

CITY COUNCIL

Robert A. Cashell, Mayor
Dan Gustin, Councilmember, Ward 1
Sharon Zadra, Councilmember, Ward 2
Jessica Sferrazza Councilmember, Ward 3
Dwight Dortch, Councilmember, Ward 4
Dave Aiazzi, Councilmember, Ward 5
Pierre Hascheff, 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
Dorothy Nash-Holmes, Judge
Kenneth Howard, Judge
William Gardner, Judge

Learn more about this year’s budget.

City Council Purpose, Vision, Values and Priorities	2
Why Does the City Prepare a Budget?	4
Revenue Overview	6
Expenditure Overview	7
The City Work Force	9
City Departments	10
Capital Improvement Plan	16
What is Anticipated?	17
Your Property Tax Dollar	20

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's Vision and Values

Our **PURPOSE** is to provide community-supported services and programs designed to assure the safety and well-being of all Reno's residents.

VISION:

Reno.. "The Biggest Little City in the World" ...the most livable of Nevada cities; the focus of culture, commerce, and tourist activity in Northern Nevada...a city where:

All residents have the opportunity to participate in community decisions.

A vibrant, diversified, economic environment is promoted.

Proactive, responsive, efficient and accountable governmental services are provided for all the people.

A healthy ecological environment is promoted.

Quality education is promoted.

A safe community is maintained.

Intergovernmental cooperation is promoted.

VALUES:

Respect: *To be respectful, cooperative, and inclusive in every contact.*

Responsibility: *To take individual responsibility to be ethical in improving City efficiency, effectiveness, and teamwork.*

Responsiveness: *To be responsive to residents' concerns and implement plans accordingly.*

Results: *To achieve timely, innovative, and tangible results in all City efforts.*

The Council's Vision reflects the type of community the City wishes to provide for its residents and visitors. The Values represent the standards of behavior expected of all City employees in the conduct of their duties. The Council's Goals represent the long-term guidelines the City will follow to ensure the Vision becomes reality. The City's programs are set up to meet certain Council Goals.

Each year, the Council identifies certain priorities which establish the programs and services funded for the fiscal year. These priorities may span fiscal years. The City Manager then selects a team to spearhead the City's efforts in meeting the Council's priority programs.

RENO CITY COUNCIL PRIORITIES 12/13

FINANCIAL MANAGEMENT

To create fiscal strategies that foster economic progress and stability.

- Develop a detailed plan to fund core services
- Develop an asset management approach.
- Develop a debt management plan that prioritizes various bonds and develops a consolidation plan.
- Construct a plan for liability funding and reserve replenishment.
- Reduce future employee liability.

ECONOMIC DEVELOPMENT

To include working with all regional partners in both public and private sectors.

PUBLIC SAFETY

To include core infrastructure, police and fire services such as the Virginia Street Bridge and automatic and mutual aid agreements.

ARTS, CULTURE AND SPECIAL EVENTS

To grow tourism base, preserve and enhance local events and support new quality special events.

SENIOR AND YOUTH SERVICES

To promote a community environment that supports Senior and Youth services.

ACCESSIBILITY

To identify and implement improvements for accessibility.

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 Assistant City Manager for the specific times of these meetings.

The City of Reno maintains a web site on the Internet to provide information and assistance to the community at large. We are at: www.cityofreno.com

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

REVENUE OVERVIEW:

**Summary of Resources
By Type and Fund**

Revenue Source	2010/111 Actual	2011/12 Projected	2012/13 Budgeted	% of Total
CITY OF RENO				
Charges for Services	93,967,242	103,605,736	99,264,881	29.6%
Property Taxes	60,723,272	57,380,344	56,776,507	16.9%
Licenses & Permits	36,618,475	40,196,880	41,165,801	12.3%
Intergovernmental	84,125,428	82,640,362	64,832,180	19.3%
Use of Fund Balance	836,777	20,173,755	31,369,034	9.3%
Miscellaneous & Other	71,347,530	45,760,473	28,627,101	8.5%
Other Taxes	7,658,908	7,992,694	7,972,694	2.4%
Fines and Forfeitures	5,450,380	6,615,153	5,828,740	1.7%
CITY OF RENO TOTAL	360,728,012	364,365,397	335,836,938	100.0%

State shared revenue include sales and use taxes, cigarette and liquor taxes, motor vehicle privilege and fuel taxes, and real property transfer taxes. These taxes have been brought together into a consolidated tax. They 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.

