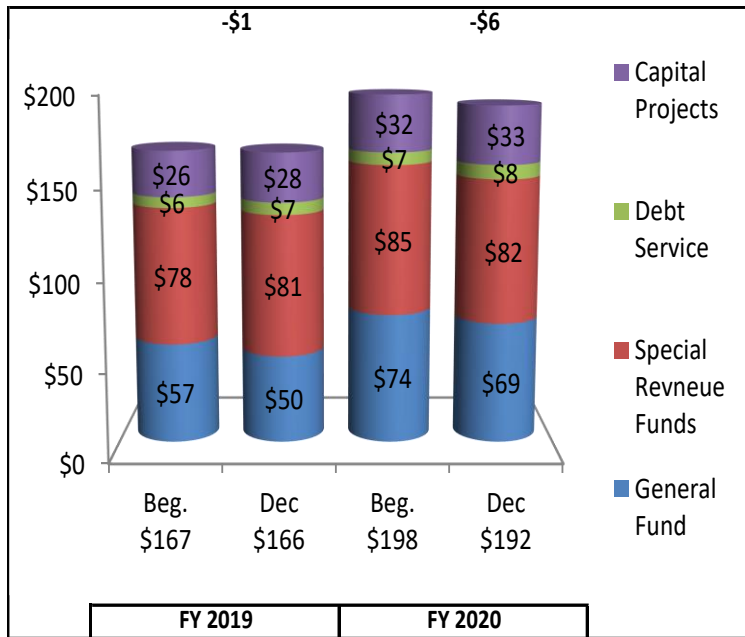


**Washoe County Governmental Funds – Fiscal Year 2019/2020**  
**Interim Financial Report for the Six Months Ended December 31, 2019 - Unaudited**  
*All \$ in Millions unless otherwise noted.*

**TOTAL GOVERNMENTAL FUNDS**

**GOVERNMENTAL FUND BALANCE**



- **Total Governmental Fund Balances** decreased \$6 million year-to-date (FY20) and increased \$26 million from FY19.
- **Fund balance in the General Fund** decreased \$5 million year-to-date (FY20) primarily due to a \$2.7 million prior period adjustment from a change in accounting treatment for the PEBP portion of the OPEB Trust Fund and expenditures for personnel and services and supplies exceeding revenue. Fund balance year over year increased \$19 million due to increased Ad valorem and Consolidated tax revenue and a one-time adjustment of \$3.6 million for a Federal PILT payment.
- **Fund balances for Special Revenue Funds** decreased \$3 million year over year due primarily to the timing of grant billing for Child Protective Services.
- **Capital Projects and Debt Service** fund balances increased by \$1 million each partially offsetting the \$6 million decrease in total governmental fund balances.

