



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: June 17, 2025

DATE: Thursday, June 12, 2025

TO: Board of County Commissioners

FROM: Lori Cooke, Budget Manager, Finance Department
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THROUGH: Abbe Yacoben, Chief Financial Officer
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SUBJECT: Recommendation to 1) approve the Fiscal Year 2025 use of General Fund Contingency in the amount of [\$5,473,689] to increase expenditure authority in the Washoe County Sheriff's Office; and 2) acknowledge necessary General Fund net zero, cross function appropriation transfers of [\$2,482,026.09] to the Washoe County Sheriff's Office, both actions in accordance with Nevada Revised Statute (NRS) 354.598005, required to move non-departmental budget from one function to another function so as to bring the budget authority to the level of anticipated actual expenditures required for Fiscal Year 2025; both the Contingency and net zero budget appropriation transfers are associated with the net impact of the unbudgeted Collective Bargaining Agreements approved after the adoption of the Fiscal Year 2025 final budget; and, if approved, 3) direct Finance to make the budget appropriation transfers prior to June 30, 2025 (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". Nevada Revised Statute (NRS) 354.598005(5) also provides that "the person designated to administer the budget may transfer appropriations between functions or programs within a fund if: (1) The governing body is advised of the action at the next regular meetings; and (2) The action is recorded in the official minutes of the meeting".

The purpose of this item is to consider approval of the use of the General Fund Contingency account and acknowledgment of the General Fund cross functional budget appropriation transfers. Approval of this recommendation will align budget authority for expenditures already incurred, or anticipated to be incurred, for Fiscal Year 2025 (FY25), including providing additional resources to the Sheriff's Office for unbudgeted expenditures

AGENDA ITEM # _____

associated with approved Collective Bargaining Agreements. All adjustments are within the Washoe County existing approved FY25 budget.

Washoe County Strategic Objective supported by this item: Fiscal Sustainability

PREVIOUS ACTION

June 17, 2025 – the Board is recommended to approve the use of Fiscal Year 2025 General Fund Contingency in the amount of [\$1,753,564] in accordance with Nevada Revised Statute (NRS) 354.598005 to increase expenditure authority in the Risk Management Fund, the Roads Fund, and the Utilities Fund, to pay non-reimbursable costs incurred by Washoe County to mitigate the effects of the July 21, 2024 flash flood impacts to Hidden Valley Regional Park, public roads, and sewer and utility infrastructure, for debris removal, drainage reconstruction, trail reconstruction, sewer and utility equipment replacement and repairs.

June 10, 2025 – the Board approved the use of General Fund Contingency in the amount of [\$175,000] for fiscal year 2025 in accordance with Nevada Revised Statute (NRS) 354.598005 to increase expenditure authority in Alternate Public Defender’s Office for Expert Witness Fees, Interpreters, and Travel [\$175,000] to support reasonable and necessary costs to meet minimum Due Process rights in the Avram Nika Trial

May 13, 2025 – the Board approved the use of General Fund Contingency in the amount up to [\$386,650] to increase expenditures for 1) pooled positions [\$181,000] and 2) various operating expenditures [\$205,650] needed to support the Department of Alternative Sentencing in accordance with Nevada Revised Statutes (NRS) 354.598005.

November 19, 2024 - the Board approved the First Amendment to the Master Services and Purchasing Agreement dated January 20, 2022, between Axon Enterprise, Inc and Washoe County Sheriff’s Office effective upon approval, to consolidate and amend the Axon contract for the Washoe County Sheriff’s Office, Public Defender, Alternate Public Defender and District Attorney and extend the contract for a 10-year or 120 month term at a cost not to exceed [year one \$2,219,127.44, year two \$3,248,289, year three \$3,344,453 year four \$3,299,253, year five \$3,290,609, year six \$3,652,025, year seven \$3,275,675, year eight \$3,282,102, year nine \$3,336,489, year ten \$3,295,345] annually, or [\$32,243,367.44] for the full 120 months; to support body worn cameras and fleet in-car cameras with live streaming capabilities, virtual reality training, less lethal (TASERS), unlimited storage, Justice Premier, and other software support services offered by Axon Enterprise, Inc.; approve the use of General Fund Contingency on an as needed basis, not to exceed a total amount of [\$2,073,641] for fiscal year 2025 in accordance with Nevada Revised Statute (NRS) 354.598005 to increase expenditure authority in Sheriff’s office for Axon Contract expenditures.

