

INSTRUCTIONS FOR PREPARATION OF 2012-2013 FISCAL YEAR BUDGETS
(ALL LOCAL GOVERNMENTS EXCEPT SCHOOL DISTRICTS)

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INTRODUCTION

**PLEASE READ INSTRUCTIONS BEFORE COMPLETING THE FORMS
BOLD TEXT IS OF HIGH IMPORTANCE**

Pursuant to NRS 354.596, all budgets must be prepared on the **current year** forms prescribed by the Department of Taxation, **and legible. Two copies** of the completed budget document must be submitted to the Department of Taxation. Form numbers have been added to the bottom right corner for easy reference.

GENERAL INSTRUCTIONS

1. Budgets must be prepared for all funds except trust & agency funds that do not receive Property Tax or Consolidated Tax Revenue.
2. A **budget message** is mandatory for cities and counties.
3. An **explanation** is required to be submitted for a budgeted ending fund balance of less than 4% of the total actual previous year's expenditures for the general fund. The explanation must include the **"manner in which the local government plans to increase the fund balance."** (NAC 354.650).
4. Required revenue and expenditure classifications have been provided for use in preparing the budget. (Refer to instructions for Schedule B.)

**Please update all your computerized forms
to reflect all changes in these forms.**

TABLE OF CONTENTS

Every local government budget with ten or more pages must be accompanied by a table of contents that lists the page number and description of each page in the budget. **They must** be arranged in the following order.

PRESENTATION SEQUENCE LOCAL GOVERNMENT BUDGET DOCUMENTS

I. INTRODUCTION

1. Transmittal Letter
2. Index
3. Budget Message

II. SUMMARY FORMS

1. Schedule S-1 – Budget Summary – All Funds (**Counties and Cities only**)
2. Schedule S-2 – Statistical Data
3. Schedule S-3 – Property Tax Rate Reconciliation
4. Schedules A and A-1 – Governmental Fund Types, Expendable Trust Fund and Tax Supported Proprietary Fund Types
5. Schedule A-2 – Proprietary Funds

III. GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

1. Schedule B – General Fund
2. Schedule B – Special Revenue Funds
3. Schedule B – Capital Projects Funds
4. Schedule B – Expendable Trust Funds
5. Schedule C – Debt Service Fund

IV. PROPRIETARY FUNDS

1. Schedule F-1 – Enterprise Funds
2. Schedule F-2 – Enterprise Funds
3. Schedule F-1 – Internal Service Funds
4. Schedule F-2 – Internal Service Funds

V. SUPPLEMENTARY INFORMATION

1. Schedule C-1 – Indebtedness
2. Schedule T – Transfer Reconciliation
3. Schedules of Existing Contracts and Privatization Contracts
4. Final Budget – Proof of Publication [NRS 354.598 (3)]

**TRANSMITTAL
FORM 1**

The entity's name **must** be recorded in the first paragraph.

In Paragraph 2, record only the number of funds that require property tax revenues and the total dollar amount of those property tax revenues (**must agree with Schedule A, Column 3**).

Paragraph 3 explains that the formula used to calculate your entity's allowed Property Tax revenue is dependent upon statewide factors, therefore, it is possible for the allowed tax rate to change after you have prepared your final budget. If this change causes a fractional increase in the tax rate, the higher rate will be certified if Paragraph 3 has been completed and you have approved an increase in tax rate not to exceed 1 percent.

In Paragraph 4, the declaration of the total expenditures of the governmental fund types and expendable trust funds **must agree with the total of Columns 1 through 4 on Schedule A-1**. This amount **excludes** all operating transfers, contingency and ending fund balance amounts. Also, in Paragraph 4, the total expenses of all proprietary funds and non-expendable trust funds **must agree with the total of Column 2 (Operating Expenses) and Column 4 (Non-operating Expenses) on Schedule A-2**.

Pursuant to NAC 354.140, the tentative budget must be signed by the person who has been assigned the responsibility for the budget preparation. A certification signature is required for all budgets.

The date, time and place of the public hearing must be recorded at the bottom of this form as well as the proposed date of the publication notice [NRS 354.596 (3)]. **"354.596 (3) At the time of filing the tentative budget, the governing body shall give notice of the time and place of a public hearing on the tentative budget and shall cause a notice of the hearing to be published once in a newspaper of general circulation within the area of the local government not more than 14 nor less than 7 days before the date set for the hearing. The notice of public hearing must state:**

- (a) The time and place of the public hearing.**
- (b) That a tentative budget has been prepared in such detail and on appropriate forms as prescribed by the department of taxation.**
- (c) The places where copies of the tentative budget are on file and available for public inspection.**

In addition to the certification signature the **final budget** must be approved and signed by a majority of all members of the governing body [NRS 354.598 (3)].

**SCHEDULE S-1
BUDGET SUMMARY
FORM 2, 3
(Required for Counties and Cities Only)**

This schedule summarizes the financial activity of all budgeted fund types by revenue source and expenditure/expense function. The information contained in this schedule must agree with the detail presented in Schedules A, A-1, A-2, B, C, and F-1.

GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS

COLUMN 1

This represents the audited Fiscal Year (2010-2011) financial activity.

COLUMN 2

This represents the estimated current fiscal year (2011-2012) financial activity.

COLUMN 3

This represents the summary of the requested budget amounts for Fiscal Year (2012-2013). **The totals reflected must agree with Schedules A and A-1.**

PROPRIETARY FUNDS AND APPLICABLE NON-EXPENDABLE TRUST FUNDS

COLUMN 4

This represents the summary of the revenue and expenses (operating and non-operating) of the entity's proprietary funds. Non-expendable trust funds are to be included if they receive Property Tax or Consolidated Tax Revenue.