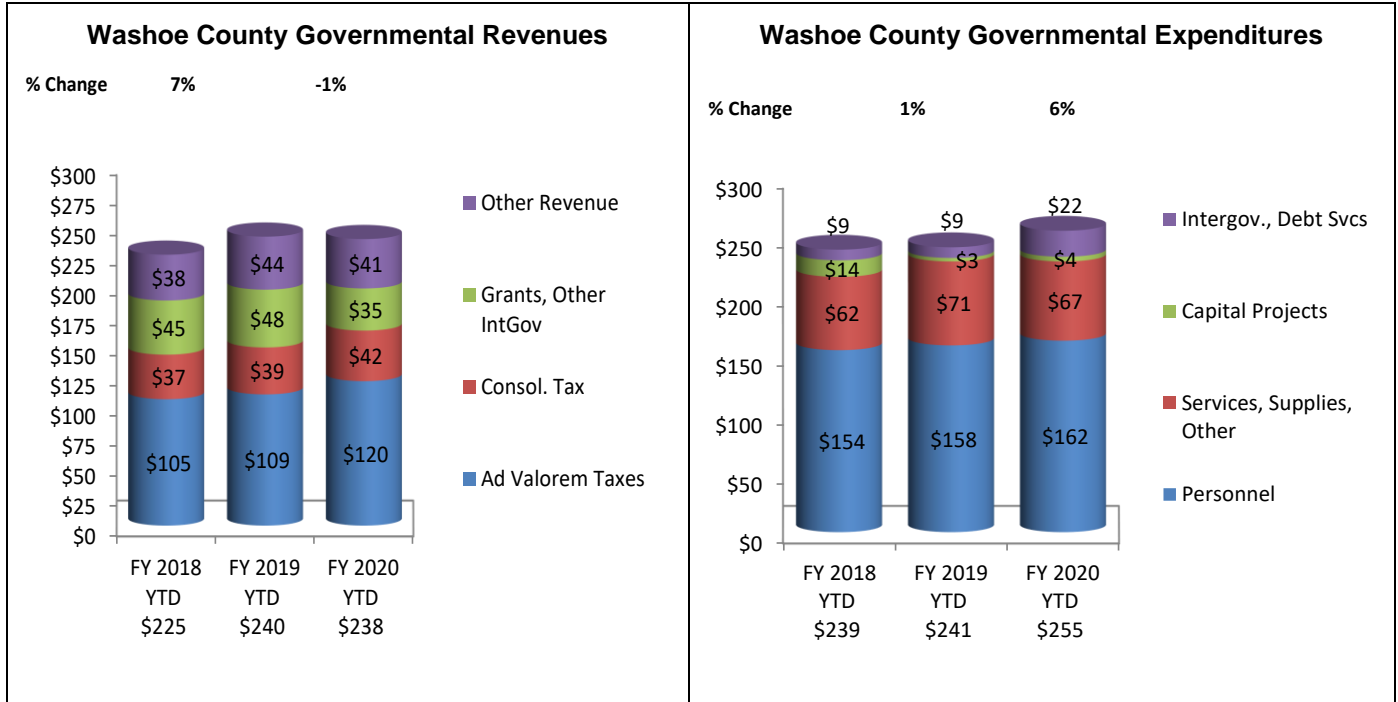
**REVENUES AND EXPENDITURES**

- **Total Governmental Revenues** decreased 1% or \$2 million over prior year, due to decreased grant revenue in the Child Protective Services Fund as mentioned above. Ad valorem taxes are up 10% or \$11 million over prior year after the second distribution of real property taxes. Consolidated taxes have been received for the month of October and increased 8% or \$3 million over prior year.
- **Total Governmental Expenditures** increased 6% or \$14 million over prior year. Personnel costs increased 3% or \$4 million over prior year due to cost of living adjustments (COLAs), merit increases, a net increase of 53.6 FTEs and filling job vacancies. Intergovernmental and Debt Service expenditures increased \$13 million or 144% due to the retirement of 2006 and 2011 bond issues for refunding purposes. Services, supplies and other expenses decreased 6% or \$4 million due to timing of nursing home match expenditures and transfers to the Child Protective Services fund in the Indigent Tax Levy Fund partially offsetting the increase from Debt Service expenditures.

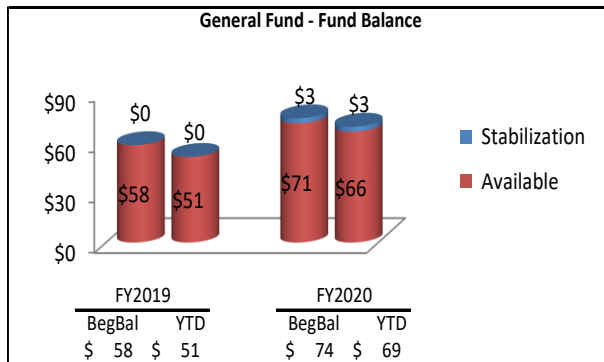
# Washoe County Governmental Funds – Fiscal Year 2019/2020

Interim Financial Report for the Six Months Ended December 31, 2019 - Unaudited

All \$ in Millions unless otherwise noted.

