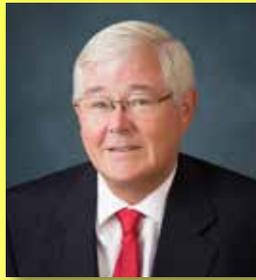


LIVE
WORK
PLAY
RETIRE



BUDGET IN SUMMARY

Fiscal Year 2020-2021
Boulder City, Nevada



Mayor
Kiernan McManus



Council Member
Mayor protem
James Howard Adams



Council Member
Claudia Bridges



Council Member
Tracy Folda



Council Member
Judith A. Hoskins



City Manager
Alfonso Noyola, ICMA-CM



Finance Director
Diane Pelletier, CPA



We are pleased to present to the residents of Boulder City the Budget in Summary for FY21. The budget reflects the priorities of the City Council and responds to the fiscal challenges of the City. This document provides information for the City's General Fund and Other Major Funds. The Fiscal Year 2021 budget reflects impacts of the pandemic Covid-19 and anticipated loss of revenue.

This budget contains 16 governmental type funds, including the Redevelopment Agency Fund, with estimated expenditures of \$43,415,971 and 3 proprietary funds with estimated expenses of \$27,284,798.

The development of this budget came with a rare challenge - preparing a budget with the uncertainty of the impacts of the COVID-19 Pandemic on our local economy. However, the impacts are not as bad as they could be. Unlike most other Nevada cities/counties, the City does not receive gaming revenue and has many city-owned lands under lease that generate significant revenues to operate our community.

We are happy to report we have a balanced budget and have set a fiscally stable course for our community. In this document we have highlighted opportunities and cost saving initiatives, and also some interesting facts about your City departments. We hope you enjoy the budget summary, and share our excitement for what the future holds for the City of Boulder City.

Open Finance Portal

Beginning January 1, 2020, the City made it easier to review the City's finances. This new website provides detailed information about revenues, expenditures, vendors who are paid, project expenditure status, and more. For more information, please visit:

<https://bcnv.finance.socrata.com/>

If you wish to review the adopted budget by individual department and line item, please visit our City webpage at:

www.bcnv.org/budget



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Budget Message



Organizational Structure

Citizens of Boulder City

Mayor and City Council

Municipal Judge

Advisory Committees/
Commissions

City Attorney

City Manager

City Clerk

Departments

Parks &
Recreation

Community
Development

Public Works

Finance

Fire

Public Utilities

Police

Administrative
Services

Budget Message

May 26, 2020

To the Honorable Mayor, City Council and Residents of Boulder City:

We are pleased to present this Final Budget for the Fiscal Year from July 1, 2020 to June 30, 2021 (FY 2021) for your review and consideration.

Due to Covid-19, there is a \$9.1M anticipated loss of revenue. The majority of this projected loss is from Consolidation Tax and Property Taxes.

Budget Development

The development of the Final Budget for FY 2021 has been accomplished by soliciting input from a variety of sources: The Citizens' of Boulder City, Mayor, Council Members, City Manager and Department Heads.

The Mayor and City Council conducted work sessions during the development of the budget, with budget work sessions on February 12, February 24 (Citizen Workshop), and March 11, followed by the Tentative Budget presentation on April 22.

These meetings allowed for public input, as well as staff direction for the development of the Final Budget, which will be considered for adoption at a regular meeting of the City Council on May 26, 2020.

The basic budgetary premise for the development of the FY 2021 Final Operating and Capital Budget was to present a clear picture to the Residents, City Council and Staff regarding the City's financial direction. In addition to providing for the daily operating needs of the City, the 2021 budget includes identifying Capital Improvement Projects, other discretionary spending items and improves the overall financial tracking mechanisms for the City. It also reflects the expense cuts due to the loss of revenue caused by the pandemic Covid-19.

The FY 2021 Final Operating and Capital Budget is being presented with a Capital Improvement Plan that includes \$1,878,000 from the General Fund and \$10,350,000 in the Utility Fund for projects, vehicles and equipment. There is also \$547,672 vehicle replacements in the Vehicle Equipment Replacement Fund, \$35,000 planned in the Court Assessment Fund, \$300,000 planned in the RDA Fund, \$50,000 in the Residential Construction Tax Fund and \$150,000 from the Special Projects Fund.

New Fund Creations

The City of Boulder City established five new governmental special revenue funds during fiscal year 2020.

Compensated Absence Fund

Creation and funding of the Compensated Absence Fund is necessary to ensure the City can pay the contractually liable accumulated leave balances. Since we can only project or guess when an employee may leave employment, this expense is difficult to budget on an annual basis. Payouts can cause a significant delay in rehiring a position due to the impact on available budget. This dedicated fund will resolve that situation and bring the city in line with best practices.

This fund shall only be used for the payout of contractual accumulated leave balances of employees upon separation and no other purpose. No surplus funds shall be transferred to any other operating, reserve, or restricted fund of the City, except in those instances wherein the fund balance exceeds the compensated absences liability.

Funding formula is set by ordinance in Title 1, Chapter 9 - Financial Administration. Allocation of revenues shall be suspended once the Compensated Absences Fund reaches a balance equal to the total leave obligation accumulation of all employees.

Extraordinary Maintenance, Repair or Improvement of a Capital Asset Fund

It is in the financial interest of the City to establish a separate fund to account for extraordinary maintenance, repair, or improvement of capital assets. This fund would be used for unforeseen repairs for facilities and extraordinary maintenance. This fund is not the same as the Emergency Capital Reserve Funds, whose purpose is for infrastructure emergencies (such as an earthquake, major water/sewer/electrical system failure, etc). In addition, this fund can be used for grant matching of extraordinary maintenance, repair or improvement of capital assets or facilities.

This fund is authorized under Nevada Revised Statutes 354.6105. Funding formula is set by ordinance in Title 1, Chapter 9 - Financial Administration. Allocation of revenues shall be suspended once the Fund reaches a balance of five-percent (5%) of the capital assets of the General Fund as identified in the most recent Comprehensive Annual Financial Report.

Vehicle/Equipment Replacement Fund (VERF)

The City created a Fleet Advisory Committee with the primary assignment of evaluating all city vehicles and equipment for replacement or retirement. Since then, the Committee has created vehicle replacement scores, identified those vehicles that are qualified to be replaced or purchased new to add to the fleet, and created a vehicle pool, which will improve operations and more effectively utilize vehicles. The creation of this fund with the guidance the Fleet Advisory Committee will allow vehicles to be evaluated before being replaced and better utilize funding.

The Vehicle/Equipment Replacement Fund (VERF) shall only be used for the purchase of new/replacement vehicles and large equipment, and no other purpose.

Funding formula is set by ordinance in Title 1, Chapter 9 - Financial Administration. Allocation of revenues shall be suspended once the Fund reaches a balance of five percent (5%) of the capital assets of the General Fund as identified in the most recent Comprehensive Annual Financial Report.

Revenue Stabilization and Natural Disaster Mitigation Fund

The purpose of the Revenue Stabilization and Natural Disaster Mitigation Fund is to stabilize general fund revenues to cover operations in the event of an economic downturn or natural disaster that interrupts the projected revenue streams. This fund does not replace the Emergency Capital Reserve Account.

This fund is authorized under Nevada Revised Statutes 354.6115. Funding formula is set by ordinance in Title 1, Chapter 9 - Financial Administration. The balance in the Fund shall not exceed ten percent (10%) of the expenditures from the General Fund for the previous fiscal year, excluding any federal funds expended by the City, as determined by the most recent Comprehensive Annual Financial Report.

Risk Management Fund

Creation and funding of the Risk Management Fund is necessary to ensure the City can pay the insurance premiums and any deductibles and claims against the City. Claims against the City can put a strain on financial resources as these are usually unbudgeted expenditures. This dedicated governmental special revenue fund will allow the City to maintain a balance to pay these expenditures without unnecessary burden to the general operation of the City and bring the City in line with best practices.

Funding formula is set by ordinance in Title 1, Chapter 9 - Financial Administration. This fund is authorized under Nevada Revised Statute 354.6215. Allocation of revenues shall be suspended once the Risk Management Fund reaches a balance equal to ten-percent (10%) of the expenditures from the General Fund for the previous fiscal year, excluding any federal funds expended by the City, as determined by the most recent Comprehensive Annual Financial Report.

Revenue/Expenditure Projections

Boulder City's revenue stream is comprised primarily of taxes, charges for services, leases, fines and fees.

The revenue recommendations included in the budget were developed by reviewing prior year's revenues and by projecting future revenues using Applied Analysis Data regarding the loss of revenue due to Covid-19. The Consolidated Tax is expected to be hit the hardest with loss of revenue and has been decreased 40% with a \$4.8M anticipated loss. Total projected revenue loss for fiscal year 2021 due to Covid-19 is \$9.1M.

Each revenue category was carefully reviewed and adjusted based upon the analysis and the information that was available. Conservative revenue estimation has always been the City's approach, and the FY 2021 projections are no exception.

The Final Budget continues the leasing of commercial property that is producing reliable, long-term, stable revenue sources that will enable the City to provide exceptional public services. During the last year, the City has experienced an increase in solar lease revenue.

Lease payments supporting General Fund operations in the FY 2021 Final Budget are \$12,059,867 comprising 37% of the total revenues of the General Fund.

Lease revenues are distributed by formula with 80% going to General Fund operations and 20% set aside for Capital Improvements. 5% of the total 80% supporting the General Fund is broken out by 1% going to each of the New Special Revenue Funds created in FY 2020 which are the Revenue Stabilization Fund, Vehicle Equipment Replacement Fund, Extraordinary Repairs and Expense Fund, Compensated Absences Fund and Risk Management Fund. It is the practice of the City to include lease revenues in the budget only after formal lease agreements have been entered.

Each expenditure was carefully evaluated and significant cuts were made in comparison to the FY 2020 budget. This was to mitigate the effects of Covid-19 projected revenue losses. Spending categories were reduced when possible and additional funds have been allocated to areas when necessary to maintain services levels.

The Final Budget for the General Fund is \$42,725,929, including transfers to newly created special revenue funds, and the Utility Fund is budgeted at \$37,577,856.

BUDGET MESSAGE

The Final Budget for all funds activities of the City is set out below.

Fund Name	FY 2020 Budget	FY 2021 Budget
General	\$ 38,001,778	\$ 42,725,929
Municipal Court Admin.	174,269	268,888
More Cops	880,870	838,385
Crime Prevention	257,467	275,705
Land Improvement Fund	50,000	25,000
Multipurpose	132,019	203,220
Voter Approved Capital Improvement	4,490,000	4,412,000
Special Projects	32,474,625	3,290,000
Golf Course Improvement	220,000	125,000
Redevelopment Agency	352,095	815,792
Residential Construction Tax	50,000	50,000
Compensated Absences	452,730	1,842,753
Extraordinary Maintenance And Repairs	422,730	1,536,407
Revenue Stabilization	0	0
Risk Management	302,730	1,734,818
Vehicle Equip. Replacement	545,000	547,672
Utility	45,812,237	37,577,856
Airport	1,758,408	1,836,976
Cemetery	147,469	165,966

Property Taxes

The current combined total tax rate for Boulder City residents continues to be one of the lowest in the State at \$.2600 per \$100 assessed value. This compares with \$.7408 for the City of Henderson, \$1.0515 for the City of Las Vegas, \$1.1587 for the City of North Las Vegas and \$.5520 for the City of Mesquite.

Utility Fund

The Final Utilities Expense Budget for FY 2021 for all utilities is \$37,577,856 broken down to be Electric Operations \$20,914,122, Water Operations \$13,027,697, Wastewater Operations \$2,055,386 and Landfill Operations \$1,530,206.

Capital Improvements and Equipment

There are capital improvement projects budgeted in the General Fund and the Utility Fund based on the first year of the 5-year Capital Improvement Plan.

- The General Fund has allocated \$1,878,000 for projects and equipment.
- The Utility Fund has \$10,350,000 available for various projects and purchase of vehicles.
- The Vehicle Equipment Replacement Fund has \$547,000 available for purchase of vehicles.
- The Residential Construction Tax has \$50,000 available for parks projects.
- The Court Assessment Fund has \$35,000 available for replacement of a Metal Detector.
- The Redevelopment Agency Fund has \$300,000 available for various projects.
- The Special Projects Fund has \$150,000 available for various projects.

Debt

The Final Budget does not include the issuance of any new debt obligations for the City. The total debt service for FY 2021 is \$2,229,997 within the Water Utility Fund.

Transfers

There are no transfers to the General Fund from the Utility, Airport and Cemetery Funds. Instead, there is interfund salary and expense reimbursements based on an internal cost allocation study.

Personnel

The Final Budget includes an increase of 1 new full-time position and one part time Kennel Worker position increased to 32 hours a week making the position eligible for PERS (Public Employees' Retirement System).

New Classifications

Deputy Fire Chief
Fire Analyst

PT to FT

Animal Control Officer

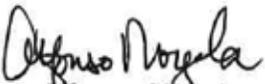
Boulder City's labor costs have been driven primarily by the Las Vegas metro labor market. Although Boulder City's labor costs are less than the surrounding Las Vegas area, they nevertheless are significant for a small city. Much of the City's workforce is unionized and any changes to compensation are subject to the collective bargaining process.

The FY2021 budget includes 3% salary increases for most employees within the 8 bargaining units.

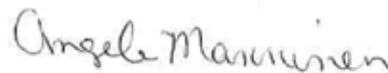
Conclusion:

This budget addresses current issues and provides the services the residents of Boulder City have come to expect. This Final Budget is submitted for your review.

Respectfully submitted,


Alfonso Noyola
City Manager


Diane Pelletier
Finance Director


Angela Manninen
Budget Manager



There are stormy economic clouds upon us. The storm will test us, possibly breaking branches along the way. However, our dedicated public servants will emerge a more robust and more focused team when the storm has passed.

COVID-19 Impacts

The rapid spread of the COVID-19 virus throughout the United States prompted Nevada Governor Steve Sisolak to make several emergency directives and pronouncements. Several directives affected how Boulder City provides services to its residents. During the state-wide Stay at Home order, the City:

- Closed City Hall and all other City buildings and facilities to the General Public. This included our City Parks, Recreation Center, and Swimming Pool complex
- Changed our public meeting process to be viewed on-line only, with citizen participation via email or phone calls
- Encouraged our utility rate payers who had difficulty making their scheduled payment, to work with our utility billing office to arrange a payment plan to avoid disrupted service
- Implemented a hiring freeze for all unfilled positions
- Implemented spending restrictions on all City budgets for non-essential purchases
- Developed a detailed Response Plan



The City initiated its Emergency Operations Center to respond to the emergency. Efforts included:

- A testing arrangement for First Responders who may have been exposed to the virus
- A donation collection process for those who wished to donate to the community at large
- Establishment of a warehouse facility to hold the donated materials until they could be distributed to those in need
- Weekly video announcements by the Mayor and members of Council to provide the efforts of the City
- Close coordination with other Clark County cities, the Southern Nevada Health District, and the Nevada Division of Emergency Management - Homeland Security
- Implementation of the City's Continuity of Operations Plans to ensure the City was able to perform





- its essential government functions and deliver critical services in the event that normal working conditions were disrupted
- City employees were tested to ensure the workplace remains safe

The City's Response to Mitigate COVID-19 impact on the Budget and for the Community

The City's Finance Department reduced all revenue forecasts (with the exception of land leases) by 40% when preparing this budget. Overall, City department budgets were reduced to reflect the reduced operational intensity.

Community Efforts

In coordination with the Southern Nevada Health District, the City established community testing for the COVID-19 virus. The first of several test events occurred the week of May 18th at the Bravo Field parking lot area. Testing was performed by appointment only, with four drive-up test stations. A nurse and fire fighter administered the test swab while the citizens remained in their cars. Within 10 days, the residents were notified of the test results. Additionally, the results and the number of tests administered each day are reported to the State of Nevada.





Strategic Plan

Vision

The City of Boulder City is committed to preserving its status as a small town, with a small-town charm, historical heritage and unique identity, while proactively addressing our needs and enhancing our quality of life.

Mission

The City of Boulder City's mission is to deliver outstanding services to enhance the quality of life within our community, our economic vitality, and the safety of those who reside, work in, visit, or travel through our community.

Core Values

*Accessible, Caring and Responsible Customer Service
Fiscal Responsibility
Integrity
Professional Excellence
Transparent Communication
Openness to Innovation and Technology*

Strategic Plan

The Strategic Plan, adopted in 2019 and which covers a five-year period through 2025, reflects the current priorities of the Mayor and Council members with input from community stakeholders and City staff.

The strategic planning process has resulted in a document that provides City Council with a clear vision of where Boulder City is headed and provides policy direction for the City Manager and staff as they prepare budgets and workplans for the future.

The strategic plan contains seven major elements. The first five (reproduced in this document), the vision, mission, core values, goals, and strategies/policies, set direction for City staff. The last two, implementation action plans and progress reports, provide staff’s response to the direction provided.

The Goals and Strategies/Policies are listed below:

Goal A. Achieve Prudent Financial Stewardship

Strategies/Policies:

1. Balance the budget
2. Diversify revenue sources through greater use of grants, self-sustaining funds and leases
3. Ensure budget reserves are 20% of all funds
4. Maintain emergency funds
5. Support non-profit and volunteer groups
6. Establish a five-year rolling financial plan
7. Evaluate the value of expenditures for outsourced services
8. Communicate and share financial successes with the community
9. Adopt and integrate best practices into department’s programs and operations
10. Hire and retain a high-quality staff

Goal B. Invest in Infrastructure

Strategies/Policies:

1. Prioritize Capital Improvement Plan projects to address health and safety while maximizing available funds
2. Prepare and update source documents to guide and inform the Capital Improvement Plan process
3. Maximize the use of outside funding sources for infrastructure
4. Inventory and prepare a life-cycle cost analysis to guide the efficient replacement or rehabilitation of City assets and infrastructure
5. Update the City’s Comprehensive Asset Management Plan, including an assessment of current conditions

Goal C. Manage Growth and Development

Strategies/Policies:

1. Identify opportunities for new and small-business development that will provide a diverse revenue stream with minimal impact on the quality of life
2. Create an economic development plan
3. Determine the best use of available land to advance city priorities and goals
4. Identity and prioritize areas for residential infill development
5. Assess the need for mix-use development within emerging residential areas
6. Promote multi-modal development and connectivity
7. Create development standards for the business corridors that acknowledge the City’s history
8. Develop a plan to incorporate way-finding and directional signage in business corridors and along thoroughfares
9. Demonstrate adherence to the Controlled Growth Ordinance
10. Promote the integration of City resources, including the airport, golf courses, Railroad Pass, Lake Mead, and other regional assets
11. Designate areas of the Eldorado Dry Lake Bed for preservation



Goal D. Historic Preservation

Strategies/Policies:

1. Develop a mission statement based on state and national standards
2. Develop an Historic Preservation Plan
3. Explore adding new Historic Preservation Districts (e.g., old Airport)
4. Amend existing codes to achieve historic preservation goals
5. Identify financial incentives to promote historic preservation
6. Promote economic development through historic preservation
7. Develop an educational campaign about the many historic artifacts in Boulder City
8. Identify historic buildings to repurpose and reuse as appropriate for a given area

Goal E. Sustain a High Level of Public Safety Services

Strategies/Policies:

1. Recruit and retain highly trained public safety staff
2. Ensure adequate staffing
3. Define and disseminate standards to ensure a high level of public safety services
4. Support a unified approach to police, fire, courts, and code enforcement
5. Identify and embrace the latest technology to improve effectiveness and efficiency of public safety services
6. Communicate and celebrate the low crime rate and other service excellence
7. Promote inter-agency support and collaboration

This Strategic Plan provides the direction to realize the vision the Mayor and City Council have for Boulder City. Next, staff will develop an Implementation Action Plan to ensure the goals and strategies are achieved. The action plan will contain the details to accomplish the ideas in this Strategic Plan. Milestones and success factors will be developed to monitor progress.

Throughout the next five years, staff will work to implement the goals and strategies in the plan and periodically provide a progress report to Council members and residents about what has been achieved. Other management tools and plans, such as the budget, Capital Improvement Program, Comprehensive Plan, and other tactical documents as appropriate will be aligned with the Strategic Plan, to ensure all City efforts are working toward common ends.



Budget Development

The development of the Final Budget for FY 2021 has been accomplished by soliciting input from a variety of sources: The Citizens' of Boulder City, Mayor, Council Members, City Manager and Department Heads.

The Mayor and City Council conducted work sessions during the development of the budget, with budget work sessions on February 12, February 24 (Citizen Workshop), and March 11, followed by the Tentative Budget presentation on April 22.

These meetings allowed for public input, as well as staff direction for the development of the Final Budget, which will be considered for adoption at a regular meeting of the City Council on May 26, 2020.

The basic budgetary premise for the development of the FY 2021 Final Operating and Capital Budget was to present a clear picture to the Residents, City Council and Staff regarding the City's financial direction. In addition to providing for the daily operating needs of the City, the 2021 budget includes identifying Capital Improvement Projects, other discretionary spending items and improves the overall financial tracking mechanisms for the City. It also reflects the expense cuts due to the loss of revenue caused by the pandemic Covid-19.

The FY 2021 Final Operating and Capital Budget is being presented with a Capital Improvement Plan that includes \$1,878,000 from the General Fund and \$10,350,000 in the Utility Fund for projects, vehicles and equipment. There is also \$547,672 vehicle replacements in the Vehicle Equipment Replacement Fund, \$35,000 planned in the Court Assessment Fund, \$300,000 planned in the RDA Fund, \$50,000 in the Residential Construction Tax Fund and \$150,000 from the Special Projects Fund.

Budget Amendment or Augmentation Process

To amend the adopted budget, the City follows the requirement and process outlined in the Nevada Revised Statutes:

“NRS 354.598005 Procedures and requirements for augmenting or amending budget.

If anticipated resources available during a budget period exceed those estimated, the City may augment the budget. The city council shall, by majority vote, adopt a resolution reciting the appropriations to be augmented, and the nature of the unanticipated resources intended to be used for the augmentation. Before the adoption of the resolution, the governing body shall publish notice of its intention in a newspaper of general circulation in the county for at least one publication. No vote may be taken upon the resolution until 3 days after the publication of the notice. An augmented budget for an enterprise fund does not need to go to the Department of Taxation, instead the City would need to include the budget augmentation in the next quarterly report. Budget appropriations may be transferred between functions, funds or contingency accounts if such a transfer does not increase the total appropriation for any fiscal year and is not in conflict with other statutory provisions.”

