Washoe County Governmental Funds – Fiscal Year 2025

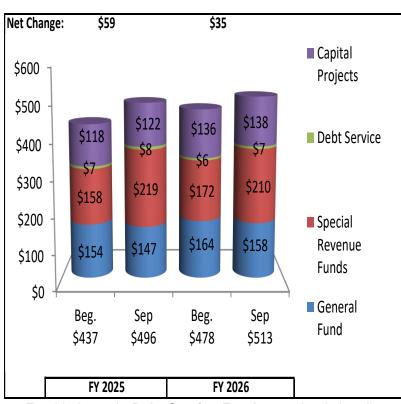
Interim Financial Report for the Three Months Ended September 30, 2025

Unaudited

All \$ in millions unless otherwise noted.

TOTAL GOVERNMENTAL FUNDS

GOVERNMENTAL FUND BALANCE



- Total Governmental Fund Balances increased \$35 million year-to-date and \$17 million when comparing this reporting period for fiscal year 2026 to fiscal year 2025.
- Fund balance in the **General Fund** decreased \$6 million year-to-date and increased \$11 million when compared to the same period last year. Revenues are \$10 million higher and expenditures and other financing uses increased by \$9 million compared to FY25 yearend totals mainly due to increased personnel costs of \$6 million.
- Fund balance for **Special Revenue Funds** increased \$38 million year-to-date
 primarily due to unspent money for the
 American Rescue Plan Act of 2021
 (ARPA) grant funding of \$17 million, \$9
 million of OCM-LATCF, \$7 million of West
 Hill Operating Rehabilitation and the
 annual transfer of funding from the General
 Fund to the Special Revenue funds to
 support the Homelessness Fund.
- Fund balance in **Debt Service Funds** remained virtually unchanged due to the timing of debt payments and transfers in.
- Fund balance in **Capital Projects** increased \$2 million year-to-date due to budgeted transfers from the General Fund and Other Special Revenue Funds.

TOTAL GOVERNMENTAL REVENUES AND EXPENDITURES

Total Governmental Revenues had a decrease of \$11 million over the prior year. Ad valorem taxes increased \$8 million (8%). Consolidated Taxes were \$2 million (-14%) lower and Other Revenue including Investment earnings decreased by \$4 million (-11%). Grants and other intergovernmental revenues are down \$14 million (-18%) due to the conclusion of State and Local Fiscal Recovery Funds (SLFRF) and ARPA (American Rescue Plan Act of 2021) grant award recipients.

Total Governmental Expenditures increased \$14 million (8%) over prior year due to increased personnel costs as a result of COLAs, merit increases, PERS costs and the implementation of the County's first comprehensive classification and compensation study in more than 20 years. Services and supplies increased by \$6 million when compared to the prior year while capital expenditures decreased in FY26 by \$1 million (14%) due to the variable nature of the increased spending associated with the ARPA funds that were spent on projects in FY25.

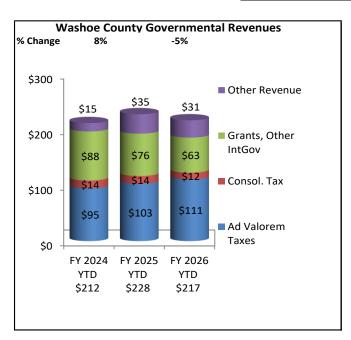
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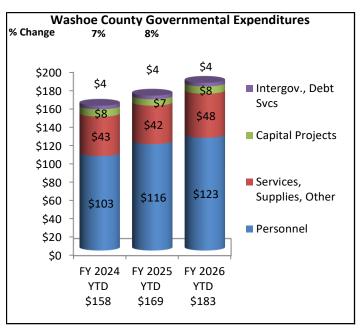
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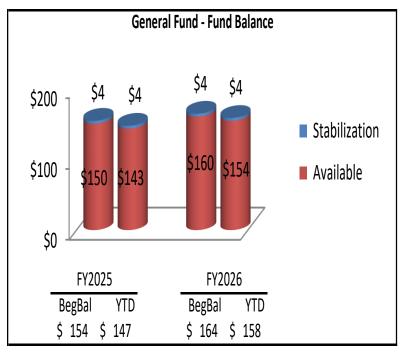
TOTAL GOVERNMENTAL FUNDS





GENERAL FUND

GENERAL FUND - FUND BALANCE



- General Fund unaudited ending fund balance increased \$11 million over last year and decreased \$6 million year-todate (FY26).
- The available portion of cash balance (next page) is \$8 million higher than the prior year (FY25). The County continues to benefit from increased property tax collections while sales tax collections have declined about \$2 million when compared to the previous year. The available cash portion of fund balance excludes funds held as deposits in the Courts and other departments. The average monthly outflow of cash is \$43 million.
 - Stabilization fund balance remains at the Board's current policy level of \$4 million.

