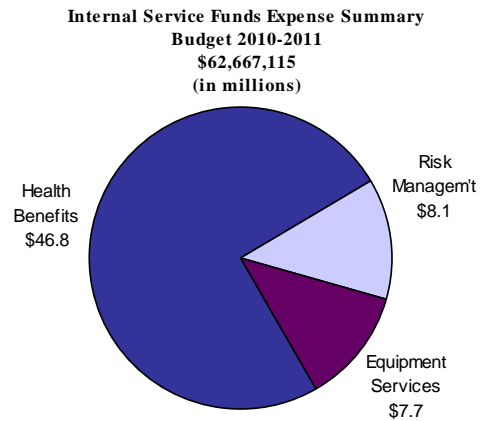
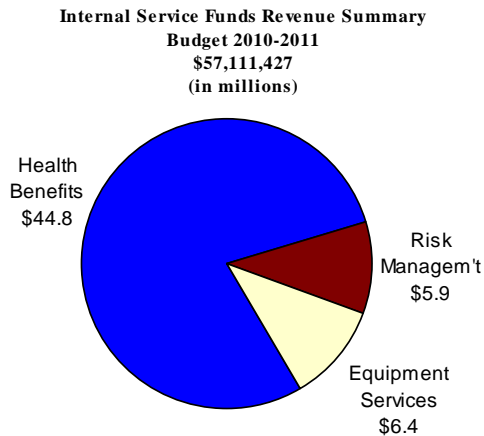


INTERNAL SERVICE FUNDS

Description The Internal Service Funds account for the financing of goods and services provided by programs or activities on a cost reimbursement basis. The Internal Service Funds include the Risk Management Fund, the Health Benefits Fund, and the Equipment Services Fund.

Revenue and Expenditure Summaries – Internal Service Funds



Operating Revenue Trend – Internal Service Funds

Internal Funds Operating Revenue	Equipment Services Fund	Health Benefits Fund	Risk Management Fund
FY04/05 Actual	\$ 6,717,292	\$ 24,498,719	\$ 3,955,714
FY05/06 Actual	\$ 7,886,001	\$ 26,643,430	\$ 7,363,058
FY06/07 Actual	\$ 7,914,304	\$ 30,486,621	\$ 6,631,350
FY07/08 Actual	\$ 8,018,749	\$ 32,541,375	\$ 6,707,872
FY08/09 Actual	\$ 8,202,009	\$ 32,035,011	\$ 7,660,392
FY09/10 Estimate	\$ 6,838,289	\$ 35,296,402	\$ 6,082,034
FY10/11 Budget	\$ 6,414,553	\$ 44,819,000	\$ 5,877,874

