



WASHOE COUNTY

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CM/ACM
Budget
DA NA
Comptroller NA
HR NA
Other NA

STAFF REPORT BOARD MEETING DATE: April 26, 2016

DATE: April 6, 2016

TO: Board of County Commissioners

FROM: Mark Mathers, Budget Manager
(775) 328-2071, mmathers@washoecounty.us

THROUGH: Al Rogers, Director of Management Services
(775) 328-2017, arogers@washoecounty.us

SUBJECT: Status report and possible direction to staff on the County Manager's recommended Fiscal Year 2016-17 Budget; and direct the County Manager to return to the Board of County Commission with a Tentative and Final Budget incorporating the approved County Manager's recommendations for adoption at a public hearing to be scheduled the week of May 16, 2016. (All Commission Districts)

SUMMARY

The purpose of this item is to provide a status report and possible direction to staff on the Manager's recommended Fiscal Year 2016-17 budget; and direct the County Manager to return to the Board of County Commission (BCC) with a Tentative and Final Budget incorporating the approved County Manager's recommendations for adoption at the public hearing scheduled for May 17, 2016.

Washoe County Strategic Objective supported by this item: Stewardship of our community.

PREVIOUS ACTION

January 19, 2016 – At the BCC's Strategic Plan retreat, a preview of the Fiscal Year 2016-17 Budget was presented along with preliminary recommendations.

BACKGROUND

On January 19, 2016, the Board of County Commissioners at their strategic retreat heard an update on the financial outlook for Washoe County as they prepared the strategic objectives and goals for the upcoming fiscal year. The overview included a review of Fiscal Year 2014-15 financial results and for Fiscal Year 2016-17 a review of revenue trends, known cost increases, and long-term policy issues.

Preliminary recommendations, which the BCC concurred with, were also presented:

- The Fiscal Year 2016-17 Budget would build in salary savings, in order to better align the County budget with actual fiscal results.
- The budget would build in a 6% increase for health benefits. Potential cost containment strategies, first discussed last autumn, can reduce County's and employees' costs in this area.
- The Fiscal Year 2016-17 Budget would attempt to build in \$3 to \$5 million for above-base funding of operations and/or additional funding for the Capital Improvement Program (CIP).
- Fund Balance Policy
 - Increase the General Fund Policy Target to 10% to 17% ending unassigned fund balance.
 - This fund balance policy of 10% to 17% would also be applied to special revenue funds.

During the months of February and March, all departments, courts and the Health District worked to develop their estimates of revenues and costs for the current year as well as for Fiscal Year 2016-17. Departments, districts and offices presented their budget submissions to the budget team the week of March 7th to review alignment to the strategic goals, base costs, above base costs and increases requested throughout the County organization.

General Fund Revenues

The General Fund is the main operating fund of the County and also provides resources to fund capital projects and other funds where direct revenues may fall short. Fiscal Year 2016-17 General Fund revenues and other sources are projected at \$329 million. Major assumptions and key changes in revenues are as follows:

- Property Taxes
 - As noted in January, based on the State Department of Taxation's calculations, this year's residential cap on property taxes is 0.2% for Washoe County as well as a number of other counties including Clark and Carson. This is the first time since the current method of capping property taxes was instituted that the residential cap has fallen below 3.00%, the maximum residential cap, except for one year in Mineral County. The "general cap", which is applied to non-residential development, is also 0.2%.
 - The impact of this anomaly is significant – the loss in total property taxes to Washoe County compared to the standard 3.00% cap is more than \$4 million. Clearly, a 0.2% growth rate for existing residential and commercial development's property taxes does not support the cost of providing services and infrastructure in Fiscal Year 2016-17.
 - New development, however, is projected to add approximately 2.0% in property tax growth. Therefore, property taxes are projected to increase 2.2%, due again primarily to projected new development.

- Consolidated Tax
 - Comprised of the County's portion of sales tax, liquor tax, cigarette tax, real property transfer tax and Government Services Tax.
 - With seven months of C-Tax received so far this fiscal year, C-Tax revenues have increased 8.5% year-over-year. Using the State Economic Forum's projections, the current budget had only projected an increase of 5.57%.
 - For the Fiscal Year 2016-17 budget, we have projected a growth rate of 8.0%. Consequently, C-Tax revenues are projected to be \$103.15 million in Fiscal Year 2016-17, an increase of \$11.87 million from the current budget.

- Charges for Services
 - Overall charges for services, or fees, are expected to decrease from \$23.9 million budgeted in Fiscal Year 2015-16 to \$18.9 million in Fiscal Year 2016-17. However, most of this drop is attributable to decreases in indirect costs charged to special revenue and proprietary funds. The indirect cost plan no longer will allocate OPEB, utilities and lease costs to departments; instead those costs will be directly budgeted at a departmental level, thus providing a truer full cost shown in the budget.
 - The impact of this change is that the General Fund will collect less "overhead" charges from other funds, but we will save an equivalent amount of costs by not budgeting those costs in the General Fund (and then charging them out in the indirect cost plan).

- Fines and forfeitures have decreased approximately \$500,000 due to less delinquent property tax fees collected. This year, the Treasurer began sending mid-year delinquency notices, which has had a noticeable, positive impact on property tax payments; however, this also causes this revenue to drop.

- Miscellaneous revenues have increased from \$3.9 million budgeted in Fiscal Year 2015-16 to \$16.9 million. This is largely attributable to reconfiguring the indigent assistance budget. The General Fund portion of the indigent assistance budget will now be reimbursed by the Indigent Fund. Also, \$3.2 million of Unmet Free Care revenues, a pass-through to the State, are budgeted in the General Fund.

General Fund Expenditures and Other Uses

- Employee Salaries/Benefits
 - The Tentative Budget submitted to the State does not include any amount for cost of living adjustments (COLA's) for county employees. Depending on the pace and outcome of labor negotiations, the cost of COLA's will be included in the Final Budget due to the State by June 1.
 - Consistent with direction in January, the base budget includes a 6% increase in group health insurance across all funds including the General Fund.
 - The County's OPEB payment will increase to \$20,946,000 in Fiscal Year 2016-17, based on the latest actuarial report. As discussed above, however, OPEB costs will be allocated to each department and fund directly. The General Fund's allocated portion of OPEB is \$15,718,601, or almost exactly 75% of the total.

- **Services and Supplies**
 - Total budgeted General Fund services and supplies costs are increasing a net of \$10.9 million. However, this increase is primarily linked to budgeting for indigent costs out of the General Fund, which is offset by increased reimbursements from the Indigent Fund as discussed above.
 - An increase of 4.5% for indigent medical expenditures is budgeted.
 - Total countywide property and liability insurance, workers compensation, and equipment services rates have declined slightly in Fiscal Year 2016-17.

- **Transfers to Other Funds**
 - The Fiscal Year 2016-17 budget continues General Fund transfers to Child Protective Services, Health, Senior Services and other funds.
 - An increase in the transfer to debt service payment funds of \$860,000 is needed to budget for the debt service on the new Medical Examiner building.
 - The General Fund transfer to the Roads Fund will be reduced by \$750,000 in Fiscal Year 2016-17 to \$1,699,733. The amount of the reduction is offset by increased fuel tax revenues.
 - We will continue to transfer \$5 million to the Capital Improvement Program (CIP).
 - The recent refunding of the 2006 Public Safety Bonds produces savings of more than \$400,000 in each of the next three fiscal years. The first year of savings has been allocated to Infrastructure Preservation (IP) projects in CSD's and Technology Services' budgets, which were formerly budgeted in the CIP.

County Manager's Recommendations for Fiscal Year 2016-17

The budget team and senior leadership of the County Manager's Office reviewed a total of \$25.16 million in funding requests from all departments for new positions, reclassification of existing positions and above-the-base services and supplies. Based on flat property tax revenues and the uncertainty of increased health benefits and labor negotiations, there were limited resources for these "above-base" requests. However, due to continued re-examinations of our budgeting processes, some of which are noted above, the recommended Fiscal Year 2016-17 budget follows through on our target to fund \$3 million of above-base requests for new positions and programs.

It is recommended that the Fiscal Year 2016-17 budget include a countywide increase of 63.41 full time equivalents (FTE). A total of 48.15 FTE's in the General Fund are funded in the recommended budget. The total cost of all new funded above-base requests is \$5,454,850. However, the net cost of these new positions, reclassifications and increased programs after cost and revenue offsets is \$3,002,516. Recommended adjustments to departments' base budgets and approved positions are listed on Attachment A.

The remaining 15.26 FTE's are budgeted in the special revenue and proprietary funds of Animal Services, Building and Safety, Roads and Utilities. The net impact to those funds is a total of \$1,952,409.

A summary of the recommended Fiscal Year 2016-17 budget, not including COLA's which are unknown at this time, is shown below.

Washoe County General Fund Sources and Uses			
Sources and Uses	FY15/16 Orig Budget	FY15/16 ETC	FY16/17 Base Budget
Beginning Fund Balance	43,376,849	51,299,752	44,611,065
Revenues and Other Sources:			
Taxes	147,266,413	148,999,047	152,237,231
Licenses and permits	8,544,000	8,267,600	9,301,254
Consolidated taxes	91,278,018	95,509,745	103,150,525
Other intergovernmental	18,487,672	19,889,592	20,798,698
Charges for services	23,930,231	23,618,308	18,866,253
Fine and forfeitures	8,023,650	7,267,179	7,501,750
Miscellaneous	3,927,860	3,578,237	16,935,196
Total revenues	301,457,844	307,129,708	328,790,907
Other sources, transfers in	291,515	291,515	291,515
TOTAL SOURCES	345,126,208	358,720,975	373,693,487
Expenditures and Other Uses:			
Salaries and wages	141,717,563	139,917,563	142,420,328
Employee benefits			
OPEB contributions	17,680,000	17,680,000	15,718,601
Group Insurance	18,590,039	18,604,797	19,719,426
Other benefits	46,954,152	46,706,161	47,674,688
Services and supplies	62,922,279	63,879,149	74,751,055
Capital outlay	435,500	450,774	495,223
Total expenditures	288,299,533	287,238,444	300,779,321
Transfers out	25,481,985	26,871,466	24,920,514
Contingency	1,500,000		1,500,000
TOTAL USES	315,281,518	314,109,910	327,199,835
Net Change in Fund Balance	(13,532,159)	(6,688,687)	1,882,587
Ending Fund Balance			
Restricted/Committed/Assigned			
Baseball Stadium	750,000	750,000	750,000
Stabilization Account	3,000,000	3,000,000	3,000,000
Unassigned Fund Balance	26,094,690	40,861,065	42,743,652
TOTAL ENDING FUND BALANCE	29,844,690	44,611,065	46,493,652
Unassigned Ending Fund Bal. as % of Exp.	8.3%	13.03%	13.08%

* Does not yet include COLA's which are still being negotiated.

