Item # 8D

City of Carson City
Agenda Report

Date Submitted: 9/12/06

Agenda Date Requested: 9/21/06
Time Requested: 15 minutes

To: Mayor and Supervisors

From: Tom Minton, Finance Director

Subject Title: Presentation of Carson City's FY 2005-06 year end unaudited financial information

Staff Summary: Staff will present unaudited financial information for the fiscal year ending June 30, 2006

Type of Action Requested: (check one)

(____) Resolution
(____) Ordinance
(____) Formal Action/Motion
(XX) Other (Specify) Non-action item

Does this action require a Business Impact Statement: ( ) Yes (XX) No

Recommended Board Action: This is a non-action item provided for the Board of Supervisors information.

Explanation for Recommended Board Action: n/a

Applicable Statue, Code, Policy, Rule or Regulation: n/a

Fiscal Impact: n/a

Explanation of Impact: n/a

Funding Source: n/a

Alternatives: n/a

Supporting Material: Carson City unaudited financial information for the period ending June 30, 2006

Prepared By: Tom Minton

Reviewed By: ______________________ Date: ______________
(Department Head)

: ______________________ Date: 9/12/06
(City Manager)

: ______________________ Date: 9/12/06
(District Attorney)

: ______________________ Date: 9/12/06
(Finance Director)

Board Action Taken:

Motion: ______________________ 1) ______________ Aye/Nay
2) ______________

____
(Vote Recorded By)

CARSON CITY
FY 2005-2006 Year End
Financial Review

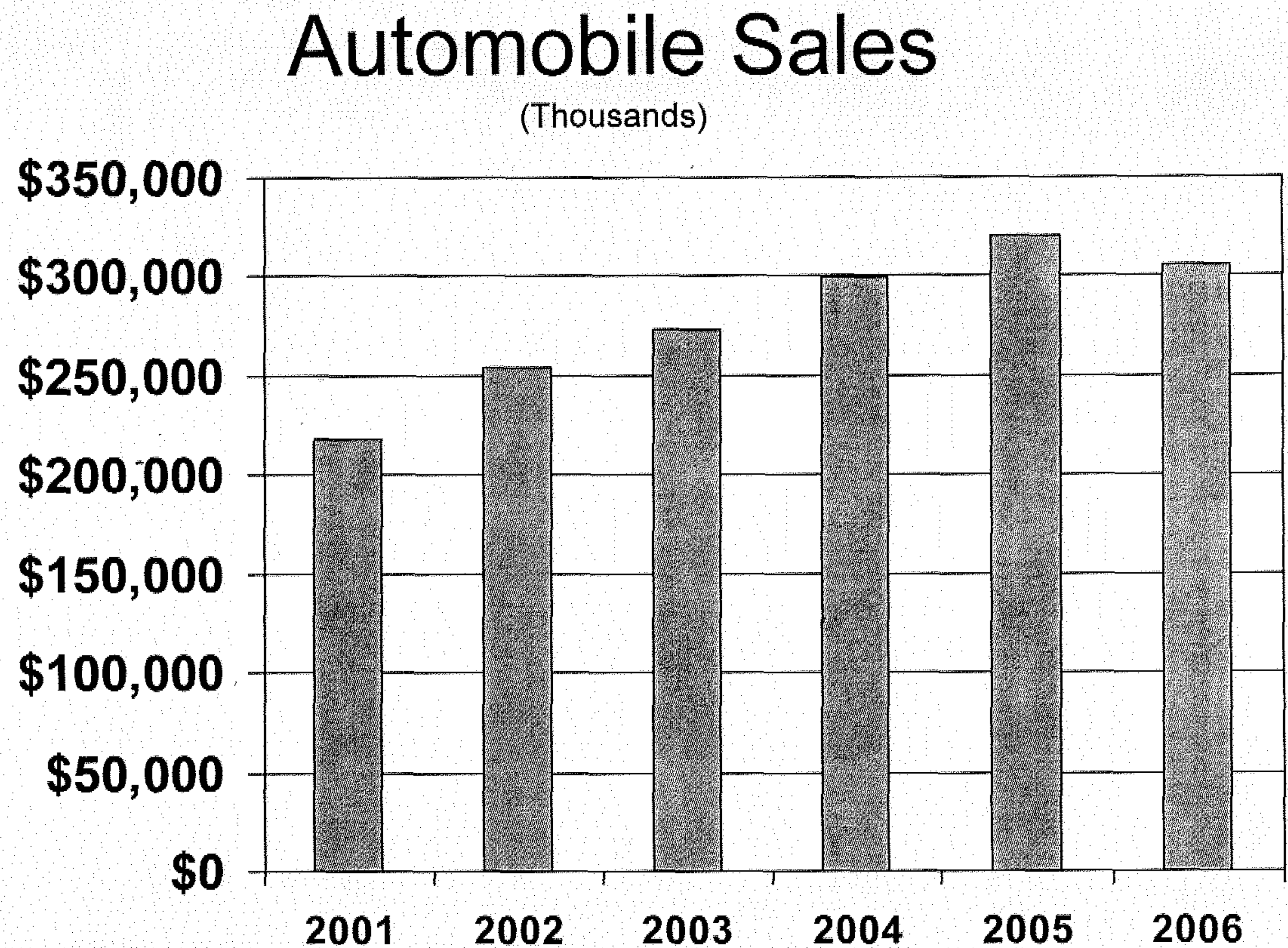
Carson City Property Tax Abatement and Revenue Analysis
Fiscal Year 2005/2006