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.

Revenues by Fund Type Budgeted for 2012/13

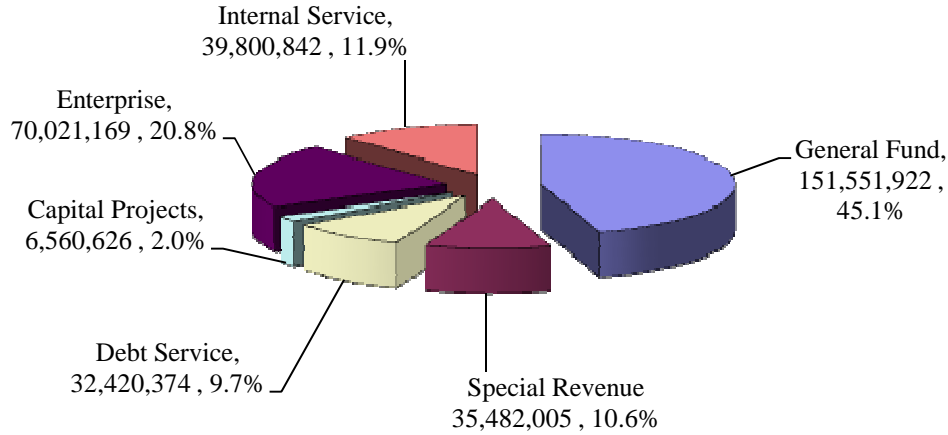
Revenue Source	General Fund	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Department Total
CITY OF RENO							
Charges for Services	12,153,530	200,000	-	1,900,000	48,899,354	36,111,997	99,264,881
Property Taxes	43,211,990	13,564,517	-	-	-	-	56,776,507
Licenses & Permits	40,808,801	102,000	-	-	255,000	-	41,165,801
Intergovernmental	45,480,460	8,714,720	8,924,500	712,500	-	1,000,000	64,832,180
Use of Fund Balance	2,140,475	6,841,323	1,746,534	2,033,893	16,597,075	2,009,734	31,369,034
Miscellaneous & Other	3,689,538	4,239,445	15,938,145	1,529,233	2,559,740	671,000	28,627,101
Other Taxes	-	1,800,000	5,787,694	385,000	-	-	7,972,694
Fines and Forfeitures	4,079,740	20,000	-	19,000	1,710,000	-	5,828,740
CITY OF RENO TOTAL	151,564,534	35,482,005	32,396,873	6,579,626	70,021,169	39,792,731	335,836,938

EXPENDITURE OVERVIEW:

**Summary of Expenses
By Department and Budgeted by Fund**

Expenditure Source	2010/11 Actual	2011/12 Projected	2012/13 Budgeted	% of Total
CITY OF RENO				
City Council	1,381,300	1,381,300	2,126,795	0.6%
City Clerk	1,274,559	997,602	885,249	0.3%
City Manager	3,730,548	3,975,590	5,110,849	1.5%
Finance	2,548,232	2,005,570	2,295,666	0.7%
City Attorney	6,200,632	5,730,334	5,967,853	1.8%
Human Resources	32,358,756	31,614,359	32,455,082	9.7%
Civil Service	243,814	245,824	246,913	0.1%
Community Development	6,581,243	6,613,881	6,545,914	1.9%
Community Resources	7,403,731	5,198,249	6,968,449	2.1%
Technology	8,125,269	8,993,506	9,729,480	2.9%
Police	58,516,610	54,500,126	53,757,193	16.0%
Fire	44,817,794	42,838,500	29,803,450	8.9%
Municipal Court	7,004,346	7,559,248	6,306,984	1.9%
Public Works (including capital projects)	80,339,358	103,334,301	95,305,945	28.4%
Parks, Recreation & Community Services	13,198,214	11,442,328	10,297,791	3.1%
Non-Departmental	87,045,308	77,934,679	68,033,325	20.3%
CITY OF RENO TOTAL	360,769,714	364,365,397	335,836,938	100%

