



# Washoe County Fiscal Year 2022 County Manager's Recommended Budget

Washoe County Commission Meeting  
Eric P. Brown, County Manager  
April 27, 2021



# Budget Timeline

## January

BCC Strategic Planning Session:

- FY20 Year-end Financial Results
- FY21 Mid-Year Budget Review
- FY22 Preliminary Outlook

## February/March

- CIP Committee
- Develop Cost Estimates
- Develop Revenue Estimates
- Work with Departments

## April/May

- Develop Tentative Budget
- Work with County Manager/Individual Commissioners
- **Today: Presentation of Recommended Budget to BCC**
- **Public Hearing and Budget Adoption**

# Economic Outlook Spring 2020



## March 2020:

- Worldwide COVID-19 pandemic declared, lock-down, businesses shut down
- Consumer Spending dropped 7.6% – biggest decline since records began in 1959

## April 2020:

- Nevada Unemployment Rate 19.9% - Highest in State History

## Acute Financial Impact:

- Revenue Loss
- Non-budgeted pandemic response expenditures

## Washoe County Goals:

- Maintain Services
- Keep Employees Working
- Use Reserves Wisely

*Duration and severity of pandemic not yet understood.....*

# Economic Outlook Spring 2021



## Financial Impact:

- Revenue loss not as great as anticipated a year ago
- Federal CARES Act funding deployed (\$20 million received)
- FEMA obligated claims (\$7 million pending receipt)
- Emergency Rental Assistance (\$6.6 million being disbursed)
- Second round of Federal stimulus American Rescue Plan Act (pending)

## Economy cautiously improving:

- Pandemic still here, but vaccination efforts promising, lock-downs easing, businesses slowly reopening/increasing operations

## Unemployment rate still high, but less so in northern Nevada:

- March 2021: Washoe County 4.6%, Nevada 8.1% and U.S. 6.0%

*Duration of pandemic – end in sight?*



# Fiscal Year 2022 County Manager Recommended Budget

# Washoe County FY 2022 Recommended Budget (All Funds)



Washoe County		
Total Budget Appropriations*	Fiscal Year 2021 Final	Fiscal Year 2022 Recommend
<b>Governmental Funds</b>		
General Fund	\$ 355,549,667	\$ 435,482,853
Special Revenue Funds	\$ 202,284,502	\$ 235,126,643
Capital Project Funds	\$ 45,046,687	\$ 14,185,998
Debt Service Funds	\$ 13,677,152	\$ 45,317,141
<b>Total Governmental Funds</b>	<b>\$ 616,558,008</b>	<b>\$ 730,112,635</b>
<b>Proprietary Funds</b>		
Enterprise Funds	\$ 22,734,982	\$ 23,692,567
Internal Service Funds	\$ 76,322,529	\$ 75,343,284
<b>Total Proprietary Funds</b>	<b>\$ 99,057,511</b>	<b>\$ 99,035,851</b>
<b>Total Appropriations-All Funds</b>	<b>\$ 715,615,519</b>	<b>\$ 829,148,486</b>

- Total Budget(All Funds) \$829M
- 23 Governmental Funds
- 6 Proprietary Funds
- New: Homelessness Fund (special revenue fund to account for regional homelessness services)