The excess of revenues over (under) expenses in column 4 must agree with the result of Columns (1+3) less (2+4) on Schedule A-2.

TOTAL ALL FUNDS

COLUMN 5

This is the summary of all Fiscal Year 2012-2013 budgeted revenue and expenditure/expenses, Columns 3 + 4.

**SCHEDULE S-2
STATISTICAL DATA
FORM 4**

This statistical schedule provides an overview of information commonly used in analyzing a budget.

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

This is the entity's estimate of the number of full time equivalent positions that were required or are expected to be required to perform the functions of government for each of three time periods. Part-time employees should be included as the fractional proportion of a full-time position.

POPULATION

Show the entities estimated resident population as of July 1 for each year. The State certified population figures issued in March are utilized for Fiscal Year 2012-2013 revenue projections. The Census Bureau uses an average of **2.65** persons per household in Nevada. Small districts may use the **2.65** figure or the best information available. The average is from the 2010 Census. **Please identify the source of population estimate used.**

ASSESSED VALUATION

Enter the valuations shown in the Property Tax Rates for Nevada Local Government publications (Redbook) for the "actual prior year" and the "estimated current year." For the budget year, use the information from the Local Government Revenue Projections publication provided by the Department of Taxation. Both publications can be found at the Department's website: "<http://tax.state.nv.us>."

TAX RATE

Summarize by fund type the entity's actual tax rate levied for the prior year, the estimated current year and the budget year.

**SCHEDULE S-3
PROPERTY TAX RECONCILIATION
FORM 27**

This schedule reconciles total allowed property tax revenue with the revenues generated by various tax rates your governing board has actually decided to levy for the upcoming budget year. The information for completing rows A through K can be obtained on pages A1 to A66 of the Revenue Projections that will be mailed in February and March.

- A. The Property Tax that is subject to the revenue limitations imposed by the Legislature is calculated pursuant to NRS 354.59811. This is often referred to as “operating revenue” used to provide the basic services. It is unrestricted revenue to be used in the manner determined by the governing board. Please use the amount shown for your entity in the Final Revenue Projections for Fiscal Year 2012-2013, Column 12.
- B. The Property Tax outside revenue limitations is the revenue generated from the Net Proceeds of Minerals. Net Proceeds of Minerals are excluded from the base used to calculate the operating revenue limitation, because of the uncertainty of future mining activity. Net Proceeds of Minerals is also unrestricted unless placed in a mitigation fund and is generally used for capital projects or “one-shot” needs rather than to fund operations because of its instability from one year to the next. **If the governing board decides not to budget for Net Proceeds of Minerals, do not include an amount in Column 5.**
- C. Pursuant to NRS 354.5982, local governments may exceed the revenue limitations if approval from the voters is obtained. **If this override is new this budget year**, please send us a copy of the ballot question and the certified results of the election.
- D. NRS 428.185 requires EVERY COUNTY to levy a tax rate of 1.5 cents to pay for hospital care for indigents injured by motor vehicles. The proceeds must be remitted to the state treasurer for credit to that fund.
- E. NRS 428.285 requires EVERY COUNTY to levy a tax rate to pay for medical assistance to indigent persons. To calculate the tax rate, first decide a levy of at least 6 cents and not more than 10 cents. Multiply that by the total assessed valuation, divide by 100 and subtract the estimated current year ending fund balance as of May 1. Divide that by the total assessed valuation and multiply by 100 to determine the final rate that will be levied.

Total Assessed	Total Revenue	Ending Fund	Total Allowed	Allowed Assessed	Tax
.0600 to .1000 x Valuation ÷ 100 = Desired – Balance = Revenue ÷ Valuation x 100 = Rate					

- F. NRS 354.59815 authorizes THE COUNTY COMMISSION to levy a tax rate of up to 5 cents for capital projects. **If the rate is levied**, the county treasurer shall distribute the proceeds of this tax quarterly to the county, cities and towns.
- G. The Youth Services levy is required by NRS 62B.150 and NRS 62B.160. Counties whose population is less than 400,000 (all counties except Clark) must pay for regional facilities for children such as China Springs Youth Camp and/or the Lyon County Youth Facility.
- H. The Legislature has approved various overrides to the revenue limitations. These include, but are not limited to jails, detention centers, 1.92 cents for family courts, etc. **List items.**

I. The provision in NRS 354.59813 allows local governments to levy additional Property Tax if the Department of Taxation's estimate of Supplemental City-County Relief Tax is less than the amount that would be generated by applying a tax rate of \$1.15 to the countywide assessed valuation.

J & K. Other items may be listed here. Specify the purpose of the additional levy.

L. Subtotal the tax rates and revenue for all the legislative overrides – D, E, F, G, H, I, J and K.

M. Subtotal A, C and L.

N. Any debt that must be repaid from Property Tax revenue should be shown here.

O. Total M and N.

COLUMN 1 – ALLOWED TAX RATE

Use the allowed tax rate shown in Part A, column 11 of the Local Government Revenue Projections package. These are the highest rates the entity is allowed to levy.

COLUMN 2 – ASSESSED VALUATION

List the assessed valuation without Net Proceeds of Minerals on line (A). This information is available in column 5 of the revenue projections for your county. The assessed valuation **excluding** Net Proceeds of Minerals is used to calculate the allowed Property Tax subject to the revenue limitations.

List the assessed valuation of Net Proceeds of Minerals only on line (B). The total assessed valuation **including** Net Proceeds of Minerals is listed on Line C and is used to calculate the allowed Property Tax for all other categories including but not limited to voter overrides, indigent rates, capital projects, legislative overrides, debt, etc.