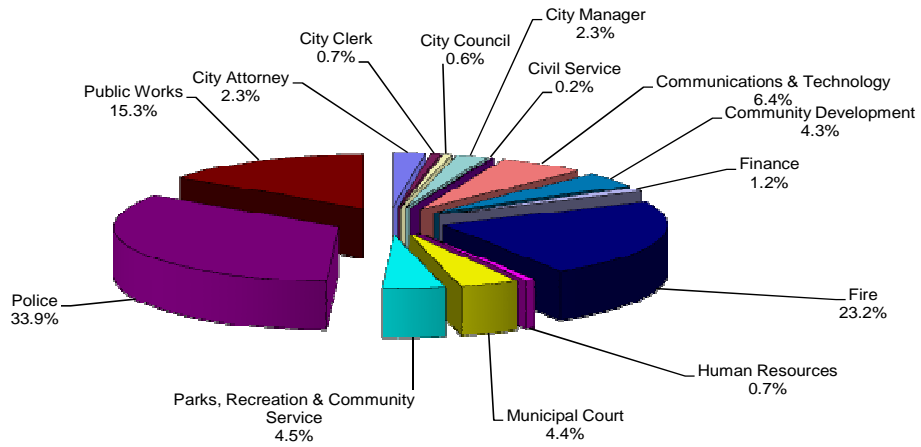
**All Expenses by Fund
\$335,836,938**



Expenditures by Fund Type Budgeted for 2012/13

Expenditure Source	General Fund	Special Revenue	Debt Service	Capital Projects	Enterprise	Internal Service	Department Total
CITY OF RENO							
City Council	1,466,115	483,623	-	-	-	-	1,949,738
City Clerk	885,249	-	-	-	-	-	885,249
City Manager	5,110,849	-	-	-	-	-	5,110,849
Finance	1,402,855	-	-	-	892,811	-	2,295,666
City Attorney	3,386,954	-	-	-	-	2,580,899	5,967,853
Human Resources	1,665,422	-	-	-	-	30,789,660	32,455,082
Civil Service	246,913	-	-	-	-	-	246,913
Community Development	3,093,325	-	-	-	3,452,589	-	6,545,914
Community Resources	-	6,968,449	-	-	-	-	6,968,449
Technology	9,729,480	-	-	-	-	-	9,729,480
Police	53,757,193	-	-	-	-	-	53,757,193
Fire	29,803,450	-	-	-	-	-	29,803,450
Municipal Court	6,041,984	265,000	-	-	-	-	6,306,984
Public Works (including capital projects)	4,693,772	19,073,795	-	6,210,995	59,101,268	6,422,172	95,502,002
Parks, Recreation & Community Services	10,021,630	-	-	276,161	-	-	10,297,791
Non-Departmental	20,259,343	8,691,138	32,396,873	92,470	6,574,501	-	68,014,325
CITY OF RENO TOTAL	151,564,534	35,482,005	32,396,873	6,579,626	70,021,169	39,792,731	335,836,938

**City of Reno - Workforce by Department
Total 1,107.50 Funded FTE's**



CITY DEPARTMENT	#FUNDED EMPLOYEES
City Attorney	25.50
City Clerk	8.00
City Council	7.00
City Manager	25.00
Civil Service	2.00
Communications & Technology	71.00
Community Development	48.00
Finance	13.00
Fire	257.00
Human Resources	8.00
Municipal Court	48.50
Parks, Recreation & Community Service	50.00
Police	375.50
Public Works	169.00
Total	1,107.50

