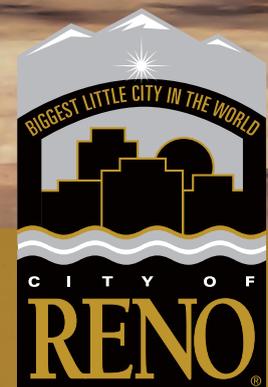




BUDGET IN BRIEF

FY 2015



CITY COUNCIL

Robert A. Cashell, Mayor
Jenny Brekhus, Councilmember, Ward 1
Sharon Zadra, Councilmember, Ward 2
Oscar Delgado, Councilmember, Ward 3
Dwight Dortch, Councilmember, Ward 4
Neoma Jardon, Councilmember, Ward 5
Hillary Schieve, Councilmember, At Large

APPOINTED BY CITY COUNCIL:

CITY MANAGER

Andrew Clinger

CITY CLERK

Lynnette R. Jones

OTHER ELECTED OFFICIALS

John Kadlic, City Attorney
Jay Dilworth, Judge
Kenneth Howard, Judge
Dorothy Nash-Holmes, Judge
William Gardner, Judge

Learn more about this year’s budget.

City Council Vision, Mission, & Priorities	2
Why Does the City Prepare a Budget?	2
Your Property Tax Dollar & Sales Tax	3
A Historical Look at Revenues & Expenses	4
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City of Reno Workforce	7
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Capital Improvement Plan	12
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Welcome to the City of Reno’s “Budget-in-Brief”, a general overview of where tax dollars and other revenue come from, how and why these dollars are spent.

The City of Reno maintains a web site to provide information and assistance to the community at large. We are at: www.reno.gov

Our mailing address is:
City of Reno
P.O. Box 1900
Reno, NV 89505-1900

The **Biggest Little City** – our tagline, our motto. We, as the City government, work hard to live by this simple, yet applicable nickname. We strive to deliver “big” services and value to our citizens while remaining “little” in government and fiscal policy. We work every day to exceed expectations in a big way. We want our citizens to continually experience overwhelmingly positive interactions with us.

In order to achieve our Big City dreams while maintaining our Little City feeling of community, we need to have planning efforts to ensure we are actively working to support these needs. On an annual basis, our City Council gathers for a strategic planning session offsite to evaluate and update our City’s priorities. These priorities may slightly change from year to year, but always aim to articulate the community’s needs from the City.

This year the Council established four key priorities for the City along with a vision statement. The priorities are meant to be the foundation for how we operate, while the vision states our focus. Our priorities and vision are:

Vision

The Biggest Little City in the World offers exceptional quality of life, culture, and a vibrant, diverse economy.

Priorities

- Provide Safe and Livable Neighborhoods
- Promote a Sustainable and Vibrant Economy
- Provide Efficient and Responsive City Services
- Enhance Communications and Community Engagement

The city’s Leadership Team has identified three guiding principles to be the basis for how the City interacts and executes on a daily basis, more specifically, how we as a City engage in all we do. These principles are the foundation for daily operation and execution and it is implied and expected that these principles are inherently a part of how we do business.

WHY DOES THE CITY PREPARE A BUDGET?

