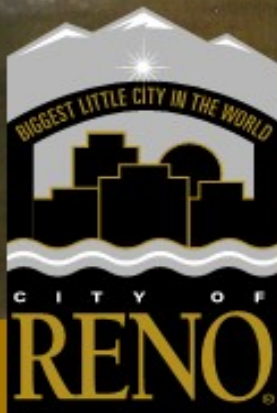


City of Reno **BUDGET-IN-BRIEF**

Fiscal Year 2018



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

Sabra Newby

CITY CLERK

Ashley Turney

OTHER ELECTED OFFICIALS

Karl Hall, City Attorney
Gene Drakulich, Judge
Shelly T. O'Neill, Judge
Dorthy Nash Holmes, Judge
Tammy M. Riggs, Judge

Table of Contents

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
Expenses & Fund Types 5
City of Reno Workforce 6
City Departments 7
Capital Improvement Plan 11
What is Anticipated? 11
Management Priorities 12

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.

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

CITY COUNCIL VISION, MISSION, & PRIORITIES

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 FY17-18 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?

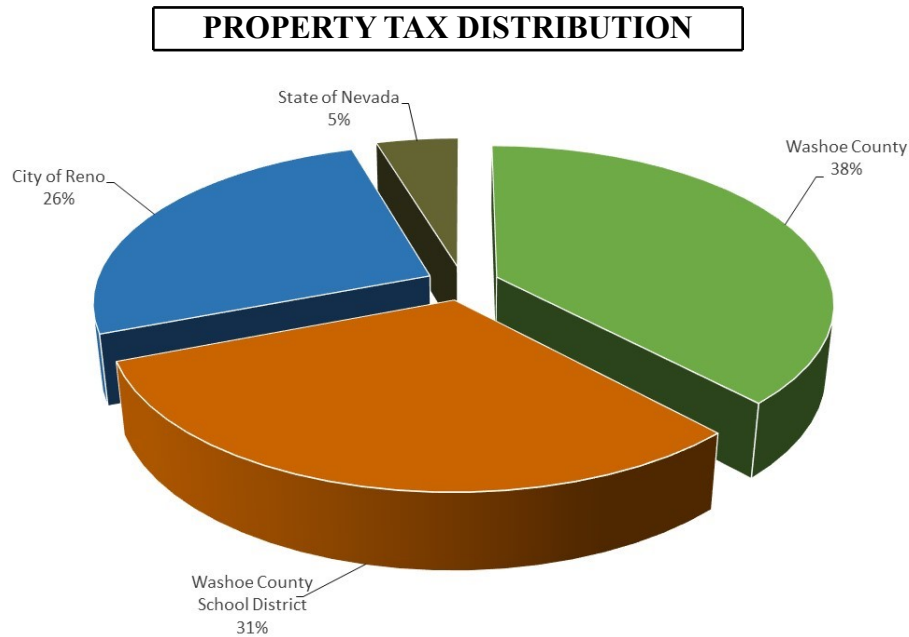
A budget serves many purposes:

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 2017/2018 (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. This revenue is included in Property Taxes on the next page.



Taxing Agency	Tax Rates		Tax Rates
	FY16	FY17	FY18
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	0.1700	0.1700	0.1700
Total Tax Rate:	3.660	3.660	3.660

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 8.265%, 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.

