

City of Reno

# Budget-in-Brief

Fiscal Year 2017



**CITY COUNCIL**

Hillary Schieve, Mayor  
Jenny Brekhus, Councilmember, Ward 1  
Naomi Duerr, Councilmember, Ward 2  
Oscar Delgado, Councilmember, Ward 3  
Paul Mckenzie, Councilmember, Ward 4  
Neoma Jardon, Councilmember, Ward 5  
David Bobzien, Councilmember, At-Large

**APPOINTED BY CITY COUNCIL:**

**CITY MANAGER**  
Andrew Clinger

**CITY CLERK**  
Ashley Turney

**OTHER ELECTED OFFICIALS**

Karl Hall, City Attorney  
Gene Drakulich, Judge  
Kenneth Howard, Judge  
Dorothy Nash-Holmes, Judge  
William Gardner, Judge

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Welcome to the City of Reno’s “Budget-in-Brief”, a general overview of where tax dollars and other revenue are derived, as well as how and why these dollars are spent.

The City of Reno maintains a website to provide information and assistance to the community at large at [www.reno.gov](http://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. The City Council meets 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.

**The purpose and desired outcomes of the City of Reno FY16-17 Strategic Plan are:**

**Provide clear, strong direction** that Council and staff adhere to and that connects with the community

**Manage** the City - focusing funding, resources and effort to prioritized items

**Create a vision and mission** that is inspiring, tangible, actionable and resonates with employees

**Create clear, achievable priorities** supported with performance measures that show attainment

**Vision**

We are a vibrant university town known for our outdoor activities, arts and culture, and innovative industries.

**Mission**

Creating a community that people are proud to call home.

**Priorities**

- Strong Financial Condition
- Well-Managed Growth
- Thriving Downtown and University District
- Vibrant Neighborhoods and Public Places
- Efficient and Dependable Business Environment

**WHY DOES THE CITY PREPARE A BUDGET?**

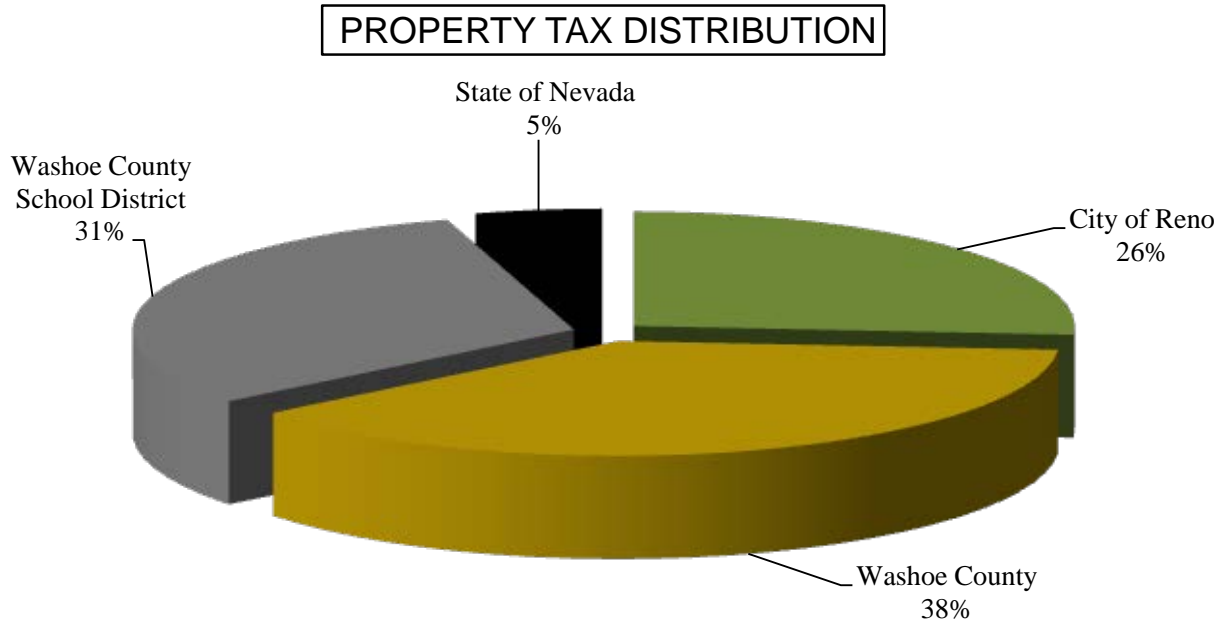
A budget serves many purposes:

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 provides.
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 Finance Department for the specific times of these meetings.