COLUMN 3 – ALLOWED PROPERTY TAX REVENUE

Show the maximum allowed property tax revenue that could be received by your entity subject to the revenue limitations. These amounts are found in the Local Government Revenue Projections package and are calculated by multiplying Column 1 by Column 2.

COLUMN 4 – TAX RATE LEVIED

Show the actual tax rate that the governing board intends to levy for each of the categories. It may be less than Column 1 but may not exceed Column 1.

COLUMN 5 – PREABATED PROPERTY TAX REVENUE

Enter the CALCULATED revenue to be received from each of the sources listed.

If your entity chooses to budget for lower revenue from property tax, column 1 and 2 should agree with revenue projections. A footnote should be included indicating the assessed value used to calculate Revenue in Column 5.

With the advent of the Property Tax Abatement Program in FY 2005-06, the Department has expanded Schedule S-3 (Form 27, Form 27R) to accommodate the accounting of abated revenues and estimated property tax revenue to be received by local governments. For entities that utilize Form 27R, to calculate the pre-abated revenue in column 5, please apply the tax rate in column 4 to the assessed value subject to revenue limitations on line A of column 2. To calculate the Net Proceeds of Minerals revenue in column 8, the assessed valuation recorded on line B of column 2 should be used.

COLUMN 6 – PROPERTY TAX ABATEMENT

Enter the difference between column 5 and column 7.

COLUMN 7 – ABATED PROPERTY TAX REVENUE

The revenue amounts needed to complete this column are found in column 15 of the Proforma Revenue Projections publication which is distributed to local governments on March 25th each year. The Department recommends that an entity which levies a combination of tax rates allocate a portion of the total tax dollars determined in the proforma projections to each tax rate. This is accomplished by applying a percent of total developed for each source using the tax rates recorded in column (4). The total of column 7, or column 9 if the entity receives Net Proceeds of Minerals revenue, should agree with the total of column 3 on schedule A.

COLUMN 8 – NET PROCEEDS OF MINERALS REVENUE

Net Proceeds of Minerals revenue is not subject to abatement. Column 8 has been added to provide ease of recording the tax revenue from Net Proceeds.

COLUMN 9 – BUDGETED AD VALOREM REVENUE WITH CAP

The total of column 7 and column 8.

**SCHEDULE A
ESTIMATED REVENUES AND OTHER RESOURCES**

**GOVERNMENTAL FUND TYPES,
EXPENDABLE TRUST FUNDS AND TAX SUPPORTED PROPRIETARY FUND TYPES
FORM 5**

Schedule A is a summary of all resources detailed in Schedules B and C.

Any entity which does not levy Property Tax or receive Consolidated Tax or has a single fund budget need not file a Schedule A or A-1.

FUND NAME

Insert the names of all-governmental, expendable trust and proprietary funds in the sequence the fund is presented in the budget document. This should be the same order noted in the index and on page 3 of these instructions. **The funds created to account for the various indigent levies should include the statutory reference that allows for the levy, for example NRS 428.185.**

COLUMN 1 – BEGINNING FUND BALANCES

This must equal the budget year beginning fund balance plus or minus prior period adjustments affecting that balance. For purposes of “Schedule A” Residual Equity Transfers are to be included in Column 7.

COLUMN 2 – CONSOLIDATED TAX REVENUE (CTX)

Enter the budgeted Consolidated Tax Revenue. See section D of Revenue Projections.

COLUMN 3 – PROPERTY TAX REQUIRED

Show the amount of Property Tax to be budgeted. The total, exclusive of debt service, must not exceed the allowed Property Tax revenue.

COLUMN 4 – TAX RATE

Show the tax rates required to generate the amounts in Column 3. The total rate, exclusive of debt service, must not exceed the allowed tax rate; and agree to the total of Column 4 of Schedule S-3.

COLUMN 5 – OTHER REVENUES

This is the total of all revenue categories other than the Property Tax and Consolidated Tax Revenue. Examples are fees from licenses and permits, charges for service, fines and forfeits, etc. (Do not include other financing sources or transfers.)

COLUMN 6 – OTHER FINANCING SOURCES OTHER THAN TRANSFERS IN

Examples of “Other Financing Sources” are proceeds of long-term debt or sales of general fixed assets.

COLUMN 7 – OPERATING TRANSFERS IN

List the operating transfers in and residual equity transfers in. The total of this column, plus the total of Column 5 on Schedule A-2 should agree to the total of transfers in on Schedule T – Transfer Reconciliation (Form 23).

COLUMN 8 – TOTAL

This is the sum of Column 1 through Column 7, excluding Column 4, and **must agree with the total available resources listed on Schedules B and C.**

Be sure to total each column.

NOTE: The only proprietary fund data required on Schedule A is the Consolidated Tax Distribution Revenue and Property Tax information. All other proprietary activities are reported on Schedule A-2.

**SCHEDULE A-1
ESTIMATED EXPENDITURES AND OTHER FINANCING USES
GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS
FORM 6**

Schedule A-1 is a summary of all expenditures detailed in Schedules B and C.

FUND NAME

List governmental and expendable trust funds in the same order as they appear on Schedule A. **The funds created to account for the various indigent levies should include the statutory reference that allows for the levy, for example NRS 428.185.**

FUND TYPE

Show the type of fund. Use the codes listed at the bottom of the schedule.

COLUMN 1 – SALARIES AND WAGES

This is the sum of salaries and wages for each fund.