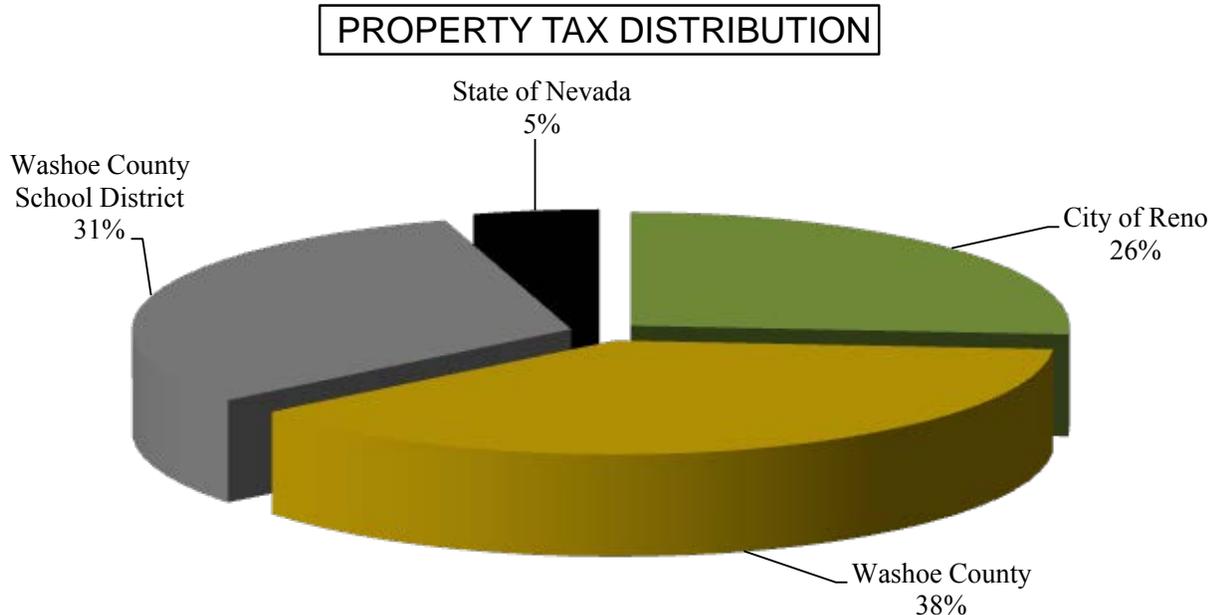
A budget serves many purposes. It:

1. Provides a flexible working plan for operating the City in the coming year.
2. Converts the City's long and short-term plans and policies into services and programs.
3. Establishes the amount of revenue expected to be available, which sets limitations on the amount of expenditures that can be supported.
4. Establishes the costs of providing services and programs.
5. Sets priorities to determine how the resources will be allocated among the services and programs the City wants to provide.
6. Provides budgetary guidelines to compare with actual revenues and expenses throughout the year.

You are a part of this process. The City encourages comment and participation of residents. Public hearings are held in April-May concerning the proposed budget for the next year. Please contact the City Manager’s Office for the specific times of these meetings.

Your Property Tax Dollar

The total overlapping tax rate for 2013/14 (subject to approval by the Nevada Tax Commission) for the City of Reno is \$3.6663 per \$100 of assessed valuation. Therefore, a home which has a replacement value of \$150,000 will have an assessed value of \$52,500 ($\$150,000 \times 35\%$) and the home owner will pay approximately \$1,921 in property taxes ($\$52,500/100 \times 3.66$). The City of Reno will only receive about \$504 of that amount. The rest will go to other governmental agencies. This revenue is included in Property Taxes on the next page.



The Tax Rates are noted below:

Taxing Agency	Tax Rates	Tax Rates	Tax Rates
	FY13	FY14	FY15
City of Reno	0.9598	0.9598	0.9598
Washoe County	1.3917	1.3917	1.3917
Washoe County School District	1.1385	1.1385	1.1385
State of Nevada	0.17	0.17	0.17
Total Tax Rate:	3.66	3.66	3.66

Sales Tax

Consolidated Tax (CTAX), essentially Sales Tax, includes sales and use taxes, cigarette and liquor taxes, motor vehicle privilege and fuel taxes, and real property transfer taxes. These taxes are collected by the State, consolidated, and then distributed to the various governmental agencies based on a series of formulas developed by the Nevada Department of Taxation. Population, assessed value, and growth rates are factors used in the distribution formula. This revenue is included in Intergovernmental in the following chart.

The State-wide sales and use tax rate totals 7.725%, of which 2.25% is for the City/County Relief Tax and is distributed to the cities and counties throughout the State. The remainder of the tax revenues are distributed to the State and other agencies as specifically authorized by statute.

City staff reviews the State's projections and further evaluates local conditions, including building permits, sewer fees, franchises and other economic data to determine conservative, yet realistic projections. State shared revenues are primarily accounted for in the General Fund although the Street Special Revenue Fund also receives fuel taxes.

