

# Western Regional Water Commission

## STAFF REPORT

**DATE:** May 17, 2018

**TO:** Chairman and Members, Western Regional Water Commission

**FROM:** Jim Smitherman, Water Resources Program Manager  
Chris Wessel, Water Management Planner

**SUBJECT:** PUBLIC HEARING on the Western Regional Water Commission (“WRWC”) Tentative Budget for Fiscal Year 2018 – 2019; discussion and adoption of the WRWC Final Budget for Fiscal Year 2018 – 2019.

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### **SUMMARY**

Staff has developed a Fiscal Year 2018 – 2019 Tentative Budget for the WRWC including revenues and expenses for staff and non-staff professional services. The attached State budget forms show revenues of \$1,543,403, and expenditures of \$2,335,566. The balance of \$792,163 will come from cash reserves.

### **BACKGROUND**

The WRWC is required to prepare and submit a tentative budget to the Nevada Department of Taxation on or before April 15, and to hold a public hearing on the tentative budget not sooner than the third Monday and not later than the last day in May. The attached tentative budget is provided for WRWC review, discussion, adoption, and possible direction to staff.

### **PREVIOUS ACTION**

On March 21, 2018, the WRWC reviewed and approved the draft Fiscal Year 2018 – 2019 Tentative Budget, as recommended by the Northern Nevada Water Planning Commission on March 7, 2018.

### **FISCAL IMPACT**

The Fiscal Year 2018 – 2019 Tentative Budget projects \$1,543,403 in revenues, and \$2,335,566 in expenses, with the difference of \$792,163 coming from cash reserves. Budget expenses include a maximum of \$1,641,466 for work plan activities, \$617,400 for three staff positions and legal services, and \$76,000 for various routine operating expenses.

### **RECOMMENDATION**

Staff recommends that the WRWC adopt and certify the WRWC Final Budget for Fiscal Year 2018 – 2019, and direct staff to transmit a copy of it to the Nevada Tax Commission, together with an affidavit of proof of publication of the notice of the public hearing.

**POSSIBLE MOTION**

“Move to adopt and certify the WRWC Final Budget for Fiscal Year 2018 – 2019, and direct staff to transmit a copy of it to the Nevada Tax Commission, together with an affidavit of proof of publication of the notice of the public hearing, in accordance with law.”

JS:jp

Attachment: WRWC Fiscal Year 2018 – 2019 Tentative Budget

# WESTERN REGIONAL WATER COMMISSION

P.O. Box 11130, Reno, NV 89520 · Tel: (775) 954-4657 · Fax: (775) 328-3699

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April 5, 2018

Kelly S. Langley, CTP  
Supervisor, Local Government & Finance  
1550 College Parkway, Suite 115  
Carson City, NV 89706

Re: Tentative Budget for the Fiscal Year Ending June 30, 2019

Dear Ms. Langley:

Enclosed are two sets of completed State of Nevada Department of Taxation forms for the Western Regional Water Commission's tentative budget for the fiscal year ending June 30, 2019.

If you should have any questions, please contact Ben Hutchins at (775) 954-4646.

Sincerely,



Sophia Cardinal, CPA  
Sr. Accountant

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Enclosure

cc: Ben Hutchins, CSD Finance & Administration Division Director  
Jim Smitherman, Water Resources Program Manager



Nevada Department of Taxation  
1550 College Parkway, Suite 115  
Carson City, NV 89706-7937

Western Regional Water Commission \_\_\_\_\_ herewith submits the TENTATIVE budget for the  
fiscal year ending June 30, 2019

This budget contains 1 fund, including Debt Service, requiring property tax revenues totaling \$ 0

The property tax rates computed herein are based on preliminary data. If the final state computed revenue limitation permits,  
the tax rate will be increased by an amount not to exceed \_\_\_\_\_ If the final computation requires, the tax rate will be  
lowered.

This budget contains 1 governmental fund types with estimated expenditures of \$ 2,335,566 and  
0 proprietary funds with estimated expenses of \$ 0


Copies of this budget have been filed for public record and inspection in the offices enumerated in NRS 354.596 (Local  
Government Budget and Finance Act).

