



CSD Budget Presentation

**Washoe County Open Space and
Regional Park Commission**

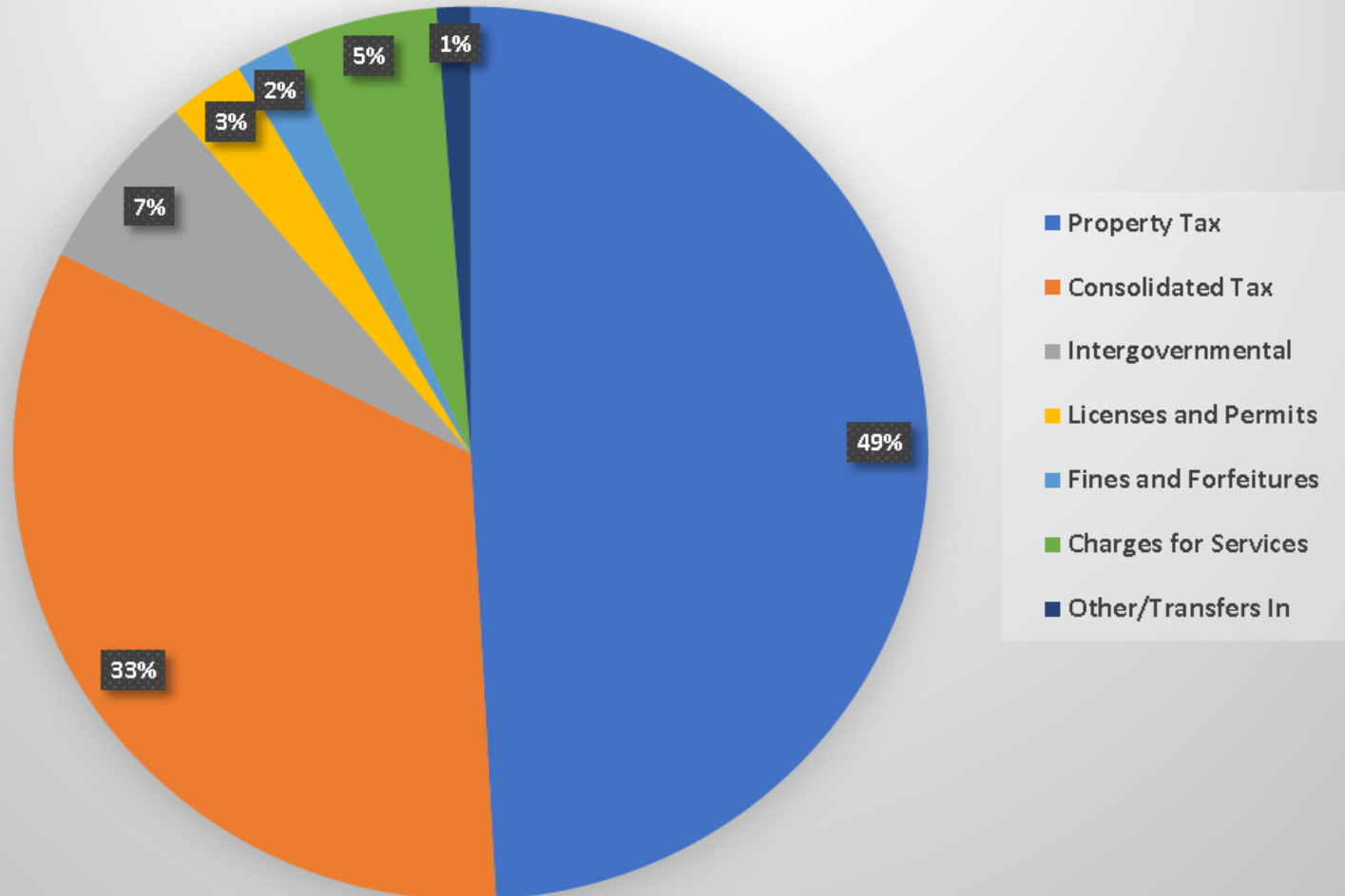
CSD – Parks Budget Presentation

March 3, 2020



General Fund FY 2020 Budget

General Fund Revenues by Type

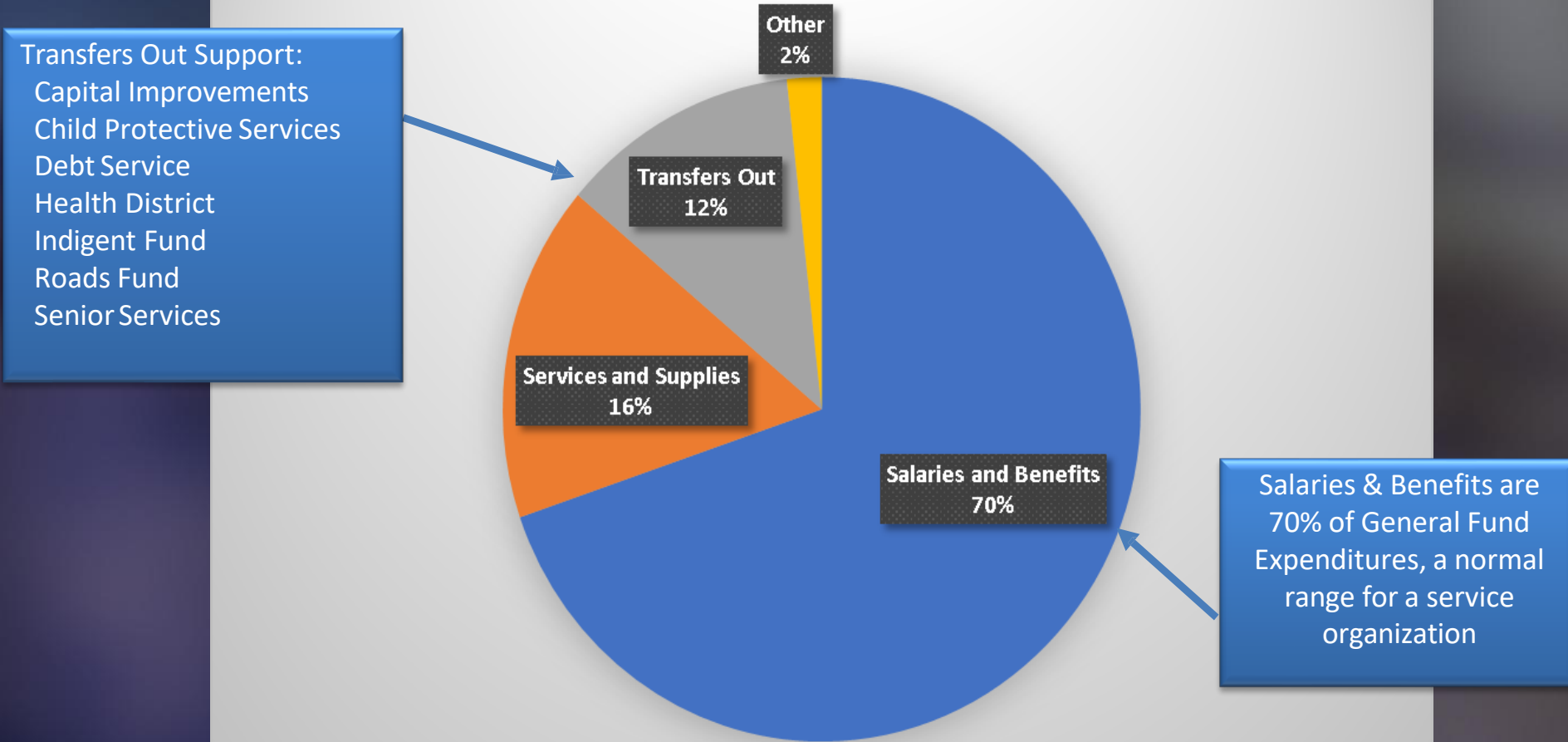


Property Tax & C-Tax are 82% of General Fund Revenue



General Fund FY 2020 Budget

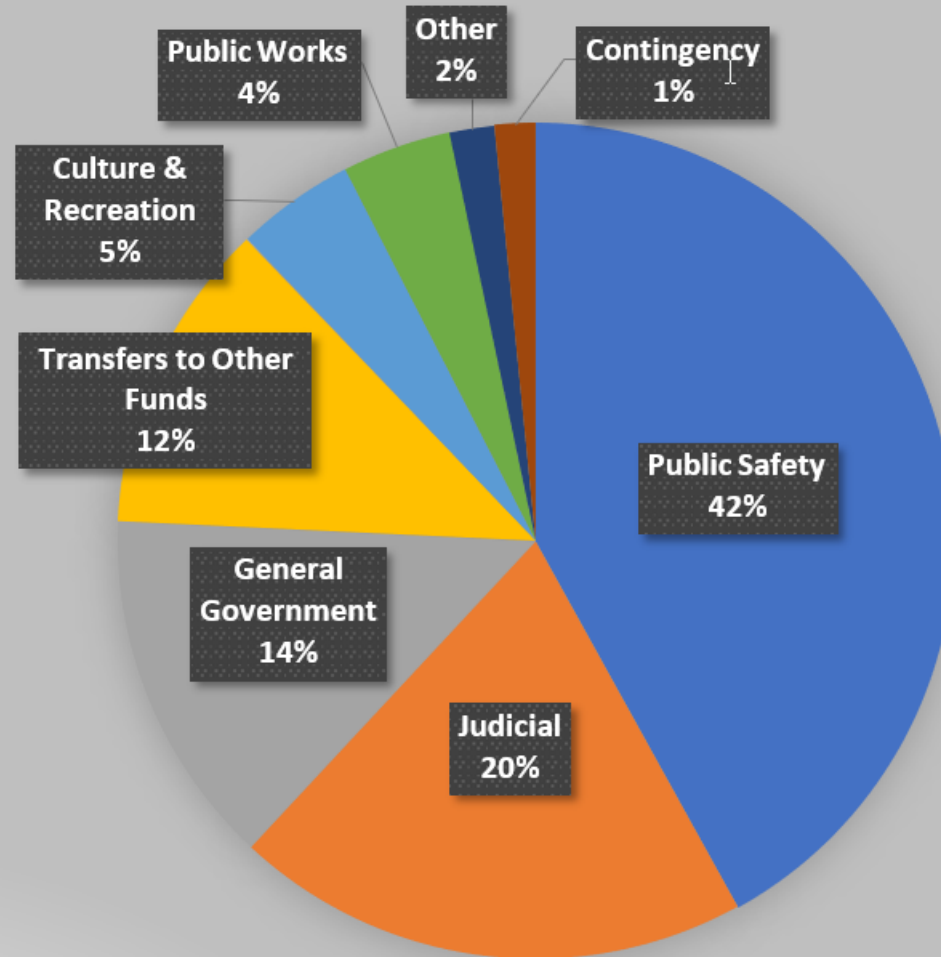
General Fund Expenditures by Type





