



CITY OF RENO , NEVADA  
**Popular Annual Financial Report**  
FISCAL YEAR ENDED  
JUNE 30, 2025

The City of Reno is proud to present its Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2025. The purpose of this report is to provide our residents, businesses, and community partners with a clear and accessible overview of the City's financial condition. While the City's Annual Comprehensive Financial Report (ACFR) offers a detailed and technical presentation on our finances, this PAFR highlights key information in an easy-to-read format designed to keep our community informed.

Fiscal year 2025 was a year of continued progress, strategic investment, and responsible financial management. The City focused on strengthening core services, supporting sustainable development, and enhancing public safety and quality of life initiatives. Through careful planning, conservative budgeting, and strong oversight, we continue to maintain a stable financial position while preparing for future community needs.

Transparency and accountability remain central to the Finance Department's mission. We are committed to ensuring that every dollar received by the City of Reno is managed responsibly and that our financial practices reflect up-to-date best practices in the industry. This report is one way we are showing our commitment.

On behalf of the City of Reno's Finance Department, thank you for your continued trust and engagement. We look forward to building on this year's momentum to better serve our community to support a strong, vibrant, and resilient Reno.

**Vicki Van Buren**  
**Director of Finance**  
**City of Reno**



**Vicki Van Buren**  
**Director of Finance**

**Table of Contents**

- 3 Reno City Council**
- 4 Other Elected Officials**
- 5 Leadership**
- 6 About City of Reno**
- 7 Demographic Information**
- 8 Fund Accounting Overview**
- 9 Overall Net Position**
- 11 Overall Revenues**
- 12 Overall Expenses**
- 13 General Fund Balance**
- 14 General Fund 10 Year Forecast**
- 15 General Fund Revenues**
- 16 General Fund Expenditures**
- 17 Enterprise Fund**
- 18 Debt Overview**
- 19 Construction in Progress**
- 20 Glossary**



# MESSAGE FROM OUR DIRECTOR

# RENO CITY COUNCIL

The City has a Council-Manager form of government with six Council members elected for staggered terms of four years. The Mayor is the chief elected official and formal representative of the City. Elected at-large, the Mayor serves for a four-year term. The City Manager is selected by the Council and is the City's chief administrative official. The City Manager is responsible for all City business.

The City Council has adopted the following overarching goals to help develop the priorities of the City and to enhance the services the City provides:

- Fiscal Sustainability
- Public Safety
- Economic Opportunity, Homelessness, and Affordable Housing
- Economic and Community Development
- Infrastructure, Climate Change, and Environmental Sustainability
- Arts, Parks and Historical Resources
- Governance and Organizational Effectiveness



Mayor - Hillary Schieve



Ward 1 - Kathleen Taylor



Ward 2 - Naomi Duerr



Ward 3 - Miguel Martinez



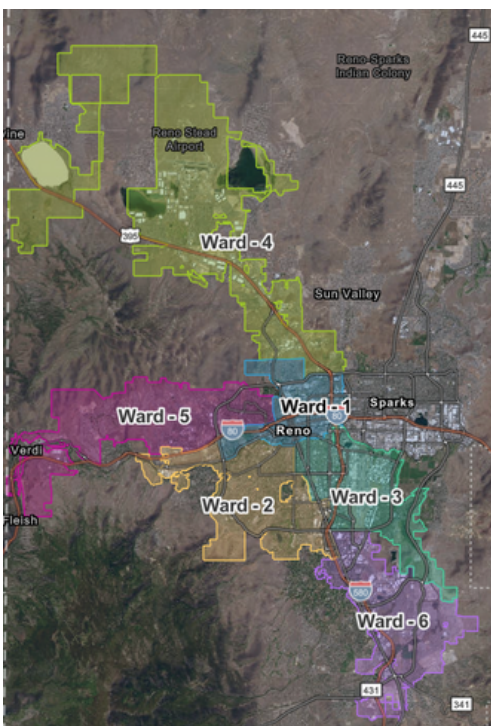
Ward 4 - Meghan Ebert



Ward 5 - Devon Reese



Ward 6 - Brandi Anderson



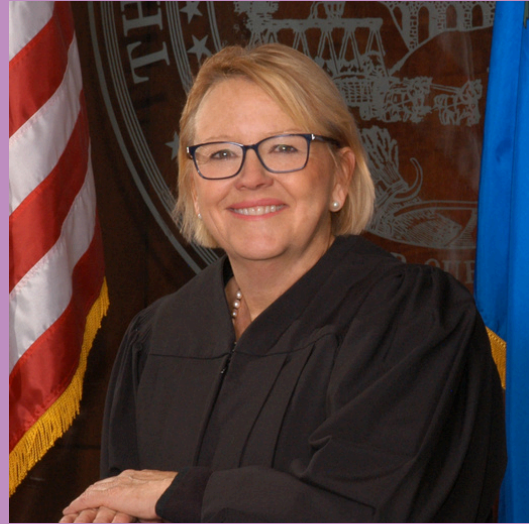
# OTHER ELECTED OFFICIALS



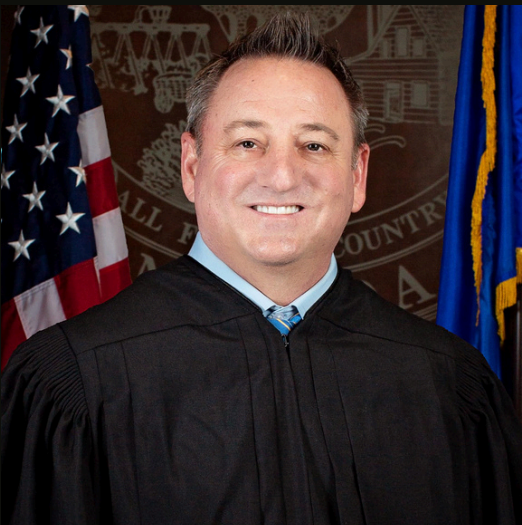
**City Attorney  
Karl Hall**



**Department 1  
Judge Gene Drakulich**



**Department 2  
Judge Shelly T. O'Neill**



**Department 3  
Judge Justin Champagne**



**Department 4  
Judge Christopher Hazlett-Stevens**



# CITY OF RENO



Jackie Bryant  
City Manager



Norma Santoyo  
Assistant City Manager



JW Hodge  
Assistant City Manager



Ashley Turney  
Assistant City Manager



Mikki  
Huntsman  
City Clerk



Karl Hall  
City Attorney



David Cochran  
Reno Fire Chief



Kathryn Nance  
Reno Police Chief



Cynthia Esparza  
Chief Equity & Community  
Relations Officer



Calli Wilsey  
Director of Policy  
& Strategy



Travis Truhill  
Director of Maintenance  
and Operations



Rebecca Venis  
Director of  
Communications



Vicki Van Buren  
Director of Finance



Monica Kirch  
Director of Housing and  
Neighborhood Development  
and Human Resources



Craig Franden  
Director of Information  
Technology



Cody Shadle  
Director of Public  
Safety Dispatch



John Flansberg  
Regional Infrastructure  
Administrator



Chris Pingree  
Director of  
Development Services



Lance Ferrato  
Director of  
Business Licensing



Nathan Ulliot  
Director of Parks  
and Recreation



Kerrie Koski  
Director of Public  
Works/City Engineer



Jonathan Shipman  
Assistant City  
Attorney



Barbara Ackermann  
Chief Examiner



Veronica Lopez  
Reno Municipal Court  
Administrator



Trina Magoon  
Director of  
Utility Services

# WHO ARE WE?

The City and surrounding area provide unlimited indoor and outdoor recreation activities. Within a fifty-mile radius you can find Lake Tahoe and the largest concentration of ski facilities in the world. Biking, camping, hunting, fishing, and mountain climbing are all available within a thirty-minute drive.

Along with the outdoor opportunities, the City is host to many community events including Hot August Nights, a week long 50's nostalgia celebration; the Great Reno Balloon Races, a three-day event competition for hot air balloonists; the Reno Rodeo, one of the largest rodeos in the west; the month long Artown festival in July; and various special events hosted by the City of Reno and other organizers.

# WHAT'S GOING ON?

The region's economy has long relied on consumption-related activities such as logistics, construction, tourism, and gaming, an extensive array of hospitality and casino options, as well as vast recreational opportunities. More recently, the economic structure of the region has been expanding and diversifying to include more technology based industries.

Employment in Reno and Washoe County has returned to a normal level following the global COVID-19 pandemic. In the Reno-Sparks region, the June 2025 unemployment rate stood at 4.6%, which has decreased slightly over the past year which ended at 5.0% at June 2024. Overall, Nevada had an unemployment rate of 5.4%, exceeding the national average of 4.1% in June 2025. This is mainly due to the large gaming and tourism industries that support Nevada. Unemployment in Reno has fared better due to the diversified economy that Reno has been able to develop over the years.

