

**Expenditure Analysis**

The fiscal 2005 operating budget amounts to \$265.8 million and is supplemented with \$123.3 million in capital projects to produce a total financial program of \$389.1 million. The budget is funded through six types of funds: General, Special Revenue, Debt Service, Capital Projects, Enterprise and Internal Service Funds.

Special revenue funds are used to account for expenditures that are restricted either by law or City policy. These funds account for a variety of programs including public safety, parks and recreation, municipal court, community development, library and redevelopment. The special revenue funds account for 14.9% of total expenditures and are budgeted at \$57.9 million.

**Expenditures by Fund**

The General Fund provides a variety of services to the citizens of North Las Vegas and includes police and fire protection, planning, public works, street maintenance, parks and recreation, administration, courts, detention and regulatory and administrative services. The General Fund budget is \$139.1 million and accounts for 35.8% of all City expenditures.

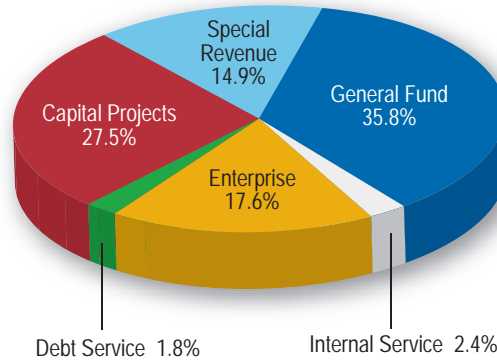
Capital projects deal with the purchase, construction, replacement, addition or major repair of public facilities and infrastructure and account for 31.6% of the City's total financial program. Approximately \$15.8 million in the special revenue funds and \$107.2 million in the capital projects funds are appropriated for capital projects.

Debt service funds account for the payment of principal, interest and fiscal agent fees on general

**Total Expenditures by Fund**

	2004 Amended	2005 Budget	Amount	Variance 2005 vs. 2004	Percent
General Fund	120,543,826	139,113,000	18,569,174		15.4%
Special Revenue	43,367,200	57,893,400	14,526,200		33.5%
Capital Projects	90,620,400	107,194,300	16,573,900		18.3%
Debt Service	6,842,500	6,936,400	93,900		1.4%
Enterprise	62,646,173	68,473,100	5,826,927		9.3%
Internal Service	9,228,200	9,453,600	225,400		2.4%
<b>Total Revenues</b>	<b>333,248,299</b>	<b>389,063,800</b>	<b>55,815,501</b>		<b>16.7%</b>