Operating Expenditure Trend – Internal Service Funds

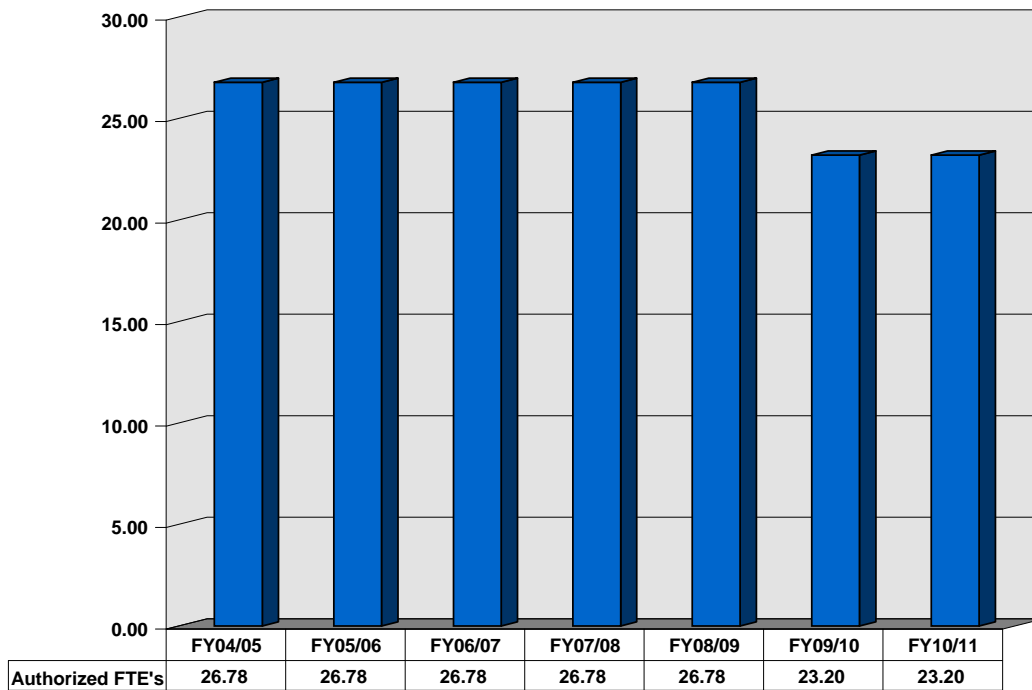
Internal Funds Operating Expenses	Equipment Services Fund	Health Benefits Fund	Risk Management Fund
FY04/05 Actual	\$ 7,210,201	\$ 26,215,899	\$ 6,918,460
FY05/06 Actual	\$ 7,830,239	\$ 29,506,567	\$ 3,792,707
FY06/07 Actual	\$ 7,789,210	\$ 31,231,189	\$ 5,563,736
FY07/08 Actual	\$ 8,882,574	\$ 35,542,566	\$ 3,303,380
FY08/09 Actual	\$ 7,845,486	\$ 38,545,010	\$ 2,299,552
FY09/10 Estimate	\$ 7,727,882	\$ 43,593,162	\$ 3,839,648
FY10/11 Budget	\$ 7,700,317	\$ 46,845,756	\$ 8,121,042

Revenue, Expenses, and Net Income Trend Analysis

Revenue, Expenses & Net Income Trend Analysis	Operating Revenue	Operating Expenses	NonOperating Revenues (Expenses)	Capital Contributions	Transfers	Net Income
FY04/05 Actual	\$ 6,717,292	\$ 7,210,201	\$ 351,348	\$ 16,751	\$ 290,000	\$ 165,190
FY05/06 Actual	\$ 7,886,001	\$ 7,830,239	\$ 334,508	\$ 834,631	\$ 190,000	\$ 1,414,901
FY06/07 Actual	\$ 7,914,304	\$ 7,789,210	\$ 369,095	\$ 329,168	\$ (154,831)	\$ 668,526
FY07/08 Actual	\$ 8,018,749	\$ 8,882,574	\$ 586,109	\$ 178,113	\$ 203,222	\$ 103,619
FY08/09 Actual	\$ 8,202,009	\$ 7,845,486	\$ 258,326	\$ 21,691	\$ 22,233	\$ 658,773
FY09/10 Estimate	\$ 6,838,289	\$ 7,727,882	\$ 261,216	\$ -	\$ -	\$ (628,377)
FY10/11 Budget	\$ 6,414,553	\$ 7,700,317	\$ 231,900	\$ -	\$ (2,500,000)	\$ (3,553,864)

Sources: Comprehensive Annual Financial Report(s) Fiscal Years 2005 thru 2009; Washoe County Final Budget Fiscal Year Ended June 30, 2011.

Department Trend of Authorized FTE's



Note: Authorized full-time equivalent positions (FTE's) are positions approved by the Board of County Commissioners. Due to budget reductions in previous years an authorized FTE may not have been funded. Beginning FY10/11, the Board of County Commissioners directed that an authorized FTE is a funded FTE, and all unfunded FTE's were eliminated. Therefore the comparison to prior years may be skewed.

Long Term Goals

- Maximize technology and modern business processes to effectively track all shop tasks and benchmarking data, and provide enhanced reporting capabilities of unit costs, costs per mile, replacement scheduling, and all other necessary parameters to support a professionally managed operation.
- Encourage participation in training and development programs that provide enhanced skills and career enrichment for employees.
- Maintain a robust vehicle reduction strategy to “right size” the fleet.

