

# Western Regional Water Commission

## STAFF REPORT

**DATE:** May 17, 2019

**TO:** Chair and Members, Western Regional Water Commission (“WRWC”)

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

**SUBJECT:** PUBLIC HEARING on the WRWC Tentative Budget for Fiscal Year 2019 – 2020; discussion and adoption of the WRWC Final Budget for Fiscal Year 2019 – 2020.

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### **SUMMARY**

Staff has developed a Fiscal Year 2019 – 2020 Tentative Budget for the WRWC including revenues and expenses for staff and non-staff professional services. The attached State of Nevada budget forms show revenues of \$1,598,742, and expenditures of \$2,354,342. The balance of \$755,600 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 20, 2019, the WRWC reviewed and approved the draft Fiscal Year 2019 – 2020 Tentative Budget, as recommended by the Northern Nevada Water Planning Commission on March 6, 2019.

### **FISCAL IMPACT**

The Fiscal Year 2019 – 2020 Tentative Budget projects \$1,598,742 in revenues, and \$2,354,342 in expenses, with the difference of \$755,600 coming from cash reserves. Budget expenses include a maximum of \$1,773,101 for work plan activities, \$543,541 for three staff positions and legal services, and \$46,000 for various routine operating expenses.

### **RECOMMENDATION**

Staff recommends that the WRWC adopt and certify the WRWC Final Budget for Fiscal Year 2019– 2020, and direct staff to transmit a copy 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 2019 – 2020, and direct staff to transmit a copy 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 1: WRWC Final State Budget for Fiscal Year 2019 – 2020

Attachment 2: WRWC Fiscal Year 2019 – 2020 approved Tentative Budget Worksheets



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

Western Regional Water Commission herewith submits the FINAL budget for the  
fiscal year ending June 30, 2020

This budget contains 1 funds, 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 \$ 2,354,342 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: \_\_\_\_\_

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

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SCHEDULED PUBLIC HEARING:

Date and Time: 05/23/19, 9:00 am

Publication Date: 05/13/19

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

FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/18	ESTIMATED CURRENT YEAR ENDING 06/30/19	BUDGET YEAR ENDING 06/30/20
General Government			
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation			
Community Support			
TOTAL GENERAL GOVERNMENT			
Utilities			
Hospitals			
Transit Systems			
Airports			
Other			
TOTAL			

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			
TOTAL ASSESSED VALUE			
TAX RATE			
General Fund			
Special Revenue Funds			
Capital Projects Funds			
Debt Service Funds			
Enterprise Fund			
Other			
TOTAL TAX RATE			

\* 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





	(1)	(2)	(3) (4) BUDGET YEAR ENDING 6/30/2020	
			TENTATIVE APPROVED	FINAL APPROVED
<b><u>REVENUES</u></b>	ACTUAL PRIOR YEAR ENDING 6/30/2018	ESTIMATED CURRENT YEAR ENDING 6/30/2019		
REVENUES				
Water surcharge fees	1,488,637	1,479,126	1,537,564	1,537,564
Grant revenue	-	40,000	40,000	40,000
Earnings on investments	2,282	12,666	19,316	21,178
Subtotal of Revenues	1,490,919	1,531,792	1,596,880	1,598,742
OTHER FINANCING SOURCES				
Operating Transfers In (Schedule T)	-	-	-	-
Subtotal of Other Financing Sources	-	-	-	-
BEGINNING FUND BALANCE	1,175,122	1,295,606	1,046,221	1,046,221
Prior Period Adjustment(s)	-	-	-	-
Residual Equity Transfers	-	-	-	-
TOTAL BEGINNING FUND BALANCE	1,175,122	1,295,606	1,046,221	1,046,221
TOTAL RESOURCES	2,666,041	2,827,398	2,643,101	2,644,963
EXPENDITURES				
Services and Supplies	1,370,435	1,781,177	2,238,289	2,354,342
Subtotal of Expenditures	1,370,435	1,781,177	2,238,289	2,354,342
OTHER USES				
CONTINGENCY (not to exceed 3% of total expenditures)	-	-	-	-
Operating Transfers Out (Schedule T)	-	-	-	-
Subtotal of Other Uses	-	-	-	-
ENDING FUND BALANCE	1,295,606	1,046,221	404,812	290,621
TOTAL COMMITMENTS & FUND BALANCE	2,666,041	2,827,398	2,643,101	2,644,963