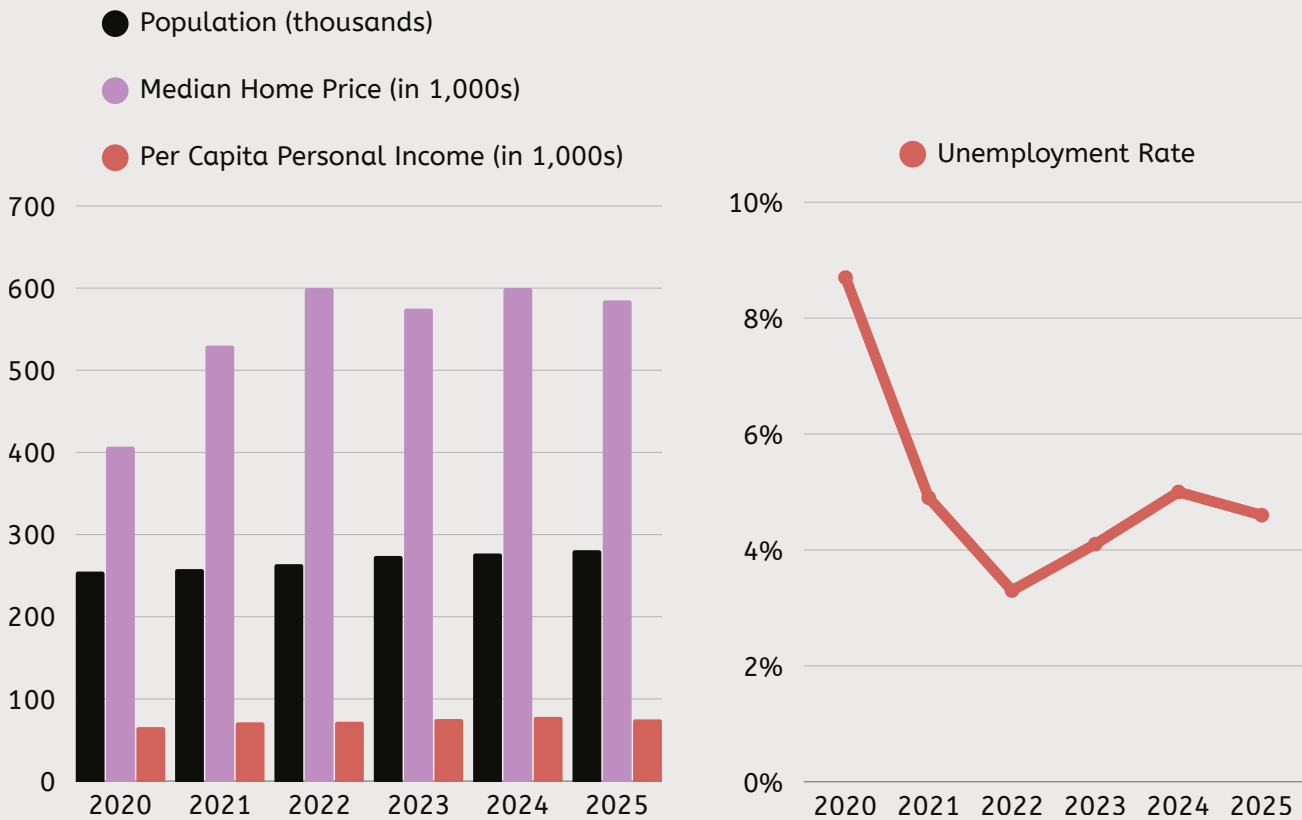
# WHAT DO WE DO?

The City provides a full range of municipal services as established by statute or the City's charter. These services include public safety (police, fire, dispatch, code enforcement, and building inspection), public works, public improvements, planning and zoning, community development, parks and recreation, wastewater treatment, and general administrative services. In addition to general government activities, the City Council is financially accountable for the Redevelopment Agency of the City of Reno; therefore, the activities of the Agency are included in this report. The Housing Authority of the City of Reno is a related organization of the City of Reno but not a component unit because the City's accountability does not extend beyond the appointment of board members.



# WHAT MAKES THE CITY OF RENO?

The City of Reno continues to attract new residents because it offers a unique balance of economic opportunity, high quality of life, and unmatched access to outdoor recreation. Reno’s growing and diversified economy—driven by advanced manufacturing, technology, higher education, and entrepreneurial investment—creates strong employment prospects and a stable foundation for families and businesses. Residents are drawn to Reno’s vibrant arts and cultural scene, revitalized neighborhoods, and welcoming community character that blends small-city feel with metropolitan amenities. With more than 250 days of sunshine, proximity to world-class recreation at Lake Tahoe, and a commitment to parks, public safety, and infrastructure, the City of Reno provides an active, healthy, and connected lifestyle. Coupled with Nevada’s tax-friendly environment and ongoing investments in the region’s future, Reno continues to stand out as a desirable place to live, work, and build a thriving future.



## TOP 10 EMPLOYERS

<u>Employer</u>	<u>(Average) Employees</u>
1. Washoe County School District	7,500
2. Renown Regional Medical Center	7,500
3. Peppermill Hotel Casino	3,000
4. Grand Sierra Resort & Casino	3,000
5. St. Mary’s Regional Medical Center	3,000
6. Eldorado Resort Casino	3,000
7. Silver Legacy Resort Casino	3,000
8. University of Nevada-Reno	3,000
9. U-Haul Holdings CI	3,000
10. Circus Circus Reno	3,000

# WHAT IS FUND ACCOUNTING?

A fund is a separate, self-balancing set of accounts to record activity involving assets and liabilities. The City, as with other governmental agencies, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the City are divided into governmental, proprietary, and fiduciary funds.

## Governmental Funds

**General Fund** - used to account for resources traditionally associated with government which are not required by law, regulation, or sound financial management policy to be accounted for in another fund

**Special Revenue Funds** - used to account for specific revenues that are restricted by law or policy to expenditures for a particular purpose

**Debt Service Funds** - used to account for the accumulation of resources and payment of general obligation bond principal and interest from governmental resources and special assessment bond principal and interest from special assessment levies

**Capital Project Funds** - used to account for the acquisition and construction of major capital facilities other than those financed by proprietary or trust funds

<b>General Fund</b>	City's Largest Discretionary Fund
<b>Special Revenue Funds</b>	Housing & Neighborhood Development Funds Street Fund Drainage Facility Impact Fee Fund Room Tax Fund Court Funds Forfeiture Funds Opioid Funds
<b>Debt Services Funds</b>	Ad Valorem Debt Service Fund Railroad Debt Fund Event Center Debt Funds Special Assessment Debt Funds Redevelopment Agency Debt Funds
<b>Capital Project Funds</b>	General Capital Project Funds Parks Capital Project Funds Capital Tax Fund

## Proprietary Funds

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

**Internal Service Funds** - used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units on a cost - reimbursement basis

## Fiduciary Funds

**Fiduciary Funds** - used to account for resources held for the benefit of parties outside of the City government

<b>Enterprise Funds</b>	Sanitary Sewer Fund Building Permit Fund
<b>Internal Service Funds</b>	Motor Vehicle Fund Risk Retention Fund Self-Funded Medical Fund Self-Funded Workers' Compensation Fund
<b>Fiduciary Funds</b>	Other Post Employment Benefits Trust Fund Special Assessment District Custodial Fund