# Fiscal Year 2022 - Maintain and Sustain Financial Stability



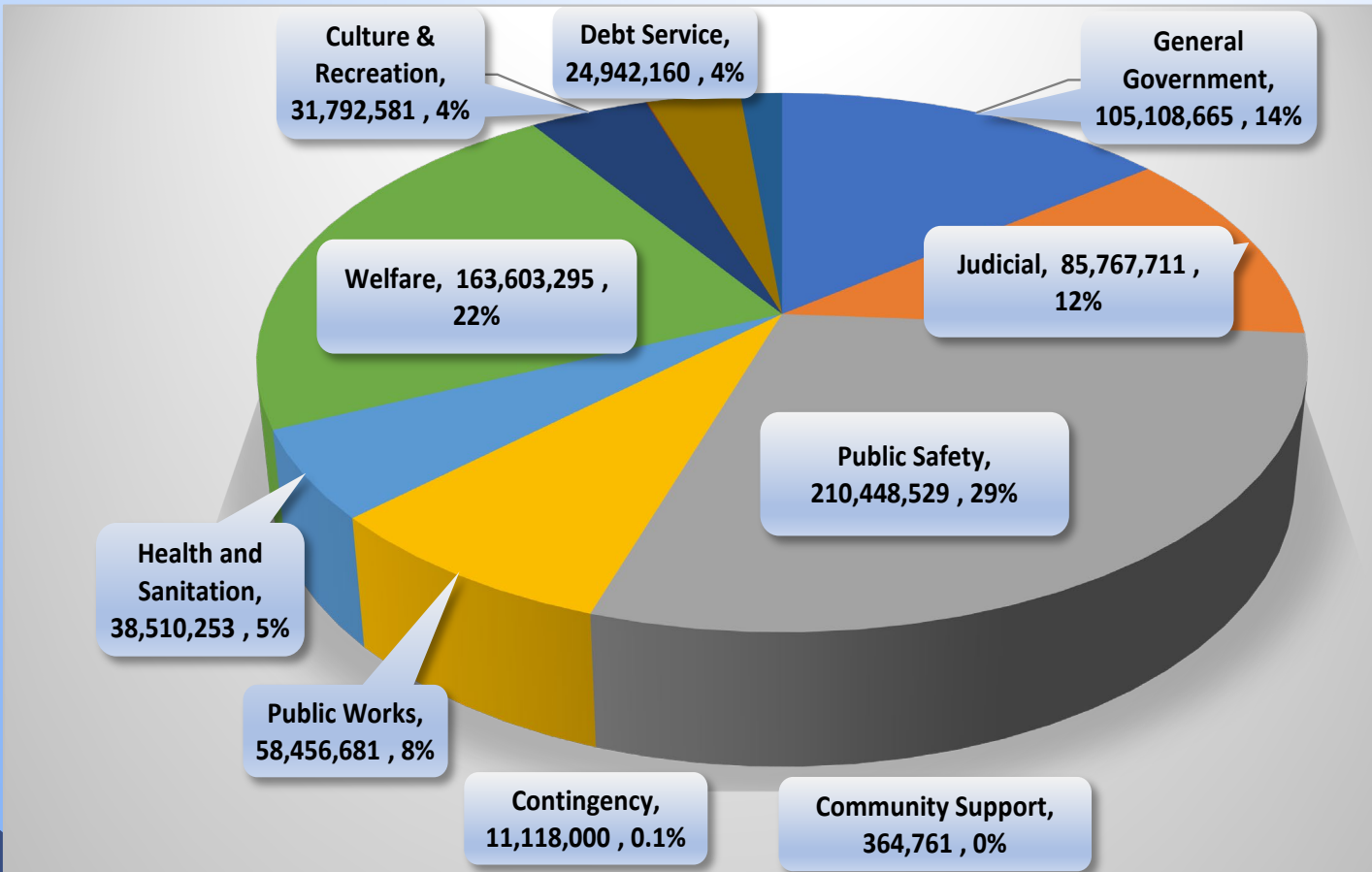
## Highlights: Recommended Budget (All Funds)

- Ongoing pandemic response and recovery costs
- Expansion of regional homelessness services
- Expansion of library services
- Property Tax Refunds: legal obligation
- Additional 35 FTE's
- Commissioner Support
- Legislative Session: unfunded mandates, State funding reductions?
- Restore Reserves: Stabilization and Risk Management Fund
- Restore Capital Improvement Program Funding
- Restore Contingency Budget