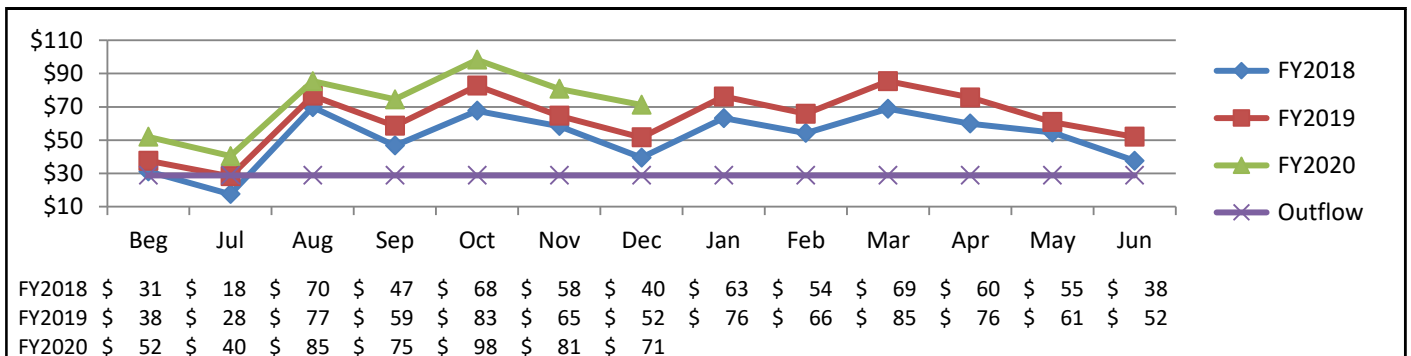


## GENERAL FUND FUND BALANCE



- General Fund ending fund balance decreased \$5 million year-to-date (FY20).
- The available portion of cash balance (FY20) is \$19 million higher than prior year (FY19). The available cash portion of fund balance excludes cash held as deposits in the Courts and other departments.
- The cash balance continues to be monitored during low points in July and August before the first distribution of property tax is received at the end of August.

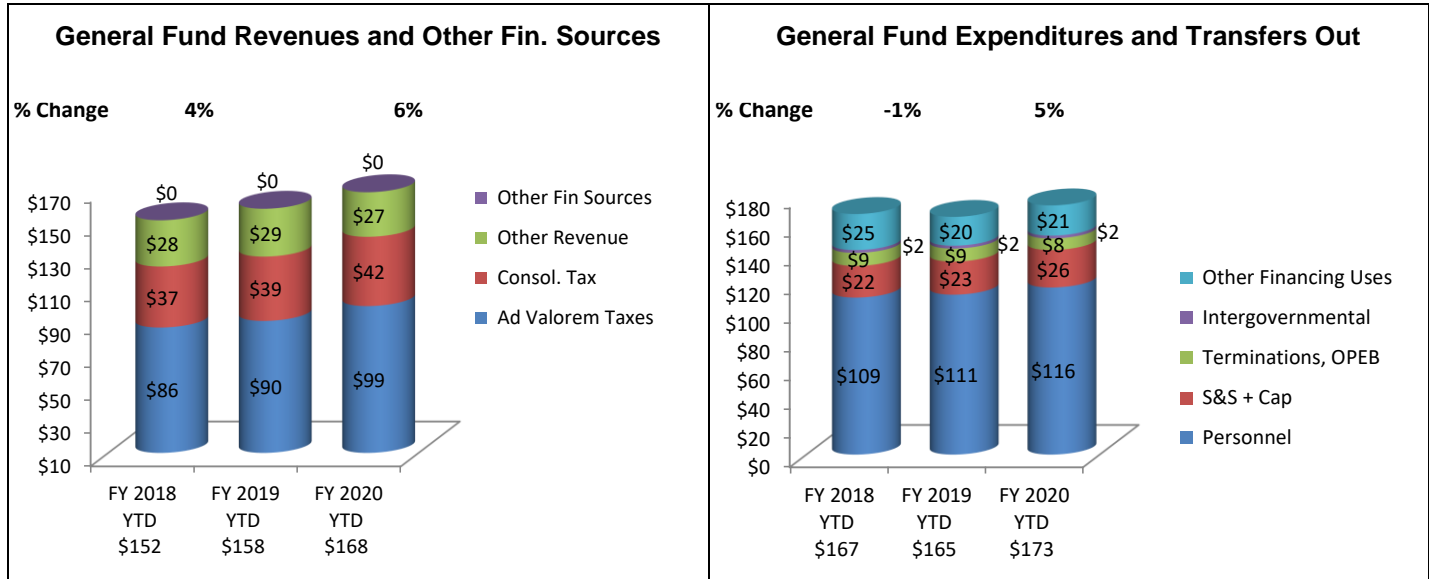
## Trend of Available Cash – General Fund