# GOVERNMENT-WIDE STATEMENT OF NET POSITION

	Summary Statement of Net Position					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
<b>Assets</b>						
Current, restricted and other assets	\$ 341,279,645	\$ 352,108,323	\$ 237,982,865	\$ 216,089,009	\$ 577,916,941	\$ 568,197,332
Investment in Truckee Meadows Water Reclamation Facility	-	-	82,044,577	80,491,130	82,044,577	80,491,130
Capital assets	1,228,273,529	1,156,323,138	508,132,219	497,651,679	1,736,405,748	1,653,974,817
<b>Total Assets</b>	<b>1,569,553,174</b>	<b>1,508,431,461</b>	<b>828,159,661</b>	<b>794,231,818</b>	<b>2,396,367,266</b>	<b>2,302,663,279</b>
<b>Deferred Outflows and Resources</b>						
Deferred amounts related to pension:	137,297,849	126,810,962	13,620,808	12,936,737	150,918,657	139,747,699
Deferred amounts related to OPEB	5,250,643	6,411,446	158,901	199,591	5,409,544	6,611,037
Deferred loss on debt refunding	16,056,369	17,088,247	-	-	16,056,369	17,088,247
<b>Total Deferred Outflows of Resources</b>	<b>158,604,861</b>	<b>150,310,655</b>	<b>13,779,709</b>	<b>13,136,328</b>	<b>172,384,570</b>	<b>163,446,983</b>
<b>Liabilities</b>						
Current liabilities	99,168,661	114,793,564	31,163,803	27,696,153	128,986,895	142,489,717
Long-term liabilities	998,778,668	1,026,280,109	87,244,214	93,276,693	1,086,022,882	1,119,556,802
<b>Total liabilities</b>	<b>1,097,947,329</b>	<b>1,141,073,673</b>	<b>118,408,017</b>	<b>120,972,846</b>	<b>1,215,009,777</b>	<b>1,262,046,519</b>
<b>Deferred Inflows of Resources</b>						
Deferred amounts related to pension:	43,196,147	4,348,285	4,264,036	442,752	47,460,183	4,791,037
Deferred amounts related to OPEB	31,241,372	37,405,138	1,462,701	1,756,493	32,704,073	39,161,631
Deferred amounts related to leases	3,377,152	5,625,872	-	-	3,377,152	5,625,872
<b>Total Deferred Inflows of Resources</b>	<b>77,814,671</b>	<b>47,379,295</b>	<b>5,726,737</b>	<b>2,199,245</b>	<b>83,541,408</b>	<b>49,578,540</b>
<b>Net Position</b>						
Net investment in capital assets	828,917,645	718,730,444	447,010,039	439,535,721	1,275,927,684	1,158,266,165
Restricted	125,536,448	108,506,869	-	-	125,536,448	108,506,869
Unrestricted	(402,058,058)	(356,948,165)	270,794,577	244,660,334	(131,263,481)	(112,287,831)
<b>Total Net Position</b>	<b>\$ 552,396,035</b>	<b>\$ 470,289,148</b>	<b>\$ 717,804,616</b>	<b>\$ 684,196,055</b>	<b>\$ 1,270,200,651</b>	<b>\$ 1,154,485,203</b>

## **GOVERNMENTAL ACTIVITIES**

The City's capital assets and net investment in capital assets increased in the current year due to contributed streets completed by Regional Transportation Commission (RTC); an increase in charges for services; and an increase in property taxes collected.

Current liabilities decreased in the current year due to the completion of several long term capital improvement projects during the current fiscal year.

The decrease in long-term liabilities is due to an overall decrease in the net pension liability calculated by the Public Employees' Retirement System of Nevada (PERS). Regularly scheduled debt payments decreased long-term liabilities and Other Post Employment Benefits (OPEB) liabilities also experienced a slight decrease in the current year.

Deferred inflows related to pensions saw an increase due to actual experience.

## **BUSINESS-TYPE ACTIVITIES**

Total assets for the City's business-type activities increased by 4.91%. The increase in current, restricted, and other assets is due to an increase of \$6.4 million related to sewer user fees that will be spent over the next 5 years to expand and improve plant operations; a reduction in the note receivable between the City and the City of Sparks; and an overall decrease in the PERS liability attributed to business-type activities.

Net capital assets increased due to the number of sewer line rehabilitation projects in various stages of completion and the expansion in progress of the Reno-Sparks Water Reclamation Facility. The cost of these projects exceeded the effect of depreciation and asset disposals during the fiscal year. Other assets include a majority ownership interest in the Truckee Meadows Water Reclamation Facility.

# GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

	Summary Statement of Net Position					
	Governmental Activities		Business-Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 121,274,301	\$ 113,266,378	\$103,736,649	\$ 96,508,686	\$ 225,010,950	\$ 209,775,064
Operating grants and contributions	22,135,667	26,376,287	926,467	445,356	23,062,134	26,821,643
Capital grants and contributions	90,276,677	101,242,009	16,341,043	12,922,226	106,617,720	114,164,235
Total Program Revenues	233,686,645	240,884,674	121,004,159	109,876,268	354,690,804	350,760,942
General revenues						
Property taxes	124,327,089	113,689,396	-	-	124,327,089	113,689,396
Room taxes	12,125,081	12,362,302	-	-	12,125,081	12,362,302
Sales tax dedicated to debt	16,218,188	15,382,828	-	-	16,218,188	15,382,828
Other sales taxes	1,810,533	1,204,285	-	-	1,810,533	1,204,285
Consolidated tax revenue including SCCRT (AB 104) and gaming taxes	108,052,334	103,862,264	-	-	108,052,334	103,862,264
Unrestricted investment and interest earnings (losses)	10,267,781	7,313,472	7,078,053	4,563,812	17,345,834	11,877,284
Change in fair value of investments	6,267,254	8,865,853	4,798,212	4,369,673	11,065,466	13,235,526
Gain (loss) on disposal of capital assets	179,857	1,220,426	-	-	179,857	1,220,426
Miscellaneous	3,685,883	2,132,932	29,521	285,267	3,715,404	2,418,199
Total Revenue	516,620,645	506,918,432	132,909,945	119,095,020	649,530,590	626,013,452
Expenses						
General government	71,810,620	74,711,830	-	-	71,810,620	74,711,830
Judicial	11,945,314	11,914,233	-	-	11,945,314	11,914,233
Public safety	211,717,806	202,750,586	-	-	211,717,806	202,750,586
Public works	74,905,684	68,211,839	-	-	74,905,684	68,211,839
Culture and recreation	24,086,062	22,634,890	-	-	24,086,062	22,634,890
Community development & support	15,916,793	15,949,690	-	-	15,916,793	15,949,690
Urban development	4,471,605	3,774,894	-	-	4,471,605	3,774,894
Debt service:						
Interest & fiscal charges	19,771,874	12,573,394	-	-	19,771,874	12,573,394
Sanitary sewer	-	-	84,972,540	74,385,593	84,972,540	74,385,593
Building permits	-	-	14,216,844	16,070,791	14,216,844	16,070,791
Total Expenses	434,625,758	412,521,356	99,189,384	90,456,384	533,815,142	502,977,740
Excess (deficiency) before transfers	81,994,887	94,397,076	33,720,561	28,638,636	115,715,448	123,035,712
Transfers	112,000	112,000	(112,000)	(112,000)	-	-
Change in net position	82,106,887	94,509,076	33,608,561	28,526,636	115,715,448	123,035,712
Net position, beginning of year	470,289,148	375,780,072	684,196,055	655,669,419	1,154,485,203	1,031,449,491
Net position, end of year	\$ 552,396,035	\$ 470,289,148	\$717,804,616	\$684,196,055	\$ 1,270,200,651	\$ 1,154,485,203

## GOVERNMENTAL ACTIVITIES

The City's total revenues increased 1.91% between 2024 and 2025. This increase was due to an increase in property taxes received, increased consolidated taxes, larger earnings on investments, and a large amount of dedicated and annexed streets received during the year.

Total expenses also increased during the year. The largest increase was in public safety from the addition of police and fire personnel. There were also salary adjustments completed during the year for cost of living adjustments, merit increases, and changes in collective bargaining agreements. The City's pension expense and Other Post Employment Benefits (OPEB) expenses decreased slightly in the current year. The City also continues to spend State and Local Fiscal Recovery Funds (SLFRF) received in prior years.

