

**MEMO  
TOWN OF PAHRUMP**

TO: Town Board

FROM: Michael Sullivan, Finance Director

DATE: October 28, 2014

RE: Fiscal Year 2014-15 1st Quarter Financial Expenditure Status Report

**1. Background**

We have completed the first quarter of Fiscal Year 2014 - 2015, and all the funds remain within anticipated budget levels for the fiscal year.

**2.) Comments on the 1st Quarter Report**

- The FY15 YTD 1st Quarter EDEN Expenditure Status Financial Report consists of eight pages covering the 22 funds the Town operates. The first page is the operating departments within the General Fund. The next six pages summarize the other 20 funds we operate, and the last page is the Ambulance Fund.
- I've made some brief comments for certain expense categories that reflect special circumstances. For instance, annual insurance prepayments or higher expenditure levels due to grant expenses. Grant expenses will be offset by the receipt of the grant revenues after projects are completed and grant reimbursements are paid by government grantors in arrears to the Town.
- As always, the management staff continues to monitor the Town's expenditures in real time through our accounts payable approval process. The Town Board can follow expenses through the accounts payable which is emailed to all Town Board members and through the AP approval process at each Town Board meeting. Additionally the accounts payable listings are made available to the public at Town Board meetings and on line at our website, as are the quarterly financial reports.
- The only specific amount I wanted to again remind everyone of is that, for budgetary purposes, the Ambulance Fund "Bad Debt Expense" and "Depreciation" rows contain an allocation of over one million dollars which doesn't get expensed until the FY15 audit.

So with no actual expenses posted YTD, it will create a lower percentage of the budgetary status year-to-date for the entire Ambulance Fund budget. To provide a more realistic actual-to-budget percentage, I have added a new line at end of the report that projects the "adjusted YTD percentages, after removing the budget for depreciation and

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bad debt expenses. These adjustments will give a clearer snapshot of the Ambulance Fund from more of an operating perspective.

**3.) Recommendations**

- As always, I believe we need to continue to remain prudent in our projections and assumptions for the FY15 budget revenues and expenditures.
  
- We face challenges in the General Fund- PVFRS and Ambulance Funds due to the loss of staff which will result in higher overtime costs.
  
- The caution would also be based on the struggling regional and national economies. While as consumers we all welcome lower gas prices and the pump, other issues remain, such as shaky job market statistics; housing recovery slowdown in new home sales; and the impact of interest rates and higher purchase prices on housing sector.
  
- Housing recovery could be impacted negatively as a result of QE3 wind down by the Federal Reserve by creating higher interest rates into 2015.
  
- Locally we have seen new commercial construction growth; however, higher mortgage interest rates could dampen residential housing development and sales.
  
- A temporary bright spot for consumers and retailers, and Pahrump as an RV destination, are the lower gas prices at the pump. Many states are reporting the price down below \$3.00 per gallon due to falling crude prices and lower international demand.
  
- While current oil and gas prices have been declining, international issues and markets remain turbulent, as reflected in the price of gold and stock market swings.

If you have any other questions, we would be happy to answer them.

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**(ATTACHMENT - Town of Pahrump –1st Quarter FY15 Expenditure Status  
Report)**