CITY DEPARTMENTS

CITY ATTORNEY

BUDGET \$5,967,853

John Kadlic, City Attorney

Issues for this year:

1. City-Wide fiscal constraints have resulted in reduced budget and fewer staff. We will strive to maintain an economical full service legal office for the City of Reno by providing quality transactional and administrative legal services, and aggressive defense of litigation matters.
2. Continue to develop and implement processes and procedures related to the electronic dissemination of discovery to members of the private attorneys representing defendants in the Reno Municipal Court.
3. Continue to effectively investigate and effectively prosecute criminal cases in the Reno Municipal Court give budgetary issues and limitations.

CITY CLERK

BUDGET \$885,249

Lynnette Jones, City Clerk

Issues for this year:

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

CITY COUNCIL

BUDGET \$1,949,738

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

CITY MANAGER

BUDGET \$5,110,849

Andrew Clinger, City Manager

Issues for this year:

1. Administration – Under Council direction maintain core functions of local government in the new economic environment.
2. Administration – Continually monitor economic conditions to determine any needs to amend or change the budget, and provide oversight to departments in maintaining budget cutbacks.
3. Council Priorities – Assure attainment of the priorities set out by the City Council by providing clear direction and leadership to operating departments.

CIVIL SERVICE

BUDGET \$246,913

Ric Bailey, Chief Examiner

Issues for this year:

1. As budget reductions necessitate, implement a fair, accurate and compassionate proves for Reduction-In-Force (RIF).
2. Develop strategies for replacing funded vacancies particularly for promotional positions with valid and defensible procedures with significant costs reductions.

COMMUNICATIONS AND TECHNOLOGY

Budget \$9,729,480

Robert Chisel, Finance Director

Issues for this year:

1. Evaluate all unused personal computers, laptops, and IP phones around the city to ensure proper utilization.
2. Continue customer service focus: reuse, renew and repurpose computer hardware and software to ensure maximum efficiency and return on investment.
3. Given current budget constraints, focus on innovative solutions using existing resources.
4. Ensure the City's technology and emergency dispatch environment remains secure, viable and relevant.

COMMUNITY DEVELOPMENT

BUDGET \$6,545,914

Fred Turnier, Community Development Director

Issues for this year:

1. Utilize staff trained to provide customer service at counters (i.e, building and business license) and staff trained for field work (i.e., combination building inspectors, code enforcement officers and business license revenue officers) to back-up each other due to reduced staffing levels in all areas.
2. Continued cross training and efficient use of remaining staff to meet required time frames and level of thoroughness in the entitlement, improvement and storm water plan review process, as well as storm water/public improvement inspections, with reduced manpower
3. Streamline building inspection and permitting process to allow online permits and better use of computer systems for field use.

FINANCE DEPARTMENT
Robert Chisel, Finance Director

BUDGET \$2,295,666

Issues for this year:

1. Close monitoring of all dept service with restructuring initiated when economically feasible.
2. Enhance collection efforts in all areas, including parking tickets, code enforcement, sewer billing, etc.
3. Maintain current service levels in various divisions to cover functions affected by unfunded vacancies and Reductions-In Force

FIRE

Michael Hernandez, Fire Chief

BUDGET \$29,803,450

Issues for this year:

1. Adjust strategies to 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.
2. Research and develop funding strategies for the replacement and remodeling of aging stations (40 plus years old).
3. Improve the consistency of data collection throughout the Divisions of the Fire Department; focus on partnering with the Communications and Technology Department and Dispatch to secure consistent data reporting including run times, types of calls, etc

HUMAN RESOURCES

Renee Rungis, Human Resources Director

BUDGET \$32,455,082

Issues for this year:

1. Maintain a high level of responsiveness with a reduced budget and fewer staff.
2. Initiate negotiations for employee organization bargaining units with open contracts.
3. Collaborate with stakeholder groups to identify enhancements to leadership development program, succession planning and process improvement and refinement program to more efficiently implement service programs.