Although the budget remains structurally imbalanced, the County's actual expenditures historically have been under budget, thus offsetting at least partially the imbalance. Based on a probable range of outcomes for labor negotiations and possible health insurance changes, the Fiscal Year 2016-17 budgeted ending fund balance is projected between 11% and 12% and thus is within the proposed new General Fund balance policy, which will be submitted with the Final Budget in May.

Capital Improvement Program (CIP) – Fiscal Years 2016-17 to 2020-21

A summary of capital projects to be funded in the 2017-21 CIP is listed in Attachment B. The proposed CIP maintains General Fund support of \$5 million in Fiscal Year 2016-17. This clearly falls well short of providing funding needed to maintain the County's infrastructure including many county facilities, parks and open space, and IT systems. Assuming a normalization of property tax revenues in Fiscal Year 2017-18, strong consideration should be given to increasing the General Fund's support of the CIP.

The proposed CIP does acknowledge the need for funding in future years for major facilities including the South Valleys Park expansion, a new Sheriff's infirmary, North Valleys Library, 800 megahertz radio system upgrade, and additional space for District Court. Fortunately, some of the County's General Fund debt matures in the next several years, thus providing some financial flexibility to use debt financing for these facilities. This will be a key financial discussion in the next several years.

Next Steps

- | | |
|-----------------|------------------------------------------------------------------------------------|
| Week of May 16: | Public Hearing of FY17 Washoe County Tentative Budget and Adoption of Final Budget |
| June 1: | Final Budget submitted to State Department of Taxation |

FISCAL IMPACT

Fiscal impacts will be included in the final recommended budget based on recommendations provided by the Board and/or County Manager.

RECOMMENDATION

It is recommended that the Board acknowledge the status report and provide possible direction to staff on the County Manager's recommended Fiscal Year 2016-17 budget and direct the County Manager to return to the Board with a tentative and a final budget for adoption at a public hearing scheduled for the week of May 16, 2015.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be, "move to acknowledge the status report and provide possible direction to staff on the County Manager's recommended Fiscal Year 2016-17 budget and direct the County Manager to return to the Board with a tentative and a final budget for adoption at a public hearing scheduled for the week of May 16, 2015."

Attachment A
Summary of Manager Recommendations for FY 2016-17 Budget

Department	Description	Strategic Plan Goal (1-6)	Appropriation	Revenue/Cost Offsets	Net Cost to General Fund	FTE's
General Fund						
Alternate Public Defender	Deputy Alternate Public Defender & Legal Secretary for Specialty Courts	6	221,197	-	221,197	2.00
Alternative Sentencing	Human Services Support Specialist I	3	67,746	-	67,746	1.00
Alternative Sentencing	Human Services Support Specialist I	3	67,746	-	67,746	1.00
Alternative Sentencing	Budget for standby pay	3	24,000	-	24,000	0.00
Alternative Sentencing	Increase budget for Intermittent Assistant Alternative Sentencing Officers		54,039	-	54,039	1.00
Community Services	Facilities Ops Fixed S&S Price Increases	3	162,960	-	162,960	0.00
Community Services	Parks Infrastructure Preservation	3	465,500	465,500	-	0.00
Community Services	Facilities Infrastructure Preservation	3	346,548	284,500	62,048	0.00
Community Services	Engineering Tahoe Basin Stormwater & TMDL avoids stormwater permit requirement and possible fines	3	70,000		70,000	0.00
Community Services	Budget for Planning Water Rights Permits for Tahoe area	3	15,000		15,000	0.00
Community Services	Reclassify vacant Office Support Specialist to Asset Systems Coordinator	3	13,677		13,677	0.00
Community Services	Reclassify Account Clerk I to Account Clerk II	6	3,635		3,635	0.00
Community Services	Reclassify Chief of Bldg. Operations to Operations Superintendent-CSD/Facilities	3	15,402		15,402	0.00
Community Services	Reclassify Engineering Geomatics Tech to Geomatics Specialist	3	10,232		10,232	0.00
Community Services	Parks North Valleys Regional Park Expansion Committed Funds for athletic field maintenance	3	187,588	187,588	-	0.00
Comptroller	Reclassification - Accountant II to Sr. Accountant	5	12,170		12,170	0.00
Comptroller	Reclassification of Admin. Secretary Supervisor to Admin. Secretary	5	(5,143)		(5,143)	0.00
Comptroller	Increase seminars and meetings budget	5	6,000		6,000	0.00
Comptroller	Increase dues budget	5	4,200		4,200	0.00
Countywide Security Initiative	Countywide Security Project (1/2 yr); 19 County Security Officers; 7 Deputy Sheriffs; 1 Sergeant	3	951,297	200,000	751,297	27.00
District Attorney	One Deputy District Attorney III & Legal Secretary for Specialty Courts	3	223,522	-	223,522	2.00
District Attorney	Child Advocacy Center - creation of Forensic Interviewer position	6	91,861	-	91,861	1.00
District Court	Reclassification of Admin. Secretary II to Admin. Assistant		5,356	-	5,356	0.00
District Court	Court Administrator - salary increase		24,504	24,504	-	0.00
District Court	Reclassification of Law Library Assistant II and III positions to Law Library Assistant II/III positions		0		0	0.00
Human Resources	Continued Funding of Hay Group reclassification studies	5	75,000		75,000	0.00
Juvenile Services	Intermittent Investigative Assistant - Backgrounds	3	15,000	15,000	-	0.30
Juvenile Services	Increased Pool Position budget for Detention to provide greater 24/7 coverage	3	124,240	124,240	-	2.00
Manager's Office	Fiscal Analyst II-Management & Budget		101,583	-	101,583	1.00
Manager's Office	Fire Services Community Coordinator-Gerlach		96,583	96,583	-	1.00
Manager's Office	Fire Protection Officer-Gerlach		80,771	80,771	-	1.00

Attachment A
Summary of Manager Recommendations for FY 2016-17 Budget

Department	Description	Strategic Plan Goal (1-6)	Appropriation	Revenue/Cost Offsets	Net Cost to General Fund	FTE's
Manager's Office	Reclassification-Community Relations Manager*		9,316	-	9,316	0.00
Manager's Office	Reclassification-County Grants Administrator*		7,243	-	7,243	0.00
Manager's Office	Reclassification-Community Outreach Coordinator to Management Analyst		-	-	-	0.00
Public Administrator	Office Support Specialist	6	70,926	-	70,926	1.00
Public Defender	Increase for Psychological Evaluations - due to increased caseload	6	20,000	-	20,000	0.00
Public Defender	Increase for Expert Witness fees - due to increased caseload	6	45,000	-	45,000	0.00
Public Defender	Reclassification - Legal Secretary to Legal Secretary Supervisor	6	4,524	-	7,335	0.00
Reno Justice Court	Increase Court Reporter/Transcripts budget	1	15,000		15,000	0.00
Reno Justice Court	Increase Service Contract budget	1	10,000		10,000	0.00
Sheriff	Communications-Dispatch- 1 Supervising Communication Specialist; 2 Communication Specialists (contingent upon revenue offset)	3	249,077	157,004	92,073	3.00
Sheriff	Crime Lab - Breath Alcohol - State Contract 150660 - increase to various services and supplies and pooled position with an offset of revenue via contract with State Of Nevada	3	36,428	36,428	-	0.00
Sheriff	Search and Rescue Standby Pay	6	66,560	-	66,560	0.00
Sheriff	Crime Lab - Forensic Science - 150650 - increase to various services and supplies with an offset of revenue via contracts with outside agencies. Net cost includes offset for FY16 approved Above Base that identified future revenue increases	3	76,633	76,633	-	0.00
Sheriff	Overtime - increase overtime budget to account for COLA's in FY15 and FY16	1	160,663	-	160,663	0.00
Sheriff	Records - Admin reorganization & reclasses - Reclassification of Records Manager to Chief Records Clerk; reclassification of Sheriff Support Specialist to Office Assistant III; addition of 0.6FTE Office Assistant II to address current wait times, including concealed weapons permits.	6	17,416	-	17,416	0.60
Sheriff	NNRIC - reclassify Crime Analyst/GIS Specialist to NNCTC Intelligence Analyst	3	10,412	-	10,412	0.00
Sheriff	Records - CIC reclass - All OAlls (9 pos)	5	32,715		32,715	0.00
Sparks Justice Court	Bailiff position for third judge (1/2 yr)	5	46,081		46,081	1.00
Sparks Justice Court	Reclassification of Court Clerk III to Supervisory Clerk III	5	7,135		7,135	0.00
Sparks Justice Court	Funding of Intermittent Bailiff	5	20,136		20,136	0.25
Sparks Justice Court	Chambers Furniture for third judge	5	10,000		10,000	0.00
Sparks Justice Court	Chief Justice Pay (1/2 yr)	5	4,780		4,780	0.00
Sparks Justice Court	Deputy Clerk II (1/2 yr) for third judge	5	28,588		28,588	1.00
Sparks Justice Court	Judicial Robe for third judge	5	350		350	0.00
Tech Services	Software Maintenance	3	515,815	515,815	-	0.00
Tech Services	New Position Technology Support Technician II	6	74,504	(74,504)	-	1.00
Tech Services	Physical Security Infrastructure Parts & Supplies	3	36,675	36,675	-	0.00
Tech Services	Physical Security Infrastructure Repairs & Maintenance	3	10,000	10,000	-	0.00
Tech Services	Telecomm Charge out Revenue CreditDecrease	6	8,000	8,000	-	0.00
Tech Services	Physical Security Infrastructure Equipment	3	61,400	61,400	-	0.00

Attachment A
Summary of Manager Recommendations for FY 2016-17 Budget

Department	Description	Strategic Plan Goal (1-6)	Appropriation	Revenue/Cost Offsets	Net Cost to General Fund	FTE's
Tech Services	Increase PC Refresh budget	3	250,000	-	250,000	0.00
Tech Services	Reclassification of Technology Systems Developer II to Sr. Business Systems Analyst (assigned to Sheriff's Office)	3	6,381	-	6,381	0.00
Treasurer	Reclassification of Asst. Chief Deputy Treasurer	6	10,878	-	10,878	0.00