COLUMN 2 – EMPLOYEE BENEFITS

COLUMN 3 – SERVICES, SUPPLIES, AND OTHER CHARGES

Show the sum of the requirements for services, supplies and other charges for each fund. Include principal and interest requirements for debt service funds in this column.

COLUMN 4 – CAPITAL OUTLAY

Enter the amount of capital outlay for each fund. **The amount listed for capital outlay in each fund must agree with the Capital Improvement Plan that will be submitted on August 1, pursuant to NRS 354.5945.**

COLUMN 5 – CONTINGENCIES AND USES OTHER THAN OPERATING TRANSFERS OUT

This column summarizes the “other uses” for each fund. Generally, it will only include the provision for contingencies. Do not include operating transfers out in this column.

COLUMN 6 – OPERATING TRANSFERS OUT

Enter operating transfers out for each fund. The total of this column, plus the total of Column 6 on Schedule A-2 should agree with the total transfers out on Schedule T – Transfer Reconciliation (Form 23).

COLUMN 7 – ENDING FUND BALANCES

Enter estimated ending fund balance for each fund.

COLUMN 8 – TOTAL

This is the sum of Column 1 through Column 7 and must agree with Schedule A, Column 8.

Be sure to total each column. The total of Columns 1-4 should agree to the estimated expenditures shown in paragraph 4 on Form 1, the transmittal letter.

**SCHEDULE A-2
PROPRIETARY FUNDS AND NON-EXPENDABLE TRUST FUNDS
FORM 7**

This schedule summarizes the activities of each Enterprise, Internal Service and those Non-expendable Trust Funds receiving Property Tax and /or Consolidated Tax Revenue, as detailed in Schedule F-1.

FUND NAME

Insert the names of **all** funds shown on Schedule F-1 in the order of presentation in the budget.

FUND TYPE

Show the type of fund. Use the codes listed at the bottom of the schedule.

COLUMN 1 – OPERATING REVENUES

This is the sum of all operating revenues.

COLUMN 2 – OPERATING EXPENSES

This is the sum of all operating expenses including depreciation charges.

COLUMN 3 – NON-OPERATING REVENUES

Show the non-operating revenues. Recurring Property Tax and Consolidated Tax Revenue support of proprietary funds should be included in this amount. Do not include operating **transfers in**.

COLUMN 4 – NON-OPERATING EXPENSES

Show the non-operating expenses. Do not include operating **transfers out**.

COLUMN 5 – OPERATING TRANSFERS IN

Enter the operating transfers in. The total of this column, plus the total of Column 7 on Schedule A, should agree with the total transfers in on Schedule T – Transfer Reconciliation (Form 23).

COLUMN 6 – OPERATING TRANSFERS OUT

Enter the operating transfers out. **(Do not net transfers in and transfers out.)** The total of this column, plus the total of Column 6 on Schedule A-1, should agree with the total transfers out on Schedule T – Transfer Reconciliation (Form 23).

COLUMN 7 – NET INCOME

This is the result of Columns $(1 + 3 + 5) - (2 + 4 + 6)$. **The sum of Column 2 and Column 4 should equal the total proprietary fund expenses to be reported in paragraph 4 of the transmittal letter.**

**SCHEDULE B
DETAIL SCHEDULES OF REVENUE
FORMS 8 AND 9**

FORMS TO BE USED BY COUNTIES, CITIES AND UNINCORPORATED TOWNS:

NOTE: The budget forms package includes several options for completing the B Schedules.

Forms 8, 9, 10 and 11 – Large Funds
Form 12 and 13 – Medium Funds
Form 14 – Small Funds

Please choose the appropriate form according to the size of the fund. **Please do not submit blank pages with the budget document.**

Complete a separate set of schedules for each fund.

For all B Schedules, column entries are as follows:

COLUMN 1

Enter the audited Fiscal Year 2010-2011 financial activity, which **must agree with the independent audit report.**

COLUMN 2

Estimate, and enter, using the most current information available, the current fiscal year activity through June 30, 2012. **These entries should differ from those shown in the final budget for Fiscal Year 2011-2012.**

COLUMN 3

Enter tentative budgeted activity for Fiscal Year 2012-2013.

COLUMN 4

After public hearing enter final budgeted activity for Fiscal Year 2012-2013.

REVENUE CLASSIFICATIONS

Use of the revenue classifications listed on the following pages is mandatory.

REVENUE CLASSIFICATIONS

CATEGORIES

LINE ITEMS

Taxes

Property Tax
Property Tax – Net Proceeds of Minerals
Residential Park Construction Tax
Room Tax including NRS 244.3352 and 268.096
Other
SUBTOTAL

Licenses and Permits

Business licenses and permits
Business licenses
Liquor licenses
County gaming licenses
City gaming licenses
Police and protective
Franchise fees
Gas
Electric
Water
Phone
Sanitation
Other
Other:

Non-business licenses and permits
Marriage licenses
Animal licenses
Bicycle licenses
Other licenses
Building permits
Impact fees
Sign permits
Mobile home permits
Other
SUBTOTAL