Description	Rate	Preabatement Total	Abatement Total	Recapture Amount Total*	Abated Total
Operating	0.9621	10,551,227.78	420,087.30	78.21	10,131,218.69
Co-op Ext	0.0128	140,377.87	5,588.52	1.01	134,790.36
City Debt	0.0321	352,037.52	14,015.85	2.65	338,024.32
Sr. Cit	0.0500	548,342.72	21,832.18	4.02	526,514.56
St. Med Indigent	0.0150	164,504.79	6,549.60	1.22	157,956.41
Hosp. Sup. Indigent	0.1000	1,096,689.93	43,663.66	8.13	1,053,034.40
Cap. Projects	0.0500	548,342.67	21,832.18	4.02	526,514.51
School Operating	0.7500	8,225,158.83	327,477.01	60.95	7,897,742.77
School Debt	0.4700	5,154,431.32	205,219.29	38.23	4,949,250.26
State of Nevada	0.1700	1,864,369.44	74,227.60	13.82	1,790,155.66
E.V. Water	0.0015	14,953.12	591.49	0.09	14,361.72
Sub-Conservancy	0.0300	328,595.45	13,099.51	2.46	315,498.40
S.F. Fire Protection	0.1000	81,732.86	1,163.97	3.01	80,571.90
Carson Valley Water	0.0034	691.63	131.85	0.00	559.78
Redevelopment		478,274.60	11,093.27	5.52	467,186.85
Total Ad Valorem Tax:		29,549,730.53	1,166,573.28	223.34	28,383,380.59