Budget Adoption Schedule

Date	Milestone
2019	
7/15	Kickoff of Capital Improvement Plan (CIP) 2021 - 2025
8/14 - 8/15	Public Works (PW) Director meets with Departments to review and revise 5 year CIP
9/11	City Council Workshop
9/25	Staff led Citizen Workshop to review CIP
10/8	Public Works reviews plan with Finance Director and City Manager
10/9	City Council Workshop
11/12	Tentative Capital Improvement Plan Adopted
12/9	Distribution of FY21 O&M Budget Instructions and Forms
2020	
January	Department Directors meet with Budget Manager and Finance Director
January	Department Directors and Finance Director, meet with City Manager
2/12	City Council Work Session #1 to review budgets
2/24	Staff-led Citizen Workshop to review budgets
3/3	City Council Work Session #2 to review budgets
4/15	File Tentative Budget with City Clerk, Clark County Clerk and Controller, and Nevada Dept. of Taxation. File notice of time and place for budget hearing.
4/22	City Council Work Session #3 to review final budget
5/22	Publish notice of Public Hearing for the Budget (7-14 days prior) Obtain Affidavit of Publication
5/26	Adoption of Final Budget (on or before June 1, NRS 354.598-2) Adoption of Capital Improvement Program (NRS 278.0226) Adoption of Pay Classification, FTE's and COLA's
6/1	Mail Final Budget and Affidavit of Publication to Nevada Dept. of Taxation
6/21	Publish Notice that Summary of Final Budget is available for inspection (within 30 days of adoption)





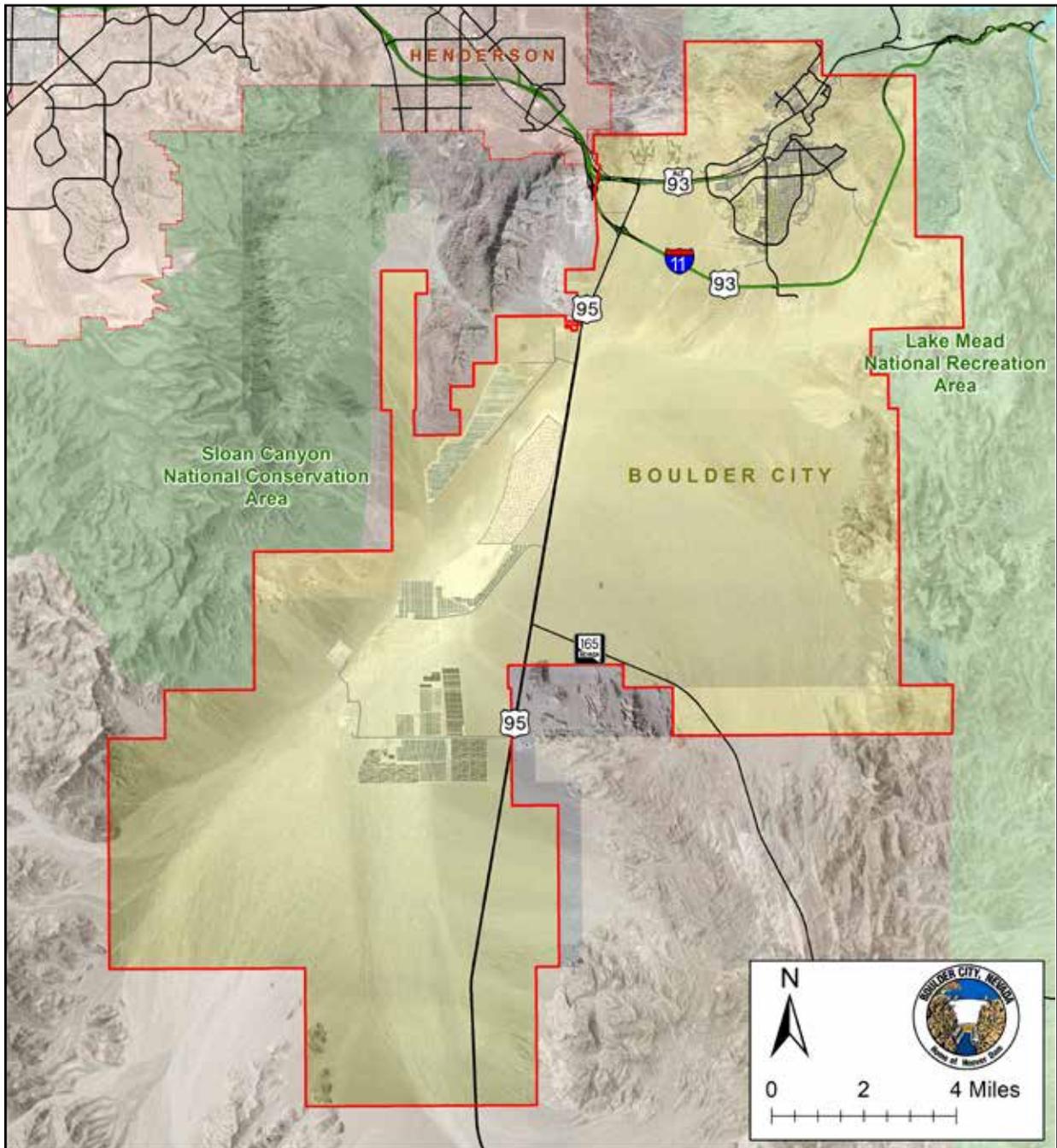
City Profile & Statistics



Geography

Established in 1930 as a Federal Reservation to house the Hoover Dam construction workers, Boulder formally became a City in 1960. Originally the City contained 35 square miles. Today, the City is the largest city in the state of Nevada in terms of area at just over 207 square miles.

The City is unique in that it is also the largest land owner within the City limits. In 1995, the City purchased 167 square miles of the Eldorado Valley from the Federal Government to ensure that the Valley would maintain its beauty and not be developed with housing tracts.



Population History

Population as of July 1 of each fiscal year

FY 2000	15,519
FY 2001	14,760
FY 2002	14,842
FY 2003	14,934
FY 2004	15,058
FY 2005	15,203
FY 2006	15,478
FY 2007	15,863
FY 2008	16,684
FY 2009	16,064
FY 2010	15,359
FY 2011	15,335
FY 2012	15,759
FY 2013	15,635
FY 2014	15,627
FY 2015	15,813
FY 2016	16,298
FY 2017	16,121
FY 2018	15,887
FY 2019	16,188



Population* as of	July 1, 2017	July 1, 2018	% Change	July 1, 2019	% Change
Boulder City	16,121	15,887	-1.4%	16,188	1.9%
Henderson	300,709	310,244	3.2%	317,660	2.4%
Las Vegas	633,028	644,113	1.8%	653,350	1.4%
North Las Vegas	243,339	248,701	2.2%	255,327	2.7%
Mesquite	20,838	22,557	8.2%	23,827	5.6%
Clark County	2,193,818	2,251,175	2.6%	2,293,391	1.9%

*Population information provided by the Nevada State Demographer. Population statistics provided by the Nevada State Demographer for periods presented represent the population used to calculate entity revenue projections by the State for the following year, e.g. July 1, 2017 (FY '18) for FY 2019

Property Taxes

The current combined total tax rate for Boulder City residents continues to be one of the lowest in the State at \$.2600 per \$100 assessed value. This compares with \$.7408 for the City of Henderson, \$1.0515 for the City of Las Vegas, \$1.1587 for the City of North Las Vegas and \$.5520 for the City of Mesquite.

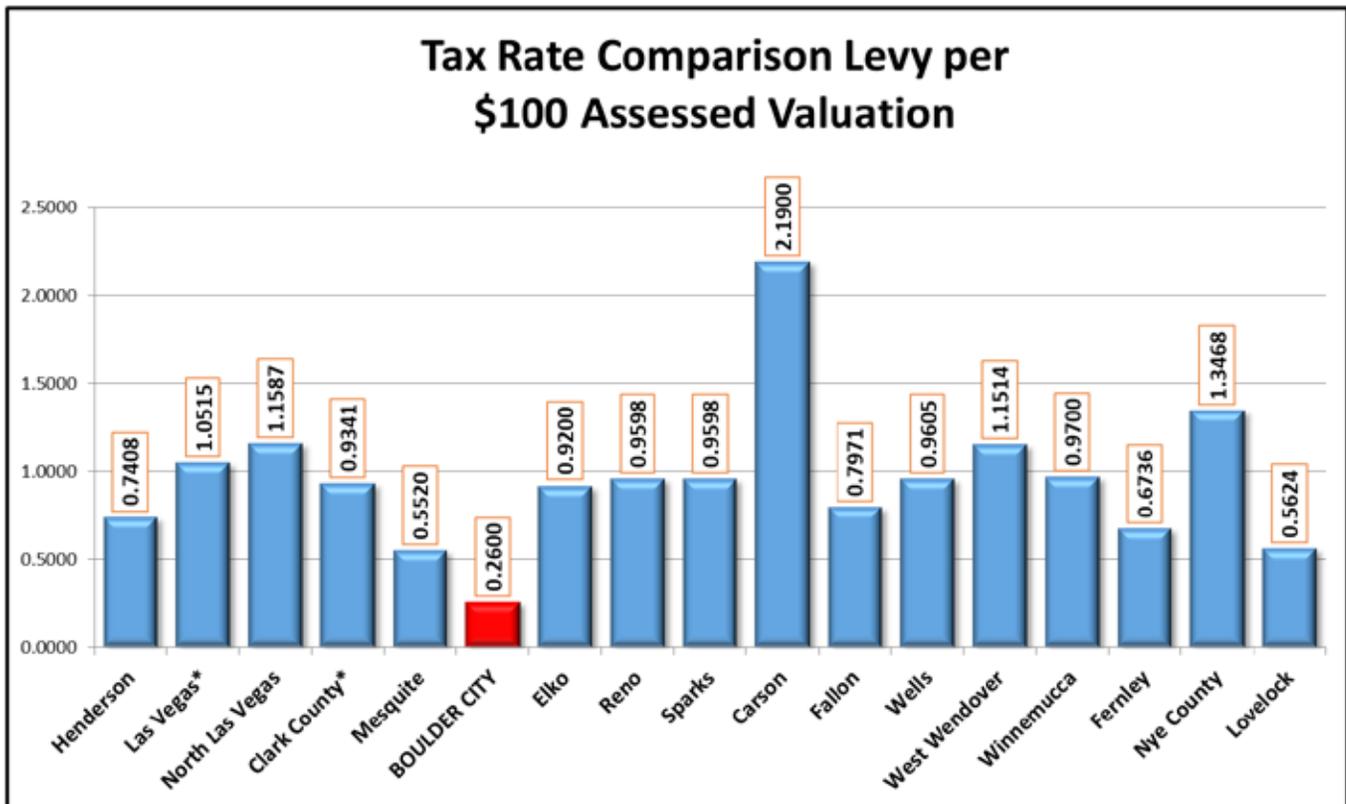
Where Your Property Tax Dollar Goes

Boulder City	\$0.10
Boulder City Library District	\$0.09
Clark County	\$0.20
Clark County School District	\$0.50
State of Nevada	\$0.11
	\$1.00

Overlapping Property Tax Rate Breakdown*

State of Nevada	
State of Nevada	0.1700
Indigent Accident Fund	0.0150
Assistance to Indigent Persons	0.1000
State Cooperative Extension	0.0100
Boulder City	
Boulder City	0.2600
Boulder City Library District	
Boulder City Library	0.2222
Clark County	
Clark County Capital	0.0500
Clark County Family Court	0.0192
Clark County General Operating	0.4599
Clark County School District	
Clark County School District Debt (bonds)	0.5534
Clark County School District Maintenance & Operation	0.7500
Total Property Tax Rate	2.6097

Source: Clark County Treasurers Department
* Tax District 50 used in this example

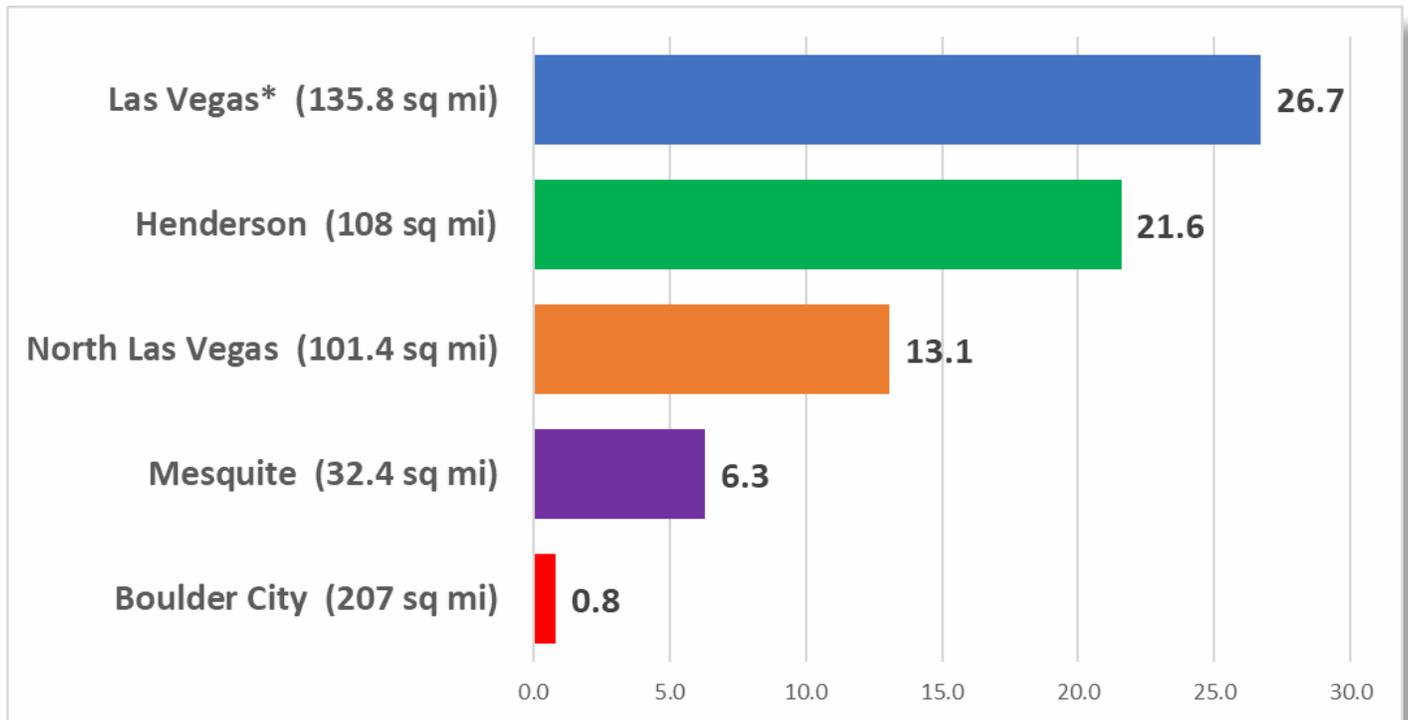


Source: Property Tax Rates for Nevada Local Governments, FY 2020-21, published by the Nevada Department of Taxation
*Includes the Las Vegas/Clark County portion of the Las Vegas Metropolitan Police assessment



Employee Ratio per Square Mile

Boulder City is responsible for law enforcement and general municipal services for 208 square miles. The efficient allocation of employee resources enables the City to maintain one of the lowest employee to city mass ratios in the state, if not the country.



Sources: Employee counts taken from the posted FY21 budgets from each municipality website

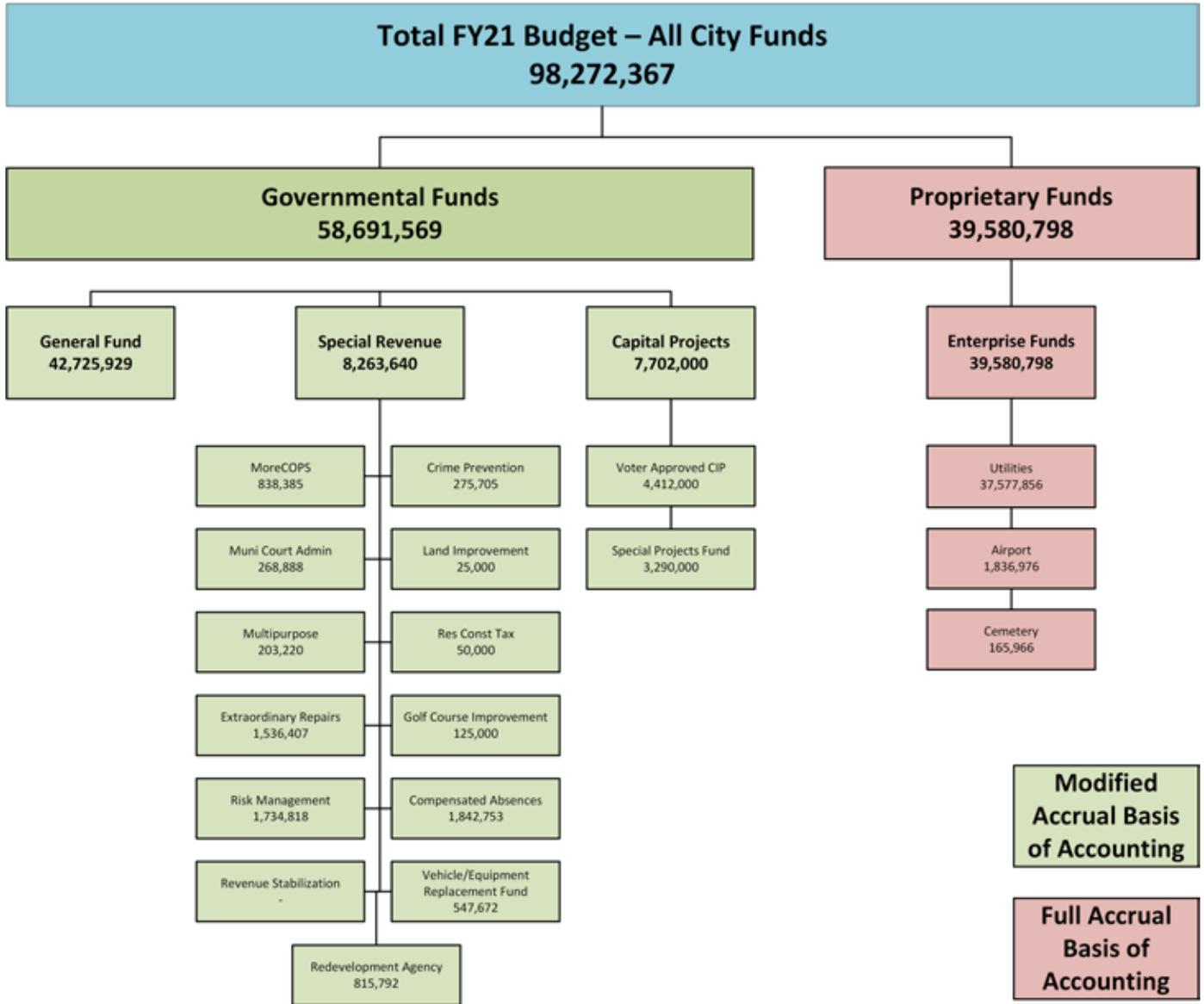
*Does not include employee count from the Las Vegas Metropolitan Police Department

Full Time Approved Positions by Department

	Prior Year ending 2019 (actual)	Estimated current Year ending 2020	Budget Year Ending 2021
General Government Positions			
City Council (*8 of person)	4	4	4
City Attorney	2	2	2
City Clerk	3	3	3
City Manager	5	5	5
Community Development	5	4.5	3.75
Finance	8	9	9
Fire	26	26	26
Administrative Services	2	2	2
IT	1	1	1
Police	44.5	45.5	46.3
Municipal Court	5.3	4.8	4.8
Public Works	37	37	37
Parks & Recreation	15.4	15.4	15.4
TOTAL GENERAL GOVERNMENT POSITIONS	158.2	158.2	159.25
Proprietary Funds Positions			
Utilities Admin/Billing	9	9	9
Electric Utility	12	12	12
Water/Wastewater Utilities	10	10	10
Municipal Airport	3	4	4
Total Proprietary Funded Positions	34	35	35
Special Funding Sources Positions			
Crime Prevention Tax	2	2	2
More Cops Tax	6	6	6
Redevelopment Fund	0.5	1	1.75
Municipal Court Special Revenue Fund	0.5	1	1
Total Special Funding Sources Positions	9	10	10.75
TOTAL EMPLOYEES	201.2	203.2	205

Boulder City continues to maintain a lean workforce to match our overall population density of 77.8 persons per square mile, inspite of having an overall service territory of 207 square miles, resulting in 0.8 employees per square mile of service territory. In comparison, the City of Las Vegas with the states highest population density of 4,811 persons per square mile, also has the highest ratio of employees at 26.7 employees per square mile of service territory.

Basis of Accounting

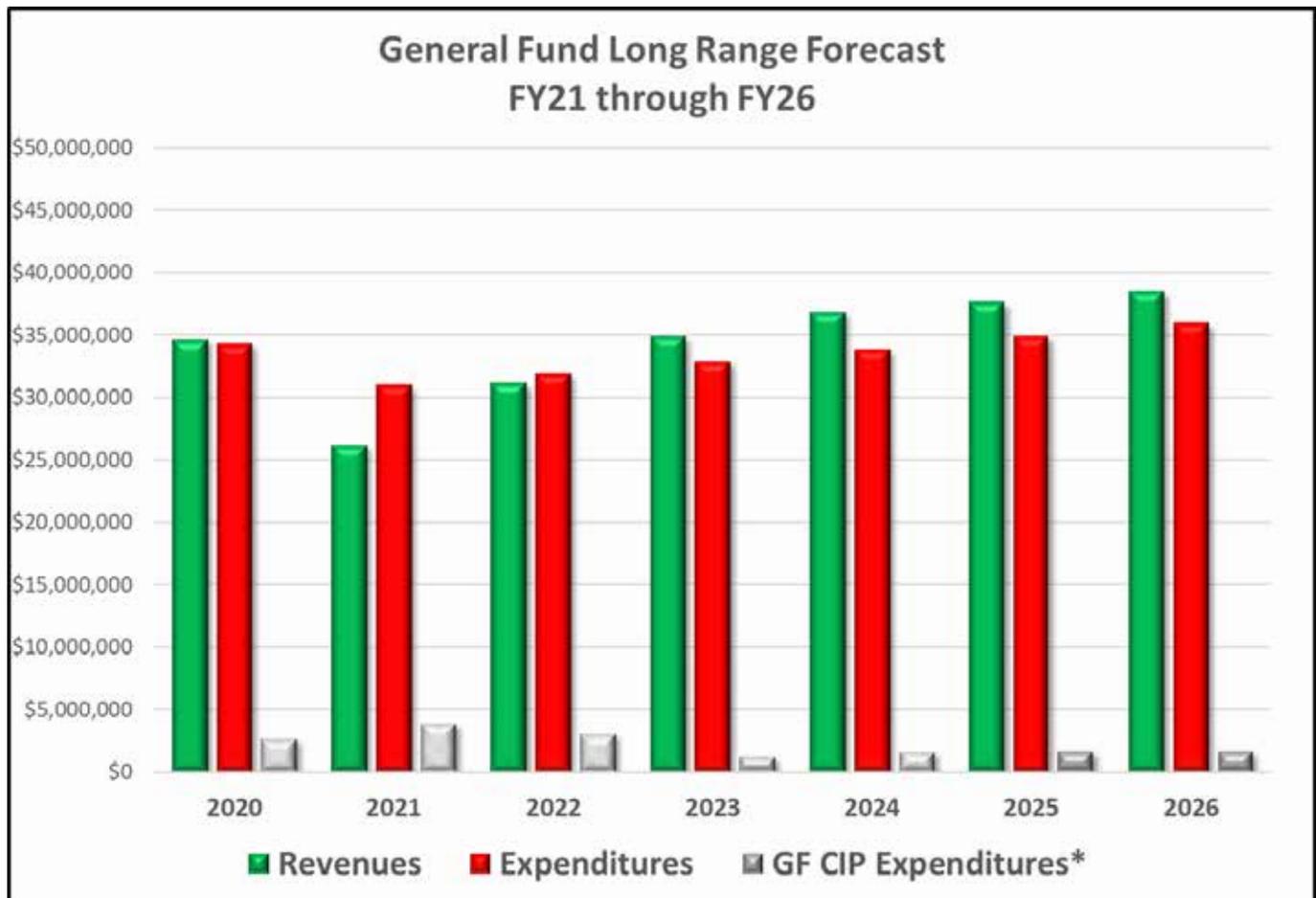


Long Range Financial Planning

The City uses a 5-year planning model for the General Fund which projects revenues and expenditures over a long-term period using assumptions about economic conditions and future spending scenarios. This model is developed internally and focuses on the anticipated future funding necessary to meet the City’s strategic goals.