Intergovernmental Revenues

Federal revenue sharing	
Federal grants:	
Comprehensive employee training grants	
Environmental Protection Agency grants	
Housing and Urban Development grants	
Highway grants	
Other	
Federal shared revenues	
Federal payments in lieu of taxes	
State grants	
State shared revenues	
Jet or turbine-powered aircraft tax	-NRS 365.170
Motor vehicle fuel tax 3.60 cents	-NRS 365.180
Motor vehicle fuel tax 1.75 cents	-NRS 365.190
Consolidated Tax¹	-NRS 360.680 & 360.690
Cigarette taxes	-NRS 370.260
Liquor taxes	-NRS 369.173
Basic city/county relief tax	-NRS 377.055
Supplemental city/county relief tax	-NRS 377.057
Governmental Services tax	-NRS 482.180
Real Property Transfer tax	-NRS 375.070
State gaming licenses	-NRS 463.380 & NRS 463.320
Special LGTA tax	-AB 104 & SB 506
Court administrative assessments	-NRS 176.059
Other	
County option motor vehicle fuel	
County option ¼ percent sales and use tax	
Specify: Flood control, Regional	
Transportation, Roads, Tourism	
Other (specify)	
States payments in lieu of taxes	
Other local government grants	
Inter-local cooperative agreements	-NRS 277.045
Other	
Other local government shared revenues	
County gaming licenses (cities share)	-NRS 463.323 (4) & 463.325
County road fund distributions	-NRS 373.150
Other	
Other local government payments in lieu of taxes	
SUBTOTAL	

¹ Components of Consolidated Tax, for information only. Do not delineate as a revenue classification

In classifying grants between federal, state, and private, the separation should be based on the original source of funds. Summarize grants by each major granting agency (Environmental Protection Agency, Housing and Urban Development, State Health, etc.).

Charges for Services

- General government
 - Clerk fees
 - Recorder fees
 - Map fees
 - Assessor collection fees
 - Building and zoning fees
 - Room tax collection commission
 - Administration fees
 - Other
 - SUBTOTAL

- Judicial
 - Clerk fees
 - Other
 - SUBTOTAL

- Public safety
 - Police
 - Sheriff's fees
 - Others
- Fire
- Correction
 - Prisoner board
 - Other
- Protective services
- SUBTOTAL

- Public works
 - Street, sidewalk and curb repair
 - Parking meter receipts
 - Sewer charges
 - Water charges
 - Transit system charges
 - Airport charges
 - Engineering charges
 - Other
 - SUBTOTAL

- Sanitation
- SUBTOTAL

- Health and welfare
 - Cemetery
 - Animal control
 - SUBTOTAL

Culture and recreation

Golf course

Swimming pool

Other

SUBTOTAL

Community Support

SUBTOTAL

SUBTOTAL CHARGES FOR SERVICE

Fines and Forfeits

Fines

Library

Court

Environmental

Other

Forfeits

Bail

Other

SUBTOTAL

Special Assessment

Capital Improvement

Service

SUBTOTAL

Miscellaneous

Interest earnings

Rents and royalties

Contributions and donations from private sources

Other

SUBTOTAL

Other Financing Sources

Proceeds of long-term debt

Inter-fund operating transfers in

Proceeds of general fixed asset dispositions

(Includes sales and insurance claims)

Prior year expenditure refunds

Capital leases

SUBTOTAL

TOTAL ALL RESOURCES

List operating transfers in by fund name. These must agree with Schedule T and Schedule A.

BEGINNING FUND BALANCE

Beginning fund balance

Prior period adjustment(s)

Residual equity transfers

**SCHEDULE B
EXPENDITURES BY FUNCTION, ACTIVITY AND OBJECT
FORM 10**

All budgeted expenditures must be summarized in the following functions. **This format is mandatory.**
Your entity may use fewer functions than those listed.

The activity format is provided for guidance. It may be necessary for your entity to increase or decrease those activities listed in a particular function.

<u>FUNCTIONS</u>	<u>ACTIVITIES</u>
General Government	Legislative Executive Elections Finance Other
Judicial	Courts District Attorney (suggested here; not in general government)
Public Safety	Police Fire Support Services Corrections Protective Services
Public Works	Highway and Streets Snow and Ice Removal Street Lighting Engineering
Sanitation	Street Cleaning Waste Collection and Disposal Weed Control
Health	Vital Statistics Public Health Administration Communicable Disease Control Maternal and Child Service Cemetery Animal Control
Welfare	Institutional Care Old Age Assistance Direct Assistance
Culture and Recreation	Participant Recreation Spectator Recreation Parks Libraries

Community Support	Housing Redevelopment Economic Development Economic Opportunity Other – Please specify
Debt Service	Principal Interest
Intergovernmental Expenditures	This account includes expenditures made by one level or unit of government to another government in support of government activities administered by the recipient unit. Excluded from this classification are matching employer contributions by a government to a pension or retirement system administered by another government.

OBJECT

Expenditure object format is **mandatory**.

Object classifications are broken down into following areas:

- Salaries and wages
- Employee benefits
- Services and supplies
- Capital outlay

“Salaries and wages” reflect the amount you expect to pay to the employee and show on his W-2 as “wages.”

“Employee benefits” represent all compensation including: Employer’s share of Public Employees Retirement System contribution, health and life insurance premiums or benefits, uniform allowances, industrial and unemployment insurance premiums and similar costs.

“Services and supplies” examples of such items are professional services, communication, advertising, printing, repairs and maintenance.

“Capital outlay” represents expenditures, which result in the acquisition of or addition to fixed assets.

All functions must be subtotaled by object.

**SCHEDULE B
SUMMARY OF GENERAL FUND EXPENDITURES, OTHER USES AND
ENDING FUND BALANCE
FORM 11**

This form is used to summarize the expenditures and other uses of the General Fund.

EXPENDITURES

The function totals from the detail on forms 10 should be brought forward to this page.

OTHER USES

CONTINGENCY: Note the 3 percent maximum contingency allowed is a percentage of **total expenditures** only and does not include 3 percent of **operating transfers out**. Pursuant to NRS 354.608.