General Fund FY 2020 Budget

General Fund Expenditures by Function





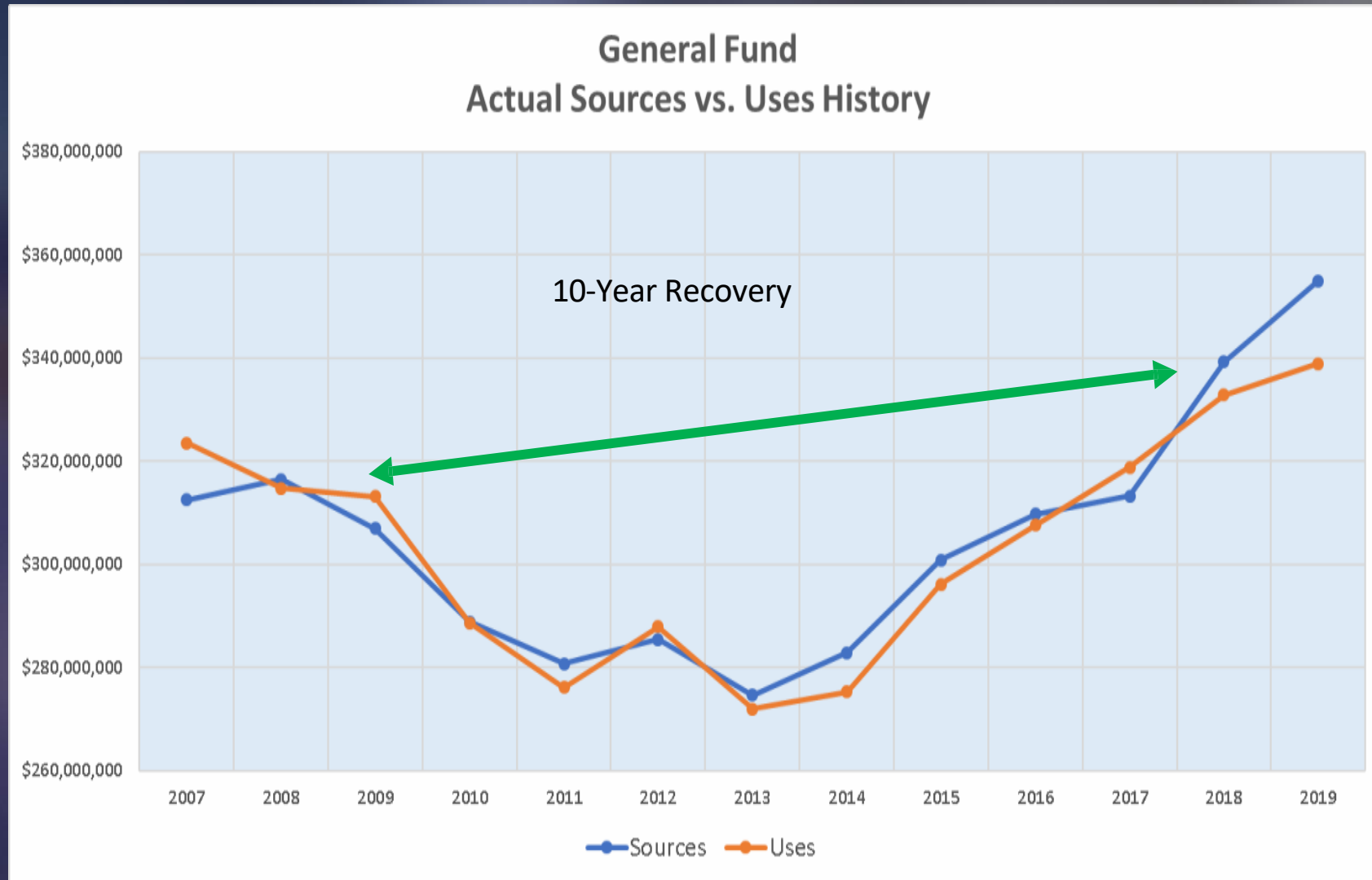
Preliminary Outlook for FY 2020

Economic Outlook: Stable with Slower Growth

- **National Economy: will longest economic expansion in modern history continue?**
 - Deloitte CFO Signals Survey December 2019 – good news: only 3% now expect a recession, but 97% say a downturn has already begun or will occur in 2020. Geopolitical risk, trade issues and 2020 election cited as external risks.
 - UCLA Anderson Forecast U.S. economy will grow 2% annually in 2020 and 2021 – expect low interest rates to continue, employment and housing remain strong, but will plateau, auto sales to go down (troubles and bubble in auto lending), and \$ trillion annual federal deficits to continue
- **Regional Economy: expected to continue to grow, but at a slower rate:**
 - Development still going strong, residential, commercial and industrial sectors.
 - Employment also continues to be strong, unemployment rate (Nov. 2019 preliminary 2.7%).
 - EKAY Economic Consultants - Reno MSA December 2019 vs. 2018 Business Activity index up 2.8%, Construction Index down 30.7% (decline in building permits, a leading indicator), and Housing Affordability Index is up 3.9% (low mortgage rates)