July 16, 2024 - the Board approved the use of General Fund Contingency in the amount of [\$100,000] to implement a “Transparency and Open Checkbook” website which will Washoe County Commission Meeting of May 13, 2025 Page 2 of 5 display Washoe County’s vendor payments, expenditures and other financial information to the public.

July 16, 2024 - the Board approved the 1) award Request for Proposal (RFP) No. 3223-24 for inmate medical services for the Washoe County Detention Facility to NaphCare, Inc. in the amount of [\$13,502,694.24] for year 1, and [\$14,177,828.88] for year 2 and 2) approve the use of General Fund Contingency in an amount up to but not to exceed [\$1,300,000] to increase expenditure authority within the Washoe County Sheriff's Office departmental budget for detention medical services for unbudgeted expenditures for Fiscal Year 2025 in accordance with Nevada Revised Statute (NRS) 354.598005.

May 21, 2024 - the Board approved the Fiscal Year 2025 (FY25) budget, which included \$12,500,000 of General Fund Contingency.

*Note: General Fund Contingency was budgeted at the maximum amount authorized by statute partially due to the unknown impacts of the outstanding Collective Bargaining Agreements. The FY25 budget included some, but not all, of the impacts of the final/approved agreements.

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 2025 BCC action(s), a transfer of \$5,473,689 of the General Fund Contingency account and cross-functional appropriation transfers of \$2,482,026.09 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 \$2,991,020 available in FY25 General Fund Contingency. On June 17, 2024, a separate FY25 General Fund Contingency of \$1,753,364 item is also being recommended to cover unbudgeted and non-reimbursable expenditures associated with the July 21, 2024 flash-flood event in Hidden Valley. If that request is approved, the FY25 General Fund Contingency will have a balance of \$1,237,656.

The following budget appropriation transfers are necessary:

Contingency Transfers:

Sheriff's Office – Unbudgeted Salaries and Benefits per the Approved Collective Bargaining Agreements that were pending when the Fiscal Year 2025 Final Budget was adopted- \$5,473,689

On June 25, 2024, the BCC approved the Washoe County Sheriff's Deputies Association (WCSDA) and Washoe County Sheriff's Supervisory Deputies Association (WCSSDA) Collective Bargaining agreements covering Fiscal Years 2025 through Fiscal Year 2029.

The agreement included changes that reflect salary increases of approximately 13.7% for WCSDA employees and approximately 22.6% for WCSSDA employees. The final personnel cost plan, based on pay period #5 (02/28/2025) reflected a forecasted variance between the anticipated amount included in the FY25 budget and the final impact based on the approved Collective Bargaining Agreements within the Sheriff's Department of approximately \$7,955,716.

Net Zero Appropriation Transfers:

Centrally Managed – Net-Zero Budget Appropriation Transfer:

A net zero, cross-functional appropriation transfer of \$2,482,026 was processed to help ensure sufficient budget authority in the Public Safety Function (Sheriff's Office). All other intra-functional variances for departmental appropriation transfers were reconciled prior to the Sheriff's Office.

The cross-functional adjustment of the remaining centralized functional authority *does not impact individual department budget* authority. The budget comes from the centrally managed functional cost centers in Fund Center 199-0. If a General Fund department simulated with salary savings as of the pay period #5 personnel cost plan, the department budget was not reduced or reallocated.

The process for FY25 budget adjustments is outlined below:

- Step 1: Process a net zero adjustment within the Public Safety Function of the remaining budget authority of [\$3,623,410-rounded] in Fund Center 199-0 (centrally managed) to the Sheriff's Office Fund Center 150-0.
- Step 2: Process a net zero cross-functional adjustment of the remaining budget authority of [\$2,482,026-rounded] in Fund Center 199-0 (centrally managed) to the Sheriff's Office Fund Center 150-0.
- Step 3: Request BCC approval to use General Fund Contingency of [\$5,473,689] in Fund Center 189-0 (contingency) to the Sheriff's Office Fund Center 150-0.