# Washoe County FY 2022 Recommended Budget by Function



## Total Appropriations by Function – All Funds

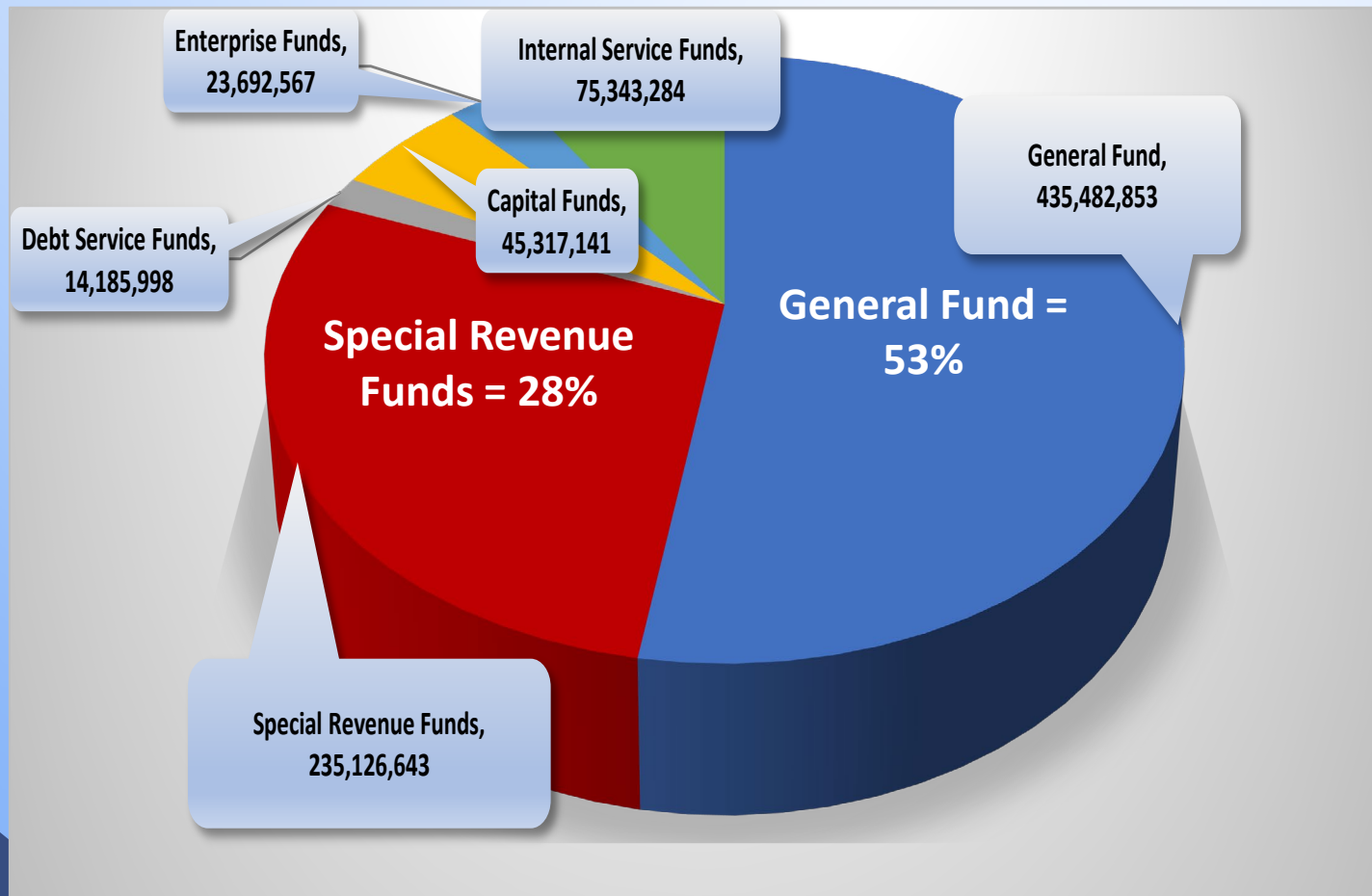




# Washoe County FY 2022 Recommended Budget by Fund Type



## Total Appropriations by Fund Type – All Funds





# General Fund

# General Fund FY 2022 Recommended Budget



Washoe County FY 2022 Recommended General Fund Budget					
Sources and Uses	FY 2020 Actual	FY 2021 Year- End Estimate	FY 2022 Recommended Budget	FY22 vs. FY21 Year- End Estimate	
				% Var.	\$ Var.
<b>Revenues and Other Sources:</b>					
Taxes	180,524,330	191,601,430	<b>203,478,752</b>	6.2%	11,877,322
Licenses and permits	9,771,369	9,480,533	10,045,793	6.0%	565,260
Consolidated taxes	121,149,884	<b>126,016,700</b>	<b>131,687,450</b>	4.5%	5,670,750
Other intergovernmental	23,965,680	21,985,179	22,724,169	3.4%	738,990
Charges for services	21,062,563	21,679,021	22,101,745	1.9%	422,724
Fine and forfeitures	6,110,868	5,951,282	6,146,782	3.3%	195,500
Miscellaneous	8,784,236	4,014,031	4,288,037	6.8%	274,006
<b>Total revenues</b>	<b>371,368,930</b>	<b>380,728,176</b>	<b>400,472,728</b>	<b>5.2%</b>	<b>19,744,552</b>
Other sources, transfers in	4,354,527	1,147,030	499,000	-56.5%	(648,030)
<b>TOTAL SOURCES</b>	<b>375,723,457</b>	<b>381,875,206</b>	<b>400,971,728</b>	<b>5.0%</b>	<b>19,096,522</b>
<b>Expenditures and Other Uses:</b>					
Salaries and wages	158,783,029	163,263,811	173,570,550	6.3%	10,306,739
Employee benefits	75,389,674	78,065,672	84,156,037	7.8%	6,090,364
OPEB contributions	14,813,058	12,365,870	8,006,498	-35.3%	(4,359,372)
Services and supplies	63,560,749	61,313,798	64,819,432	5.7%	3,505,634
Settlement Payments	-	-	<b>40,000,000</b>		40,000,000
Capital outlay	558,525	779,816	835,048	7.1%	55,232
<b>Total expenditures</b>	<b>313,105,035</b>	<b>315,788,967</b>	<b>371,387,565</b>	<b>17.6%</b>	<b>55,598,597</b>
Transfers out	42,171,914	<b>43,835,323</b>	<b>52,977,288</b>	20.9%	<b>9,141,965</b>
Contingency	-	750,000	<b>11,118,000</b>	1382.4%	<b>10,368,000</b>
<b>TOTAL USES</b>	<b>355,276,949</b>	<b>360,374,290</b>	<b>435,482,853</b>	<b>20.8%</b>	<b>75,108,562</b>
<b>Net Change in Fund Balance</b>	<b>20,446,507</b>	<b>21,500,916</b>	<b>(34,511,125)</b>		