General Fund History



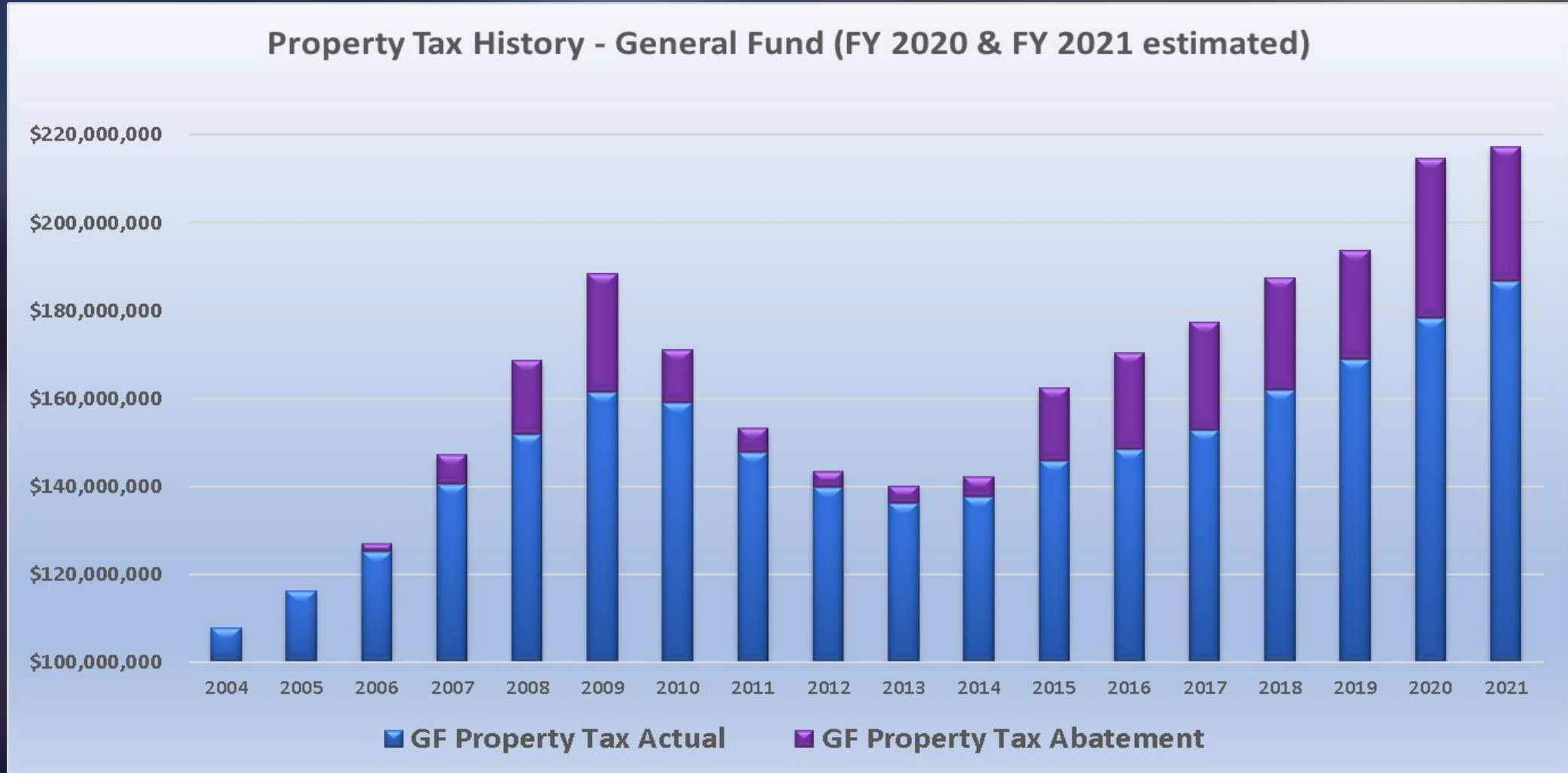


Revenue Trends

Item	Status	Notes
Consolidated Tax Revenues		<ul style="list-style-type: none">• Rate of growth of C-Tax revenues slowing• With four months reporting, FY20 revenues are up 8.6% over prior year<ul style="list-style-type: none">• FY19 Increase over FY18 = 5.0%, the smallest increase since FY12
Property Tax Revenues		<ul style="list-style-type: none">• FY21 estimated property tax caps ~ 3.0% residential; 3.6% to 4.5% general• New development may add ~ 1% – 1.5%
Other General Fund Revenues		<ul style="list-style-type: none">• Other revenues relatively stable but are not keeping up with inflation and some have seen declines based on impacts due to voter approved exemptions, legislative impacts and court decisions/operations