## BUSINESS-TYPE ACTIVITIES

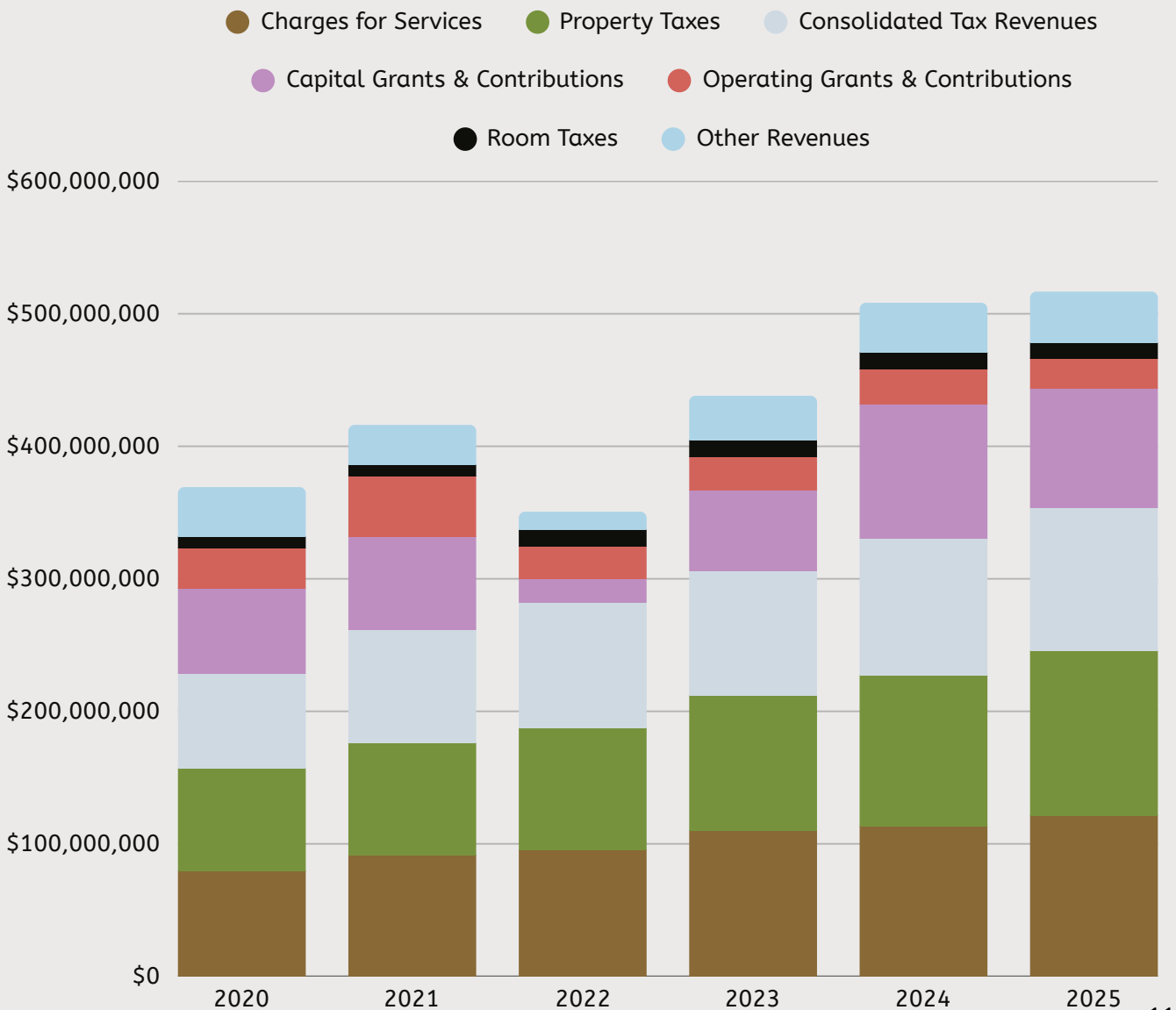
Total revenues for business-type activities changed with a 10.39% increase. This increase is related to sewer user fees increasing in October 2024 by 3.6%, which is consistent with the Western Region Consumer Price Index (CPI). There was also a significant number of new construction being completed that increased the number of sewer accounts. Building permit realized a 8.86% increase in charges for services.

Operating expenses for business-type activities increased due to the same salary adjustments seen in the governmental activities. Building permits adjusted staffing levels for the decline in the demand for new permits. There was also a slight decrease in pension expense due to adjustments in staffing levels and an overall decrease in the pension liability.

# GOVERNMENTAL ACTIVITIES - REVENUES

City revenues have flattened after an upward trend over the previous six years. The largest categories that increased are charges for services, property taxes, and consolidated taxes. The Reno area has seen an influx of people moving to the area from California to take advantage of the lower cost of living and taxes. Property values continue to increase in the Reno area and construction continues to add more residential units. Consolidated taxes are mainly made up of sales taxes collected from sales in the area and distributed through the State of Nevada. Since the price of items has increased as well as the population of the City, the City has seen the corresponding increase in revenues collected.

The City received \$52 million in Coronavirus Aid, Relief, and Economic Security (CARES) Act Funds between fiscal years 2020 and 2021 to address issues related to the COVID-19 pandemic. The State and Local Fiscal Recovery Funds (SLRF) funds will continue to be spent on projects through the grant period of December 2026 and revenues will be recognized as funds are spent. At June 30, 2025, a total of \$46.8 million has been spent of the \$51.5 million allocated to the City of Reno leaving \$4.7 million for the remaining projects.



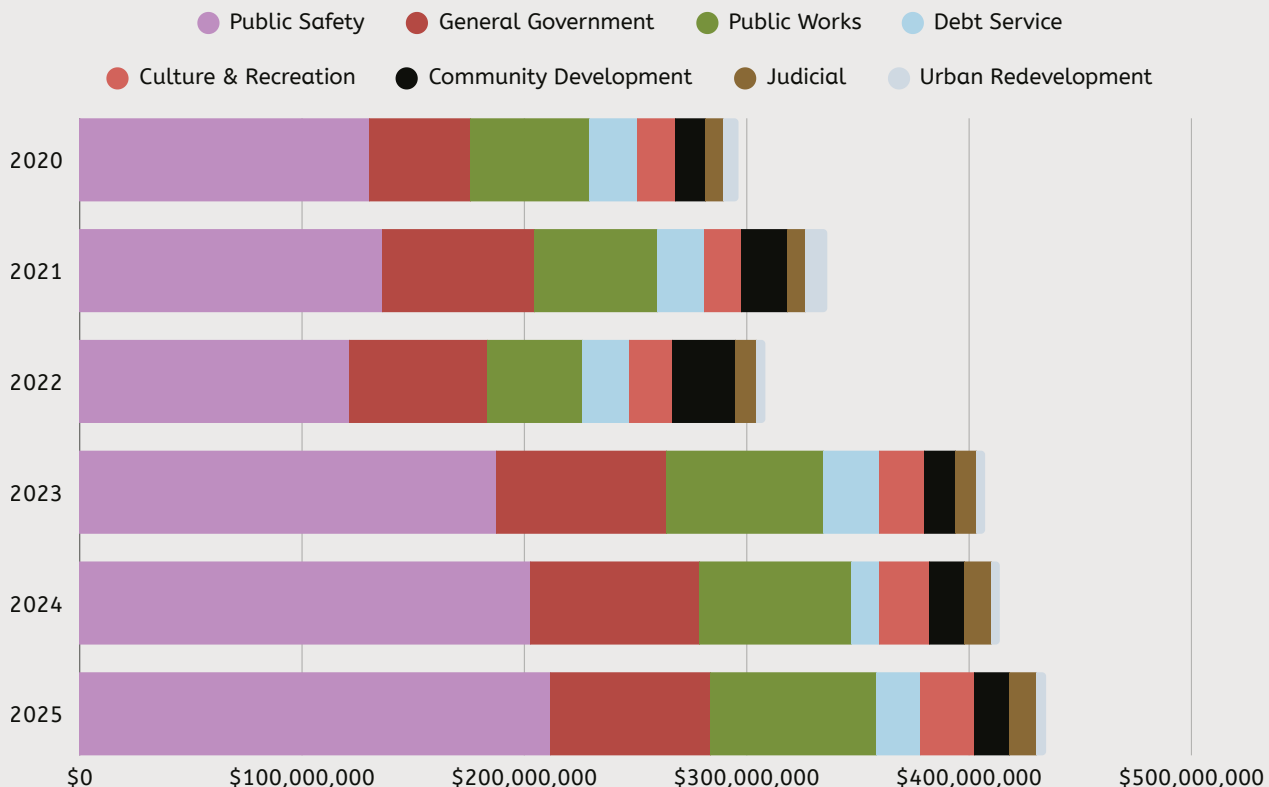
# GOVERNMENTAL ACTIVITIES - EXPENSES

Governmental activity expenses have fluctuated over the past 6 years due to the various funding the City has received. The City received SLFRF funds in 2021 and 2022 which will be spent over the life of the grant through December 2026. These funds have been encumbered for various projects that will be completed over the next year.

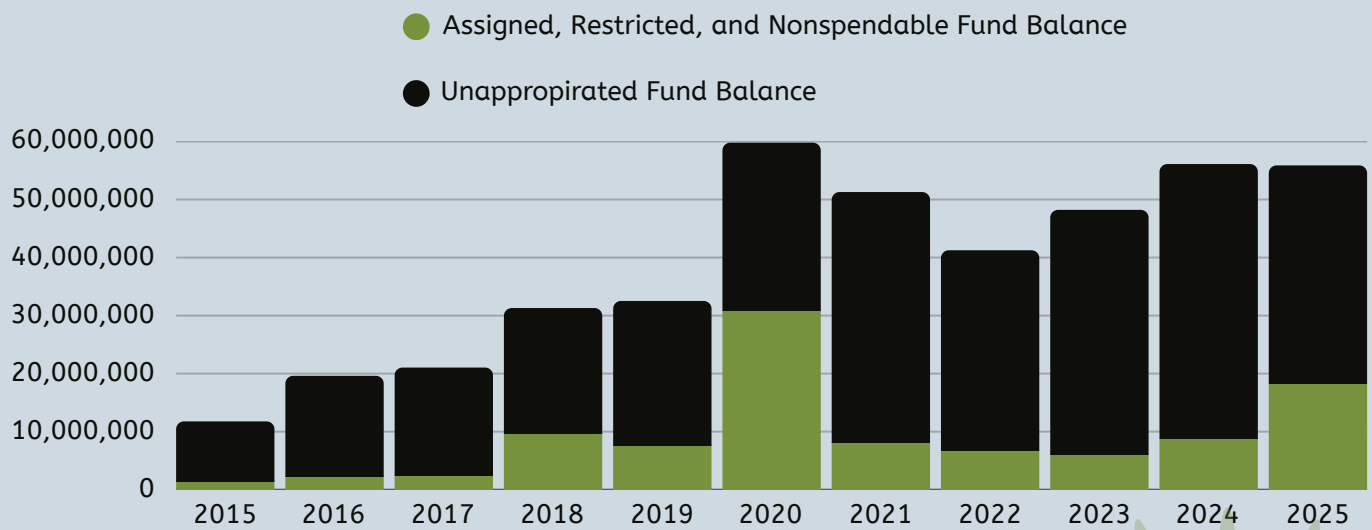
The City has also seen a steep increase in the cost of living over the past six years and has reacted by increasing salary rates and benefits throughout the organization to remain competitive in the industry and retain employees. The largest increases are seen in public safety. This is because public safety is the City's largest functional area and the Reno City Council has placed an emphasis on increasing the number of full time positions to serve the community. In 2023, the City purchased \$11 million of police equipment which increased expenses. This was a one time purchase reflected in 2023. The increase in 2024 and 2025 is due to changes in collective bargaining unit contracts and an increase in the number of employees.