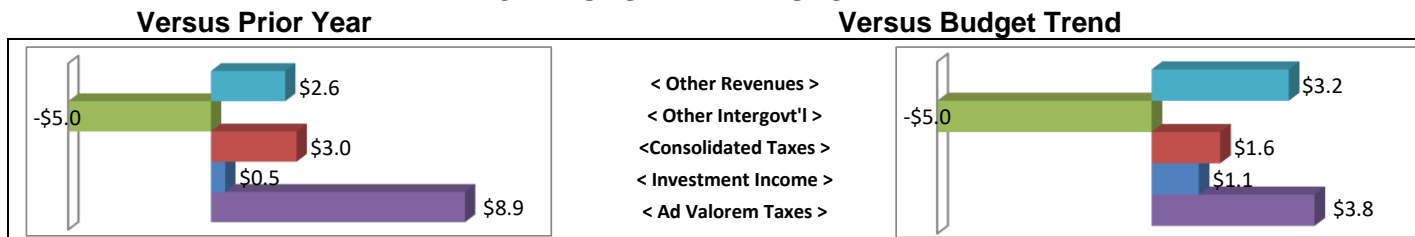
**Washoe County Governmental Funds – Fiscal Year 2019/2020**  
**Interim Financial Report for the Six Months Ended December 31, 2019 - Unaudited**  
*All \$ in Millions unless otherwise noted.*

**GENERAL FUND**  
**REVENUES, EXPENDITURES, AND OTHER FINANCING**

- **Revenues and other financing sources** are 6% or \$10 million over prior year. Ad valorem taxes increased by 10% or \$9 million after the second real property tax distribution and comprise 65% of General Fund revenue. Consolidated taxes are up 8% or \$3 million over prior year and constitute 28% of General Fund revenue.
- **Expenditures plus transfers out** have increased \$8 million due to increased personnel costs and increases in services and supplies.



**GENERAL FUND**  
**KEY CHANGES IN REVENUES**



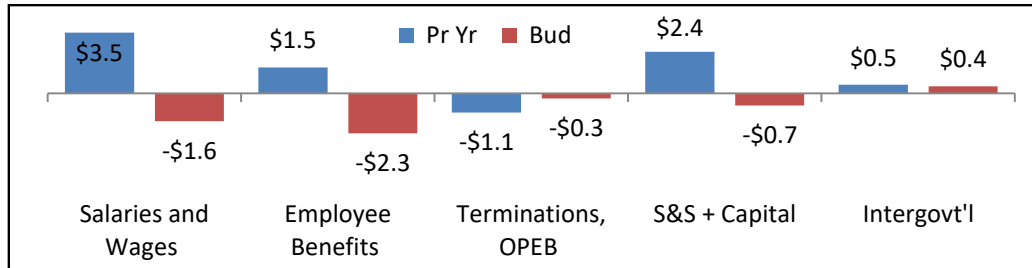
- **Other Revenues**
- **Other Intergovernmental revenue** decreased 49% due to an audit adjustment for Federal Payments in Lieu of Taxes (FPILT).
- **Ad valorem taxes** are 10% over prior year due to increased assessed valuation and new development.