CERTIFICATION

APPROVED BY THE GOVERNING BOARD

I Ben Hutchins  
(Print Name)  
Finance & Customer Service Division Director  
(Title)

certify that all applicable funds and financial  
operations of this Local Government are  
listed herein

Signed 

Dated: 4/2/18

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

SCHEDULED PUBLIC HEARING:

Date and Time 05/23/18, 9:00 am

Publication Date 05/10/18

Place: Sparks Council Chambers - Legislative Building, 745 Fourth Street, Sparks, Nevada

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/17	ESTIMATED CURRENT YEAR ENDING 06/30/18	BUDGET YEAR ENDING 06/30/19
General Government			
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support			
<b>TOTAL GENERAL GOVERNMENT</b>			
Utilities			
Hospitals			
Transit Systems			
Airports			
Other			
<b>TOTAL</b>			

Personnel support services are provided to the Commission pursuant to an interlocal agreement with Washoe County Community Services Department.

POPULATION (AS OF JULY 1)			
SOURCE OF POPULATION ESTIMATE*			
Assessed Valuation (Secured and Unsecured Only)			
Net Proceeds of Mines			
<b>TOTAL ASSESSED VALUE</b>			
TAX RATE			
General Fund			
Special Revenue Funds			
Capital Projects Funds			
Debt Service Funds			
Enterprise Fund			
Other			
<b>TOTAL TAX RATE</b>			

\* Use the population certified by the state in March each year. Small districts may use a number developed per the instructions (page 6) or the best information available.

Western Regional Water Commission  
(Local Government)

SCHEDULE S-2 - STATISTICAL DATA

SCHEDULE A - ESTIMATED REVENUES & OTHER RESOURCES - GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST FUNDS & TAX SUPPORTED PROPRIETARY FUND TYPES

Budget For Fiscal Year Ending June 30, 2019

Budget Summary for Western Regional Water Commission (Local Government)

Table with 9 columns: GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUNDS (FUND NAME), BEGINNING FUND BALANCES (1), CONSOLIDATED TAX REVENUE (2), PROPERTY TAX REQUIRED (3), TAX RATE (4), OTHER REVENUE (5), OTHER FINANCING SOURCES OTHER THAN TRANSFERS IN (6), OPERATING TRANSFERS IN (7), and TOTAL (8). Rows include General, DEBT SERVICE, PROPRIETARY FUNDS, and TOTAL ALL FUNDS.

SCHEDULE A-1 ESTIMATED EXPENDITURES AND OTHER FINANCING USES

Budget For Fiscal Year Ending June 30, 2019

Budget Summary for Western Regional Water Commission  
(Local Government)

GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUNDS  FUND NAME	*	SALARIES AND WAGES (1)	EMPLOYEE BENEFITS (2)	SERVICES, SUPPLIES AND OTHER CHARGES ** (3)	CAPITAL OUTLAY *** (4)	CONTINGENCIES AND USES OTHER THAN OPERATING TRANSFERS OUT (5)	OPERATING TRANSFERS OUT (6)	ENDING FUND BALANCES (7)	TOTAL (8)
General	-	-	-	2,335,566	-	-	-	393,203	2,728,769
TOTAL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS	-	-	-	2,335,566	-	-	-	393,203	2,728,769

\* FUND TYPES: R - Special Revenue  
C - Capital Projects  
D - Debt Service  
T - Expendable Trust

\*\* Include Debt Service Requirements in this column

\*\*\* Capital Outlay must agree with CIP.