CITY OF RENO, NEVADA
Summary of Resources & Expenditures
FY08 to FY15

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
	Actual	Projected	Budgeted							
RESOURCES										
Charges for Services	78,671,252	80,296,321	79,579,785	76,173,276	89,088,307	93,967,243	99,264,705	106,490,764	105,843,046	102,864,194
Property Taxes	51,541,153	59,422,990	62,492,594	66,603,822	65,257,206	60,723,271	57,676,413	56,103,391	55,338,424	55,626,106
Licenses and Permits	32,371,129	36,099,219	36,955,394	35,651,935	37,472,232	36,618,476	38,298,129	42,199,526	44,987,056	43,141,296
Intergovernmental	98,880,954	109,376,796	97,929,410	95,241,213	86,980,481	84,125,518	85,241,219	84,728,099	89,748,197	71,076,859
Miscellaneous & Other	517,952,451	158,875,727	319,712,372	178,711,384	76,004,129	75,257,071	52,673,780	48,840,914	132,056,571	38,692,859
Other Taxes	12,132,960	11,136,772	10,492,879	8,351,992	7,971,193	7,658,908	7,565,983	8,761,171	8,456,550	8,145,000
Fines and Forfeits	4,567,787	6,077,243	5,995,400	6,142,631	6,258,040	5,670,132	5,445,152	5,370,025	4,662,885	4,527,812
Beginning Fund or Cash Balance	129,757,017	154,393,911	155,665,049	143,347,252	148,143,412	128,392,927	131,557,970	134,340,712	145,964,303	120,292,794
Use of Beginning Fund or Cash Balance	-	-	2,008,391	-	-	3,342,697	1,680,122	-	12,494,900	314,860
TOTAL RESOURCES	925,874,702	615,678,978	770,831,273	610,223,504	517,175,001	495,756,243	479,403,472	486,834,601	599,551,932	444,681,780
EXPENDITURES										
City Council	2,300,171	2,241,407	2,599,425	2,353,752	1,992,186	2,743,365	2,974,812	3,171,912	3,444,002	3,132,312
City Manager	17,378,199	7,582,319	7,001,836	5,706,063	4,943,287	6,318,910	4,918,933	8,262,769	5,803,057	6,671,946
Municipal Court	5,329,249	5,638,332	6,631,425	7,299,633	7,011,358	7,004,347	6,646,472	6,926,521	6,673,809	6,388,545
Police	56,212,382	59,087,044	61,429,432	60,100,486	61,559,718	58,516,610	53,550,121	55,189,603	55,888,064	56,130,489
Fire	46,764,716	52,458,589	60,628,232	54,361,656	51,586,490	44,817,794	43,930,550	41,008,092	42,981,701	35,041,701
City Clerk	1,722,062	1,499,984	1,555,174	1,422,233	1,431,258	1,274,559	1,018,988	942,678	876,146	869,564
Finance	3,251,045	3,323,690	3,420,444	3,216,696	3,378,105	2,548,700	1,946,420	2,101,400	2,359,411	2,499,580
City Attorney	3,746,169	3,813,897	4,083,833	3,899,479	3,869,595	3,278,176	3,127,716	3,099,416	3,531,631	3,490,915
Public Works (including capital projects)	53,492,255	106,968,150	121,639,292	91,841,026	83,834,361	84,685,679	87,534,837	78,663,736	119,074,508	122,788,365
Parks, Recreation, and Community Services	15,892,153	21,915,343	21,333,534	21,708,586	20,004,243	13,430,955	11,186,374	11,712,262	10,635,771	10,365,788
Communications & Technology	9,634,426	10,350,817	12,894,648	11,845,501	12,064,032	8,285,870	8,817,364	9,758,277	9,868,536	10,189,929
Human Resources	21,088,834	23,402,139	24,305,626	5,372,092	21,686,532	31,875,423	29,796,099	30,377,603	32,136,800	23,436,545
Civil Service	273,549	344,304	349,456	359,297	312,183	243,815	237,949	273,355	286,057	285,491
Community Development	13,524,509	19,631,532	18,092,577	20,348,200	19,294,131	14,023,379	12,914,571	14,494,434	21,893,604	13,379,430
Non-Departmental	514,770,644	110,278,927	281,519,087	120,177,056	94,051,580	85,150,692	76,461,553	71,684,121	163,806,041	73,405,539
Addition to Ending Fund or Cash Balance	6,100,429	31,477,456	-	52,068,338	1,763,016	-	-	3,204,118	-	-
Ending Fund Balance	154,393,911	155,665,049	143,347,252	148,143,412	128,392,927	131,557,970	134,340,712	145,964,303	120,292,794	76,605,641
TOTAL EXPENDITURES	925,874,702	615,678,978	770,831,273	610,223,504	517,175,001	495,756,243	479,403,472	486,834,601	599,551,932	444,681,780

Expenses & Their Funds

General Fund

General Funds are used to account for the general operations of the city, and do not qualify as any of the below funds.

