

CITY OF BOULDER CITY, NEVADA

Annual Enterprise Funds Budgets

EXECUTIVE SUMMARY

for the Fiscal Year Beginning July 1, 2024



SEWER



LANDFILL



AIRPORT



WATER



CEMETERY

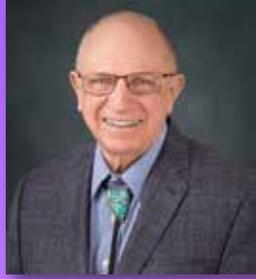


ELECTRIC

FY25



Reprint Date: June 27, 2024



Mayor
Joe Hardy



Council Member
Cokie Booth



Council Member
Steve Walton



Council Member
Matt Fox



Council Member
Sherri Jorgensen



City Manager (acting)
Michael Mays,
AICP



Finance Director
Cynthia K. Sneed,
CPA, CGFM

City Clerk's Office
Tami McKay

City Attorney's Office
Brittany Walker, Esq.

**Public Utilities
Department**
Joseph Stubit, P.E.

Municipal Airport
Marissa Adou



We are pleased to present the residents of Boulder City with a Financial Summary of the three (3) enterprise fund annual budgets for Fiscal Year 2024-2025. The budgets for the Utility Fund (each of the four utilities that make up the Utility Fund are shown individually for convenience), the Municipal Airport, and the City Cemetery reflect the priorities of the City Council and respond to the fiscal challenges of the various enterprise funds. Some may find the annual budget information to be technical and complex. In this easy-to-read executive summary, residents can view the next fiscal year’s budget highlights for each enterprise fund in a more engaging format.

We hope you enjoy the budget summary and share our excitement about the future of Boulder City. We are happy to report that we have a balanced budget and have set a fiscally stable course for our community.



Table of Contents

- All Utility Revenue Funds Summary
• 4 •
- All Utility Expense Funds Summary
• 5 •
- Utility Administration
• 6 •
- Electric Utility
 • 8 •
- Water Utility
 • 10 •
- Sewer Utility
 • 12 •
- Landfill Utility
 • 14 •
- Municipal Airport
• 16 •
- Cemetery
• 18 •
- Glossary of Terms
• 20 •
- Budget Calendar
• 21 •

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

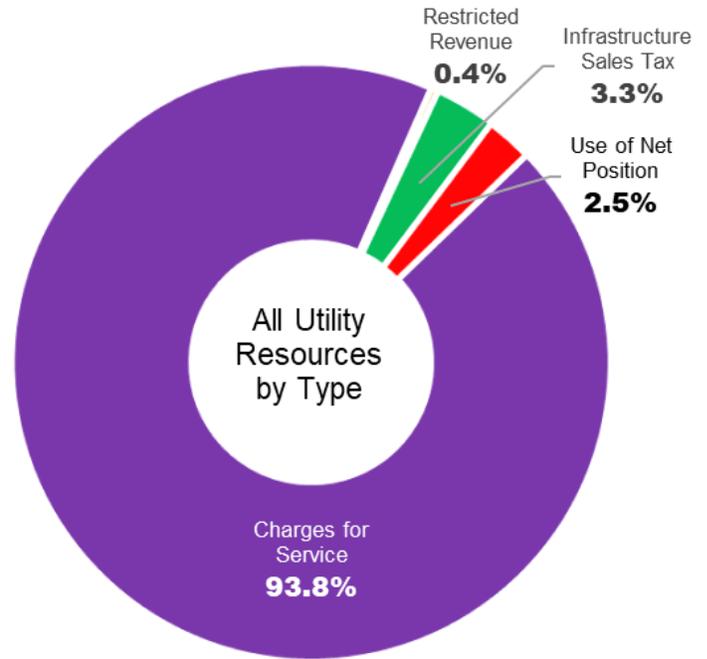
www.bcnv.org/budget

All Utility Funds Budgeted Resources by Category

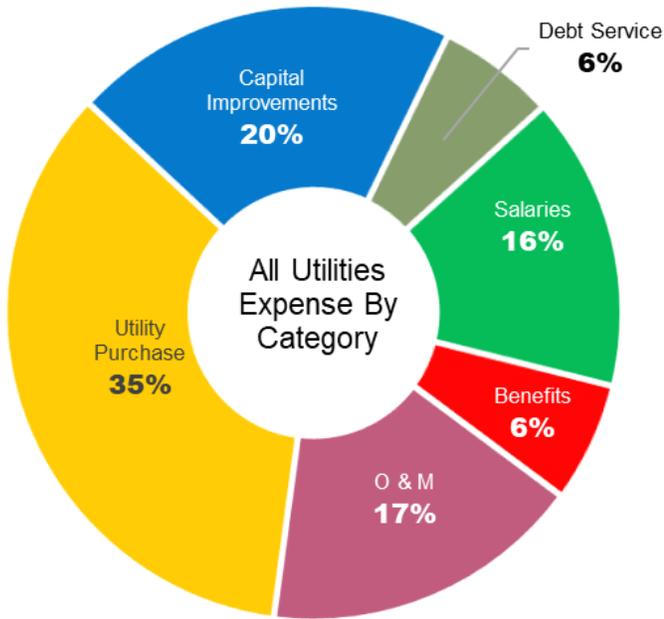
RESOURCES

Charges for Services	\$31,124,592
Restricted Revenue (Landfill)	130,000
Infrastructure Sales Tax	1,100,000
Use of Net Position	828,895