Total General Fund **5,454,850** **2,306,137** **3,002,516** **48.15**

Other Funds

Animal Services	Reclassification of Animal Services Supervisor to Animal Control Officer	2	74,504	86,431	(11,927)	0.00
Animal Services	Animal Services Caretaker - new position	6	56,437	35,000	21,437	1.00
Animal Services	Animal Control Officer - new position	2	74,504	29,440	45,064	1.00
Building & Safety	Deputy Building Official	1	113,789		113,789	1.00
Building & Safety	Technology Systems Developer	1	101,705		101,705	1.00
Building & Safety	Code Enforcement Officer I	1	78,503		78,503	1.00
Building & Safety	Office Assistant III	1	67,746		67,746	1.00
Building & Safety	Building Inspector	1	88,061		88,061	1.00
Building & Safety	Senior Building Permit Technician	1	78,503		78,503	1.00
Building & Safety	Senior Building Inspector	1	82,999		82,999	1.00
Building & Safety	Change Cost Distribution for Engineering Technician from 100% Building and Safety to 50% Utility Fund	1	(40,641)		(40,641)	-0.50
Child Protective Services	Two Mental Health Counselor II positions approved as part of the enhancement of Specialized Foster Care Program from state funding for FY17	3	229,000	229,000	-	2.00
Child Protective Services	Two Social Worker III positions approved as part of the enhancement of Specialized Foster Care Program	3	209,600	209,600	-	2.00
Child Protective Services	Increase Recruitment budget to aid in recruiting new families to be foster parents.	3	13,750	13,750	-	0.00
Child Protective Services	Therapeutic Placement--to cover necessary costs for higher level of foster care above a regular foster home.	3	560,369	560,369	-	0.00
Child Protective Services	Home studies--cover costs of home studies, a required component of qualifying a family.	3	19,250	19,250	-	0.00
CTMRD	Services and Supplies Increases	3	456,822		456,822	0.00
CTMRD	Reclass Environmental Engineer II to Licensed Engineer	3	21,783		21,783	0.00
Equipment Services	Reclass Equipment Parts Inventory Control Supervisor to Auto Mechanic	6	(11,152)		(11,152)	0.00
Equipment Services	Abolish Heavy Diesel Mechanic	6	(81,362)		(81,362)	-1.00
Equipment Services	Body Shop Physical Damage Loss	6	45,000		45,000	0.00
Health Department	Program Coordinator New Position	1	88,088		88,088	1.00
Health Department	Eliminate 7x3551 Health Educator II	1				-1.00
Health Department	Eliminate 7x7950 Epidemiologist	1				-1.00
Health Department	Eliminate 7x7951 Public Health Investigator	1				-1.00
Health Department	Eliminate 7x2134 Office Assistant II	1				-1.00
Health Department	Community Needs Assessment Update - one time increase	1	70,000		70,000	0.00
Health Department	Safety & Security Needs	3	55,000		55,000	0.00
Health Department	ODHO Additional Travel, Training, Interns & Supplies	1	15,964		15,964	0.26
Health Department	After Hours Emergency Calls for Environmental	3	57,500		57,500	0.00
Health Department	Credit Card Fees	6	31,767		31,767	0.00
Health Department	Reclass Environmental Health Specialist to Sr. Environ Health Sp.	1	16,707		16,707	0.00
Health Department	Reclass Application Aides to Office Support Specialists 3 emps	1				0.00

Attachment A
Summary of Manager Recommendations for FY 2016-17 Budget

Department	Description	Strategic Plan Goal (1-6)	Appropriation	Revenue/Cost Offsets	Net Cost to General Fund	FTE's
Health Department	Clinic/Contract Billing Specialist contracted service	6	13,500		13,500	0.00
Health Department	Electronic Records Management Training	6	10,500		10,500	0.00
Health Department	Travel and Training increases	5	6,500		6,500	0.00
Health Department	EHS Increases in S&S due to Operational Changes	1	24,082		24,082	0.00
Health Department	Technology Increases due to Regional Permitting	6	54,981		54,981	0.00
Health Department	Accrued Vacation Time Payouts	6	62,605		62,605	0.00
Health Department	Adjustments to Salaries & Benefits for Clinical Health Services	6	872		872	0.00
Health Department	Office Assistant II Increase from .6 to 1.0 FTE 7x2134 vacant	6	20,061	20,061	-	0.40
Health Department	Office Assistant II Increase from .6 to 1.0 FTE 7x2188	6	20,061	20,061	-	0.40
Health Department	Office Assistant II Increase from .8 to 1.0 FTE 7x2136	6	10,108	10,108	-	0.20
Health Department	Reclass Environmental Health Specialist to Admin Assist I 7x4736	6	(13,732)	13,732		0.00
Health Department	New Revenue to Support Increase in Costs	6		508,066	(508,066)	0.00
Library Expansion Fund	Increase budget for Library Circulation Materials		100,000		100,000	0.00
May Center Fund	WiFi Installation	3	5,000		5,000	0.00
May Center Fund	WiFi Monthly Service Fees	3	3,588		3,588	0.00
May Center Fund	Janitorial Services	3	10,000		10,000	0.00
May Center Fund	Traveling Exhibits - Professional Services	3	100,000	100,000	-	0.00
May Center Fund	Advertising	3	5,000		5,000	0.00
Roads	Roads Supervisor	3	96,561		96,561	1.00
Roads	Lead Heavy Equipment Operator	3	87,004		87,004	1.00
Roads	Heavy Equipment Operator	3	83,005		83,005	1.00
Roads	Medium Equipment Operator	3	76,246		76,246	1.00
Roads	Purchase 2 vehicles for new Incline Village Operation	3	60,000		60,000	0.00
Roads	ESD costs added for new Incline Village Operation	3	19,128		19,128	0.00
Roads	Increase budget for Pooled Positions	3	70,000		70,000	0.00
Roads	Increase budget for Asphalt	3	50,000		50,000	0.00
Roads	Increase budget for Chemical Supplies	3	25,000		25,000	0.00
Roads	Safety enhancements to improve pedestrian safety in at-risk areas	3	50,000		50,000	0.00
RPSTC	Reclassification of Inmate Work Program Leader*	3	3,635		3,635	0.00
Senior Services	Reclassify Senior Services Director to Social Services Coordinator Supervisor	2	(31,557)		(31,557)	0.00
Senior Services	Reclassify Office Support Specialist to Program Assistant	2	13,678		13,678	0.00
Utilities Fund	Change Cost Distribution for Engineering Technician from 100% Building and Safety to Utility Fund 50%	1	40,641		40,641	0.50
Utilities Fund	New Position - Wastewater Treatment Plant Supervisor	3	107,367		107,367	1.00
Utilities Fund	Reclassify Environmental Engineer II to Licensed Engineer	1	21,783		21,783	0.00
Utilities Fund	Reclassify Utility Worker II to Sewer Systems Worker II	1	-	-	-	-

Total Other Funds **3,779,813** **1,854,868** **1,952,409** **15.26**

Grand Total - All Funds **9,234,663** **4,161,005** **4,954,925** **63.41**

* Not yet reviewed by Job Evaluation Committee (JEC)

WASHOE COUNTY CAPITAL IMPROVEMENTS PROGRAM FISCAL YEAR 2017-2021

FUND SUMMARY

CAPITAL FUNDS SUMMARY		Year 1	Year 2	Year 3	Year 4	Year 5	Total 5 Years
		2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
Fund							
Capital Improvement Fund		9,079,577	13,906,011	4,335,000	1,240,000	350,000	28,910,588
Parks Capital Fund		12,381,079	-	-	-	-	12,381,079
Capital Facilities Tax Fund		9,439,455	-	-	-	-	9,439,455
Other Funds		5,936,124	3,552,500	3,605,788	3,659,874	3,714,772	20,469,058
Utilities Fund		10,975,000	16,395,000	14,890,000	11,825,000	8,875,000	62,960,000
Equipment Services Fund		5,127,100	4,500,000	5,000,000	3,000,000	2,400,000	20,027,100
Total Funding Sources and Uses		\$ 52,938,335	\$ 38,353,511	\$ 27,830,788	\$ 19,724,874	\$ 15,339,772	\$ 154,187,280

FUNCTIONAL SUMMARY

FUNCTIONAL SUMMARY		Year 1	Year 2	Year 3	Year 4	Year 5	Total 5 Years
		2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
Function							
Culture and Recreation		13,343,971	3,073,000	225,000	340,000	-	16,981,971
General Government		7,261,051	11,768,011	5,570,000	3,350,000	2,750,000	30,699,062
Health		59,443	141,000	-	-	-	200,443
Judicial		916,458	1,015,000	610,000	-	-	2,541,458
Public Safety		12,849,064	1,260,000	1,726,000	550,000	-	16,385,064
Public Works		6,403,348	4,596,500	3,855,788	3,659,874	3,714,772	22,230,282
Welfare		765,000	105,000	954,000	-	-	1,824,000
Golf		205,000	-	-	-	-	205,000
Building & Safety		160,000	-	-	-	-	160,000
Utilities		10,975,000	16,395,000	14,890,000	11,825,000	8,875,000	62,960,000
Total		\$ 52,938,335	\$ 38,353,511	\$ 27,830,788	\$ 19,724,874	\$ 15,339,772	\$ 154,187,280

REVENUE SOURCES SUMMARY

REVENUE SOURCES SUMMARY		Year 1	Year 2	Year 3	Year 4	Year 5	Total 5 Years
		2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	
Revenue Summary							
Revenue Source							
Ad Valorem		84,891	-	-	-	-	84,891
Fees and Charges		21,021,301	20,885,069	19,934,132	14,737,083	11,122,591	87,700,177
Investment Earnings		526,534	415,942	226,988	167,617	152,409	1,489,490
Fuel Taxes		3,805,000	3,552,500	3,605,788	3,659,874	3,714,772	18,337,934
Parks Bonds, Grants, and Taxes		11,997,045	-	-	-	-	11,997,045
Transfer from General Fund		5,000,000	6,000,000	4,063,880	1,160,300	350,000	16,574,180
Transfer from Indigent Fund		585,000	-	-	-	-	585,000
Transfer from Other Restricted Fund		564,000	-	-	-	-	564,000
Debt Financing		9,354,564	7,500,000	TBD	TBD	TBD	16,854,564
Total		\$ 52,938,335	\$ 38,353,511	\$ 27,830,788	\$ 19,724,874	\$ 15,339,772	\$ 154,187,280