General government and public works are the next largest functions of the City. General government saw an overall decrease in expenses because of a decrease in grant spending. Public works saw an overall increase because of higher salaries and benefits.

All functions decreased due to the amount of PERS a OPEB expenses allocated to the City's governmental activities. The current year had a significant decrease to the PERS liability due to the actuarial valuation being updated.

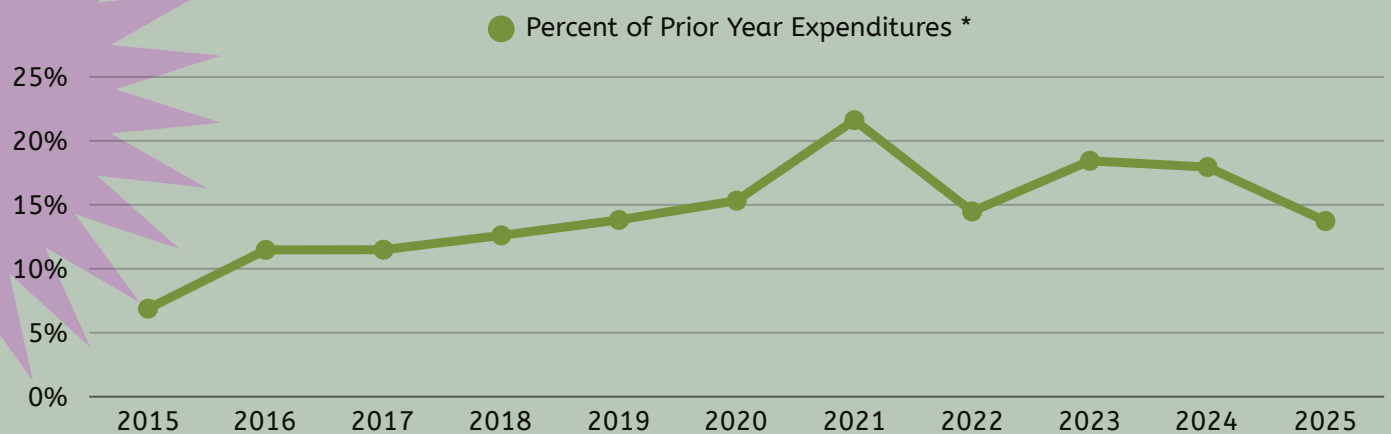


# GENERAL FUND HISTORICAL FUND BALANCE AND % OF FUND BALANCE



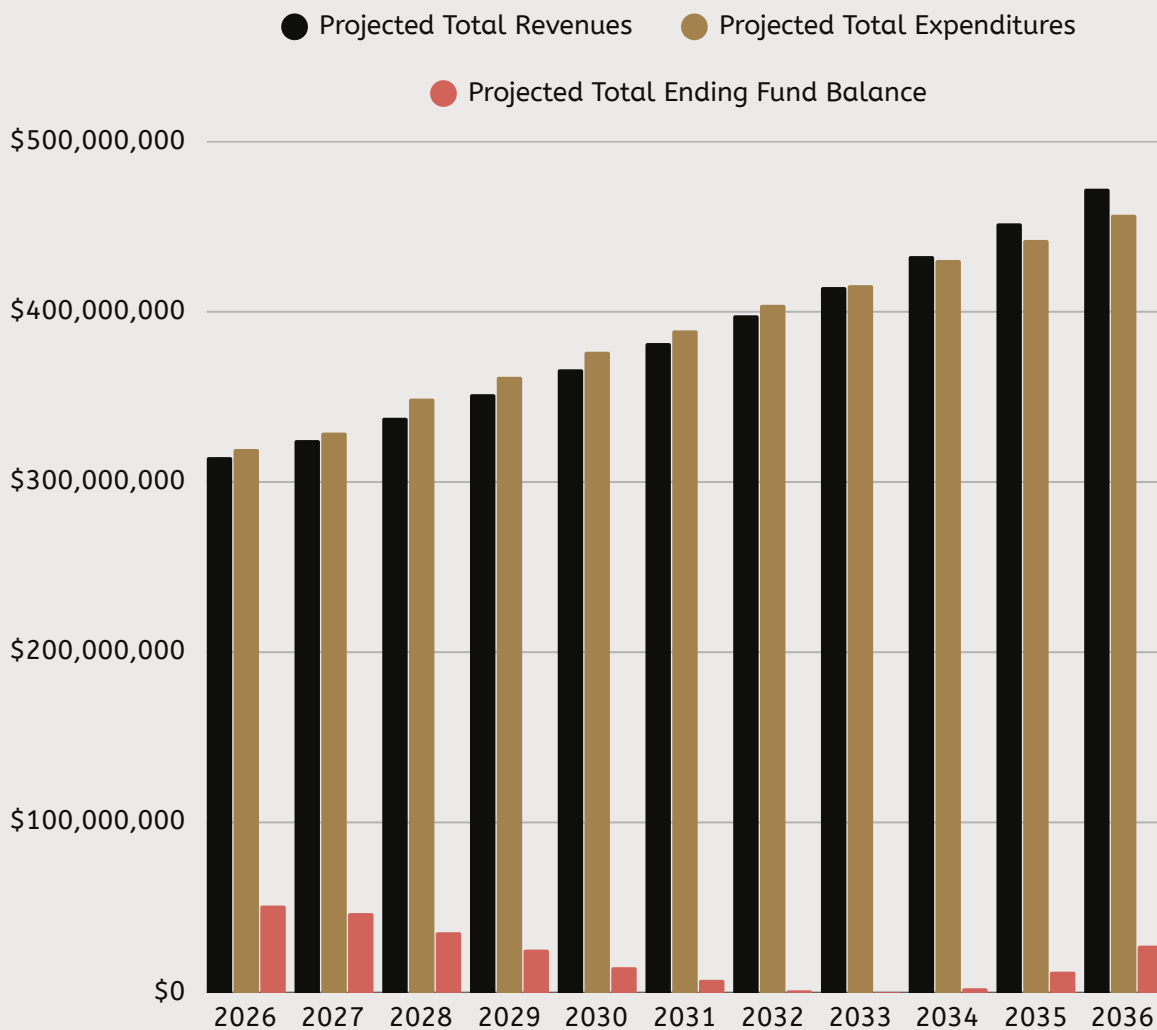
The primary operating fund of the City is the General Fund. At the end of the fiscal year presented, its unassigned fund balance was \$37.6 million, which was a decrease of 20.37% over the previous fiscal year. The lower fund balance is due to assigned fund balance increasing for amounts assigned for fiscal year 2026's anticipated budget deficit. As a result, the ending % of fund balance decreased from 17.95% in fiscal year 2024 to 13.73% for fiscal year 2025.

The City of Reno continues to maintain unappropriated fund balance in the General Fund each year with a goal of 8.3 - 25.0%. In 2020, the City of Reno received Coronavirus Aid, Relief, and Economic Security (CARES Act) funds that were assigned for future spending. These funds were spent the following year which created the fluctuations over these years. At the end of 2025, the City had assigned \$9.46 million to be used in the following year in anticipation of declining revenues.



\* Percent of Prior Year Expenditures is calculated as percentage of Unassigned Fund Balance compared to prior year actual expenses adjusted for Debt and Capital Outlay

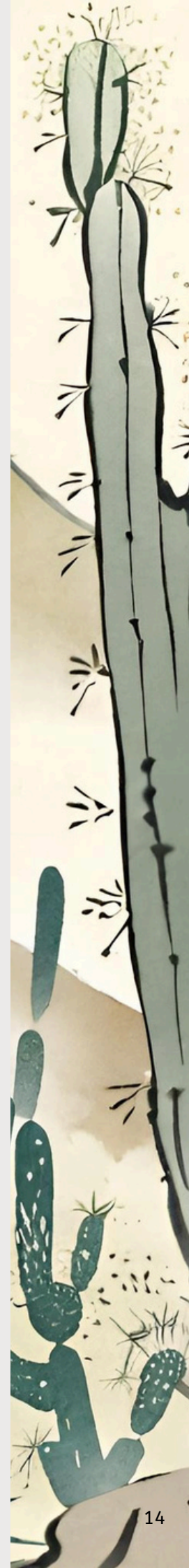
# GENERAL FUND 10-YEAR FORECAST



As part of a resilient budget strategy, two key financial planning tools have been developed. A ten-year financial forecast is maintained to better project future resource needs, identify areas of concern and adjust operating programs to meet available resources. Second, a 20+ year history is maintained that tracks significant data points that assist with future projections.