TOTAL **\$ 33,183,487**



All Utility Funds Budgeted **Expenditures** by Category



EXPENDITURES

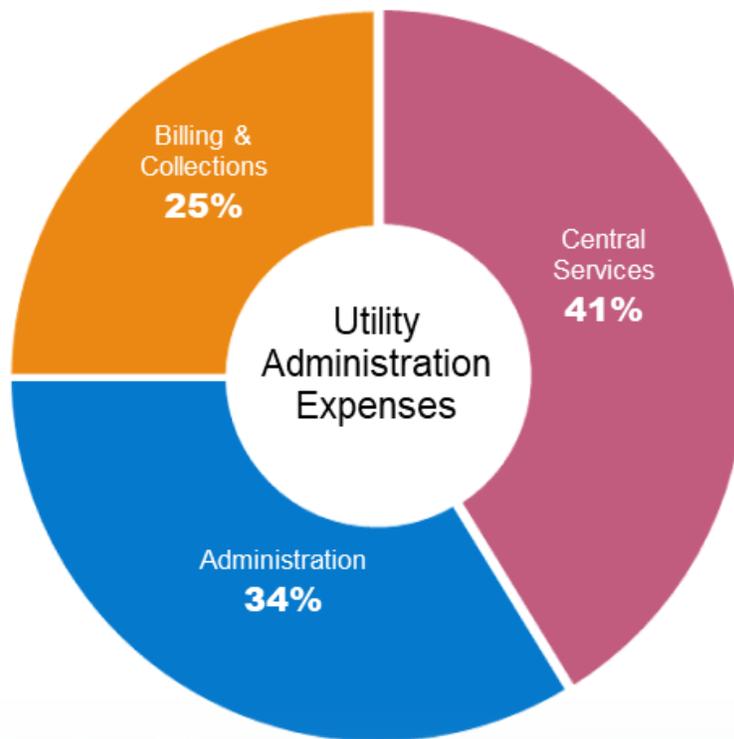
Salaries	\$ 5,514,532
Benefits	2,223,803
Operations & Maintenance	6,019,632
Electricity/Water Purchase	12,355,576
Capital Improvements	7,184,463
Debt Service	2,181,701
TOTAL	\$ 35,479,707



What does the Utility Administration Division do?

The Utility Administration Division is comprised of the Utility Department Director, support staff as well as includes the costs associated with billing and collection of customers. Additionally, the Utility Administration Division provides technical support for the utility enterprise divisions: Electric, Water, Wastewater, and Landfill.

- Central Services covers expenses common to all of the four utilities
- Administration covers staff expenses common to all four utilities
- Billing & Collections cover staff expenses for the meter reading, bill preparation, and bill collection functions.



EXPENSES

Central Services	\$1,969,272
Administration	1,611,262
Billing & Collections	1,194,107
TOTAL EXPENSES	\$4,774,641

These expenses are included in the four utilities as an interfund expense

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

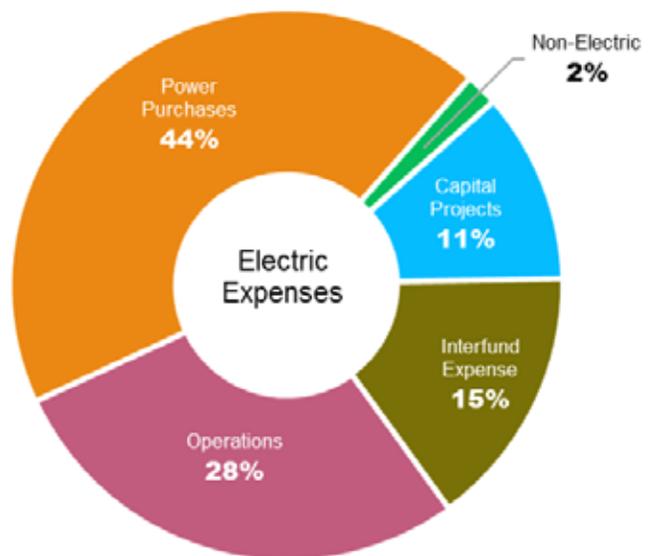
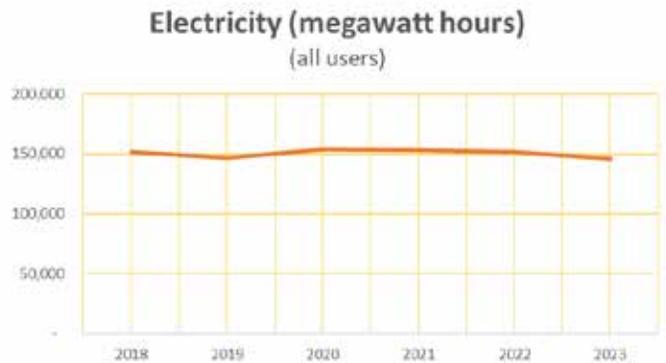
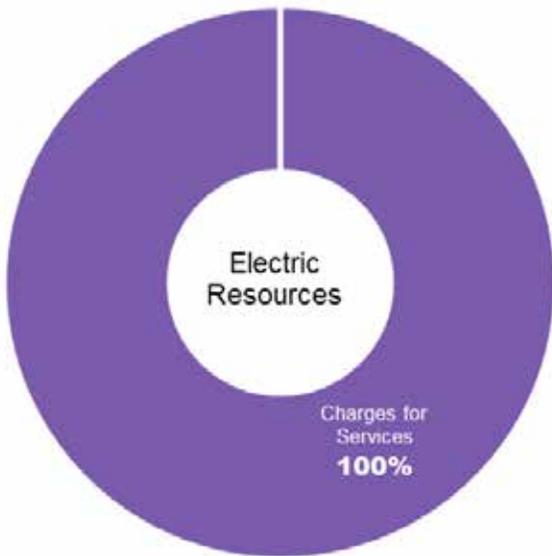
Interfund Reimbursement