Special Revenue Funds

Special Revenue Funds are used to account for resources that are subject to certain legal spending restrictions.

Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessments.

Capital Projects Funds

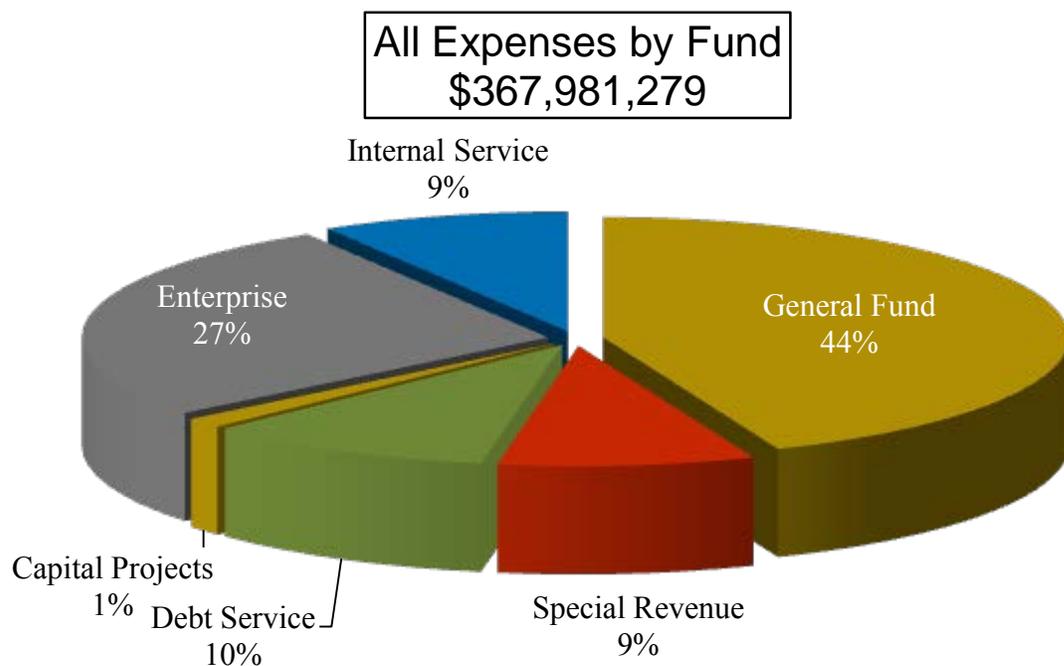
Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by enterprise or trust funds.

Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises.

Internal Service Funds

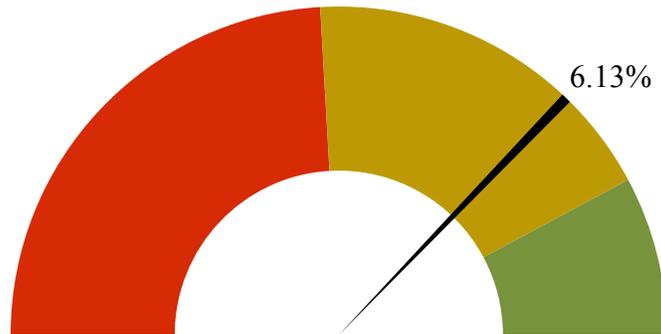
Internal Service Funds are used to account for the financing of goods or services provided by one department to another department.