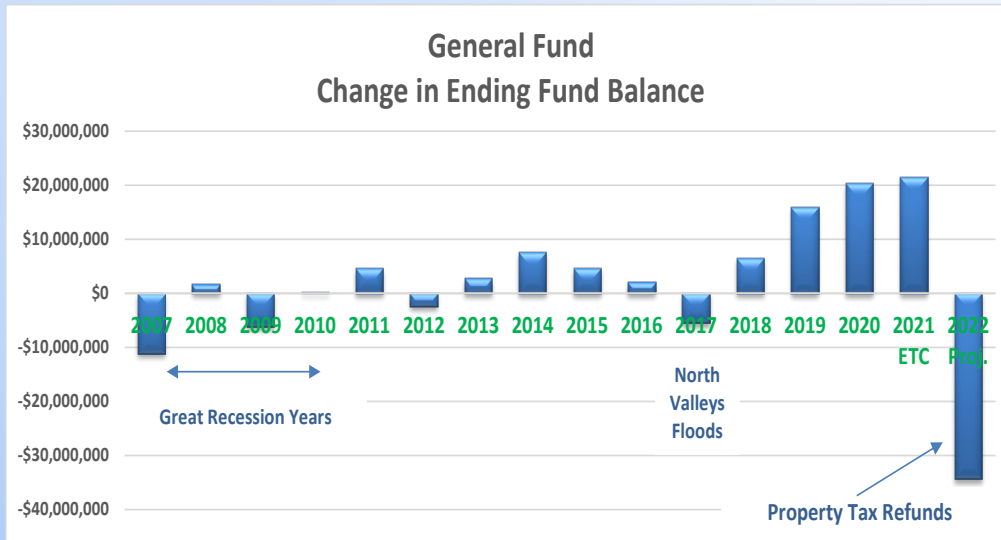
FY 2021 YR End Est. includes:

- Stabilization Reserve \$3M
- Risk Mgmt. Fund \$3M
- \$1.4M transfer to CIP for unbudgeted projects

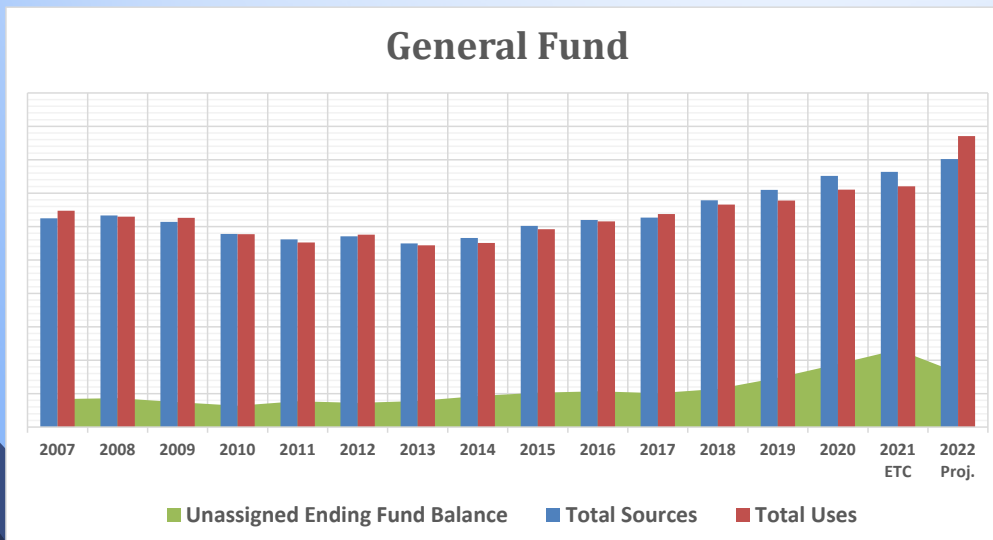
FY 2022 Budget includes:

- Use of fund balance \$34M
- New Homeless serv. \$6M
- Property Tax refunds \$40M
- Contingency Budget \$11M
- 18 Additional FTE's