Although revenues have started to flatten over the past four years, the future is still uncertain. The influx of federal stimulus funds which bolstered revenues have almost all been spent. High inflation and market uncertainty are major concerns and the full impact is difficult to predict. Long-term planning that incorporates resilient budget practices is critical during uncertain economic times.

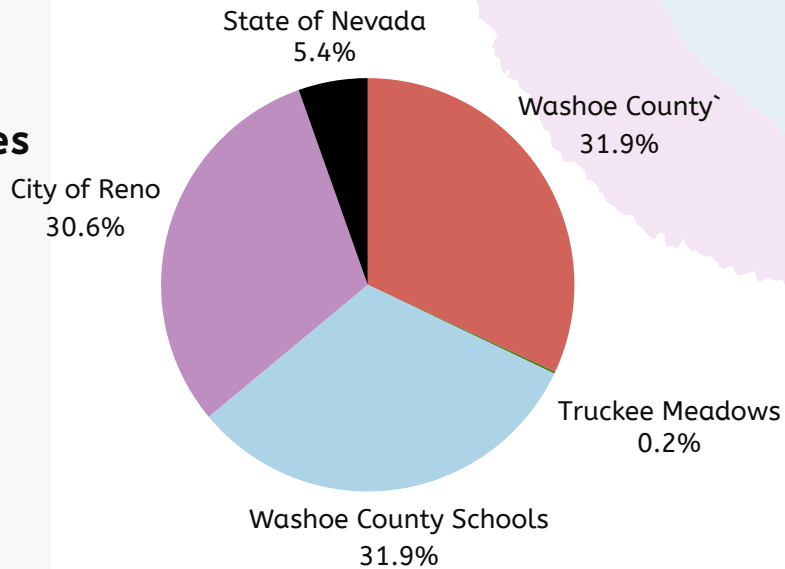
The City's Finance Department is continually reviewing current year activity to make adjustments throughout the year. This process makes the City's budget a living document that is continuously monitored and adjusted throughout the year.



# GENERAL FUND REVENUES

Consolidated Tax, or CTAX, and property taxes make up 59% of the revenues received in the General Fund for fiscal year 2025. CTAX revenues include sales and use taxes, cigarette and liquor 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.

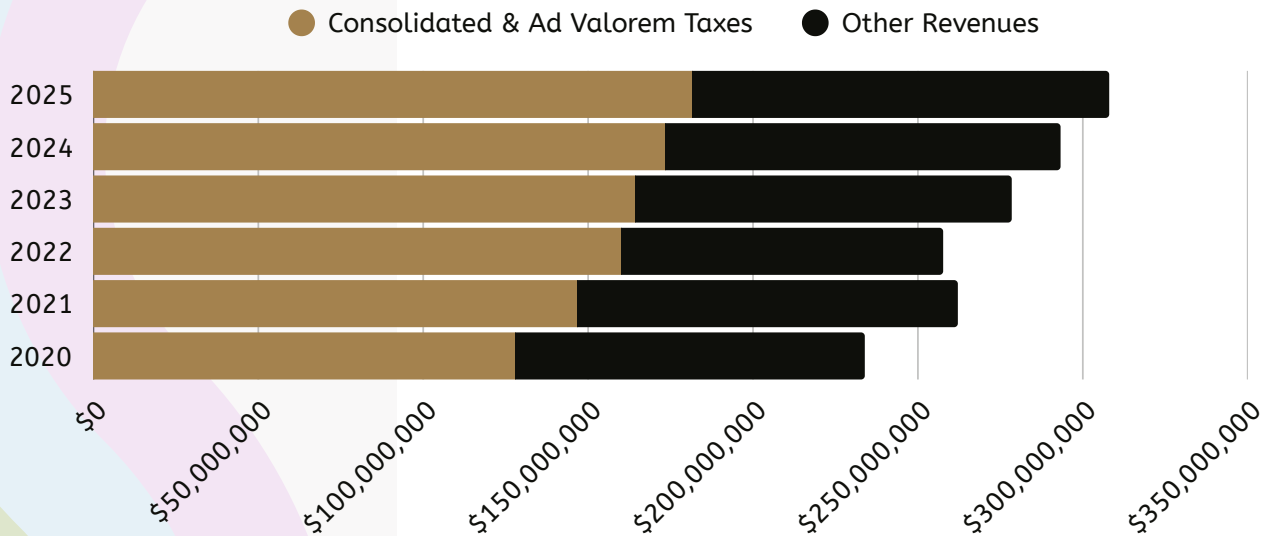
## Allocation of Ad Valorem Taxes



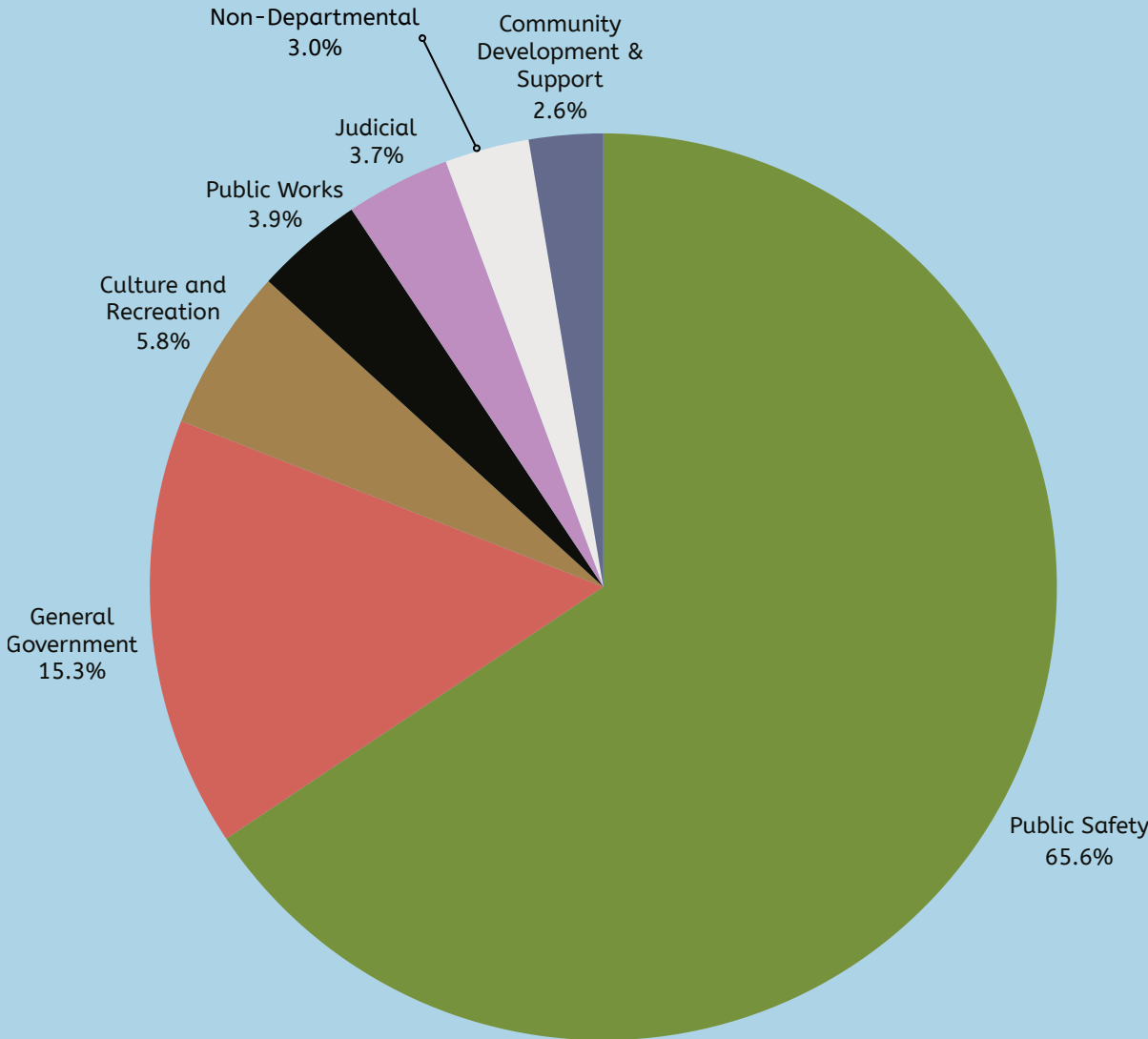
Property Tax, or Ad Valorem, is calculated as the maximum total overlapping tax rate. For the City of Reno, it is \$3.66 per \$100 of assessed valuation. By state law, real property is assessed at 35% of taxable value. The taxable value equals the replacement value of improvements, less depreciation, plus the market value of the land.