**Total Expenditures by Fund Type**  
**\$389,063,800**



## All Funds Expenditure Summary

	2003 Actual	2004 Amended Budget	2005 Adopted Budget	2004 vs 2005 Variance Amount	Percent
<b>General Fund <sup>1</sup></b>	<b>94,708,374</b>	<b>120,543,826</b>	<b>139,113,000</b>	<b>18,569,174</b>	<b>15.4</b>
<b>Special Revenue Funds</b>					
Public Safety Support	2,300,880	3,026,200	4,387,100	1,360,900	45.0
Special Purpose Revenue	2,420,842	1,898,400	2,165,000	266,600	14.0
Public Safety Tax	13,689,215	15,024,000	18,745,000	3,721,000	24.8
Park Construction Tax	99,896	1,076,500	6,472,000	5,395,500	501.2
Parks & Recreation Support	2,181,847	2,347,300	3,004,000	656,700	28.0
Municipal Court Support	1,990,044	1,722,200	2,370,500	648,300	37.6
Community Development	1,983,901	4,877,100	6,055,500	1,178,400	24.2
Street Maint, Parks, Fire Stations	2,871,143	8,784,900	8,339,500	(445,400)	(5.1)
Equipment Replacement	60,000			-	0.0
Library	1,523,648	1,752,100	2,137,900	385,800	22.0
NLV Redevelopment	1,619,521	2,858,500	4,216,900	1,358,400	47.5
<b>Total Special Revenue</b>	<b>30,740,937</b>	<b>43,367,200</b>	<b>57,893,400</b>	<b>14,526,200</b>	<b>33.5</b>
<b>Capital Projects</b>					
Justice Facility	1,294,950	16,025,000	9,556,000	(6,469,000)	(40.4)
Public Safety	7,152,589	32,023,600	38,308,000	6,284,400	19.6
North Valley Development	11,380,932	19,583,500	11,536,300	(8,047,200)	(41.1)
Street Improvements	9,160,713	19,206,100	45,299,000	26,092,900	135.9
Parks & Recreation	139,104	3,432,200	2,450,000	(982,200)	(28.6)
General Government	528,776	350,000	45,000	(305,000)	(87.1)
<b>Total Capital Projects</b>	<b>29,657,064</b>	<b>90,620,400</b>	<b>107,194,300</b>	<b>16,573,900</b>	<b>18.3</b>
<b>Debt Service</b>					
Debt Service Pd by Operations	2,231,769	4,532,600	4,890,800	358,200	7.9
Debt Service Pd by Ad Valorem	2,040,860	2,309,900	2,045,600	(264,300)	(11.4)
<b>Total Debt Service</b>	<b>4,272,629</b>	<b>6,842,500</b>	<b>6,936,400</b>	<b>93,900</b>	<b>1.37</b>
<b>Enterprise</b>					
Water Utility	55,577,713	41,237,100	40,248,400	(988,700)	(2.4)
Sewer Utility		20,747,100	27,654,100	6,907,000	33.3
Golf	652,569	661,973	570,600	(91,373)	(13.8)
<b>Total Enterprise</b>	<b>56,230,282</b>	<b>62,646,173</b>	<b>68,473,100</b>	<b>5,826,927</b>	<b>9.30</b>
<b>Internal Service</b>					
ISF Insurance	6,639,967	5,629,800	6,014,300	384,500	6.8
ISF Motor Equipment	2,947,482	3,598,400	3,439,300	(159,100)	(4.4)
<b>Total Internal Service</b>	<b>9,587,449</b>	<b>9,228,200</b>	<b>9,453,600</b>	<b>225,400</b>	<b>2.44</b>
<b>Total Expenditures</b>	<b>225,196,735</b>	<b>333,248,299</b>	<b>389,063,800</b>	<b>55,815,501</b>	<b>16.7</b>

(1) In fiscal 2004, the City Council created a new Utilities Department. As part of the reorganization, approximately \$12.0 million in Public Works expenditures were transferred to the General Fund.



obligation bonds and special assessment bonds. Water and wastewater debt is accounted for in the enterprise funds. The debt service fund budget is \$6.9 million in fiscal 2005.

Enterprise funds include the Water, Wastewater and Golf Fund and use a different basis of accounting since they operate similar to a business. All capital expenses and principal payments on debt are not budgeted, in accordance with Nevada Revised Statutes. The enterprise funds account for 17.6% of the budget and are expected to spend \$68.5 million in fiscal 2005.

Internal service funds are used to account for the financing of goods and services provided by one department or fund to other City departments on

a cost-reimbursement basis. The City classifies the Self-Insurance Fund and the Motor Equipment Fund in this manner. Total appropriations amount to \$9.5 million.

**New Facilities**

The City will operate four new facilities in fiscal 2005. New capital facilities often increase operational costs and require personnel to manage, operate and maintain them. The ability to support these costs varies significantly by the type of facility. Over \$6.8 million is appropriated in the budget for new facilities including staffing, utilities, maintenance and debt service. The following table depicts the new facilities opening in fiscal 2005 and their associated costs.