CONSOLIDATED PROJECT LIST
FISCAL YEAR 2017-2021 PROJECT LIST

FY 2016/2017 - 2020/2021 Project List	Year 1 2016/2017	Year 2 2017/2018	Year 3 2018/2019	Year 4 2019/2020	Year 5 2020/2021	Total 5 Years
Projects						
Capital Improvements Fund Projects						
Bowers Mansion Playground Replacement	400,000	-	-	-	-	400,000
Countywide Security Upgrades	310,000	350,000	350,000	350,000	350,000	1,710,000
Year 1 75 Court St Window Replacement	-	-	-	-	-	-
Year 1 Treasurer Frount Counter & lobby	-	-	-	-	-	-
County 800MHz Radio Upgrade - Sheriff	400,000	-	-	-	-	400,000
911 Parr Blvd. - Detention Lock Replacements	250,000	-	-	-	-	250,000
911 Parr Blvd. - HU-6 HVAC replacement	690,000	-	-	-	-	690,000
911 Parr Blvd. - Re-Roof lower detention	800,000	-	-	-	-	800,000
Senior Center Replace Aged Equipment	180,000	-	-	-	-	180,000
CPS Visitation Center	585,000	-	-	-	-	585,000
911 Parr Elevator Controls	125,000	-	-	-	-	125,000
Sheriff Detention Infirmary Conceptual Design	150,000	-	-	-	-	150,000
Sheriff Raven Hanger Project	564,000	-	-	-	-	564,000
Mills Lane Chiller Replacement	410,000	-	-	-	-	410,000
WC Facilities Parking Lot Maintenance	318,000	-	-	-	-	318,000
WC Facilities Parking Lot Reconstruction	458,800	-	-	-	-	458,800
CSD Asset Management Software (carry-over)	200,000	-	-	-	-	200,000
Marr Project Bartley Ranch Storage Unit (carry-over)	274,826	-	-	-	-	274,826
Bartley Ranch Parking Lot Replacement (carry-over)	110,000	-	-	-	-	110,000
Longley Lane Sand Dome (carry-over)	500,000	-	-	-	-	500,000
WC Health District Expansion of Office Space	-	141,000	-	-	-	141,000
May Museum HVAC Project	-	500,000	-	-	-	500,000
Hidden Valley Park Playground Rehab	-	160,000	-	-	-	160,000
Ellen's Park Playground Rehab	-	220,000	-	-	-	220,000
EOC Dispatch HVAC Redesign	-	500,000	-	-	-	500,000
Hidden Valley Park Improvements	-	300,000	-	-	-	300,000
South Valleys Park Master Plan	-	1,593,000	-	-	-	1,593,000
Regional Shooting Facility Improvements	-	300,000	-	-	-	300,000
DA - New office space - 6th & 7th Floors	-	205,000	-	-	-	205,000
Roads North Valleys Maintenance Yard	-	1,044,000	-	-	-	1,044,000
Admin Complex Courtyard Replacement	-	275,000	-	-	-	275,000
Parking Garage Elevators 220 S. Sierra	-	460,000	-	-	-	460,000
75 Court St Main Elevator Upgrades	-	350,000	-	-	-	350,000
911 Parr HU-9 HVAC Project	-	650,000	-	-	-	650,000
911 Parr HU-10 HVAC Project	-	110,000	-	-	-	110,000

CONSOLIDATED PROJECT LIST
FISCAL YEAR 2017-2021 PROJECT LIST

FY 2016/2017 - 2020/2021 Project List	Year 1 2016/2017	Year 2 2017/2018	Year 3 2018/2019	Year 4 2019/2020	Year 5 2020/2021	Total 5 Years
Building C Roofing	-	180,000	-	-	-	180,000
Admin Complex Flooring Replacement	-	120,000	-	-	-	120,000
Admin Complex Window/wall Reseal	-	200,000	-	-	-	200,000
Kids Cottage Furnace Replacement 11 units	-	105,000	-	-	-	105,000
WC Facilities Master Plan	-	-	250,000	-	-	250,000
Add on Construction - ME Bldg Training Wing	-	-	485,000	-	-	485,000
Add on Construction - ME Bldg Refrig. Body Storage	-	-	736,000	-	-	736,000
9th St. Senior Center HVAC Replacement	-	-	430,000	-	-	430,000
350 S Center 2nd Floor VAV Replacement	-	-	224,000	-	-	224,000
350 S Center New Windows	-	-	300,000	-	-	300,000
75 Court St Historic Elevator Upgrades	-	-	610,000	-	-	610,000
Building D Roofing	-	-	220,000	-	-	220,000
Northwest Library HVAC Replacement	-	-	225,000	-	-	225,000
North Valleys Library	-	-	TBD	-	-	-
Lodox Digital Radiography System	-	-	505,000	-	-	505,000
Sheriff Detention Infirmary (Design/Construction)	-	-	TBD	-	-	-
911 Parr Motor Pool HVAC	-	-	-	550,000	-	550,000
Sparks Library New Roof	-	-	-	340,000	-	340,000
District Court Building	-	-	-	TBD	-	-
Security Control System Replacement	276,430	-	-	-	-	276,430
Central Technology Event Logging System	113,920	-	-	-	-	113,920
Security Camera System	435,060	-	-	-	-	435,060
VOIP Infrastructure (carry-over)	753,541	-	-	-	-	753,541
VOIP Infrastructure	-	1,240,000	-	-	-	1,240,000
County 800 MHz radio upgrade - Phase II	-	4,903,011	-	-	-	4,903,011
Warm Springs Projects	775,000	-	-	-	-	775,000
Capital Improvements Fund Total	9,079,577	13,906,011	4,335,000	1,240,000	350,000	28,910,588
Parks Capital Projects						
Callahan Park Playground Rehab	160,000	-	-	-	-	160,000
Thomas Creek Park Playground Rehab	220,720	-	-	-	-	220,720
Whites Creek Park Playground Rehab	220,720	-	-	-	-	220,720
Galena Terrace Park Development (carry-over)	229,000	-	-	-	-	229,000
Eagle Canyon Park Parking Lot Paving	100,000	-	-	-	-	100,000
Eagle Canyon Park Playground Rehab	521,000	-	-	-	-	521,000
Gator Swamp Playground (carry-over)	300,000	-	-	-	-	300,000
IVGID Pedestrian Path	318,000	-	-	-	-	318,000
Crystal Bay Park (carry-over)	506,800	-	-	-	-	506,800

CONSOLIDATED PROJECT LIST
FISCAL YEAR 2017-2021 PROJECT LIST

FY 2016/2017 - 2020/2021 Project List	Year 1 2016/2017	Year 2 2017/2018	Year 3 2018/2019	Year 4 2019/2020	Year 5 2020/2021	Total 5 Years
Persigeh Land Acquisition	3,220,707	-	-	-	-	3,220,707
Rancho San Rafael Irrigation Phase 2	1,400,000	-	-	-	-	1,400,000
Rancho San Rafael Playground Replacement	400,000	-	-	-	-	400,000
Truckee River Restoration	331,000	-	-	-	-	331,000
Truckee River Acquisitions	603,200	-	-	-	-	603,200
Lake Tahoe Bike Path Phase 4	880,000	-	-	-	-	880,000
Bowers Mansion Parking Lot (carry-over)	250,000	-	-	-	-	250,000
Hunter Creek Trailhead (carry-over)	126,432	-	-	-	-	126,432
Crystal Peak Park Road (carry-over)	262,000	-	-	-	-	262,000
Golden Eagle Trailhead (carry-over)	300,000	-	-	-	-	300,000
Arboretum Greenhouse (carry-over)	280,000	-	-	-	-	280,000
North Valley Recreation Phase 5 (carry-over)	1,251,500	-	-	-	-	1,251,500
Special Projects Undesignated	500,000	-	-	-	-	500,000
Parks Capital Total	12,381,079	-	-	-	-	12,381,079
Capital Facilities Tax Fund Projects						
Sparks Library HVAC (carry-over)	84,891	-	-	-	-	84,891
Medical Examiner Building (carry-over)	9,354,564	-	-	-	-	9,354,564
Capital Facilities Tax Fund Projects Total	9,439,455	-	-	-	-	9,439,455
Other Funds Projects						
General Fund Projects	495,223	-	-	-	-	495,223
Health Fund	59,443	-	-	-	-	59,443
Animal Services Fund Projects	100,000	-	-	-	-	100,000
Enhanced 911 Fund Projects	200,000	-	-	-	-	200,000
Regional Public Safety Training Center	145,000	-	-	-	-	145,000
Regional Communications System Projects	60,000	-	-	-	-	60,000
Roads Fund Projects	3,805,000	3,552,500	3,605,788	3,659,874	3,714,772	18,337,934
Golf Course Fund	205,000	-	-	-	-	205,000
Building & Safety Fund	160,000	-	-	-	-	160,000
Other Restricted Special Revenue Fund Projects	706,458	-	-	-	-	706,458
Other Funds Total	5,936,124	3,552,500	3,605,788	3,659,874	3,714,772	20,469,058
Utilities Fund Projects						
Golden Valley Water Rights Purchase	40,000	40,000	40,000	-	-	120,000
STMWRF Utility Ops Storage Building 25%	150,000	-	-	-	-	150,000
Huffaker Reservoir Water Quality Management	100,000	250,000	250,000	-	-	600,000
Reclaim Truck Fills	100,000	-	-	-	-	100,000
Field Creek Reservoir Water Quality Management	-	500,000	500,000	-	-	1,000,000
Dorothy Towne (Zircon) Lift Station Improv 80%	600,000	-	-	-	-	600,000

CONSOLIDATED PROJECT LIST

FISCAL YEAR 2017-2021 PROJECT LIST

FY 2016/2017 - 2020/2021 Project List	Year 1 2016/2017	Year 2 2017/2018	Year 3 2018/2019	Year 4 2019/2020	Year 5 2020/2021	Total 5 Years
STMWRF Utility Ops Storage Building 75%	450,000	-	-	-	-	450,000
STMWRF Chemical Storage Building	1,300,000	-	-	-	-	1,300,000
STMWRF Admin Building Expansion & Improv 35%	350,000	-	-	-	-	350,000
Southern Comfort Lift Station Replacement	100,000	-	-	-	-	100,000
S Truckee Meadows WRF Projects	1,735,000	605,000	1,500,000	2,000,000	250,000	6,090,000
Cold Springs WRF SCADA System Control Upgrades	200,000	-	-	-	-	200,000
Horizon Hills Sewer System Improvements	-	-	-	225,000	225,000	450,000
Lemmon Valley WRF Blower Replacement	200,000	-	-	-	-	200,000
Lemmon Valley WRF Projects	950,000	1,050,000	1,150,000	5,400,000	5,400,000	13,950,000
Reclaimed Water Transmission Main Extensions	200,000	200,000	200,000	200,000	3,000,000	3,800,000
Dorothy Towne (Zircon) Lift Station Improv 20%	150,000	-	-	-	-	150,000
STMWRF Admin Building Expansion & Improv 65%	650,000	-	-	-	-	650,000
Pleasant Valley Interceptor Reach 3	350,000	-	-	-	-	350,000
S Truckee Meadows WRF Projects	2,250,000	11,250,000	11,250,000	2,000,000	-	26,750,000
Steamboat Lift Station Capacity Expansion	-	-	-	2,000,000	-	2,000,000
Eagle Canyon Sewer Interceptor Capacity Improv	700,000	-	-	-	-	700,000
Cold Springs WRF Expansion Design County Portion	200,000	500,000	-	-	-	700,000
Diamond Peak Lift Station Capacity Expansion	200,000	2,000,000	-	-	-	2,200,000
Utilities Fund Projects Total	10,975,000	16,395,000	14,890,000	11,825,000	8,875,000	62,960,000
Equipment Services Fund Projects						
Heavy Equipment Replacement	2,938,000	2,100,000	2,400,000	900,000	500,000	8,838,000
Light Equipment Replacement	2,189,100	2,400,000	2,600,000	2,100,000	1,900,000	11,189,100
Equipment Services Fund Projects Total	5,127,100	4,500,000	5,000,000	3,000,000	2,400,000	20,027,100
Total All Projects	\$ 52,938,335	\$ 38,353,511	\$ 27,830,788	\$ 19,724,874	\$ 15,339,772	\$ 154,187,280



Fiscal Year 2016-2017 County Manager Recommended Budget

Washoe County Commission Meeting
John Slaughter, County Manager
April 26, 2016



Budget

- Budget Process Update
- Fiscal Responsibility/General Fund assumptions
- County Manager's Recommendations

