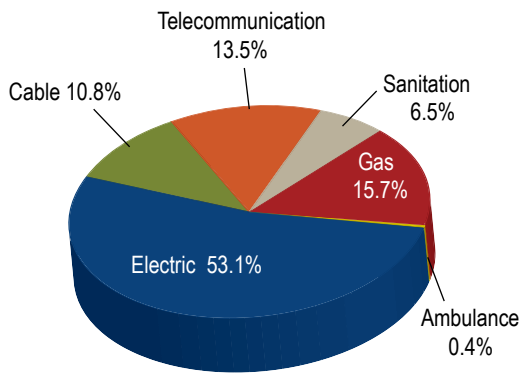
The transfer from the Water and Wastewater Fund to the General Fund is projected at \$41.1 million in fiscal 2009. The transfer is assessed on the City's Water and Wastewater Fund revenues and consists of a franchise fee, a payment in lieu of taxes, and an administrative allocation. The methodology for the PILT calculation was changed in fiscal 2005 to account for a shift in Public Works expenditures from the Water and Wastewater Fund to the General Fund.



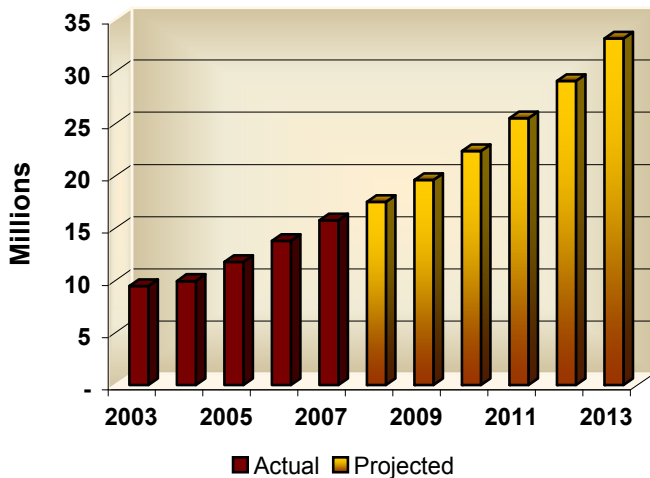
### Franchise Fees

Franchise fees amount to \$19.6 million, or 9.2% of the total General Fund budget. Franchise fees are imposed on gross revenues or a percentage of gross revenue on public companies operating within city limits. Franchise fees are paid by public utilities or other companies pursuant to franchise agreements and include electric, natural gas, cable, sanitation, telecommunication, and ambulance services. Franchise fees are projected to continue to grow in conjunction with the City's population and development.

**Franchise Fees - \$19,631,200**



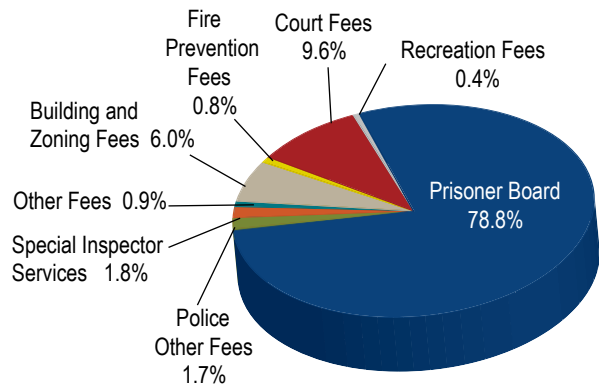
**Franchise Fees - Fiscal 2003 to 2013**