	Fire Station Number 56 <sup>(1)</sup>	Justice Facility	Northwest Area Command	Simmons and Gowan Park	Total
Salaries and Benefits	568,800	186,800	1,497,400	25,200	2,278,200
Supplies and Services	205,700	669,000	317,400	24,400	1,216,500
Capital Outlay	56,500	0	525,400	0	581,900
Debt Service	0	2,354,241	412,599	0	2,766,840
<b>Total</b>	<b>831,000</b>	<b>3,210,041</b>	<b>2,752,799</b>	<b>49,600</b>	<b>6,843,440</b>
<b>Number of New Positions</b>	<b>15</b>	<b>3</b>	<b>22</b>	<b>1</b>	<b>41</b>

(1) Fire Station No. 56 opened in April 2004; Costs Reflect Annual Average Staffing Cost



Fire Station No. 56



**Expenditures by Object**

The City budget is classified by object, or expenditure type. Major object categories are salaries and benefits, supplies and services, debt service and capital outlay. In fiscal 2005, salaries and benefits account for \$141.6 million or 36.4% of the total budget. The remaining appropriations consist of \$108.0 million for supplies and services, \$116.9 million for capital outlay, \$9.4 million for debt service, \$5.7 million for depreciation and \$7.4 million for transfers to other funds.

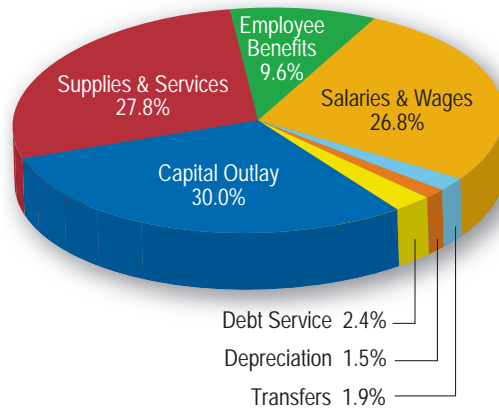
The total budget represents an increase of \$55.8 million or 16.7% as compared to the amended 2004 budget. The growth in the 2005 expenditures budget consists of increases in:

Capital Projects	\$19.2 million
Annualization of Fiscal 2005 Salaries and Benefits	9.0
Utility Operating Costs	5.8
Capital Outlay and Vehicles	5.4
Supplies and Services	4.4
New Personnel	4.4
Self-Insurance and Motor Equipment Rate Increases	3.4
Community Development Programs	1.2
Operating Costs - New Facilities	1.2
Public Safety Supplemental Requests	1.1
Information Technology	0.7
<b>Net Expenditure Growth</b>	<b>\$55.8 million</b>

**Total Expenditures by Object**

	2004 Amended	2005 Budget	Amount	Variance 2005 vs. 2004	Percent
Salaries & Wages	94,746,700	104,373,100	9,626,400	10.2	
Employee Benefits	33,531,951	37,276,500	3,744,549	11.2	
Supplies & Services	89,161,348	107,978,000	18,816,652	0.2	
Capital Outlay	92,280,000	116,907,300	24,627,300	0.3	
Debt Service	9,431,800	9,389,500	(42,300)	-0.4	
Depreciation	5,601,000	5,701,000	100,000	1.8	
Transfers	8,495,500	7,438,400	(1,057,100)	-12.4	
<b>Total Expenditures</b>	<b>333,248,299</b>	<b>389,063,800</b>	<b>55,815,501</b>	<b>16.7%</b>	

**Total Expenditures by Object**  
**\$389,063,800**



**Salaries and Benefits**

Personnel expenditures amount to \$141.6 million, a \$13.4 million increase from the 2004 amended budget. An overall increase of \$9.0 million is due to negotiated salaries and benefits, cost of living adjustments, merit increases and fringe benefit adjustments. Almost one-third, or \$4.4 million of the increase in personnel costs support 70.9 new full time equivalent (FTE) positions.

Seventy percent of the new positions will serve in the Police Department. Approximately 22 of the 49.7 new positions will support the new Northwest Area Command Facility. The Community Oriented Policing Services (COPS) Grant will fund 15 of the new positions in fiscal 2005.

Another increase in personnel costs is associated with the new Justice Facility, scheduled to open in early 2005. The Municipal Court will receive six new positions including two bailiffs, three court clerks and a second judge. The City Attorney's Office will increase their staffing pattern with the addition of three attorneys and a legal assistant.