Strategic Plan

- Summary of Budget Recommendations by Strategic Plan Goal

Next Steps

- Public Hearing and adoption of FY 17 Budget

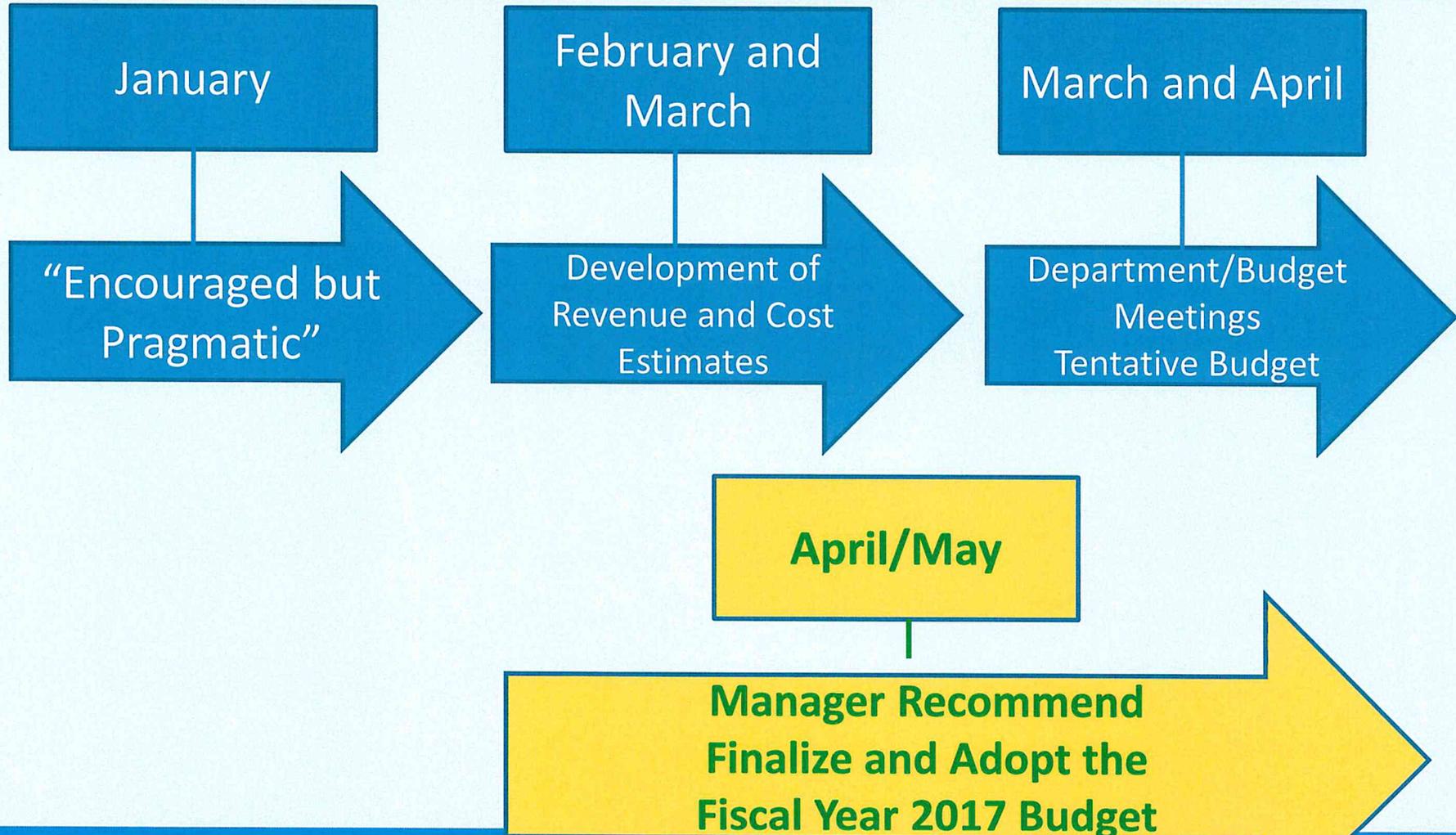


Budget

- **Budget Process Update**
- General Fund Assumptions/Summary of Recommended Budget
- County Manager's Recommendations
- Capital Improvement Plan (CIP)



Budget Process Update





New Budget Approaches for FY 16-17 Budget

- **Certain costs have been removed from the indirect cost allocation and directly budgeted in departments' budgets.**
 - Other Post Employment Benefits (OPEB)
 - Building utilities costs
 - Leases
 - **Advantage: Increase transparency and show full cost of operating departments**
- **Recognition of salary savings in budget**
- **Workers Compensation**
 - Rates based on position type versus on a departmental basis.
 - Charges to departments based on actual positions occupied
 - **Advantage: Decreased costs for some departments**
- **Social Services**
 - Indigent assistance costs budgeted in one fund versus split between funds
- **Continued review of past financial practices and reports**



Budget

- Budget Process Update
- **General Fund Assumptions/Summary of Recommended Budget**
- County Manager's Recommendations
- Capital Improvement Plan (CIP)



FY2016 Estimated General Fund Results

- **Revenues are estimated to out-perform by \$5.67 million**
 - C-Tax
 - \$4.2 million higher than budgeted
 - 8.0% growth versus 5.57% growth budgeted
 - Property Taxes – higher by \$1.7 million
 - Intergovernmental – higher by \$1.4 million
- **Expenditure Savings – total of \$1.17 million**
 - Salaries & Benefits – savings of \$2.0 million estimated
 - Services & Supplies higher than original budget due to mid-year adjustments



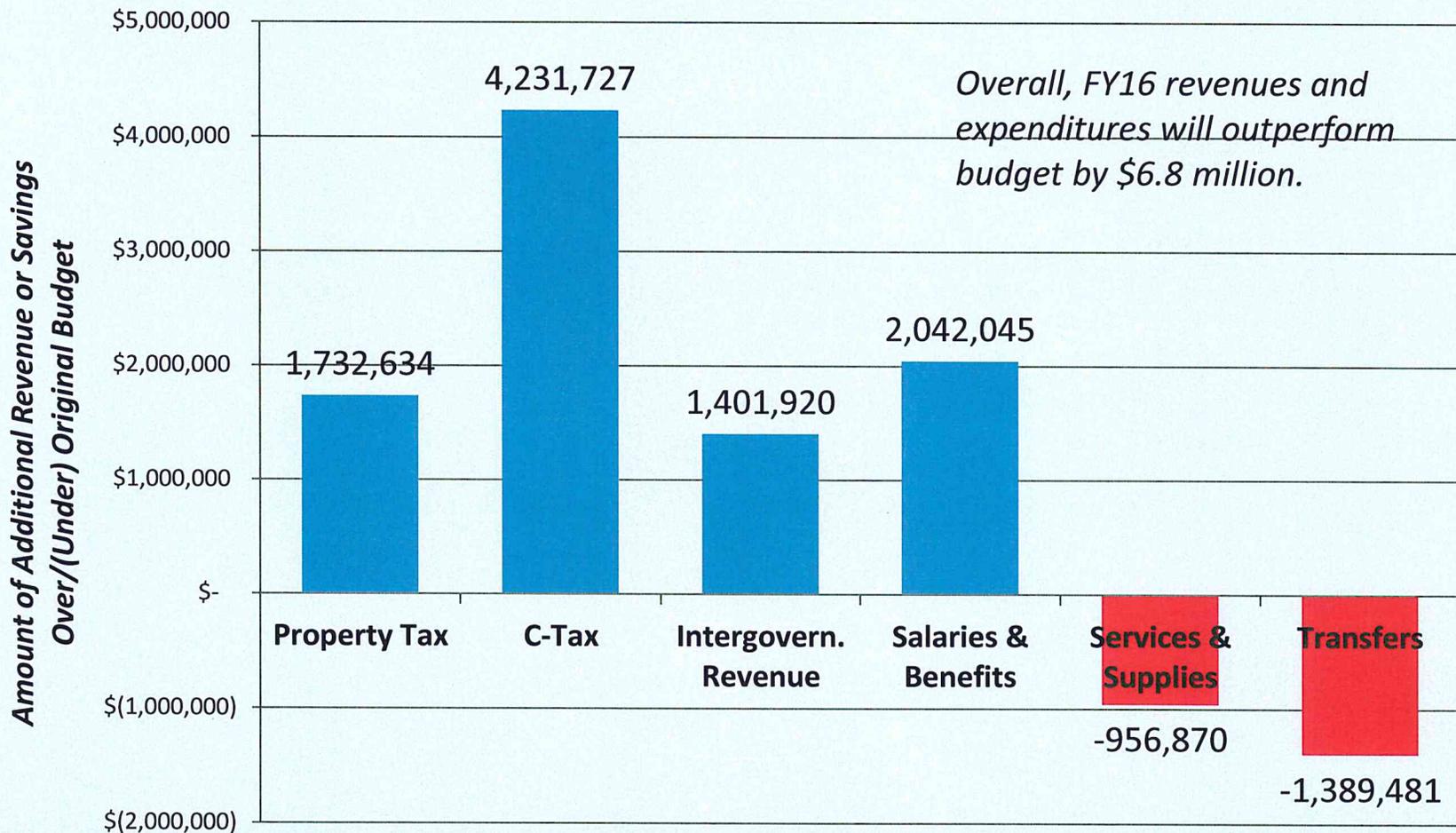
FY2016 Estimated General Fund Results

- **Transfers - \$1.4 million higher than originally budgeted**
 - Transfer to District Court for their ½ of savings for pilot Court expansion project (\$771,530)
 - Mid-year augmentation for BCC chambers tech upgrades and other facility improvements (\$495,428)

Ending Available Fund Balance of \$40.86 million



FY2016 Estimated General Fund Results





Property Tax Cap Formula (NRS 361.4722)

- **General Cap – applicable to commercial**
 - Greater of:
 - 10-year average of percentage change in a county's assessed valuation (up to 8%)
 - 2 x CPI (up to 8%)
- **If the General Cap is below 3%, the Residential Cap resets at the lower rate.**



Property Tax Cap Formula (NRS 361.4722)

General Cap Factor

	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
10-yr Average % Change in Assessed Valuation	7.2%	4.9%	4.0%	2.7%	1.7%	1.3%	0.6%	-0.1%
2 x CPI	7.7%	-0.8%	3.2%	6.4%	4.2%	3.0%	3.2%	0.2%
Greater of: 10-yr Average % Change in Assessed Valuation <u>or</u> 2 x CPI (Not to Exceed 8%)	7.7%	4.9%	4.0%	6.4%	4.2%	3.0%	3.2%	0.2%

Residential Cap Factor

Lesser of: 3% <u>or</u> General Cap Factor	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	0.2%
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FY17 Property Taxes Due

FY16 Property Assessed Value **\$200,000.00**

FY16 Property Taxes Paid **\$2,562.00**

(Taxable Value = 35% of Assessed Value)