SCHEDULE B RESOURCES AND EXPENDITURES OTHER THAN GENERAL FUND FORMS 12-14

These forms are provided to meet a variety of needs.

Use forms: 12 – 14 for:

Special Revenue Funds, Capital Projects Funds or General Improvement Districts that do not require Forms 8-11.

Revenue Classifications, Expenditure Functions and Activity format should be followed when using these forms.

SCHEDULE C DEBT SERVICE FUND FORM 15, 16, 17, 18

Entities which have voter approved or Tax Commission approved debt being repaid by Property Tax must complete Forms 17 and 18. **No other debt should be included on these forms.**

All **other** debt must be reported on Forms 15 and 16.

1. Forms 15 and 16 – Debt which is repaid by operating resources. **NOTE: This includes any part of your operating tax rate being applied to debt.**
2. Forms 17 and 18 – Debt is repaid by property tax (Debt Rate).
3. Debt directly related to and expected to be paid from proprietary funds and trust funds, should be included in the budgets of the respective funds.

AVAILABLE RESOURCES

Classification of revenues and other financing sources must correspond with those listed on Pages 13 – 18 of these instructions.

EXPENDITURES AND RESERVES

Principal and interest amounts for the budget year should agree with the appropriate totals on Schedule C-1.

Debt service reserves must be categorized by the type of debt. Reserve amounts are to reflect net increase or decrease from previous year reserves. The reserve may include up to one year's principal and interest. Enter in the "Total Reserved Amount (memo only)" the cumulative amount of reserve for that particular type of debt. The sum of these reserves should equal the reserved portion of the ending fund balance pursuant to NAC 354.650 (2).

NOTE: Please reference the appropriate bond covenant or other reason determined by the board if the amount to be reserved is greater than one year's principal and interest.

**SCHEDULE F-1
PROPRIETARY AND NON-EXPENDABLE TRUST FUNDS
FORM 19**

SCHEDULE F-1 – REVENUES, EXPENSES AND NET INCOME.

Complete a **separate** form for each enterprise, internal service and non-expendable trust fund.

This form is segregated into four basic accounting components as follows:

1. Operating Revenue:

The revenue classifications are similar to those used in the private sector for similar activities. Most enterprise funds and internal service funds charge for their services, therefore, the most common caption would be "charges for service" or "user fees."

2. Operating Expenses:

These expenses are NOT limited to the object classifications listed on Page 18 of these instructions. Report the major expense classifications that reflect the nature of the proprietary fund operation. **Depreciation must be included as an operating expense.**

3. Non-operating Revenues:

The most common classifications are itemized on this form. Additional classifications may be listed separately or summarized as "other."

4. Non-operating Expenses:

The major non-operating expense to be reported is interest expense. Principal payment amounts **should not be included here**. Interest is considered non-operating since it usually has been incurred to finance building or equipment. Costs and depreciation on these fixed assets are included as an operating expense.

5. Income Before Operating Transfers:

The difference between all revenues and all expenses is classified as "income before operating transfers."

6. Operating Transfers:

Operating transfers must be reported separately on this form.

Note: Pursuant to NRS 354.612 (5), "No transfer of equity that may be made available to other funds or functions may be declared in an enterprise fund until after all proper obligations have been charged against the fund."

7. Net Income:

Net income is the balance of "net income before transfers" increased or decreased by the net of the operating transfers.

**SCHEDULE F-2
STATEMENT OF CASH FLOW
FORM 20**

The statement of cash flows reports net cash provided or used in each or the following four categories:

- A. Cash Flow from Operating Activities.
- B. Cash Flow from Non-capital Financing Activities.
- C. Cash Flow from Capital and Related Financing Activities.
- D. Cash Flow from Investing Activities.

Cash outflows should be shown in (brackets).

The following shows each category with some examples. In and Out flows may vary depending on entity type.

- A. **Cash Flow from Operating Activities:** Cash flows from operating activities are the cash effects of transactions and other events that enter into the determination of operating income. Operating activities generally result from providing goods and services.

Examples: IN Cash received from customers
 Other operating revenue

 OUT Cash payments to suppliers for goods and services
 Cash payment to employees for services

- B. **Cash Flow from Non-capital Financing Activities:** Non-capital financing activities include borrowing money for purposes **other than** to acquire, construct, or improve capital assets and repaying the principal and interest on those amounts borrowed. Also included are operating transfers and grants in and out.

- Examples: IN Operating transfers – in
 Operating grant revenue
 Rental income
 Room taxes
 Intergovernmental revenue (i.e., **Consolidated Tax**)
 Other non-operating revenue
- OUT Operating transfers out
 Operating grant expenditures

C. **Cash Flow from Capital and Related Financing Activities:** Capital and related financing activities would include proceeds of loans to be used for the purpose of acquiring, constructing or improving capital assets and the payments of principal and interest on capital asset loans.

- Examples: IN Proceeds for the acquisition of property and equipment
 Bond proceeds for capital assets
 Proceeds of short-term financing
 Sales of capital assets
 Principal received on special assessments
 Interest received on special assessments
 Contributed capital
- OUT Acquisition of property, plant and equipment
 Principal paid on bonds
 Interest paid on bonds
 Payments of capital leases
 Principal paid on short-term financing loan
 Interest paid on short-term financing loan
 Bond issuance costs

D. **Cash Flow from Investing Activities:** Investing activities include making and collecting loans and acquiring and disposing of debt or equity instruments.

