

# Northern Nevada Water Planning Commission

## STAFF REPORT

**DATE:** January 26, 2017  
**TO:** Chairman and Members, Northern Nevada Water Planning Commission  
**FROM:** Jim Smitherman, Water Resources Program Manager  
**SUBJECT:** Review draft Fiscal Year 2017-2018 Western Regional Water Commission (“WRWC”) tentative budget; discussion and possible recommendation to the WRWC to approve the tentative budget.

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### **SUMMARY**

Staff has developed a draft tentative budget for fiscal year 2017-2018 for review and possible recommendation to the WRWC. This item comes to the NNWPC this year in February because budget figures must be submitted by February 13 to the Washoe County Community Services Department’s Finance & Administration Director [manager of the Regional Water Management Fund (“RWMF”) under an Interlocal Agreement with the WRWC] due to early deadlines imposed by the Washoe County budget office. The attached draft tentative budget includes RWMF revenues, cash on hand and expenses for staff and non-staff professional services. Additional budget worksheets include details for professional services related to priority projects and routine operating expenses.

### **BACKGROUND**

The WRWC is required to submit a budget to the Nevada Department of Taxation after holding a hearing in May of each year. The attached draft tentative budget is provided for review, discussion, possible direction to staff, and possible recommendation to the WRWC for approval as presented or with revisions. Based on input received, staff will prepare a tentative budget for review and adoption by the WRWC.

### **FISCAL IMPACT**

The fiscal year 2017-2018 draft tentative budget projects \$1,406,200 in revenue, \$2,324,926 in expenses, and an ending cash balance of approximately \$438,367. Budget expenses include a maximum of \$1,621,926 for WRWC work plan activities, \$617,000 for three full time staff and legal services, and various routine operating expenses in the amount of \$86,000.

### **RECOMMENDATION**

Staff recommends that the NNWPC review the draft tentative budget for fiscal year 2017-2018, provide appropriate direction to staff, and make a recommendation to the WRWC for approval of the tentative budget as presented or with revisions.

CW:df

Attachments: WRWC Draft Tentative Budget FY17-18

**Western Regional Water Commission  
Fiscal Year July 1, 2017 - June 30, 2018  
Tentative Budget Summary Worksheet**

Budget Category	1.5% WMF	NOTE	Washoe County In-Kind	NOTE	TMWA In-Kind	NOTE	SVGID In-Kind	NOTE
<b>REVENUE</b>	<b>Amount</b>		<b>Amount</b>		<b>Amount</b>		<b>Amount</b>	
Estimated Water Surcharge Revenues	1,394,568							
Grant and/or Other Revenue	40,000							
Estimated Interest Income	25,648							
<b>Total Revenue</b>	<b>1,460,216</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)	1,621,926	1						
Staff Services (Page 3)	617,000	2,3	0				0	
Non-Staff Services (Page 3)	86,000							
<b>Total Professional Services/Supplies</b>	<b>2,324,926</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>0</b>	
<b>Total Expenses</b>	<b>2,324,926</b>		<b>0</b>		<b>0</b>		<b>0</b>	

**Net Decrease in Cash Reserves (\$864,710)**

Cash Balance as of 7/1/16	<b>\$1,190,112</b>
Estimated 2016/2017 Revenue (Cash Flow)	<b>1,406,200</b>
Estimated 2016/2017 expenditures (Page 4)	<b>(\$1,293,235)</b>
Estimated cash balance as of 7/1/17	<b>\$1,303,077</b>
<b>Net Decrease in Cash Reserves for FY 2017-18</b>	<b>(\$864,710)</b>
Estimated cash balance as of 6/30/18	<b>\$438,367</b>