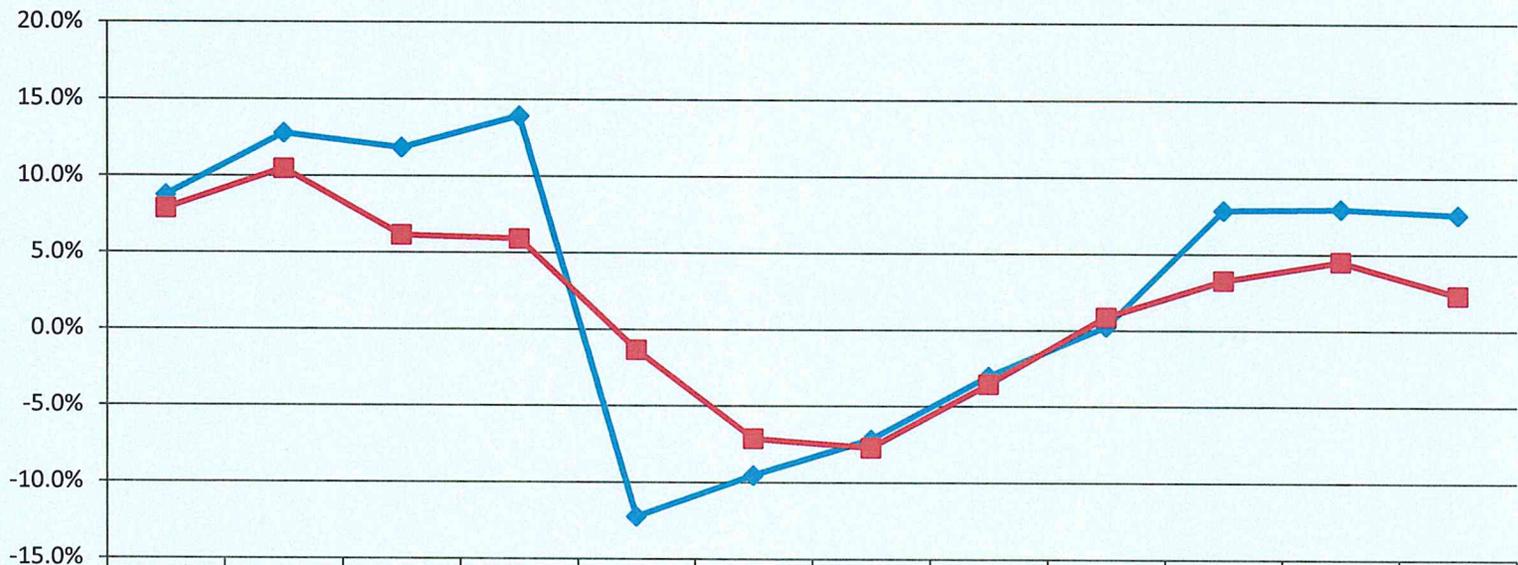
FY17 Property Tax Cap of 0.2% **x** **0.2%**

**Increase in property taxes to be
paid in FY17** **\$ 5.12**



Third Straight Year of Flat Property Taxes

Pct. Change of Assessed Valuation versus Property Taxes



	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Assessed Valuation	8.7%	12.8%	11.8%	13.9%	-12.2%	-9.5%	-7.2%	-3.0%	0.2%	7.9%	8.0%	7.6%
Total Property Taxes	7.9%	10.5%	6.2%	5.9%	-1.3%	-7.1%	-7.7%	-3.5%	0.9%	3.3%	4.5%	2.3%

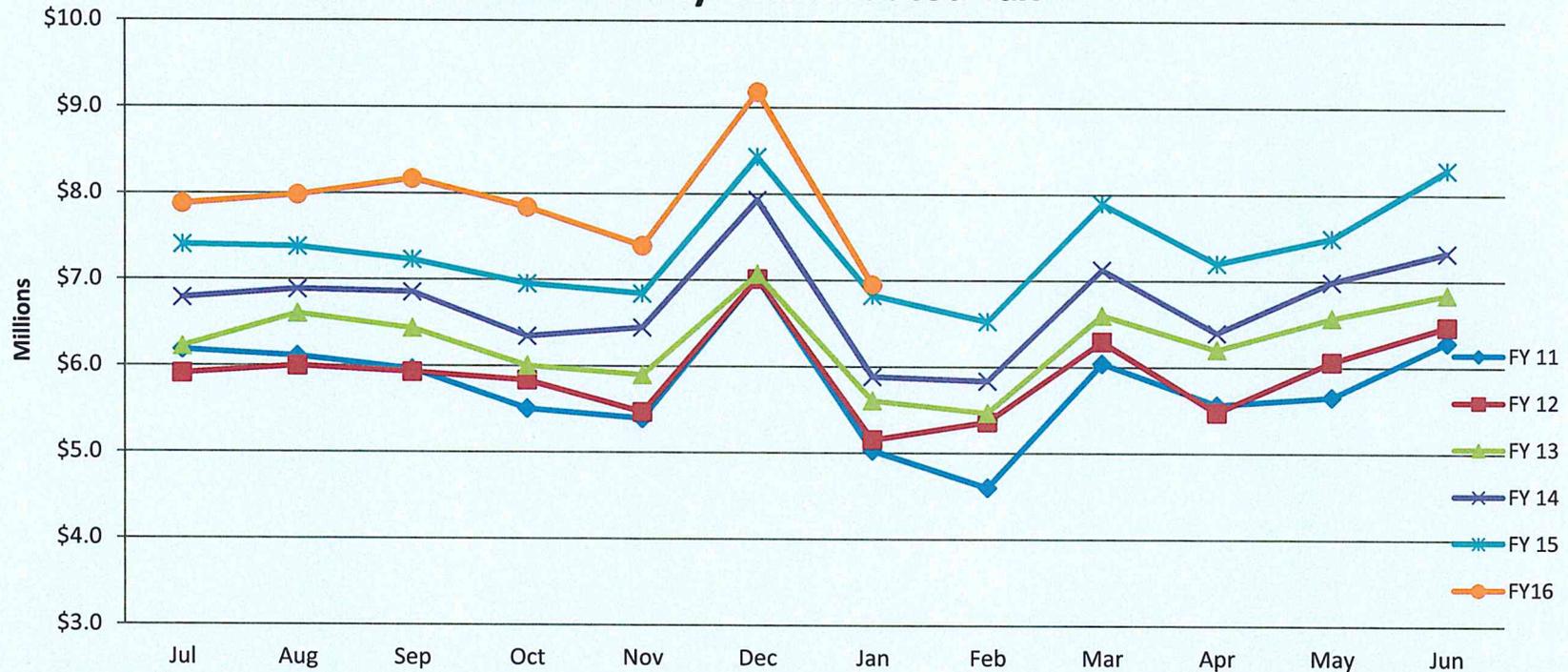
◆ Assessed Valuation ■ Total Property Taxes

From FY15 through FY17, property tax revenues will increase an average of only 3.4% versus an increase in assessed values of 7.8%.



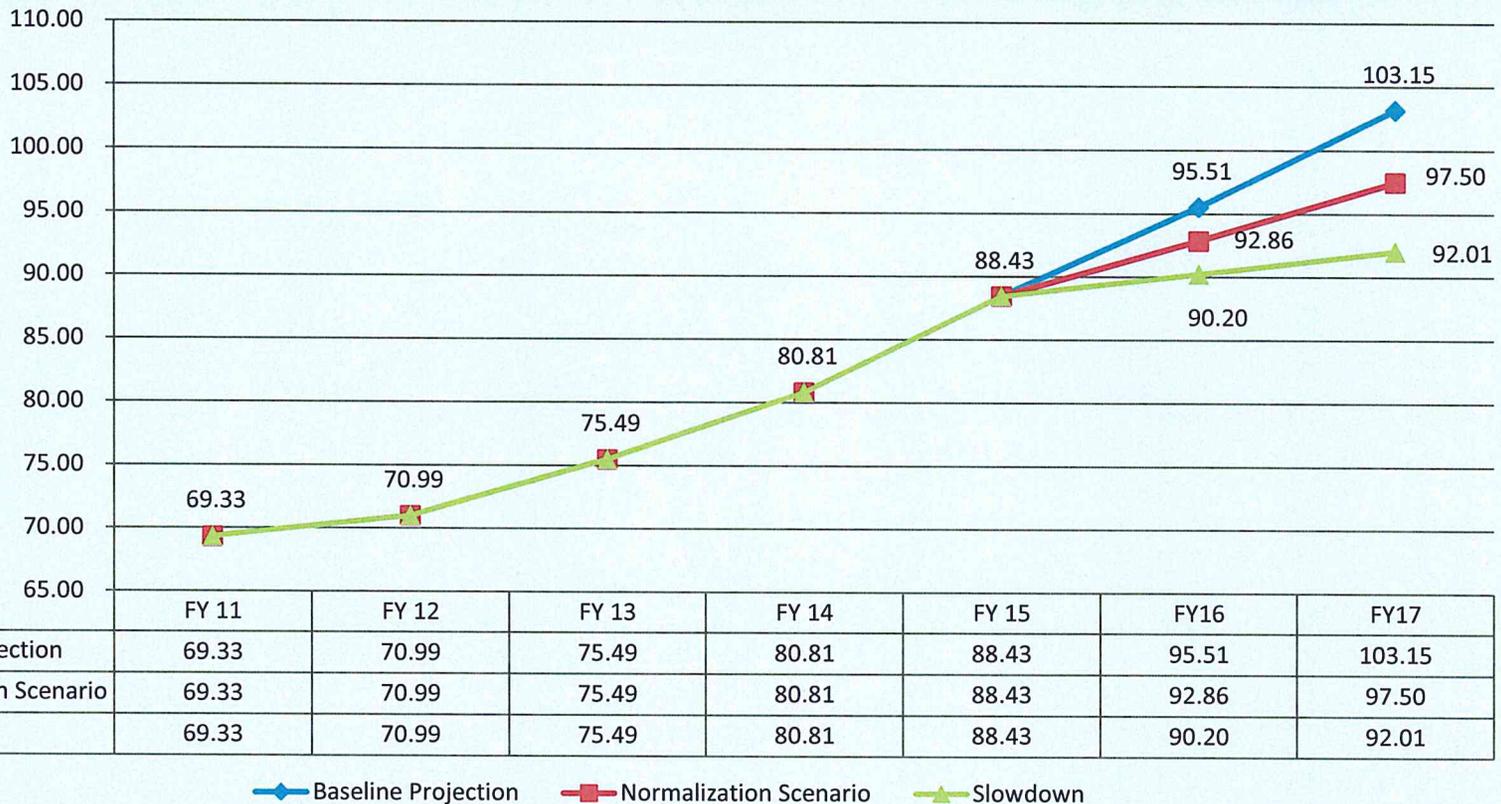
C-Tax Revenues Help to Offset Property Taxes' Under-performance

Washoe County Consolidated Tax





Outsized C-Tax Revenues are Projected to Add \$5.6 million over Normalized Growth



- Projecting 8% increase in C-Tax in both FY16 and FY17
- At a 5% growth rate, we would have \$5.6 million less in FY17



FY17 General Fund Revenues

Category	FY15/16 Orig Budget	FY15/16 Estimated	FY16/17 Base Budget	% Change
Taxes	147,266,413	148,999,047	152,237,231	2.2%
Licenses and permits	8,544,000	8,267,600	9,301,254	12.5%
Consolidated taxes	91,278,018	95,509,745	103,150,525	8.0%
Other intergovernmental	18,487,672	19,889,592	20,798,698	4.6%
Charges for services*	23,930,231	23,618,308	18,866,253	-20.1%
Fine and forfeitures	8,023,650	7,267,179	7,501,750	3.2%
Miscellaneous**	3,927,860	3,578,237	16,935,196	373.3%
Total revenues	301,457,844	307,129,708	328,790,907	7.1%

* Decrease is due to a \$5.6 million decrease in overhead charges, as OPEB costs, leases and building utilities are now charged directly to departments.