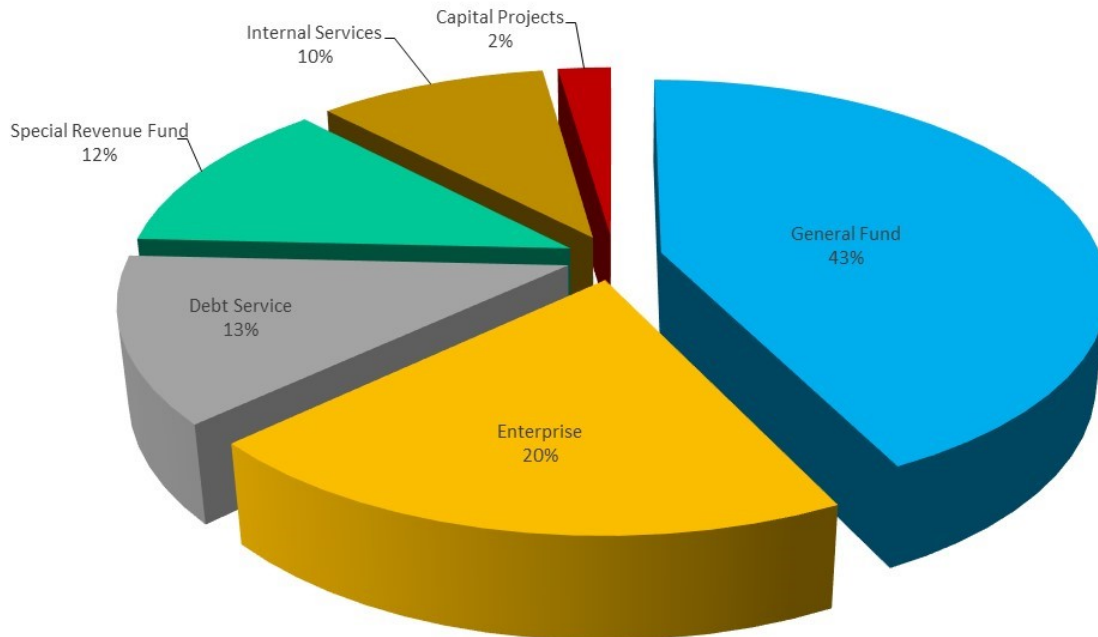
City staff reviews the State's projections and evaluates local conditions, including building permits, sewer fees, franchises and other economic data to determine conservative realistic projections. State shared revenues are primarily accounted for in the General Fund although the Street Special Revenue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

CITY OF RENO, NEVADA
Summary of Sources & Uses
ALL FUNDS
FY09 to FY18

	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Projected	Budget
SOURCES										
Charges for Services	76,173,274	89,088,309	93,967,242	101,298,338	108,839,372	112,759,842	125,540,100	125,722,014	131,848,700	130,229,377
Property Taxes	66,603,822	65,257,207	60,723,272	57,676,413	56,103,389	55,593,439	56,974,290	60,605,859	61,493,046	63,589,476
Licenses and Permits	35,651,935	37,472,232	36,618,475	38,298,129	44,294,459	45,485,945	49,364,140	49,855,015	48,100,888	48,641,041
Intergovernmental	95,241,213	86,980,481	84,125,428	85,241,218	84,061,216	86,082,311	85,980,508	101,383,832	95,057,065	94,003,620
Miscellaneous & Other	174,691,022	71,094,933	71,347,530	46,744,178	32,720,905	125,451,247	51,390,686	32,811,992	41,443,337	26,205,684
Other Taxes	8,351,992	7,971,193	7,658,908	7,565,982	8,761,171	8,791,459	9,980,712	10,672,001	11,288,492	9,985,000
Fines and Forfeits	6,014,145	6,008,069	5,450,380	5,365,097	5,813,580	6,377,839	5,441,238	4,313,044	3,866,310	3,448,346
Beginning Fund Balance	68,473,013	97,294,703	75,719,099	67,702,891	52,081,238	48,316,572	64,733,077	80,505,634	91,880,236	67,889,518
Use of Net Assets Proprietary Funds	—	—	—	—	1,091,925	12,536,664	4,779,189	—	33,294,379	14,038,717
TOTAL SOURCES	531,200,416	461,167,127	435,610,334	409,892,246	393,767,255	501,395,318	454,183,940	465,869,391	518,272,453	458,030,779
EXPENDITURES										
City Council	1,533,129	1,496,016	1,381,300	1,638,340	1,816,797	1,501,690	1,688,532	1,769,540	2,377,416	2,474,179
City Attorney	5,067,389	5,803,505	6,200,632	4,625,633	7,349,076	2,785,831	4,182,483	4,628,499	6,772,522	6,642,932
City Clerk	1,422,232	1,431,257	1,274,559	1,018,989	942,677	898,146	880,853	839,152	994,646	1,062,994
City Manager	5,969,291	4,341,279	3,730,548	3,798,142	4,522,354	4,098,129	4,623,470	5,029,504	6,487,796	6,669,453
Civil Service	359,296	312,183	243,814	237,949	273,355	257,849	315,932	445,852	422,824	440,001
Community Development	19,877,378	19,462,314	13,984,974	12,893,583	14,472,550	15,922,180	15,190,906	17,590,298	23,556,806	20,263,126
Finance	3,216,696	3,377,669	2,548,232	1,946,420	2,101,400	2,240,393	2,272,745	2,800,665	3,116,825	3,542,807
Fire	54,361,655	51,590,089	44,817,794	43,930,550	41,008,087	42,111,118	40,622,245	44,578,281	46,557,204	47,042,175
Human Resources	5,760,972	22,145,886	32,358,756	30,267,036	30,902,680	32,227,622	39,183,989	37,707,295	38,002,063	37,870,915
Information Technology	11,738,586	11,909,277	2,137,043	3,497,800	4,322,450	4,516,884	4,629,104	4,856,440	5,174,410	5,369,229
Municipal Court	7,293,751	7,011,359	7,004,346	6,646,472	6,931,295	6,521,204	6,298,950	6,841,405	7,525,384	7,305,999
Parks, Recreation, & Community Serv	20,626,455	18,890,619	13,198,214	10,943,177	11,707,492	10,142,777	9,738,828	12,079,032	16,353,669	13,046,879
Police	60,100,486	61,559,704	58,516,610	53,550,122	55,235,552	54,788,775	56,612,817	59,575,700	63,899,626	65,538,036
Public Safety Dispatch			5,988,226	5,319,565	5,435,825	5,210,230	5,108,442	5,373,523	5,759,198	6,664,421
Public Works (including capital projects)	95,872,787	80,700,325	80,339,358	81,470,060	74,447,671	91,433,447	83,416,221	105,837,489	149,417,403	113,598,964
Non-Departmental	121,217,210	93,270,036	87,045,308	78,086,207	66,508,743	158,844,979	86,923,246	61,288,144	73,965,143	61,154,090
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	2,748,336	—	—
Ending Fund Balance	97,294,703	75,719,099	67,702,891	52,077,573	55,776,231	64,733,077	80,505,636	91,880,236	67,889,518	59,344,579
TOTAL EXPENDITURES	531,200,416	461,167,127	435,610,334	409,892,246	393,767,255	501,395,318	454,183,940	465,869,391	518,272,453	458,030,779