General Fund Property Tax

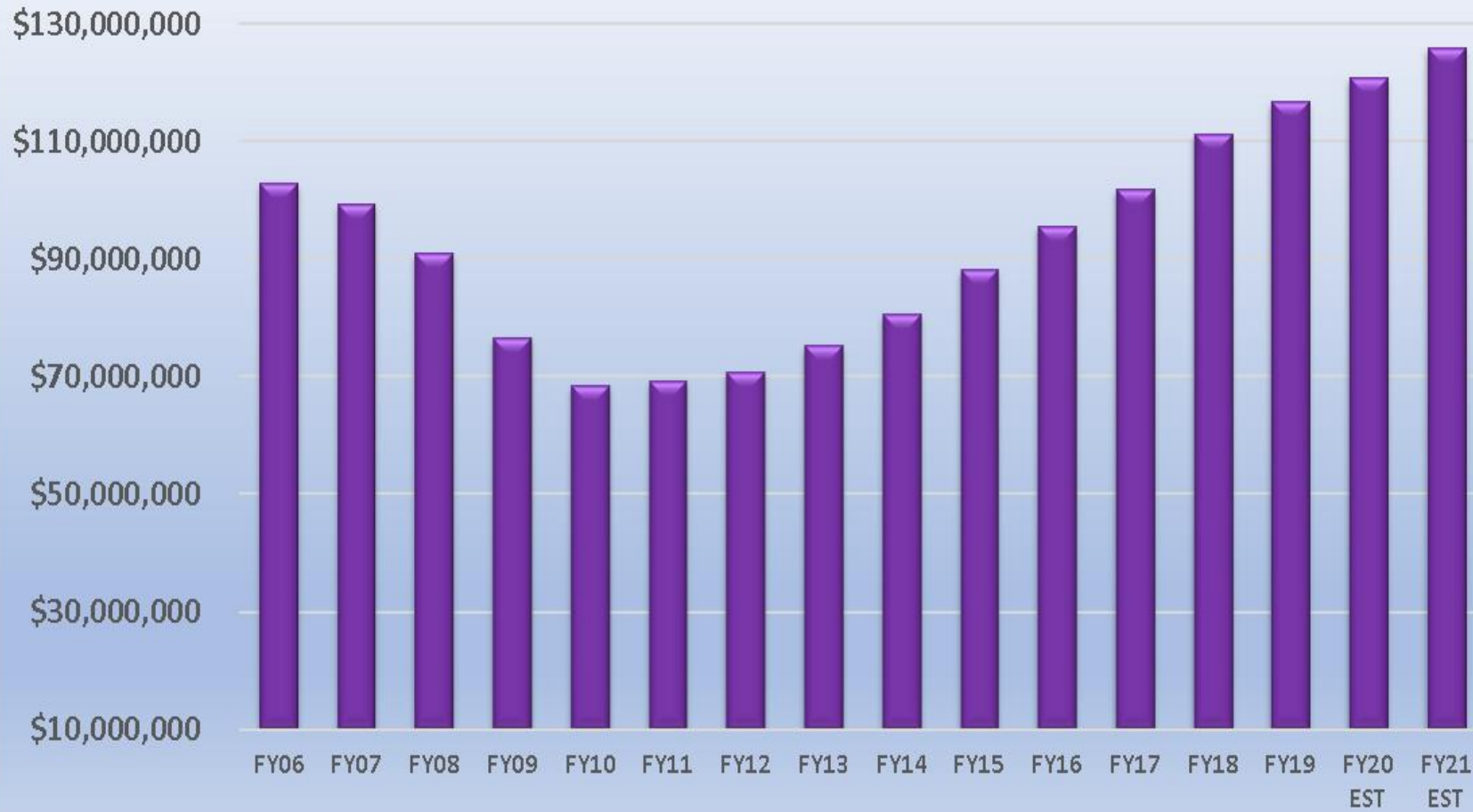


Cumulative GF abatement value FY 2005 through FY 2020 is \$232 million

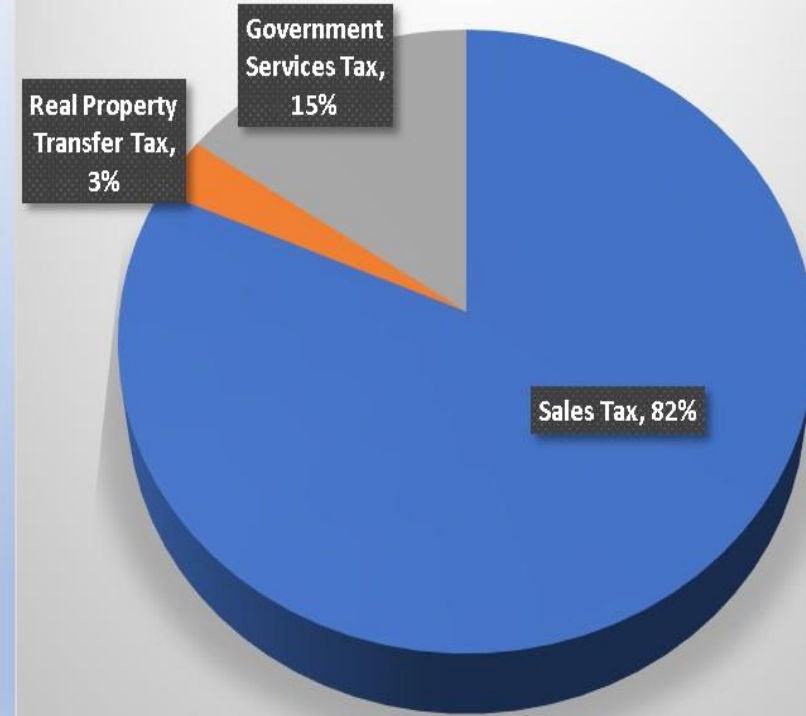


Consolidated Tax

C-Tax Revenue History (FY 2020 & 2021 estimated)



FY19 Actual C-Tax Breakout





General Fund Known Cost Increases

Item	Notes
Salaries & Wages	<ul style="list-style-type: none"> COLAs, regular merit and associated salaries ~ \$5.1M
Employee Benefits	<ul style="list-style-type: none"> Associated retirement benefits, including Health Insurance, PERS, OPEB ~ \$2.3M
Other Operational Increases	<ul style="list-style-type: none"> Services & Supplies Increases ~\$3M <ul style="list-style-type: none"> Detention Medical Contract ~\$513K State of Nevada Pretrial Sentencing & Juvenile Services Payment ~\$301K Software Maintenance & Subscriptions ~789K Equipment Service Rates ~\$410K Assessor Audit Contract \$700K Other ~\$200K
Transfers	<ul style="list-style-type: none"> Debt service required ~ \$400K Indigent Fund ~ \$870K

Known cost increases total \$11.6M, and are included in the preliminary base" Budget



Unknown Impacts & Emerging Issues

Item	Notes
Economic Outlook	National and regional. Slow down on the horizon?
Pending Litigation	Impacts to be determined – May be significant
2019 State Legislative Session-Court Impacts	Domestic Violence Jury Trials, non-collectible fees Impacts to be determined