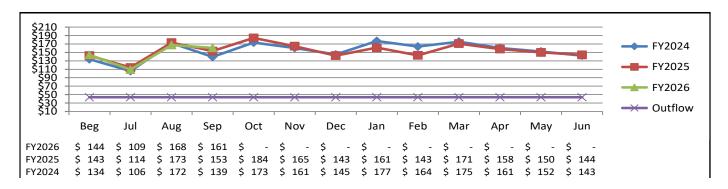
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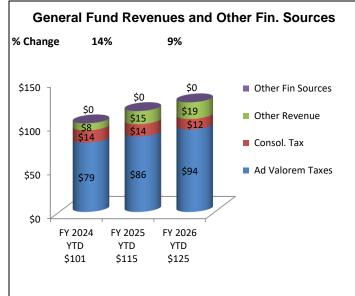
GENERAL FUND -TREND OF AVAILABLE CASH

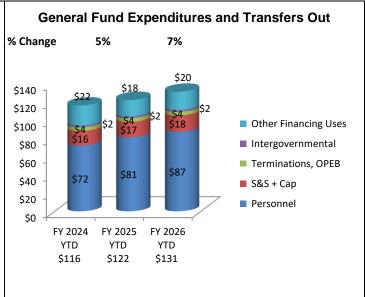


GENERAL FUND REVENUES, EXPENDITURES, AND OTHER FINANCING

Revenues and other financing sources are \$10 million or 9% more than the prior fiscal year (FY25). Ad valorem taxes increased by \$8 million or 9.3%. Consolidated taxes decreased by \$2 million and other revenue increased by \$4 million mainly due to an increase in investment earnings.

Expenditures plus transfers out have increased \$9 million or 7% when compared to the prior fiscal year. The increase in personnel costs of \$6 million is due to implementation of the classification and compensation study, cost of living adjustment (COLAs), increased costs associated with the increased PERS rates and filling budgeted new positions. The Other Financing Uses increase of \$2 million reflects an increase in transfers for planned capital projects to the Capital Improvement Fund from the General Fund.





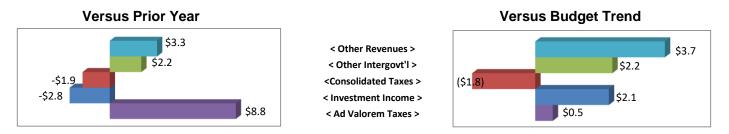
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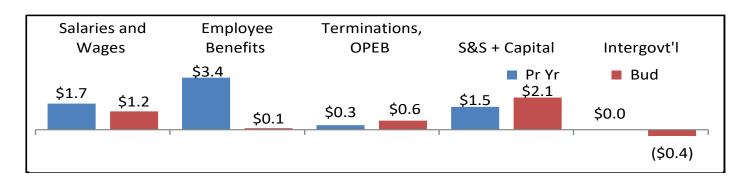
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GENERAL FUND KEY CHANGES IN REVENUES



Ad valorem taxes are up \$8.8 million or 10.3% over prior fiscal year due to increased assessed valuation and new development. **Consolidated taxes** are down \$1.9 million or (-15.3%). **Investment income** decreased \$2.8 million or -36% over the previous year due to the recording of unrealized losses for investments in FY 26.

GENERAL FUND CHANGES IN EXPENDITURES BY CATEGORY VERSUS PRIOR YEAR AND BUDGET TREND



Personnel costs are higher than the prior fiscal year by \$6.9 million or 7% because of the implementation of the salary adjustments, COLAs and annual merit increases and Employee Benefits costs are higher by \$3.4 million or 13% due to increased group insurance costs, employer HSA contributions, higher PERS rates for FY26 and contributions to OPEB.

Services and supplies and capital are higher than in the prior year by \$1.5 million or 9% due to an increase in budgeted repairs and maintenance and professional services.

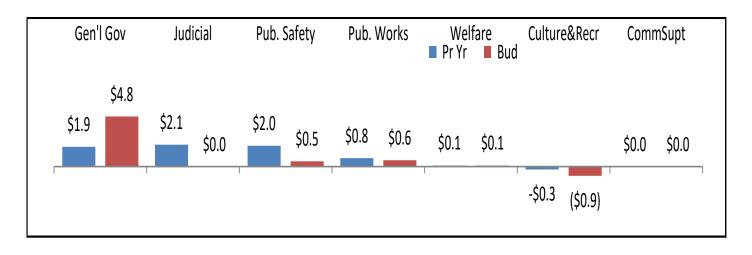
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GENERAL FUND CHANGES IN EXPENDITURES BY FUNCTION VERSUS PRIOR YEAR AND BUDGET TREND



Expenditures have increased in several areas. General Government expenditures increased due to rising personnel costs associated with higher PERS rates effective for FY26. The increase in public safety is due to personnel costs associated with higher PERS rates effective for FY26 and an increase in operating supply costs and medical expenditures at the Sheriff's Office. The increase in Public Works is also due to increased personnel costs associated with higher PERS rates effective for FY26.