- Examples: IN Interest on investments
 Sale on investment securities
- OUT Purchase of investment securities

**SCHEDULE C-1
 DETAIL OF OUTSTANDING LONG-TERM DEBT
 FORM 22**

All existing debt budgeted or **proposed debt** in any fund and all special assessment debt **must** be listed on this schedule. **Organize all debt by fund.**

First enter amounts to be paid from the Debt Service Fund. Subtotal the amounts to be paid from the debt service fund by type of debt* (general obligation, general obligation revenue supported, etc.), and compare to the appropriate type category on Schedule C(s).

- * - Type
- 1. General Obligation Bonds
- 2. General Obligation Revenue Supported Bonds
- 3. General Obligation Special Assessment
- 4. Revenue Bonds
- 5. Medium-Term Financing
- 6. Medium-Term Financing – Lease Purchase
- 7. Capital Leases
- 8. Special Assessment Bonds
- 9. Mortgages
- 10. Other (Specify Type)
- 11. Proposed (Specify Type)

Second, enter proposed debt clearly (type No. 11). Enter debt payable from other funds and subtotal for each fund. **This includes lease-purchases being serviced by the General Fund or any other fund. Special assessment debt must be included.**

NOTE: The sum of Column 9 and Column 10 must equal Column 11.

**SCHEDULE T
TRANSFER RECONCILIATION
FORM 23**

This schedule summarizes all operating and residual equity transfers planned for the budget year. **Total transfers in must equal total transfers out.**

1. Enter the **name of the fund** that receives or makes an operating transfer and the **budget page number** where the transfer is recorded.
2. Enter the amount transferred in or out and the other fund affected by the transfer.
3. Subtotal both columns by fund type (in and out).
4. The total transfers must agree to the totals in Column 7 (Schedule A) and Column 5 (Schedule A-2) for transfers in and Column 5 (Schedule A-1) and Column 6 (Schedule A-2) for transfers out.

**LOBBYING EXPENSE ESTIMATE
FORM 30**

For use in Legislative Session years

**SCHEDULE OF EXISTING CONTRACTS
FORM 31
AND
SCHEDULE OF PRIVATIZATION CONTRACTS
FORM 32**

Report existing contracts separately from privatization contracts. Use Form 31 for Existing Contracts and Form 32 for Privatization Contracts. A privatization contract is defined as a contract executed by or on behalf of a local government which authorizes a private entity to provide public services which are:

- (a) Substantially similar to the services provided by the public employees of the local government; **and**
- (b) In lieu of the services otherwise authorized or required to be provided by the local government.

Include only contracts with persons or temporary employment services on Form 31 or Form 32. Do not include contracts which involve only the purchase or procurement of goods and supplies. On Form 32, list only those contracts which meet both conditions listed in the definition above. For example, if a government is authorized to construct a building but it does not normally employ public employees to construct buildings, the construction contract would not be listed as a privatization contract. Another example would be if a government is required to provide police services and the service is substantially similar to the services already provided by public employees, the contract should be listed as a privatization contract.

Schedule of Existing Contracts, Form 31

This schedule summarizes existing contracts with persons or temporary employment services along with the proposed expenditures for such contracts for the next two fiscal years and the reasons for the use of such persons or services.

Step 1: Enter the name of the entity and the contact information of the person procuring and/or administering contracts.

Step 2: Enter in the space provided the vendor name and the following information:

- 1) Effective date of contract;
- 2) Termination date of contract;
- 3) Proposed expenditure in FY2012-2013;
- 4) Proposed expenditure in FY2013-2014; and
- 5) A brief explanation of the reasons or needs for the contract;

Step 3: Summarize the total number of existing contracts on the top right of the schedule and the total estimated expenditures for such contracts for the next two fiscal years on line 20 or at the end of the listing. A summary of FTEs is not required for existing contracts.

Use additional sheets if necessary to list contracts or to provide additional explanation of the contract. If additional explanation is needed for a contract, be sure to reference the line number and vendor listed on the first page of the Schedule.

Schedule of Privatization Contracts, Form 32

This schedule itemizes those contracts considered to be "privatization" contracts, in which a private entity provides services substantially similar to services provided by public employees and are in lieu of services otherwise required to be provided by the local government. See complete definition in AB 330(2011), Section 8(3).

Step 1: Enter the name of the entity and the contact information of the person procuring and/or administering contracts.

Step 2: Enter in the space provided the vendor name and the following information:

- 1) Effective date of contract;
- 2) Termination date of contract;
- 3) Duration;
- 4) Proposed expenditure in FY2012-2013;
- 5) Proposed expenditure in FY2013-2014;
- 6) The number of FTES employed by Position Class or Grade. Add as many lines as may be necessary under each vendor to list the Position Class or Grade categories for each contract;
- 7) The equivalent hourly wage of FTEs by Position Class or Grade. Calculate the average hourly wage of the Position Class or Grade; and
- 8) A brief explanation of the reasons or needs for the contract. Use additional sheets if necessary to list contracts or to provide additional explanation of the contract. If additional explanation is needed for a contract, be sure to reference the line number and vendor listed on the first page of the Schedule.

Step 3: Summarize the total number of privatization contracts on the top-right of Schedule 32. Summarize the total estimated expenditures for such contracts for the next two fiscal years, and the total full-time equivalent positions expected in the privatization contracts at the end of the listing.

Step 4: Attach the completed forms to the budget package and return to the Department of Taxation on or before April 15 with the tentative budget submission.

Examples:

City B desires to have an economic development study performed on the effects on revenue and the social and environmental costs of a proposed new manufacturing plant to be built in 2013 and a renewable energy facility to be built in 2014. City B contracts with R & A Economic Development to perform the study. The agreement, effective as of October 1, 2011, calls for Part I of the study to be completed in 2012 and Part II of the study to be completed in 2013. Each part of the study will cost \$10,000. One economic development expert will perform the study.