**Town of Pahrump  
Expenditure Status Report  
7/1/14 thru 9/30/14**

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>1st Quarter Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Balance</i>	<i>Prct Used</i>	<i>Comment</i>
<b>25101-02 GF - ADMINISTRATION</b>						
<b>Total SALARIES &amp; WAGES</b>	401,996	67,918	67,918	334,078	16.90	
<b>Total BENEFITS</b>	266,668	36,141	36,141	230,527	13.55	
<b>Total SERVICES &amp; SUPPLIES</b>	560,000	224,977	224,977	335,023	40.17	<b>Insur Premium &amp; Ballot Related Legal Costs</b>
<b>Total CAPITAL EXPENDITURES</b>	10,000	0	0	10,000	0.00	
<b>Total TRANSFERS</b>	0	0	0	0	0.00	
<b>Total ADMINISTRATION</b>	1,238,664	329,036	329,036	909,628	26.56	
<b>25101-20 GF - BUILDINGS &amp; GROUNDS</b>						
<b>Total SALARIES &amp; WAGES</b>	564,851	109,013	109,013	455,838	19.30	
<b>Total BENEFITS</b>	304,527	57,399	57,399	247,128	18.85	
<b>Total SERVICES &amp; SUPPLIES</b>	365,000	60,855	60,855	304,145	16.67	
<b>Total CAPITAL EXPENDITURES</b>	57,000	20,274	20,274	36,726	35.57	
<b>Total BUILDINGS &amp; GROUNDS</b>	1,291,378	247,541	247,541	1,043,837	19.17	
<b>25101-28 GF - FIRE</b>						
<b>Total SALARIES &amp; WAGES</b>	813,370	186,647	186,647	626,723	22.95	
<b>Total BENEFITS</b>	512,887	89,662	89,662	423,225	17.48	
<b>Total SERVICES &amp; SUPPLIES</b>	308,950	30,951	30,951	277,999	10.02	
<b>Total CAPITAL EXPENDITURES</b>	225,000	41,289	41,289	183,711	18.35	
<b>Total FIRE</b>	1,860,207	348,549	348,549	1,511,658	18.74	
<b>25101-86 GF - ARENA</b>						
<b>Total SALARIES &amp; WAGES</b>	16,000	0	0	16,000	0.00	
<b>Total BENEFITS</b>	0	0	0	0	0.00	
<b>Total SERVICES &amp; SUPPLIES</b>	10,000	1,402	1,402	8,598	14.02	
<b>Total CAPITAL EXPENDITURES</b>	3,000	0	0	3,000	0.00	
<b>Total ARENA</b>	29,000	1,402	1,402	27,598	4.83	
<b>25101-88 GF - TELEVISION</b>						
<b>Total SALARIES &amp; WAGES</b>	0	0	0	0	0.00	
<b>Total BENEFITS</b>	0	0	0	0	0.00	
<b>Total SERVICES &amp; SUPPLIES</b>	10,000	2,490	2,490	7,510	24.90	
<b>Total CAPITAL EXPENDITURES</b>	3,000	0	0	3,000	0.00	
<b>Total TELEVISION</b>	13,000	2,490	2,490	10,510	19.15	
<b>25101-95 GF - TRANSFERS &amp; CONTINGENCY</b>						
<b>Total SERVICES &amp; SUPPLIES</b>	0	0	0	0	0.00	
<b>Total TRANSFERS &amp; CONTINGENCY</b>	135,503	0	0	135,503	0.00	
<b>TOTAL GENERAL FUND</b>	<b>4,567,752</b>	<b>929,018</b>	<b>929,018</b>	<b>3,638,734</b>	<b>20.34</b>	

**Town of Pahrump  
Expenditure Status Report  
7/1/14 thru 9/30/14**

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>1st Quarter Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Balance</i>	<i>Prct Used</i>	<i>Comment</i>
<b>25217</b>	<b>PAHRUMP FALL FESTIVAL</b>					
Total SALARIES & WAGES	0.00	0.00	0.00	0.00	0.00	
Total BENEFITS	0.00	0.00	0.00	0.00	0.00	
Total SERVICES & SUPPLIES	180,000.00	0.00	0.00	180,000.00	0.00	
Total CAPITAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP FALL FESTIVAL	180,000.00	0.00	0.00	180,000.00	0.00	
<b>25220</b>	<b>PAHRUMP STATE ROOM TAX 5/8</b>					
Total SALARIES & WAGES	5,000.00	0.00	0.00	5,000.00	0.00	
Total BENEFITS	1,500.00	0.00	0.00	1,500.00	0.00	
Total SERVICES & SUPPLIES	125,000.00	18,744.01	18,744.01	106,255.99	15.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP STATE ROOM TAX 5/8	131,500.00	18,744.01	18,744.01	112,755.99	14.25	
<b>25221</b>	<b>PAHRUMP 1/5 ECONOMIC DEVELOPMENT</b>					
Total SALARIES & WAGES	2,000.00	0.00	0.00	2,000.00	0.00	
Total BENEFITS	500.00	0.00	0.00	500.00	0.00	
Total SERVICES & SUPPLIES	130,000.00	2,119.52	2,119.52	127,880.48	1.63	
Total CAPITAL EXPENDITURES	5,000.00	0.00	0.00	5,000.00	0.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP 1/5 ECONOMIC DEVELOPMENT	137,500.00	2,119.52	2,119.52	135,380.48	1.54	
<b>25222</b>	<b>PAHRUMP 3/5 TOURISM</b>					
Total SALARIES & WAGES	54,058.00	11,431.55	11,431.55	42,626.45	21.15	
Total BENEFITS	28,680.00	5,266.45	5,266.45	23,413.55	18.36	
Total SERVICES & SUPPLIES	425,000.00	49,001.76	49,001.76	375,998.24	11.53	
Total CAPITAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP 3/5 TOURISM	507,738.00	65,699.76	65,699.76	442,038.24	12.94	