# General Fund FY 2022 Recommended Budget



Use of Fund  
Balance = \$34.5M



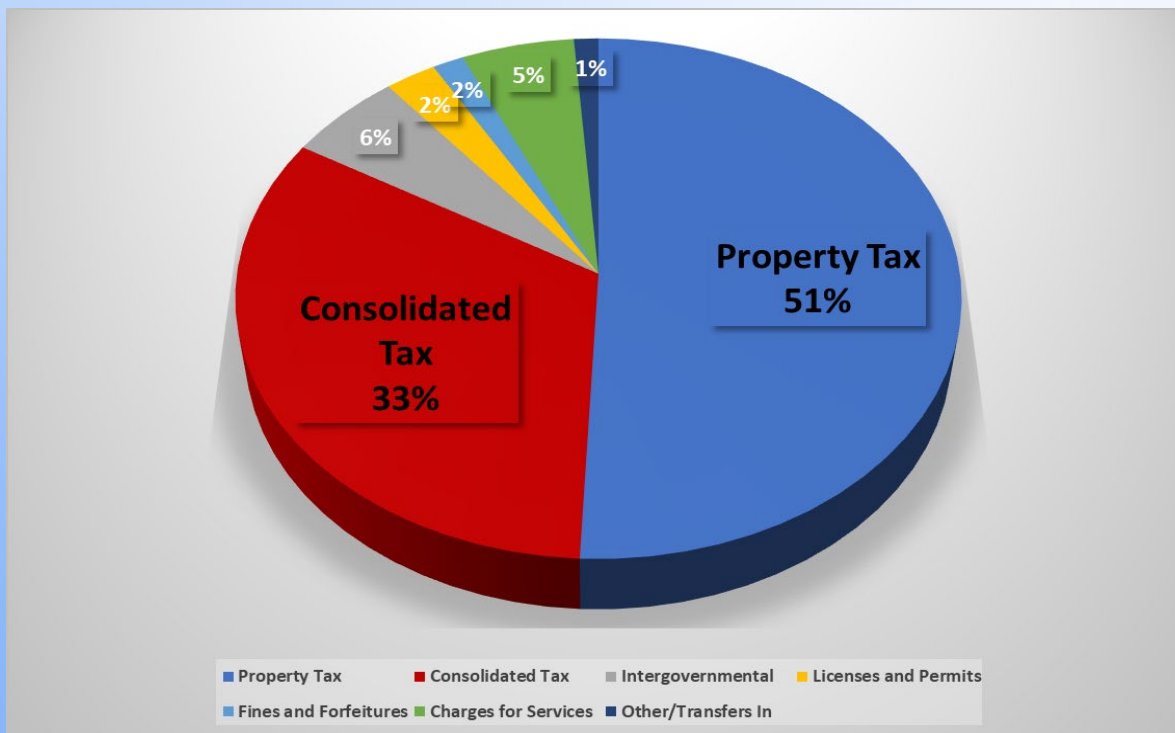
Unassigned Ending Fund  
Balance = \$72.6M, 16.7%  
(44.2 days operating cash)

*BCC Policy: 10% - 17%*

# General Fund FY 2022 Recommended Budget - Sources



## General Fund Sources by Type



- Total Sources = \$401M, 18.0% increase
- 84% of revenues = Property Tax and Consolidated Tax
- Property Tax = \$203M
- C-Tax = \$131M



# General Fund Major Revenues



## Property Tax:

- FY22 Forecast = +6.2%
  - Tax caps limit growth to: ~3.7%
  - New construction not subject to abatement in first year will add: ~2.5%
- Estimated property taxes abated FY 2022 = \$38.7 million (GF), cumulative abatement since FY 2006 over \$311 million (GF); \$382 million (all funds)

*Abatement is the difference between the amount of taxes due based on the assessed value versus what is actually paid by property owners, due to property tax cap*