General Fund Ending Fund Balance

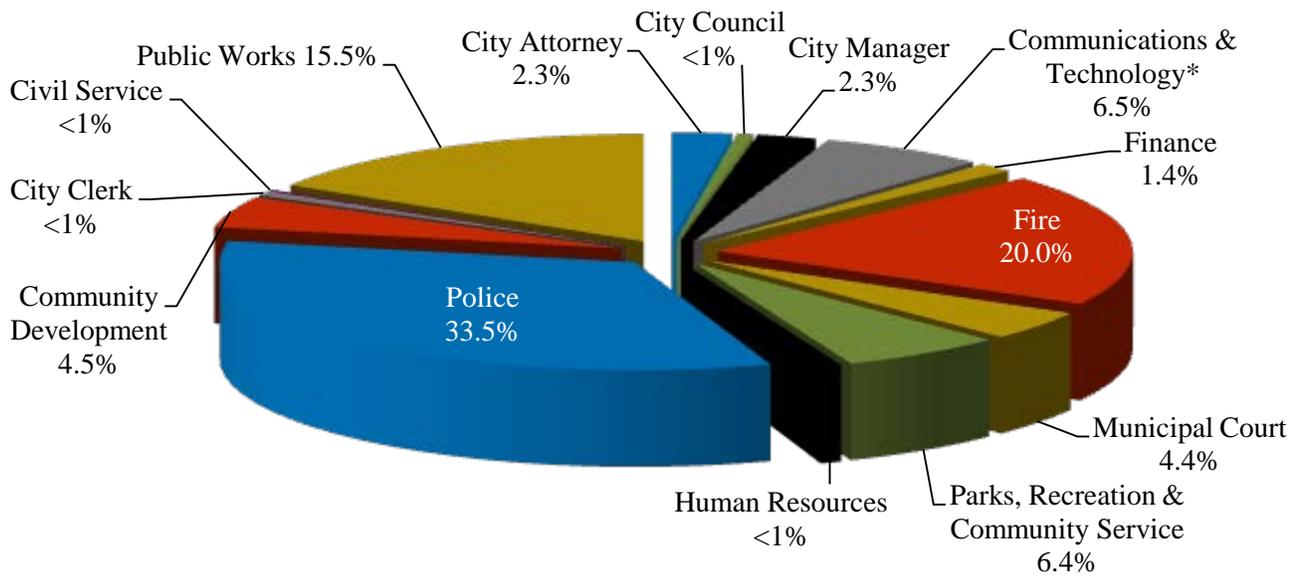
Nevada Administrative Code (NAC), which are regulations set by The Committee on Local Government Finance (CLGF), as directed by Nevada Revised Statutes (NRS) 354.107, provide Nevada's local governments with direction pertaining to the administration of NRS 354 – Local Financial Administration. Fund balance is defined by NRS 354.533 and is the excess of assets over liabilities in a governmental fund. Ending fund balance is calculated by dividing the current year's ending fund balance by the prior year's operating expenses (all general fund expenses minus general fund capital outlay, debt service, and other financing uses, which is primarily transfers and contingency). NAC 354.650 requires that if governments budget less than 4% ending fund balance then the City of Reno must report back to the CLGF. NAC 354.660 goes on further to say that ending fund balance of **not** more than 8.3% is **not** subject to negotiations by bargaining groups. Given the regulations set by the CLGF, the City of Reno has set a goal of having an ending fund balance that is between 7% and 8.3%, approximately one month's operating expenses. The FY14/15 budget contains an ending fund balance of \$9,274,363, approximately 6.13%.

FY 2015 Ending Fund Balance



City of Reno Workforce

City of Reno - Workforce by Department
Total 1,091 Funded FTE's



CITY DEPARTMENT	# of FUNDED EMPLOYEES
City Attorney	25.5
City Council	7.0
City Manager	25.0
Communications & Technology*	71.0
Finance	15.0
Fire	218.0
Municipal Court	48.0
Parks, Recreation & Community Service	69.5
Human Resources	9.0
Police	365.0
Community Development	51.0
City Clerk	8.0
Civil Service	2.0
Public Works	177.0
Total	1,091.0

* Includes Dispatch

CITY DEPARTMENTS

CITY ATTORNEY

John Kadlic, City Attorney

BUDGET \$3,490,915

Opportunities for this year:

1. While striving to maintain a full service legal office for the City of Reno, the Reno City Attorney is expanding the services of Civil Division to include labor relations legal services reducing the need and associated expense for outside legal counsel.
2. Establish direction of the newly elected City Attorney and institute protocols to facilitate any expansion to programs.
3. Continue to successfully administer claims and aggressively defend the City in litigation and administrative legal proceedings.
4. Maintain domestic and witness advocacy programs and continue to effectively prosecute criminal cases in the Reno Municipal Court given budgetary issues and limitations.

CITY COUNCIL

(See Reno City Council Priorities outlined in the beginning of this document.)