	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/19	
			(4) TENTATIVE APPROVED	(4) FINAL APPROVED
<b><u>REVENUES</u></b>				
REVENUES				
Water surcharge fees	1,447,837	1,479,126	1,479,124	
Grant revenue	-	-	40,000	
Earnings on investments	1,944	11,944	24,279	
Subtotal of Revenues	1,449,781	1,491,070	1,543,403	
OTHER FINANCING SOURCES				
Operating Transfers In (Schedule T)	-	-	-	
Subtotal of Other Financing Sources	-	-	-	
BEGINNING FUND BALANCE	1,190,112	1,175,122	1,185,366	
Prior Period Adjustment(s)	-	-	-	
Residual Equity Transfers	-	-	-	
TOTAL BEGINNING FUND BALANCE	1,190,112	1,175,122	1,185,366	
TOTAL RESOURCES	2,639,893	2,666,192	2,728,769	
EXPENDITURES				
Services and Supplies	1,464,771	1,480,826	2,335,566	
Subtotal of Expenditures	1,464,771	1,480,826	2,335,566	
OTHER USES				
CONTINGENCY (not to exceed 3% of total expenditures)	-	-	-	
Operating Transfers Out (Schedule T)	-	-	-	
Subtotal of Other Uses	-	-	-	
ENDING FUND BALANCE	1,175,122	1,185,366	393,203	
TOTAL COMMITMENTS & FUND BALANCE	2,639,893	2,666,192	2,728,769	

Western Regional Water Commission  
(Local Government)



**LOBBYING EXPENSE ESTIMATE**

Pursuant to NRS 354.600 (3), **each** (emphasis added) local government budget must obtain a separate statement of anticipated expenses relating to activities designed to influence the passage or defeat of legislation in an upcoming legislative session.

*Nevada Legislature: 80th Session; February 4, 2019 to June 3, 2019*

Provide information related to the administration of the Western Regional

1. Activity:	<u>Water Commission as needed.</u>	
2. Funding Source:	<u>Regional Water Management Fund</u>	
3. Transportation		\$ <u>                  -</u>
4. Lodging and meals		\$ <u>                  -</u>
5. Salaries and Wages		\$ <u>                  -</u>
6. Compensation to lobbyists		\$ <u>                  -</u>
7. Entertainment		\$ <u>                  -</u>
8. Supplies, equipment & facilities; other personnel and services spent in Carson City		\$ <u>                  -</u>
<b>Total</b>		\$ <u><u>                  -</u></u>

Entity: Western Regional Water Commission

Budget Year 2018-2019

**SCHEDULE OF EXISTING CONTRACTS**  
**Budget Year 2018 - 2019**

**Local Government:** Western Regional Water Commission  
**Contact:** Jim Smitherman  
**E-mail Address:** jsmitherman@washoecounty.us  
**Daytime Telephone:** 775-954-4657

Total Number of Existing Contracts: 16

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 2018-19	Proposed Expenditure FY 2019-20	Reason or need for contract:
1	Schettler, Macy & Associates, LLC	11/18/17	03/31/19	10,000	-	Financial audit services
2	City of Reno	07/01/17	06/30/19	7,500	-	Website services
3	City of Reno	07/01/17	06/30/19	262,500	-	Storm water management program
4	Desert Research Institute	07/01/17	06/30/19	20,000	-	Precipitation "can" monitoring
5	Desert Research Institute	07/01/17	06/30/19	10,000	-	Irrigation water conservation - Washoe ET program
6	Envision	07/01/17	06/30/19	2,500	-	Video production services
7	G3	07/01/17	06/30/19	2,500	-	Video production services
8	Nevada Landscape Association	07/01/17	06/30/19	12,500	-	Certified landscape technician program
9	Truckee Meadows Water Authority	07/01/17	06/30/19	100,000	-	Water conservation program
10	Regional Planning Governing Board	11/01/17	06/30/19	15,000	-	Public meeting minutes
11	Desert Research Institute	11/18/17	06/30/19	50,000	-	Cloud seeding
12	Truckee Meadows Water Authority	07/02/17	07/01/19	100,000	-	Bedell Flat Infiltration Investigation
13	University of Nevada Reno	07/03/17	06/30/20	208,000	141,000	Advanced Water Treatment Demonstration
14	Washoe County	07/01/17	06/30/20	512,400	512,400	Professional and administrative staff services
15	University of Nevada Reno	07/02/17	07/01/20	25,000	25,000	Water Innovation Campus
16	Rhodes Law Offices	11/01/17	10/31/20	144,000	144,000	Legal services
17						
18						
19						
20	<b>Total Proposed Expenditures</b>			<b>\$ 1,481,900</b>	<b>\$ 822,400</b>	