MUNICIPAL COURT**BUDGET** \$6,306,984

Cassandra Jackson, Court Administrator

Issues for this year:

1. Maintain current service levels with reduced funding and staff.
2. Implement indigent defense plan (screening and reimbursement for court-ordered attorneys).
3. Establish on-line reporting system and ongoing training for counseling, educational and employment service providers to improve the image of the Court in the community raise the quality of services provided and reduce the criminal recidivism rate.
4. Execute plan for electronic filing and warrants in order to streamline business processes, reallocate the saved resources to the enforcement of court orders (increase accountability) and reduce criminal recidivism rate. In order of priority; therapeutic and educational counseling orders, employment of probationers, community service and monetary penalties.

PARKS, RECREATION AND COMMUNITY SERVICES**BUDGET** \$10,297,791

Julee Conway, Parks, Recreation, and Community Services Director

Issues for this year:

1. Realign reduced department resources to meet Parks & Recreation core services...
2. Implementation of the 2008 Recreation Facilities Plan, including identified energy conservation related rehabilitation projects, as resources are identified.
3. Support department's Board & Commission members to enhance communication and cooperation between groups.
4. Continue to develop alternative revenue sources to support priority services and projects.

POLICE**BUDGET** \$53,757,193

Steve Pitts, Police Chief

Issues for this year:

1. Maintain focus on street gang drug trafficking.
2. Focus on reducing the availability of illegal prescription drugs through community education, drop off events, enforcement and training.
3. Attempt to limit the service impacts directly related to budget reductions.
4. Continual update and review of the Tactical Crime Analysis Report (TCAR) to be able to find the best way to get information to officers in the field.
5. Continue the fight against drug addiction in our communities and provide community presentations on meth and other drugs.

6. Complete review of alternative response options and present to neighborhood advisory groups.
7. Maintain current response times.
8. Continue searching for grant opportunities to enhance public safety.

PUBLIC WORKS

BUDGET \$95,502,002

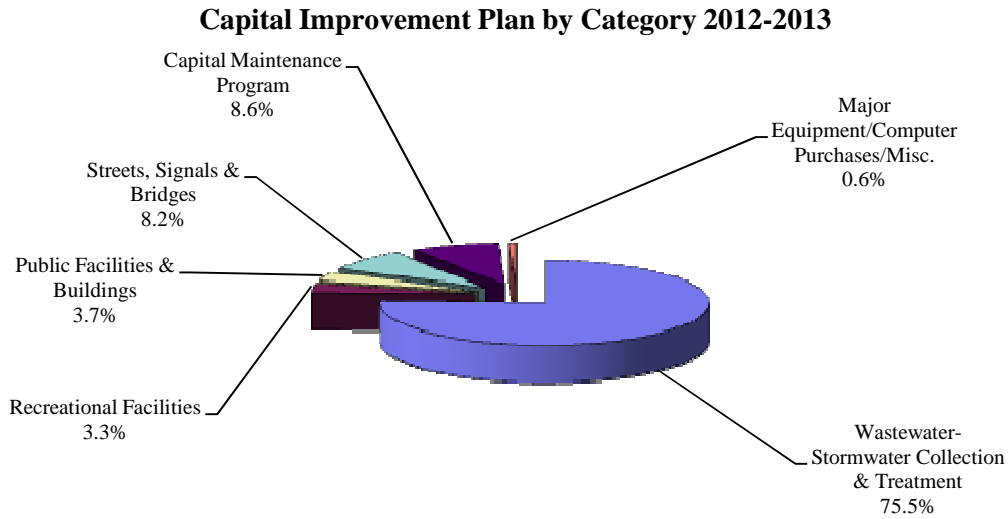
John Flansberg, Public Works Director

Issues for this year:

1. Continue work to replace the Virginia Street Bridge in preparation of an early Truckee River Action (TRAction) project... .
2. Reassess programs and service levels due to ongoing budget and resource reductions.