Interfund Reimbursements — Partial reimbursement for services provided by the General Fund to the Boulder City Enterprise Funds (\$1,500,000).



Electric Division

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



	Revenue	Expense
REVENUES		
Charges for Services	\$16,466,525	
TOTAL REVENUES	\$16,466,525	
EXPENSES		
Operations		\$4,388,104
Purchase of Electricity		\$6,768,243
Non-Electric		\$301,774
Interfund Reimbursement (Admin Fund)		\$2,387,320
TOTAL EXPENSES		\$13,845,441
CAPITAL PROJECTS		
Capital Expenses		\$5,780,463
NET CHANGE TO NET POSITION	\$868,121	

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 enterprise funds are required to maintain a net position 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 is the reserve account, target balance, and current balance from the adopted code and financial plan for this Fiscal Year:

	Target	Current
20% Operating Reserve	\$3.25M	\$3.25M

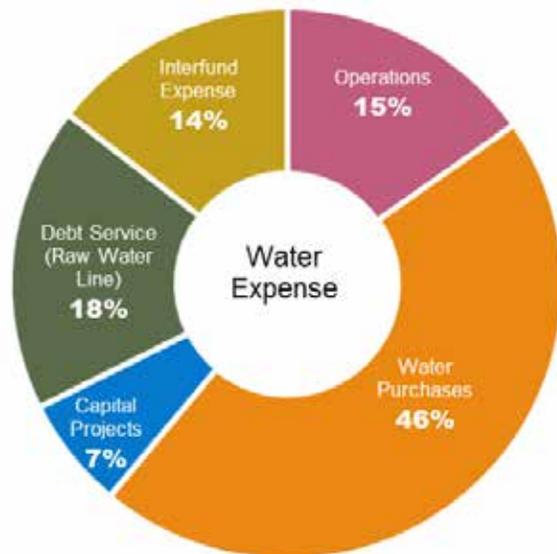
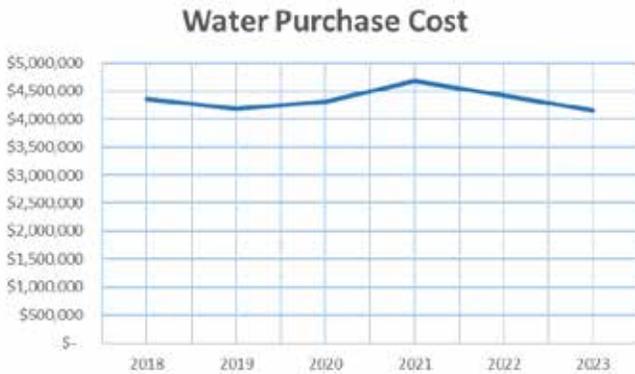
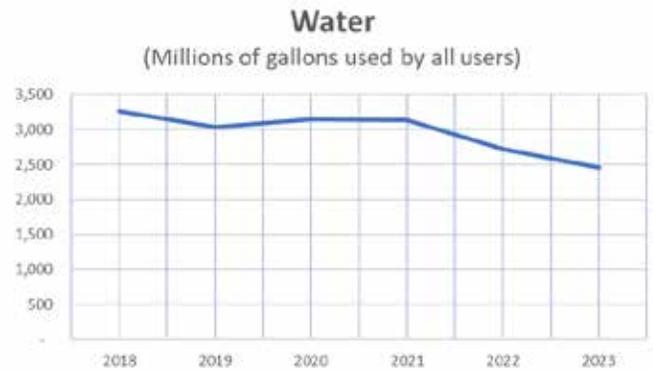
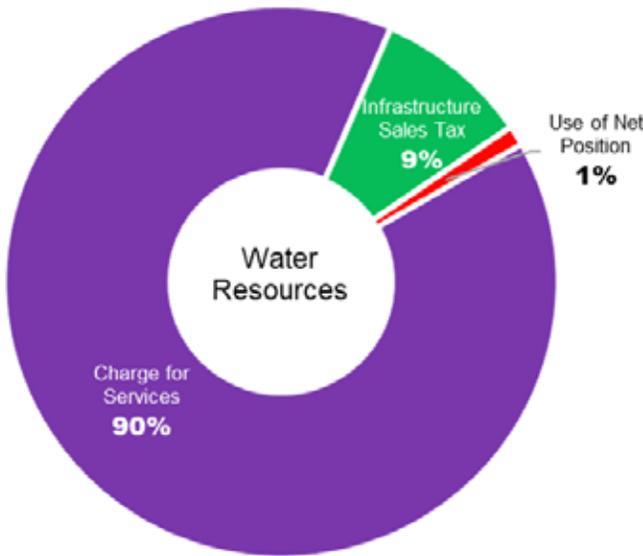
Electric Utility Capital Projects for FY25