## Your Property Tax Dollar

The total overlapping tax rate for 2016/2017 (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 ( $\$150,000 \times 35\%$ ) 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
	FY14	FY15	FY16
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
<b>Total Tax Rate:</b>	<b>3.66</b>	<b>3.66</b>	<b>3.66</b>

## 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 table.

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.

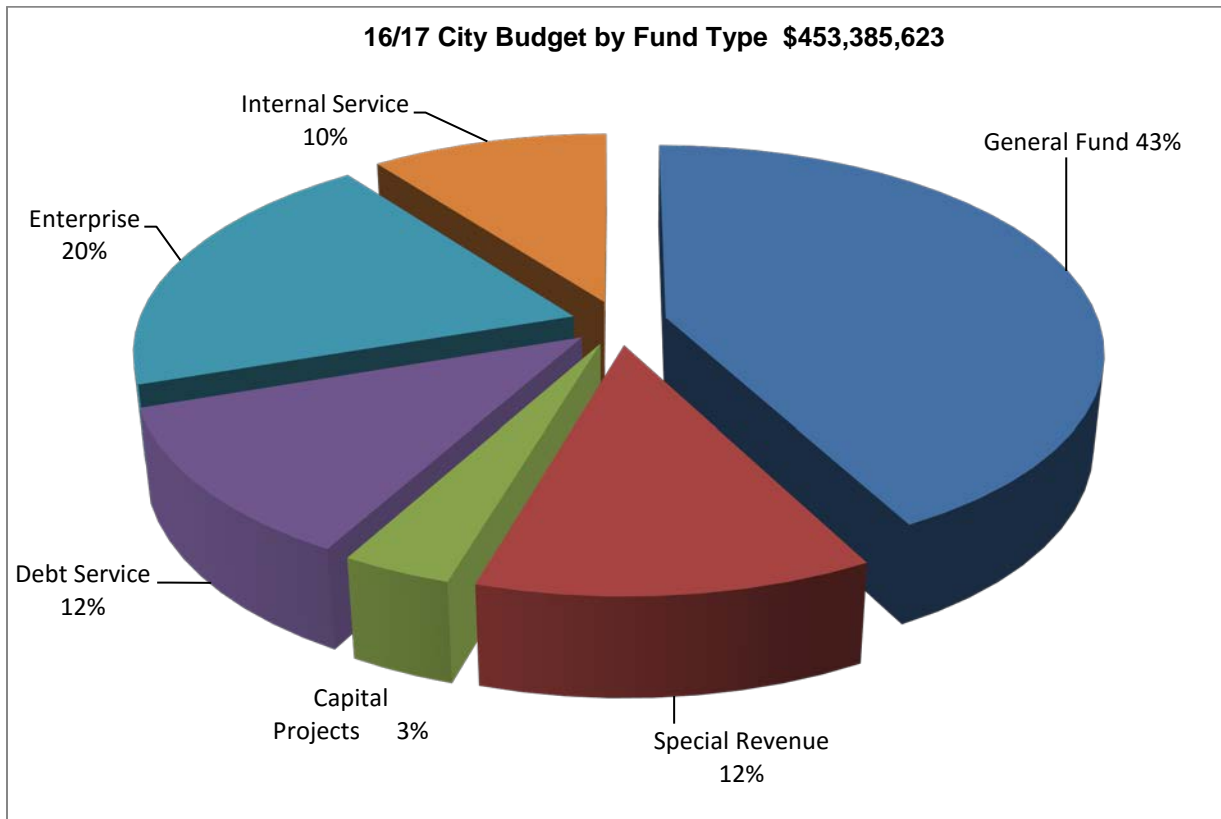
City staff reviews the State's projections and evaluates local conditions, including building permits, sewer fees, franchises and other economic data to determine conservative realistic projections. State shared revenues are primarily accounted for in the General Fund although the Street Special Revenue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