The projected revenues in the 5-year planning model are based on the regional growth in the Consolidated Tax (“C-Tax”), a 3% average growth in property tax collections (which are limited in growth to no more than 3% by State Law), and a rolling 5-year average growth rate for each of the other revenue sources other than leases. Lease projections are based on known land leases that energy and communication companies have with the City and the terms for those leases.

The projected expenditures in the 5-year planning model incorporate anticipated General Fund department needs necessary to meet the City’s strategic goals and to maintain our current levels of service to the community.

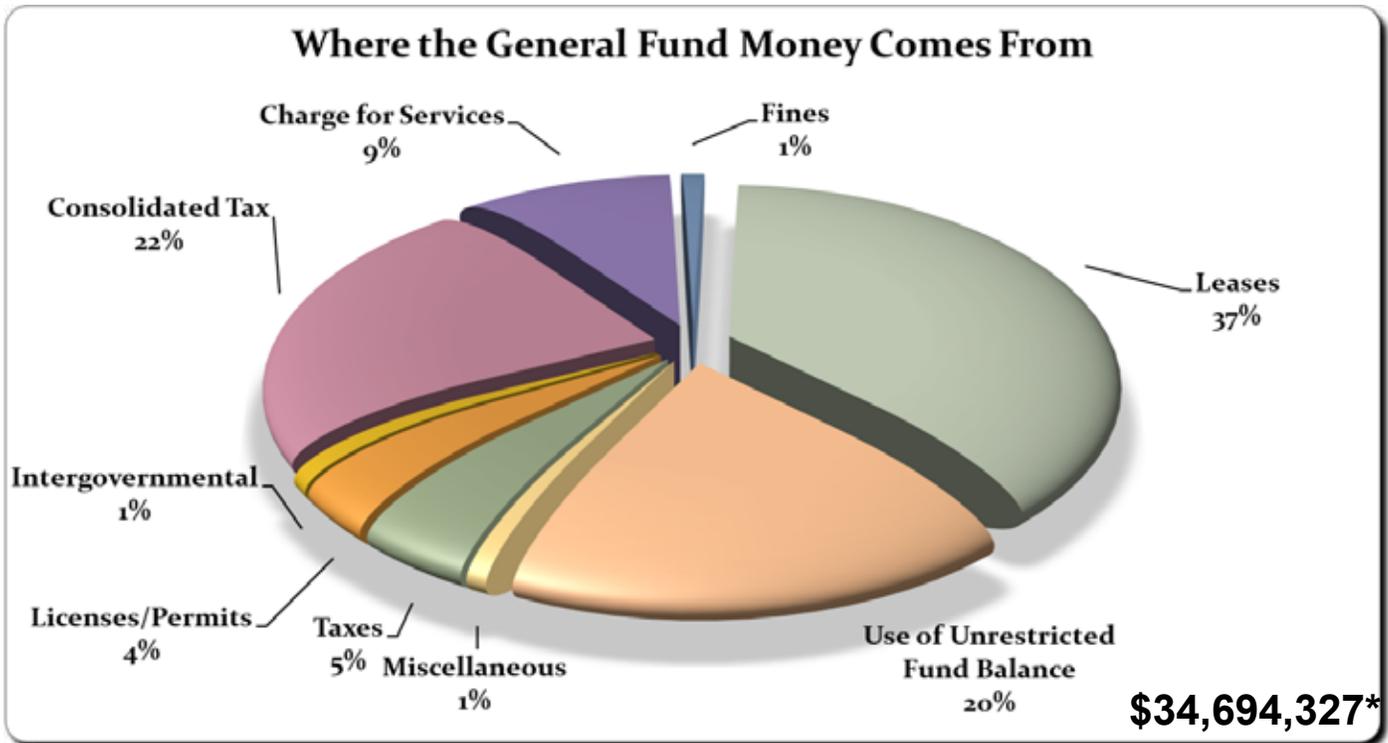


+General Fund Capital Improvement Expenditures are subject to change each fiscal year based upon funding availability and need.

Governmental Funds Budget Information



Where the General Fund money comes from



* Does not include transfers from Fund Balance to newly created special funds

The City’s revenue pie comes from a wide variety of sources. Most familiar to our residents is the property tax we each pay for our homes and businesses. In non-recession years, property tax makes up only 7% of the City’s revenue stream. A primary source of revenue comes from the Consolidated Tax (“C-Tax”) which is collected and distributed by the State to each city based upon a formula. The C-Tax is a combination of Sales Tax, Liquor Tax, Cigarette Tax, Real Estate Property Transfer Tax, and the Government Services Tax.

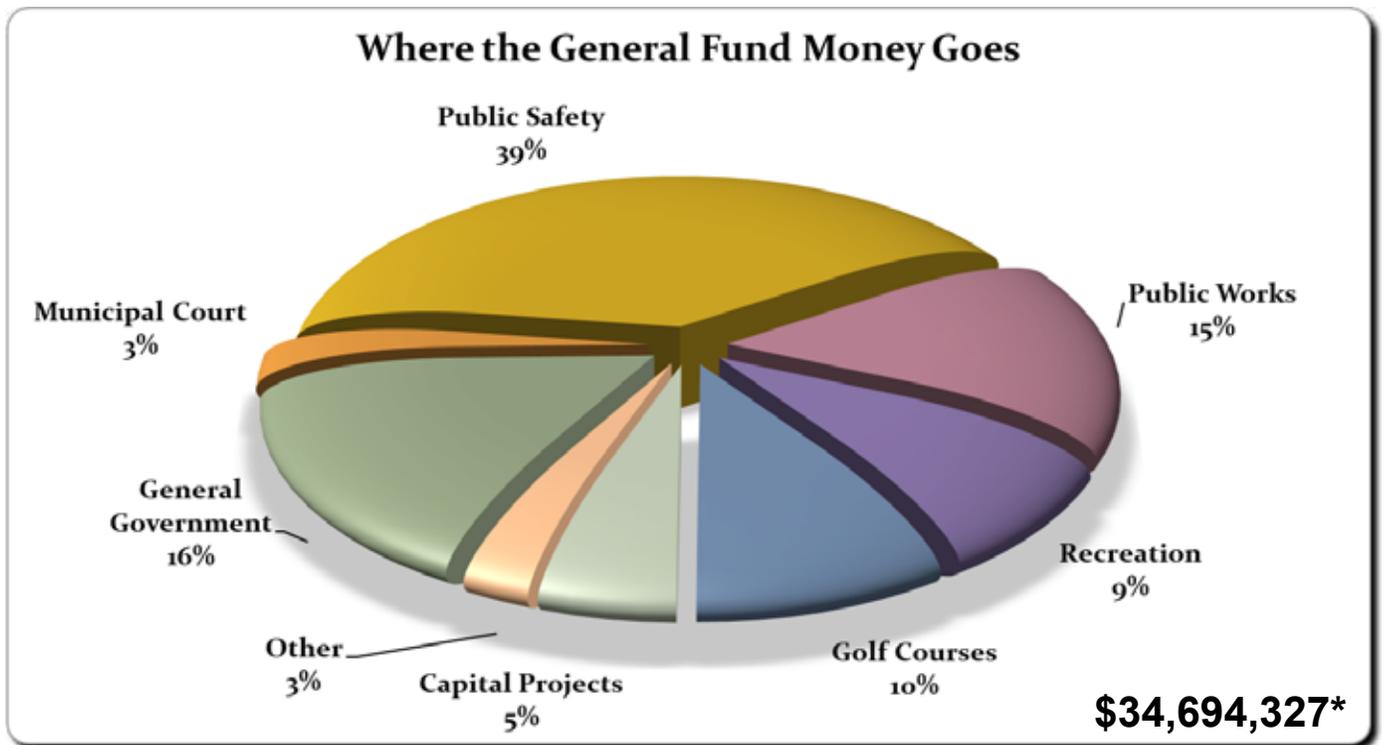
Land leases also make up a significant portion of the revenue pie. These leases will provide a steady, predictable revenue stream to the City for years to come. New land leases are anticipated within the next few years.

DID YOU KNOW?

Our city population has remained fairly stable since the 2010 Census. As of July 1, 2019, our population stood at 16,188, an increase of 1.9% from our 2018 population which was 15,887.



Where General Fund money goes



* Does not include transfers from Fund Balance to newly created special funds

The largest share of the City’s budget is dedicated to Public Safety (Police and Fire). The “General government” category includes the following city functions:

- City Council
- City Manager
- City Clerk
- City Attorney
- Communications
- Finance Department
- Information Technology
- Human Resources
- Community Development
- Parks & Recreation Department
- Central Services

*The Capital Projects category in the General Fund budget includes the use of unrestricted fund balance dollars.

DID YOU KNOW?

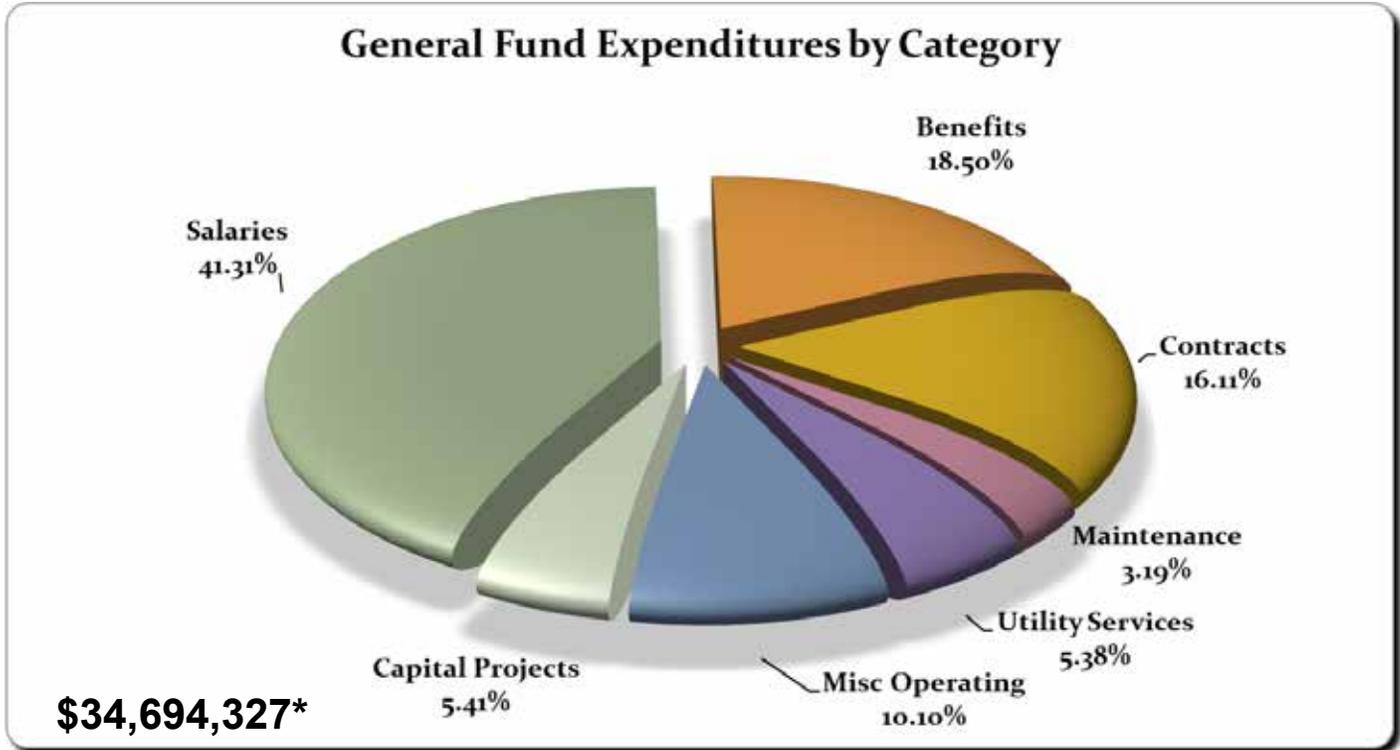
Our Public Works Department not only takes care of our streets, but is also responsible for taking care of our parks, buildings, designing new infrastructure, and managing our capital projects.

The Capital Improvement Fund, Redevelopment Agency, Airport, Cemetery and Utility Funds are managed in separate budgets as required by Nevada Revised Statutes. Those budgets are not included in the general operating fund of the City.



General Fund Expenditures by Major Category

The General Fund expenditures are broken down into several categories to make it easier to see where your tax dollars are going. Approximately 60% is dedicated to employee costs, with the remaining 40% towards funding the basic operations of the City.



* Does not include transfers from Fund Balance to newly created special funds

Salaries	\$14,333,462
Benefits	\$ 6,418,871
Contracts	\$ 5,587,627
Maintenance, Grounds, Facilities, Etc	\$ 1,107,457
Utility Services	\$ 1,865,500
Misc Operating Expenses	\$ 3,503,409
Capital Projects	\$ 1,878,000
TOTAL	\$34,694,327



DID YOU KNOW?

The Capital Improvements for FY21 for the General Fund total \$1,878,000. Funding for these projects for FY21 is the use of unrestricted fund balance.

Boulder City is one of only two communities in Nevada that does not permit gaming. As such, the City does not receive revenues collected from gambling taxes.

Other Special Funds

The overall City Budget consists of multiple types of funds. The most common types are the General Fund and Proprietary Funds (also called “Enterprise Funds”). The City also budgets and maintains several lesser known funds. Detailed budget information for each fund can be found in the master Governmental Funds budget document. For convenience, following the name of the fund in parentheses you will see the notation “Fund XX”, where “XX refers to the account code the City has assigned to that fund for account tracking. To refer to this fund’s budget in the Master Governmental Funds Budget document, use this fund number to find the appropriate section. Below is a brief description of each of those fund types.

- **Boulder Creek Golf Course Surcharge Fund (Fund 49).** A charge on each round of golf played to be spent on course improvements.
- **Cemetery Fund (Fund 52).** Revenues from sale of burial plots used for maintenance of cemetery.
- **Compensated Absences Fund (Fund 41).** Funded through principally 1% of lease revenues and a portion of excess revenues over expenses each fiscal year as determined.
- **Crimes Prevention Tax (Fund 26)** Revenue derived from a portion of sales tax, used for eligible law enforcement purposes as, specified by NRS.
- **Extraordinary Maintenance and Repair Fund (Fund 42)*.** Funded through principally 1% of lease revenues and a portion of excess revenues over expenses each fiscal year, as approved. **Once deposited, they can only be used for the purposes of that special fund.**
- **Land Improvement Fund (Fund 46).** Fund established by City Charter. Up to 2% of proceeds from land sales. Used to pay for costs associated with selling or leasing land.
- **More Cops Fund (Fund 25).** Revenue derived from a portion of sales tax used for eligible law enforcement purposes, as specified by NRS.
- **Municipal Court Assessment Fund (Fund 22).** Revenues derived from court assessment fees used for Municipal Court improvements and equipment.
- **Municipal Golf Course Surcharge Fund (Fund 48).** A charge on each round of golf played to be spent on course improvements.
- **Redevelopment Agency Fund (Fund 80).** Revenues from tax increment on properties that lie within the RDA Plan Area to be spent on eligible activities as specified by NRS and the City’s RDA Plan document.
- **Residential Construction Tax (Fund 20).** Revenues derived from building permits to be used for park improvements.
- **Revenue Stabilization Fund (Fund 47).** Funded through principally 1% of lease revenues and a portion of excess revenues over expenses each fiscal year, as approved.
- **Risk Management Fund (Fund 80).** Funded through principally 1% of lease revenues and a portion of excess revenues over expenses each fiscal year, as approved.
- **Special Projects Fund (Fund 30)*.** General Fund capital projects are managed through this fund. Funding comes from multiple sources, primarily the voter-approved disbursement from the Capital Improvement Fund (*fund 44), and the General Fund. **Once deposited, they can only be used for the purposes of that special fund**
- **Special Revenue Fund (Fund 40).** This fund includes the community gardens, police forfeiture, miscellaneous revenues from police, animal control, fire and recreation, youth sports, and other restricted donations (including \$1.3M for Pool).
- **Vehicle and Equipment Replacement Fund (Fund 45).** Funded through principally 1% of lease revenues and a portion of excess revenues over expenses each fiscal year, as approved.
- **Voter-Approved Capital Improvement Fund (Fund 44)** Revenues are derived from 20% of all land lease revenues and 100% of land sale revenues. Fund expenditures require voter approval.

Organizational Unit Functions

CITY MANAGER

The City Manager oversees all of the day-to-day operations of the City. The City Manager is the chief administrative officer of the City and carries out the policies of the City Council and administers the City's budget. The City Manager directs activities consistent with the approved plans of the City, such as the Strategic Plan and Master Plan. The Public Works Director, Administrative Services Director, Police Chief, Fire Chief, Utilities Director, Parks and Recreation Director, Community Development Director, Finance Director and Communications Manager report directly to the City Manager.

CITY CLERK

The City Clerk's office serves the City of Boulder City as its election official, public records manager, and legislative liaison. The department focuses on archives and records management for the City, providing support staff for the City Council and volunteer boards, and providing election and administrative services for the community. Other public information resources and services are offered by the City Clerk's office – U.S. Passport Agency, Public Notary, Oath Administration, and Certification of public records.

FINANCE

The Finance Director serves as the Chief Financial Officer of the City providing and administering the financial policies established by the City Council, recommends new/updated policy for City Council consideration, and oversees the City's investment activities. The Finance Director also serves as the City Real Estate Officer. The Finance Department includes the Administration, Contracts and Real Estate, Risk Management, Purchasing, Accounting, and the Utility Billing/Collection Division. Department functions include oversight of the City's payroll/benefits and risk management activities providing adequate protection of the City's assets and sufficient coverage to minimize potential liability issue. The Accounting Division is responsible for payroll, the maintenance of the City's financial reporting systems, budget preparation, processing vendor payments, and establishing a system of internal financial controls to monitor financial results. The Utility Billing and Collections division reads the City's water and electric meters, bills and collects all utility payments, administers the business and liquor licensing regulations, other various permits, and is the primary collection and deposit point for moneys due the City.

CITY ATTORNEY

To provide affordable, quality legal advice and counsel to the City Council, Boards and Commissions, City departments in the conduct of City business and to effectively advocate the City's position in all judicial and administrative proceedings.

ADMINISTRATIVE SERVICES

The Administrative Services Director is responsible for human resources, information technology and the City's Municipal Airport. The Director ensures that the City's management team and employees are in compliance with the Civil Service Rules, State statutes, Federal mandates, entitlements and laws. Beyond compliance, Personnel seeks to partner with all departments and employees to hire, compensate, support, and develop a workforce that is dedicated and focused on delivering high-quality services to the community in a cost-effective manner.

The Director also manages the City's managed information technology services contract and

Organizational Unit Functions - continued

overall information technology needs for the City. Further, the City's Municipal Airport operates with a staff of four, whom all report to the Director.

COMMUNICATIONS

The Communications Manager is responsible for the management of the City's message, including press releases, special announcements and the operation of the City's government access cable television channel. All social media, including YouTube, Twitter and Facebook, are managed by the Communications Manager.

CENTRAL SERVICES

This budget provides for general services for all City departments that are not specifically related to a particular departmental budget.

MUNICIPAL COURT

It is the obligation of Boulder City Municipal Court to adjudicate misdemeanor offenses in an ethical, fair and impartial manner; to provide efficient, professional, prompt & courteous service; to preserve the integrity of the judiciary; to operate using current technology; and to maintain a safe environment for both employee and the public.

POLICE

The Police Department provides basic law enforcement functions for Boulder City, including investigations, traffic enforcement, patrol, neighborhood watch, desert patrol, animal control, public safety dispatch/communications center and other law enforcement functions as delegated by State Law.

FIRE

The Boulder City Fire Department operates out of one station and utilizes three (3) six-person shifts to cover a service area of approximately 208 square miles. The department has established a goal of staffing three (3) apparatus (one 2-person engine, and two 2-person rescues) daily. In addition to emergency response activities, the department also provides several prevention and safety programs, annual business & permits inspections, and is responsible for reviewing & inspecting applicable construction projects. Through the careful monitoring of these programs, the department continually enhances the level of safety for our citizens and visitors of Boulder City.

PUBLIC WORKS

The Public Works Department manages all aspects of the Capital Improvement Program (CIP) for the City of Boulder City and provides development services for all private construction projects. This effort is completed through the Engineering Division of Public Works. Public Works maintains top-quality parks, streets, flood control facilities, buildings, water distribution, sewer collection and treatment facilities. This maintenance effort is completed through four divisions as follows: Building Maintenance, Streets, Landscape, and Water/Sewer. In addition, Public Works Administration is responsible for managing numerous other City items, including the municipal cemetery, refuse collection and disposal. The Public Works Department



Organizational Unit Functions - continued

professionally represents Boulder City in technical meetings at the Southern Nevada Water Authority (SNWA), Regional Transportation Commission (RTC), and Flood Control District.