Western Regional Water Commission  
(Local Government)

**SCHEDULE OF EXISTING CONTRACTS**

**Budget Year 2019 - 2020**

**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: 18

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 2019-20	Proposed Expenditure FY 2020-21	Reason or need for contract:
1	City of Reno	07/01/19	06/30/20	7,500	7,500	Web Hosting Services
2	City of Reno	01/17/19	06/30/20	75,000	-	Watershed Management Plan Update
3	City of Reno	07/01/19	06/30/20	262,500	262,500	Storm Water Management Program
4	Desert Research Institute	07/01/19	06/30/20	20,000	20,000	Precipitation "Can" Monitoring
5	Desert Research Institute	07/01/19	06/30/20	10,000	10,000	Irrigation Water Conservation - Washoe ET Program
6	Nevada Landscape Association	07/01/18	06/30/20	12,500	-	Certified Landscape Technician Program
7	Regional Planning Governing Board	11/01/19	06/30/20	15,000	15,000	Public Meeting Minutes
8	Regional Planning Governing Board	07/01/19	06/30/20	5,000	5,000	Web Hosting Services
9	Schettler, Macy & Associates, LLC	07/01/19	06/30/20	8,700	8,700	Financial Audit Services
10	SoSu	07/01/19	06/30/20	5,000	5,000	Video Production Services
11	Truckee Meadows Water Authority	07/01/19	06/30/20	100,000	100,000	Water Conservation Program
12	Truckee Meadows Water Authority	07/02/18	06/30/20	40,000	-	Bedell Flat Infiltration Investigation
13	Washoe County	07/01/17	06/30/20	412,925	412,925	Professional and Administrative Staff Services
14	UNR/ Nevada Water Innovation Institute	01/01/18	07/01/20	25,000	-	Water Innovation Campus
15	UNR/ Nevada Water Innovation Institute	07/03/19	07/01/20	238,017	-	Advanced Water Treatment Demonstration
16	Rhodes Law Offices	11/01/17	10/31/20	109,000	109,000	Legal Services
17	Data Instincts	07/04/19	07/02/21	50,000	50,000	Reclaimed Water Planning - Data Instincts
18	UNR/ Nevada Water Innovation Institute	07/02/18	07/02/21	187,728	191,986	Regional Effluent Management Planning Guidance Document
19						
20	Total Proposed Expenditures			\$ 1,583,870	\$ 1,197,611	

Additional Explanations (Reference Line Number and Vendor):



**SCHEDULE OF PRIVATIZATION CONTRACTS**  
**Budget Year 2019 - 2020**

**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 2019-20	Proposed Expenditure FY 2020-21	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, 2019 - June 30, 2020  
Tentative Budget Summary Worksheet**

Budget Category	1.5% WMF	NOTES
<b>REVENUE</b>	<b>Amount</b>	
Estimated Water Surcharge Revenues	1,537,564	
Grant and/or Other Revenue	40,000	
Estimated Interest Income	21,178	
<b>Total Revenue</b>	<b>1,598,742</b>	
<b>PROFESSIONAL SERVICES/SUPPLIES</b>	<b>Amount</b>	
Estimated Professional Services (Page 2)	1,773,101	1
Staff Services (Page 3)	534,541	2,3
Non-Staff Services (Page 3)	46,700	
<b>Total Professional Services/Supplies</b>	<b>2,354,342</b>	
<b>OTHER EXPENSES</b>	<b>Amount</b>	
Estimated Misc.		
<b>Total Other Expense</b>	<b>0</b>	
<b>Total Expenses</b>	<b>2,354,342</b>	