Project	FY25 Project Funding
Substation 4 Rebuild	\$2,000,000
Distribution Pole Replacement	900,000
Replace Unit 602 - Line Truck	220,000
Substation 2 - Substation 3 Feeder Tie Replacement	907,500
Substation 1 to Substation 4 Feeder Ties	1,752,963
Total	\$5,780,463



Water Division

The Water Division 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 users within the Eldorado Valley outside the City limits. The Division is responsible for the purchase of water from the Southern Nevada Water Authority. As an enterprise fund, it is self-sustaining, generating its revenues from its customers. The Division is also responsible for the maintenance and upgrades to the distribution system throughout the service territory.



	Revenue	Expense
REVENUES		
Infrastructure Sales Tax	\$1,100,000	
Charges for Services	\$10,955,617	
TOTAL REVENUES	\$12,055,617	
EXPENSES		
Operations		\$1,861,884
Purchase of Water		\$5,587,333
Debt Service		\$2,181,701
Interfund Reimbursement (Admin Fund)		\$1,766,618
TOTAL EXPENSES		\$11,397,536
CAPITAL PROJECTS		
Capital Expenses		\$800,000
USE OF NET POSITION	(\$141,919)	

Required Balances

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Water Utility Capital Projects for FY25

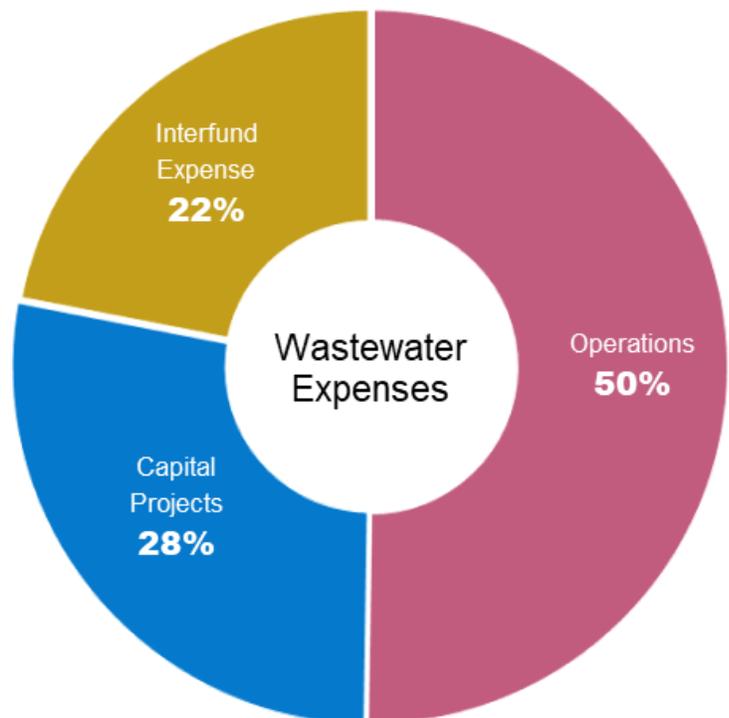
Project	FY25 Project Funding
Copper Service Replacement	\$300,000
Replace 8" Butterfly Valves	200,000
14" Line to Solar Field PRV Construction	300,000
Total	\$800,000

	Target	Current
20% Operating Reserve	\$2.23M	\$2.23M



Wastewater Division

The Wastewater Division provides wastewater collection and treatment services for its customers within the City limits of Boulder City. The Wastewater Division operates a treatment facility to meet the Clean Water Act requirements for discharge. When possible, the Division 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 self-sustaining, generating its revenues from its customers. The Division is responsible for the maintenance and upgrades to the collection and treatment system throughout the service territory.



	Revenue	Expense
REVENUES		
Charge for Services	\$2,276,660	
TOTAL REVENUES	\$2,276,660	
EXPENSES		
Operations		\$1,092,504
Interfund Reimbursement (Admin Fund)		\$477,463
TOTAL EXPENSES		\$1,569,967
CAPITAL PROJECTS		
Capital Expenses		\$604,000
NET CHANGE TO NET POSITION	\$102,693	

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 enterprise funds are required to maintain a net position of at least 20% of the current fiscal year Operations/Maintenance budget (does not include capital improvement costs or depreciation).