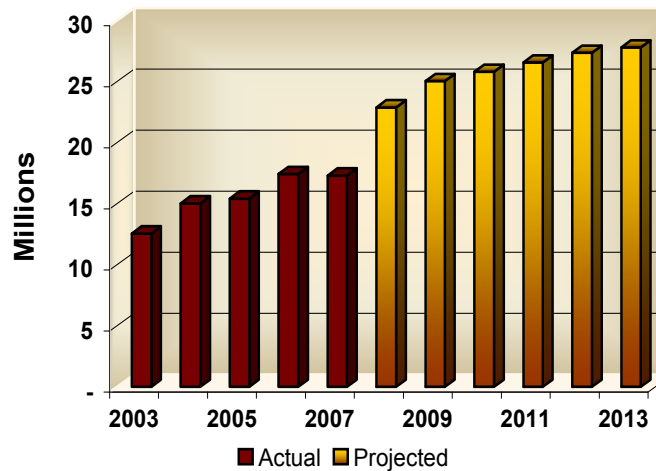
### Charges for Services

Charges for services consist of a variety of revenue generated by General Fund departments. This revenue source is projected at \$25.0 million and amounts to 11.7% of the General Fund budget. Charges for services include prisoner board fees, court fees, city clerk fees, planning and land development fees, special inspector services, and swimming pool fees. The largest revenue source in this category is prisoner board fees, estimated at \$19.7 million in fiscal 2009. Prisoner board fees are generated by the Detention Center through leasing bed space to outside agencies such as the U.S. Marshals, Immigration and Naturalization Service, Board of Prisons, and Clark County.

**Charges for Services - \$25,037,500**



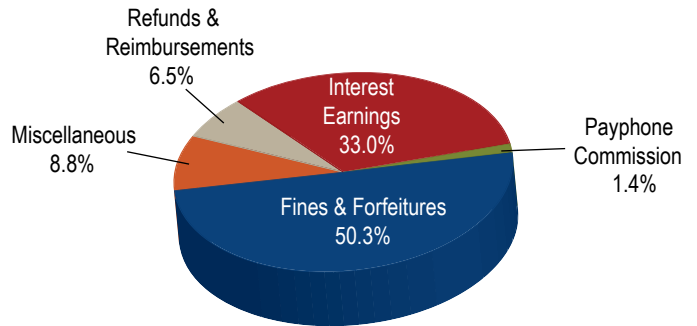
**Charges for Services - Fiscal 2003 to 2013**



**Fines and Miscellaneous Revenue**

Fines and miscellaneous revenue amount to \$19.5 million, or 9.1% of the General Fund budget. Court fines represent the largest revenue source in this category and are projected at \$9.8 million in fiscal 2009. The second largest revenue source in this category is interest earnings, estimated at \$6.4 million in fiscal 2009. Interest earnings are generated on idle cash balances throughout the year and are a function of the relationship between the City's available cash balances and the interest rate. The City earns interest on its funds through various investment vehicles in accordance with the Nevada Revised Statutes. The City's investment policy stresses safety above yield and allows investments in U.S. Treasury and Agency obligations, certificates of deposit, commercial paper, banker's acceptances, money market funds, and the State of Nevada's Local Government Investment Pool. Interest earnings applicable to bond proceeds and certain special revenues do not accrue to the General Fund.

**Fines and Miscellaneous Revenue - \$19,459,400**



*Interest earnings are expected to be approximately \$6.4 million in fiscal 2009.*



January 2008 City of North Las Vegas State of the City Address



**General Fund Expenditures**

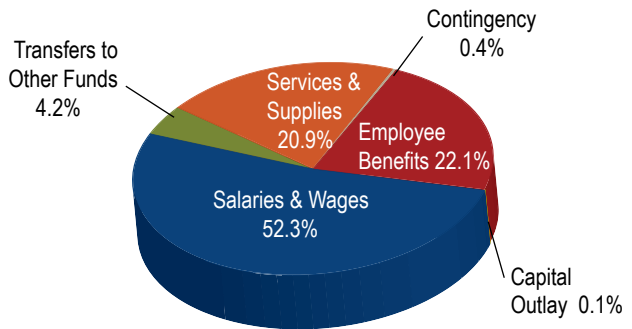
The General Fund operating budget for fiscal 2009 amounts to \$223.6 million, an increase of \$10.8 million, or 5.1%. The General Fund expenditures are classified into the following categories: salaries and benefits, supplies and services, capital outlay, contingency and transfers.

**General Fund Expenditure by Object - Fiscal Years 2007 - 2009**

	2006-07 Actual	2007-08 Amended Budget	2008-09 Adopted Budget	2008 vs. 2009 Variance Amount	Percent
Salaries and Wages	96,282,284	106,343,500	116,968,800	10,625,300	10.0
Employee Benefits	38,198,848	44,853,250	49,328,400	4,475,150	10.0
Services and Supplies	37,503,874	45,464,095	46,707,800	1,243,705	2.7
Capital Outlay	2,826,254	1,005,244	240,200	(765,044)	(76.1)
Contingency	-	1,863,480	1,000,000	(863,480)	(46.3)
Transfers to Other Funds	13,785,431	13,296,719	9,349,100	(3,947,619)	(29.7)
<b>Total Expenditures by Object</b>	<b>188,596,691</b>	<b>212,826,288</b>	<b>223,594,300</b>	<b>10,768,012</b>	<b>5.1</b>