**Net Change in Cash Reserves (\$755,600)**

Cash balance as of 7/1/18 (from Audit)	\$1,295,606	
Estimated 2018/2019 revenue (Cash Flow)	1,531,792	
Estimated 2018/2019 expenditures (Page 4)	(\$1,781,177)	
Estimated cash balance as of 7/1/19	\$1,046,221	
<b>Net change in cash reserves for FY 2019-20</b>	<b>(\$755,600)</b>	
Estimated cash balance as of 6/30/20	\$290,621	(See Note 4)

**NOTES:**

- Proposed budget provides legal spending authority for projects yet to be approved by the WRWC upon recommendations provided by the NNWPC.  
Specific per project scope and cost yet to be developed and approved by the WRWC.
- Proposed budget provides legal spending authority for contract staff services previously approved by the WRWC.
- Includes Washoe County estimate for overhead: human resources, information technology, office space, utilities, computer hardware, software, copier, supplies, routine/administrative and GIS/drafting services.
- Ending balance represents minimum reserve of six month's operating expenses as adopted by WRWC on March 13, 2009.

**Tentative Professional Services Budget Detail Fiscal Year 2019/2020**

<b>Professional Services Project Name</b>	<b>2019/2020 Budget Total</b>	<b>Expense Description/Example</b>
<i>Climate Variability Data Assessment</i>	0	
<i>Precipitation Monitoring</i>	20,000	Pending FY18-19 Amendment to ILA with DRI
<b>Regional Water Planning Projects</b>	<b>20,000</b>	<b>NNWPC Ranking Vote Total 11</b>
<i>Washoe ET Project</i>	10,000	Pending FY18-19 Amendment to ILA with DRI
<i>DRI Cloud Seeding</i>	0	Pending FY18-19 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>Nevada Water Innovations Campus</i>	25,000	Multi-year ILA with UNR/Nevada Water Innovation Institute (NWII)
<i>Regional Effluent Management Planning Guidance Document</i>	187,728	Multi-year ILA with UNR/Nevada Water Innovation Institute (NWII)
<i>Advanced Water Treatment Demonstration</i>	238,017	FY18-19 Amendment to multi-year ILA with UNR
<i>Reclaimed Water Planning - Expert Panel</i>	30,000	Pending Project Proposal
<i>Reclaimed Water Planning - Data Instincts</i>	50,000	Multi-year Contract with Data Instincts
<i>Reclaimed Water Planning NWII A+ Leadership</i>	40,000	Pending ILA with UNR
<i>Bedell Flat Infiltration Grant</i>	40,000	208 grant (40K; see Grant and/or Other Revenue; Page 1)
<b>Regional Reclaimed Water Planning Projects</b>	<b>610,745</b>	<b>NNWPC Ranking Vote Total 28</b>
<i>Integrated Source Water Protection Program</i>	0	
<i>Storm Water GIS Mapping</i>	0	Pending Project Proposal
<i>Watershed Management Plan Update</i>	75,000	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>400,500</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
<i>N &amp; P Reduction in Watershed</i>	0	
<b>Regional Wastewater Planning Projects</b>	<b>40,000</b>	<b>NNWPC Ranking Vote Total 14</b>
<i>Water Management Plan Update</i>	30,000	Possible future Plan Amendment
<b>Comprehensive Plan</b>	<b>30,000</b>	
<b>Project Contingency Funds</b>	<b>389,356</b>	
<b>Total</b>	<b>\$1,773,101</b>	

