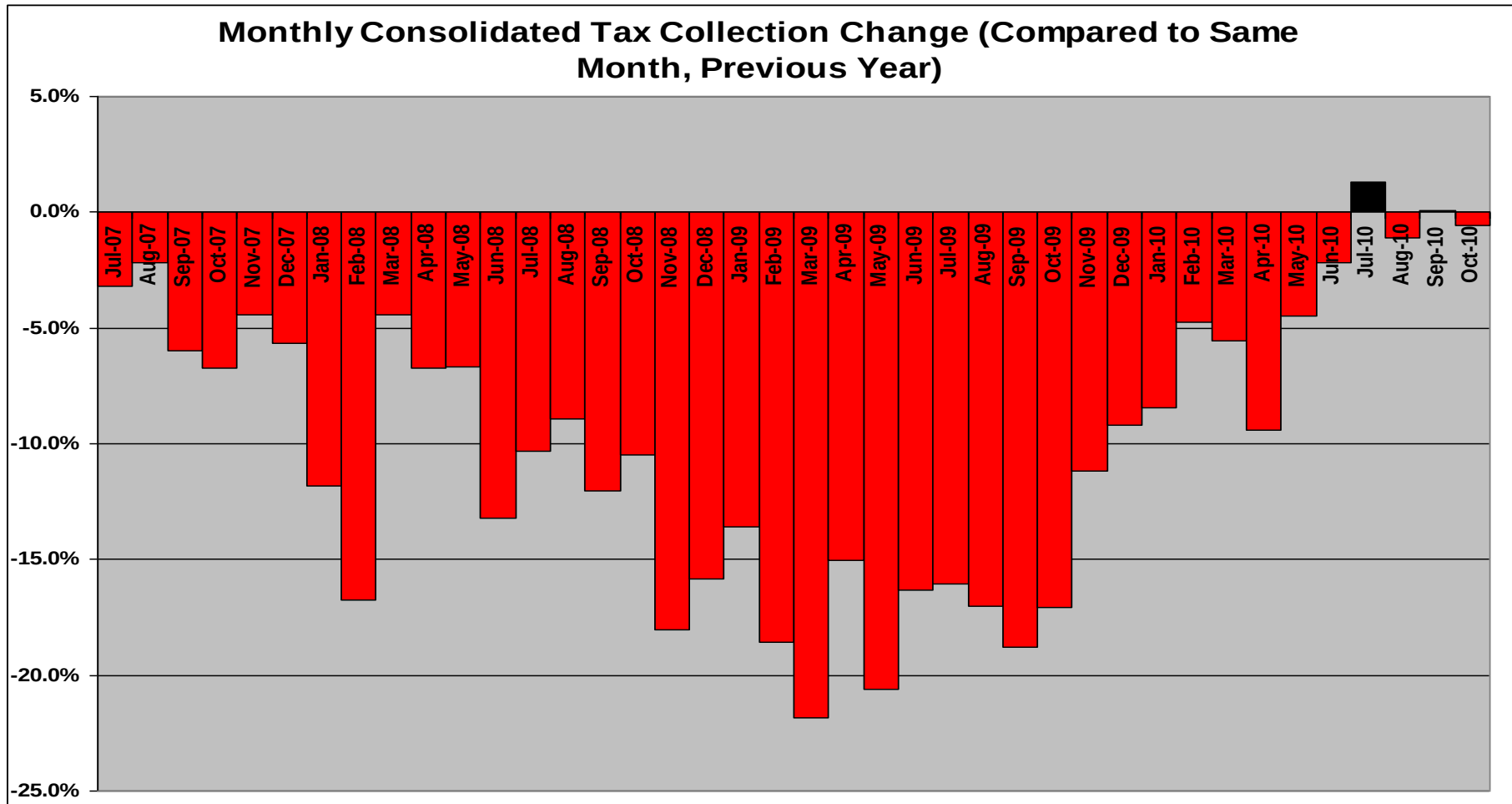


City of Reno

Kevin Knutson
Interim City Manager
&
Director of the Office of
Management & Budget

Joint Meeting of the Assembly Committee on Taxation
and the Senate Committee on Revenue
April 28, 2011