To accommodate growth in residential and commercial construction, a Traffic Safety Inspector, two Building Safety Inspectors and a Building Support Specialist will be added to the Building Safety Division of the Public Works Department. The Department will also receive a Field Supervisor in the Street Division, a Special

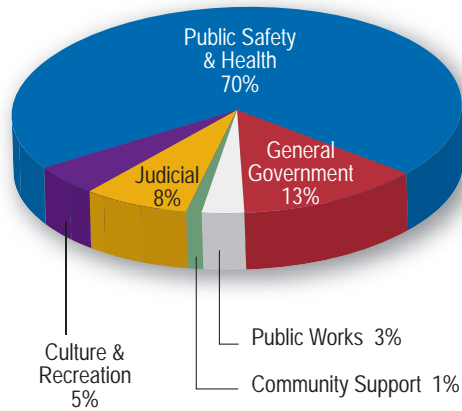
Improvement District (SID) Coordinator, and a part-time Building Maintenance Office Assistant.

Two additional planners in Planning and Zoning will assist in updating and developing the City's master plan and redevelopment plan. Other positions will provide resources to several departments and include a Community Services Analyst, Financial Applications Administrator, a part-time Office Clerk, an E-mail Administrator, a Recreation Supervisor, a Parks Maintenance Worker and Safekey instructors.

The City will spend an additional \$2.0 million for retirement contributions and \$1.0 million for medical and health insurance in fiscal 2005.

The following chart and table depicts the new positions included in the City's staffing pattern for fiscal 2005.

**New City FTE's by Function  
Fiscal 2005**



**City Staffing Pattern by Function**

	2004 Amended	2005 Budget	Variance
General Government	173.9	182.9	9.0
Judicial	49.0	55.0	6.0
Public Safety and Health	823.5	873.2	49.7
Public Works	122.0	124.0	2.0
Culture and Recreation	192.6	195.8	3.2
Community Support	13.1	14.1	1.0
Utilities	95.5	95.5	-
<b>Total Full-Time Equivalents</b>	<b>1,469.6</b>	<b>1,540.5</b>	<b>70.9</b>



**Supplies and Services**

The supplies and services budget of \$108.0 million represents 27.8% of the total budget. Supplies and services increased \$18.8 million, or 21.1% over the prior year.

Although detail analyses is provided in the departmental and fund summaries, some of the major variances result from capital project engineering and design (\$4.0 million), self-insurance and motor equipment internal service charges (\$3.4 million), increases in utility operating costs (\$5.8 million), new facility operating costs (\$1.2 million), enhancements to community development programs (\$1.2 million) and public safety supplemental requests (\$1.1 million).

**Capital Outlay**

This category includes capital outlay and capital projects and accounts for 30% of the City's total budget. Capital outlay is budgeted at \$116.9 million, an increase of \$24.6 million as compared to fiscal 2004. While some major projects were substantially completed in fiscal 2004, approximately 30 new or continuing

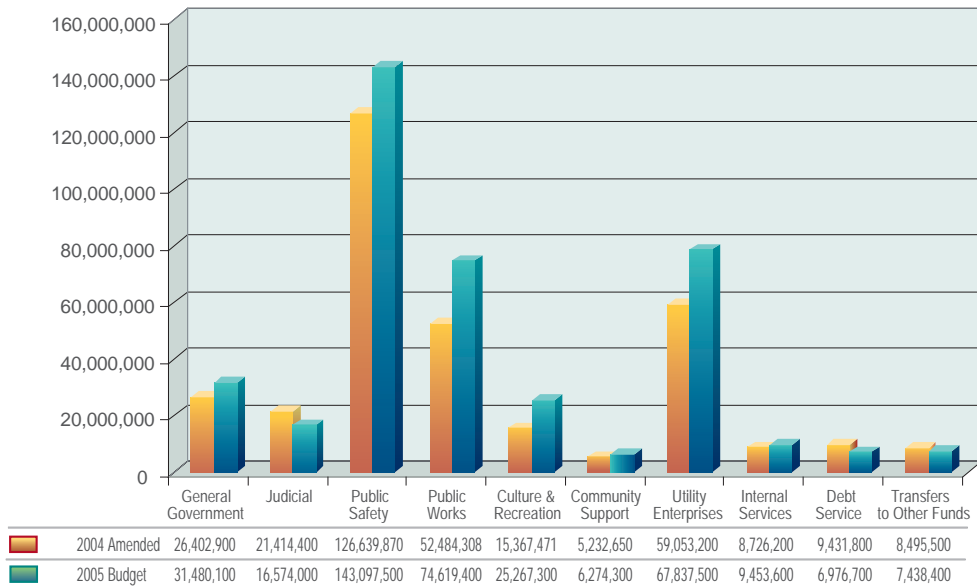
Capital Improvement Program (CIP) projects are budgeted and include a variety of flood control, transportation, park and recreation and public safety projects. More information on the CIP can be found in the capital project and special revenue section of this book.