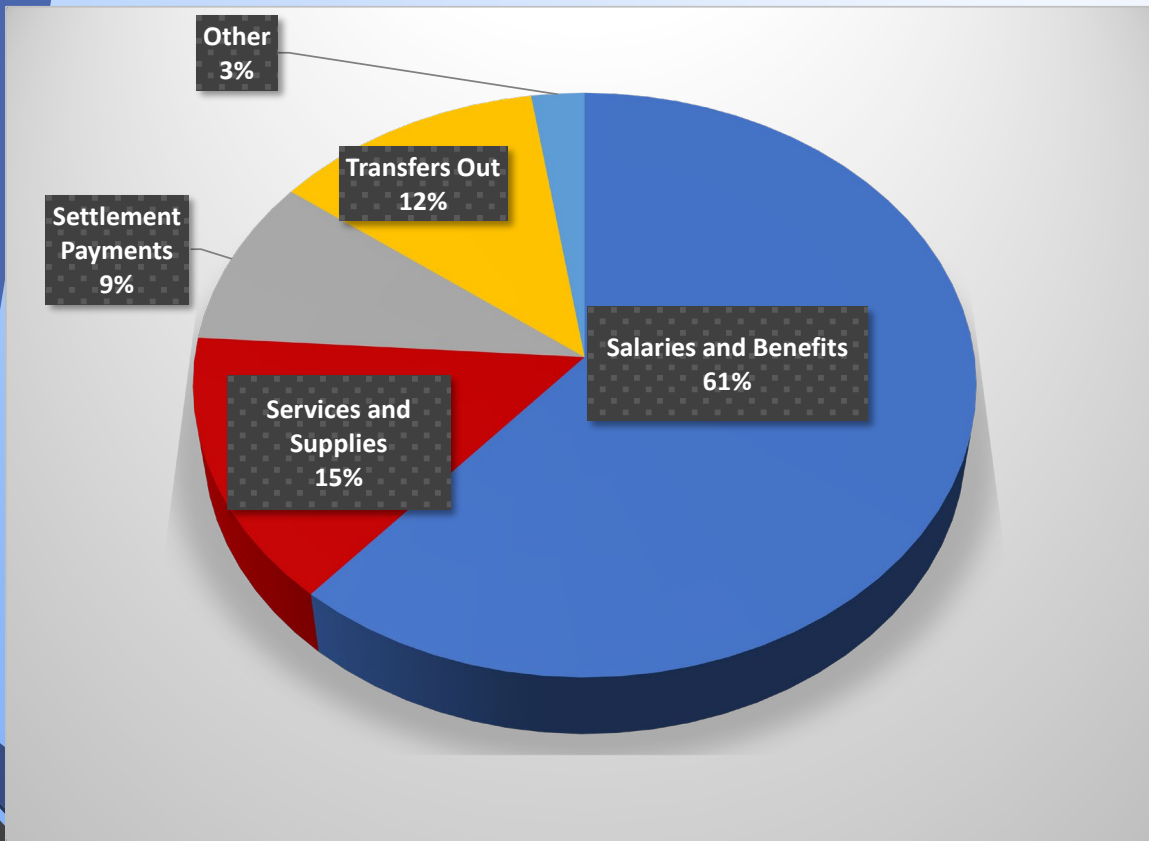
## C-Tax:

- FY22 Forecast = +4.5%

# General Fund FY 2022 Recommended Budget - Uses



## General Fund Uses by Type



- Total Uses = \$435M, up 20.8%
- Personnel costs = \$265M, up 4.7%
- Services and Supplies = \$65M, up 5.5%
- Settlement Payments = \$40M



# General Fund FY 2022 Recommended Budget - New Positions

Function	Department-Program	Net FTE Change
<b>General Government:</b>	Human Resources	1.00
	Manager's/Commissioner Support	<u>2.00</u>
	Total General Govt.	3.00
<b>Judicial:</b>	Public Defender	<u>1.00</u>
	Total Judicial	1.00
<b>Public Safety:</b>	Medical Examiner	2.00
	Sheriff-Crime Lab	<u>2.00</u>
	Total Public Safety	4.00
<b>Culture &amp; Recreation:</b>	Library	<u>8.00</u>
	Total Culture & Recreation	8.00
<b>Public Works:</b>	CSD-Facilities	<u>2.00</u>
	Total Public Works	2.00
<b>Total General Fund</b>		<b>18.00</b>



# General Fund FY 2022 Recommended Budget - Reclassifications



Function	Department	# of Incumbents
<b>Culture &amp; Recreation</b>	Community Services	2.00
<b>General Government:</b>	Manager's Office	2.00
	Recorder's Office	<u>1.00</u>
	Total General Govt.	3.00
<b>Judicial:</b>	District Attorney	1.00
<b>Public Safety:</b>	Alternative Sentencing	6.00
	Title Change-4	
	Juvenile Services	2.00
	Public Guardian	1.00
	Sheriff's Office	<u>2.00</u>
	Total Public Safety	11.00
<b>Public Works:</b>	Community Services	3.00
<b>Total General Fund</b>		<b>20.00</b>

Reclassifications:

20 Incumbents

No additional funding; costs absorbed in adopted budget



# General Fund FY 2022 Recommended Budget - Transfers Out

FY 2022 Recommended General Fund Transfers Out			
<b>Transfers Out to Fund:</b>			
Health District			\$ 9,516,856
Indigent Services			\$ 21,120,906
Homelessness Fund			\$ 6,412,095
Senior Services			\$ 1,406,782
Child Protective Services			\$ 447,237
Road Maintenance			\$ 1,084,553
Debt Service			\$ 5,988,859
Capital Improvement			\$ 7,000,000
<b>Total General Fund Transfers Out</b>			<b>\$ 52,977,288</b>