**CITY OF RENO, NEVADA**  
**Summary of Resources & Expenditures**

**ALL FUNDS**

**FY 07/08 to FY 16/17**

	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Est. Actual	Budget
<b>RESOURCES</b>										
Charges for Services	79,579,813	76,173,274	89,088,309	93,967,242	101,298,338	108,839,372	112,759,842	125,540,100	127,394,898	131,649,248
Property Taxes	62,492,592	66,603,822	65,257,207	60,723,272	57,676,413	56,103,389	55,593,439	56,974,290	60,245,445	62,170,778
Licenses and Permits	36,955,394	35,651,935	37,472,232	36,618,475	38,298,129	44,294,459	45,485,945	49,364,140	50,337,233	50,343,529
Intergovernmental	97,929,411	95,241,213	86,980,481	84,125,428	85,241,218	84,061,216	86,082,311	85,980,508	106,558,113	87,378,954
Miscellaneous & Other	314,767,522	174,691,022	71,094,933	71,347,530	46,744,178	32,720,905	125,451,247	51,390,686	31,610,921	24,233,506
Other Taxes	10,491,879	8,351,992	7,971,193	7,658,908	7,565,982	8,761,171	8,791,459	9,980,712	9,552,000	8,907,184
Fines and Forfeits	5,884,898	6,014,145	6,008,069	5,450,380	5,365,097	5,813,580	6,377,839	5,441,238	3,747,225	3,520,245
Beginning Fund Balance	89,076,797	68,473,013	97,294,703	75,719,099	67,702,891	52,081,238	48,316,572	64,733,077	80,505,631	71,078,179
Use of Net Assets Proprietary Funds	11,577,161	-	-	-	-	1,091,925	12,536,664	4,779,189	5,027,763	14,104,000
<b>TOTAL RESOURCES</b>	<b>708,755,467</b>	<b>531,200,416</b>	<b>461,167,127</b>	<b>435,610,334</b>	<b>409,892,246</b>	<b>393,767,255</b>	<b>501,395,318</b>	<b>454,183,940</b>	<b>474,979,229</b>	<b>453,385,623</b>
<b>EXPENDITURES</b>										
City Council	1,812,687	1,533,129	1,496,016	1,381,300	1,638,340	1,816,797	1,501,690	1,688,532	2,482,150	1,991,906
City Clerk	1,562,369	1,422,232	1,431,257	1,274,559	1,018,989	942,677	898,146	880,853	927,016	997,628
City Manager	6,299,571	5,969,291	4,341,279	3,730,548	3,798,142	4,522,354	4,098,129	4,623,470	5,570,431	6,556,772
Finance	3,420,504	3,216,696	3,377,669	2,548,232	1,946,420	2,101,400	2,240,393	2,272,745	3,135,609	3,189,467
City Attorney	5,715,041	5,067,389	5,803,505	6,200,632	4,625,633	7,349,076	2,785,831	4,182,483	5,695,299	5,786,242
Human Resources	25,003,690	5,760,972	22,145,886	32,358,756	30,267,036	30,902,680	32,227,622	39,183,989	36,745,510	39,578,507
Civil Service	349,455	359,296	312,183	243,814	237,949	273,355	257,849	315,932	465,566	397,802
Community Development	18,023,137	19,877,378	19,462,314	13,984,974	12,893,583	14,472,550	15,922,180	15,190,906	20,164,342	18,483,346
Police	61,429,593	60,100,486	61,559,704	58,516,610	53,550,122	55,235,552	54,788,775	56,612,817	63,436,392	62,456,501
Fire	60,617,613	54,361,655	51,590,089	44,817,794	43,930,550	41,008,087	42,111,118	40,622,245	43,994,019	43,224,791
Municipal Court	6,631,426	7,293,751	7,011,359	7,004,346	6,646,472	6,931,295	6,521,204	6,298,950	7,427,684	6,955,037
Public Works (including capital projects)	135,246,780	95,872,787	80,700,325	80,339,358	81,470,060	74,447,671	91,433,447	83,416,221	118,747,425	107,184,330
Parks, Recreation, and Community Services	20,068,131	20,626,455	18,890,619	13,198,214	10,943,177	11,707,492	10,142,777	9,738,828	15,309,572	12,470,578
Communications & Technology	12,878,282	11,738,586	11,909,277	8,125,269	8,817,365	9,758,275	9,727,114	9,737,546	11,400,496	11,843,810
Non-Departmental	281,224,175	121,217,210	93,270,036	87,045,308	78,086,207	66,508,743	158,844,979	86,923,246	66,806,673	70,014,077
Increase in Net Assets Proprietary Funds	-	19,488,400	2,146,510	7,137,729	17,944,628	10,013,020	3,160,987	11,989,541	1,592,866	386,730
Ending Fund Balance	68,473,013	97,294,703	75,719,099	67,702,891	52,077,573	55,776,231	64,733,077	80,505,636	71,078,179	61,868,099
<b>TOTAL EXPENDITURES</b>	<b>708,755,467</b>	<b>531,200,416</b>	<b>461,167,127</b>	<b>435,610,334</b>	<b>409,892,246</b>	<b>393,767,255</b>	<b>501,395,318</b>	<b>454,183,940</b>	<b>474,979,229</b>	<b>453,385,623</b>