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Expenditure Status Report  
7/1/14 thru 9/30/14**

<i>Account Number</i>	<i>Adjusted Appropriation</i>	<i>1st Quarter Expenditures</i>	<i>Year-to-date Expenditures</i>	<i>Balance</i>	<i>Prct Used</i>	<i>Comment</i>
<b>25223</b>	<b>PAHRUMP 1/10 PARKS</b>					
Total SALARIES & WAGES	1,000.00	0.00	0.00	1,000.00	0.00	
Total BENEFITS	200.00	0.00	0.00	200.00	0.00	
Total SERVICES & SUPPLIES	25,000.00	750.50	750.50	24,249.50	3.00	
Total CAPITAL EXPENDITURES	255,000.00	0.00	0.00	255,000.00	0.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP 1/10 PARKS	281,200.00	750.50	750.50	280,449.50	0.27	
<b>25224</b>	<b>PAHRUMP 1/10 ARENA</b>					
Total SALARIES & WAGES	0.00	0.00	0.00	0.00	0.00	
Total BENEFITS	0.00	0.00	0.00	0.00	0.00	
Total SERVICES & SUPPLIES	25,000.00	0.00	0.00	25,000.00	0.00	
Total CAPITAL EXPENDITURES	300,000.00	0.00	0.00	300,000.00	0.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP 1/10 ARENA	325,000.00	0.00	0.00	325,000.00	0.00	
<b>25225</b>	<b>AIRPORT ROOM TAX</b>					
Total SALARIES & WAGES	0.00	0.00	0.00	0.00	0.00	
Total BENEFITS	0.00	0.00	0.00	0.00	0.00	
Total SERVICES & SUPPLIES	50,000.00	0.00	0.00	50,000.00	0.00	
Total CAPITAL EXPENDITURES	0.00	0.00	0.00	0.00	0.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total AIRPORT ROOM TAX	50,000.00	0.00	0.00	50,000.00	0.00	
<b>25233</b>	<b>PUBLIC SAFETY SALES TAX</b>					
Total SALARIES & WAGES	406,521.00	0.00	0.00	406,521.00	0.00	
Total BENEFITS	271,095.00	0.00	0.00	271,095.00	0.00	
Total SERVICES & SUPPLIES	14,500.00	0.00	0.00	14,500.00	0.00	
Total CAPITAL EXPENDITURES	420,000.00	0.00	0.00	420,000.00	0.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP EXPENDITURES	49,500.00	0.00	0.00	49,500.00	0.00	
Total PUBLIC SAFETY SALES TAX	1,161,616.00	0.00	0.00	1,161,616.00	0.00	