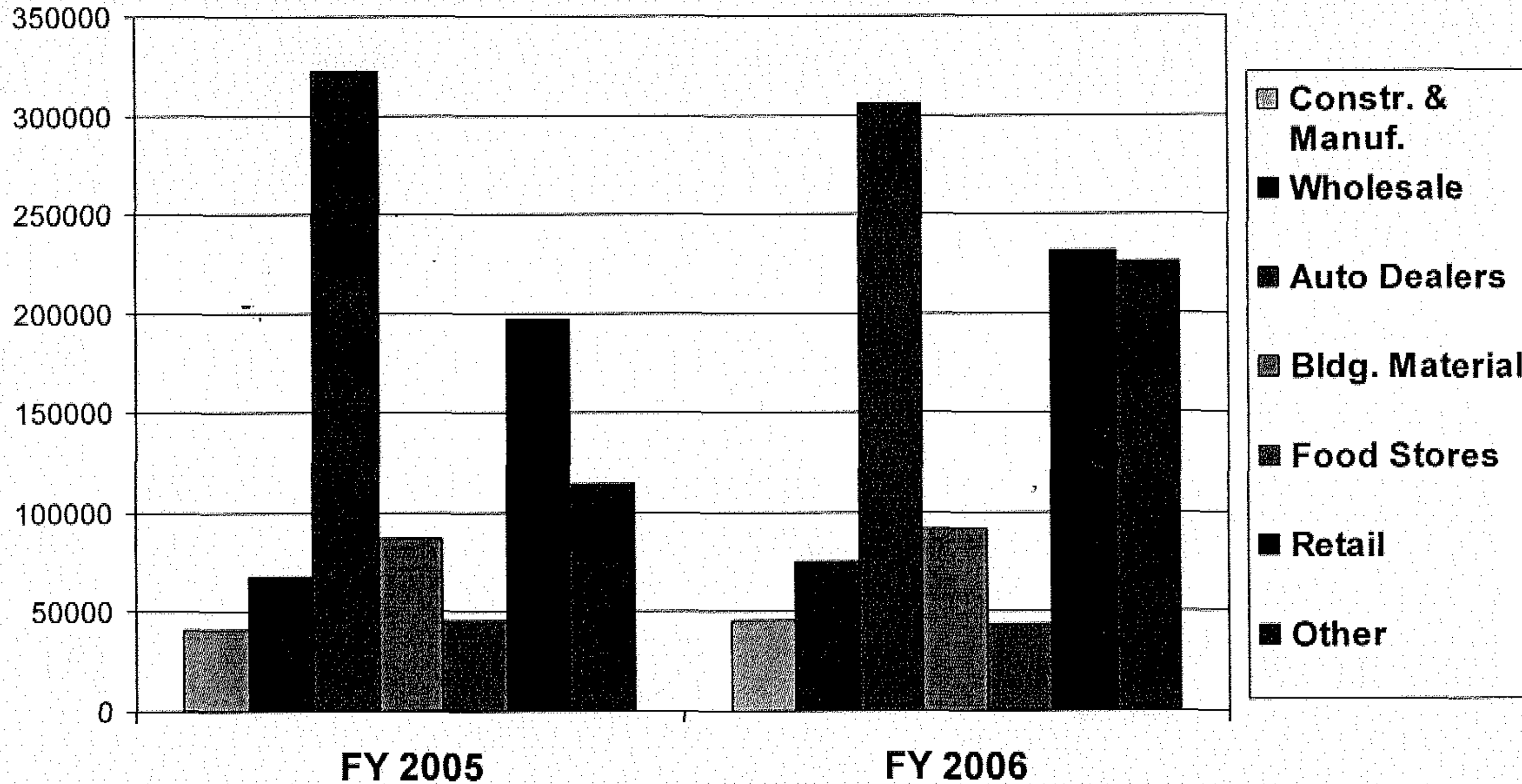
* Recapture of prior year reductions in assessed value.

Sales Tax Receipts

- Fiscal 2005-2006 collections were $300,000 less than forecast at $22.8 million.
- Taxable sales were $30 million under forecast at $1.021 billion.
- Auto sales were $20 million under forecast at $305 million, down 5% from prior year. Miscellaneous Retail sales were $6 million under forecast at $74 million, down 6% from prior year.
- Fiscal 2006-2007 taxable sales are estimated to be $1.079 billion. A growth rate of 5.7% from actual fiscal 2006.
- Auto and related sales have been negative when compared to the same month in fiscal 2005 for the last ten months.
- If auto sales decline an additional 10%, it will be necessary to cut general spending by $600,000.


Automobile Sales
(Thousands)
$350,000
$300,000
$250,000
$200,000
$150,000
$100,000
$50,000
$0
2001
2002
2003
2004
2005
2006

Taxable Sales by Category



Taxable Sales Comparison with Counties in the Region

- Carson City taxable sales – FY 2006 were 1.021 billion, 44.8% of the tri-county total.
- Douglas County taxable sales – FY 2006 were 816 million, 35.8% of the total.
- Lyon County taxable sales – FY 2006 were 442 million, 19.4% of the total.