17/18 City Budget by Fund Type

Total: \$458,030,779



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

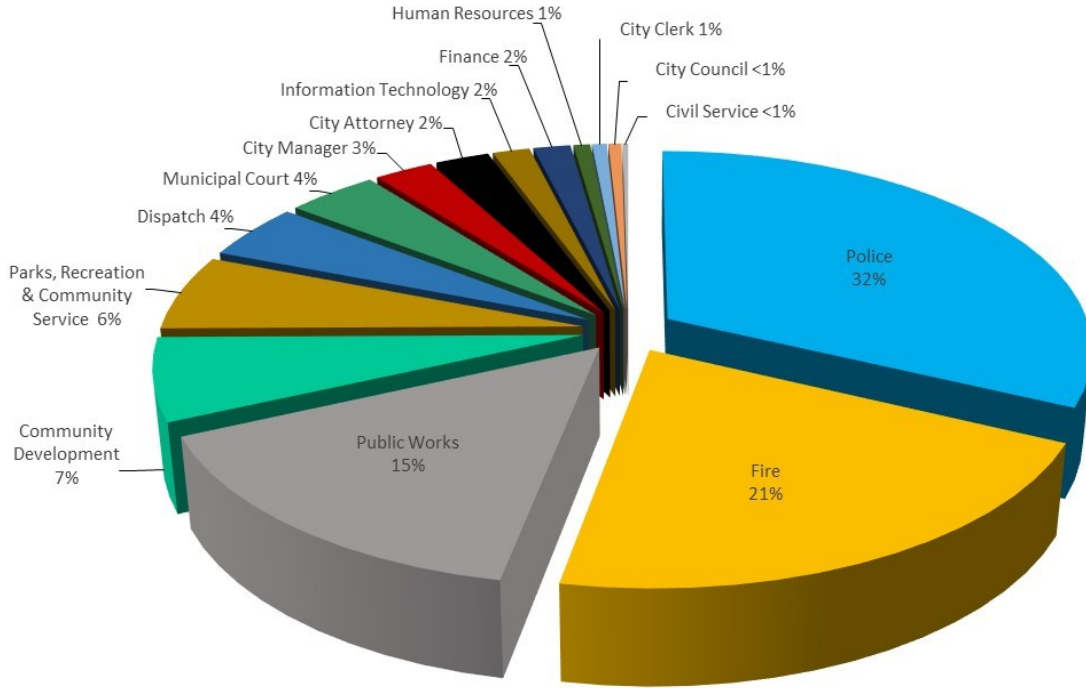
Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent is that the costs of providing service are recovered primarily through user charges.