- Promote practices to assure highest value and lowest life cycle costs such as use of hybrid vehicles, motor pools versus assigned vehicles, sensible use of employee vehicles with mileage reimbursement, minimum miles per year standards for assigned vehicles, and sensible service life standards commensurate with modern vehicles.

Goals for Fiscal Year 2010-2011

- Enhance billing practices including automatic bill production and accurate analysis of the revenue to expense ratio on a cost center basis. Requires direct SAP link for monthly billing journal entries to reduce errors and personnel time.
- Maintain Automotive Service Excellence Blue Seal Certifications through continued testing by mechanics.
- Improve vehicle replacement decision process using automated replacement scoring methodology.
- Updated policies and procedures manual, including revised service life criteria, use of automated replacement scoring method, and formation of fleet advisory committee.
- Recycle approximately 40 light vehicles to departments in lieu of purchasing new vehicles.

Accomplishments for Fiscal Year 2009-2010

- Implemented automated billing system ensuring timely and accurate billing to user departments.
- Implemented reporting enhancements to fleet management system to ensure that user departments have the valuable information necessary to make responsible decisions regarding deployment and use of assigned vehicles and equipment.
- Achieved an overall fleet reduction of 50 light vehicles, 25 pieces of heavy equipment, and a motor pool reduction of 7 vehicles. All heavy equipment sold or returned, except where held for parts, and light vehicles redeployed in lieu of purchasing new equipment.
- Achieved ASE Blue Seal Certification for all ESD repair locations.
- In conjunction with the Sheriff's department, entered into a two year pilot program for the lease of 20 unmarked vehicles to test cost efficacy of process.
- Entered into an inter-local agreement providing shared maintenance services between Washoe County, the Cities of Reno and Sparks and the Washoe County School District fleet operations.

Department Objective	Measure	FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Estimate	FY 10-11 Projected
Manage vehicle fleet	Total Light Fleet – General		355	285	280
	Total Light Fleet – Sheriff		163	127	125
Promote Fleet Reduction	Used units redeployed in fleet	4	11	10	20
	Units disposed	72	49	62	40
	Units remaining in service beyond service life	37	31	135	100
	Avg annual miles for general fleet vehicles	9,198	8,880	7,352	7,000
	Avg annual miles for sheriff fleet vehicles	15,048	14,838	17,072	17,000