## **Fund Types**

### **General Fund**

This fund is 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**

Special Revenue Funds are used to account for specific resources that are restricted by law or policy to expenditures for a particular purpose.

### **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 proprietary or trust funds.

### **Enterprise Funds**

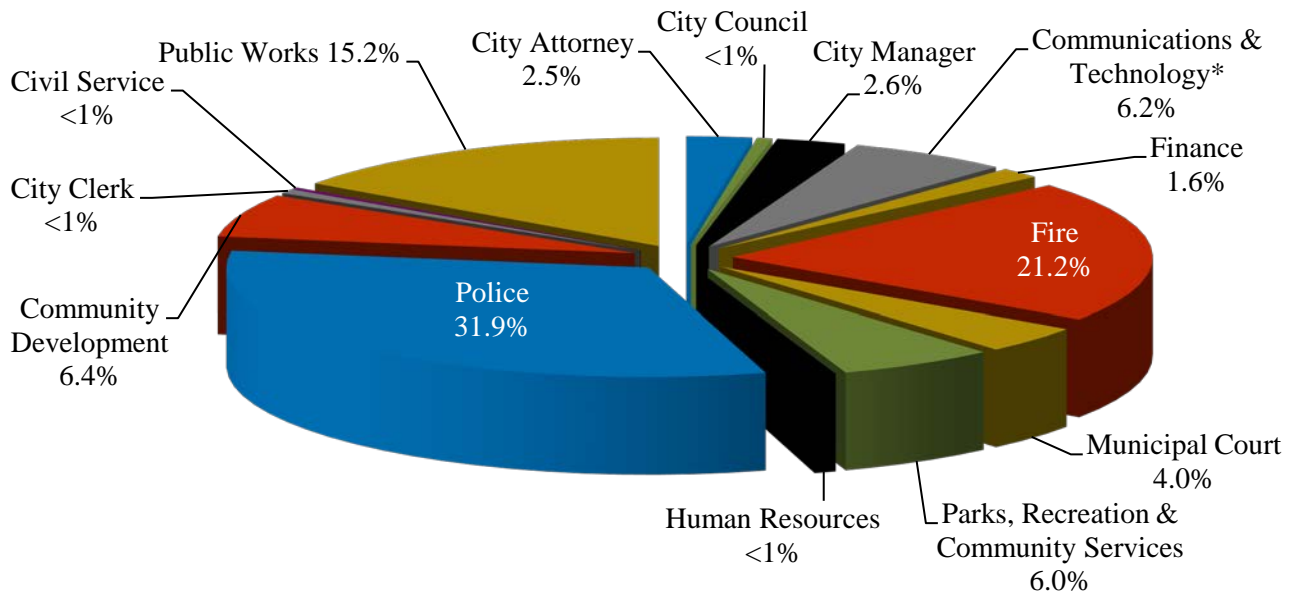
Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that the costs of providing service are recovered primarily through user charges.