**Washoe County Governmental Funds – Fiscal Year 2019/2020**  
**Interim Financial Report for the Six Months Ended December 31, 2019 - Unaudited**  
*All \$ in Millions unless otherwise noted.*

**GENERAL FUND**

**CHANGES IN EXPENDITURES BY CATEGORY VERSUS PRIOR YEAR AND BUDGET TREND**

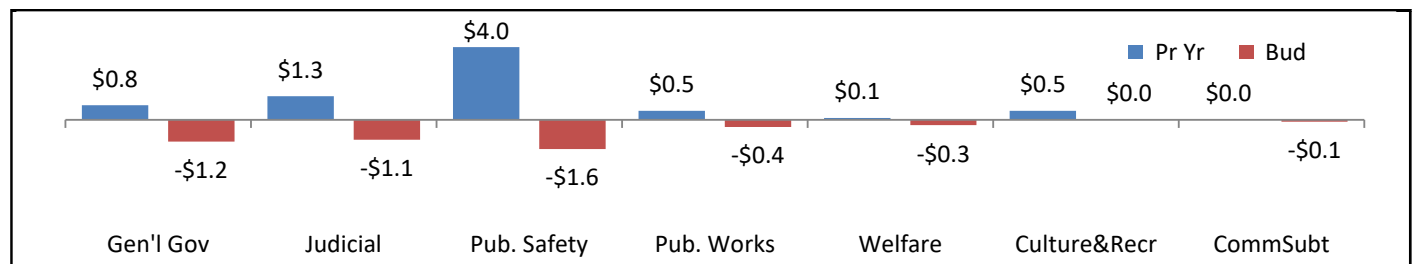
Note: To provide better operating comparisons, the analysis separates the separation payouts (vacation/sick leave) and OPEB contributions from other personnel costs.



- Personnel expenditures are higher than last year in all Governmental Funds, including the General Fund, due to cost of living adjustments (COLAs), merit increases, new position, and filling job vacancies. The FY 2020 Final Budget reflects a net increase of 53.6 FTE's; 27.6 additional General Fund FTE's and an additional 26.0 Special Revenue Fund FTE's. Also, the PERS contribution rates increased for all employees, effective July, 2019. Regular member's rate went from 28.0% to 29.25%. Police/Fire's rate went from 40.5% to 42.5%.
- OPEB contributions decreased from prior year due to a decrease in the actuarially determined contribution. Services and supplies plus capital have increased 10% due primarily to increased expenditures for Public Safety.