Revenues



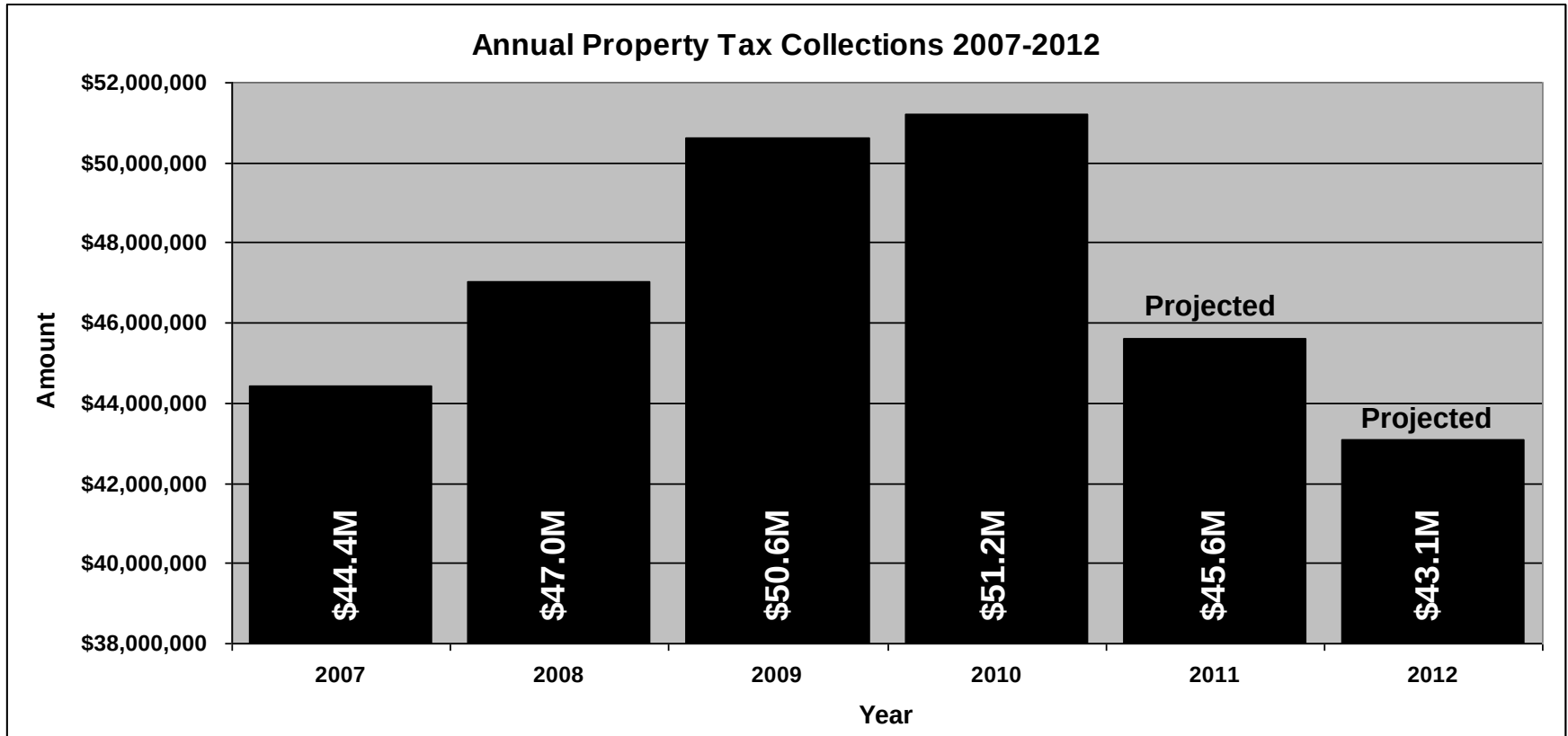
Joint Meeting of the Assembly Committee on Taxation and
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Revenues

- Consolidated tax fell over 30% from fiscal year 2007 through fiscal year 2010.
- Current monthly consolidated tax collections are below 2002 collection levels.
- At a 3% real* annual growth rate, it will take until 2023 to return to 2007 consolidated tax collection levels.

* A real growth rate is growth in excess of inflation allowing comparable purchasing power to be measured.