### **Internal Service Funds**

Internal Service Funds are used to account for the financing of goods or services provided by one department to another department on a cost-reimbursement basis.

# City of Reno Workforce

City of Reno - Workforce by Department  
Total 1,199 Funded FTE's



CITY DEPARTMENT	# of FUNDED EMPLOYEES	% of Total
City Attorney	30.0	2.5%
City Council	7.0	0.6%
City Manager	31.8	2.6%
Communications & Technology*	74.0	6.2%
Finance	19.0	1.6%
Fire	254.0	21.2%
Municipal Court	48.0	4.0%
Parks, Recreation & Community Services	72.3	6.0%
Human Resources	10.0	0.8%
Police	383.0	31.9%
Community Development	77.0	6.4%
City Clerk	8.0	0.7%
Civil Service	3.0	0.3%
Public Works	182.0	15.2%
<b>Total</b>	<b>1,199.0</b>	<b>100.0%</b>

\* Includes Dispatch

## **CITY DEPARTMENTS**

### **CITY ATTORNEY**

Karl Hall - City Attorney

**BUDGET** 5,786,242

#### **Major Issues and Strategies for Fiscal Year 2016/2017**

1. Provide legal support City Clerk's initiative to revise and update City's records retention schedules.
2. Conduct in-house training on various areas of municipal law.
3. Update Title 18, specifically: general procedures, appeals, adult business uses, and sign code.
4. Aggressively prosecute driving while under the influence (DUI) cases.
5. Aggressively prosecute domestic violence cases.
6. Aggressively prosecute graffiti and nuisance cases.

### **CITY COUNCIL**

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

**BUDGET** 1,991,906

### **CITY MANAGER**

Andrew Clinger - City Manager

**BUDGET** 6,556,772

#### **Major Issues and Strategies for Fiscal Year 2016/2017**

1. Implement an effective and meaningful Strategic Plan to guide data-driven decision making in alignment with Council priorities and other City initiatives.
2. Continue to emphasize arts, culture, and special events in the City Manager's Office.
3. Develop initiatives that foster a culture of innovation and problem solving by City of Reno employees.
4. Develop a strategic management system that clearly communicates team objectives and provides feedback on results and progress.
5. Develop Sustainability case studies, write blogs, and increase Sustainability and Climate web visits and email alert subscribers.
6. Identify additional arts funding.
7. Identify and secure additional resources for video services
8. Identify and secure resources for Latino Outreach.

### **INFORMATION TECHNOLOGY**

Robert Chisel – Director of Finance & Administration

**BUDGET** 5,650,708

#### **Major Issues and Strategies for Fiscal Year 2016/2017**

1. Evaluate and implement a transfer of the payroll system from ADP to New World Systems.
2. Upgrade Accela software to achieve more efficiencies in business licensing, planning and compliance.
3. Evaluate the Network Infrastructure for the City to ensure effective and efficient nodes of communication are available.
4. Provide streamlined processes and methodologies for the delivery of GIS data for mapping and reporting needs.
5. Determine modernized processes and policies to deliver IT support and services.



**FINANCE DEPARTMENT**

**BUDGET \$3,189,467**

Robert Chisel - Director of Finance & Administration

**Major Issues and Strategies for Fiscal Year 2016/2017**

1. Finalize an extension of the Letter of Credit on the Events Center Tax-Exempt Revenue Refunding Bonds, Series 2005A (expires 8/30/16).
2. Close monitoring of all debt service with restructuring initiated when economically feasible, including preparation of annual debt management report and updated policy.
3. Continue monitoring economic conditions with constant review of revenues and expenditures to determine budget amendments.
4. Continue enhanced collection efforts in all areas, including parking tickets, code enforcement, sewer billing, etc.

**FIRE**

**BUDGET \$43,224,791**

David Cochran - Fire Chief

**Major Issues and Strategies for Fiscal Year 2016/2017**

1. Expand Advanced Life Support (ALS) medical program by adding additional paramedic apparatus to serve the citizens of Reno.
2. Continue to support the community by providing the best service possible from 911 emergency response to fire prevention and community outreach.