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

FTE's by Department Total: 1,216 Funded FTE's



City Department	# of Funded Employees
City Council	7.00
City Attorney	29.00
City Clerk	8.00
City Manager	31.75
Civil Service	3.00
Community Development	80.85
Finance	20.00
Fire	254.00
Human Resources	9.00
Information Technology	20.00
Municipal Court	49.00
Parks, Recreation & Community	74.25
Police	390.50
Public Safety Dispatch	55.00
Public Works	184.90
Total	1,216.25

CITY DEPARTMENTS

CITY COUNCIL

BUDGET \$2,474,179

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

CITY ATTORNEY

BUDGET \$6,642,932

Karl Hall - City Attorney

Major Issues and Strategies for Fiscal Year 2017/2018

1. Provide legal support for 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 CLERK

BUDGET \$1,062,994

Ashley Turney - City Clerk

Major Issues and Strategies for Fiscal Year 2017/2018

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.

CITY MANAGER

BUDGET \$6,669,453

Sabra Newby - City Manager

Major Issues and Strategies for Fiscal Year 2017/2018

1. Continue to support and expand the City's emphasis on arts, culture, and events in the City Manager's Office.
2. Community based diversity and human rights issue identification and relationship development.
3. Continue review and update of City policy and procedures.
4. Develop initiatives that foster a culture of innovation and problem solving by City of Reno employees.
5. Develop Sustainability case studies, write blogs, and increase Sustainability and Climate web visits and email alert subscribers.
6. Permit events of high quality and benefit for both local emphasis and tourism generation.
7. Identify additional arts funding to grow the public art presence community-wide.
8. Continue to find innovative ways to identify and secure additional resources for video services, which is primarily outsourced.
9. Analyze all 983 Reno.gov web pages and develop content strategy and rewrite/reorganize content. Ensure website meets accessibility standards.
10. Create second edition of *Reno Lens* book to be used in conjunction with Reno 150 sesquicentennial celebration, culminating with May 9, 2018 celebration in downtown Reno.
11. Work with the Special Events Subcommittee of the Reno City Council to implement a Bar/Pub Crawl Policy that is business friendly and also addresses safety concerns from the Reno Police Department and Reno Fire Department.
12. The last Cultural Master Plan was updated in 2012. The Commission and Mayor want to see the City conduct a public outreach for arts and culture strategic 3-5 year plan.
13. Include input from all executive management and City Council in the annual audit planning process based on identified risks and organizational strategies.
14. Continue to develop an organizational structure to support internal audit's analytical strategy.
15. Develop resources to support the City's Sustainability and Climate initiative and implementation of identified priorities.

CIVIL SERVICE (CS)

BUDGET \$440,001

Ric Bailey - Chief Examiner

Major Issues and Strategies for Fiscal Year 2017/2018

1. Conduct community interpersonal outreach to assist in further applicant diversity and inclusion.
2. Train departments on the services, processes, and procedures CS provides, including how to use the online requisition process, interviewing and selecting from candidate referral lists, and how to create and send automated template emails to candidates.
3. Create and disseminate resources and guides to departments to provide resources to assist with working with CS processes.
4. Work with the Office of Communications to develop employment branding and to enhance our hiring social media strategies.
5. Research and implement the most contemporary and automated best practices in employee recruitment and assessment.