PARKS AND RECREATION

The Parks and Recreation Director manages the day-to-day operations of the Parks and Recreation Department. The three major divisions include the Recreation Division, Aquatics Division and Golf Course Division. The following positions report to the Parks and Recreation Director: Recreation Program Coordinator, Youth and Adult Sports Coordinator, Aquatic Coordinator, Youth Center Coordinator, Fitness Center Coordinator, Art Center Coordinator, and Maintenance Supervisor. The Parks and Recreation Director is responsible for coordinating all major special events within the City including film shoots and video productions.

COMMUNITY DEVELOPMENT

The Community Development Director manages all day-to-day operations of the Community Development Department, which includes the Planning Division, Building Inspections Division, and the Redevelopment Agency. The Administration Division is responsible for processing and ensuring payment for all functions of the various divisions. The Director is also required to represent the City on various regional committees and groups such as the Southern Nevada Regional Planning Coalition and the Regional Transportation Commission as specified in the NRS and other laws or regulations. The guiding documents for the overall department function are the City's Master Plan, Zoning Ordinance, International Building Codes, and the Redevelopment Plan for the City.

The Planning Division is responsible for the day-to-day general city planning functions for the city. This includes review of all requests for building permits for zoning compliance, processing of all applications for Planning Commission review (such as Conditional Use Permits, Variance Requests, Master Plan Amendments, Ordinance Amendments, Land Management Plan zoning reviews, and appeals). The City Planner is also responsible to administer the City's Community Development Block Grant (CDBG) program, including ensuring compliance with applicable federal laws and monitoring the grant sub-recipients who receive CDBG funding through the City. The City Planner is responsible for managing the City's Growth Control Ordinance by reviewing all requests for construction to ensure the statutory limits are not exceeded and reporting back to the Planning commission on a monthly basis. Lastly, the City Planner serves as the City's representative on several county-wide committees for local coordination and population estimating.

The Building Inspection & Code Enforcement Division is responsible for the enforcement of all non-police department related laws and ordinances. Building Inspections section reviews all building plans for compliance with applicable International Building Codes and locally adopted codes to ensure safe and proper construction. They inspect all permitted buildings to ensure compliance with the approved plans, and will issue a certificate of occupancy to certify compliance at completion of a project. The Code Enforcement section investigates all citizen and city generated complaints alleging a violation of city code, which also includes business license violations, weeds, trash, abandoned vehicles, illegal signs, unkempt yards and pools, and other non-criminal code related violations. Required to appear in court as necessary to complete enforcement process for those violators who choose not to cooperate.

Projected FY21 Ending Fund Balances

Governmental Fund Name	Beg Fund Bal	Change	End Fund Bal	Change in %	Explanation of Changes over +/- 10%
General	19,866,905	(16,542,407)	3,324,498	-83%	Transfers to new Special Revenue Funds and decrease in Consolidated Tax revenue due to Covid 19
Muni Court Admin	530,631	(126,888)	403,743	-24%	Decrease caused by expected revenue reduction due to Covid 19
More Cops	425,893	(268,385)	157,508	-63%	Decrease caused by expected revenue reduction due to Covid 19
Crime Prevention	233,837	(107,708)	126,129	-46%	Decrease caused by expected revenue reduction due to Covid 19
Land Improvement	125,756	(25,000)	100,756	-20%	Decrease due to budgeted expense for appraisal fees without including unknown revenue from selling/leasing land
Multipurpose	2,194,031	(162,620)	2,031,411	-7%	
Voter Approved Capital Improvement	11,640,118	(1,213,369)	10,426,749	-10%	Decrease due to spending of landsales revenue on Capital Projects
Special Projects	7,184,994	(103,048)	7,081,946	-1%	
Golf Course Improvement	352,672	22,000	374,672	6%	
Redevelopment Agency	2,195,082	(289,926)	1,905,156	-13%	Decrease caused by expected revenue reduction due to Covid 19
Residential Construction Tax	90,587	(10,000)	80,587	-11%	Decrease in fund balance due to Capital Projects - Fund Balance grows until it can cover projects
Compensated Absences *	269,671	-	269,671	0%	
Extraordinary Maint & Repairs *	314,901	-	314,901	0%	
Revenue Stabilization	424,055	2,154,696	2,578,751	508%	Creation of new fund transferred from General Fund
Risk Mangement *	302,730	-	302,730	0%	
Vehicle/Equip & Replace Fund	331,503	988,735	1,320,238	298%	Creation of new fund transferred from General Fund

**this fund is for unplanned events, fund balance is expected to grow but needs to be budgeted in case of emergency need*

Transfers to the Special Funds

During the past year, the City has established five special funds as permitted by the Nevada Revised Statutes. These funds permit the City to set aside monies for dedicated purposes and allow for the planning of unexpected revenue shortfalls, natural disasters, extraordinary repairs, vehicle replacements, payout of earned leave for departing employees and a risk management fund. Each fund has a dedicated funding source and formula, including the ability for the City Council to add additional funds, as appropriate. With this budget approval, each fund will be funded from available unrestricted funds.



Fund Name	Amount New Funding
Extraordinary Repair Fund	\$1,381,711
Compensated Absence Fund	\$1,688,057
Vehicle/Equipment Replacement Fund	\$1,381,711
Risk Management Fund	\$1,580,122
Revenue Stabilization Fund	\$2,000,000

FY21 General Fund Budget Summary

	2019 Actual	2020 Estimated	Proposed FY2021
REVENUES			
Taxes	2,205,887	2,248,056	1,568,262
Licenses/Permits	2,822,212	1,653,310	1,210,086
Intergovernmental	12,610,632	12,451,544	7,591,131
Charge for Service	4,921,318	4,886,460	3,135,276
Fines/Forfeitures	537,532	555,500	333,000
Rents/Royalties	11,235,725	11,564,889	12,059,867
Miscellaneous	654,476	590,015	285,900
Use of Fund Balance	2,088,900	0	16,542,407
TOTAL GENERAL FUND REVENUES	37,076,682	33,949,774	42,725,929
EXPENDITURES			
City Council	247,527	152,086	177,316
City Manager	652,376	634,627	466,904
City Clerk	646,178	646,108	651,947
Finance	1,128,425	925,123	919,663
Technology	885,050	651,752	799,683
City Attorney	467,303	477,316	469,926
Personnel	491,322	455,093	461,022
Central Services	596,573	839,748	239,290
Communications	0	205,186	183,843
BCTV	25,274	65,341	81,943
TOTAL GENERAL GOVERNMENT	5,140,028	5,052,380	4,451,537
Municipal Court	763,128	832,229	881,573
TOTAL JUDICIAL	763,128	832,229	881,573
Police	6,194,900	6,594,728	6,829,185
Fire	4,723,467	5,001,511	4,969,138
Public Safety Communications	988,852	1,000,000	1,206,453
Animal Control	280,824	351,107	414,356
TOTAL PUBLIC SAFETY	12,188,043	12,947,346	13,419,132

FY21 General Fund Budget Summary (continued)

	2019 Actual	2020 Estimated	Proposed FY2021
Public Works Administration	1,081,535	1,108,000	1,374,205
Public Works Streets Division	1,314,365	1,320,000	1,106,834
Public Works Landscape Division	1,433,680	1,450,000	1,416,253
Public Works Building Maintenance Division	587,902	885,000	993,230
Public Works Engineering Division	620,687	704,000	495,647
TOTAL PUBLIC WORKS	5,038,169	5,467,000	5,386,169
Recreation Administration	1,934,011	2,470,711	2,059,058
Swimming Pool	426,814	590,185	600,258
Boulder Creek Golf Course	2,020,695	2,070,000	2,073,923
Municipal Golf Course	1,322,678	1,400,000	1,406,751
TOTAL RECREATION	5,704,198	6,530,896	6,139,990
Community Grants	441,139	437,700	377,777
Community Development	850,803	1,111,000	1,206,149
TOTAL COMMUNITY SUPPORT	1,291,942	1,548,700	1,583,926
Other	3,972,425	5,624,150	10,863,601
TOTAL OTHER	3,972,425	5,624,150	10,863,601
TOTAL EXPENSE	34,097,933	38,002,701	42,725,928



Reserve Accounts - Targets and Balances

In the Financial Administration portion of the Code (Title 1, Chapter 9, BC Muni Code), as well as in the adopted Financial Plan for the City, all City funds are required to maintain a fund balance of at least 20% of the current fiscal year Operations/Maintenance budget (does not include capital improvement costs).

This summary provides information for the General Fund, MoreCOPS and Crime Prevention funds. That same City Code also requires the City maintain an Emergency Capital Reserve account. The purpose of the Emergency Capital Reserve account is to pay for infrastructure failures (i.e., damage due to flood, earthquake, or fire) or other natural disasters that impact the City. The requirement for a Emergency Capital Reserve account was established in November 2018. Under the terms of the ordinance, each utility has up to three fiscal years to fulfill their proportional obligation.

During Fiscal Year 2020, the City created five new special revenue funds as permitted under NRS to provide financial flexibility and transparency. These new funds are: Compensated Absences Fund; Extraordinary Maintenance, Repair, or Improvement of a Capital Asset Fund; Vehicle/Equipment Replacement Fund (“VERF”); Revenue Stabilization and Natural Disaster Mitigation Fund; and Risk Management Fund.

Each fund receives 1% of the land lease revenues, and 10% of any surplus revenues in excess of budgeted expenditures for the prior year. Funding distribution to these funds is suspended once the funds reach their target balance or are otherwise suspended as specified by city ordinance. Below are the reserve account, target balance, and current balance.

20% Reserves	Target	Current
General Fund	\$7,549,000	\$7,549,000
MoreCOPS	\$165,000	\$165,000
Crime Prevention	\$54,500	\$54,500
Emergency Capital		
General Fund	\$2,000,000	\$2,000,000
Current		
Compensated Absences Fund	\$1,760,000	\$0
Extraordinary Maintenance Fund	\$7,100,000	\$0
VERF	\$7,100,000	\$0
Revenue Stabilization Fund	\$3,000,000	\$0
Risk Management Fund	\$3,000,000	\$0



*Numbers shown are estimated based on Tentative Budget or Fiscal Year 19 CAFR.

Your Lease Revenue and Land Sales at work

As a large landowner in southern Nevada, Boulder City is able to leverage its land resource into recurring revenues to help balance the annual budget and provide revenues for important capital projects. Boulder City is home to nine active solar leases, one natural gas-fired electric energy generation plant, and several substation and transmission line leases. The City also receives revenues from solar option agreements (future solar leases), a future natural gas electric generation plan option agreement, and communication site leases. These recurring revenues are split by 75% into the City’s General Fund for day-to-day operations, 5% into special revenue funds (combined to 80% towards Governmental Funds) and 20% into the Capital Improvement Fund for voter-approved capital projects.

The City is also permitted to sell land by voter-approval. Proceeds from those land sales are restricted to specific uses approved by the voters.

For FY21, the solar lease revenue and voter-approved land sale revenue will be spent on the following capital projects:

Land Lease Revenue Use

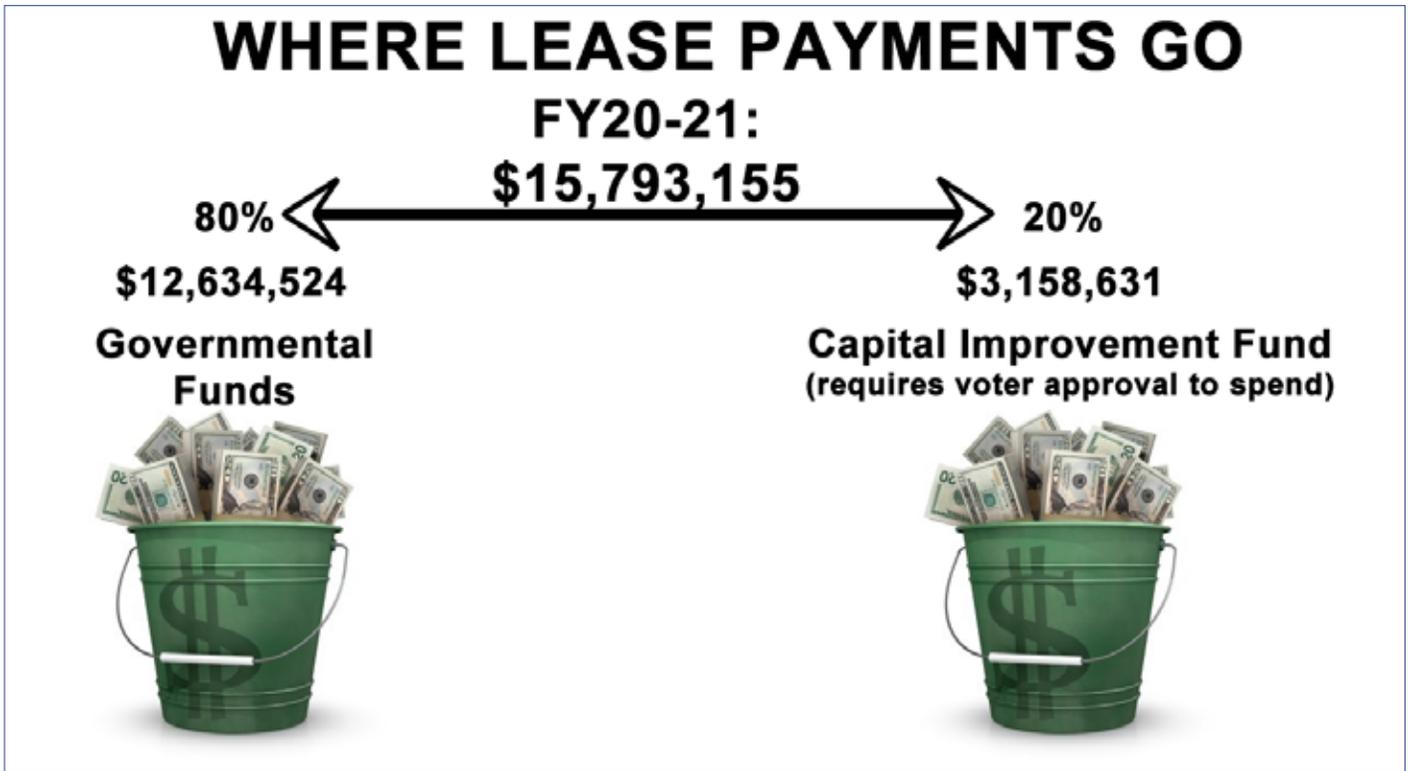
- \$1,000,000 - City Facilities Improvements (see the Capital Improvement Plan for details)
- \$ 100,000 - Rebuild Pressure Reducing Stations
- \$ 100,000 - Copper Service Replacements
- \$ 250,000 - Pressure Reducing Valve for National Park Service Line
- \$ 50,000 - Reservoir Improvements
- \$1,500,000 GRAND TOTAL FOR LAND LEASE REVENUE**



Land Sales Proceeds

- \$1,200,000 - 4kV to 12kV overhead line replacement (Electric Utility)
- \$ 500,000 - San Felipe - Mendota Feeder (Electric Utility)
- \$1,100,000 - Circuit 45-61-62 Tie (Electric Utility)
- \$ 100,000 - Evaluate Hemenway Valley Sewer System (Sewer Utility)
- \$ 120,000 - Sewage Lift Station Mobile Emergency Backup Pump (Sewer Utility)
- \$ 120,000 - Rehabilitate Sewer System Manholes (Sewer Utility)
- \$ 30,000 - Reservoir Improvements(Water Utility)
- \$ 300,000 - Landfill Perimeter Road and Fencing (Landfill Utility)
- \$ 150,000 - Replace Cardiac Monitors (Fire)
- \$ 80,000 - Purchase Off-Road Vehicle for Fire/Rescue Functions (Fire)
- \$ 32,000 - Replace Supervisor Communication Equipment (Police)
- \$3,732,000 GRAND TOTAL FOR LAND SALES PROCEEDS**





Community Grants

Boulder City prides itself on being part of the community. Members of the City Council and City employees are very active in local groups and agencies that provide services to our community, foster our community identity, and care for those less fortunate. In this budget, the programs the City funds come from either General Fund dollars or pass-through monies received from federal grants:

Under the Community Development Block Grant (“CDBG”) federal program:

☛ Emergency Aid	\$ 25,640
☛ Lend A Hand	\$ 9,010
TOTAL	\$ 34,650

The City supports more than twenty local non-profit, volunteer groups in the community. Support includes financial resources, providing city services at a discounted rate, free utilities at City buildings, public safety support, and use of City parks and facilities. For FY21, the equivalent value in cash is approximately **\$600,000**. The City is committed to providing continued support to our local non-profit and volunteer groups by providing financial, in-kind and other support.



Capital Improvements and Equipment

The City of Boulder City’s Capital Improvement Plan (“CIP”) establishes, prioritizes, and plans funding for projects to improve existing and develop new infrastructure and facilities. A CIP promotes better use of the City’s limited financial resources, reduces costs, and assists in the coordination of public and private development. The City’s CIP is a five-year roadmap, which identifies the major expenses over and above routine annual operating expenses. While the CIP serves as a long-range plan, it is reviewed and revised annually. Priorities may be changed due to funding opportunities or circumstances that cause a more rapid deterioration of an asset.

There usually is not enough money available to do all of the proposed projects, so the CIP also serves to inform citizens of the infrastructure needs that are not currently being funded. The first year’s projects in a CIP become that year’s Capital Budget. In some cities, the Capital Budget is approved and published separately from the Operating Budget. In other cities, including Boulder City, the Capital Budget is developed separately from the Operating Budget but incorporated into the Operating Budget, showing all of the capital and operating expenses combined.

Category/Project	Total Project Cost over life of Project	Prior Funding	FY21
STREETS			
Sidewalk Hazard Eval and Repair	200,000	50,000	50,000
Crack and Slurry Program	2,700,000	500,000	500,000
Street Reconstruction	8,900,000	1,400,000	1,900,000
Street Light Conversion to LED	600,000	100,000	100,000
Pedestrian Safety Upgrades	900,000	0	100,000
Railroad Museum Road	5,000,000	0	500,000
Traffic Signal and Intersection Improvements	500,000	0	250,000
ADA improvements for Streets and Sidewalks	900,000	0	100,000
Bikepath Rehabilitation Program	400,000	0	250,000
Phase 2 - BC Parkway Complete Street	10,800,000	0	800,000
Streetscape Rehabilitation	250,000	0	50,000
Ph 1 - BC Pkwy Complete Street - Trailhead/Street Furniture	300,000	0	300,000
TOTALS	31,450,000	2,050,000	4,900,000
PUBLIC WORKS			
HVAC and Other Equipment Replacements	484,000	140,000	170,000
City Shops Main Building Renovation	200,000	100,000	100,000
City Facility Parking Lot Renovations	800,000	0	200,000
City Shops - Sign Shop Renovation	60,000	0	60,000
City Shops - Welding Shop Renovation	60,000	0	60,000
Remodel Cottage 3 at ABC Park	632,000	0	632,000
TOTALS	2,236,000	240,000	1,222,000



CAPITAL IMPROVEMENTS

Category/Project	Total Project Cost over life of Project	Prior Funding	FY21
PARKS & RECREATION			
Veterans Park - Dog Park Grass and Fencing (multiple funding sources)	100,000	0	100,000
ABC Park Gym Lighting Conversion to LED	25,000	0	25,000
Rec Center Flat Roof Replacement	60,000	0	60,000
Aquatic Center Filtration System Replacement	60,000	0	60,000
Pool Surge Trench Repair - funding brought forward	50,000	0	50,000
Add lighting to Skateboard Track at Veterans Park	45,000	0	45,000
TOTALS	340,000	0	340,000

BOULDER CREEK GOLF COURSE			
Sand Bin (multiple funding sources)	100,000	0	100,000
PRV Replacement (multiple funding sources)	50,000	0	25,000
Equipment Lease-to-own	420,000	280,000	140,000
Pavilion Foundation Leak & Carpet Replacement	60,000	0	60,000
TOTALS	630,000	280,000	325,000

MUNICIPAL GOLF COURSE			
Cottonwood Tree Removal (multiple funding sources)	350,000	70,000	70,000
Irrigation System Design/Replacement (multiple funding sources)	2,500,000	1,000,000	1,500,000
TOTALS	2,850,000	1,070,000	1,570,000

FIRE			
Cardiac monitors	150,000	0	150,000
Replace Auto extraction Equipment	50,000	0	50,000
OHV rescue vehicle	80,000	0	80,000
TOTALS	280,000	0	280,000

POLICE			
Emergency Comms Vehicle Comms Equipment	75,000	0	75,000
Suervisor ICS Vehicle Comms Upgrade (multiple funding sources)	60,000	0	60,000
Security Camera and Electronic Door Access Replacements (multiple funding sources)	550,000	150,000	150,000
TOTALS	685,000	150,000	285,000

MUNICIPAL COURT			
Replacement Metal Detector	35,000	0	35,000
TOTALS	35,000	0	35,000

CAPITAL IMPROVEMENTS

Category/Project	Total Project Cost over life of Project	Prior Funding	FY21
ELECTRIC UTILITY			
BC Tap to Buchanan Overhead Line (multiple funding sources)	9,100,000	3,850,000	5,000,000
4kV Overhead Line Insulator, Transformer, Arms replacement (mult fund sources)	2,400,000	1,200,000	1,200,000
San Felipe - Mendota Feeder (multiple funding sources)	2,000,000	0	500,000
Circuit 45-61-62 Tie (multiple funding sources)	1,100,000	0	1,100,000
Circuit 63-64 Tie	400,000	0	100,000
Underground Cable Replacements	750,000	0	750,000
Pole Replacement Program	900,000	0	450,000
TOTALS	16,650,000	5,050,000	9,100,000
WATER UTILITY			
Rebuild Pressure Reducing Valve Stations (multiple funding sources)	200,000	0	100,000
Copper Service Replacement Project (multiple funding sources)	2,900,000	400,000	100,000
PRV on "A" Line to Service National Park Service	250,000	0	250,000
Reservoir Improvements	639,600	0	80,000
8" Butterfly Valve Replacement	880,000	0	80,000
TOTALS	4,869,600	400,000	610,000
SEWER UTILITY			
Evaluate Hemenway System (multiple funding sources)	100,000	0	100,000
Sewage Lift Station Mobile Emergency Backup Pump (multiple funding sources)	120,000	0	120,000
Rehabilitate Sanitary Sewer Manholes	1,230,000	0	120,000
TOTALS	1,450,000	0	340,000
LANDFILL UTILITY			
Perimeter Fencing and Maintenance Road (multiple funding sources)	460,000	160,000	300,000
TOTALS	460,000	160,000	300,000
INFORMATION TECHNOLOGY			
Server Replacements	125,000	0	25,000
TOTALS	125,000	0	25,000
VEHICLE EQUIPMENT REPLACEMENT FUND			
General Fund Vehicles	1,762,672	0	547,672
TOTALS	1,762,672	0	547,672
GRAND TOTAL	63,823,272	9,400,000	19,879,672



