

STAFF REPORT

Date: December 13, 2023

To: Mayor and City Council

Thru: Doug Thornley, City Manager

Subject: Staff Report (For Possible Action): Resolution establishing the Stormwater Enterprise Fund per Nevada Revised Statutes (NRS) 354.612; and approval of the Fund Policy for the Stormwater Enterprise Fund.

From: Vicki Van Buren, Director of Finance

Department: Finance

Summary:

Staff recommends adoption of the attached resolution establishing the Stormwater Enterprise Fund per Nevada Revised Statute (NRS) §354.612 and approval of the fund policy for the Stormwater Enterprise Fund.

This staff report is in conjunction with Items E.2, Acceptance of the Stormwater Utility Business Impact Statement (BIS) and finding that the adoption of the Stormwater Utility Ordinance does not impose a direct and significant economic burden upon a business nor directly restrict the formation or expansion of a business; E.3, Determination in compliance with NRS 354.613, finding that the fee increase is not prohibited by law, necessary for the purpose for the Stormwater Utility, and the fees deposited will be used solely for the purpose the fees are collected; and E.4, An Ordinance amending Reno Municipal Code (RMC) Title 12 entitled “Public Works and Utilities, Chapter 12.17. Stormwater Utility, creating a stormwater utility establishing the amount and basis for the stormwater utility fee, together with matters which pertain to or are necessarily connected thereto.”

Alignment with Strategic Plan:

Fiscal Sustainability

Infrastructure, Climate Change, and Environmental Sustainability

Previous Council Action:

December 14, 2022: Council presentation and discussion regarding establishing a Stormwater Enterprise.

Background:

The City's stormwater infrastructure continues to age, and the area continues to see an increase in the intensity and frequency of storms. The City's ability to operate, maintain, and/or replace critical stormwater and flood control infrastructure is significantly challenged. A dedicated stormwater enterprise fund would be used to address the backlog of projects and meet the ever-growing and challenging stormwater and flood control needs within the community.

Discussion:

A new enterprise fund is being recommended called the Stormwater Enterprise Fund which will be a dedicated fund for all revenues received for the stormwater enterprise to be recorded and tracked. This fund will allow stormwater revenues to be tracked and spent on allowed expenditures. The enterprise fund established will account for all charges properly related to the purpose of the enterprise fund, including, without limitation, debt service, capital outlay, and operating expenses.

Financial Implications:

There is no financial impact from the adoption of this resolution and fund policy.

Legal Implications:

Per NRS 354.612, the Department of Taxation requires resolutions to be adopted for all new funds established by the City of Reno.

Recommendation:

Staff recommends Council adopt the Resolution and approve the fund policy.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

Resolution Stormwater Enterprise
Stormwater Fund Policy