Total Transfers Out  
\$52.98 million

\$14 million increase  
over FY 2021:

- \$7M Capital Improvement Fund (\$-0- in FY21)
- \$6.4M Homelessness Fund (New)
- \$910K Indigent Fund



# Highlighted Other Funds

# Homelessness Fund (New)



Washoe County FY 2022 Recommended Homelessness Fund Budget	
Sources and Uses	FY 2022 Recommended Budget
<b>Revenues and Other Sources:</b>	
Taxes	-
Licenses and permits	-
Other intergovernmental	300,000
Charges for services	497,000
Fine and forfeitures	-
Miscellaneous	180,000
<b>Total revenues</b>	<b>977,000</b>
Other sources, transfers in	
Transfer from General Fund	6,412,095
Transfer from Indigent Fund	8,608,805
Transfer from Marijuana Fund <small>*Used to support Sheriff's Initiative</small>	500,000
<b>Total Other Sources</b>	<b>15,520,900</b>
<b>TOTAL SOURCES</b>	<b>16,497,900</b>
<b>Expenditures and Other Uses:</b>	
Salaries and wages	3,755,814
Employee benefits	1,826,264
OPEB contributions	55,471
Services and supplies	10,208,364
Capital outlay	300,000
<b>Total expenditures</b>	<b>16,145,913</b>
Transfers out	-
Contingency	-
<b>TOTAL USES</b>	<b>16,145,913</b>
<b>Net Change in Fund Balance</b>	<b>351,987</b>

## Programs:

- General Administration
- Sheriff Homelessness Initiative
- Crossroads
- Cares Campus Shelter
- Care Campus Safe Camp
- Continuum of Care
- Housing Administration
- Human Services:
  - Administration
  - Our Place
  - Women's Program
  - Temporary Assistance for Displaced Seniors (TADS)

## Positions/FTEs: Total = 44.50

- New Programs 7.00
- Human Services 30.50
- Crossroads 2.00
- Sheriff's Initiative 5.00

# Other Funds FY 2022 Recommended Budget - New Positions and Reclassifications



New Positions -Function	Department	Net FTE Change
Welfare	Child Protective Services	1.00
Welfare	Homelessness Fund	9.00
Culture & Recreation	Library Expansion Fund	7.00
<b>Total Other Funds</b>		<b>17.00</b>

Reclassifications - Function	Department	# of Incumbents
General Government:	Equipment Services	1.00
Welfare:	Human Services (Senior Svcs.)	1.00
<b>Total Other Funds</b>		<b>2.00</b>

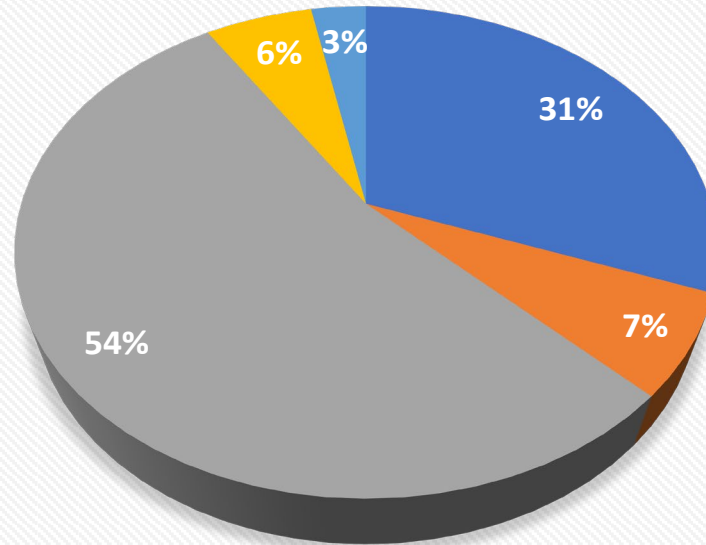
Reclassifications:

- 2 Incumbents

# FY 2022 Recommended Budget - Capital Improvements



**FY 2022 Capital Improvement Budget by Fund Type**  
Total Appropriations \$99,194,189



- Capital Improvements Fund
- Utilities Fund
- Equipment Services Fund
- Parks Capital Fund
- Roads Fund