CAPITAL IMPROVEMENTS

Project Funding Source by Fiscal Year

Fund Source	2021	2022	2023	2024	2025	Total
General Fund	\$1,878,000	\$1,556,000	\$1,264,000	\$1,670,000	\$465,000	\$6,833,000
Utility Funds						
Utility - Electric	\$7,200,000	\$2,700,000	\$3,750,000	\$5,500,000	\$1,600,000	\$20,750,000
Utility - Water	\$0	\$559,600	\$800,000	\$1,100,000	\$800,000	\$3,259,600
Utility - Sewer	\$0	\$850,000	\$1,024,000	\$1,138,500	\$604,000	\$3,616,500
Utility - Landfill	\$0	\$0	\$0	\$0	\$0	\$0
Utility - Admin	\$0	\$0	\$0	\$0	\$0	\$0
Other City Funds						
Cemetery	\$0	\$0	\$0	\$50,000	\$0	\$50,000
Airport	\$0	\$0	\$0	\$0	\$0	\$0
VERF	\$547,672	\$145,000	\$175,000	\$570,000	\$325,000	\$1,762,672
Residential Construction Tax	\$50,000	\$50,000	\$50,000	\$50,000	\$0	\$200,000
Water Infrastructure Tax	\$0	\$0	\$0	\$0	\$0	\$0
Court Assessment Fund	\$35,000	\$80,000	\$0	\$0	\$0	\$115,000
MoreCOPS Tax	\$0	\$0	\$0	\$0	\$0	\$0
RDA	\$300,000	\$0	\$0	\$0	\$0	\$300,000
RDA - Utility	\$0	\$0	\$0	\$0	\$0	\$0
Special Projects Fund	\$150,000	\$0	\$0	\$0	\$0	\$150,000
Emergency Repair/Maintenance Fund	\$0	\$0	\$0	\$0	\$0	\$0
Community Development Block Grant	\$632,000	\$0	\$0	\$0	\$0	\$632,000
Golf Funds						
Muni Golf Surcharge	\$70,000	\$70,000	\$0	\$25,000	\$30,000	\$195,000
BCGC Golf Surcharge	\$55,000	\$0	\$90,000	\$0	\$0	\$145,000
Capital Improvement Funds						
CIP #1 - Up to \$1M/year for city facilities	\$1,000,000	\$100,000	\$600,000	\$300,000	\$0	\$2,000,000
CIP #2 - Up to \$500k annually	\$500,000	\$500,000	\$0	\$0	\$0	\$1,000,000
CIP #3 - Proceeds from Tract 349	\$2,650,000	\$1,250,000	\$2,307,000	\$0	\$0	\$6,207,000
CIP #4 - Proceeds from Tract 350	\$262,000	\$0	\$0	\$0	\$0	\$262,000
Outside Sources						
Federal Aviation Administration	\$0	\$0	\$0	\$0	\$0	\$0
Regional Transportation Commission	\$4,550,000	\$19,150,000	\$2,750,000	\$2,300,000	\$300,000	\$29,050,000
Regional Flood Control District	\$0	\$0	\$0	\$0	\$0	\$0
Congestion Mitigation/Air Quality Funds	\$0	\$0	\$0	\$0	\$0	\$0
(outlying years for multi-year projects)						\$800,000
Grand Totals	\$19,879,672	\$27,010,600	\$12,810,000	\$12,703,500	\$4,124,000	\$76,527,772

Voter Approved CIP Expenditures

Voter approved #1 - Up to \$1M/year for city facilities and infrastructure (2015)

Voter approved #2 - Up to \$500k annually for 7 years for City utility infrastructure needs (2014 election)

Voter Approved #3 - Proceeds from Tract 349 to be used for City Utility Infrastructure Improvements (2014 election)

Voter approved #4 - Proceeds from Tract 350 (Boulder Creek) to be split 10% for Public Safety needs, remaining to pay off other capital debt obligations (2010 election)

Debt

General Policy Statement: The purpose of the Boulder City, Nevada (the “City”) debt management policy is to manage the issuance of the City’s debt obligations and maintain the City’s ability to incur debt and other long-term obligations at favorable interest rates for capital improvements, facilities, and equipment that are beneficial to the City and necessary for essential services.

Ability to Afford Existing, Future and Proposed General Obligation Debt: The City has issued \$23,495,000 of future bonds payable from and secured by Net Pledged Revenues from the Water Utility for the purpose of constructing a raw water line.

The bonds are limited obligations of the City, payable from and secured by a pledge and assignment of Net Water Utility Revenues of the City derived from the operation of the water utility. The credit nor the taxing power of the City is pledged for the payment of the principal of or interest on the bonds. The bonds are not general obligations of the City.

Other than the above, the City does not anticipate issuing any other debt in the next 5 fiscal years.

Bond Details:

Origination Date: December 9, 2019

Payoff Date: June 1, 2032

True Interest Cost: 2.0665114%

Average Annual Payment: \$2,249,150 (varies year to year)

Fiscal Year 2021 Payments: \$2,229,997 (Principal - \$1,746,000, Interest - \$483,997)

	Original Amount	Outstanding Balance 7/1/20
Water Enterprise Fund	23,495,000	23,495,000

DEBT CAPACITY ANALYSIS

Introduction and Purpose

Analysis of the City’s debt position is important, as there may be future needs for capital financing. The Debt Capacity Analysis is premised on the idea that resources, as well as need, should drive the City’s debt issuance program. Proposed long-term financing is linked with the economic, demographic and financial resources expected to be available to pay for that debt. The primary emphasis of the analysis is the impact of the City’s projected capital financing requirements on the credit quality of its debt obligations. The City strives to ensure that, as it issues further debt, its credit quality and market access will not be impaired.

Statutory Debt Capacity

State statutes limit the aggregate principal amount of the City’s general obligation indebtedness to 30 percent of the City’s reported assessed valuation. Based upon the fiscal year 2020 assessed value of \$832,590,407 (including the assessed valuation of the redevelopment district), the City’s statutory debt limitation is \$249,777,122. The City has no general obligation debt outstanding as of June 30, 2020.



Debt Issuance Policy

Administration of Policy

The City Manager is the Chief Administrative Officer for Boulder City. The Director of Finance is the Chief Financial Officer for the City. The City Manager is ultimately responsible for administration of City financial policies. The City Council is responsible for the approval of any form of City borrowing and the details associated therewith. Unless otherwise designated, the Director of Finance coordinates the administration and issuance of debt.

The Director of Finance is also responsible for the attestation of disclosure and other bond related documents. References to the “City Manager or his designee” in the document are hereinafter assumed to assign the Director of Finance as the “designee” for administration of this policy. The City Manager may, from issue to issue, designate officials from issuing entities to discharge the provisions of this policy.

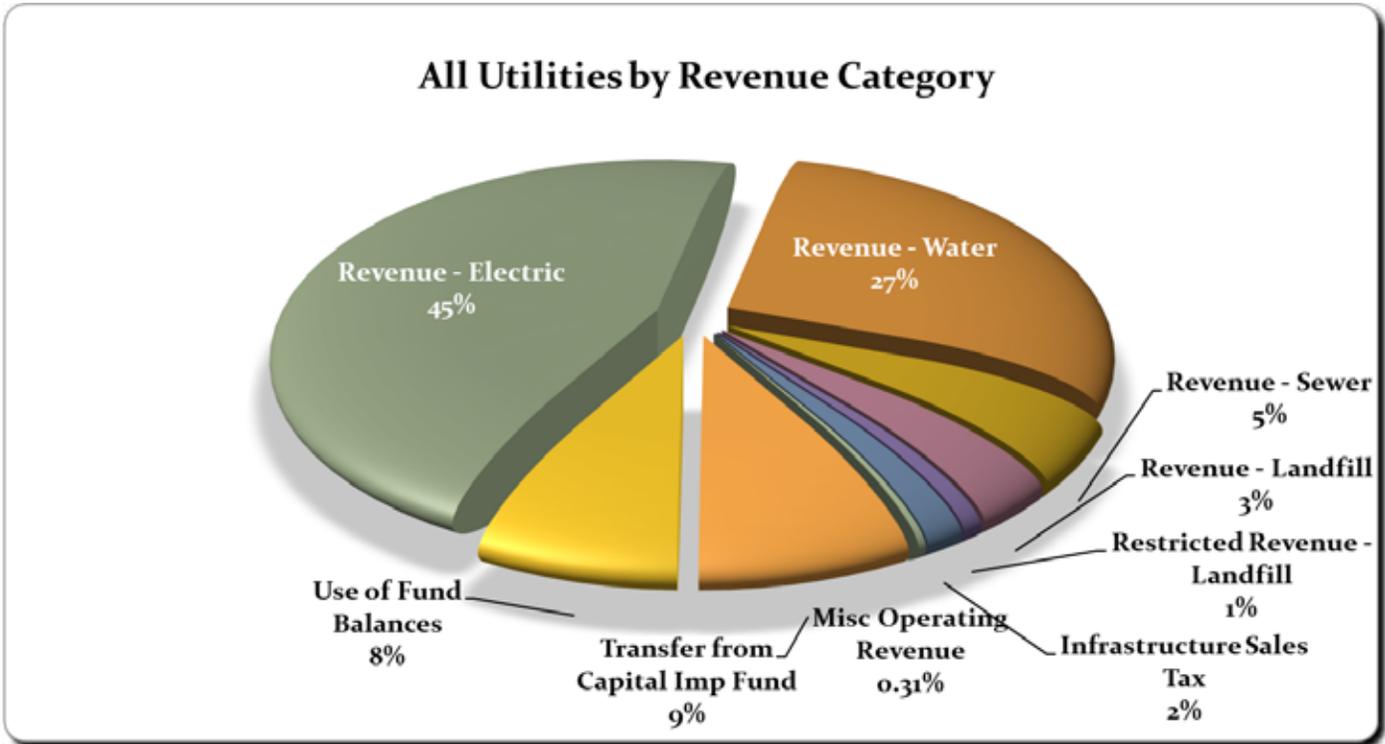
Summary of Debt Issuance Policies

- Bonding should be used to finance or refinance only those capital improvements and long-term assets, or other costs directly associated with financing of a project, which have been determined to be beneficial to a significant proportion of the citizens in the City, and for which repayment sources have been identified.
- The scheduled maturity of bond issues should not exceed the expected useful life of the capital project or asset(s) financed.
- Certificates of participation/other leases should be used only when appropriate (i.e., when no other adequate means of financing is available under State law).
- The Director of Finance shall consider refunding outstanding bonds if one or more of the following conditions exist: (1) present value savings are at least 3%, with certain exceptions, of the par amount of the refunding bonds; (2) the bonds to be refunded have restrictive or outdated covenants; or (3) restructuring debt is deemed to be desirable.
- The Director of Finance shall consider purchasing bond insurance when the present value of the estimated debt service savings from insurance is equal to or greater than the insurance premium.
- Nevada law generally requires competitive sales of bonds. When a negotiated sale is permitted by law, it will be considered by the Director of Finance only under the conditions set forth herein.
- The Director of Finance shall establish a list of pre-qualified underwriters when a negotiated sale is anticipated.
- For negotiated sales, qualified minority and/or woman owned firms will be included in the underwriting team, and equal opportunity will be provided to all members of the team, including minority and/or woman-owned firms to hold the position of book-running senior manager. The book-running senior manager and other members of the underwriting syndicate will be recommended by the Director of Finance and approved by the Council.

Proprietary Funds Budget Information



All Utility Funds Budgeted Revenues by Category



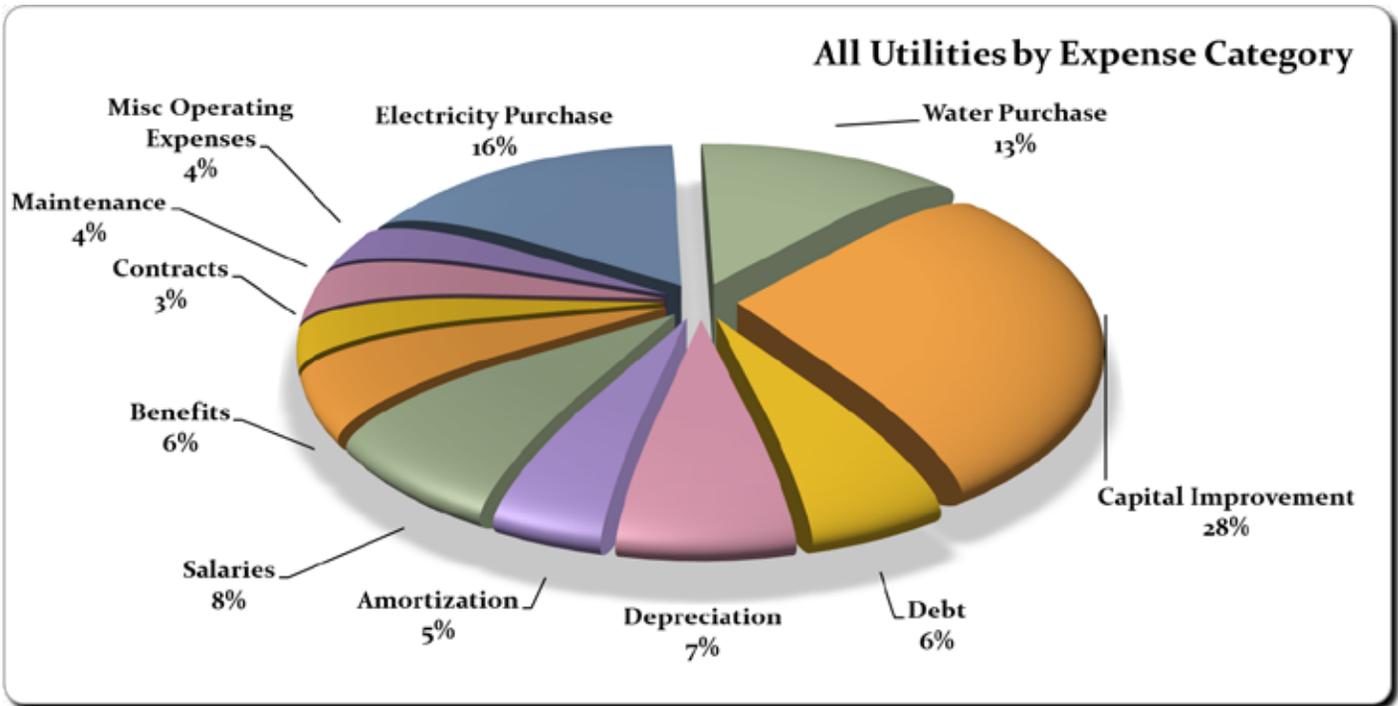
REVENUES

Charge for Services - Electric	\$16,580,000
Charge for Services - Water	\$ 9,955,620
Charge for Services - Sewer	\$ 1,856,000
Charge for Services - Landfill	\$ 1,272,401
Restricted Revenue - Landfill	\$ 321,250
Infrastructure Sales Tax	\$ 600,000
Misc Operating Expenses	\$ 115,446
Transfer - Capital Imp Fund	\$ 3,150,000
Use of Fund Balance	\$ 2,993,277

TOTAL \$36,843,994



All Utility Funds Budgeted Expenditures by Category



Debt Ratio Requirement

The Bond Covenant requires the City to maintain a debt ratio of at least 1.25. This budget establishes a debt ratio of 4.258. If the City fails to meet or exceed the minimum debt ratio required by the Bond Holder, they have the right to require immediate repayment in full.

This Budget **EXCEEDS** the minimum debt ratio requirement and is in compliance with the Bond Covenants.

EXPENSES

Salaries	\$ 3,118,078
Benefits	\$ 2,100,698
Contracts	\$ 1,323,630
Maintenance	\$ 1,586,009
Misc Operating Expenses	\$ 1,324,144
Electricity Purchase	\$ 6,000,000
Water Purchase	\$ 4,728,800
Capital Improvements	\$10,550,000
Debt	\$ 2,229,997
Depreciation	\$ 2,816,500
Amortization	\$ 1,800,000

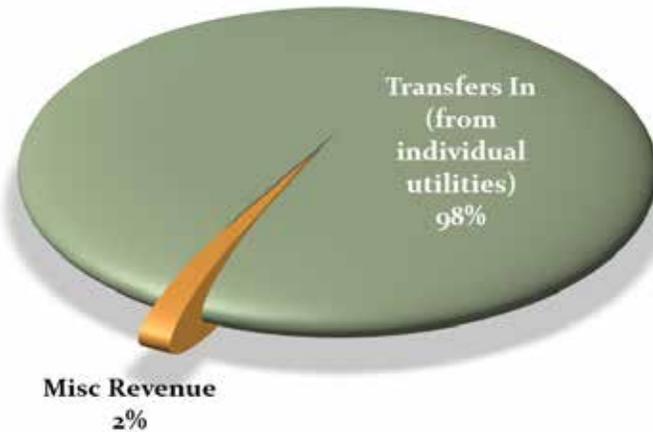
TOTAL	\$37,577,856
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Utility Administration Division

The Utility Administration Division is comprised of the Utility Department Director and support staff, and includes the costs associated with Billing and Collection of customers. Additionally, the Utility Administration Division provides technical support for the four utility enterprise funds: Electric, Water, Waste Water, and Landfill.

Where the Utility Administration Money Comes From



Where the Utility Administration Money Goes



Utility Administration Division

	Revenues	Expenses
REVENUES		
Miscellaneous	50,446	
Transfer in from Utility Funds	2,973,526	
TOTAL REVENUES	3,023,972	
EXPENSES		
Central Services		1,291,792
Administration		915,944
Billing & Collections		815,736
TOTAL EXPENSES		3,023,472
NET INCREASE TO FUND BALANCE	500	
NON-CASH FUND ADJUSTMENTS (required by NRS/GASB/GAAP)		
Depreciation		500
Allocation of Net Increase to Fund Balance	500	
Use of Unrestricted Fund Balance**	0	
BUDGETED NET CHANGE TO FUND BALANCE*	0	

City Code requires that the City maintain an Emergency Capital Reserve fund for all Utility funds. The purpose of the Emergency Capital Reserve fund is to cover infrastructure failures (i.e., water main break, substation transformer failure, etc.) or other natural disasters that impact the City.

City Code also establishes a Rate Stabilization account to guard against unplanned or unusually high wholesale rate increases.

The Utility Admin Fund is the holding entity for the four utilities. Below is the required and current balance of the Emergency Capital Reserve account and Rate Stabilization account for the four Utilities:

	Required	Current
Rate Stabilization	\$3.0M	\$3.0M
Emergency Capital	\$5.0M	\$5.0M

* "Budgeted Net Change" must equal zero or be positive under law

** "Unrestricted Fund Balance" is assets minus liabilities, is not reserved or restricted for specific purposes, and is available

Explanation of Transfers to the General Fund - What Happened?

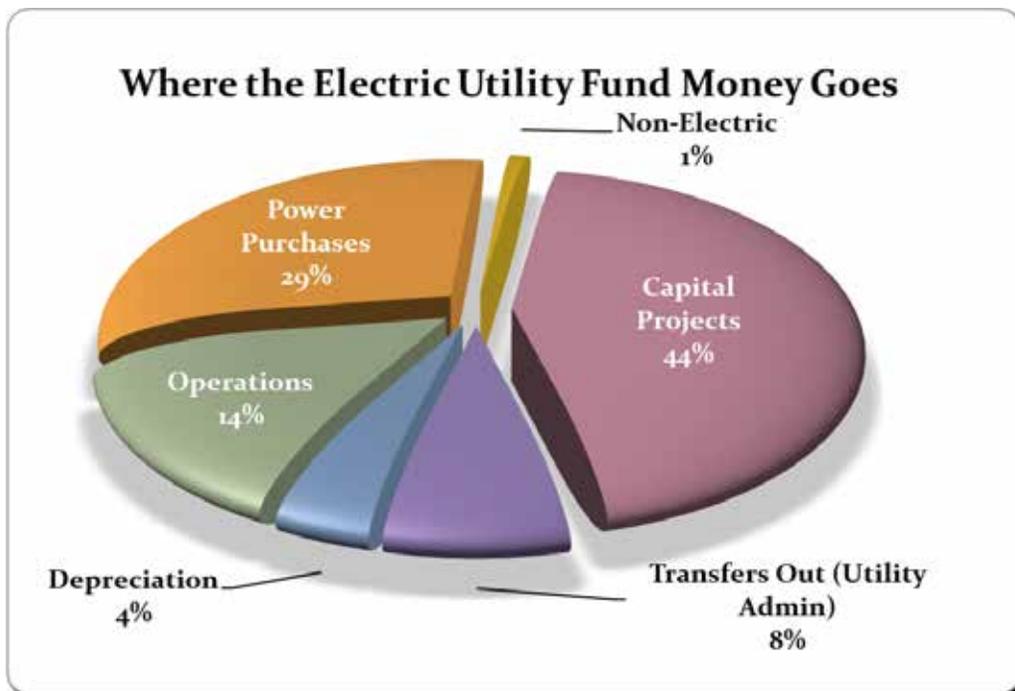
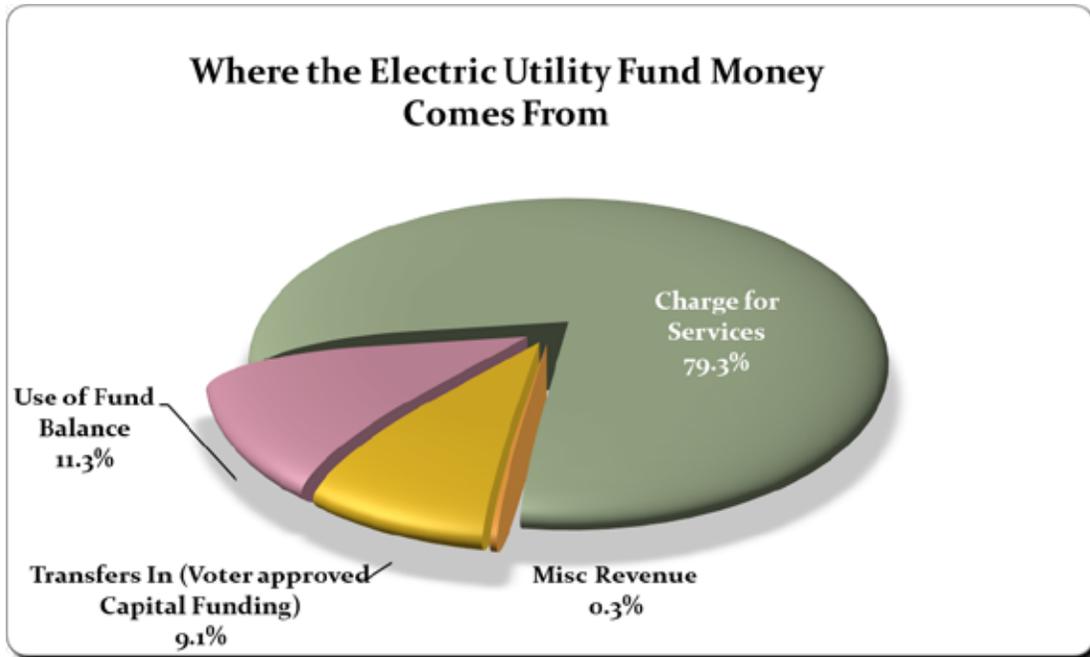
In prior Budget Years, the City budgeted approximately \$1.025M as a transfer from the Utility Funds to the City's General Fund. The purpose of the transfer was to reimburse the City's General Fund for costs associated with the operation of the four utilities by non-utility City employees.