** Increase is due to \$13 million in reimbursements from Indigent Fund and \$3.2 million in State hospital pass-through revenues being budgeted in General Fund



FY17 General Fund Expenditure Assumptions

- **Salaries and Benefits**
 - COLA's are contemplated but not included in Tentative Budget, will be included in Final Budget
 - Health insurance is budgeted at +6%
 - Budget for salary savings, in order to better align the County budget with actual fiscal results
- **Known increases to contract costs and mandated services are budgeted, but otherwise no inflation assumed for services and supplies.**
- **Continued funding to CIP of \$5 million**
- **\$ 3 million of department above-base requests to be funded (including \$751,000 for the countywide security initiative)**



FY17 General Fund Expenditure Assumptions

- **Debt Service**
 - \$860,000 increase for Medical Examiner Building Bonds
 - \$400,000+ savings for three years due to bond refundings sold in February
- **Transfer to Roads Fund reduced by \$750,000 to fund Infrastructure Preservation projects for CSD**
- **General Fund's OPEB cost reduced but offset by reductions in overhead charges to departments for OPEB**
- **Contingency – maintained at \$1.5 million**
- **Stabilization Fund – maintained at \$3 million**



FY17 General Fund Expenditures

Uses	FY15/16 Orig Budget	FY15/16 ETC	FY16/17 Base Budget	% of Total
Public Safety	124,348,249	124,264,658	133,234,257	44.3%
Judicial	57,271,618	55,882,286	62,624,255	20.8%
General Government	56,529,702	56,842,958	41,801,407	13.9%
Welfare	19,783,216	19,650,077	33,749,655	11.2%
Culture and Recreation	13,083,561	12,771,621	15,122,917	5.0%
Public Works	17,022,238	17,119,757	13,977,070	4.6%
<u>Community Support</u>	<u>269,761</u>	<u>357,087</u>	<u>269,761</u>	<u>0.1%</u>
Total expenditures	288,308,345	286,888,444	300,779,322	100.0%
Transfers out	25,481,985	26,871,466	24,920,514	
Contingency	1,500,000	-	1,500,000	
TOTAL USES	315,290,330	313,759,910	327,199,836	

Transfers out include \$5,000,000 to CIP, \$9,796,856 million to Health District, \$5,598,494 to Debt Service Fund, \$2,754,019 to Senior Services/CPS, and \$1,699,733 to Roads Fund.



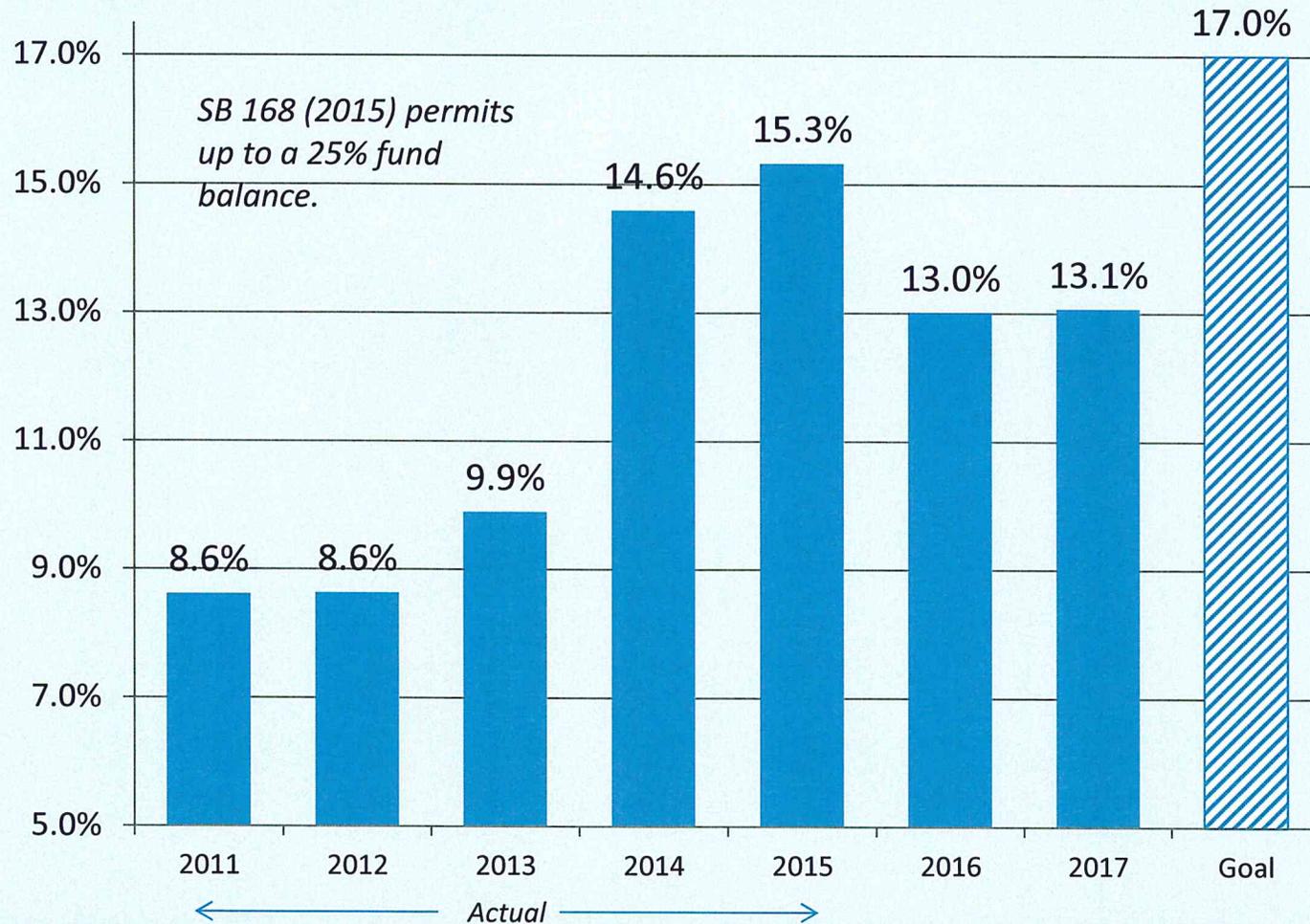
FY17 Recommended Budget*

	FY15/16 Orig Budget	FY15/16 ETC	FY16/17 Base Budget
<u>Revenues and Other Sources:</u>			
Taxes	147,266,413	148,999,047	152,237,231
Consolidated taxes	91,278,018	95,509,745	103,150,525
Other Revenue	62,913,413	62,620,916	73,403,151
Transfers In	291,515	291,515	291,515
Total revenues and transfers in	301,749,359	307,421,223	329,082,422
<u>Expenditures and Other Uses:</u>			
Total expenditures	288,299,533	287,238,444	300,779,322
Transfers out	25,481,985	26,871,466	24,920,514
Contingency	1,500,000		1,500,000
Total Uses	315,281,518	314,109,910	327,199,836
<u>Fund Balance</u>			
Total Ending Fund Balance	29,844,690	44,611,065	46,493,651
Available Ending Fund Balance	26,094,690	40,861,065	42,743,651
Available Ending Fund Balance as % of Expend/Transfers Out Less Capital	8.3%	13.03%	13.07%

* Does not include COLA's currently in labor negotiations



Historical & Projected Fund Balance*



* FY17 Fund Balance does not include COLA's currently in labor negotiations



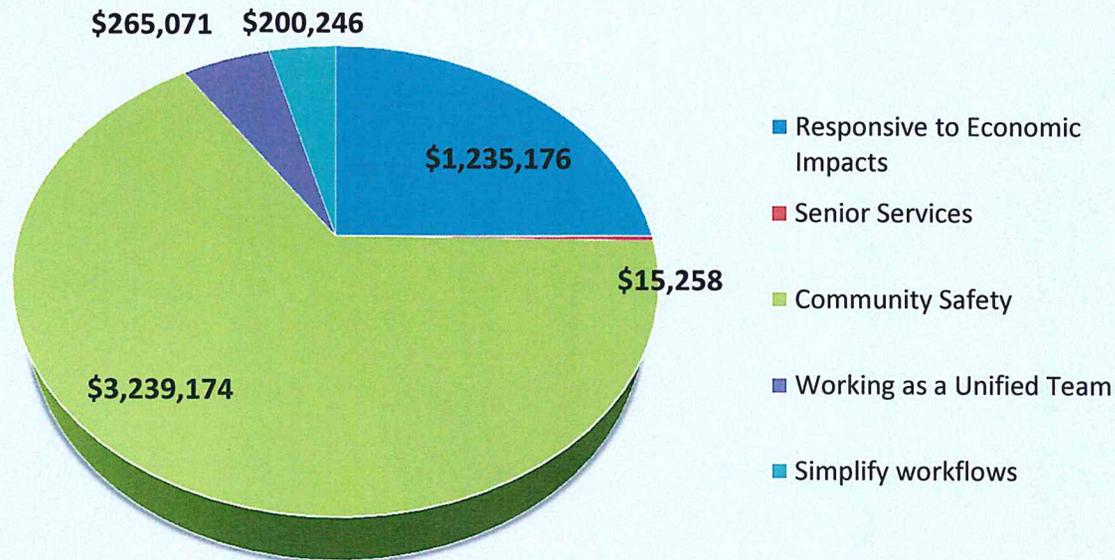
Budget

- Budget Process Update
- Fiscal Responsibility/General Fund assumptions
- **County Manager's Recommendations**
- Capital Improvement Plan



Summary of Manager Recommendations Sorted by Strategic Plan Goal

Summary of Above-Base Funding (All Funds)



<u>Strategic Plan Goal</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>All Funds</u>
Responsive to Economic Impacts	287,246	947,930	1,235,176
Senior Services		15,258	15,258
Community Safety	1,896,535	1,342,639	3,239,174
Working as a Unified Team	258,571	6,500	265,071
<u>Simplify workflows</u>	<u>560,164</u>	<u>(359,918)</u>	<u>200,246</u>
Grand Total	\$3,002,516	\$1,952,409	\$4,954,925