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	Target	Current
20% Operating Reserve	\$278K	\$278K

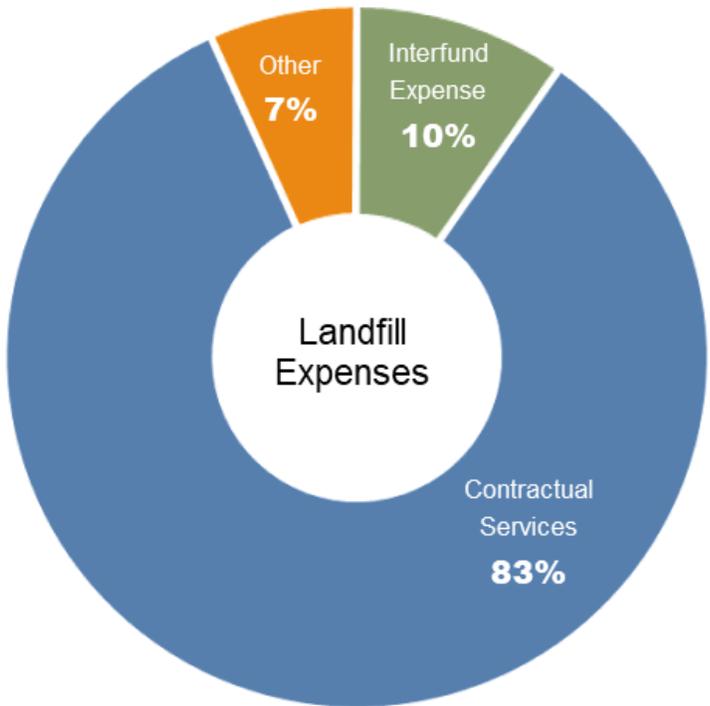
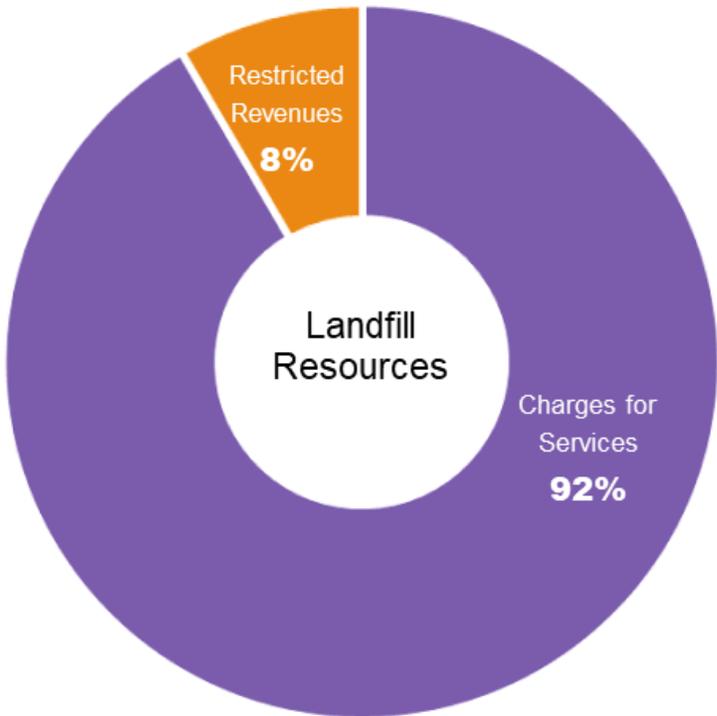
Wastewater Utility Capital Projects for FY25

Project	FY25 Project Funding
Concrete Lined Aeration Basin Improvements	\$200,000
Lift Station No 4 Improvements	259,000
Sewer Line Relocation (Georgia @ Buchanan)	75,000
Effluent Splitter Box Improvements	70,000
Total	\$604,000



Landfill Division

The Landfill Division provides traditional solid waste collection services from its customers and the disposal of collected materials in a licensed landfill. The Division 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 self-sustaining, generating its revenues from its customers. The Division is responsible for the collection of solid waste materials, maintenance and upgrades to the landfill facility.



	Revenues	Expenses
REVENUES		
Charge for Services	\$1,425,790	
TOTAL REVENUES	\$1,425,790	
EXPENSES		
Operations		\$101,000
Sanitation Contract		\$1,238,060
Interfund Reimbursement (Admin Fund)		\$143,240
TOTAL EXPENSES		\$1,482,300
CAPITAL PROJECTS		
Restricted Revenue	\$130,000	
Capital Expenses		\$0
NET CHANGE TO NET POSITION	\$73,490	