Additional Explanations (Reference Line Number and Vendor):

**SCHEDULE OF PRIVATIZATION CONTRACTS**  
**Budget Year 2018 - 2019**

**Local Government:** Western Regional Water Commission  
**Contact:** Jim Smitherman  
**E-mail Address:** jsmitherman@washoecounty.us  
**Daytime Telephone:** 775-954-4657

Total Number of Privatization Contracts: 0

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Duration (Months/ Years)	Proposed Expenditure FY 2018-19	Proposed Expenditure FY 2019-20	Position Class or Grade	Number of FTEs employed by Position Class or Grade	Equivalent hourly wage of FTEs by Position Class or Grade	Reason or need for contract:
1	None - N/A									
2										
3										
4										
5										
6										
7										
8	Total									

Attach additional sheets if necessary.

**Western Regional Water Commission  
Fiscal Year July 1, 2018 - June 30, 2019  
Tentative Budget Summary Worksheet**

<b>Budget Category</b>	<b>1.5% WMF</b>	<b>NOTE</b>	<b>Washoe County In-Kind</b>	<b>NOTE</b>	<b>TMWA In-Kind</b>	<b>NOTE</b>	<b>SVGID In-Kind</b>	<b>NOTE</b>
<b>REVENUE</b>	<b>Amount</b>		<b>Amount</b>		<b>Amount</b>		<b>Amount</b>	
Estimated Water Surcharge Revenues	1,479,124							
Grant and/or Other Revenue	40,000							
Estimated Interest Income	24,279							
<b>Total Revenue</b>	<b>1,543,403</b>		<b>0</b>		<b>0</b>		<b>0</b>	
<b>PROFESSIONAL SERVICES/SUPPLIES</b>	<b>Amount</b>		<b>Amount</b>		<b>Amount</b>		<b>Amount</b>	
Estimated Professional Services (Page 2)	1,641,466	1						
Staff Services (Page 3)	617,400	2,3	0				0	
Non-Staff Services (Page 3)	76,700							
<b>Total Professional Services/Supplies</b>	<b>2,335,566</b>		<b>0</b>				<b>0</b>	
<b>OTHER EXPENSES</b>	<b>Amount</b>		<b>Amount</b>		<b>Amount</b>		<b>Amount</b>	
Estimated Misc.			0					
<b>Total Other Expense</b>	<b>0</b>		<b>0</b>		<b>0</b>			
<b>Total Expenses</b>	<b>2,335,566</b>		<b>0</b>		<b>0</b>		<b>0</b>	

**Net Decrease in Cash Reserves (\$792,163)**

Cash Balance as of 7/1/17	\$1,175,122
Estimated 2017/2018 Revenue (Cash Flow)	1,491,070
Estimated 2017/2018 expenditures (Page 4)	(\$1,480,827)
Estimated cash balance as of 7/1/18	\$1,185,366
<b>Net Decrease in Cash Reserves for FY 2018-19</b>	<b>(\$792,163)</b>
Estimated cash balance as of 6/30/19	\$393,203

**NOTES:**

1. Proposed budget provides legal spending authority for projects yet to be approved by the WRWC upon recommendations provided by the NNWPC.
2. Proposed budget provides legal spending authority for contract staff services previously approved by the WRWC.
3. Includes Washoe County estimate for overhead: human resources, information technology, office space, utilities, computer hardware, software, copier, supplies, routine/administrative and GIS/drafting services.