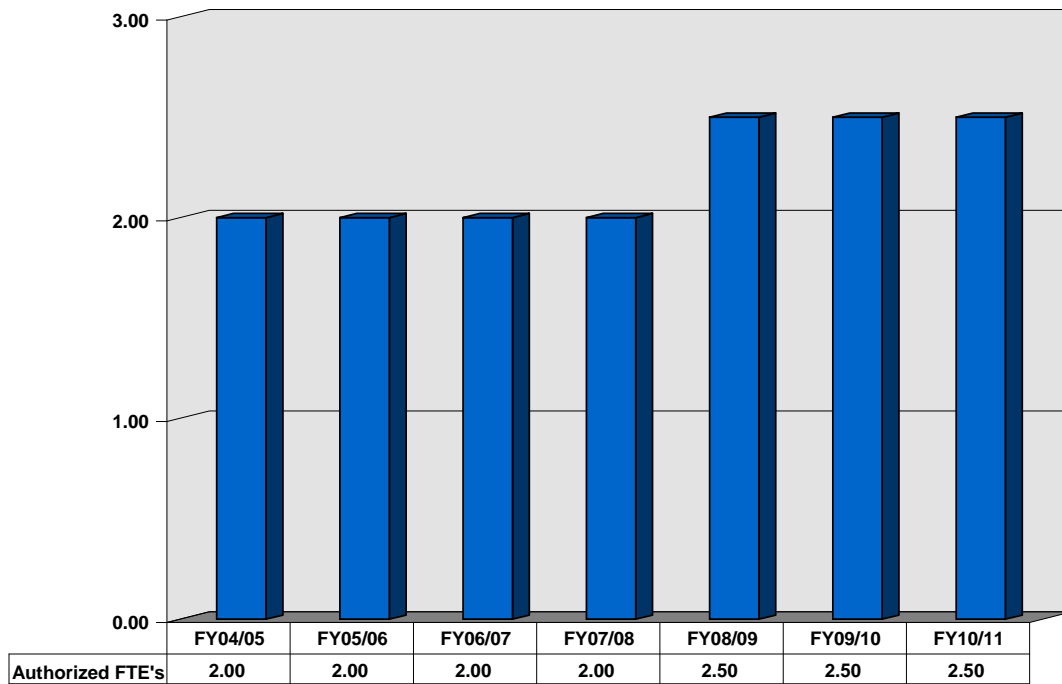
Department Objective	Measure	FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Estimate	FY 10-11 Projected
Perform Preventive Maintenance (PM) on schedule	Work Orders performed	6,559	8,109	8,412	8,500
	Light Equipment	3,012	3,831	4,010	4,200
	Heavy Equipment	3,547	4,278	4,402	4,300
	PM Services Performed	2,530	2,749	2,646	2,700
	Light Equipment	1,461	1,532	1,574	1,600
	Heavy Equipment	1,069	1,217	1,072	1,100
	PM to WO Ratio	38.57%	33.90%	31.46%	35%
Promote fuel conservation and use of biodiesel	Hybrid vehicles owned	21	21	21	21
	Total cost fuel consumed	\$2,133,018	\$1,546,275	\$1,461,936	\$1,563,500
	Gallons consumed:				
	Gasoline	407,125	365,957	363,248	370,000
	Diesel	271,060	246,987	220,686	220,000
	% biodiesel	17.75%	17.00%	21.5%	25%

Revenue, Expenses, and Net Income Trend Analysis

Revenue, Expenses & Net Income Trend Analysis	Operating Revenue	Operating Expenses	NonOperating Revenues (Expenses)	Capital Contributions	Transfers	Net Income
FY04/05 Actual	\$24,498,719	\$ 26,215,899	\$ 254,709	\$ -	\$ 2,812,684	\$ 1,350,213
FY05/06 Actual	\$26,643,430	\$ 29,506,567	\$ 149,514	\$ -	\$ 3,671,566	\$ 957,943
FY06/07 Actual	\$30,486,621	\$ 31,231,189	\$ 645,837	\$ -	\$ 4,150,464	\$ 4,051,733
FY07/08 Actual	\$32,541,375	\$ 35,542,566	\$ 930,488	\$ -	\$ -	\$ (2,070,703)
FY08/09 Actual	\$32,035,011	\$ 38,545,010	\$ 351,448	\$ -	\$ 3,585,000	\$ (2,573,551)
FY09/10 Estimate	\$35,296,402	\$ 43,593,162	\$ 335,764	\$ -	\$ 5,085,000	\$ (2,875,996)
FY10/11 Budget	\$44,819,000	\$ 46,845,756	\$ 384,000	\$ -	\$ -	\$ (1,642,756)

Sources: Comprehensive Annual Financial Report(s) Fiscal Years 2005 thru 2009; Washoe County Final Budget Fiscal Year Ended June 30, 2011.

Department Trend of Authorized FTE's



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Long Term Goals

- Strategic healthcare cost management and delivery.
- Evaluate new healthcare programs that promote health and manage expenses.

Goals for Fiscal Year 2010-2011

- Increase use of technology to enhance productivity, improve efficiency through accurate data acquisition and information transfer.
- Help employees better manage their health and reduce their personal healthcare costs through ongoing training and education.