Revenues



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Revenues

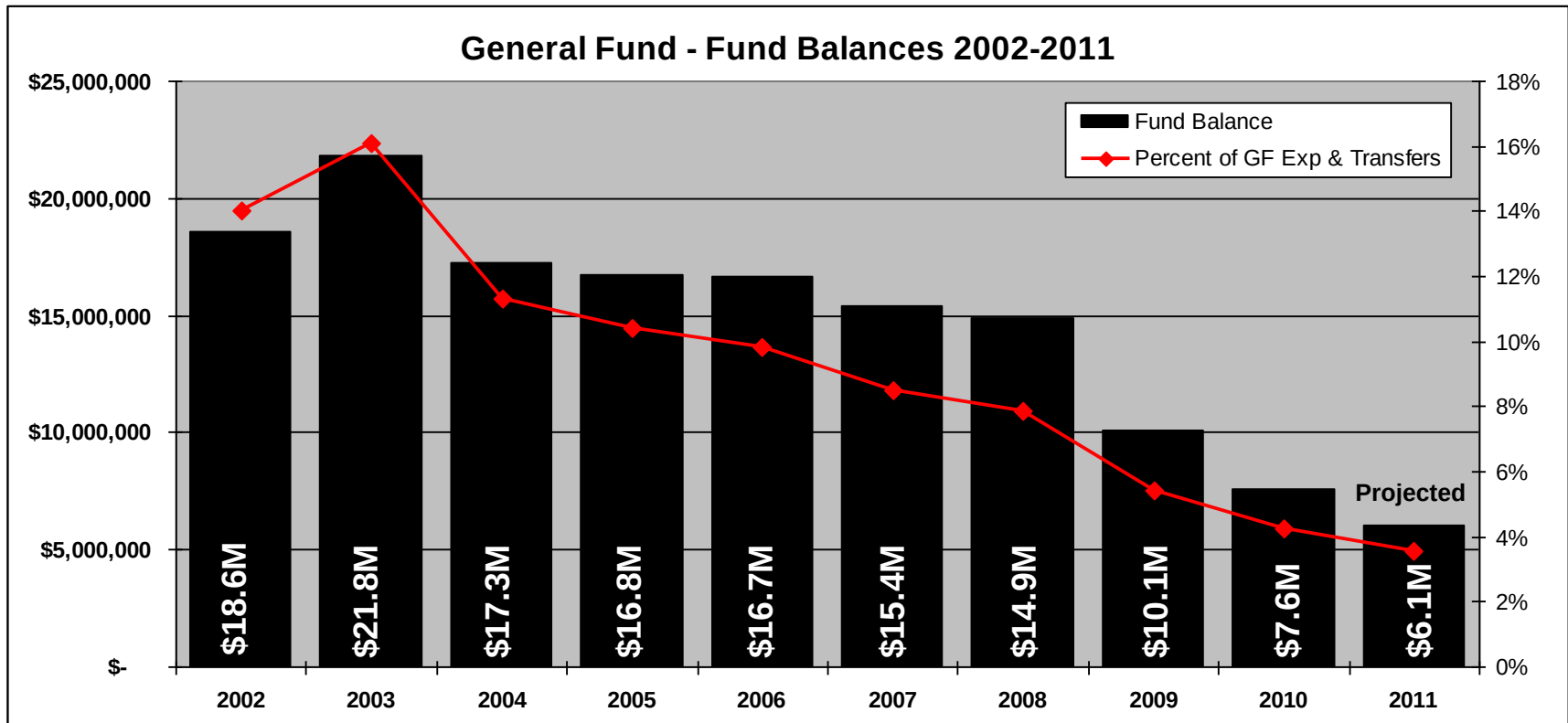
- At a 2% real* annual growth rate, it will take until 2021 to return to 2010 property tax collection levels.

* A real growth rate is growth in excess of inflation allowing comparable purchasing power to be measured.

Reserves

- The City has previously addressed revenue declines through a combination of expenditure reduction and reserve utilization.
- The City has reached minimum reserve levels in the general and internal service funds. In order to maintain or increase these reserves, further expenditure reduction is necessary.

