

STAFF REPORT

Date: May 5, 2025

To: Mayor and City Council

Through: Jackie Bryant, City Manager

Subject: Staff Report (For Possible Action): Presentation, discussion and potential direction to staff regarding the FY 2025/26 budget.

From: Vicki Van Buren, Director of Finance

Department: Finance

Summary:

This is a presentation on the development of the FY 2025/26 budget and potential direction to staff on strategic priorities for the FY 2025/26 budget.

Alignment with Strategic Plan:

Fiscal Sustainability

Economic and Community Development

Previous Council Action:

There is no recent Council action relevant to this item.

Background:

Annual budget development begins with budget planning in November and December, Council budget workshops from March to May, and final budget adoption in May. The focus of staff during this process is addressing priorities while maintaining financial stability.

Discussion:

Redevelopment Agency #1 was established in 1983 and expires in 2043. The area is located downtown and includes the parking garage on Sierra Street. The parking garage revenues are pledged to debt so any excess revenue over expenditures must be transferred to the debt fund. A fixed amount of motor vehicle privilege tax was given to RDA #1 when it was established and will continue at the same amount. Miscellaneous expenses include repair and maintenance on the parking garage located on Sierra Street. There are two outstanding bonds in RDA #1 and those bonds pay off in 2027. RDA #1 also received a loan from RDA #2 in FY22 in the amount of \$1.2

million to cover the gap needed for debt payments. This loan will be paid back when cash flow is sufficient to do so. Ad valorem taxes are the sole source of funds used to pay the debt obligations. Tax increment revenues continue to grow as more properties are being developed downtown.

Redevelopment Agency #2 was established in 2005 and expires in 2035. The district is spread out in seven different areas including Cabela's and the baseball district. Payment for the baseball agreement is made from RDA #2, and this was for the construction of the stadium and retail development. Ad valorem taxes are the sole source of revenues in RDA #2. This development area has grown significantly over the last few years and property tax receipts have increased accordingly.

Financial Implications:

None at this time.

Legal Implications:

Legal review completed for compliance with City procedures and Nevada law.

Recommendation:

Staff recommends Council provide feedback regarding the FY 2025/26 budget.

Proposed Motion:

I move to direct staff to move forward with the development of the FY 2025/26 budget based on feedback from the Board.

Attachments:

FY26 Tentative RDA1 State Document

FY26 Tentative RDA2 State Document

Presentation