The City now budgets funds as a direct reimbursement for actual costs as they occur for each enterprise fund (this includes the airport and four utilities). This change was made to comply with the requirements of the Government Accounting Standards Board (GASB) and to address concerns raised in prior audits.



Electric Utility

The Electric Utility provides electrical energy services to its customers within the State of Nevada certificated area (the original townsite as established in 1931). As an enterprise fund, it is required to be self-sustaining, generating its operating revenues from the rate payers. The Utility is responsible for the purchase of electricity from multiple sources, with the largest supplier being Hoover Dam. The Utility is also responsible for the maintenance and upgrade to the distribution system throughout the service territory.



Electric Utility

	Revenues	Expenses
REVENUES		
Miscellaneous	65,000	
Charge for Services	16,580,000	
TOTAL REVENUES	16,645,000	
EXPENSES		
Operations		3,029,711
Purchase of Electricity		6,000,000
Non-Electric		189,501
Transfer to Utility Admin Fund		1,694,910
TOTAL EXPENSES		10,914,122
CAPITAL PROJECTS		
Capital Expenses		9,100,000
Transfers in (Voter approved)	1,900,000	
NET DECREASE TO FUND BALANCE	(1,469,122)	
NON-CASH FUND ADJUSTMENTS (required by NRS/GASB/GAAP)		
Depreciation		900,000
Allocation of Net Increase to Fund Balance	(1,469,122)	
Use of Unrestricted Fund Balance**	2,369,122	
BUDGETED NET CHANGE TO FUND BALANCE*	0	

Required Balances

In the Financial Administration portion of the Code (Title 1, Chapter 9, BC Muni Code) as well as in the adopted Financial Plan for the City, all City funds are required to maintain a fund balance of at least 20% of the current fiscal year Operations/Maintenance budget (does not include capital improvement costs or depreciation).

That same City Code also requires the City maintain an Emergency Capital Reserve account for those same funds. The purpose of the Emergency Capital Reserve account is to cover infrastructure failures (i.e., water main break, substation transformer failure, etc.) or other natural disasters that impact the City. Below are the reserve accounts, target balance, and current balance from the adopted code and financial plan for this Fiscal Year:

	Target	Current
20% Reserves	\$2.28M	\$2.28M
Emergency Capital	See Utility Admin Fund	

* "Budgeted Net Change" must equal zero or be positive under law

** "Unrestricted Fund Balance" is assets minus liabilities, is not reserved or restricted for specific purposes, and is available

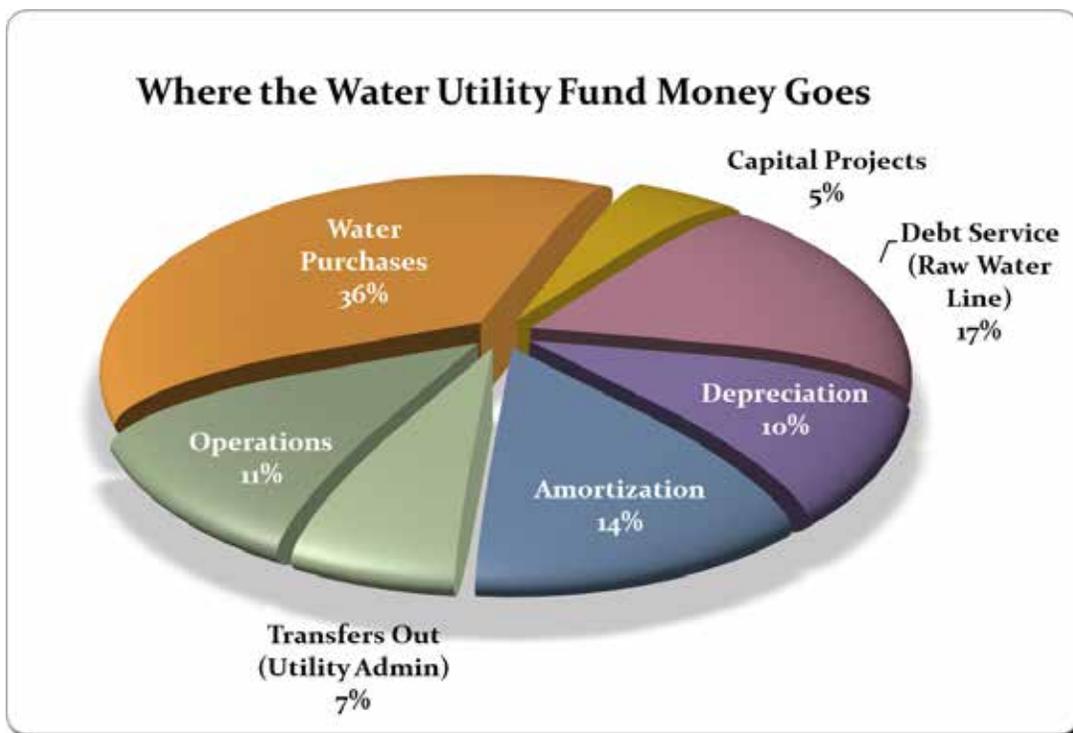
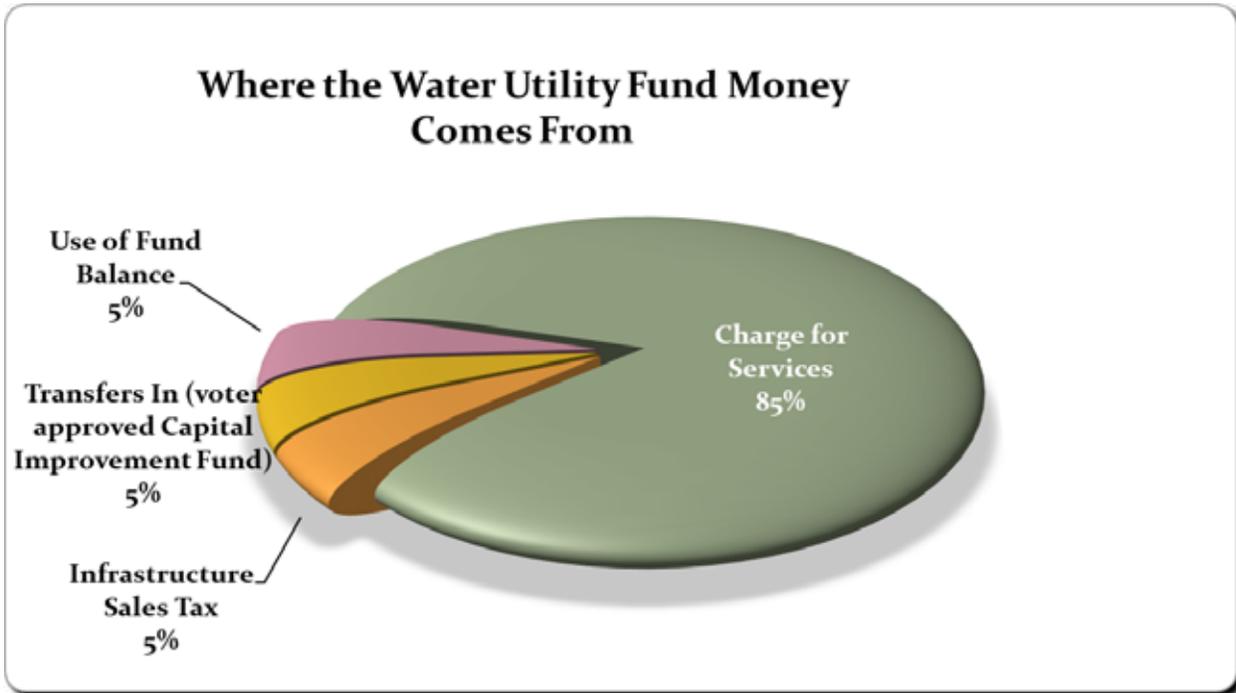
Electric Utility Capital Projects for Fiscal Year 2021

Project	Total Project Cost	Prior Years Funding	FY21 Project Funding
BC Tap to Buchanan Overhead Line	9,100,000	3,850,000	5,000,000
4kV Overhead Line Insulator, Transformer, Arms replacement	2,400,000	1,200,000	1,200,000
San Felipe - Mendota Feeder	2,000,000		500,000
Circuit 45-61-62 Tie	1,100,000		1,100,000
Circuit 63-64 Tie	400,000		100,000
Underground Cable Replacements	750,000		750,000
Pole Replacement Program	900,000		450,000
Category Total	16,650,000	5,050,000	9,100,000
By Funding Source			
Electric Fund		4,800,000	7,200,000
Capital Improvement Fund - Voter Approved		250,000	1,900,000



Water Utility

The Water Utility provides potable and raw water services to its customers within the City Limits of Boulder City, with additional service provided to the National Park Service and several small uses within the Eldorado Valley outside the city limits. As an enterprise fund, it is required to be self-sustaining, generating its operating revenues from the rate payers. The Utility is responsible for the purchase of water from the Southern Nevada Water Authority. The Utility is also responsible for the maintenance and upgrade to the distribution system throughout the service territory.



Water Utility

	Revenues	Expenses
REVENUES		
Infrastructure Sales Tax	600,000	
Charge for Services	9,955,620	
TOTAL REVENUES	10,555,620	
EXPENSES		
Operations		1,466,842
Purchase of Water		4,728,800
Debt Service		2,229,997
Transfer to Utility Admin Fund		892,058
TOTAL EXPENSES		9,317,697
CAPITAL PROJECTS		
Capital Expenses		610,000
Transfers in (Voter approved)	610,000	
NET INCREASE TO FUND BALANCE	1,237,923	
NON-CASH FUND ADJUSTMENTS (required by NRS/GASB/GAAP)		
Amortization		1,800,000
Depreciation		1,300,000
Allocation of Net Increase to Fund Balance	1,237,923	
Use of Unrestricted Fund Balance**	624,154	
BUDGETED NET CHANGE TO FUND BALANCE*	0	

Required Balances

In the Financial Administration portion of the Code (Title 1, Chapter 9, BC Muni Code) as well as in the adopted Financial Plan for the City, all City funds are required to maintain a fund balance of at least 20% of the current fiscal year Operations/Maintenance budget (does not include capital improvement costs or depreciation).

That same City Code also requires the City maintain an Emergency Capital Reserve account for those same funds. The purpose of the Emergency Capital Reserve account is to cover infrastructure failures (i.e., water main break, substation transformer failure, etc.) or other natural disasters that impact the City. Below are the reserve accounts, target balance, and current balance from the adopted code and financial plan for this Fiscal Year:

	Target	Current
20% Reserves	\$2.68M	\$2.68M
Emergency Capital	See Utility Admin Fund	

* "Budgeted Net Change" must equal zero or be positive under law

** "Unrestricted Fund Balance" is assets minus liabilities, and is not reserved or restricted for specific purposes, and is available

Water Utility Capital Projects for Fiscal Year 2021

Project	Total Project Cost	Prior Years Funding	FY21 Project Funding
Rebuild Pressure Reducing Valve Stations	200,000		100,000
Copper Service Replacement Project	800,000	400,000	100,000
PRV on "A" Line to service National Park Service	250,000		250,000
Reservoir Improvements	639,600		80,000
8" butterfly Valve Replacements	880,000		80,000
Category Total	5,500,000	400,000	610,000
By Funding Source			
Water Fund			0
Capital Improvement Fund - Voter Approved		400,000	610,000

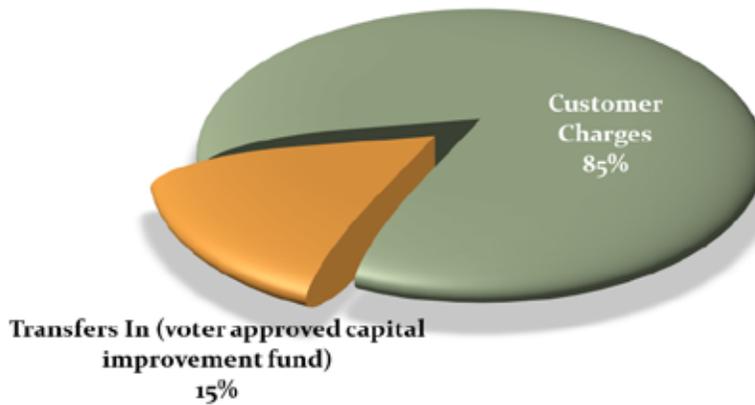


Wastewater Utility

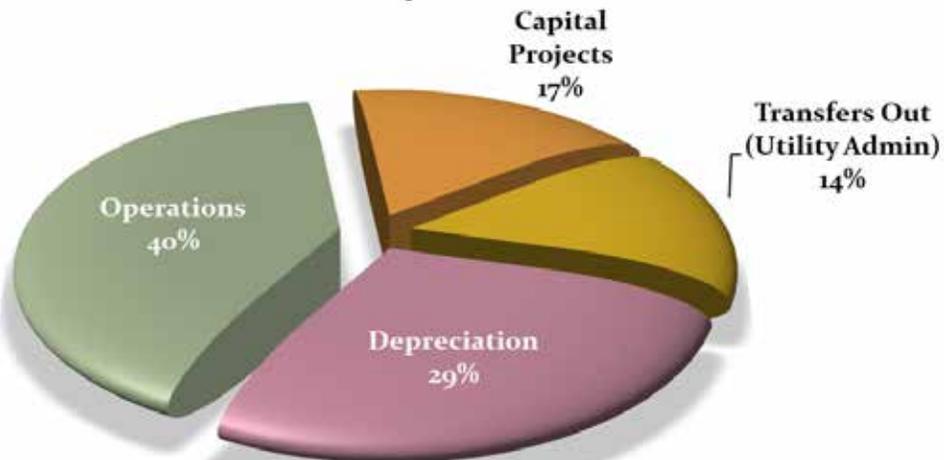
The Wastewater (Sewer) Utility provides wastewater collection and treatment services for its customers within the city limits of Boulder City. The Utility operates a wastewater treatment facility to treat the waste water so it meets the Clean Water Act requirements for discharge. When possible, the Utility sells the treated wastewater for use as an option for dust control for construction sites within the Eldorado Valley. As an enterprise fund, it is required to be self-sustaining, generating its operating revenues from the rate payers. The Utility is responsible for the maintenance and upgrade to the collection and treatment system throughout the service territory.



Where the Waste Water Utility Fund Money Comes From



Where the Waste Water Utility Fund Money Goes



Wastewater Utility

	Revenues	Expenses
REVENUES		
Charge for Services	1,856,000	
TOTAL REVENUES	1,856,000	
EXPENSES		
Operations		818,033
Transfer to Utility Admin Fund		297,352
TOTAL EXPENSES		1,115,386
CAPITAL PROJECTS		
Capital Expenses		340,000
Transfers in (Voter approved)	340,000	
NET INCREASE TO FUND BALANCE	740,614	
NON-CASH FUND ADJUSTMENTS (required by NRS/GASB/GAAP)		
Depreciation		600,000
Allocation of Net Increase to Fund Balance	740,614	
Use of Unrestricted Fund Balance**	0	
BUDGETED NET CHANGE TO FUND BALANCE*	140,614	

Required Balances

In the Financial Administration portion of the Code (Title 1, Chapter 9, BC Muni Code) as well as in the adopted Financial Plan for the City, all City funds are required to maintain a fund balance of at least 20% of the current fiscal year Operations/Maintenance budget (does not include capital improvement costs or depreciation).

That same City Code also requires the City maintain an Emergency Capital Reserve account for those same funds. The purpose of the Emergency Capital Reserve account is to cover infrastructure failures (i.e., water main break, substation transformer failure, etc.) or other natural disasters that impact the City. Below are the reserve accounts, target balance, and current balance from the adopted code and financial plan for this Fiscal Year:

	Target	Current
20% Reserves	\$233K	\$233K
Emergency Capital	See Utility Admin Fund	

* "Budgeted Net Change" must equal zero or be positive under law

** "Unrestricted Fund Balance" is assets minus liabilities, is not reserved or restricted for specific purposes, and is available

Waste Water Utility Capital Projects for Fiscal Year 2021

Project	Total Project Cost	Prior Years Funding	FY21 Project Funding
Sanitary Sewer Manholes Rehabilitation	1,230,000		120,000
Evaluate Hemenway Valley Sewer System	100,000		100,000
Sewage Lift Station Mobile Emergency Backup Pump	120,000		120,000
Category Total	1,450,000		340,000
By Funding Source			
Sewer Fund			0
Capital Improvement Fund - Voter Approved			340,000

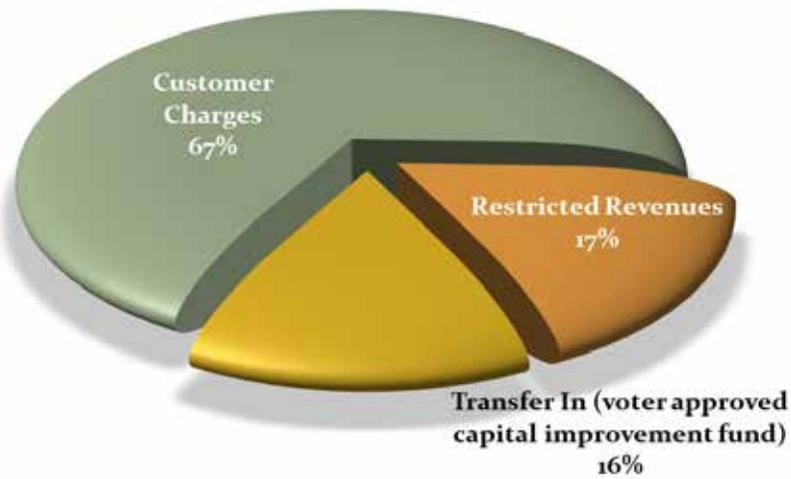


Landfill Utility

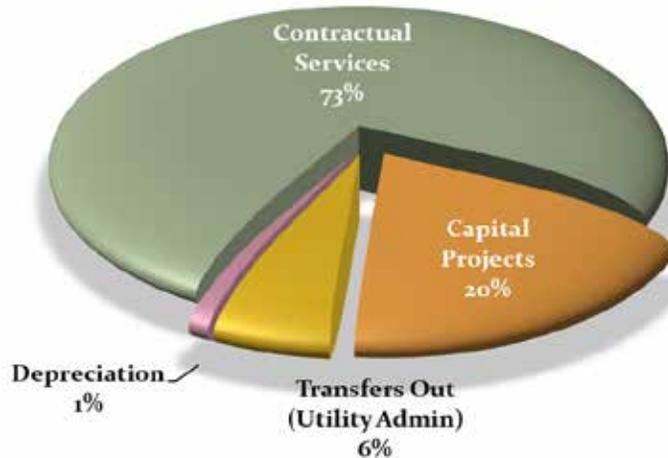
The Landfill Utility provides traditional waste collection services from its customers and the disposal of collected materials in a licensed landfill. The Utility also collects recyclable materials through a single-stream collection method and sells the collected materials on the open market. As an enterprise fund, it is required to be self-sustaining, generating its operating revenues from the rate payers. The Utility is responsible for the collection of waste materials, and the maintenance and upgrades to the landfill facility.



Where the Landfill Utility Fund Money Comes From



Where the Landfill Utility Fund Money Goes



Landfill Utility

	Revenues	Expenses
REVENUES		
Charge for Services	1,272,401	
Restricted Revenues	321,250	
TOTAL REVENUES	1,593,651	
EXPENSES		
Sanitation Contract		1,125,000
Transfer to Utility Admin Fund		89,206
TOTAL EXPENSES		1,214,206
CAPITAL PROJECTS		
Capital Expenses		300,000
Transfers in (Voter approved)	300,000	
NET INCREASE TO FUND BALANCE	379,445	
NON-CASH FUND ADJUSTMENTS (required by NRS/GASB/GAAP)		
Depreciation		16,000
Allocation of Net Increase to Fund Balance	379,445	
Use of Unrestricted Fund Balance**	0	
BUDGETED NET CHANGE TO FUND BALANCE*	379,445	

Required Balances

In the Financial Administration portion of the Code (Title 1, Chapter 9, BC Muni Code) as well as in the adopted Financial Plan for the City, all City funds are required to maintain a fund balance of at least 20% of the current fiscal year Operations/Maintenance budget (does not include capital improvement costs or depreciation).