Technology	Operating cost impacts from current systems replacements and/or upgrades
Operating Programs Expansions	Ongoing impacts to be determined: Our Place, Homeless Services, Dispatch, Others
Department Requests	Above Base Budget requests currently unknown

Fiscal impacts currently unknown, and are not included in preliminary “base” Budget



Capital Needs

Item	Notes
Annual Capital Improvement Program (CIP)	<ul style="list-style-type: none"> Total 5-Year CIP requests are \$77 M FY21 CIP requests total \$33 M (\$30 M requested from General Fund) Current General Fund CIP funding level \$6.3M (21% of FY21 requests)
Capital Infrastructure and Equipment Replacement	<ul style="list-style-type: none"> CIP includes funding requests for replacement of roofs, HVACs, and other major equipment \$1M ongoing annual funding was approved for major maintenance/replacement in FY20 <ul style="list-style-type: none"> FY21 Facilities Requests = \$8.6M No annual funding specifically allocated for ongoing technology needs <ul style="list-style-type: none"> FY21 Technology Requests = \$3.4M
Major Long-Term Capital Considerations on the Horizon Estimated to Exceed \$950M with Insufficient Funding	<ul style="list-style-type: none"> WCSO Infirmary/Crime Lab (Master Plan) Downtown Project/Court Building (Master Plan) 9th Street Facility (Master Plan) North Valleys Library (Master Plan) Technology Infrastructure, and major systems Storm Water/TMDL/Flood