Washoe County Governmental Funds - Fiscal Year 2025

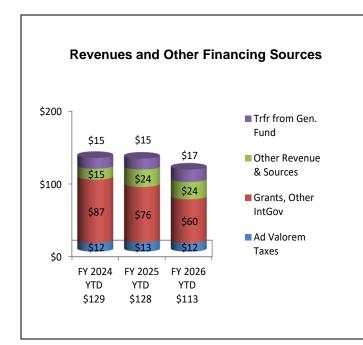
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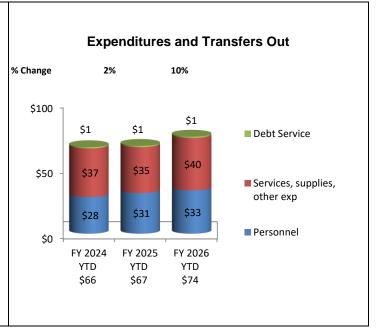
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SPECIAL REVENUE FUNDS

- Revenues and other financing sources are down \$15 million or (-12%) over the prior year, primarily due to decreased federal grant revenue.
- Expenditures and transfers out are \$7 million higher compared to the prior year with increased personnel costs associated with cost-of-living adjustments, merit increases, increase PERS rates effective for FY26 and an increase in services and supplies of \$5 million.





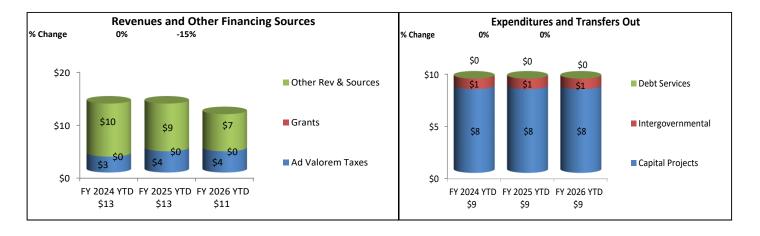
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CAPITAL PROJECTS FUNDS

- Revenues and other financing sources have decreased \$2 million when compared to prior year funding primarily due to the recognition of unrealized losses in investments.
- **Expenditures** have remained flat when compared to the previous year.



Washoe County Governmental Funds – Fiscal Year 2025

Interim Financial Report for the Three Months Ended September 30, 2025

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BUSINESS TYPE FUNDS

Operating revenue in the Utility Fund was \$391,000 or 6% higher compared to last year due to an increase in customer base and an increase in sewer rates based on the consumer price index. Nonoperating income was \$1,454,000 or 58% lower compared to last year primarily due to a decrease in unrealized gains on investments. The golf course fund operating revenue was \$31,000 higher when compared to last year due to increased contract revenue and reimbursements. Golf course fund operating expenses were lower due to the timing of effluent water expenses. Operating revenue in the Building & Safety Fund decreased by \$173,000 or (-18%) compared to the previous year primarily due to a decrease in building permit revenue. Operating expenses were flat compared to the same period last year. Nonoperating income was \$94,000 or 48% lower compared to last year primarily due to a decrease in unrealized gains on investments.

				Pr. Year	YTD Versus	
		Budget	YTD	YTD	Budget	Pr. Year
Utilities						
Operating Revenue	\$	26,047,352 \$	6,635,701 \$	6,244,487	25%	6%
Operating Expenses		(25,238,731)	(3,788,912)	(3,870,327)	15%	-2%
Operating Income/(Loss)		808,621	2,846,789	2,374,160	352%	20%
Capital Contributions		12,149,000	2,480,468	2,189,757	20%	13%
Nonoperating/Other		1,387,797	1,180,032	2,841,656	85%	-58%
Change in Net Assets	\$	14,345,418 \$	6,507,289 \$	7,405,574	45%	-12%
Golf Course						
Operating Revenue	\$	305,000 \$	60,184 \$	29,100	20%	107%
Operating Expenses		(629,961)	(15,377)	(74,980)	2%	-79%
Operating Income/(Loss)		(324,961)	44,807	(45,880)	-14%	-198%
Nonoperating/Other		45,195	19,634	99,151	43%	-80%
Change in Net Assets	\$	(279,766) \$	64,441 \$	53,271	-23%	21%
Building & Safety						
Operating Revenue	\$	3,510,000 \$	800,374 \$	972,901	23%	-18%
Operating Expenses		(5,038,569)	(931,441)	(930,719)	18%	0%
Operating Income/(Loss)	_	(1,528,569)	(131,067)	42,182	9%	-411%
Nonoperating/Other		168,426	102,036	195,791	61%	-48%
Change in Net Assets	\$ _	(1,360,142) \$	(29,030) \$	237,973	2%	-112%