Accomplishments for Fiscal Year 2009-2010

- Implemented changes in COBRA administration mandated by ARRA in 2009.
- In partnership with Technology Services assisted with the execution of a health information data transfer system through secure enhanced technologies resulting in business transaction process improvement.
- Completely restructured the health benefits fund center hierarchy to more efficiently and effectively monitor and track claims by utilizing our existing SAP data base rather than manual tracking through Excel.

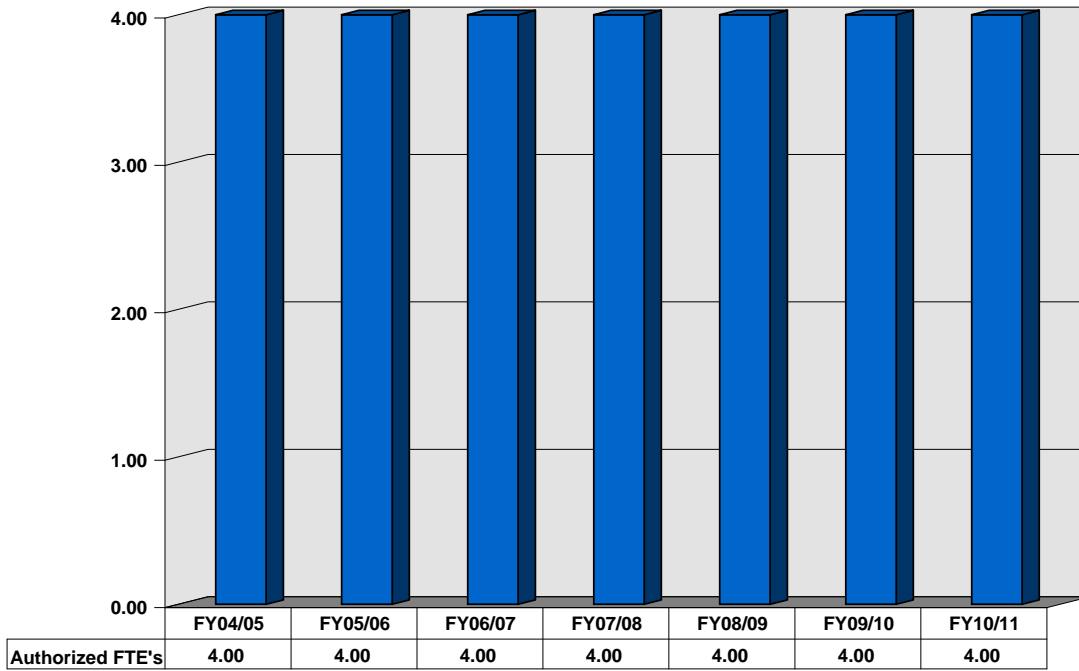
Department Objective	Measure	FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Estimate	FY 10-11 Projected
Communicate county benefit programs, alternatives and changes to employees through annual Open Enrollment meetings.	# of meetings held	4	2	1	1
	# of employees attending	42	24	40	30
Provide comprehensive health care to county employees - Counts are for employees by average month with distribution percentage.	Employees:				
	Self-funded Medical Plan	1,476	1,315	1,267	1,300
	HMO	1,502	1,510	1,525	1,500
	Total	2,978	2,825	2,792	2,800
	Percentage:				
	Self-funded Medical Plan	50%	47%	45%	46%
HMO	50%	53%	55%	54%	
Provide comprehensive health care to county retirees – Counts shown for retirees by average month with distribution percentage.	Retirees:				
	Self-funded Medical Plan	726	829	847	847
	HMO	235	291	298	298
	Total	961	1,120	1,145	1,145
	Percentage:				
	Self-funded Medical Plan	75%	74%	74%	74%
HMO	25%	26%	26%	26%	
Provide comprehensive health care to county employees and retirees. Costs for provided programs for fiscal year.	Fixed expenses (incl. HMO cost)	\$15,478,731	\$17,540,111	\$24,000,000	\$28,800,000
	Claims	\$18,151,960	\$19,621,479	\$20,000,000	\$24,000,000
	Runoff claims	\$836,510	\$1,383,420	\$1,800,000	\$2,160,000
	Total:	\$30,844,974	\$38,545,010	\$45,800,000	\$54,960,000