**GENERAL FUND**

**CHANGES IN EXPENDITURES BY FUNCTION**



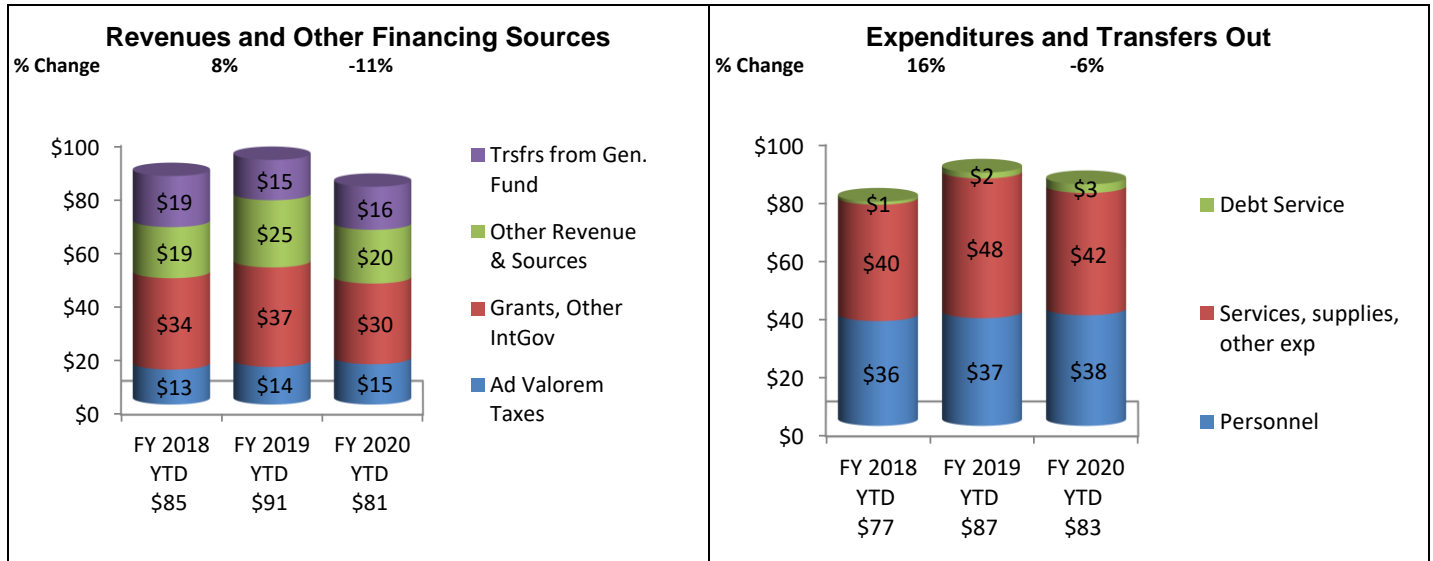
- Expenditures have remained consistent with prior year for most functions. The increases in the Public Safety function are due to higher personnel costs and increased services and supplies expenditures.

**Washoe County Governmental Funds – Fiscal Year 2019/2020**  
**Interim Financial Report for the Six Months Ended December 31, 2019 - Unaudited**  
*All \$ in Millions unless otherwise noted.*

**SPECIAL REVENUE FUNDS**

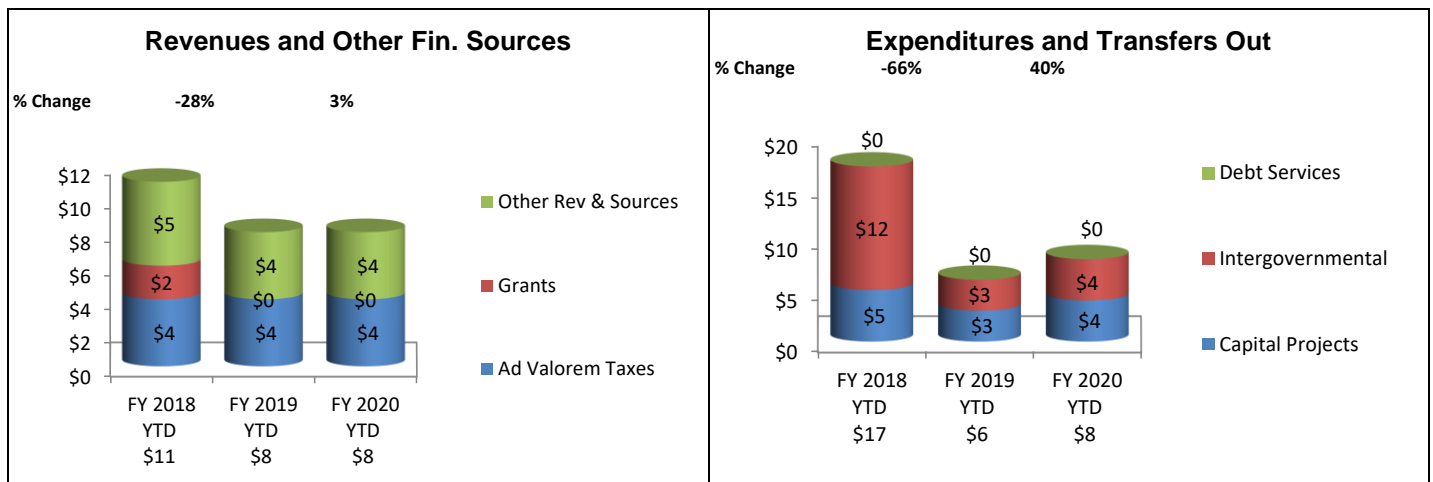
**Revenue and other financing sources** decreased 11% or \$10 million below prior year, due primarily to timing of grant revenue in the Child Protective Services (CPS) Fund.