A portion of Ad Valorem also goes to the Street Fund, a special revenue fund, for neighborhood street maintenance as approved by the voters in 1994.

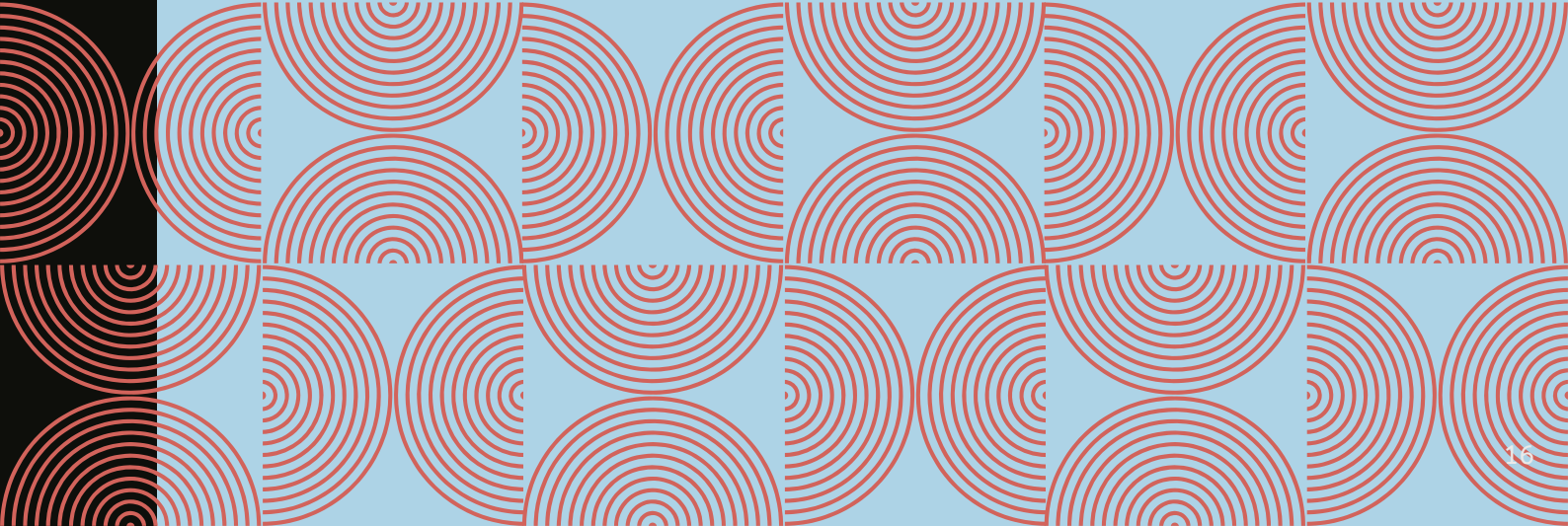
## General Fund



# GENERAL FUND EXPENSES



The City provides a full range of municipal services as established by statute and/or the City’s charter. These services include public safety (police, fire, dispatch, code enforcement, and building inspection), public works, public improvements, planning and zoning, community development, parks and recreation, and general administrative services. General administrative services (general government) include City Council, City Manager, City Clerk, City Attorney, Finance, Human Resources, Information Technology, and other administrative services necessary to keep the City operational. The largest general fund share of services provided is police, fire, and other public safety services.



# ENTERPRISE FUNDS

	<u>Sanitary Sewer</u>		<u>Building Permits</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Operating Revenues	\$ 93,899,664	\$ 87,935,707	\$ 10,596,555	\$ 9,643,376
Operating Expenses	<u>80,348,997</u>	<u>66,877,829</u>	<u>13,966,816</u>	<u>15,910,513</u>
Operating Income	13,550,667	21,047,878	(3,370,261)	(6,267,137)
Nonoperating Revenues (Expenses)	6,839,936	1,728,009	952,446	1,099,380
Capital Contributions	16,341,043	12,166,135	(34,401)	-
Transfers	<u>(112,000)</u>	<u>(112,000)</u>	-	-
Change in Net Position	\$ 36,619,646	\$ 34,830,022	\$ (2,452,216)	\$ (5,167,757)

## Sanitary Sewer Fund

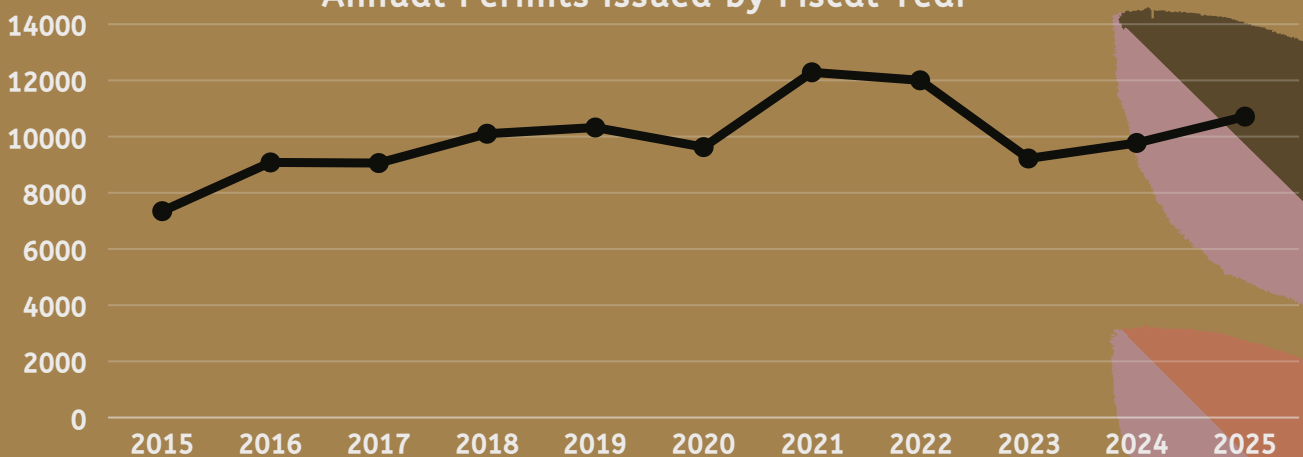
The sanitary sewer function is self-supporting, with program revenues exceeding operating expenses. This allowed the function to continue funding its capital needs without issuing any new debt in fiscal year 2025. Sewer connection fee revenue increased 43.84%, which shows connections are recovering from the slowdown in residential construction experienced in the prior year. Charges for services increased by 4.43% which contributed to the increase in net position. Sewer user fees increased during the current fiscal year due to a fee increase which went into effect on October 1st as well as additional new homes being built in the area.

## Building Permit Fund

The building permit function realized a 9.66% increase in the overall charges for services when compared to fiscal year 2024. The overall value of the permits decreased but the number of permits increased by 9.60%. The decrease in charges for services also relates to waived fees to promote low income housing. Expenses were 12.22% lower than the previous year due to staffing level changes to manage workloads and planning for lower revenues.

The City uses the number of building permits as a leading indicator to project future revenues. Building permits are a direct reflection of local economic trends.