COMMUNITY DEVELOPMENT

BUDGET \$20,263,126

Aric Jensen - Community Development Director

Major Issues and Strategies for Fiscal Year 2017/2018

1. Implement the regional permit (Accela) program including training of all employees in division.
2. Move forward with implementation and mandate of electronic document review (EDR). Goal to have 90% EDR by end of FY 2018/19.
3. Implement new motel inspection program with minimum standards for single room occupancies.
4. Re-establish public education program to prevent code violations, include attending Neighborhood Advisory Board meetings on a regular basis.
5. Establish priorities to keep up with needed enforcement as market growth places additional demand on limited staff.
6. Restructure the division, add and train new staff able to maintain high standards for regulatory and program requirements.
7. Continue to develop and maintain good relations with major funders, especially HUD and state housing division.
8. Maintain a balance between effectiveness and compliance in the programs managed especially as rules and regulations are being revised.
9. Develop and implement an extremely low income affordable housing project with wrap around services.
10. Manage engineering staff to allow for faster review of proposed subdivisions and better inspections of infrastructure.
11. Train staff and implement necessary processes and procedures to implement and provide ongoing support to quality assurance and SWPPP programs.
12. Manage planning staff to support historic preservation, new development, and an enhanced focus on community outreach. This will require substantial time investment for training and mentorship of all staff members.
13. Conduct and complete a comprehensive revision of Title 18, the Reno City Zoning Ordinance.
14. 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 streamline the region's licensing and permitting process resulting in long-term cost reductions and processing efficiencies for customers and City staff.

FINANCE DEPARTMENT

BUDGET \$3,542,807

Robert Chisel - Director of Finance & Administration

Major Issues and Strategies for Fiscal Year 2017/2018

1. Begin negotiations for the extension of the Letter of Credit on the ReTrac 2008A Senior Lien Sales Tax Revenue Refunding Bonds (expires 6/2/18).
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 \$47,042,175

David Cochran - Fire Chief

Major Issues and Strategies for Fiscal Year 2017/2018

1. Expand our Advanced Life Support (ALS)/Paramedic medical program by adding additional paramedic apparatus in 2017 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.
3. Continue to develop and research funding strategies and grant opportunities for the replacement of apparatus and the remodeling/replacement of aging fire stations.

HUMAN RESOURCES

BUDGET \$37,870,915

Kelly Leerman - Human Resources Director

Major Issues and Strategies for Fiscal Year 2017/2018

1. City-wide and departmental policies need to be defined, documented (including accountability and enforcement roles) and trained for at every level.
2. A new classification and compensation study is needed to guide our compensation strategy on this side of the Great Downturn. This creates the foundation for all of our pay practices, supports recruiting and workforce planning and provides the analytics for the negotiation of all of our collective bargaining agreements.
3. Drive strategic staffing initiatives to include a City-wide Intern Program, collaboration with Civil Service and analytics around the retirement/replacement process.
4. Leadership training based on the City of Reno's values, policies and collective bargaining agreements must be delivered effectively. The promotional process must be upgraded to address leadership skills and opportunities and those opportunities must be addressed.

INFORMATION TECHNOLOGY (IT)

BUDGET \$5,369,229

Robert Chisel - Director of Finance & Administration

Major Issues and Strategies for Fiscal Year 2017/2018

1. Ensure fiscally responsible IT purchasing through the IT Steering Committee.
2. Evaluate and implement data-centric dashboards that align department goals and performance measures through a data warehouse and Business Intelligence (BI) reporting.
3. Provide a baseline platform for the City's open data initiatives to increase transparency and accountability.
4. Evaluate the Network and Server Infrastructure for the City to ensure effective and efficient nodes for communication and application availability.
5. Provide streamlined processes and methodologies for the delivery of GIS data for mapping and reporting needs.
6. Determine modernized processes and policies that deliver centralized IT support and services for all departments within the City.