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<b>25251</b>	<b>PAHRUMP FIRE IMPACT FEE</b>					
Total SERVICES & SUPPLIES	0.00	0.00	0.00	0.00	0.00	
Total CAPITAL EXPENDITURES	440,000.00	0.00	0.00	440,000.00	0.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP FIRE IMPACT FEE	440,000.00	0.00	0.00	440,000.00	0.00	
<b>25252</b>	<b>PAHRUMP PARKS IMPACT FEE</b>					
Total SERVICES & SUPPLIES	5,000.00	0.00	0.00	5,000.00	0.00	
Total CAPITAL EXPENDITURES	255,000.00	0.00	0.00	255,000.00	0.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP PARKS IMPACT FEE	260,000.00	0.00	0.00	260,000.00	0.00	
<b>25268</b>	<b>PAHRUMP BUSINESS LICENSE</b>					
Total SALARIES & WAGES	79,278.00	10,901.02	10,901.02	68,376.98	13.75	
Total BENEFITS	48,483.00	4,597.67	4,597.67	43,885.33	9.48	
Total SERVICES & SUPPLIES	25,000.00	2,453.98	2,453.98	22,546.02	9.82	
Total CAPITAL EXPENDITURES	20,000.00	0.00	0.00	20,000.00	0.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP BUSINESS LICENSE	172,761.00	17,952.67	17,952.67	154,808.33	10.39	
<b>25272</b>	<b>PAHRUMP CEMETERY</b>					
Total SALARIES & WAGES	18,000.00	0.00	0.00	18,000.00	0.00	
Total BENEFITS	5,000.00	0.00	0.00	5,000.00	0.00	
Total SERVICES & SUPPLIES	18,000.00	2,861.67	2,861.67	15,138.33	15.90	
Total CAPITAL EXPENDITURES	30,000.00	0.00	0.00	30,000.00	0.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP EXPENDITURES	0.00	100.00	100.00	-100.00	0.00	
Total PAHRUMP CEMETERY	71,000.00	2,961.67	2,961.67	68,038.33	4.17	
<b>25273</b>	<b>PAHRUMP CEMETERY PERPETUAL</b>					
Total SALARIES & WAGES	0.00	0.00	0.00	0.00	0.00	
Total SERVICES & SUPPLIES	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP CEMETERY PERPETUAL	0.00	0.00	0.00	0.00	0.00	

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<b>25274</b>	<b>PAHRUMP POOL</b>					
Total SALARIES & WAGES	132,929.00	49,274.89	49,274.89	83,654.11	37.07	
Total BENEFITS	28,574.00	7,021.78	7,021.78	21,552.22	24.57	
Total SERVICES & SUPPLIES	65,500.00	15,234.02	15,234.02	50,265.98	23.26	
Total CAPITAL EXPENDITURES	60,000.00	0.00	0.00	60,000.00	0.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP POOL	287,003.00	71,530.69	71,530.69	215,472.31	24.92	
<b>25340</b>	<b>PAHRUMP AIRPORT</b>					
Total PAHRUMP AIRPORT	500,000.00	20,733.00	20,733.00	479,267.00	4.15	
<b>25401</b>	<b>PAHRUMP CAPITAL PROJECTS</b>					
Total SALARIES & WAGES	0.00	0.00	0.00	0.00	0.00	
Total BENEFITS	0.00	0.00	0.00	0.00	0.00	
Total SERVICES & SUPPLIES	0.00	0.00	0.00	0.00	0.00	
Total CAPITAL EXPENDITURES	1,060,000.00	5,816.24	5,816.24	1,054,183.76	0.55	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP CAPITAL PROJECTS	1,060,000.00	5,816.24	5,816.24	1,054,183.76	0.55	
<b>25402</b>	<b>PAHRUMP SPECIAL CAPITAL PROJECTS</b>					
Total SALARIES & WAGES	0.00	0.00	0.00	0.00	0.00	
Total SERVICES & SUPPLIES	0.00	0.00	0.00	0.00	0.00	
Total CAPITAL EXPENDITURES	190,000.00	3,080.00	3,080.00	186,920.00	1.62	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP SPECIAL CAPITAL PROJECTS	190,000.00	3,080.00	3,080.00	186,920.00	1.62	
<b>25411</b>	<b>PAHRUMP ARENA CAPITAL PROJECTS</b>					
Total SALARIES & WAGES	0.00	0.00	0.00	0.00	0.00	
Total BENEFITS	0.00	0.00	0.00	0.00	0.00	
Total SERVICES & SUPPLIES	0.00	0.00	0.00	0.00	0.00	
Total CAPITAL EXPENDITURES	60,000.00	0.00	0.00	60,000.00	0.00	
Total TRANSFERS	0.00	0.00	0.00	0.00	0.00	
Total PAHRUMP ARENA CAPITAL PROJECTS	60,000.00	0.00	0.00	60,000.00	0.00	