# FY 2022 Recommended Budget - Capital Improvement Fund



FY 2022 Recommended Projects - Capital Improvements Fund	COST
Children Advocacy Center Roof Replacement	415,000
**Karpel Software (FY21 General Fund Transfer)	1,000,000
220 S. Center Street Parking Security	433,643
Red Rock VFD Facilities	160,000
**911 Parr HU3_HU4 Infirmary Food Slot Replacement	362,000
Kids Kottage 1 Roof Replacement	295,000
Downtown Reno Library Elevator Replacement	850,000
**Reno Justice Court Hearing Room/Resource Center	200,000
**Incline Village Above Ground Fuel Tank	500,000
Pedestrian Safety Improvements	200,000
Tech Services-County Network Firewalls	160,240
Tech Services-County Security Camera System Replacement	355,000
Tech Services-Wi-Fi System Upgrades	239,825
Tech Services-Door Access Control System Replacement	247,375
**Sheriff-Records & Case Mgt_Computer Aided Dispatch System	2,500,000
P25 Radios (ongoing)	700,000
Regional Communications-Fox Mountain Infrastructure Upgrades	350,000
Regional Communications-Marble Bluff Infrastructure Upgrades	555,000
5% Undesignated Budget (new projects)	291,554
Other Non-General Fund Sources that support projects noted as **	(3,692,000)
<b>Total FY22 NET Capital Improvements Fund</b>	<b>6,122,637</b>

## Capital Improvement Fund:

- FY 2022 Projects **net total** \$6,122,637
- General Fund Transfer to CIP \$7M
- Projects - based on CIP Committee re-prioritization of deferred and new projects

**\*\*FY 2022 Total CIP Project Expenses = \$30,475,308, including carry-over projects from prior years**

# FY 2022 Recommended Budget - Capital Improvements: Parks , Utilities, Roads, and Equipment Services Funds – All Projects



<b>FY 2022 Recommended Projects - Parks Capital Fund</b>	<b>COST</b>
Galena Schoolhouse-Interior Renovations (carry-over)	405,000
South Valleys Regional Park-Master Plan Development (carry-over)	900,000
Ellens Park Playground Renovation (carry-over)	304,125
Whites Creek Playground Improvements (carry-over)	49,063
Sun Valley Regional Park- Bike Park Improvements (carry-over)	100,000
Truckee River Bike Path Land (carry-over)	60,000
Ballardini Loop Trails WC-1 (carry-over)	326,232
Thomas Creek Trail Re-Route Bridge (carry-over)	4,809
WC-1 Lake Tahoe Bike Phase 4 (carry-over)	285,000
Rancho Playground Improvements (carry-over)	550,000
Bowers Mansion Seismic Retrofit Ph III (carry-over)	372,800
WC-1 Riverbend Trails Phase 2 (carry-over)	129,590
Ballardini Water Rights WC-1 (carry-over)	58,742
Bowers Pool Replaster (carry-over)	275,000
Rancho Wetlands/UNR (carry-over)	287,887
Pennington-Bowers Pool Facility Improvements (carry-over)	213,334
Thomas Creek to Ballardini Connector Trail (carry-over)	40,000
NDF Parks & Open Space Weed Management (carry-over)	100,000
Incline/Crystal Bay Miscellaneous Projects	1,275,300
Lemmon Valley Ballfield Improvements	450,000
North Valleys Regional Dog Park	300,000
Reigonal Archery Facility NEPA	100,000
<b>Total FY22 Parks Capital Fund</b>	<b>\$ 6,586,881</b>

<b>FY 2022 Recommended Projects - Utilities Fund</b>	<b>COST</b>
Reclaimed Water System Maintenance Projects	200,000
Steamboat Lift Station Replacement and 2nd Force Main	2,300,000
Cold Springs WRF Projects	500,000
Effluent Water Projects - Existing Water Resource Management	1,500,000
Pleasant Valley Interceptor - Reach 3 Conveyance Project	7,200,000
STMWRF 2020 Expansion	33,400,000
Effluent Distribution Expansion - Programmatic	6,100,000
N. Spanish Springs Flood Detention Fac. Fencing/Security Imprvmts	1,300,000
Cold Springs WRF Projects	700,000
<b>Total FY22 Utilities Fund</b>	<b>\$ 53,200,000</b>

<b>FY 2022 Recommended Projects - Roads and Equipment Services</b>	<b>COST</b>
Roads Capital	\$ 5,906,000
Equipment Services Capital (Heavy & Light Fleet)	\$ 3,026,000



# Washoe County FY 2022 Recommended Budget



## Next Steps:

- May 18, 2021: Public Hearing and Adoption of the FY 2022 Final Budget
  - Including necessary FY 2021 financial actions
- June 1, 2021: Submit FY 2022 Final Budget to State

# Washoe County FY 2022 Recommended Budget



**Questions/Discussion**