MUNICIPAL COURT

BUDGET \$7,305,999

Steve Tuttle - Court Administrator

Major Issues and Strategies for Fiscal Year 2017/2018

1. Continue performing a court-wide process improvement and standardization review.
 - develop workflow diagrams with narratives for all court processes
 - enhance various online services
 - create more seamless docs and make them available to the public
 - continue cross-training opportunities for all court staff

2. Continue enhancing the strategies and procedures of identifying criminal defendants that would benefit from participating in one of the four specialty court program.
 - prepare the new judges through formal education and docket exposure to manage an existing specialty court program or start a new one for a targeted group
 - utilize a limited budget to effectively serve the growing population of specialty court participants

PARKS, RECREATION & COMMUNITY SERVICES

BUDGET \$13,046,879

Andrew Bass - Parks, Recreation, & Community Services Director

Major Issues and Strategies for Fiscal Year 2017/2018

1. Retirement of key staff members.
2. Design Master Plan Mayor's/McAlinden Park.
3. Trail development at Sierra Vista Park.
4. Construction of Somerset West Park.
5. Negotiate development agreement for Pembroke Recreational Complex.
6. Explore opportunities for Non-resident Fee Policy.
7. Facilitate Community Tree Give Away.
8. Right of way Planting Demonstration Sites.
9. Determine water seepage solution for Idlewild Pond.

POLICE

BUDGET \$65,538,036

Jason Soto - Police Chief

Major Issues and Strategies for Fiscal Year 2017/2018

1. Managing potential increase in crime reports and crime statistics, due to improvements in reporting.
2. Refocus on traffic safety and pedestrian safety.
3. Addressing challenges posed by annexations and population increases.
4. Effectively managing Victim Services, both at the initial encounter and during case management.

PUBLIC SAFETY DISPATCH

BUDGET \$6,664,421

Robert Chisel - Director of Finance & Administration

Major Issues and Strategies for Fiscal Year 2017/2018

1. On-going monthly overtime requirements for dispatchers.
2. Filling vacant positions and becoming fully staffed.
3. Continue to reduce overtime requirements.
4. Return to 'team' type of shift scheduling.

PUBLIC WORKS

BUDGET \$113,598,964

John Flansberg - Public Works Director

Major Issues and Strategies for Fiscal Year 2017/2018

1. Develop long-term infrastructure maintenance plan for Sewer, Streets, and City Facilities.
 - Develop performance measure for backlog/deferred maintenance of assets (Buildings, Streets, Sewer Collection System, Sewer Treatment Facilities).
 - Determine adequacy of funding.
 - 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.

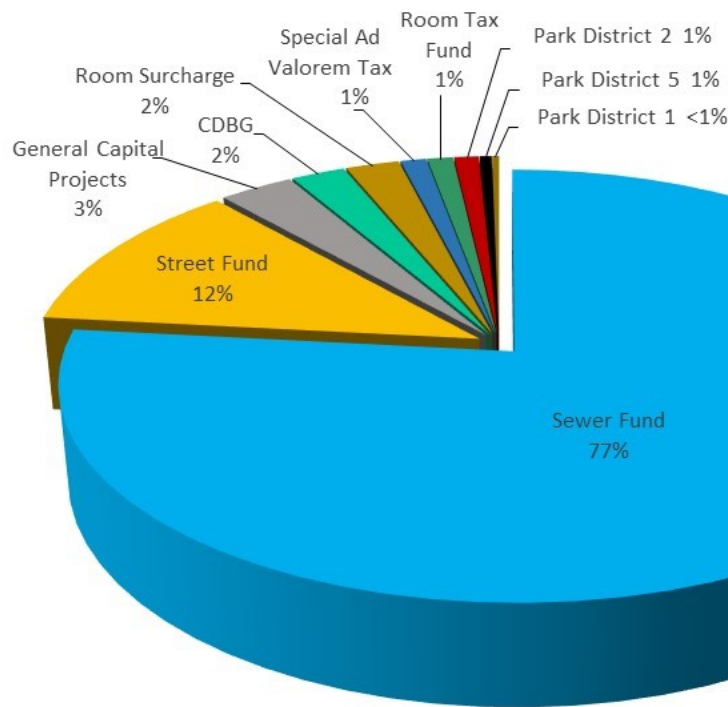
CAPITAL IMPROVEMENT PLAN

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 2017/2018 Adopted Budget and a complete listing of the 10-year Capital Improvement Plan projects can be found in the 2017/18 - 2026/27 Capital Improvement Plan.

FY18 CIP Budget by Fund

Total: \$51.3M



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 2017/2018, 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 nearly \$2.5 million stabilization fund and the unreserved fund balance in the General Fund is \$12.1 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 2017/2018 is \$195.7 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.