CITY OF FERNLEY
City Manager's Office

Administration
Human Resources
Budgeting
Risk Management
& Contract

April 4, 2013

Mayor and City Council
595 Silver Lace Boulevard
Fernley, NV 89408

Mayor and Council:

The City of Fernley faces a slow but steady economic recovery over the next fiscal year, with new investments in the community expected and a significant increase in revenues projected. As we move into the next budget year, we have prioritized six directives:

- Continue to provide basic services with one of the smallest governments per capita in the state: 2.9 positions per 1,000 residents.
- Encourage economic development through marketing and recruitment.
- Maintain staffing and service levels throughout the City.
- Provide appropriate staffing for key functions like infrastructure maintenance and protecting Fernley's water resources.
- Pursue the City's fair share of Consolidated Tax revenues.
- Continue debt coverage for the Water Bond.

We start off this fiscal year with an optimistic view of Fernley's future and its long-term sustainability through the following three ideas:

The City's finances are stable:
With projected increases in revenue for the coming year, City staff presents a budget that is balanced, and that provides the personnel and operating expenses necessary to deliver basic municipal services to the people of Fernley.

The City of Fernley is open for business:
We will continue to strive to attract new and diverse businesses, and provide the necessary investments in infrastructure to keep the City "open for business".

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We are one City:
The budget is divided into funds that reflect different operating groups and limitations on the use of user charges, fees and taxes. However, every department works together and with residents to improve the quality of life in Fernley. There is a renewed focus on the fact that we all share one vision and one purpose through the provision of many different services.

The Budget in Brief:
For FY 2013/14, budged general fund revenues total $5,758,168. Other sources and uses total $11,371 and expenditures total $5,272,370. General fund balance is projected to be $2,571,579 with an unrestricted fund balance projected at $1,736,860. Unassigned fund balance is projected at $287,860.

Budgeted water revenues total $8,949,078 with estimated expenses of $9,723,652. This represents a negative change in net assets of $774,574.

Budgeted wastewater revenues total $1,940,050 with estimated expenses of $2,832,152. This represents a negative change in net assets of $892,102.

The Organization:
The budget document is a plan to provide basic municipal services to a City of 19,000 people. It contains elements of reorganization, including creating an Assistant City Manager position that will take on certain responsibilities in the ongoing effort to protect Fernley's water rights. This position will also be responsible for organizational effectiveness, intergovernmental relations, constituent services and special projects. The reclassification of the GIS Coordinator position to a Water Rights/GIS coordinator will allow that position to take on additional technical duties related to water rights protection, while a new part-time position will be focused on GIS data entry. Finally, adding a new full time Senior Streets Maintenance Worker will allow staff to organize into two street crews, increasing their impact on maintaining Fernley's critical infrastructure. Taken together, the proposed budget includes 1.5 new positions and two reclassifications.

These changes position the City to continue the process of professionalization, and allow City staff to focus on the issues most important to the City Council. The budget document reflects staff's best recommendations for the most efficient method to deliver needed municipal services to the residents of Fernley.

I respectfully submit the proposed budget for the City of Fernley for Fiscal Year 2013/14. It provides the resources necessary to pursue the City Council's Strategic Goals, including economic development, citizen engagement, maintenance of infrastructure and preservation of the quality of life in Fernley, Nevada.

Sincerely,

Christopher Good
City Manager