Budget Division's Summary

Outlook is Stable with Slower Growth:

- Moderate growth in operating revenues expected to cover known base budget expense increase
 - Ability to fund above base budget requests will again be limited
- Timing of significant one-time costs from pending litigation needs to be determined
- Capital Improvement needs continue to grow with inadequate funding long-term

Structurally balanced General Fund Budget needed for fiscal sustainability:

- Goal is to present the BCC with a structurally balanced budget for FY 2021 and going forward in future years



Budget Recommendations to BCC

Recommendations:

- Departments should continue to prioritize, restructure and/or reallocate resources from within existing budgets, before requesting above base increases
- Maintain Contingency funding due to uncertainties
- One-time transfers of \$9.5M from General Fund Available Fund Balance and FY20 FEMA Reimbursements to the Capital Improvement Fund
 - \$8.5M General Fund Transfer of Fund Balance; brings it to 16.5%
 - \$1M FEMA Reimbursement Transfer
- Increase ongoing Capital Improvement funding for technology



Current Park Budget

FY 2020 Budget Plan

- **Revenue**
 - **\$1,189,128 (General Fund)**
 - **\$636,688 (May Center)**
 - **\$355,500 (Golf Fund)**
 - **\$2.18MM (Total)**

- **Expenses**
 - **\$4,329,233 - Salaries, Wages & Benefits (General Fund)**
 - **\$2,303,290 - Services and Supplies (General Fund)**
 - **\$387,987 - Salaries, Wages & Benefits (May Center)**
 - **\$383,916 - Services and Supplied (May Center)**
 - **\$434,029 - All expenditures (Golf Fund)**
 - **\$7.84MM (Total)**



Above Base Requests for Parks

FY 2020 (current fiscal year)

- Part-time Range Safety Officer (0.75 FTE) - \$60,949 (revenue offset of \$24,500)
- Increase part-time Park Ranger II (0.75 FTE) to full-time (1.0 FTE) - \$12,752

FY 2021

- Americorp service agreement for 2 support staff - \$20,000

****FY21 Base budget 2.1% increase over prior year before above base requests**



CIP Requests

FY 2021

- Bowers Mansion Regional Park Irrigation renovation - \$1.5MM
- Bowers wading pool improvements - \$400,000
- Melio Gaspari Water Play Park safety improvements - \$540,000
- Log Flume ride demolition, Rancho San Rafael Regional Park - \$350,000
- Lemmon Valley Park improvements - \$450,000

FY 22-25

- Bartley Ranch Residence well improvements
- Bowers Pool replaster
- Hidden Valley Park drainage improvements
- Rancho San Rafael Highland Ditch improvements
- Rancho San Rafael playground replacement
- Virginia Foothills Park drainage improvements
- North Valley Regional Park construction
- Regional Shooting Facility construction
- Golden Valley Park playground replacement
- Hidden Valley Regional Park Master Plan
- Lemmon Valley Park restroom replacement
- Callahan Park phase II
- Cold Springs Park Playground replacement
- East Spanish Springs Park
- Gator Swamp parking lot and flat fields
- Golden Valley restroom replacement
- Lazy 5 Regional Park Master Plan update



Washoe County

Date/Month	Item
Jan. 21	BCC Presented FY21 Preliminary Budget Information
Jan. 23 & 24	Departments attend Budget Information Sessions
Jan. 1 (or prior) – February 7	Departments review budgets and submit requested changes
February 7	Due date to submit FY21 budget requests
March 2-9	Departments meet with Manager's Office to review budgets
March 15-25	C-Tax and Property Tax revenue projections finalized
March 16-27	Finalize budget recommendations to County Manager
April 15	State deadline to submit Tentative Budget
April 21	County Manager presents recommendations to BCC
May 19	BCC Public Hearing and Adoption of Final Budget
June 1	State deadline to submit Final Budget



Parks Budget Presentation

Questions?

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