BUDGET \$3,132,312

CITY MANAGER

Andrew Clinger, City Manager

BUDGET \$6,671,946

Opportunities for this year:

1. Under Council direction maintain the core functions of local government in the new economic environment.
2. Office of Management & Budget - Continually monitor economic conditions to determine any needs to amend or change the budget.

COMMUNICATIONS AND TECHNOLOGY

Robert Chisel, Finance Director

BUDGET \$10,189,929

Opportunities for this year:

1. Customer service focus: reuse, renew and repurpose computer hardware and software to ensure maximum efficiency and return on investment.
2. Continue to explore opportunities for consolidation and/or elimination of duplicate services within departments and with other local government agencies.
3. Ensure the City's technology and emergency dispatch environment remains secure, viable and relevant.

FINANCE DEPARTMENT

Robert Chisel, Finance Director

BUDGET \$2,499,580

Opportunities for this year:

1. Negotiate an extension of the Letter of Credit on the ReTrac 2008A Senior Lien Sales Tax Revenue Refunding Bonds (expires 6/2/15).
2. Close monitoring of all debt service with restructuring initiated when economically feasible.

3. Continue enhanced collection efforts in all areas.
4. Maintain current service levels to cover functions affected by staff reductions.

FIRE

Michael Hernandez, Fire Chief

BUDGET \$35,041,701

Opportunities for this year:

1. Continue to operate and enhance the Reno Fire Department as a stand-alone agency providing the highest level of customer service to the citizens of Reno.
2. Adjust service delivery strategies in conjunction with changing economic conditions and budgetary reductions; including reductions in overtime, to continue delivering a high level of service in the face of reduced personnel and apparatus deployment.

MUNICIPAL COURT

Cassandra Jackson, Court Administrator

BUDGET \$6,388,545

Opportunities for this year:

1. Implementation of multiple technologies to continue to enhance the efficiencies and operations of the Court. This includes batch scanning, mobile payment application and upgrade to audio visual system.
2. Upgrade Q-matic touch screen kiosk and queuing system. This will offer language services in both English and Spanish, supporting language access and allow for equal access to justice. It will also provide tracking and reporting ability which will be used to provide better management of Court resources and better service to the public.
3. Re-evaluate each process to seek maximum efficiencies in Court operations and attempt to limit budget impacts of reduced staffing.
4. Continue to serve specialty court participants in our community while operating with reduced grant funding.

PARKS, RECREATION AND COMMUNITY SERVICES

Julee Conway, Parks, Recreation, and Community Services Director

BUDGET \$10,365,788

Opportunities for this year:

1. Complete CORE Services Plan for all departmental programs and operations.
2. Secure approval of Sierra Vista Park Master Plan and initiate implementation of Phase 1.
3. Secure final design and funding to implement construction of a water quality enhancement project at Virginia Lake.
4. Complete Urban Tree Inventory and Management Plan to support budgetary decisions.
5. Streamline the implementation of Civil Service Rules for Temporary Employees and the Reno City Charter Chapter 662 Article IX.
6. Implementation of the Active Network – CLASS web-based system.
7. Coordination of the Southeast Connector Roadway construction through Rosewood Lakes Golf Course.
8. Coordination of the Ice Rink Operation by the Reno Aces organization.

HUMAN RESOURCES**BUDGET** \$23,436,545

Renee Rungis, Human Resources Director

Opportunities for this year:

1. Maintain a high level of customer service with a reduced budget and fewer staff.
2. Complete negotiations with seven employee organization bargaining units with open contracts.
3. Complete audit and review of design of City of Reno health plans.
4. Identify enhancements to leadership development program, succession planning and process improvement and refinement program to more efficiently implement service programs.
5. Complete Workers' Compensation claims audit.
6. Implementation of Payroll and Benefits system.

