



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: June 11, 2019

DATE: Thursday, June 06, 2019

TO: Board of County Commissioners

FROM: Lori Cooke, Budget Manager, County Manager's Office
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THROUGH: Christine Vuletich, Assistant County Manager
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SUBJECT: Recommendation to approve the use of General Fund Contingency in the amount of [\$1,225,000] for unbudgeted expenditures for Fiscal Year 2019; approve cross function appropriation transfers of [\$50,000] within the General Fund required to move savings from one function to another function so as to bring the budget authority to the level of anticipated actual expenditures required for Fiscal Year 2019; and, direct the Comptroller's Office to make the appropriate appropriation transfers prior to June 30, 2019 (net impact to County is zero). (All Commission Districts).

SUMMARY

Nevada Revised Statute (NRS) 354.598005(5) provides that "budget appropriations may be transferred between functions, funds or contingency accounts if such a transfer does not increase the total appropriation for any fiscal year and is not in conflict with other statutory provisions". The purpose of this item is to consider approval of the use of the General Fund Contingency Account to cover expenses and appropriation transfers to bring functional budget authority into alignment with actual and/or anticipated expenditures. All adjustments are within the existing approved budget for Washoe County. Approval of this recommendation will align budget authority for expenditures already incurred for Fiscal Year 2019, as well as certain anticipated expenditures to be incurred the remainder of this this fiscal year.

Washoe County Strategic Objective supported by this item: Stewardship of our Community

PREVIOUS ACTION

On May 22, 2018, the BCC approved the Fiscal Year 2019 Final Washoe County Budget, which included \$1,500,000.00 of General Fund Contingency.

On February 26, 2019, the BCC approved the use and transfer of General Fund Contingency of up to \$40,000, if needed, for the Forensic Science Tenant Improvement

AGENDA ITEM # _____

Project at the Washoe County Sheriff's Office. This left \$1,460,000.00 available in General Fund Contingency.

On May 28, 2019, the BCC approved the use and transfer of General Fund Contingency of \$100,000 for the District Court INSPIRES project, which left \$1,360,000.00 available in General Fund Contingency.

BACKGROUND

The County must stay within its adjusted budget for each fund, with certain very limited exceptions, and by function. To remain compliant with this statutory requirement, and to move General Fund Contingency funds per Fiscal Year 2019 BCC action(s), a transfer of \$1,225,000 of the General Fund Contingency account and cross-functional appropriation transfers of \$50,000 within the General Fund are needed. These adjustments will cover approved unbudgeted expenses in the General Fund as well as actual and/or anticipated functional expenditures. Approval of these transfers will leave \$135,000 available in FY19 General Fund Contingency account.

The following budget appropriation transfers are necessary:

Contingency Transfers:

Registrar of Voter's – 2018 Primary Election Expenses & Voting Equipment Annual Maintenance - \$635,000: The 2018 Primary Election had increased voter turnout, including additional voting sites. Additionally, the Registrar received an unanticipated invoice for the Annual Maintenance Agreement for the newly-acquired voting equipment. The transfer of \$635,000 is required to cover the actual expenses of these impacts.

Manager's Office – Flood Project - \$ 390,000: The BCC has continued to affirm the continuation of flood response activity in Lemmon Valley. A transfer of \$300,000 is required to cover the unanticipated increase in expenditures related to ongoing flood response activity. The increased lake level due to the precipitation received in February 2019 increased pumping and associated costs above what was budgeted in the current fiscal year. Additionally, based on direction received from the Board in April, a transfer of \$90,000 will be used for a consultant contract as an extension of staff for communication, permitting, and liaising with the State of Nevada and other regional partners on the directed short and long term projects.