### Tentative Professional Services Budget Detail Fiscal Year 2018/2019

Professional Services Project Name	2018/2019 Budget Total	Expense Description/Example
<i>DRI Cloud Seeding</i>	50,000	Pending FY18-19 ILA with DRI
<i>Precipitation Monitoring</i>	20,000	Pending FY18-19 Amendment to ILA with DRI
<b>Regional Water Planning Projects</b>	<b>70,000</b>	<b>NNWPC Ranking Vote Total 11</b>
<i>Washoe ET Project</i>	10,000	Pending FY18-19 Amendment to ILA with DRI
<i>Water Usage Review Program</i>	100,000	Pending FY18-19 Amendment to ILA with TMWA
<i>Certified Landscape Technician Program</i>	12,500	Pending FY18-19 Amendment to ILA with NLA
<b>Regional Water Conservation</b>	<b>122,500</b>	<b>NNWPC Ranking Vote Total 6</b>
<i>Integrated Wastewater and Reclaimed Water Planning</i>	200,000	Pending multi-year ILA with UNR/Nevada Water Innovation Campus Project
<i>Advanced Water Treatment Demonstration</i>	208,466	Pending FY18-19 Amendment to multi-year ILA with UNR
<i>Reclaimed Water Planning</i>	175,000	Pending Project Proposal
<b>Regional Reclaimed Water Planning Projects</b>	<b>583,466</b>	<b>NNWPC Ranking Vote Total 28</b>
<i>Storm Water GIS Mapping</i>	100,000	Pending Project Proposal
<i>Watershed Management Plan Update</i>	200,000	Pending FY18-19 Amendment to ILA with City of Reno
<i>NPDES Storm Water Permit Update</i>	63,000	Pending FY18-19 ILA with City of Reno
<i>NPDES Storm Water Quality Management Program</i>	262,500	Pending FY18-19 Amendment to ILA with City of Reno
<b>Regional Storm Water Planning Projects</b>	<b>625,500</b>	<b>NNWPC Ranking Vote Total 25</b>
<i>Localized Flooding</i>	160,000	Closed Basin Flooding/Evaluation of Ditch Flooding
<b>Regional Flood Control Planning Projects</b>	<b>160,000</b>	<b>NNWPC Ranking Vote Total 7</b>
<i>Regional Wastewater Flow Projections</i>	20,000	Pending Project Proposal
<i>Modeling for Water Quality Standards and TMDL Compliance</i>	20,000	Retain LTI for future needs
<b>Regional Wastewater Planning Projects</b>	<b>40,000</b>	<b>NNWPC Ranking Vote Total 14</b>
<i>NNWPC/WRWC Website Update/GIS Mapping</i>	10,000	
<i>Water Management Plan Update</i>	30,000	Possible future Plan Amendment
<b>Comprehensive Plan</b>	<b>40,000</b>	
<b>Totals</b>	<b>\$1,641,466</b>	

Note: Budget amounts may be transferred between categories

**Western Regional Water Commission  
Tentative Routine Operation Budget Fiscal Year 2018/2019**

		<b>2018/2019 Annual Routine Operating Budget Total</b>	<b>Expense Description/Example</b>
<b>WRWC Employees</b>	<b>Staff Services</b>	\$430,000	Cost of <i>Support Staff</i> services as defined by employee services contract entered into between Washoe County and WRWC. Includes finance and administrative staff labor cost
<b>Washoe County Overhead</b>		\$40,000	Based on analysis of fy17-18 actual general fund overhead (excludes labor)
<b>Mileage Expenses</b>		\$2,400	Annual routine daily vehicle mileage expenses.
<b>Legal Services</b>		\$144,000	Cost of <i>Legal Counsel</i> services as defined by contract as entered into between Rhodes Law Office and WRWC
<b>Lobbying Registration</b>		\$1,000	Cost of registration for staff members as state lobbyists
<b>Staff Services Subtotal</b>		<b>\$617,400</b>	
<b>Minutes</b>	<b>Non-Staff Services</b>	\$15,000	Annual service contract to provide for recording of meetings, transcription of minutes and document editing.
<b>Website</b>		\$25,000	Such as website content and design services; annual website updating, maintenance, and hosting; specialized programming services; digital library development and updating; hosting, development and maintenance of databases; licensing fees, software and software updates, training/programming reference materials.
<b>Video Coverage</b>		\$5,000	Annual expense for video coverage of WRWC and NNWPC meetings.
<b>CAFR &amp; Audit</b>		\$8,700	Annual expense for CAFR development and financial audit.
<b>Regional Training</b>		\$1,000	Cost of training for staff members <i>not covered by in-kind services</i> including registration and other miscellaneous cost such as reference materials, field trips, etc.
<b>Regional Travel</b>		\$1,000	Cost of travel for staff members <i>not covered by in-kind services</i> including transportation services, mileage reimbursement, lodging, meals, and other miscellaneous cost such as parking, etc.
<b>Advertising</b>		\$1,000	Such as advertising and legal notices.
<b>Misc. Operating</b>		\$20,000	Such as printing & reproduction, publications, and public notices, refreshments for volunteer boards/commissions, GIS and other in-house member agency support (not covered by in-kind services), equipment & supplies (i.e. computers, computer related supplies such as CDs, DVDs, etc.), projectors, printers, poster board, reproduction services, software licensing and fees, labels, business cards, periodicals, subscriptions, books, postage & mailing, promotion and public materials, misc. equipment rental, insurances, staff office supplies, and other expenses not included as part of overhead.
<b>Non-Staff Services Subtotal</b>		<b>\$76,700</b>	
<b>Totals</b>		<b>\$694,100</b>	