Required Balances

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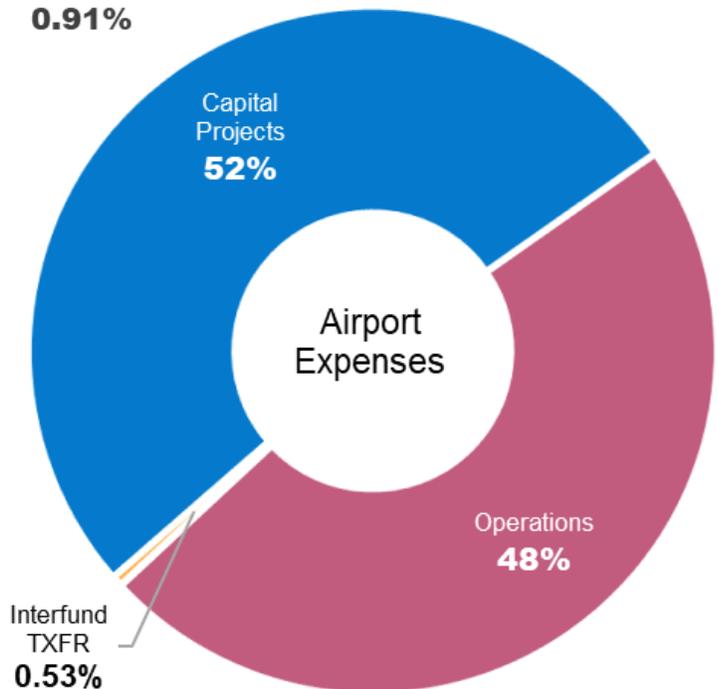
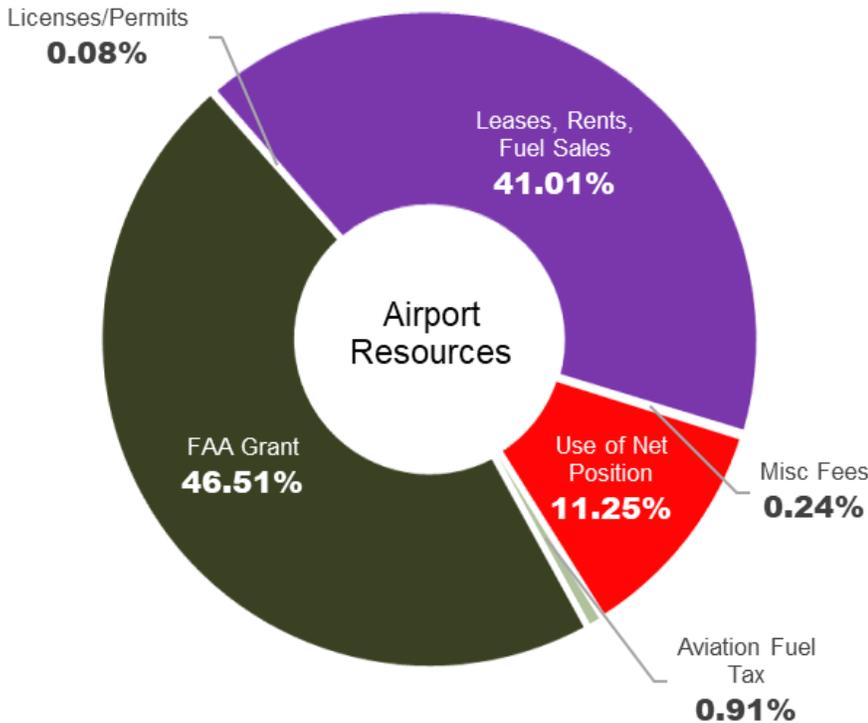
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	Target	Current
20% Operating Reserve	\$280K	\$280K



Aviation Fund

The Municipal Airport operates as a stand-alone fund, utilizing all revenues 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 five sightseeing tour operators who fly tourists to the Grand Canyon and other locales. The airport regularly ranks in the top 150 airports nationally (out of 2,000) regarding passenger enplanements.



The Airport provides two runways, the longest being 5,100 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 others for airframe, mechanical or avionics services.

	Revenues	Expenses
REVENUES		
Licenses/Permits	\$2,000	
Aviation Fuel Tax	\$23,000	
Rents & Royalties	\$1,041,587	
Miscellaneous	\$6,000	
TOTAL REVENUES	\$1,072,587	
EXPENSES		
Operations		\$1,227,089
Interfund Transfer		\$13,500
TOTAL EXPENSES		\$1,227,089
CAPITAL PROJECTS		
FAA ACIP Grant	\$1,181,250	
Capital Expenses		\$1,312,500
USE OF NET POSITION	(\$285,752)	

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 enterprise funds are required to maintain a net position of at least 20% of the current fiscal year Operations/Maintenance budget (does not include capital improvement costs or depreciation).