That same City Code also requires the City maintain an Emergency Capital Reserve account for those same funds. The purpose of the Emergency Capital Reserve account is to cover infrastructure failures (i.e., water main break, substation transformer failure, etc.) or other natural disasters that impact the City. Below are the reserve accounts, target balance, and current balance from the adopted code and financial plan for this Fiscal Year:

	Target	Current
20% Reserves	\$248K	\$248K
Emergency Capital	See Utility Admin Fund	

* "Budgeted Net Change" must equal zero or be positive under law

** "Unrestricted Fund Balance" is assets minus liabilities, is not reserved or restricted for specific purposes, and is available

Landfill Utility Capital Projects for Fiscal Year 2021

Project	Total Project Cost	Prior Years Funding	FY21 Project Funding
Perimeter Fencing and Maintenance Road	460,000	160,000	300,000
Category Total	460,000	160,000	300,000
By Funding Source			
Landfill Fund		160,000	
Capital Improvement Fund - Voter Approved			300,000
RDA - Utility Capital Reserve Fund			



FY21 Utility Funds Budget Summary

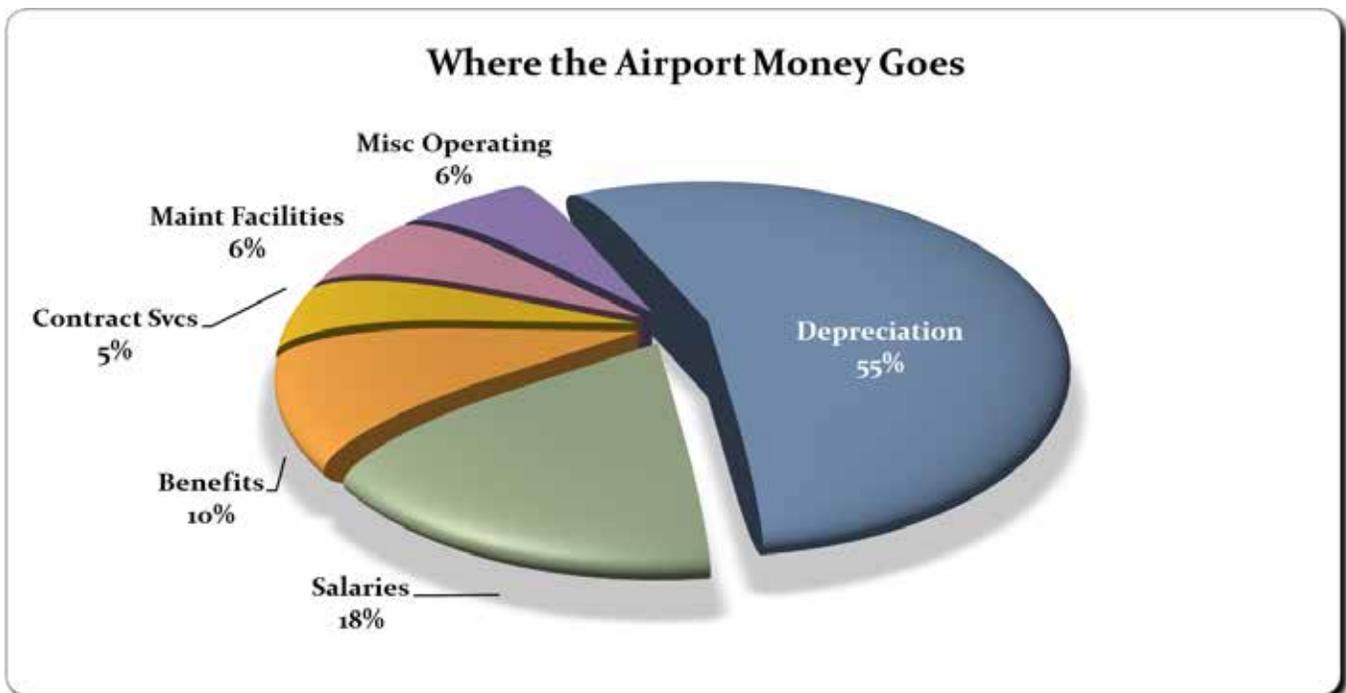
Utility Funds	Actual FY19	Estimated FY20	Budgeted FY21
Admin Revenues			
Miscellaneous	274,752	75,892	50,446
Transfers In from Utility Funds	3,212,248	3,636,396	2,973,526
Total Admin Fund Revenues	3,487,000	3,712,288	3,023,972
Admin Expenditures			
Central Services	300,518	1,528,000	1,291,792
Admin Expenses	676,248	871,760	915,944
Billing & Collections	706,980	767,789	815,736
Capital Projects	569,526	457,018	-
Depreciation	294	-	500
Total Admin Fund Expenses	2,253,566	3,624,567	3,023,972
Electric Revenues			
Charge for Services	16,511,201	17,000,000	16,580,000
Miscellaneous	79,164	145,000	65,000
Transfers In Voter Approved Capital Funding	500,000	2,490,000	1,900,000
Total Electric Fund Revenues	17,090,365	19,635,000	18,545,000
Electric Expenditures			
Electric Charges	7,963,176	9,441,342	9,029,711
Non-electrical Charges	370,278	309,769	189,501
Capital	4,806,728	13,302,919	9,100,000
Depreciation	850,865	900,000	900,000
Transfers Out to Admin Fund	1,969,528	1,987,246	1,694,910
Total Electric Fund Expenditures	15,960,575	25,941,276	20,914,122
Water Revenues			
Infrastrurcture Sales Tax	1,072,968	853,944	600,000
Charge for Services	11,546,916	9,755,620	9,955,620
Miscellaneous	49,515	141,409	-
Transfers In Voter Approved Capital Funding	-	4,600,000	610,000
Total Water Fund Revenues	12,669,399	15,350,973	11,165,620

FY21 Utility Funds Budget Summary - continued

	Actual FY19	Estimated FY20	Budgeted FY21
Water Expenditures			
Water Charges	5,739,294	6,493,259	6,195,642
Capital	-	2,309,445	610,000
Depreciation/Amortization	2,826,108	2,600,000	3,100,000
Debt Service	2,326,506	2,324,506	2,229,997
Transfers Out to Admin Fund	1,042,719	1,120,104	892,058
Total Water Fund Expenditures	11,934,627	14,847,314	13,027,697
Wastewater Revenues			
Charge for Services	2,290,144	1,822,000	1,856,000
Miscellaneous	-	37,295	-
Transfers In Voter Approved Capital Funding	-	1,074,185	340,000
Total Wastewater Fund Revenues	2,290,144	2,933,480	2,196,000
Wastewater Expenditures			
Wastewater Charges	623,464	1,102,274	818,033
Capital	10,185	1,263,014	340,000
Depreciation	596,077	600,000	600,000
Transfers Out to Admin Fund	100,000	348,639	297,352
Total Wastewater Fund Expenditures	1,329,726	3,313,927	2,055,385
Landfill Revenues			
Charge for Services	1,058,066	1,050,000	1,272,401
Restricted Revenue	189,887	190,000	321,250
Transfers In Voter Approved Capital Funding	-	-	300,000
Total Landfill Fund Revenues	1,247,953	1,240,000	1,893,651
Landfill Expenditures			
Sanitation	1,148,716	1,260,000	1,125,000
Capital	-	253,237	300,000
Depreciation	15,634	16,000	16,000
Transfers Out to Admin Fund	100,000	104,592	89,206
Total Landfill Fund Expenditures	1,264,350	1,633,829	1,530,206

Boulder City Municipal Airport

The Municipal Airport operates as a stand-alone operation, utilizing all revenues derived from rents and other revenue sources for its operations. The Airport, established at its current location in 1989, has the unique distinction of being the first publicly-owned commercial air service airport in the State of Nevada (1931). The airport is home to 140 general aviation hangars, and home to five tour operators who fly tourists to the Grand Canyon and other locales for sight seeing tours. The airport regularly ranks in the top 150 airports nationally (out of 2,000) in terms of passenger enplanements.



Boulder City Municipal Airport

The airport provides two runways, with the longest being 4,800 feet running generally east/west. The airport also provides self-service fueling for AvGas, and truck delivery for Jet A fuel. There is one primary Fixed Base Operator (FBO), with several ancillary services provided by other for airframe, mechanical or avionics services.

	Revenues	Expenses
REVENUES		
Licenses/Permits	5,000	
Intergovernmental	2,800	
Rents & Royalties	165,650	
Miscellaneous Revenues	6,000	
TOTAL REVENUES	179,450	
EXPENSES		
Salaries		330,445
Benefits		178,946
Contracts		97,500
Maintenance		117,700
Misc Operating Expenses		112,385
TOTAL EXPENSES		836,976
CARES Act Grant	761,950	
CAPITAL PROJECTS		
Capital Expenses		0
Transfers in (Voter approved)	0	
NET INCREASE TO FUND BALANCE	104,424	
NON-CASH FUND ADJUSTMENTS (required by NRS/GASB/GAAP)		
Depreciation		1,000,000
Allocation of Net Increase to Fund Balance	104,424	
Use of Unrestricted Fund Balance**	895,576	
BUDGETED NET CHANGE TO FUND BALANCE*	0	

* "Budgeted Net Change" must equal zero or be positive under law
 ** "Unrestricted Fund Balance" is assets minus liabilities, is not reserved or restricted for specific purposes, and is available for use

Required Balances

In the Financial Administration portion of the Code (Title 1, Chapter 9, BC Muni Code) as well as in the adopted Financial Plan for the City, all City funds are required to maintain a fund balance of at least 20% of the current fiscal year Operations/Maintenance budget (does not include capital improvement costs or depreciation).

That same City Code also requires the City maintain an Emergency Capital Reserve account for those same funds. The purpose of the Emergency Capital Reserve account is to cover infrastructure failures (i.e., water main break, substation transformer failure, etc.) or other natural disasters that impact the City. Below are the reserve accounts, target balance, and current balance from the adopted code and financial plan for this Fiscal Year:

	Target	Current
20% Reserves	\$169K	\$169K
Emergency Capital	\$250K	\$250K

CARES ACT FUNDING

Due to the COVID-19 Pandemic, Congress passed the CARES Act to provide economic assistance to the Nation. A portion of the funding was dedicated to airports. The Boulder City Airport has been allocated \$2.7M to cover operational costs occurring from February 2020 til the allotment to the is used up. This funding source will be used to make up any revenue shortfalls due to late rent payments and other interrupted revenue sources.



Appendix



Financial Policies

CITY OF BOULDER CITY'S COMPREHENSIVE FINANCIAL POLICIES

The following City financial policies, along with the City Charter, Ordinances and Resolutions, establish the structure for Boulder City's overall fiscal planning and management. They set forth guidelines against which current budgetary performance can be measured and proposals for future programs can be evaluated. Boulder City's financial policies show the credit rating industry and prospective bond buyers the City's fiscal stability by assisting City officials in planning fiscal strategy with a consistent approach. Adherence to financial policies supports sound financial management, which can lead to improvement in City bond ratings and lower cost of capital. The City is in compliance with the comprehensive financial policies.

Accounting, Auditing & Financial Reporting

SUBJECT: Conformance to Accounting Principles

Purpose:

To comply with prevailing local, state, and federal regulations, as well as current professional principles and practices relative to accounting, auditing, and financial reporting.

Guidelines:

The City's accounting practices and financial reporting shall conform to generally accepted accounting principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB) and the recommended best practices by the Government Finance Officers Association (GFOA).

SUBJECT: Selection of Auditors

Purpose:

To comply with prevailing local, state, and federal regulations, as well as current professional principles and practices relative to accounting, auditing, and financial reporting.

Guidelines:

Every five to seven years, the City shall request proposals from qualified firms, including the current auditors if their past performance has been satisfactory and the City Council shall select an independent firm of certified public accountants to perform an annual audit of the books of accounts, records and transactions, certifying the financial statements of the City.

SUBJECT: Continued Enhancement of Financial Systems

Purpose:

To comply with prevailing local, state, and federal regulations, as well as current professional principles and practices relative to accounting, auditing, and financial reporting.

Guidelines:

The City shall continue to ensure its financial systems provide efficient and effective financial reporting to optimize the use of available resources for the citizens of Boulder City. The City will continue to seek improvement through its participation in the Government Finance Officers Association (GFOA) awards programs as well as implementation of best practice strategies.

SUBJECT: Fund Balance Classification

Purpose:

To establish policy for City fund balance classifications and use.

Guidelines:

Fund balance classifications describe the nature of net resources reported in a governmental fund. Classifications include non-spendable resources and amounts that are restricted, committed, or assigned (and unassigned in the case of the general fund).

Restricted amounts result from constraints placed on the use of resources externally imposed by creditors, grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provision or enabling legislation.

Committed amounts result from constraints imposed by formal action of the City Council. Assigned amounts are constrained by the City's intent to use for specific purposes. City Council delegates authority to assign fund balance amounts to the Finance Director through the City Manager.

For expenditures for which both restricted and unrestricted (committed, assigned and unassigned) fund balance is available, the City considers the restricted fund balance spent. For expenditures of unrestricted (committed, assigned, unassigned) fund balance for which any classification may appropriately be used, the City considers fund balance spent in the following order 1) committed, 2) assigned and 3) unassigned.

Fiscal Monitoring

SUBJECT: Financial Status Reports

Purpose:

To prepare and present regular reports that analyze, evaluate and forecast the City's financial performance and economic condition.

Guidelines:

Monthly reports shall be prepared comparing year-to-date expenditures and revenues to current budget and noting the status of fund balances to include dollar amounts and percentages. These reports are available within the financial software to all City departments and are available to the citizens of Boulder City via the City Council agenda packets and on the City's website.

SUBJECT: Five-year Forecast of Revenues and Expenditures

Purpose:

To prepare and present regular reports that analyze, evaluate, and forecast the City's financial performance and economic condition.

Guidelines:

A five-year forecast of revenues and expenditures, to include a discussion of major trends affecting the City's financial position, shall be prepared in anticipation of the annual budget process. The forecast shall also examine critical issues facing the City, economic conditions, and the outlook for the upcoming budget year.

SUBJECT: Compliance with Council Policy Statements

Purpose:

To prepare and present regular reports that analyze, evaluate and forecast the City's financial performance and economic condition.

Guidelines:

The Financial Management Policy Statements will be reviewed annually and updated, revised or refined as deemed necessary. Policy statements adopted by the Council are guidelines, and occasionally, exceptions may be appropriate and required. However, exceptions to stated policies will be specifically identified, and the need for the exception will be documented and fully explained.

Internal Controls

SUBJECT: Fiscal Signature Authority

Purpose:

To establish and maintain authority for the approval and execution of contractual documents and settlements for damages on behalf of the City.

Guidelines:

Signature authority:

Signature authority for contractual documents shall be determined by the fiscal impact amount reflected in the documents as follows:

\$0.01 - \$25,000.00 - department directors,

\$25,000.01 - \$100,000.00 – Finance Director, over

\$100,000.01 - \$150,000.00 – City Manager, over

\$150,000.01 – and above – requires City Council approval and signature by authorized representative (City Manager).

Contractual documents with a fiscal impact over \$25,000 must be:

Reviewed by the City Attorney Office and approved as to form.

Attested to by the City Clerk and the record copy maintained in the Office of the City Clerk.

In cases where there are specific NRS or NAC regulations, those regulations will be the control.

SUBJECT: Segregation of Duties

Purpose:

To establish and maintain an internal control structure designed to provide reasonable assurance that City assets are safeguarded and that the possibilities for material errors in the City's financial records are minimized.

Guidelines:

Job duties will be adequately separated to reduce to an acceptable level the opportunities for any person to be in a position to both commit and conceal errors and irregularities in the normal course of assigned duties.

SUBJECT: Proper Recording

Purpose:

To establish and maintain an internal control structure designed to provide reasonable assurance that City assets are safeguarded and that the possibilities for material errors in the City's financial records are minimized.

Guidelines:

Procedures shall be developed and maintained that will ensure financial transactions and events are properly recorded and that all financial reports may be relied upon as accurate, complete and up-to-date.

SUBJECT: Access to Assets and Records

Purpose:

To establish and maintain an internal control structure designed to provide reasonable assurance that City assets are safeguarded and that the possibilities for material errors in the City's financial records are minimized.

Guidelines:

Procedures shall be designed and maintained to ensure that adequate safeguards exist over the access to and use of financial assets and records.

SUBJECT: Internal Control Evaluation

Purpose:

To establish and maintain an internal control structure designed to provide reasonable assurance that City assets are safeguarded and that the possibilities for material errors in the City's financial records are minimized.

Guidelines:

Ongoing evaluations will be performed to determine whether internal controls over financial reporting are present and functioning. Deficiencies will be identified and timely communicated to those responsible for taking corrective action and to management as appropriate. Policies, procedures and internal controls are subject to independent audit (internal and external).

SUBJECT: Returned Check Policy**Purpose:**

To establish and maintain an internal control structure designed to provide reasonable assurance that City assets are safeguarded and that the possibilities for material errors in the City's financial records are minimized.

Guidelines:

City collection centers will develop procedures for handling returned checks. Procedures will address updating customer accounts, recovery efforts, assessing collection fees as authorized under NRS 597.960 and managing future customer payments as appropriate under the circumstances.

SUBJECT: Costs and Benefits**Purpose:**

To establish and maintain an internal control structure designed to provide reasonable assurance that City assets are safeguarded and that the possibilities for material errors in the City's financial records are minimized.

Guidelines:

Internal control systems and procedures must have an apparent benefit in terms of reducing and/or preventing losses. The cost of implementing and maintaining any control system should be evaluated against the expected benefits to be derived from the system.

Budget

SUBJECT: Budget Time Period and Type**Purpose:**

To establish a budget which best reflects the needs and priorities of the City and enables the City to plan, control, and overall manage its programs, services, and finances.

Guidelines:

The City maintains an annual budget cycle and complies with the budget process as defined by NRS 354.596-1. The City's budget process is focused on maintaining a plan that provides for long-term financial sustainability. The plan will use strategic multi-year fiscal planning and conservative revenue forecasts. The process will include a diligent review of programs by staff, management, citizens and City council.

SUBJECT: Budget Calendar and Instructions

Purpose:

To establish a budget which best reflects the needs and priorities of the City and enables the City to plan, control, and overall manage its programs, services, and finances.

Guidelines:

With each budget cycle, budget instructions are issued to all departments and managers outlining the budget calendar and specifying the budget tasks that are to be completed within the identified timelines.

SUBJECT: Budget Process

Purpose:

To establish a budget which best reflects the needs and priorities of the City and enables the City to plan, control, and overall manage its programs, services, and finances.

Guidelines:

All departments will participate in the responsibility of meeting policy goals and ensuring long-term financial health. Future service plans and program initiatives will be developed to reflect current policy directives, projected resources and future service requirements. In order to guarantee compliance with policy, provisions will be required on all grant program initiatives and incorporated into other service plans, as needed.

The process is intended to evaluate all competing requests for City resources, within expected fiscal restraints. Requests for new, ongoing programs developed outside of the budget process will be discouraged.

Addition of personnel will only be requested to meet program initiatives and policy directives; after service needs have been thoroughly examined and it is substantiated that additional staffing will result in increased revenue or enhanced operating efficiencies. To the extent feasible, additional cost reductions will be achieved through attrition.

A City Council Budget Meeting will solicit citizen input and serve in an advisory capacity in reviewing operating and capital budget recommendations from a departmental, program and goals perspective.

SUBJECT: Budget Reporting

Purpose:

To establish a budget which best reflects the needs and priorities of the City and enables the City to plan, control, and overall manage its programs, services, and finances.

Guidelines:

The budget of the City shall be presented annually in the following formats:

- Final Budget (state forms)
- Comprehensive Annual Budget Report to be submitted to GFOA's Distinguished Budget Preparation Program

The Comprehensive Annual Budget Report is designed to present the budget in clear and easy-to-use formats to the intended audience.

SUBJECT: Appropriation Carryover Policy

Purpose:

To establish a budget which best reflects the needs and priorities of the City and enables the City to plan, control, and overall manage its programs, services, and finances.

Guidelines:

In order to establish an efficient and effective means to use the funds for budgetary items that cannot be expended within the fiscal year that the funds were approved, the City shall establish a carryover policy. The policy has been developed to require that all carryover requests comply with the written criteria.

The carryover criteria to establish eligibility for the carryover of unexpended funds is as follows:

- 1) any purchase order that has an encumbered balance and approved budget that will not be expended in the current fiscal year, and the project or approved usage of the funds has not yet been completed, will require a written justification requesting a carryover of the remaining funds
- 2) all Capital Project Funds will be eligible for carryover

The written justification must explain the reason for the request, the amount of funds to be carried forward, the intended usage, the general ledger account number, and, when applicable, the purchase order number and vendor's name. The department's base budget will not be reflective of the carryover funds in the following year since the purpose of the carryover was a one-time initiative to complete a specific targeted goal. As the funds are one-time, they will not be eligible for transfer into other operating accounts. It will be incumbent upon the departments to clear any deficit balances carried forward in the Capital Projects Funds. The carryover of funds will be reviewed by the Chief Accountant and recommendations will be provided to the Finance Director as to the funds that should be approved for carryover to the subsequent fiscal year. Departmental requests that meet the eligibility requirements and have been approved by the reviewers (City Manager and Finance Director) may have the carryover balances augmented into their budget for the new fiscal year, subject to approval by the City Council.

SUBJECT: Revenue Estimates for Budgeting

Purpose:

To establish a budget which best reflects the needs and priorities of the City and enables the City to plan, control, and overall manage its programs, services, and finances.

Guidelines:

In order to maintain a stable level of services, the City shall use a conservative, objective, and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year and should avoid mid-year service reductions.

Revenues will not be dedicated for specific purposes, unless required by law or generally accepted accounting practices (GAAP).

Current revenues will fund current expenditures and a diversified and stable revenue system will be developed to protect programs from short-term fluctuations in any single revenue source.

Revenues

SUBJECT: Balance and Diversification in Revenue Sources

Purpose:

To design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.

Guidelines:

The City shall strive to maintain a balanced and diversified revenue system to protect the City from fluctuations in any one source due to adverse changes in economic conditions which impact that source. The City shall actively seek alternative revenue sources and potential revenue enhancements to further assist in maintaining a balanced budget while attempting to accommodate service level needs throughout the City.

Enterprise (Electric, Water, Sewer, Garbage, Airport, Cemetery) user fees and charges will be examined annually to ensure that they recover all direct and indirect costs of services and be approved by the City Council. Any unfavorable balances in cost recovery will be highlighted in budget documents. Rate adjustments for enterprise operations will be based on five-year financial plans.

All non-enterprise user fees and charges will be examined annually to determine the direct and indirect cost of service recovery rate. The acceptable recovery rate and any associated changes to the user fees and charges will be approved by the City Council.

SUBJECT: Revenue Projections

Purpose:

To design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.

Guidelines:

The City shall prepare annual revenue forecasts for a five-year period. These projections will be updated as needed based on economic conditions, changes in federal, state, or local distribution formulas, property tax adjustments, rate changes, etc. These projections will be used to determine the future financial capacity and health of the City. At the close of each fiscal year projections will be compared to actual revenues received to ensure that methodologies used in projection preparation are as precise as possible.

SUBJECT: User Fees

Purpose:

To design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.

Guidelines:

For services that benefit specific users, the City shall establish and collect fees to recover the costs of those services. The City Council shall determine the appropriate cost recovery level and establish fees. Where feasible and desirable, the City shall seek to recover full direct and indirect costs. User fees shall be reviewed every two years to calculate their full cost recovery levels, to compare them to the current fee structure, and to recommend adjustments where necessary.

SUBJECT: Property Tax Revenues/Tax Burden

Purpose:

To design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.

Guidelines:

The City shall endeavor to reduce its reliance on property tax revenues by revenue diversification, implementation of user fees, and the balance of residential and commercial/industrial land use. The City shall also strive to minimize the property tax burden on Boulder City residents.

SUBJECT: Utility/Enterprise User Fees

Purpose:

To design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.

Guidelines:

Utility rates and enterprise fund user fees shall be set at levels sufficient to cover operating expenditures (both direct and indirect costs), meet debt obligations, provide additional funding for capital improvements, and provide adequate levels of working capital. The rates and user fees will be reviewed every two years and amended when necessary.