Community Services Department – FEMA Flood Plain Re-Study/Re-Mapping of the East and West Lemmon Valley Hydrographic Basins- \$100,000: At the Concurrent meeting of the BCC and the Reno City Council the plan for near term and long term needs related to the closed hydrographic basins was provided. A key piece necessary that has not been budgeted but is necessary for the success of our efforts is the re-study/re-mapping of the east and west Lemmon Valley hydrographic basins. This funding is being leveraged with a funding request for next fiscal year from the Western Region Water Commission. The transfer of \$100,000 is required to cover the anticipated expenses of this project.

Manager's Office – Fire Suppression-Gerlach - \$ 50,000: The transfer of \$50,000 is required to cover the anticipated expenditures related to improvements to the relocated modular housing utilized by Washoe County staff at the Gerlach Volunteer Fire Department.

Sheriff's Office – Weapons Replacement - \$50,000: On December 13, 2016, the BCC approved the Washoe County Sheriff's Deputies Association (WCSDA) Collective Bargaining agreement covering Fiscal Years 2018 & 2019. That agreement included a weapons replacement allowance of up to \$525.00 based on certain criteria. For budget purposes, it was unknown how many eligible employees would participate. The transfer of \$50,000 is required to cover the actual and anticipated expenditures in FY19. With two fiscal years of history, \$50,000 is included as annual budget authority within the Sheriff's Office budget in Internal Order 60451.

Net Zero Appropriation Transfers:

Centrally Managed – Net-Zero Budget Appropriation Transfer: A cross-functional appropriation transfer of \$50,000 is required to help ensure sufficient budget authority in the Welfare Function.

FISCAL IMPACT

The use of contingency funds in account 189000-820000 and cross functional budget appropriation transfers of salary savings will be processed to cover the adjustments anticipated to bring the budget into alignment with actual and/or anticipated expenditures for Fiscal Year 2019. All adjustments are within the existing approved budget for Washoe County and are summarized in the table below.

Appropriations transferred within the General Fund but not expended or encumbered by June 30, 2019 will remain in the General Fund and reflect as savings.

Fund/Function	Department/ Expenditure	Cost Object(s)/ G-L Account(s)	Budget Change
General Fund	Contingency Funds		
General Gov't	Contingency	C189000-820000	(1,225,000.00)
General Gov't	Registrar of Voters- Software Maintenance	C112100-710210	297,000.00
General Gov't	Registrar of Voters- Pooled Positions	C112100-701130	52,500.00
General Gov't	Registrar of Voters- Contracted/Temp Svcs.	C112100-710110	28,500.00
General Gov't	Registrar of Voters- Printing	C112100-710502	257,000.00
General Gov't	Manager's Office- Flood Proj.	GF140617-710100	390,000.00
Public Works	Community Services- Professional Services	C105500-710100	100,000.00
Public Safety	Manager's Office- Fire Suppression	C187530-710100	50,000.00
Public Safety	Sheriff- Weapon Replacement	IN60451-710312	50,000.00
Net Total Contingency			- 0-

General Fund	Cross Functional Net Zero Appropriation Transfers		
General Gov't	Centrally Managed	C190020-701199	(50,000.00)
Welfare	Centrally Managed	C190070-701199	50,000.00
Net Total Appropriation Transf.			- 0-

RECOMMENDATION

It is recommended that the Board of County Commissioners approve the use of General Fund Contingency in the amount of [\$1,225,00] for unbudgeted expenditures for Fiscal Year 2019; approve cross function appropriation transfers of [\$50,000] within the General Fund required to move savings from one function to another function so as to bring the budget authority to the level of anticipated actual expenditures required for Fiscal Year 2019; and, direct the Comptroller's Office to make the appropriate appropriation transfers prior to June 30, 2019.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: "Move to approve the use of General Fund Contingency in the amount of [\$1,225,00] for unbudgeted expenditures for Fiscal Year 2019; approve cross function appropriation transfers of [\$50,000] within the General Fund required to move savings from one function to another function so as to bring the budget authority to the level of anticipated actual expenditures required for Fiscal Year 2019; and, direct the Comptroller's Office to make the appropriate appropriation transfers prior to June 30, 2019."