**Expenditures by Object**

In fiscal 2009, salaries and benefits account for \$166.3 million or 74.4% of the total General Fund budget. The remaining appropriations consist of \$46.7 million or 20.9% for services and supplies, \$.24 million or 0.1% for capital outlay, \$1.0 million or .4% for contingencies and \$9.3 million or 4.2% for transfers to other funds. The growth in General Fund expenditures as compared to the fiscal 2008 amended budget consists of increases or decreases in the following areas:



Negotiated Salaries and Benefits	\$13.5 million
New Personnel	1.7 million
Services and Supplies	1.2 million
Transfers to Other Funds	(3.9) million
Contingency	(.9) million
Capital Outlay	(.8) million
<b>Net Expenditure Growth</b>	<b>\$10.8 million</b>



Students playing at an elementary school in North Las Vegas.



### Salaries and Benefits

Most major functions of city government are accounted for in the General Fund. As a result, salaries and benefits account for 52.3% and 22.1% of the General Fund budget, respectively. Personnel expenditures total \$166.3 million, a \$15.1 million increase from the 2008 amended budget. An overall increase of \$13.5 million is due to negotiated salaries and benefits, cost of living adjustments, merit increases, and fringe benefit adjustments. The merit pay program benefits employees who have earned their salary increase through job performance.

The City completed negotiations in 2007 with both the North Las Vegas Police Officers Association and the International Association of Firefighters Local #1607. The Police Officers' contract runs through June 30, 2012 and the Firefighters' contract runs through June 30, 2013. Negotiations are currently underway with Teamsters Local #14 as their current contract expires June 30, 2008.

The General Fund budget includes 20.5 new full time equivalents (FTE's) at an estimated cost of \$1.7 million. Over one-fourth of new General Fund FTEs are in the public safety function. The Fire Department is including three Firefighter/Paramedics, a Public Education Specialist, a Financial Analyst, and a part-time Office Assistant.

The Mayor and Council will increase their staff with a part-time Senior Office Assistant, while the City Manager will strengthen their City audit program with the addition of an Internal Auditor. Finance will bring on a Business License Supervisor, Human Resources is adding another HRIS Representative, and the Office of Housing and Neighborhood Services will be provided a Federal Programs Supervisor.

In the Parks and Recreation Department, Parks Maintenance will add three FTEs to include a Crew Supervisor, Crew Leader, and a Management Analyst to handle the increasing number of park areas to maintain.

The City Attorney's Office will add a Deputy City Attorney and Paralegal, while the Municipal Court will add four Court Clerks and a Senior Office Assistant. These two departments are increasing their staff to handle the increase in workload associated with the City's growing population.

### Supplies and Services

The General Fund supplies and services budget totals \$46.7 million, an increase of \$1.2 million, or 2.7%. Of this increase, \$.5 million is attributed to Parks Maintenance and \$.5 million for Information Technology for software maintenance and support.

By account, supplies showed the biggest increase at \$1 million, with an additional \$.2 million incurred for the self-insurance liability account charges (a percent of salary) for fiscal 2009.

### Contingency

The contingency account is budgeted at \$1.0 million and is appropriated for unforeseen expenditures. The contingency account for fiscal 2009 was decreased by \$2.2 million from the original budget amount of \$3.2 million in fiscal 2008. However, most of the contingency budget for fiscal 2008 was allotted to handle increased office space requirements. New lease requirements for FY 2009 are being built into the budget in supplies and services. The inclusion of lease payments in the budget, coupled with the near completion of the Orion project (the upgrade of the City's Oracle computer system), the number and cost of contingency requirements are expected to decrease.

### Capital Outlay

Capital Outlay showed a decrease of almost \$.8 million for fiscal 2009 to only \$240,200 coming from General Fund. Because of lean fiscal 2008 revenues in fiscal 2008, most capital expenditures were identified using other funding sources. Purchase of replacement vehicles for General Fund departments make up the majority of these capital expenditures.



**Expenditures by Function**

The General Fund budget is divided into nine areas that represent activities or functions. The major functions of the General Fund are general government, judicial, public safety, public works, culture and recreation, community support, debt service, contingency, and transfers to other funds.