POLICE**BUDGET** \$56,130,489

Steve Pitts, Police Chief

Opportunities for this year:

1. Chief of Police Transition
2. Updating aging infrastructure
3. Continue re-building organizational capacity & culture to face any situation

COMMUNITY DEVELOPMENT**BUDGET** \$13,379,430

Fred Turnier, Community Development Director

Opportunities for this year:

1. The consolidation of the Planning Division with the Housing and Neighborhood Division to create a more integrated division. Both divisions had fewer staff this past year, and together, the divisions support one another.
2. Simplify Title 18 and the planning/engineering review process to reduce and streamline permit and review processes. The current land development code is complex and difficult to administer. By simplifying the land development code, the City should be able to reduce processing time for staff and customers which should lower overall costs for all.
3. Assist in revising NRS 268 during next legislative session which will allow revision of RMC Nuisance code that will include implementing a process to lien properties for citations owed. This will allow the City to recoup costs for the resolution of significant public nuisances.
4. Implementation of new multi-jurisdictional licensing software to further the goal of shared services and regional licensing. New software will require funds and staff time for data conversion, staff training, public outreach and education. This will streamline the region's licensing and permit process resulting in long-term cost reductions and time savings for both the customer and City.
5. The City has acquired one property which requires rehabilitation to significantly improve the appearance of the area, and to provide more affordable housing opportunities. Funding for this project is to be identified.
6. To better serve the public and decrease the amount of plan review time, the Building Division will pay for the fire service and not for specific staff. Using this method should decrease the plan review time and ensure that fire inspections are completed in a timely manner regardless of fire staff on vacation or away from their usual duties.

CITY CLERK

BUDGET \$869,564

Lynnette Jones, City Clerk

Opportunities for this year:

1. Continue to maintain high levels of customer service despite current fiscal strategies.

CIVIL SERVICE

BUDGET \$285,491

Ric Bailey, Chief Examiner

Opportunities for this year:

1. Based on current increasing departmental needs to fill vacancies, Civil Service will prepare for recruitment and examination demand levels similar to activity previous to RIFs and do so with an objective to carefully contain costs and still maintain validity.
2. Implementation of the electronic vacant position requisition capability included in the current applicant tracking and statistics software.
3. Work closely with affected departments to smoothly and in a timely manner administer the reinstatement of RIF affected employees.

PUBLIC WORKS

BUDGET \$122,788,365

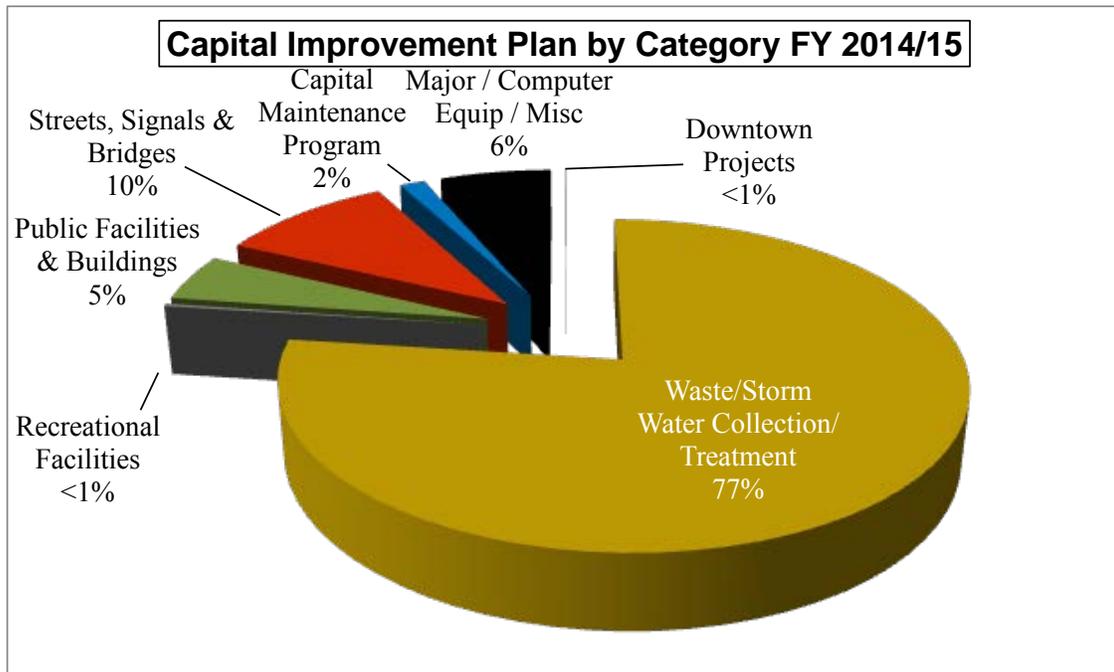
John Flansberg, Public Works Director

Opportunities for this year:

1. Facilitate construction of the Virginia Street Bridge in order to minimize disruption to traffic and businesses in downtown.
2. Develop long-term infrastructure maintenance plan for Sewer, Streets, and City Facilities.
 - a. Develop performance measure for backlog/deferred maintenance of assets (Buildings, Streets, Sewer Collection System, Sewer Treatment Facilities)
 - b. Determine adequacy of funding
 - c. Develop Funding Plan (if applicable)
3. Update the City of Reno Americans with Disabilities Act (ADA) transition plan including City facilities and City right of way.