**MUNICIPAL COURT**

**BUDGET \$6,955,037**

Steve Tuttle - Court Administrator

**Major Issues and Strategies for Fiscal Year 2016/2017**

1. Provide complete and consistent on-the-job training of two new judges with the retirements in November of 2016, of the Honorable William Gardner and the Honorable Kenneth Howard.
2. Refine the strategies and procedures to identify criminal defendants that would significantly benefit from participating in one of four specialty court programs.
3. Utilizing a limited budget, continue to effectively serve the growing population of specialty court participants.
4. Set up and standardize workflow and processes of in-house drug testing lab.

**PARKS, RECREATION & COMMUNITY SERVICES**

**BUDGET \$12,470,578**

Andrew Bass - Parks, Recreation, & Community Services Director

**Major Issues and Strategies for Fiscal Year 2016/2017**

1. Determine the future of Sky Tavern.
2. Negotiate the Reno Youth Sports Association Agreement.
3. Facilitate Pat Baker Park Improvements.
4. Enhance the Pesticide Free Parks Program.
5. Construction impact at Rosewood Lakes Golf Course.
6. Negotiate joint agreement with Washoe County for athletic fields at North Valleys Regional Park.

## **HUMAN RESOURCES**

**BUDGET** \$39,578,507

Kelly Leerman - Human Resources Director

### **Major Issues and Strategies for Fiscal Year 2016/2017**

1. Implement strategies to address escalating health plan costs, especially related to OPEB.
2. Implement a time-keeping and payroll transition plan from ADP to New World Systems to improve the current payroll process as it relates to employee satisfaction, financial analytics, HR analytics and administration of City policies.
3. Articulate the diversity and inclusion strategy City-wide with established goals and measurements.
4. Drive strategic staffing initiatives to include a City-wide Intern Program, collaboration with Civil Service and analytics around the retirement/replacement process.

## **POLICE**

**BUDGET** \$62,456,501

Jason Soto - Police Chief

### **Major Issues and Strategies for Fiscal Year 2016/2017**

1. Deployment of the Downtown Walking Team.
2. Mandated use of body worn cameras.
3. Keeping up with technology to combat cybercrime.
4. Potential rescission of forfeiture funds.

## **COMMUNITY DEVELOPMENT**

**BUDGET** \$18,483,346

Aric Jensen - Community Development Director

### **Major Issues and Strategies for Fiscal Year 2016/2017**

1. Maintain high standards of service and fiscal accountability during periods of economic uncertainty.
2. Implement new motel inspection program with minimum standards for Single Room Occupancies.
3. Re-establish public education program to prevent code violations by attending Neighborhood Advisory Board meetings on a regular basis.
4. With key staff retiring, recruit and train new staff able to maintain high standards for regulatory and program requirements.
5. Maintain effectiveness and compliance in light of revised HUD rules and regulations pertaining to HOME and CDBG programs.
6. With staffing in place, train staff and implement necessary processes and procedures to implement and provide ongoing support to Quality Assurance and SWPP programs.
7. Increase the Planning staff from three to eight to support the increase of development and the enhanced focus on community outreach. This will require substantial time investment for training and mentoring by existing staff.
8. Implementation of new Regional Business License and Permits Program software to further enhance the goal of shared services and one-stop shopping for our customers. The new Accela Civic Platform will require additional funds and staff time for training, public outreach and education. This program will streamline the region's licensing and permitting process resulting in long-term cost reductions and processing efficiencies for customers and City staff.

**CITY CLERK**

**BUDGET \$997,628**

Ashley Turney - City Clerk

**Major Issues and Strategies for Fiscal Year 2016/2017**

1. Implement public records request software.
2. Implement electronic voting for Council meetings.
3. Implement archive management software to provide updated, current and digitized records.

**CIVIL SERVICE**

**BUDGET \$397,802**

Ric Bailey - Chief Examiner

**Major Issues and Strategies for Fiscal Year 2016/2017**

1. Train department users how to use the online requisition process and create and send template emails for the Neogov On-line Hiring Center.
2. Continue efforts to move more standard operations online and go paperless for documents currently in hard copy.
3. Create and Update Civil Service training guides and Job Analysis for hiring managers.