**General Fund Expenditure by Function For The Years 2007 to 2009**

	2006-07 Actual	2007-08 Amended Budget	2008-09 Adopted Budget	2008 vs. 2009 Variance Amount	Percent
General Government	30,887,484	37,787,660	42,804,000	5,016,340	13.3
Judicial	7,570,317	9,058,200	9,652,400	594,200	6.6
Public Safety	101,463,360	112,657,989	121,912,000	9,254,011	8.2
Public Works	20,897,805	21,082,451	20,890,500	(191,951)	(0.9)
Culture & Recreation	11,476,814	13,710,224	14,425,100	714,876	5.2
Community Support	2,515,480	3,369,565	3,561,200	191,635	5.7
Contingency	-	1,863,480	1,000,000	(863,480)	(46.3)
Transfers to Other Funds	13,785,431	13,296,719	9,349,100	(3,947,619)	(29.7)
<b>Total Expenditures by Function</b>	<b>188,596,691</b>	<b>212,826,288</b>	<b>223,594,300</b>	<b>10,768,012</b>	<b>5.1</b>

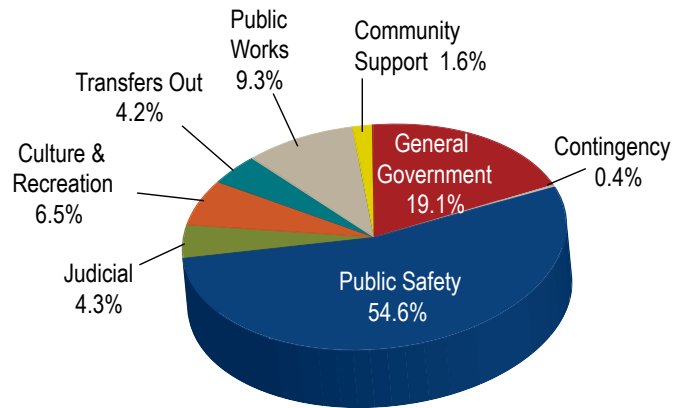
**General Government** accounts for about \$42.8 million, or 19.1% of the total General Fund budget. City Departments in this function include City Council, City Manager, City Attorney, City Clerk, Finance, Human Resources, Information Technology, Planning and Zoning, General Services, and Non-Departmental expenses.

The **Judicial** function includes all operations of the Municipal Court and amounts to \$9.7 million in fiscal 2009. Expenditures in this function increased by 6.6% and represents 4.3% of the General Fund budget.

**Public Safety** continues to represent the largest category of expenditures accounting for 54.6%, or \$121.9 million of the General Fund budget. It includes appropriations for Police, Fire, Detention, Emergency Management, Building Safety, Code Enforcement, Traffic Engineering, and Animal Control. Expenditures in this function increased by \$9.3 million over 2008 levels.

**Public Works** accounts for \$20.9 million, or 9.3% of the budget and includes all divisions of the Public Works Department.