Reserves



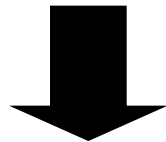
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Budget Losses

FY 08-09 Adopted Budget

\$427,626,997

25.3%



FY 11-12 Proposed Budget

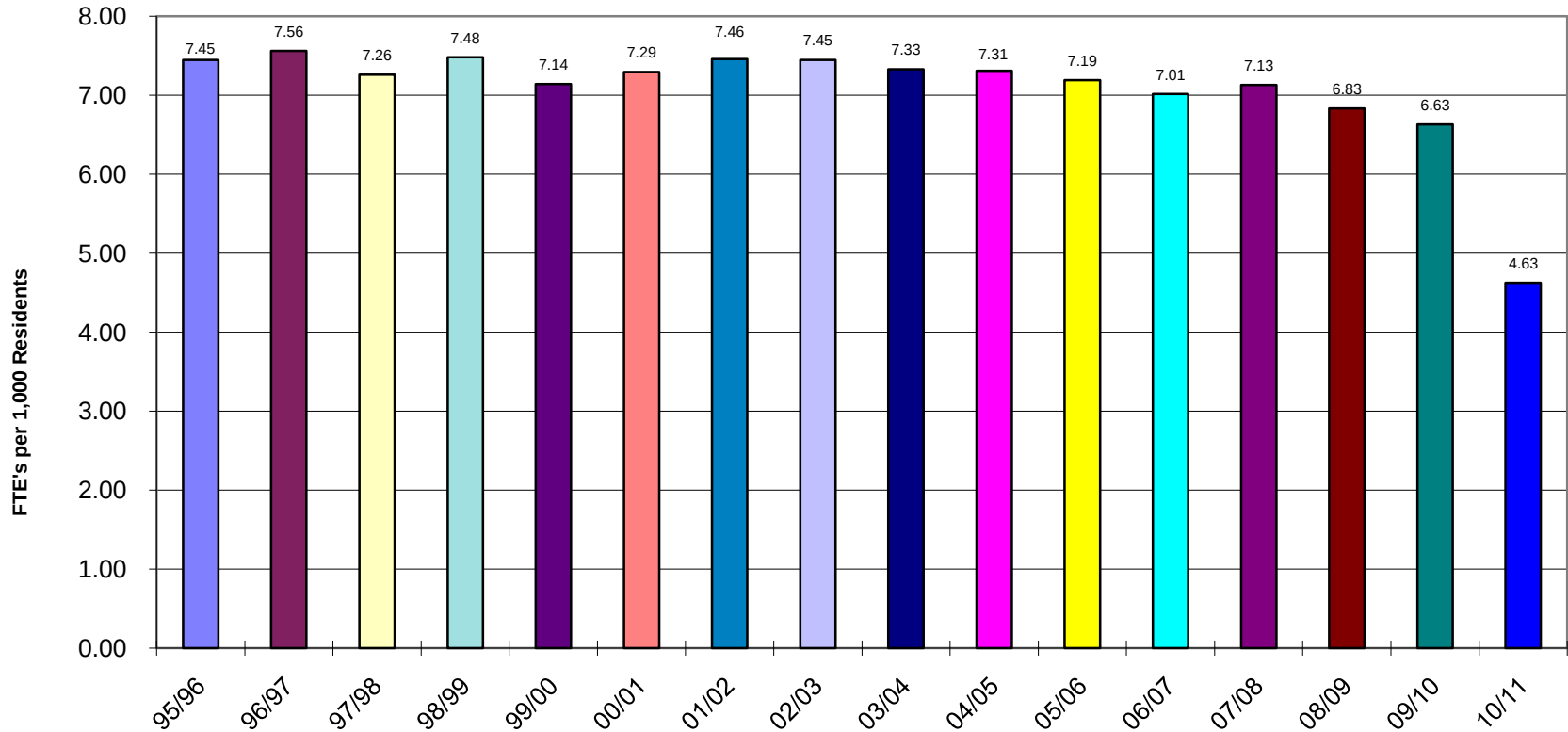
\$319,502,643

Staffing

- Overall staffing in 2008-2009 was 1,630, today it's 1,124 (300 frozen, 206 laid off, 31% decrease)
- Police staffing
 - 368 filled positions (equivalent to 1985-86, 358)
 - 218,143 population (1985-86, 112,240)
- Fire staffing
 - 257 filled positions (equivalent to 1990-91, 242)
 - 218,143 population (1990-91, 134,780)