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	3,500,000
Special Ad Valorem Capital Tax	0
Street Fund	2,657,798
Sewer Fund	26,809,140
Community Development Block Grants	250,000
City Capital Projects Fund	0
Motor Vehicle Fund	1,000,000
Room Tax	50,000
Park Construction Tax	1,225,600

Expenses by Function

Wastewater-Stormwater Collection & Treatment	26,809,140
Recreational Facilities	1,170,000
Public Facilities & Buildings	1,325,600
Streets, Signals & Bridges	2,907,798
Capital Maintenance Program	3,055,000
Major Equipment/Computer Purchases/Misc.	225,000
Downtown Projects	0

Total	35,492,538
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Total	35,492,538
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Some examples of the above capital improvements are noted below:

●Street Reconstruction and Rehabilitation	\$2,187,798
●Neighborhood Revitalization Program	\$200,000
●Vehicle Replacement Program	\$1,000,000
●Various Sewer Projects	\$26,629,140

A complete listing of all Capital Improvement Projects can be found in the 2012/13 Adopted Budget and a complete listing of the 20-year Capital Improvement Program projects can be found in the Budgeted Capital Improvement Plan 2012/2032.

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 2012/13 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 \$400,000 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 \$2.9 million stabilization fund and the unreserved fund balance is retained in the General Fund of \$6 million or 4% of ongoing expenditures, in accordance with N.R.S. requirements as well as the City's General Fund Reserve policy set by the City Council.

The adopted General Fund budget for FY 2012/13 is \$157.6 million. This budget addresses the basic service needs of the community and fits within the policy parameters set by the City Council.

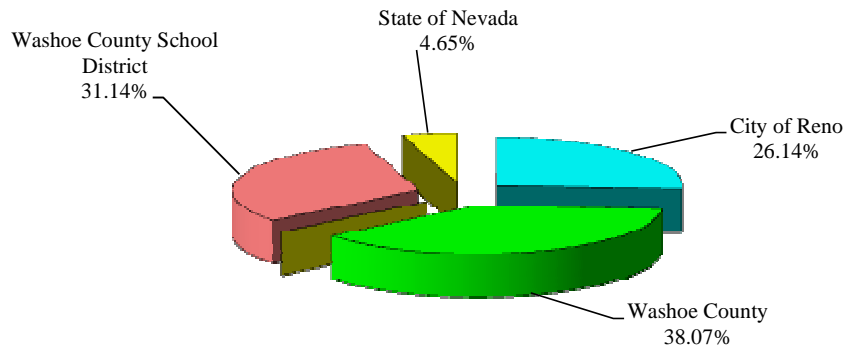
Staff will continue to be trained with the skills and abilities to meet the demands of the community. Staff will continue to be encouraged and given the necessary resources to enable them to excel in their work.

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.

YOUR PROPERTY TAX DOLLAR

The total overlapping tax rate for 2012/13 (subject to approval by the Nevada Tax Commission) for the City of Reno is \$3.66 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 x 35%) and the home owner will pay approximately \$1,921 in property taxes (\$52,500/100 x 3.66). The City of Reno will only receive about \$504 of that amount. The rest will go to other governmental agencies.

PROPERTY TAX DISTRIBUTION



The Tax Rates are noted below:

Taxing Agency	Tax Rates 2012/2013	Tax Rates 2011/2012	Tax Rates 2010/2011
City of Reno Property Tax	0.9598	0.9456	0.9456
County Tax Rate	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
Combined Special District Tax	0	0	0
Total Tax Rate:	3.66	3.6458	3.6458