Carson City
Operating Highlights
Fiscal Year Ending June 30, 2006
(thousands)

	Fy 2006 Budget	Fy 2006 Actual	Variance
Sales Tax	$23,132	$22,825	($307)
Franchise Fees	$5,974	$6,184	$210
Services	$7,014	$7,385	$371
Fines & Misc.	$1,561	$1,728	$167
All Other	$15,215	$15,532	$317
Total	$52,896	$53,654	$758

Carson City
Operating Highlights
For the Year Ending June 30, 2006
(Thousands)

	FY 2006 Estimate	FY 2006 Actual	Variance
General Gov't	$12,720	$12,597	$123
Public Safety	$22,146	$22,189	($43)
Contingency	$279	$0	$279
All Other	$22,889	$22,866	$23
Total	$58,034	$57,652	$382

Carson City General Fund
Operating Surplus

	FY2001 Audited	FY2002 Audited	FY2003 Audited	FY2004 Audited	FY2005 Audited	FY2006 Unaudited
Revenues	$45,313	$48,356	$47,270	$49,147	$54,696	$53,654
Expenditures	47,280	48,582	47,797	44,996	50,171	52,514
Operating Surplus	4,051	3,796	2,558	4,151	4,525	1,140

FIVE YEAR CAPITAL IMPROVEMENT PLAN

ENTITY: Carson City

		FY 2006-2007	FY 2007-2008	FY 2008-2009	FY 2009-2010	FY 2010-2011
Fund Total	General Fund	$ 20,000	$ 20,000	$ 20,000	$ 20,000	$ 20,000
Fund Total	Capital Acquisition	2,851,596	7,288,426	7,710,420	2,278,533	5,460,500
Fund Total	Carson City Transit	400,000	-	-	3,000,000	-
Fund Total	Regional Transportation	2,665,250	-	-	-	-
Fund Total	Streets Maintenance	1,320,458	2,443,000	1,995,200	1,781,700	1,740,900
Fund Total	Quality of Life	3,001,061	1,559,660	1,513,540	1,981,150	-
Fund Total	Residential Construction Tax	100,000	100,000	100,000	100,000	100,000
Fund Total	Capital Facilities	150,000	3,025,000	150,000	800,000	24,000,000
Fund Total	Administrative Assessments	47,250	20,000	20,000	20,000	20,000
Fund Total	Library Gift	5,000	5,000	5,000	5,000	5,000
Fund Total	Traffic/Transportation	22,000	-	-	-	-
Fund Total	Ambulance Fund	25,000	280,000	22,000	290,000	104,000
Fund Total	Water Fund	4,829,000	9,008,000	2,115,000	2,690,000	3,190,000
Fund Total	Sewer Fund	10,375,000	14,625,000	16,015,000	14,065,000	8,375,000
Fund Total	Landfill	1,065,000	895,000	848,000	820,000	364,000
Fund Total	Building Permits	55,000	55,000	55,000	55,000	55,000
Fund Total	Stormwater Drainage	4,256,000	-	-	-	-
Fund Total	Fleet Management	-	-	-	150,000	1,500,000
Grand Total of All Requests		$ 31,187,615	$ 39,324,086	$ 30,569,160	$ 28,056,383	$ 44,934,400

Future concerns

- No dedicated funding source for capital.
  - Prior years - budget surplus = 3,370,000
  - FY 2006 - $ 1,140,000
  - Annual general fund capital = $2,600,000
- Weak auto sales sector.
- Continued vacancy of existing “big box” retail facilities.

Proposed actions

- Reduce operating costs
  - Consider Voluntary Separation Program
- Re-evaluate capital funding and costs
  - Re-evaluate capital program, specifically vehicle replacement.
  - Begin looking at options for developing dedicated funding source for capital.