



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: June 17, 2025

DATE: Monday, June 02, 2025

TO: Board of County Commissioners

FROM: Lori Cooke, Budget Manager
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THROUGH: Abbe Yacoben, Chief Financial Officer
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SUBJECT: Recommendation to approve the use of Fiscal Year 2025 General Fund Contingency in the amount of [\$1,753,364] 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, and direct Finance and Comptroller to make the necessary budget appropriation and cash transfers. (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”. Further, Nevada Revised Statute (NRS) 354.608 states that “no expenditure may be made directly from a contingency account, except as a transfer to the appropriate account...in accordance with the procedure established in NRS 354.598005”.

The purpose of this item is to consider approval of the use of the General Fund Contingency account. 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 support non-reimbursable costs associated with mitigation efforts related to the July 2024 Hidden Valley flash flood. All adjustments are within the Washoe County existing approved FY25 budget.

Washoe County’s Strategic Objective supported by this item: Fiscal Sustainability

AGENDA ITEM # _____

PREVIOUS ACTIONS

June 17, 2025 – the Board is recommended 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.

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.

June 25, 2024 - the Board approved the Washoe County Sheriff's Deputies Association (WCSDA) and Washoe County Sheriff's Supervisory Deputies Association (WCSSDA) Collective Bargaining agreements, items #18 and #19, respectively, covering Fiscal Years 2025 through Fiscal Year 2029.

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

BACKGROUND

Hidden Valley Flash Flood Response

On July 21, 2024, two thunderstorm outflows collided near Hidden Valley over steep terrain to the east of the Park. The storm caused a debris-laden flash flood, delivering massive quantities of water, mud and rock in the Hidden Valley area. The National Weather Service confirmed that a resident's home weather station located in the nearby residential area recorded a downpour equivalent to a 200-year flood event (~2' of precipitation in less than 1 hour). While any flash flood event can cause significant damage, a flood of this magnitude causes great damage, both to private property and County infrastructure.

The Regional Emergency Operations Center (REOC) was activated at a level 2, meaning that it is partially staffed to provide support to local response operations.

The Community Services Department (CSD) responded immediately, focusing on life safety, ingress/egress for residents and first-responders, re-establishment of critical infrastructure, cleanup and debris removal.

Hidden Valley Regional Park also sustained damage in the flood and was closed while critical infrastructure was re-established, and the roads and trails were cleared and made safe for the public. The park is currently open, and all of the amenities are open and safe.

The flash flood and resulting debris flows damaged Washoe County's Hidden Canyon Sanitary Sewer Lift Station, burying areas of the lift station property with up to 4 feet of debris, and partially filling the wet-well with rocks and debris. This caused damage and failure to the primary sewer pumps and also destroyed certain electrical control gear. Utility crews responded immediately and maintained the critical operation of the lift station using bypass-pumps and rented generators until repair work and debris removal could be completed. In addition, a recycled water meter pit was flooded causing an electrical short that destroyed the meter, requiring replacement.

Since the Board of County Commissioners did not declare an emergency pursuant to NRS 354.6115, the County cannot access the Stabilization Reserve in the General Fund (current balance is \$4 million). However, the Stabilization Reserve would still utilize General Fund money and would need replenishment. Therefore, use of Contingency serves the same purpose.

On June 17, 2024, a separate FY25 General Fund Contingency item of \$5,473,689 is also being recommended to cover unbudgeted expenditures associated with Washoe County Sheriff Deputies Association (WCSDA) and Washoe County Supervising Sheriff Deputies Association (WCSSDA) approved Collective Bargaining Agreements. If that request is approved, the FY25 General Fund Contingency will have a balance of \$1,237,656.

FISCAL IMPACT

If approved, the General Fund Contingency transfers will result in increased appropriations for the Risk Management Fund, the Roads Fund, and the Utilities Fund, of \$1,753,364, which will be appropriated in the following accounts:

Fund/Function	Department/ Expenditure	Cost Object(s)/ G-L Account(s)	Budget Change
General Fund	Contingency Funds		
General Gov't	Contingency	<i>C189000-820000</i>	<i>(1,753,364.00)</i>
Risk Management Fund			
Internal Service	Risk Mgt-Property Losses	C195053-710513	1,595,524.00
		<i>Risk Mgt Subtotal</i>	<i>1,595,524.00</i>
Utilities Fund			
Utilities	Utilities-Reclaim Facility Repairs	IO49914-710205	25,539.00
Utilities	Utilities-Overtime	IO49914-701300	312.00
Utilities	Utilities-Call Back	IO49914-701408	1,117.00
		<i>Utilities Subtotal</i>	<i>26,968.00</i>
Roads Fund			
Public Works	Roads-Buildings Capital	C216003-781002	92,050.00
Public Works	Roads-Overtime	C216003-701300	38,822.00
		<i>Roads Subtotal</i>	<i>130,872.00</i>
	Total Net Expenditures		-0.00-
Transfers In/Out			
General Fund	Transfer to Risk Management	C189000-816019	1,595,524.00
General Fund	Transfer to Utilities	C189000-815166	26,968.00
General Fund	Transfer to Roads	C189000-812216	130,872.00
		<i>Total Transfers Out</i>	<i>1,753,364.00</i>

Risk Management Fund	Transfer from General Fund (offsets expenditure)	C195053-621001	1,595,524.00
Utilities Fund	Transfer from General Fund (offsets expenditure)	IO49914-621001	26,968.00
Roads Fund	Transfer from General Fund (offsets expenditure)	C216003-621001	130,872.00
		Total Transfers In	1,753,364.00
Grand Total	*For Approval	Net Zero	- 0.00-

If approved, Finance-Comptroller's Office, needs to process the interfund cash transfers as outlined below, prior to June 30, 2025:

Interfund Transfer of Cash

C189000 - 816019 General Fund transfer to Risk Management Fund \$1,595,524.00
C195053 – 621001 Transfer from General Fund \$1,595,524.00

C189000 - 815166 General Fund transfer to Utilities Fund \$26,968.00
IO49914 – 621001 Transfer from General Fund \$26,968.00

C189000 - 812216 General Fund transfer to Roads Fund \$130,872.00
C216003 - 621001 Transfer from General Fund \$ 130,872.00

Total Interfund Transfers \$1,753,364.00

RECOMMENDATION

It is recommended that the Board of County Commissioners approve the use of Fiscal Year 2025 General Fund Contingency in the amount of [\$1,753,364] 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, and direct Finance and Comptroller to make the necessary budget appropriation and cash transfers.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be:
"Move to approve the use of Fiscal Year 2025 General Fund Contingency in the amount of [\$1,753,364] 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, and direct Finance and Comptroller to make the necessary budget appropriation and cash transfers."