Per Capita FTE's

**AUTHORIZED POSITIONS (FTE's) PER CAPITA
FY 1995/96 - FY 2010/11**



Actions Taken to Avoid Service Reductions

- Use of reserves and stabilization funds (~\$10 million over the past three years)
- Reduced transfers to insurance and other funds (~\$8 million)
- Increases to franchise fees and charges for service (~\$4.9 million last year and ~\$3.5 million next year)
- Operational cuts (~\$35 million over the past three years)
- Change in Fire deployment (~\$3 million per year)
- Premium holiday for self-funded medical plans (~\$700,000)
- Reduced Council contingency (~\$120,000)

Cumulative Concessions

Unit	Estimated One-time Savings	Estimated Ongoing Savings	Estimated One-time Savings per FTE*	Estimated Ongoing Savings per FTE/yr*
Elected	\$36,400	n/a	\$5,200	n/a
Management	\$85,500	\$171,000	\$4,700	\$9,500
Mid-Management	\$335,800	\$0	\$7,900	\$0
Confidential	\$135,000	\$0	\$4,900	\$0
RAPG Admin	\$83,000	\$0	\$4,800	\$0
RAPG Pro	\$236,900	\$0	\$5,000	\$0
Local 39 Sup	\$167,800	\$0	\$6,200	\$0
Local 39 Non	\$1,058,500	\$0	\$3,300	\$0
RFDA	\$81,300	\$0	\$6,200	\$0
IAFF	\$477,400	\$2,324,880	\$1,900	\$4,700
RPSAE	\$91,400	\$0	\$2,700	\$0
RPSAE DCs	\$0	\$0	\$0	\$0
RPPA	\$286,400	\$0	\$1,300	\$0

* Per FTE rates are slightly higher than actual because post-reduction membership was used. All numbers are rounded down to nearest \$100.

Preliminary FY 11-12 Budget Requests

- **No improvement in service levels**
- Property tax still dropping (may continue for at least 24 more months)
- Some stability in CTAX, but no growth
- Other revenue continue to decline
- Does not include any potential loss of revenue from Federal or State legislation