FY25 Budget - General Fund					
<i>Step #1 - Adjust within Fund and Function; Non-Departmental (Centrally Managed) Public Safety; No BCC Action Required</i>					
Sheriff's Office	Adopted	Non-Departmental Public Safety Net Zero Adjustment	Adjusted Budget #1	Estimate to Complete - PP#5 (2/28/2025)	(Over)/Under
Salaries & Wages	79,436,993	2,445,132	81,882,125	86,711,626	(4,829,501)
Employee Benefits	51,921,767	1,178,278	53,100,045	56,226,260	(3,126,215)
Total Personnel	131,358,760	3,623,410	134,982,170	142,937,886	(7,955,716)
<i>Step #2 - Adjust within Fund, Cross-Function; Non-Departmental (Centrally Managed) Other Functions; BCC Acknowledgment Required</i>					
Sheriff's Office	Adjusted Budget #1	Non-Departmental Other Functions Net Zero Adjustment	Adjusted Budget #2	Estimate to Complete - PP#5 (2/28/2025)	(Over)/Under
Salaries & Wages	81,882,125	1,459,697	83,341,822	86,711,626	(3,369,804)
Employee Benefits	53,100,045	1,022,329	54,122,375	56,226,260	(2,103,885)
Total Personnel	134,982,170	2,482,026	137,464,196	142,937,886	(5,473,689)
<i>Step #3 - Adjust with Contingency; BCC Approval Required</i>					
Sheriff's Office	Adjusted Budget #2	Contingency	Adjusted Budget #3	Estimate to Complete - PP#5 (2/28/2025)	(Over)/Under
Salaries & Wages	83,341,822	3,369,804	86,711,626	86,711,626	-
Employee Benefits	54,122,375	2,103,885	56,226,260	56,226,260	-
Total Personnel	137,464,196	5,473,689	142,937,886	142,937,886	-

FISCAL IMPACT

The use of contingency funds in account 189000-820000 will be processed to cover the adjustments anticipated to bring the budget into alignment with actual and/or anticipated expenditures for Fiscal Year 2025. 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, 2025, 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	(5,473,689.00)
Public Safety	Sheriff's Office – Detention Salary Adjustment	C150900-701412	3,325,093.00
Public Safety	Sheriff's Office – Detention	C150900-705360	2,148,596.00

	Benefit Adjustment		
Net Total Contingency		*For Approval	- 0-
General Fund	Cross Functional Net Zero Appropriation Transfers		
General Gov't	Centrally Managed	C190020-701199	(231,355.78)
General Gov't	Centrally Managed	C190020-705199	(332,934.53)
Judicial	Centrally Managed	C190030-701199	(916,402.08)
Judicial	Centrally Managed	C190030-705199	(536,358.51)
Public Works	Centrally Managed	C190050-701199	(166,432.47)
Public Works	Centrally Managed	C190050-705199	(94,325.70)
Culture & Recreation	Centrally Managed	C190080-701199	(145,506.29)
Culture & Recreation	Centrally Managed	C190080-705199	(58,710.73)
Public Safety	Sheriff's Office	Fund Center 150-0; various cost centers	2,482,026.09
Net Total Appropriation Transfers		**For Acknowledgement	- 0-

RECOMMENDATION

It is recommended that the Board of County Commissioners 1) approve the Fiscal Year 2025 use of General Fund Contingency in the amount of [\$5,473,689] in accordance with Nevada Revised Statute (NRS) 354.598005 to increase expenditure authority in the Washoe County Sheriff's Office; and 2) acknowledge necessary General Fund net zero, cross function appropriation transfers of [\$2,482,026.09] to the Washoe County Sheriff's Office in accordance with Nevada Revised Statute (NRS) 354.598005, required to move non-departmental budget from one function to another function so as to bring the budget authority to the level of anticipated actual expenditures required for Fiscal Year 2025; both the Contingency and net zero budget appropriation transfers are associated with the net impact of the unbudgeted Collective Bargaining Agreements approved after the adoption of the Fiscal Year 2025 final budget; and, if approved, 3) direct Finance to make the appropriate budget appropriation transfers prior to June 30, 2025.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be: *"Move to 1) approve the Fiscal Year 2025 use of General Fund Contingency in the amount of [\$5,473,689] in accordance with Nevada Revised Statute (NRS) 354.598005 to increase expenditure authority in the Washoe County Sheriff's Office; and 2) acknowledge necessary General Fund net zero, cross function appropriation transfers of [\$2,482,026.09] to the Washoe County Sheriff's Office in accordance with Nevada Revised Statute (NRS) 354.598005, required to move non-departmental budget from one*

function to another function so as to bring the budget authority to the level of anticipated actual expenditures required for Fiscal Year 2025; both the Contingency and net zero budget appropriation transfers are associated with the net impact of the unbudgeted Collective Bargaining Agreements approved after the adoption of the Fiscal Year 2025 final budget; and, if approved, 3) direct Finance to make the appropriate budget appropriation transfers prior to June 30, 2025.”