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Airport Capital Projects for Fiscal Year 2025

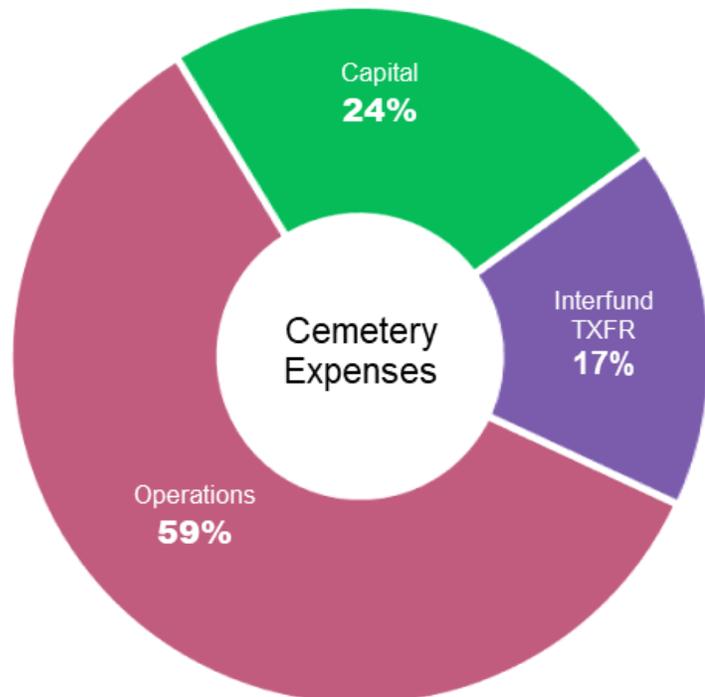
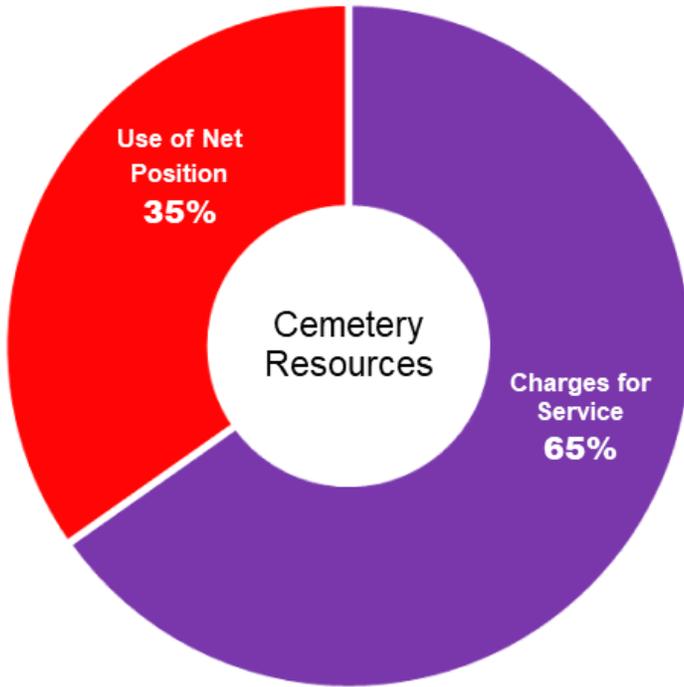
Project	FY25 Project Funding
Air Traffic Control Tower	\$1,312,500
Total	\$1,312,500

	Target	Current
20% Operating Reserve	\$266K	\$266K
Emergency Capital	\$250K	\$250K



Cemetery

The Cemetery Fund provides traditional burial services on a 17.5-acre site, with room for expansion. The Cemetery Fund maintains a perpetual care fund. As an enterprise fund, it is self-sustaining, generating its revenues from the burials and sales of plots.