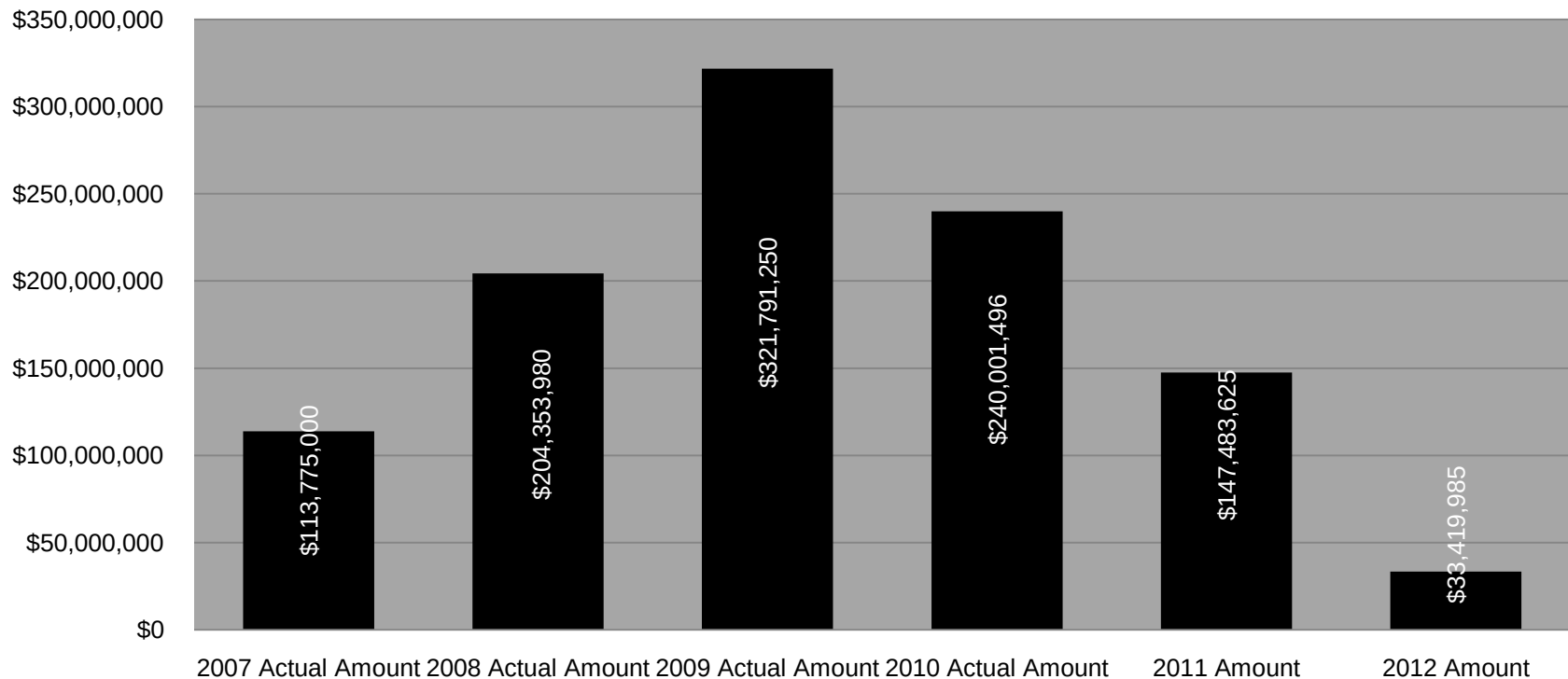
Projected Remaining FY 11-12 Deficit

Revised projected deficit (GF/RDA)	(\$10,100,000)
Salary & benefit reductions of 7.5%	\$ 7,400,000
Addt'l operational savings due to CBA changes	\$ 200,000
Remaining deficit	(\$ 2,500,000)

Potential layoff of 75 to 100 more positions.

City of Reno Redevelopment Agency

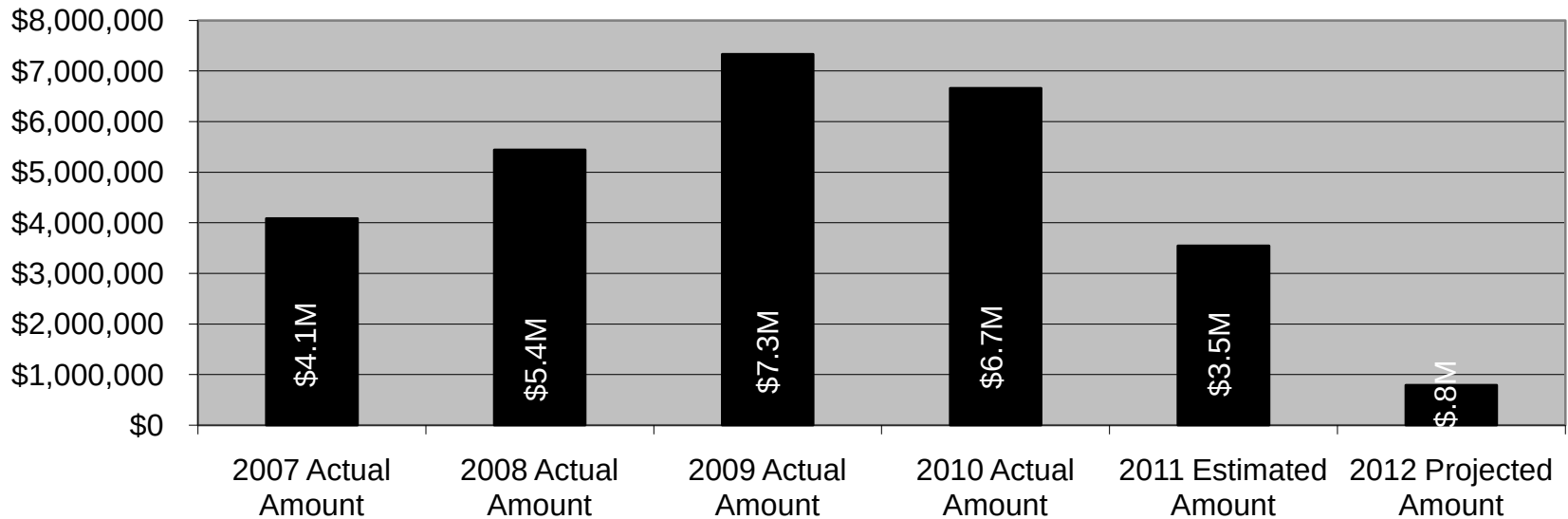
City of Reno Redevelopment Agency Assessed Valuation 2006/07 to 2011/12



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City of Reno Redevelopment Agency

**Agency Historic Ad Valorem Increment
2006/07 to 2011/12**



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