Note: Budget amounts may be transferred between categories

**Western Regional Water Commission  
Tentative Routine Operation Budget Fiscal Year 2019/2020**

		<b>2019/2020 Annual Routine Operating Budget Total</b>	<b>Expense Description/Example</b>
<b>WRWC Employees</b>		\$412,925	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
Salaries and benefits for WRWC staff		\$374,000	
GF OH OPEB - allocated		\$29,725	
Support Services from CSD F&A		\$9,200	
<b>Washoe County Overhead</b>	Staff Services	\$12,616	Based on analysis of fy17-18 actual general fund overhead (excludes labor)
GF OH Utilities - direct		\$497	
GF OH - direct		\$0	
GF OH - allocated		\$12,119	
<b>Mileage Expenses</b>		\$1,000	Annual routine daily vehicle mileage expenses.
<b>Legal Services</b>		\$108,000	Cost of <i>Legal Counsel</i> services as defined by contract as entered into between Rhodes Law Office and WRWC
<b>Lobbying Registration</b>		\$0	Cost of registration for staff members as state lobbyists
<b>Staff Services Subtotal</b>		<b>\$534,541</b>	
<b>Minutes</b>	Non-Staff Services	\$5,000	Annual service contract to provide for recording of meetings, transcription of minutes and document editing.
<b>WRWC Tech Services</b>		\$2,500	Such as 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 and website content and design services.
<b>TRIG Server Hosting and Support</b>		\$7,500	
<b>TMRPA Server and Hosting</b>		\$5,000	
<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>		\$10,000	Such as printing & reproduction, publications, and public notices, refreshments for volunteer boards/commissions, general tech service support, 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>\$46,700</b>	
<b>Totals</b>		<b>\$581,241</b>	

Estimated Expenditures Fiscal Year 2018/2019

Description	Total Estimated Fiscal 2018/2019 Expenditure as of 6/30/19
<b>WRWC Employees</b>	393,474
Salaries and benefits for WRWC staff	
GF OH OPEB - allocated	
Support Services from CSD F&A	
<b>Mileage Expenses</b>	2,400
<b>WRWC Overhead</b>	42,500
GF OH Utilities - direct	
GF OH - direct	
GF OH - allocated	
<b>Legal Services</b>	139,200
<b>Lobbying Services</b>	600
<b>Service Contract Subtotal</b>	<b>578,174</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>	1,500
<b>Regional Travel</b>	-
<b>Advertising</b>	1,000
<b>Misc. Operating</b>	6,700
<b>Non-Service Related Routine Operating Subtotal</b>	<b>42,900</b>
<b>Routine Operating Expense Subtotals</b>	<b>621,074</b>
<i>TROA 6700 AF Water Rights Requirement</i>	10,000
<i>Precipitation Monitoring</i>	20,000
<b>Regional Water Planning</b>	<b>30,000</b>
<i>Washoe ET Project</i>	10,000
<i>DRI Cloud Seeding</i>	150,000
<i>Water Usage Review Program</i>	100,000
<i>Certified Landscape Technician Program</i>	12,500
<b>Conservation, Sustainability, Climate Change</b>	<b>272,500</b>
<i>Advanced Water Treatment Demonstration</i>	153,607
<i>Bedell Flat Infiltration</i>	40,000
<i>Regional Effluent Management Strategy</i>	386
<i>Nevada Water Innovation Institute</i>	25,000
<i>Reclaimed Water Planning - Expert Panel</i>	30,000
<i>Reclaimed Water Planning - NWII A+ Leadership</i>	40,000
<i>Reclaimed Water Planning - Data Instincts Public Outreach</i>	50,000
<i>Regional Effluent Management Planning Guidance Document</i>	181,110
<b>Regional Reclaimed Water Planning Projects</b>	<b>520,103</b>
<i>NPDES Storm Water Quality Management Program</i>	262,500
<i>NPDES Storm Water Permit Update</i>	-
<i>Watershed Management Plan Update</i>	75,000
<i>TMRPA Regional Storm Water GIS Map Project</i>	-
<b>Regional Storm Water Planning Projects</b>	<b>337,500</b>
<i>Localized Flooding</i>	-
<b>Regional Flood Control Planning Projects</b>	-
<i>Regional Wastewater Flow Projections</i>	-
<i>Modeling for Water Quality Standards and TMDL Compliance</i>	-
<b>Regional Wastewater Planning Projects</b>	-
<i>NNWPC/WRWC Website Update/GIS Mapping</i>	-
<i>Plan Update</i>	-
<b>Water Management Plan</b>	-
<b>Project Subtotal</b>	<b>1,160,103</b>
<b>Totals</b>	<b>1,781,177</b>