**General Fund Expenditures by Function \$223,594,300**



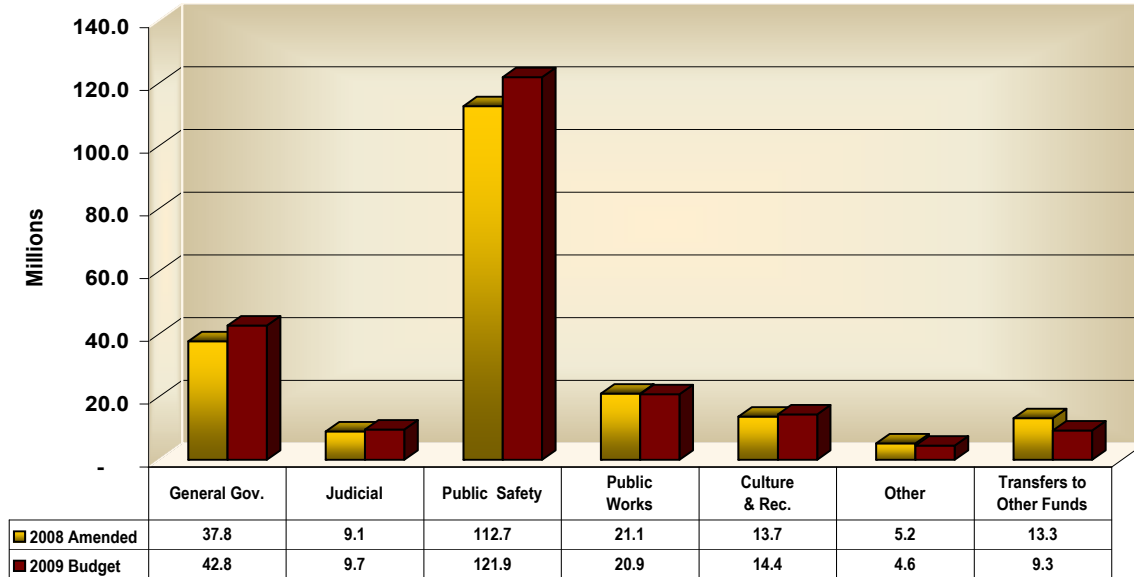
**Culture and Recreation** includes the Parks and Recreation Department and represents 6.5% or \$14.4 million of the General Fund budget. The Parks and Recreation operating budget increased by 5.2% and is largely due to operations and maintenance costs of new facilities. The Municipal and Craig Ranch Golf Course Funds are both classified as an Enterprise Fund and are accounted for separately in the Other Funds section of this book.



**Community Support** includes the cost of providing services that develop and improve the economic condition of the community and its citizens. The Economic Development Department and the Office of Housing and Neighborhood Services is in this category and amounts to \$3.6 million.

The Redevelopment Agency is classified as a special revenue fund and is accounted for separately in the Other Funds section of this book.

**General Fund Comparative Expenditures by Function \$223,594,300**



**Interfund Transfers**

This category accounts for transfers from one fund to another, which are not repayable and do not constitute payment or reimbursement for goods provided or services performed. This account represents an expenditure of the disbursing fund, but not an expenditure of the reporting entity as a whole.

General Fund budgeted transfers include \$6.0 million in support of debt service, \$1.8 million for capital projects, \$1.2 million for graffiti abatement and \$.35 million for the Municipal Golf Course Fund.

**General Fund Transfers to Other Funds For The Year 2007 to 2009**

	2006-07 Actual	2007-08 Amended Budget	2008-09 Adopted Budget	2008 vs. 2009 Variance Amount	Percent
Special Revenue Funds	1,164,931	123,720	-	(123,720)	(100.0)
Graffiti/Community Imprvmt Fund	-	1,100,000	1,200,000	100,000	9.1
Debt Service Funds	8,597,100	8,000,000	6,000,000	(2,000,000)	(25.0)
Capital Projects	4,023,400	-	-	-	-
Capital - Technology Improvements	-	3,302,799	1,344,100	455,000	100.0
Capital - General Govt	-	-	455,000	455,000	100.0
Municipal Golf Course Fund	-	250,000	350,000	100,000	40.0
Motor Equipment	-	520,200	-	(520,200)	(100.0)
<b>Total Transfers to Other Funds</b>	<b>13,785,431</b>	<b>13,296,719</b>	<b>9,349,100</b>	<b>(3,947,619)</b>	<b>(29.7)</b>



**General Fund Projection**

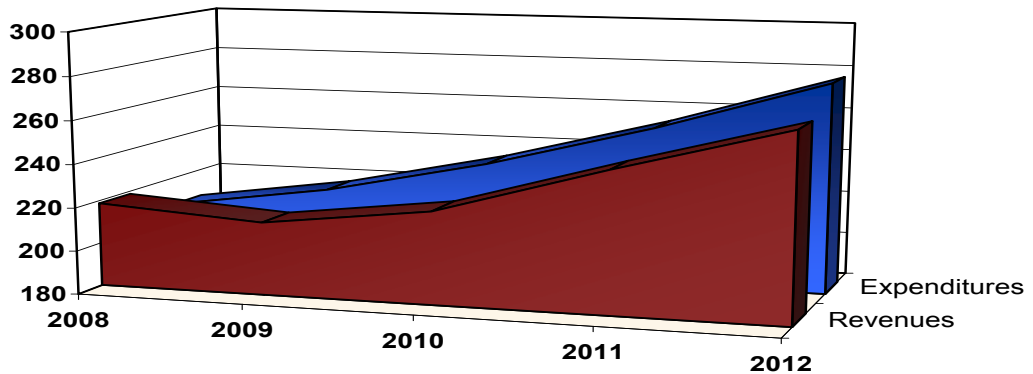
The following tables present a five-year projection of General Fund revenues and expenditures and the corresponding fund balances. Included in these are building permits, planning permits, business licenses, franchise fees, and consolidated taxes. Estimates are based upon departmental input, historical trend analysis, and information provided by outside consultants. These trends coupled with revenue models are used to formulate the revenue projections. No tax rate increases have been included in this projection period. More discussion on revenue projections can be found in the General Fund revenue analysis section.