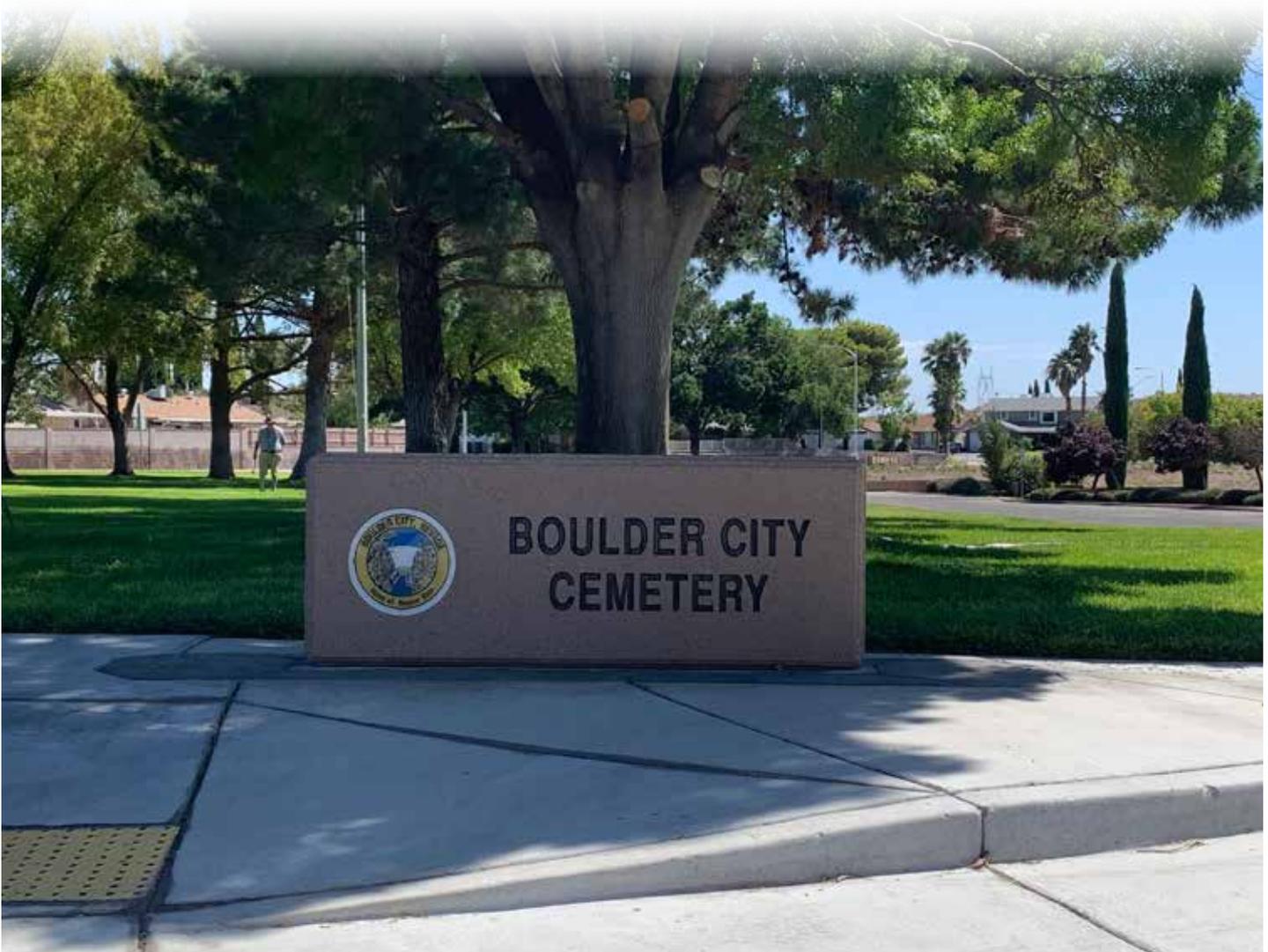


CEMETERY

	Revenues	Expenses
REVENUES		
Charges for Service	\$178,000	
TOTAL REVENUES	\$178,000	
EXPENSES		
Operations		\$207,901
Interfund Transfer		\$46,000
TOTAL EXPENSES		\$207,901
CAPITAL PROJECTS		
Capital Expenses		\$65,000
USE OF NET POSITION	(\$94,901)	

Cemetery Capital Projects for Fiscal Year 2025

Project	FY25 Project Funding
Mower Replacement	\$65,000
Total	\$65,000



What is an “Enterprise Fund?”

Enterprise Funds account for operations in a manner similar to private business enterprises, where the costs of providing goods or services to the users 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 Division

The Electric Division provides basic electrical energy to its users. The Division 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 Division

The Landfill Division provides basic trash collection and storage services to its users. The Division pays for contractual services to collect all rubbish and trash from its customers, and the placement 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 single-stream 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.

Wastewater Division

The Wastewater Division provides basic sanitary sewer services to its users. The Division 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 Division

The Water Division provides basic water services to its users in the form of treated potable water and raw water. The Division 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.

Aviation Fund

The Aviation 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.

GASB - Government Accounting Standards Board

NRS - Nevada Revised Statutes - state laws that apply to municipalities

GAAP - Generally Accepted Accounting Principles

Budget Adoption Schedule

Date	Milestone
2023	
8/1	Kickoff of Capital Improvement Plan (CIP) FY 2025 - 2029
8/2	Utility Advisory Committee provides input on CIP for FY2025-2029
8/28-11/6	Finance Team and City Manager meets with Departments to review their CIP requests and revise 5 year CIP
11/9	Utility Advisory Committee reviews the draft FY25-29 CIP
11/28	City Council meeting to review the draft CIP for FY25-29
11/29	Citizen Workshop to review the draft CIP for FY25-29
2024	
1/9	City Council meeting - Tentative approval of draft CIP for FY25-29
February	Department Directors meet with Budget Manager and Finance Director
February	Department Directors and Finance Director, meet with City Manager
3/28	City Council Budget Special Meeting (review operation and maintenance budgets)
4/3	Utility Advisory Committee is presented the draft FY25 O/M Budgets
4/10	Staff-led Citizen Workshop to review O&M budgets
4/15	File Tentative Budget with City Clerk, Clark County Clerk and Controller, and Nevada Department of Taxation. File notice of time and place for budget hearing.
4/23	City Council Meeting to review O&M budgets
5/14	City Council Meeting to review O&M budgets (if needed)
5/16	Publish notice of Public Hearing for the Budget (7-14 days prior) Obtain Affidavit of Publication
5/28	Adoption of Final Budget (Public Hearing)(on or before June 1, NRS 354.598-2) Adoption of Capital Improvement Program (NRS 278.0226)
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)









Prepared by:
City of Boulder City
Finance Department
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Boulder City, Nevada