Annual Permits Issued by Fiscal Year



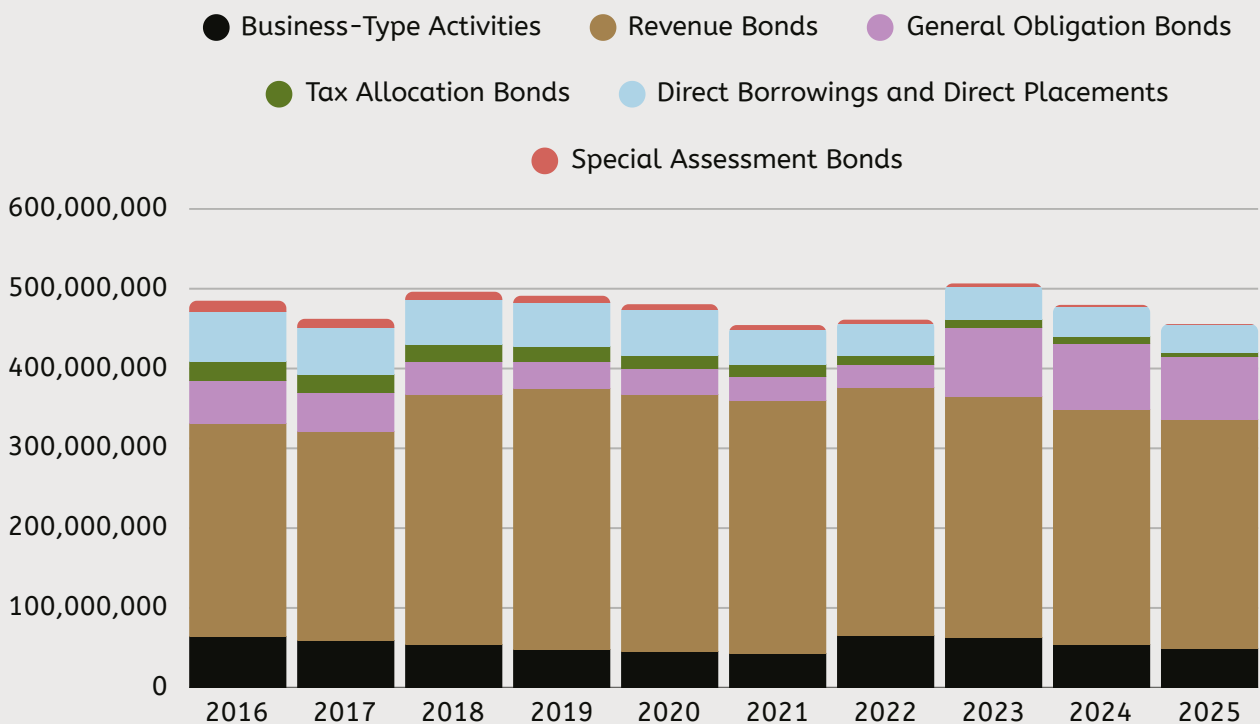
# CITY OF RENO DEBT

	Total Outstanding at June 30, 2025	Due Within On Year
<b>Governmental Activities</b>		
Tax Allocation Bonds	\$ 5,315,000	\$ 2,590,000
General Obligation Bonds	78,085,000	3,375,000
Revenue Bonds	286,900,937	3,595,000
Special Assessment Bonds	655,000	655,000
Direct Borrowing and Direct Placement	<u>35,360,467</u>	<u>6,173,512</u>
<b>Total Governmental Activities</b>	406,316,404	16,388,512
<b>Business-Type Activities</b>		
Direct Borrowing and Direct Placement	<u>49,478,989</u>	<u>3,249,367</u>
<b>Outstanding Debt</b>	455,795,393	19,637,879
Unamortized premiums and discounts	<u>10,655,915</u>	<u>-</u>
<b>Total Outstanding Debt</b>	\$ 466,451,308	\$ 19,637,879

Bonds and notes payable outstanding at June 30, 2025, totaled \$466.5 million, net of premiums and discounts, a 5.0% decrease when compared to the prior year. Debt for governmental activities represents 89.4% of total debt outstanding, with debt related to business type activities accounting for 10.6% of the total debt outstanding.

On June 30, 2025, the City had \$127.6 million of general obligation debt outstanding that is subject to the legal debt limit of \$2.11 billion.

The City maintains an Aa3 rating from Moody's and an AA- rating from Standard and Poor's for its non-Sewer related general obligation bonds. These ratings indicate the City is a safe investment for bond holders and has low credit risk for investors.



# WHAT IS THE CITY WORKING ON?

The City of Reno prepares a Capital Improvement Plan each year that is adjusted based on available funding and condition of facilities. Public Works, in conjunction with Maintenance & Operations, will evaluate and update facility conditions each year as part of the annual budget process. A complete Facilities Conditions Assessment (FCA) was published in fiscal year 2024 and takes into consideration aspects of safety & compliance, critical systems & infrastructure, interior & exterior conditions, code compliance & regulatory requirements, lifecycle cost analysis, functional performance, risk management, budget and the overall strategic goal of Reno City Council.

A facilities index report is also generated to evaluate the cost of maintenance compared to replacement for each facility. This is used to prioritize maintenance projects with a high index showing the cost of maintenance is beginning to match the cost of replacement.

*Amounts in thousands	2026	2027	2028	2029	2030	2031-2036
Governmental Funds						
Streets Special Revenue fund	14,144	15,052	15,665	15,365	15,265	73,610
HUD and State Grants	2,066	-	-	-	-	-
Courts	498	104	-	-	-	-
Redevelopment Agency	7,936	-	-	-	-	-
Public Works Capital Projects	3,900	49,276	9,846	13,091	6,649	24,344
Room Tax Surcharge	1,500	1,000	3,000	1,000	1,000	6,000
Park Districts	<u>1,270</u>	<u>955</u>	<u>1,410</u>	<u>3,317</u>	<u>10,170</u>	<u>94,363</u>
Total Governmental Funds	31,314	66,387	29,921	32,773	33,084	198,317
Business-type Funds						
Sanitary Sewer	<u>206,051</u>	<u>112,445</u>	<u>63,650</u>	<u>32,335</u>	<u>44,610</u>	<u>253,660</u>
Total	237,365	178,832	93,571	65,108	77,694	451,977
Government Funds						
Land	4,500	-	-	-	-	-
Buildings	1,000	21,000	1,000	1,000	-	1,000
Improvements other than buildings	9,470	26,998	9,277	13,679	17,019	120,707
Infrastructure	9,144	9,762	10,115	10,115	15,265	46,325
Machinery, equipment and software	500	2,362	3,324	2,204	-	-
Art and historical artifacts	100	-	-	-	-	-
Maintenance	<u>6,600</u>	<u>6,265</u>	<u>6,205</u>	<u>5,775</u>	<u>800</u>	<u>30,285</u>
Total Governmental Funds	31,314	66,387	29,921	32,773	33,084	198,317
Business-type Funds						
Buildings	163,426	1,000	1,000	1,000	2,000	-
Improvements other than buildings	<u>42,625</u>	<u>111,445</u>	<u>62,650</u>	<u>31,335</u>	<u>42,610</u>	<u>253,660</u>
Total Business-type Funds	<u>206,051</u>	<u>112,445</u>	<u>63,650</u>	<u>32,335</u>	<u>44,610</u>	<u>253,660</u>
Total	237,365	178,832	93,571	65,108	77,694	451,977

The Complete Capital Improvement Plan can be found on the City's Website at [Reno.gov/budget](https://reno.gov/budget)

# Glossary of Technical Terms

**Accrual Basis of Accounting:** Method of accounting in which revenues and expenses are recorded when they are earned or incurred, regardless of when cash is exchanged.

**Assets:** Resources owned or controlled by the City that have measurable value and are expected to provide future benefits. Examples: cash, investments, infrastructure, receivables.

**Deferred Outflows of Resources:** Consumption of net assets by the City that is applicable to a future reporting period. For example, pension contributions paid after the measurement date but before year-end.

**Deferred Inflows of Resources:** Acquisition of net assets by the City that is applicable to a future reporting period. Example: property taxes received in advance of the period they are levied for.

**Depreciation:** The systematic allocation of the cost of tangible assets (like buildings or vehicles) over their useful lives.

**Fiduciary Funds:** Funds used to account for resources held by the City in a trustee or agency capacity for others, e.g., pension funds or agency funds.

**Fund Balance:** The difference between a governmental fund's assets and liabilities. Categories include: nonspendable, restricted, committed, assigned, and unassigned.

**Governmental Funds:** Funds used to account for tax-supported activities, focusing on current inflows and outflows of financial resources.

**Internal Service Funds:** Funds used to account for services provided by one City department to other departments on a cost-reimbursement basis.

**Interfund Transfers:** Movements of resources between different City funds, often for operational or capital purposes.

**Liabilities:** Obligations of the City to transfer resources or provide services in the future as a result of past transactions. Examples: bonds payable, accounts payable, accrued payroll.

**Restricted Fund Balance:** Portion of fund balance that is legally restricted for a specific purpose by external authorities such as state law or bond covenants.

**Unassigned Fund Balance:** The portion of a governmental fund's balance that is available for spending at the City's discretion and not restricted, committed, or assigned.

**Net Position:** The difference between total assets plus deferred outflows and total liabilities plus deferred inflows in government-wide statements; divided into net investment in capital assets, restricted, and unrestricted.

**Operating Revenues:** Revenues derived from the primary activities of the City, such as taxes, fees, and charges for services.

**Other Financing Sources:** Resources other than revenues that increase fund balance, such as bond proceeds or transfers from other funds.

**Restricted Fund Balance/Net Position:** Portion of resources limited by external parties (e.g., bond covenants, grants, or laws) to specific purposes.

**Unassigned Fund Balance:** Portion of governmental fund balance available for spending at the City's discretion, not restricted, committed, or assigned.

**Variable Rate Debt:** Debt instruments with interest rates that adjust periodically based on market conditions.



# CITY OF RENO, NEVADA

Popular Annual Financial Report  
Fiscal Year Ended  
June 30, 2025

Full copies of the City's Annual  
Comprehensive Financial Report are  
available at [Reno.gov](https://reno.gov)