**PUBLIC SAFETY DISPATCH**

**BUDGET \$6,193.102**

Robert Chisel – Director of Finance & Administration

**Major Issues and Strategies for Fiscal Year 2016/2017**

1. Constant overtime burden on staff.
2. Filling vacant positions and becoming fully staffed.
3. Reduction of overtime.
4. Implement upgrade to new public safety radio terminals.

**PUBLIC WORKS**

**BUDGET \$107,184,330**

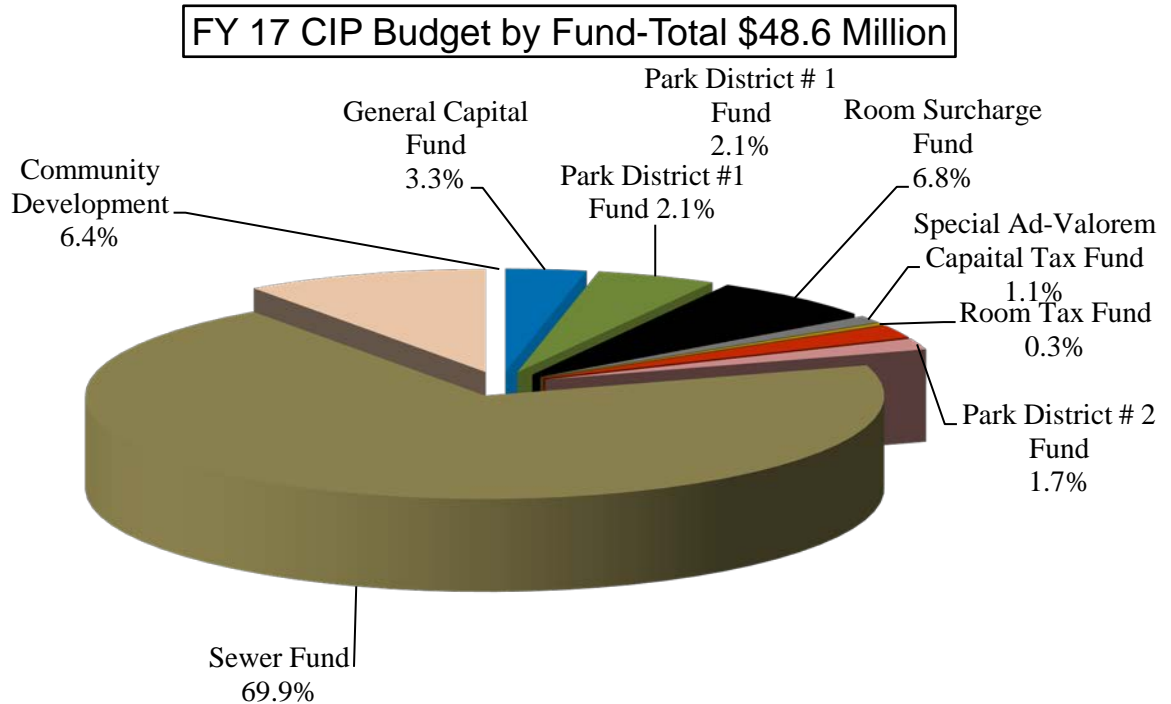
John Flansberg - Public Works Director

**Major Issues and Strategies for Fiscal Year 2016/2017**

1. 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).
2. Update the City of Reno Americans with Disabilities Act (ADA) transition plan including City facilities and City right-of-way.
3. Plan for effluent management and disposal.
4. Optimize use of on-street parking in and around the UNR Residential Parking Districts.
5. Develop bridge inspection and maintenance program.
6. Create a succession plan for key Public Works positions.

## 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.



A complete listing of all Capital Improvement Projects can be found in the FY 2016/2017 Adopted Budget and a complete listing of the 10-year Capital Improvement Plan projects can be found in the 2016/17 - 2026/27 Capital Improvement Plan.

### 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 2016/2017, 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 \$2.1 million stabilization fund and the unreserved fund balance in the General Fund is \$12.6 million or 7% 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 2016/2017 is \$191.7 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 the 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.