**Expenditures and transfers out** decreased 6% or \$4 million below prior year due primarily to decreases in services and supplies.



**CAPITAL PROJECTS FUNDS**

- **Revenues and other financing sources** have remained constant over prior year. The decrease is grants revenue from FY18 to FY19 is due to state grants for the Tahoe Bike Path and the Incline Village Water Quality Improvement Project, received in FY18.
- **Expenditures** have increased \$2 million or 40% due to expenditures in FY20 for the “Our Place” project and the P25 shared radio system for Public Safety.



**Washoe County Governmental Funds – Fiscal Year 2019/2020**  
**Interim Financial Report for the Six Months Ended December 31, 2019 - Unaudited**  
*All \$ in Millions unless otherwise noted.*

**BUSINESS TYPE FUNDS**

The Utility Fund's operating income YTD is higher when compared to the prior year's YTD partially due to an increase in sewer rates and sewer customers as South Reno continues to grow resulting in higher revenues of \$754K. Additionally, operating expenses for current year's YTD is lower than prior year's YTD primarily due to a \$2.3 million write-off of the Pleasant Valley Interceptor Reach 3 and Reach 4 projects being deemed as no longer having any value.

The Golf Course Fund has a favorable operating income over the prior year's YTD primarily due to revenues received from Washoe County School District for their portion of the Wild Creek Golf Course Orr Ditch restoration in the current year. Additionally, the Golf Course Fund has favorable nonoperating income for current year's YTD over prior year's YTD due to net proceeds on sale of a portion of Wild Creek Golf Course to the Washoe County School District in the amount of \$2.8 million.

The Building & Safety Fund's Change in Net Assets for the current quarter's YTD (FY20) is \$145K lower than prior year quarter's YTD number (FY19).

\$ in thousands					
	Budget	YTD	Pr. Year YTD	YTD Versus	
				Budget	Pr. Year
<b>Utilities</b>					
Operating Revenue	\$ 16,201,811	\$ 8,768,584	\$ 8,142,441	54%	8%
Operating Expenses	(17,618,118)	(6,149,952)	(7,921,831)	35%	-22%
Operating Income/(Loss)	(1,416,307)	2,618,632	220,609	-185%	1087%
Capital Contributions	11,772,600	3,735,968	4,283,956	32%	-13%
Nonoperating/Other	1,008,632	871,316	85,384	86%	920%
Change in Net Assets	\$ 11,364,925	\$ 7,225,916	\$ 4,589,949	64%	57%
<b>Golf Course</b>					
Operating Revenue	\$ 339,000	\$ 345,568	\$ 89,673	102%	285%
Operating Expenses	(566,129)	(130,839)	(136,000)	23%	-4%
Operating Income/(Loss)	(227,129)	214,730	(46,327)	-95%	-564%
Nonoperating/Other	15,200	2,840,618	8,237	18688%	34386%
Change in Net Assets	\$ (211,929)	\$ 3,055,348	\$ (38,090)	-1442%	-8121%
<b>Building &amp; Safety</b>					
Operating Revenue	\$ 3,210,000	\$ 1,863,366	\$ 1,874,444	58%	-1%
Operating Expenses	(3,762,269)	(1,468,163)	(1,333,811)	39%	10%
Operating Income/(Loss)	(552,269)	395,204	540,633	-72%	-27%
Nonoperating/Other	30,000	45,994	28,850	153%	59%
Change in Net Assets	\$ (522,269)	\$ 441,197	\$ 569,483	-84%	-23%