**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.

**Tentative Professional Services Budget Detail Fiscal Year 2017/2018**

Professional Services Project Name	2017/2018 Budget Total	Expense Description/Example
-b-	-i-	-k-
<i>Climate Variability Data Assessmant</i>	\$0	
<i>Precipitation Monitoring</i>	\$30,000	
<i>Highland Canal Water Quality Project</i>	\$250,000	
<i>TROA 6700 AF Water Rights Requirement</i>	\$100,000	Water rights acquisition for TROA 6700 AF requirement
<b>Regional Water Planning Projects</b>	<b>\$380,000</b>	
<i>Cloud Seeding</i>	\$100,000	ILA with DRI for cloud seeding operations
<i>Washoe ET Project</i>	\$10,000	ILA with DRI; weather station maintenance
<i>Water Usage Review Program</i>	\$100,000	ILA with TMWA
<i>Certified Landscape Technician Program</i>	\$12,500	ILA with NLA
<b>Regional Water Conservation</b>	<b>\$222,500</b>	
<i>Bedell Flat Infiltration</i>	\$100,000	Hydrologic Investigations
<i>Bedell Flat Infiltration Grant</i>	\$0	208 grant (40K; see <i>Grant and/or Other Revenue</i> ; Page 1)
<i>Integrated Wastewater and Reclaimed Water System Planning</i>	\$204,000	Advanced Water Treatment Demonstration; ILA with UNR
<b>Regional Reclaimed Water Planning Projects</b>	<b>\$304,000</b>	
<i>Watershed Management Plan Update</i>	\$70,000	ILA with City of Reno
<i>NPDES Storm Water Permit Update</i>	\$112,926	ILA with City of Reno
<i>NPDES Storm Water Quality Management Program</i>	\$262,500	ILA with City of Reno
<b>Regional Storm Water Planning Projects</b>	<b>\$445,426</b>	
<b>Regional Flood Control Planning Projects</b>	<b>\$0</b>	
<i>N &amp; P Reduction in watershed</i>	50,000	
<i>Water Quality Compliance</i>	150,000	
<b>Regional Wastewater Planning Projects</b>	<b>\$200,000</b>	
<i>Water Management Plan Update</i>	\$50,000	WMP contracts.
<i>TMRPA GIS Population Model</i>	\$20,000	ILA with RPGB
<b>Comprehensive Plan</b>	<b>\$70,000</b>	
<b>Totals</b>	<b>\$1,621,926</b>	

## Western Regional Water Commission Tentative Routine Operation Budget Fiscal Year 2017/2018

		2017/2018 Annual Routine Operating Budget Total	Expense Description/Example
<b>WRWC Employees</b>	Staff Services	\$440,000	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>		\$45,000	Based on analysis of fy16-17 actual general fund overhead (excludes labor)
<b>Mileage Expenses</b>		\$2,400	Annual routine daily vehicle mileage expenses.
<b>Legal Services</b>		\$129,600	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>\$617,000</b>	
<b>Minutes</b>	Non-Staff Services	\$15,000	Annual service contract to provide for recording of meetings, transcription of minutes and document editing.
<b>Website</b>		\$33,000	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>		\$10,000	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>\$86,000</b>	
<b>Totals</b>		<b>\$703,000</b>	

Estimated Expenditures Fiscal Year 2016/2017

Quarter Ending	Total Estimated Fiscal 2016/2017 Expenditure as of 6/30/17
WRWC Employees	300,000
Mileage Expenses	2,400
WRWC Overhead	95,000
Legal Services	129,600
Lobbying Services	600
<b>Service Contract Subtotal</b>	<b>527,600</b>
Minutes	5,000
Website	33,000
Envision/Sosu	5,000
CAFR & Audit	8,700
Regional Training	800
Regional Travel	1,000
Advertising	1,000
Misc. Operating	5,000
<b>Non-Service Related Routine Operating Subtotal</b>	<b>59,500</b>
<b>Routine Operating Expense Subtotals</b>	<b>587,100</b>
<i>TROA 6700 AF Water Rights Requirement</i>	32,585
<i>Restoration Investments in the Truckee Watershed</i>	29,050
<i>Climate Variability Data Assessment</i>	50,000
<i>Highland Canal Water Quality Project</i>	0
<i>Precipitation Monitoring</i>	30,000
<b>Regional Water Planning</b>	<b>141,635</b>
<i>DRI Cloud Seeding Monitoring</i>	25,000
<i>DRI Cloud Seeding</i>	100,000
<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>222,500</b>
<i>Bedell Flat Infiltration</i>	0
<i>Bedell Flat Infiltration Grant</i>	0
<i>Integrated Wastewater and Reclaimed Water System Planning</i>	25,000
<b>Regional Reclaimed Water Planning Projects</b>	<b>25,000</b>
<i>Watershed Management Plan Update</i>	
<i>NPDES Storm Water Permit Update</i>	0
<i>NPDES Storm Water Quality Management Program</i>	262,500
<b>Regional Storm Water Planning Projects</b>	<b>262,500</b>
<b>Regional Flood Control Planning Projects</b>	<b>0</b>
<i>N &amp; P Reduction in watershed</i>	0
<i>Water Quality Standards and TMDL Review, and Compliance</i>	0
<i>Septic System Mitigation Planning</i>	4,500
<b>Regional Wastewater Planning Projects</b>	<b>4,500</b>
<i>Plan Update (Cost-Finance and Water Balance Model Contract)</i>	50,000
<i>TMRPA GIS Population Model</i>	0
<b>Water Management Plan</b>	<b>50,000</b>
<b>Project Subtotal</b>	<b>706,135</b>
<b>Totals</b>	<b>1,293,235</b>