	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 12-13	Proposed Expenditure FY 2013-14	Reason or Need for Contract
1	R&A Economic Development	10/1/11	10/1/13	\$10,000	\$10,000	Impact study on revenue & social & environmental costs of new mfg plant

City B builds a new detention center. The City Council determines it needs to hire an outside employment service which can provide the necessary expertise to run a much larger facility. Personnel Service A agrees to provide 20 persons to City B to serve as Detention Officers beginning on July 1, 2012 and will end on October 1, 2017. Personnel Service A will charge the following for wages. Other costs for associated benefits are not included:

Hourly wage of Jailor I position: \$15.00 per hour	Number of FTE positions: 16
Hourly wage of Jailor II position: \$18.00 per hour	Number of FTE positions: 3
Hourly wage of Supervisor: \$22.00 per hour	Number of FTE positions: 1

The supervisor provided by Personnel Service A will report to and take direction from the City's police chief. The contract for services was dated July 1, 2012 and will expire unless renewed on October 1, 2017.

Vendor	Effective Date of Contract	Termination Date of Contract	Duration (Months/ Years)	Proposed Expenditure		Position Class or Grade	Number of FTEs employed by Position Class or Grade	Equivalent Hourly Wage of FTEs by Position Class or Grade	Reason or need for the Contract
				FY 12-13	FY 13-14				
Personnel Service A	7-1-12	10-1-17	5 years, 4 months	\$45,760	\$45,760	Supv	1	\$22.00/hr	Contract will provide trained personnel with special expertise to run large facility
				\$112,320	\$112,320	Jailor II	3	\$18.00/hr	
				\$499,200	\$499,200	Jailor I	16	\$15.00/hr	

DEFINITION OF TERMS

Fund Balance NRS 354.533

The excess of assets over liabilities and reserves in a governmental fund.

FUND TYPES

Governmental Type Funds and Expendable Trust Funds

1. **General Fund NRS 354.534**

A fund used to account for all financial resources except those required to be accounted for in another fund.

2. **Special Revenue Fund NRS 354.570**

A fund used to account for specific revenue sources, other than special assessments, expendable trusts, or sources for major capital projects, which are restricted by law to expenditures for specified purposes. Federal revenue sharing should be budgeted as a special revenue fund.

3. **Capital Projects Fund NRS 354.4995**

A fund created to account for all resources used for the acquisition or construction of designated fixed assets by a governmental unit except those financed by special assessment, proprietary or trust funds.

4. **Expendable Trust Funds**

Those whose principal and income may be expended in the course of their designated operations. Expendable trust funds are most often used to account for income amounts transferred to them from non-expendable trust funds. Expendable trust funds may also be used to account for endowments whose principal may be expended in the course of their designated operations. However, under Statement 1, the use of expendable trust funds should generally be limited to instances where legally mandated or where a formal legal trustee relationship exists. Expendable trust funds are accounted for essentially in the same manner as governmental type funds.

5. **Debt Service Fund** NRS 354.510

A fund to account for the accumulation of resources for and the payment of principal or interest on any general long-term debt.

Proprietary funds and non-expendable trust funds

1. **Enterprise Fund** NRS 354.517

A fund established to account for operations:

- A. Which are financed and conducted in a manner similar to the operations of private business enterprises, where the intent of the governing body is to have the expenses (including depreciation) of providing goods or services on a continuing basis to the general public, financed or recovered primarily through charges to the users; or
- B. For which the governing body has decided that a periodic determination of revenues earned, expenses incurred and net income is consistent with public policy and is appropriate for capital maintenance, management control, accountability or other purposes.

2. **Internal Service Fund** NRS 354.543

A fund used to account for the financing of goods or services furnished by a designated department or agency to governmental units within its own organization or to other departments or agencies on the basis of reimbursements for costs.

3. **Non-Expendable Trust Fund**

A trust fund, the principal of which may not be expended. Non-expendable trust funds are accounted for in essentially the same manner as proprietary funds. These funds need not be budgeted for unless they receive Property Tax or Supplemental City/County Relief Taxes or there are Inter-fund transfers to or from.

Function NRS 354.529

A group of related activities aimed at accomplishing a major service or regulatory program for which a governmental unit is responsible. For example, public safety is a function.

Quasi-External Transactions

Transactions that would be treated as revenues, expenditures, or expenses if they involved organizations external to the governmental unit. Examples include payments in lieu of taxes from an enterprise fund to the general fund; internal service fund billings to departments; routine employer contributions from the general fund to a pension trust fund; and routine service charges for inspection, engineering, utilities, or similar services provided by a department financed from one fund to a department financed from another fund.

Reserve NRS 354.560

In accounting and reporting of government funds, a portion of the fund balance which is not available for appropriation for expenditures or is segregated by law or contract for a specific future use.

Residual Equity Transfers

These are nonrecurring or non-routine transfers of equity between funds. Examples include contribution of capital by the general fund to an enterprise fund or internal service fund, then subsequent return of all or part of such contribution to the general fund, and transfers of residual balances of discontinued funds to the general fund or to a debt service fund. Residual equity transfers are all reported at the bottom of the resource section of the funds affected.

Transfers (Operating)

All inter-fund transactions except loans or advances, **and** quasi-external transactions are accounted for as transfers. **Schedules B** must be filed for all funds involved in transfers; this includes transfers to or from trust funds: Examples include legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended. Operating transfers are reported in the "other sources and uses" sections of the various forms immediately preceding the total columns. This is to emphasize they are neither revenues nor expenditures of the entity as a whole.