CAPITAL IMPROVEMENT PLAN

The City has a Capital Improvement Plan which is updated and approved each year by the City Council. This plan reflects the amount the City has budgeted for various projects this year and the longer range needs. Cooperative projects, with Regional Transportation Commission (RTC), are also shown to indicate the overall project level.



Revenues by Type

General Fund	1,530,000
Special Ad Valorem Capital Tax	480,000
Street Fund	5,070,000
Sewer Fund	39,710,000
Community Development Block Grants	494,878
City Capital Projects Fund	0
Motor Vehicle Fund	2,000,000
Room Tax	2,250,000
Park Construction Tax	40,000

Expenses by Function

Waste/Storm Water Collection/ Treatment	39,710,000
Recreational Facilities	145,000
Public Facilities & Buildings	2,485,000
Streets, Signals & Bridges	5,170,000
Capital Maintenance Program	740,000
Major / Computer Equip / Misc	3,304,878
Downtown Projects	20,000

Total	51,574,878
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Total	51,574,878
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A complete listing of all Capital Improvement Projects can be found in the FY 2015 Adopted Budget and a complete listing of the 20-year Capital Improvement Program projects can be found in the Budgeted Capital Improvement Plan 2014-2034.

WHAT IS ANTICIPATED?

The City will continue to change as an organization for two basic reasons. First, we desire to improve the services provided to our citizens. Second, it is necessary to achieve an adequate level of financial stability to maintain our infrastructure and to meet the short and long-term operating and capital needs of the City.

The City Council sets priorities to provide staff with a direction for the new fiscal year. Based on this direction, management develops plans to accomplish both short and long-term goals.

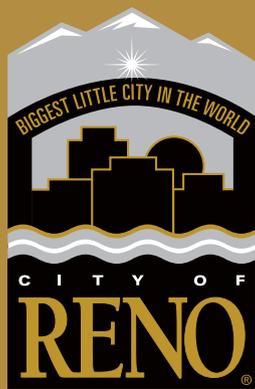
MANAGEMENT PRIORITIES

In addition to the Council's top priorities for FY 2015 there are other critical issues that affect the long-term quality of life for the community. These issues are being addressed as shown in the adopted comprehensive strategic plans.

- A. **Facilities Maintenance** - Historically, adequate resources have not been budgeted for upkeep of one of the most valuable resources - City facilities. Many City-owned buildings are aging and are in need of repair; the longer maintenance is delayed, the greater the cost will be to address these much needed repairs. This budget continues the process of catching up on some of these needs by allocating funds from the General Fund for capital maintenance.
- B. **Equipment Acquisition** - The City is addressing the problem of equipment needs. Historically, equipment acquisition was deferred due to funding shortfalls. The City is continuing to upgrade office technology to help keep personnel requirements at a minimum, even as demands for service increase. Vehicles and equipment are being replaced on a definitive schedule.
- C. **Salary and Benefit Programs** - Of major importance to the organization is the need to train and recognize City employees. We must continue to train staff to ensure that they have the skills and abilities to meet the demands of the community. This budget allows for the continuation of the City's Training Program and the Employee Recognition Program.
- D. **Reserve Funds** - With the proposed budget, the City will maintain a \$1.7 million stabilization fund and the unreserved fund balance is retained in the General Fund of \$9.3 million or 6.13% of ongoing expenditures, in accordance with NRS requirements as well as the City's General Fund Reserve policy set by the City Council.

The adopted General Fund budget for FY 2015 is \$161.5 million. This budget addresses the basic service needs of the community and fits within the policy parameters set by the City Council.

Finally, the achievements and performance of our employees who excel and fulfill our mission and values will continue to be recognized. This is the responsibility of the top management and the City Council throughout and beyond this transition period.



Reno.gov