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7/1/14 thru 9/30/14**

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<b>25412</b>	<b>PAHRUMP TV CONSTRUCTION</b>					
<b>Total SALARIES &amp; WAGES</b>	0.00	0.00	0.00	0.00	0.00	
<b>Total SERVICES &amp; SUPPLIES</b>	5,000.00	0.00	0.00	5,000.00	0.00	
<b>Total CAPITAL EXPENDITURES</b>	40,000.00	0.00	0.00	40,000.00	0.00	
<b>Total TRANSFERS</b>	0.00	0.00	0.00	0.00	0.00	
<b>Total PAHRUMP TV CONSTRUCTION</b>	45,000.00	0.00	0.00	45,000.00	0.00	
<b>25414</b>	<b>PAHRUMP ROOM TAX FAIRGROUNDS</b>					
<b>Total SALARIES &amp; WAGES</b>	42,432.00	0.00	0.00	42,432.00	0.00	
<b>Total BENEFITS</b>	25,156.00	0.00	0.00	25,156.00	0.00	
<b>Total SERVICES &amp; SUPPLIES</b>	0.00	0.00	0.00	0.00	0.00	
<b>Total CAPITAL EXPENDITURES</b>	925,000.00	3,329.52	3,329.52	921,670.48	0.36	
<b>Total TRANSFERS</b>	0.00	0.00	0.00	0.00	0.00	
<b>Total PAHRUMP ROOM TAX FAIRGROUNDS</b>	992,588.00	3,329.52	3,329.52	989,258.48	0.34	

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<b>25520-02</b>	<b>AMBULANCE - ADMINISTRATION</b>					
<b>Total SALARIES &amp; WAGES</b>	148,518	25,976	25,976	122,542	17.49	
<b>Total BENEFITS</b>	78,975	14,252	14,252	64,723	18.05	
<b>Total SERVICES &amp; SUPPLIES</b>	78,000	10,054	10,054	1,067,946	12.89	
<b>Total BAD DEBT</b>	1,000,000	0	0	1,000,000	0.00	
<b>Total CAPITAL EXPENDITURES</b>	30,000	0	0	30,000	0.00	
<b>Total DEPRECIATION EXPENSE</b>	85,000	0	0	85,000	0.00	
<b>Total ADMINISTRATION</b>	1,420,493	50,282	50,282	1,370,211	3.54	
<b>25520-27</b>	<b>AMBULANCE - OPERATIONS</b>					
<b>Total SALARIES &amp; WAGES</b>	1,351,681	297,012	297,012	1,054,669	21.97	
<b>Total BENEFITS</b>	885,554	164,416	164,416	721,138	18.57	
<b>Total SERVICES &amp; SUPPLIES</b>	440,800	48,910	48,910	391,890	11.10	
<b>Total CAPITAL EXPENDITURES</b>	274,000	0	0	274,000	0.00	
<b>Total DEPRECIATION EXPENSE</b>	0	0	0	0	0.00	
<b>Total AMBULANCE</b>	2,952,035	510,338	510,338	2,441,697	17.29	
<b>Total PAHRUMP AMBULANCE</b>	<b>4,372,528</b>	<b>560,619</b>	<b>560,619</b>	<b>3,811,909</b>	<b>12.82</b>	
<b>Total PAHRUMP AMBULANCE</b>	<b>3,287,528</b>	<b>560,619</b>	<b>560,619</b>	<b>3,811,909</b>	<b>17.05%</b>	<b>YTD Adjusted for Deprc &amp; W/O's.</b>

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4,372,528.00	560,619	3,811,909	12.82
(1,000,000)			
(85,000)			
<hr/>			
3,287,528	560,619	3,811,909	17.05%