SUBJECT: Administrative Service Charges

Purpose:

To design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.

Guidelines:

The City shall establish a method to annually determine the administrative service charges for overhead and staff support due the General Fund from the Enterprise Funds. Where appropriate, the enterprise funds shall pay the General Fund for direct services rendered. The City shall examine the existing methodology of administering the service charges on a regular basis to determine if modifications to the formula would better serve the cost recovery mechanism for the services provided.

SUBJECT: Revenue Collection and Administration

Purpose:

To design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.

Guidelines:

The City shall maintain high collection rates for all revenues by keeping the revenue system as simple as possible in order to facilitate payment. In addition, since revenue should exceed the cost of producing it, the City shall strive to control and reduce administrative costs. The City shall pursue, to the full extent allowed by state law, all delinquent taxpayers and others that are overdue in payments to the City.

Expenditures

SUBJECT: Maintenance of Capital Assets

Purpose:

To assure fiscal stability and the effective and efficient delivery of services, through the identification of necessary services, establishment of appropriate service levels, and careful administration of the expenditure of available resources.

Guidelines:

Within the resources available each fiscal year, the City shall maintain capital assets and

infrastructure at a sufficient level to protect the City's investment, to minimize future replacement and maintenance costs, and to continue to provide adequate service levels.

SUBJECT: Periodic Program Reviews

Purpose:

To assure fiscal stability and the effective and efficient delivery of services, through the identification of necessary services, establishment of appropriate service levels, and careful administration of the expenditure of available resources.

Guidelines:

The City shall undertake periodic staff and third-party reviews of City programs for both efficiency and effectiveness. Privatization and contracting with other governmental agencies will be evaluated as alternative approaches to service delivery. Programs which are determined to be inefficient and/or ineffective should be reduced in scope or eliminated.

SUBJECT: Purchasing

Purpose:

To establish the guidelines for obtaining goods and services necessary to complete City of Boulder City objectives and ensure that all procurement activities are made in compliance with applicable federal, state, and local laws.

City employees directly involved in procurement activities shall comply with City Purchasing Procedures.

Guidelines:

City employees directly involved in procurement activities shall ensure the acquisition of the most suitable goods and services that fulfill the requirement for a total cost that is the most advantageous to the City.

The Finance Department is responsible for the administration of formal procurement activities that are classified under Nevada Revised Statute 332 (Invitations for Bids, Requests for Proposals, Requests for Qualifications, Purchase Orders).

The Public Works Department is responsible for the administration of formal procurement activities that are classified under Nevada Revised Statutes 332, 338, 623 and 625 (Invitations for Bids, Requests for Proposals, Requests for Qualifications, Professional Service Agreements).

Capital Expenditures and Improvements

SUBJECT: Capital Improvement Planning Program

Purpose:

To annually review and monitor the state of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding, alternatives, and availability of resources.

Guidelines:

The City shall annually review the needs for capital improvements and equipment, the current status of the City's infrastructure, replacement and renovation needs, and potential new projects, and update its five-year capital improvement program as required by NRS 350.013. All projects, ongoing and proposed, shall be prioritized based on an analysis of current needs and resource availability. All related costs for every capital project, including but not limited to; operation, maintenance, and replacement costs shall be fully identified by funding source.

SUBJECT: Capital Expenditure Financing

Purpose:

To annually review and monitor the state of the City's capital equipment and infrastructure, setting priorities for its replacement and renovation based on needs, funding, alternatives, and availability of resources.

Guidelines:

The City recognizes that there are three basic methods of financing capital requirements: 1) budget the funds from current revenues; 2) use of capital reserves; or 3) debt. Guidelines for assuming debt are set forth in the Debt Policy Statements.

Debt

SUBJECT: Use of Debt Financing

Purpose:

To utilize debt financing which will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current revenues.

Guidelines:

Debt financing, to include general obligation bonds, revenue bonds, lease/purchase agreements, and other obligations permitted to be issued or incurred under Nevada law, shall only be used to purchase capital assets that cannot be acquired from either current revenues or fund balance/net assets and to fund infrastructure improvements and additions. The useful life of the asset or project shall exceed the payout schedule of any debt the City assumes.



SUBJECT: Assumption of Additional Debt

Purpose:

To utilize debt financing which will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current revenues.

Guidelines:

The City shall not assume more tax-supported general-purpose debt than it retires each year without conducting an objective analysis as to the community's ability to assume and support additional debt service payments. When appropriate, self-supporting revenue bonds shall be issued before general obligation bonds.

SUBJECT: Refunding of Outstanding Bonds

Purpose:

To utilize debt financing which will provide needed capital equipment and infrastructure improvements while minimizing the impact of debt payments on current revenues.

Guidelines:

The Director of Finance shall consider refunding outstanding bonds if one or more of the following conditions exist: (1) present value savings are at least 3%, with certain exceptions, of the par amount of the refunding bonds;

Financial Consultants

SUBJECT: Financial Consultants

Purpose:

To employ the assistance of qualified financial advisors and consultants as needed in the management and administration of the City's financial functions. These areas include but are not limited to investments, debt administration, financial accounting systems, program evaluation, and financial impact modeling.

Guidelines:

With available resources, the City shall seek out and employ the assistance of qualified financial advisors and consultants in the management and administration of the City's financial functions. Advisors shall be selected using objective questionnaires and requests for qualifications/proposals based upon demonstrated expertise relative to the scope of work to be performed and appropriately competitive fees.

Grants

SUBJECT: Grant Guidelines

Purpose:

To seek, apply for and effectively administer federal, state and foundation grants-in-aid that address the City's current priorities and policy objectives.

Guidelines:

The City shall apply, and facilitate the application by others, for only those grants that are consistent with the objectives and high priority needs previously identified by Council. The potential for incurring ongoing costs, to include the assumption of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.

SUBJECT: Grant Indirect Costs

Purpose:

To seek, apply for and effectively administer federal, state and foundation grants-in-aid that address the City's current priorities and policy objectives.

Guidelines:

The City shall recover full indirect costs unless the funding agency does not permit it. The City may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.

SUBJECT: Grant Review

Purpose:

To seek, apply for and effectively administer federal, state and foundation grants-in-aid that address the City's current priorities and policy objectives.

Guidelines:

All grant submittals shall be reviewed for their cash match requirements, their potential impact on the operating budget, and the extent to which they meet the City's policy objectives. If there are cash match requirements, the source of funding shall be identified prior to application.

SUBJECT: Grant Management

Purpose:

To effectively administer federal, state and foundation grants-in-aid that address the City's current priorities and policy objectives.

Guidelines:

The City will ensure that there is adequate supporting documentation for reimbursable costs



incurred by the City to validate the reimbursement requests. In addition, all submittals will be reviewed to ensure that the appropriate forms, including those related to sub-awards, have been completed and filed as required.

SUBJECT: Grant Program Termination

Purpose:

To seek, apply for and effectively administer federal, state, and foundation grants-in-aid that address the City's current priorities and policy objectives.

Guidelines:

The City shall terminate grant-funded programs and associated positions when grant funds are no longer available unless alternate funding is identified.

Intergovernmental Relations

SUBJECT: Interlocal Cooperation in Delivering Services

Purpose:

To coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing government services on an equitable basis, and support favorable legislation at the state and federal levels.

Guidelines:

In order to promote the effective and efficient delivery of services, the City shall actively seek to work with other local jurisdictions in joint purchasing consortia, sharing facilities, sharing equitably the costs of service delivery, and developing joint programs to improve service to its citizens.

SUBJECT: Legislative Program

Purpose:

To coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing government services on an equitable basis, and support favorable legislation at the state and federal levels.

Guidelines:

The City will cooperate with other jurisdictions to actively oppose any state or federal regulation or proposal that mandates additional City programs or services and does not provide the funding to implement them. Conversely, as appropriate, the City will cooperate with other jurisdictions to actively support legislative initiatives that provide more funds for priority local programs.

SUBJECT: Monitor/Participate in Regional Planning Activities

Purpose:

To coordinate efforts with other governmental agencies to achieve common policy objectives, share the cost of providing government services on an equitable basis, and support favorable legislation at the state and federal levels.

Guidelines:

The City will participate with other jurisdictions in regional planning activities to ensure the City's quality of life is maintained and costs of improvements are shared by all jurisdictions receiving benefits.



Glossary - Proprietary Funds

Enterprise Funds account for operations in a manner similar to private business enterprises, where the costs of providing goods or services to the general public are recovered through user charges. All revenues derived from their activities are to stay with that business unit. Similarly, all expenses for each business unit are to be paid for by revenues and resources derived by each business unit - such as user fees and rents. A brief description of five enterprise funds for Boulder City follows:

Electric Utility Fund

The Electric Utility Fund provides basic electrical energy to its users. The Fund purchases energy from the energy market, and distributes it to its users through local transmission lines. The fees generated from the use of electricity by its customers are used to buy electricity, maintain the electrical distribution system (transmission lines, substations, etc), and for the construction of electrical assets to improve system reliability.

Landfill Fund

The Landfill Utility Fund provides basic trash collection and storage services to its users. The Fund pays for contractual services to collect all rubbish and trash from its customers, and the deposition of the collected waste into a managed landfill facility. The fees generated from the collection of rubbish and trash by its customers are used to pay for the contract to collect trash and maintain the landfill, operate a multistream recycling program, and maintain the facility (daily cover, preparation of new deposition cells, recycling storage and transport, etc), and for the construction of assets to improve system reliability.

Municipal Airport Fund

The Municipal Airport Fund provides for the operation of a certificated airport. The Fund collects fees from airport users in the form of land rents for private hangar buildings, commercial land leases for commercial tenants, individual tie-downs for private and commercial aircraft, and revenues derived from aviation fuel sales. The airport also receives Federal Funding for airport capital improvements and a formula distribution of aviation fuel taxes collected in Clark County. These revenues pay for the operation of the airport and needed improvements to the airport to maintain a safe aviation environment.

Sanitary Sewer Fund

The Sanitary Sewer Utility Fund provides basic sanitary sewer services to its users. The Fund pays for the collection and treatment of discharged sewage from its customers, and treats the effluent at a main collection point. The fees generated from the use of sewer system by its customers are used to treat the wastewater to meet the Federally required clean water standards, maintain the sewage collection system (sewer mains, pump stations, etc), and for the construction of assets to improve system reliability and compliance with Nevada and Federal Laws for discharge or reuse.

Water Utility Fund

The Water Utility Fund provides basic water services to its users in the form of treated potable water and raw water. The Fund purchases both potable and raw water from the Southern Nevada Water Authority, and distributes it to its users through local water mains. The fees generated from the use of water by its customers are used to buy water, maintain the water distribution system (water mains, above/below ground storage tanks, etc), and for the construction of assets to improve system reliability.

Glossary - Governmental Funds

Accounting System - The total structure of records and procedures designed to record, classify, and report information on the financial position and results of operations of a government or any of its funds, account groups, or organizational components.

Ad Valorem Taxes - (Property Tax) A tax levied on the assessed value of real property.

Adopted Budget - A plan of financial operation, legally adopted by the City Council, providing an approved level of expenditures and a means of financing them for a given fiscal period.

Appropriation - A legal authorization granted by a legislative body to make expenditures and to incur obligations for specific purposes. An appropriation is usually limited in amount and as to the time when it may be expended.

Assessed Valuation - A valuation set upon real estate or other property by the County Assessor as a basis for levying property taxes.

Basis of Accounting - The timing of recognition for financial reporting purposes, when the effects of transactions or events should be recognized in financial statements.

Cash Basis - A basis of accounting that recognizes transactions or events when related cash amounts are received or disbursed.

Full Accrual Basis - Method of accounting that recognizes the financial effects of transactions, events, and interfund activity when they occur, regardless of the timing of related cash flows.

Modified Accrual Basis - A basis of accounting used in conjunction with the current financial resources measurement focus that modifies the accrual basis of accounting in two important ways: 1) revenues are not recognized until they are measurable and available and 2) expenditures are recognized in the period in which governments normally liquidate the related liability rather than when that liability is first incurred.

Beginning Fund Balance - A revenue account used to record resources available in one fiscal year because revenues were in excess of the budget and/or expenditures in the prior fiscal year.

Bond - A written promise to pay a specified sum of money, called the face value or principal amount, at a specified date or dates in the future, called the maturity date(s), together with periodic interest at a specified rate.

Budget - A plan of financial operation embodying an estimate of proposed expenditures and expenses for a given period and the proposed means of financing them. See NRS 354.492

Budget Augmentation - a procedure for increasing appropriations of a fund with the express intent of employing previously unbudgeted resources of the fund for carrying out the increased appropriations. See NRS 354.493

Budgetary Control - The control or management of a government or enterprise in accordance with an approved budget for the purpose of keeping expenditures within the limitations of available appropriations and available revenues.

Budget Document - The instrument used by the budget-making authority to present a comprehensive financial program

to the appropriating body. The budget document usually consists of two parts. The first part contains a message from the budget-making authority, together with a summary of the proposed expenditures and the means of financing them. The second consists of schedules supporting the summary. These schedules show in detail the information as to the past fiscal year's actual revenues, expenditures, and other data used in making the estimates. In addition to the budget document, an appropriation ordinance is necessary to formally approve the budget.

Budget Year - The fiscal year for which a budget is being prepared. See NRS 354.596

Capital Assets - Land, improvements to land, easements, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, and all other tangible or intangible assets that are used in operations and that have initial useful lives extending beyond a single reporting period. The City's capitalization threshold is \$5,000.

Capital Improvement Program (CIP) - A plan for capital outlay to be incurred each year over a fixed number of years to meet capital needs arising from the government's long-term needs. It sets forth each project or other contemplated expenditure in which the government is to have a part and specifies the full resources estimated to be available to finance the projected expenditures.

Capital Improvement Fund - A fund created to account for financial resources to be used for the acquisition or construction of capital facilities and other capital assets.

Capital Outlays - Expenditures that result in the acquisition of or addition to capital assets.

Consumer Price Index (CPI) - A statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Debt - An obligation resulting from the borrowing of money or from the purchase of goods and services. Typical debts of governments include bonds, notes, leases, contracts, and accounts payable.

Debt Limit - The maximum amount of gross or net debt that is legally permitted.

Deficit - (1) The excess of the liabilities of a fund over its assets. (2) The excess of expenditures over revenues during an accounting period; or, in the case of proprietary funds, the excess of expense over income during an accounting period.

Depreciation - The portion of the cost of a fixed asset which is charged as an expense during a particular period. In accounting for depreciation, the cost of a fixed asset, less any salvage value, is prorated over the estimated service life of such an asset, and each period is charged with a portion of such cost. Through this process, the entire cost of the asset is ultimately charged off as an expense.

Distinguished Budget Presentation Awards Program - A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Effectiveness - Refers to how well a program achieves its stated goals, objectives, and outcomes.

Efficiency - Refers to how well inputs are utilized to produce outputs.

Encumbrance - Commitments related to unperformed contracts for goods or services, the accounting for which is used to ensure effective budgetary control and accountability and to promote effective cash planning and control. For reporting purposes, encumbrances outstanding at a year's end represent the estimated amount of the expenditure ultimately to

result if the unperformed contracts existing at the year's end are performed. Encumbrances outstanding at a year's end do not constitute expenditures or liabilities. See NRS 354.516

Ending Fund Balance - An expenditure account used to record resources available because revenues exceed the budget and/or expenditures in that fiscal year.

Enterprise Fund - A fund established to account for operations financed in a manner similar to a private business enterprise where the costs of providing goods and services to the public are financed through user charges.

Expenditures - Under the current financial resources measurement focus, decreases in net financial resources not properly classified as other financing uses.

Final Budget - The budget which has been adopted by a local governing body or adopted by default as defined by NRS 354.470 to 354.626, inclusive, and which has been determined by the (Nevada) Department of Taxation to be in compliance with applicable statutes and regulations. See NRS 354.524

Fiscal Year - In accordance with Nevada State Law, a fiscal year is the period from July 1 of each year through June 30 of the following year (i.e., July 1, 2020 – June 30, 2021).

Fixed Assets - A fixed, physically attached, and permanent improvement or real property. Fixed assets are normally those that are capitalized.

Full-Time Equivalent (FTE) - Full-time employee salaries are based on 2,080 hours per year. Part-time PERSable employees equal .8 (32 hours/week) of a full-time equivalent employee.

Fund - A fiscal and accounting entity with self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance - For accounting purposes, the excess of a fund's assets over its liabilities. For budgeting purposes, the excess of a fund's resources over its expenditures.

GAAP - Generally Accepted Accounting Principles are standards used for accounting and reporting used for both private industry and governments.

GASB - Government Accounting Standards Board established in 1985 to regulate the rules and standards for all governmental units.

General Fund - The fund used to account for all financial resources except those required to be accounted for in another fund. See NRS 354.534

Goal - Refers to a statement of direction, purpose, or intent based on the needs of the community. Operationally, a goal is a broad statement of what a program expects to achieve sometime in the future.

General Obligation (GO) Bonds - Bond issues whose repayment is guaranteed by the full faith, credit, and taxing power of the government and that are subject to the government's debt limit. GO bonds are the traditional form of government debt financing for major construction projects.

Intergovernmental Revenues - Levied by one government but shared on a predetermined basis with another government or class of governments.

Internal Service Fund - A fund type used to report activities that provide goods or services to other funds, departments, or agencies of the city on a cost reimbursement basis.

Long Term Debt - Debt with a maturity of more than one year after the date of issuance.

Mission - Defines the primary purpose of the City and is intended to guide all organizational decisions, policies, and activities on a daily basis.

NRS - Nevada Revised Statutes, also known or referred to as State Law for Nevada

Operating Budget - Plans of current expenditures and the proposed means of financing them. The operating budget is the primary means by which most of the financing of acquisition, spending, and service delivery activities of a government are controlled.

Operating Transfer - Amounts transferred from one fund to another to assist in funding the services for the recipient fund.

PERS - Public Employees' Retirement System

Proprietary Funds - A fund classification used to account for the government's ongoing organizations and activities that are similar to those often found in the private sector. These funds are considered self-supporting in that the services rendered by them are financed through user charges or on a cost-reimbursement basis. There are two types of proprietary funds: enterprise funds and internal service funds.

Quality - Refers to the level of satisfaction expressed by customers of a particular program with respect to the goods and services delivered to them by a governmental unit or department.

Refunding Bonds - Bonds issued to retire bonds already outstanding. The refunding bonds may be sold for cash and outstanding bonds redeemed in cash, or the refunding bonds may be exchanged with holders of outstanding bonds.

Reserve - (1) An account used to segregate a portion of fund balance to indicate that it is not available for expenditure; and (2) an account used to segregate a portion of fund equity as legally set aside for a specific future use.

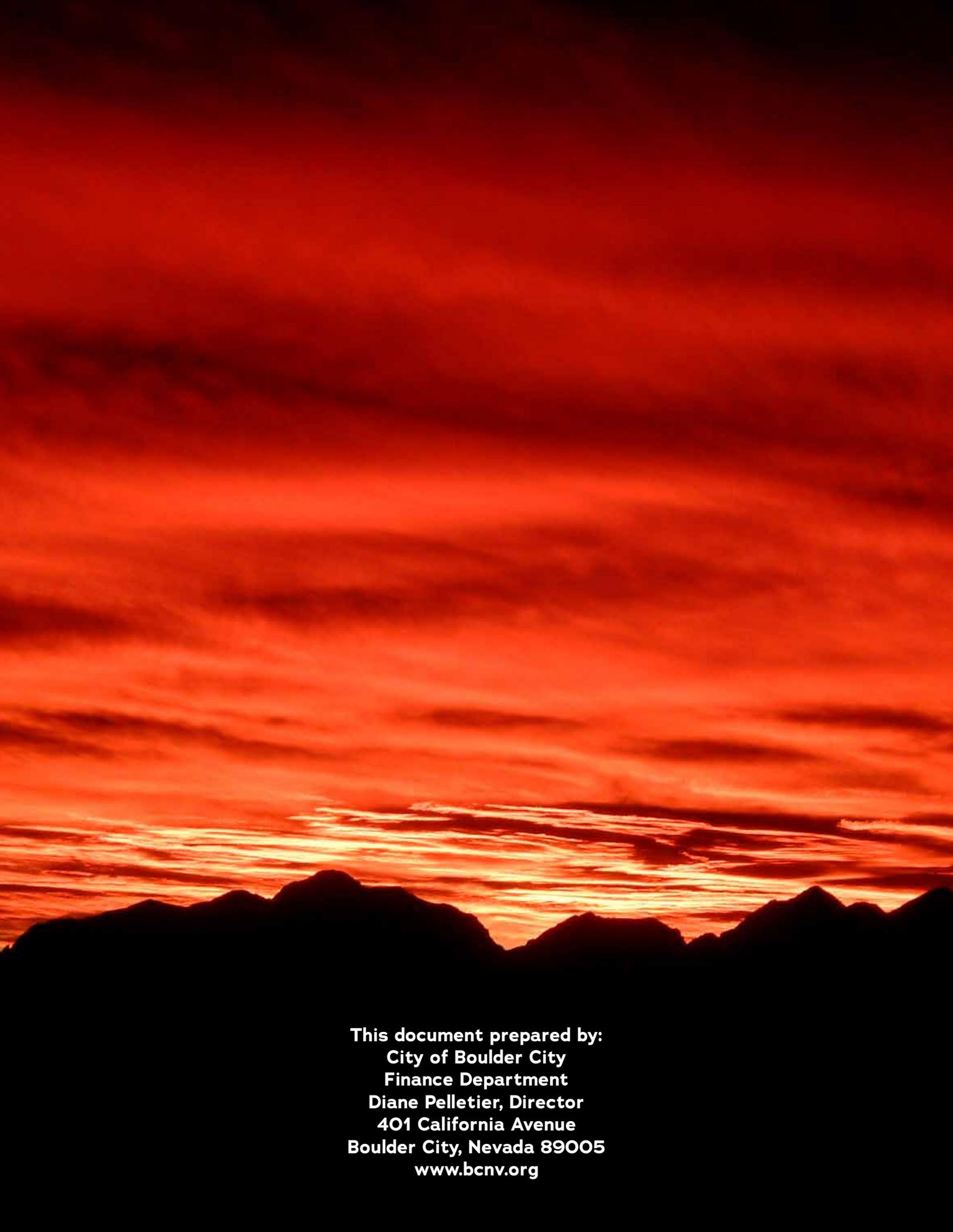
Revenue - Cash receipts and receivables of a governmental unit derived from taxes and other sources.

Revenue Bonds - Bonds whose principal and interest are secured by and payable exclusively from earnings of an enterprise fund.

Special Revenue Fund - A fund used to account for the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Transfers - The authorized exchanges of cash or other resources between funds, divisions, departments, and/or capital projects.





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