**General Fund Projection - Fiscal Years 2008 - 2012**

	2008	2009	2010	2011	2012
Revenues	218,812,571	213,548,000	222,598,230	244,630,900	265,181,800
Expenditures	206,826,288	217,594,300	233,647,903	253,707,645	276,899,730
Fund Balance <sup>1</sup>	49,096,247	45,049,947	34,206,712	25,340,563	13,839,949
As a Percent of Expenditures	23.7%	20.7%	14.7%	10.0%	5.0%

<sup>(1)</sup> Includes vacancy savings allowance

**General Fund Forecast - Fiscal Years 2008-2012**



**Revenue**

Overall, revenues are anticipated to continue growing at a slower pace through fiscal 2012. Although General Fund revenues are anticipated to increase by an average rate of 6.6%, they are not expected to keep pace with the rate of population growth and inflation.

Historically, the largest revenue growth has been in property taxes, increasing by an average 17.4% between 2002 and 2006. However, property taxes are projected to increase by only 9.0% in future years due to a slowdown in residential construction and a recent legislative cap on assessed valuation.

Consolidated Taxes (CTX) are projected to remain flat in fiscal 2009, and are forecasted to increase through fiscal 2012 due to a surge in hospitality industry investment on the Las Vegas Strip. Most intergovernmental revenues are distributed by the State based on population and these revenues are projected to grow commensurate with population over the next five years. Increases reflected in the transfer from the Water and Wastewater Funds are attributed to customer growth and water and wastewater rate adjustments over the next few years. This transfer is projected to increase by 4.2% in fiscal 2008 with an average estimated projection of approximately 7.0% in years 2009 to 2012.



**Expenditures**

Expenditures in fiscal 2009 are projected to increase by 5.7% with average annual increases of 6.4% in fiscal years 2009-2012. Based on the financial forecast, the City will need to balance the budget to realize the 18% expenditure to fund balance ratio.

Salaries are projected to increase by 3.5% annually which includes an allowance for cost of living adjustments and normal salary step increases. Supplies and services also include an annual inflationary increase of 3.5%. New debt service requirements are included in the General Fund in the 2009-2012 projection period for the purpose of funding a new City Hall.

Impacts of future year Capital Improvement Plan projects on the General Fund have also been included in the five-year projections. This includes salaries and benefits for new staffing and supplies and services to maintain new facilities.

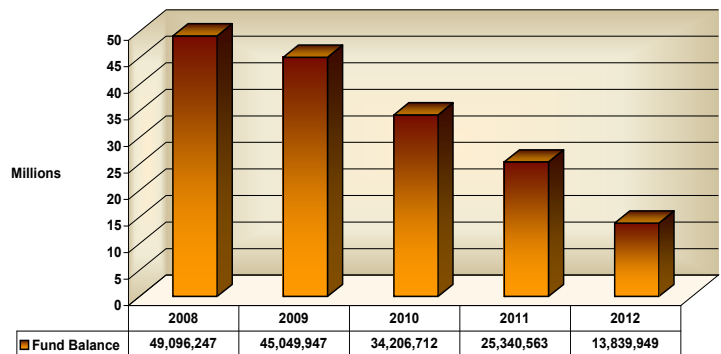
**Fund Balance**

The basis for expenditure projections for the five-year period is to provide for an ending fund balance of

not less than 18.0% of total expenditures. However, based on current economic trends, the City may have to defer certain capital projects to maintain its ending fund balance ratio.

The City does not currently budget savings that can be attributed to staffing vacancies throughout the year. Historical trends indicate that the City experiences a savings of approximately 2.0% of budgeted salaries and benefits due to attrition in the form of retirements.

**Projected General Fund Balance  
Fiscal 2008-2012**



North Las Vegas Fire Department's Graduating Class 2008-1.





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