Enhance Community Safety through Investing in Infrastructure for Current and Future Needs

Countywide Security Initiative

- **Replacement of security vendor with 19 county security officers and addition of 8 sworn personnel (7 deputy sheriffs + 1 sergeant)**
 - Mills Lane/District Court complex
 - Downtown Library/350 S. Center Facility
 - 9th and Wells County Complex (including Sr. Center and new Medical Examiner Building)
 - Reno and Sparks Justice Court
 - Jan Evans Juvenile Center (as part of District Court)



Enhance Community Safety through Investing in Infrastructure for Current and Future Needs

Coverage of Specialty Courts

- **District Attorney** – 1 additional Deputy District Attorney III and Legal Secretary
- **Alternate Public Defender** - 1 additional Deputy Alternate Public Defender and Legal Secretary
- **Alternative Sentencing**
 - 2 Human Services Support Specialists
 - 1 additional FTE of Assistant Alternative Sentencing Officers
 - Increased Standby Pay



Enhance Community Safety through Investing in Infrastructure for Current and Future Needs

Sheriff's Office

- **Communications Dispatch**
 - RFP for regional dispatch to be issued later in FY16
 - Additional supervising communications specialist
 - 2 new dispatchers, pending cost recovery from agencies
- **Crime Lab** – increase of \$113,061 to supplies and equipment budget
- **CIP** - conceptual design of detention infirmary in FY17



Enhance Community Safety through Investing in Infrastructure for Current and Future Needs

Infrastructure Preservation (Previously Budgeted in CIP)

Department	Description	Appropriation	Revenue/Cost Offsets	Net Cost to General Fund
Community Services	Inflationary Increases to Parts and Supplies for Facilities Maintenance	162,960	-	162,960
Community Services	Parks Infrastructure Preservation (additional lighting, crack seal paths, replace picnic tables, replace fencing, etc.)	465,500	465,500	-
Community Services	Facilities Infrastructure Preservation (roof repairs, restroom improvements, parking garage repairs, etc.)	346,548	284,500	62,048
Community Services	Parks North Valleys Regional Park Expansion Committed Funds for athletic field maintenance	187,588	187,588	-
Tech Services	Software Maintenance	515,815	515,815	-
Tech Services	Physical Security Infrastructure (security cameras, card swipe security, panic alarms, intrusion detection systems, touch screen security systems)	108,075	108,075	-
Tech Services	PC Refresh budget	250,000	-	250,000
Total		2,036,486	1,561,478	475,008



Enhance Community Safety through Investing in Infrastructure for Current and Future Needs

Other Infrastructure-related Programs

- **Utilities Fund** – new position of Wastewater Treatment Plant Supervisor
- **May Center Fund**
 - WiFi, travel exhibits, increased advertising
 - Total increase of \$123,588
- **Roads**
 - Re-opened Incline Village Yard, 4 new positions
 - Total increase of \$616,944
- **General Fund**
 - Tahoe Basin Stormwater consulting services
 - Management of water rights in Tahoe area
 - Reclassified position for asset management system



Enhance Community Safety through Investing in Infrastructure for Current and Future Needs

Other Programs

- **Child Protective Services** – Specialized Foster Care Program
 - 2 Mental Health Counselor II positions
 - 2 Social Worker III positions
 - Therapeutic Placement--to cover necessary costs for higher level of foster care above a regular foster home.
 - Total costs = \$1,031,969 (grant-funded)
- **Central Truckee Remediation District** – increase of \$478,605
 - Additional funding for source area evaluations and testing
 - Rehabilitation of Mill Street treatment system



Enhance Community Safety through Investing in Infrastructure for Current and Future Needs

Other Programs

- **Manager's Office** – funding of 2 fire positions in Gerlach area (possible grant-funded)
- **Juvenile Services** – 2 FTE's of youth advisors for Detention

Total Funding Allocation for New Community Safety Initiatives =
\$6,719,280 (All Funds)
(Net Cost of \$3,239,174)



Be Responsive and Proactive to Pending Economic Development Impacts

■ Building & Safety

- 6.5 FTE's for new positions to support growth of new development
- Brings total staffing to 24 full-time positions

■ Health

- 1 program coordinator to implement community health improvement plans around priorities of Access to Healthcare and Social Services, Education, Behavioral Health, and Food Insecurity
- Community Needs Assessment (\$70,000) to aid in development of Washoe County Community Health Improvement Plan
- Additional interns from UNR
- Reclassifications
- Increase to training budget



Be Responsive and Proactive to Pending Economic Development Impacts

- **Manager's Office** – 1 Fiscal Analyst
- **Reno Justice Court** - increase to Services and Supplies budget for mandated costs
- **Sheriff** - \$160,663 increase to overtime budget to reflect COLA's
- **Utilities Fund**
 - Increased support to sewer utility
 - 0.50 FTE increase

Total Funding Allocation for New Economic Development Initiatives = \$1,235,176 (All Funds)



Keep Senior Services on Pace with Rising Senior Population

- **Animal Services**

- 2 Animal Control Officers to support Homebound Senior Assistance Program, authorized on September 22, 2015

- **Senior Services**

- Integration into Human Services Agency to be finalized in FY17
- 8% growth across all program areas
- 1 Social Services Coordinator Supervisor
- Reclassification of position to Program Assistant to support senior nutrition program, Crossroads and other programs
- Kitchen equipment replacement in CIP

Total Funding Allocation for Senior Services = \$131,129 (All Funds)



Working as a Professional Unified Team

- **Sparks Justice Court – associated costs to support third judge:**
 - Bailiff + continued funding of intermittent bailiff
 - Deputy Clerk II
 - Reclassification of position to supervisor of Criminal Division
- **Investment in training and classification/compensation of County employees**
 - Human Resources – funding of third year of Hay classification/compensation study
 - Comptroller’s Office - increase in dues and training budget
 - Health – increase in training and travel budget

Total Funding Allocation = \$265,071 (All Funds)



Simplify Workflows to Improve Service Delivery and Customer Outcomes

- **District Attorney's Child Advocacy Center**
 - 1 Forensic Interviewer position
- **Public Administrator** – 1 Office Support Specialist
- **Public Defender** – increase in budget for expert witness fees, psych. evaluations
- **Animal Services** – 1 Animal Services Caretaker
- **Sheriff's Office** - reorganization of Administrative Division
- **District Court** – reclassifications of administrative and Law Library positions
- **Health**
 - Contracting out for billing service
 - Conversion of 3 part-time clerical positions to full-time

Total Funding Allocation = \$884,007 (All Funds)



Budget

- Budget Process Update
- General Fund Assumptions/Summary of Recommended Budget
- County Manager's Recommendations
- **Capital Improvement Plan (CIP)**



2017-21 Capital Improvement Program

FY17 Highlights

- **Parks & Receptions – more than \$13 million funded**
- **Playground Equipment - \$2.22 million**
 - Bowers Mansion, Callahan Park, Thomas Creek Park, Whites Creek Park, Galena Terrace Park
- **North Valley Regional Park, Phase 5 - \$1.25 million**
- **Trailheads - \$1.6 million**
 - Hunter Creek, Golden Eagle
 - Lake Tahoe Bike Path, Phase 4
 - IVGID Pedestrian Path
- **Open Space Land Acquisitions - \$3.22 million**



2017-21 Capital Improvement Program

FY17 Highlights

- **Security-related Projects**
 - Security Control System Replacement
 - Central Technology Event Logging System
 - Security Camera System improvements
 - Countywide Security Upgrades
 - Treasurer counter and lobby
 - 75 Court Street window replacement
 - Other Projects as identified and reviewed by CIP Committee (5-year project)



2017-21 Capital Improvement Program

FY17 Highlights

- **Sheriff's Facility – continued repairs**
 - Detention Lock Upgrade
 - HVAC Replacement
 - Re-roof lower detention
 - Elevator Controls
 - Infirmary (conceptual design)



2017-21 Capital Improvement Program

CAPITAL FUNDS SUMMARY	Year 1 2016/2017	Year 2 2017/2018	Year 3 2018/2019	Year 4 2019/2020	Year 5 2020/2021	Total 5 Years
Fund						
Capital Improvement Fund	9,079,577	13,906,011	4,335,000	1,240,000	350,000	28,910,588
Parks Capital Fund	12,381,079	-	-	-	-	12,381,079
Capital Facilities Tax Fund	9,439,455	-	-	-	-	9,439,455
Other Funds	5,936,124	3,552,500	3,605,788	3,659,874	3,714,772	20,469,058
Utilities Fund	10,975,000	16,395,000	14,890,000	11,825,000	8,875,000	62,960,000
Equipment Services Fund	5,127,100	4,500,000	5,000,000	3,000,000	2,400,000	20,027,100
Total Funding Sources and Uses	\$52,938,335	\$38,353,511	\$27,830,788	\$19,724,874	\$15,339,772	\$ 154,187,280

FUNCTIONAL SUMMARY						
Functional Summary	Year 1 2016/2017	Year 2 2017/2018	Year 3 2018/2019	Year 4 2019/2020	Year 5 2020/2021	Total 5 Years
Function						
Culture and Recreation	13,343,971	3,073,000	225,000	340,000	-	16,981,971
General Government	7,261,051	11,768,011	5,570,000	3,350,000	2,750,000	30,699,062
Health	59,443	141,000	-	-	-	200,443
Judicial	916,458	1,015,000	610,000	-	-	2,541,458
Public Safety	12,849,064	1,260,000	1,726,000	550,000	-	16,385,064
Public Works	6,403,348	4,596,500	3,855,788	3,659,874	3,714,772	22,230,282
Welfare	765,000	105,000	954,000	-	-	1,824,000
Golf	205,000	-	-	-	-	205,000
Building & Safety	160,000	-	-	-	-	160,000
Utilities	10,975,000	16,395,000	14,890,000	11,825,000	8,875,000	62,960,000
Total	\$52,938,335	\$38,353,511	\$27,830,788	\$19,724,874	\$15,339,772	\$ 154,187,280



Funding of Asset Maintenance & Replacement Falls Short of Needs

- Current funding levels for the CIP fall short of required annual maintenance requirements

Asset Type	Replacement Cost	Life Cycle	Annual Preventative/ Replacement Cost	FY16 Funding	Annual Deficit
Roadways/Sidewalks	\$614,662,402	30-75 years	\$13,666,827	\$7,830,000	-\$5,836,827
Parking Lots	\$32,234,278	40 years	\$805,857	\$110,000	-\$695,857
Parks	\$57,800,250	50 years	\$1,156,005	\$856,000	-\$300,005
Buildings (larger than 2,800 SF)	\$561,700,000	50 years	\$11,234,000	\$5,532,167	-\$5,701,833
Sewer/Reclaimed	\$209,000,000	40 years	\$5,225,000	\$3,641,000	-\$1,584,000
Vehicles/Equipment	\$34,076,342	4-15 years	\$4,065,787	\$3,500,000	-\$565,787
Total	\$1,509,473,272		\$36,153,476	\$21,469,167	-\$14,684,309