Revenue, Expenses, and Net Income Trend Analysis

Revenue, Expenses & Net Income Trend Analysis	Operating Revenue	Operating Expenses	NonOperating Revenues (Expenses)	Capital Contributions	Transfers	Net Income
FY04/05 Actual	\$ 3,955,714	\$ 6,918,460	\$ 534,228	\$ -	\$ 2,900,000	\$ 471,482
FY05/06 Actual	\$ 7,363,058	\$ 3,792,707	\$ 384,047	\$ -	\$ -	\$ 3,954,398
FY06/07 Actual	\$ 6,631,350	\$ 5,563,736	\$ 1,052,560	\$ -	\$ -	\$ 2,120,174
FY07/08 Actual	\$ 6,707,872	\$ 3,303,380	\$ 1,221,444	\$ -	\$ -	\$ 4,625,936
FY08/09 Actual	\$ 7,660,392	\$ 2,299,552	\$ 1,023,966	\$ -	\$ -	\$ 6,384,806
FY09/10 Estimate	\$ 6,082,034	\$ 3,839,648	\$ 565,650	\$ -	\$ -	\$ 2,808,036
FY10/11 Budget	\$ 5,877,874	\$ 8,121,042	\$ 380,650	\$ -	\$(11,500,000)	\$(13,362,518)

Sources: Comprehensive Annual Financial Report(s) Fiscal Years 2005 thru 2009; Washoe County Final Budget Fiscal Year Ended June 30, 2011.

Department Trend of Authorized FTE's



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Long Term Goals

- Safeguard financial resources by monitoring and managing costs and liabilities and implementing process improvements.
- Complete the chemical inventory – required by OSHA 29CFR 1910.1200.
- Continue to educate County Deputies on the Heart and Lung statutes NRS 617.455 & 457.

Goals for Fiscal Year 2010-2011

- Improve cost effectiveness of programs covering property and liability, and workers' compensation.
- Control the frequency and severity of property, liability and workers' compensation losses through loss control measures.
- Improve information provided on Finance Department website.
- Develop and implement training plans for staff.
- Recertify Safety Officer's OSHA 501 training, which will enable him to give that latest information to employees and to continue to provide for a safe work environment.
- Review new Defensive Driver's training programs which will enable Safety Officer to update the training program for the employees.

Accomplishments for Fiscal Year 2009-2010

- Washoe County Material Safety Data Sheets computer program went live and is working well; employees have been trained in the use of the program.
- Completed the chemical inventory for FY 2010.

Department Objective	Measure	FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Estimate	FY 10-11 Projected
Reduce liability exposure in County contracts by assuring the inclusion of indemnification clauses that protect the County from accidents, negligence, errors, and omissions attributable to vendors.	# of contracts/agreements reviewed	654		715	
	% of contracts modified	23%		19	
Secure insurance coverage to protect the County from losses from causes attributable to the County.	# of insurance policies purchased	11	17	17	17
	Premium paid	800,933	\$1,417,038	\$1,420,000	\$1,420,000
Administer liability claims and property damage claims.	# of claims filed	158		157	
	# of claims denied			25	
Recover funds due the County for damages to County equipment or injuries to County employees.	# of subrogation claims handled	53	37	40	42
	% of successful subrogations	93%	97%	80%	80%
	Amount collected	\$81,150	\$107,729	\$40,000	\$42,000
Reduce potential workplace hazards.	# of safety inspections conducted.	68	111	110	110
	# of work hazards corrected	55	50	100	100

Department Objective	Measure	FY 07-08 Actual	FY 08-09 Actual	FY 09-10 Estimate	FY 10-11 Projected
Control employee on-duty driving accidents through Drivers Training for new employees and employees who drive on county time.	# of new employees trained	110	19	17	0
	# of current employees trained	256	330	337	375
	# of vehicle accidents			131	
	Accidents/100,000 miles driven				