Estimated Expenditures Fiscal Year 2017/2018

Description	Total Estimated Fiscal 2017/2018 Expenditure as of 6/30/18
<b>WRWC Employees</b>	393,474
<b>Mileage Expenses</b>	2,400
<b>WRWC Overhead</b>	42,500
<b>Legal Services</b>	139,200
<b>Lobbying Services</b>	-
<b><i>Service Contract Subtotal</i></b>	<b>577,574</b>
<b>Minutes</b>	5,000
<b>Website</b>	15,000
<b>Envision/Sosu</b>	5,000
<b>CAFR &amp; Audit</b>	8,700
<b>Regional Training</b>	215
<b>Regional Travel</b>	-
<b>Advertising</b>	1,000
<b>Misc. Operating</b>	5,500
<b><i>Non-Service Related Routine Operating Subtotal</i></b>	<b>40,415</b>
<b>Routine Operating Expense Subtotals</b>	<b>617,989</b>
<i>TROA 6700 AF Water Rights Requirement</i>	37,986
<i>Precipitation Monitoring</i>	31,660
<b>Regional Water Planning</b>	<b>69,646</b>
<i>DRI Cloud Seeding</i>	100,000
<i>Cloud Seeding Monitoring</i>	15,147
<i>Washoe ET Project</i>	10,000
<i>Water Usage Review Program</i>	100,000
<i>Certified Landscape Technician Program</i>	12,500
<b>Conservation, Sustainability, Climate Change</b>	<b>237,647</b>
<i>Bedell Flat Infiltration</i>	-
<i>Bedell Flat Infiltration Grant</i>	-
<i>Regional Effluent Management Strategy</i>	18,112
<i>Integrated Wastewater and Reclaimed Water System Planning</i>	175,000
<b>Regional Reclaimed Water Planning Projects</b>	<b>193,112</b>
<i>Watershed Management Plan Update</i>	66,467
<i>TMRPA Regional Storm Water GIS Map Project</i>	21,000
<i>NPDES Storm Water Permit Update</i>	-
<i>NPDES Storm Water Quality Management Program</i>	262,500
<b>Regional Storm Water Planning Projects</b>	<b>349,967</b>
	-
<b>Regional Flood Control Planning Projects</b>	<b>-</b>
<i>N &amp; P Reduction in watershed</i>	-
<i>Water Quality Standards and TMDL Review, and Compliance</i>	-
<i>Septic System Mitigation Planning</i>	-
<b>Regional Wastewater Planning Projects</b>	<b>-</b>
<i>Plan Update</i>	-
<i>RWMP Update-Editing</i>	2,466
<i>TMRPA Sustainability Study</i>	10,000
<b>Water Management Plan</b>	<b>12,466</b>
<b><i>Project Subtotal</i></b>	<b>862,838</b>
<b>Totals</b>	<b>1,480,827</b>