**Expenditures by Function and Department**

The budget is further divided into areas that represent similar activities or functions. The major functions are general government, judicial, public safety and health, public works, culture and recreation, community support, debt service and transfers to other funds.

The table and chart presented below depict the total City budget by function and department as compared to the amended 2004 budget. These summaries also include capital projects. Therefore, functions and/or departmental variances may be skewed if there is a significant capital project in one year and none in the next. More information on each department may be found in the Departmental Budget chapter of this book.

**Comparative Expenditures by Function  
Fiscal Years 2004-2005**



**Comparative Expenditure Summary  
By Function and Department  
Fiscal Years 2004 and 2005**

	2004 Amended	2005 Budget	Variance 2005 vs. 2004 Amount	Percent
<b>Expenditures by Function</b>				
General Government	26,402,900	31,525,100	5,122,200	19.4
Judicial	21,414,400	16,574,000	(4,840,400)	(22.6)
Public Safety	126,639,870	143,097,500	16,457,630	13.0
Public Works	52,484,308	74,619,400	22,135,092	42.2
Culture & Recreation	15,367,471	25,267,300	9,899,829	64.4
Community Support	5,232,650	6,274,300	1,041,650	19.9
Utility Enterprises	59,053,200	67,837,500	8,784,300	14.9
Internal Services	8,726,200	9,453,600	727,400	8.3
Debt Service	9,431,800	6,976,700	(2,455,100)	(26.0)
Transfers to Other Funds	8,495,500	7,438,400	(1,057,100)	(12.4)
<b>Total Expenditures by Function</b>	<b>333,248,299</b>	<b>389,063,800</b>	<b>55,815,501</b>	<b>16.7</b>
<b>Expenditures by Department</b>				
City Attorney	4,003,100	4,230,600	227,500	5.7
City Clerk	899,400	1,398,800	499,400	55.5
City Council	501,400	510,200	8,800	1.8
City Manager	1,332,350	1,827,600	495,250	37.2
Community Development	9,899,350	12,739,500	2,840,150	28.7
Debt Service	6,642,500	6,936,400	293,900	4.4
Detention	23,968,600	26,019,100	2,050,500	8.6
Finance	2,445,800	2,908,300	462,500	18.9
Fire	18,465,570	20,065,800	1,600,230	8.7
General Expense	12,446,200	13,675,600	1,229,400	9.9
Human Resources	3,458,700	3,609,700	151,000	4.4
Information Technology	4,516,500	5,464,400	947,900	21.0
Library	1,752,100	2,137,900	385,800	22.0
Municipal Court	21,714,400	16,874,000	(4,840,400)	(22.3)
Parks & Recreation	13,017,771	22,855,500	9,837,729	75.6
Planning & Zoning	1,723,400	2,103,700	380,300	22.1
Police	40,296,200	46,347,700	6,051,500	15.0
Public Works	97,401,608	127,612,100	30,210,492	31.0
Sewer Utility	18,117,100	21,729,600	3,612,500	19.9
Strategic Planning	3,361,150	3,889,400	528,250	15.7
Water Utility	47,285,100	46,127,900	(1,157,200)	(2.4)
<b>Total Expenditures by Department</b>	<b>333,248,299</b>	<b>389,063,800</b>	<b>55,815,501</b>	<b>16.7</b>

