

STAFF REPORT

Date: June 11, 2025

To: Mayor and City Council

Through: Jackie Bryant, City Manager

Subject: Resolution No. _____ (For Possible Action): Resolution to Augment the Budget of the City of Reno, Redevelopment Agency #1 and Redevelopment Agency #2, for the 2024/2025 Fiscal Year; and Approval of Budget Revisions for the period of January 1, 2025 through June 30, 2025.

From: Lynsey Hatfield, Budget Manager

Department: Finance

Summary:

Augmentations (increases in appropriations) require Agency Board approval and budget revisions (transfers between accounts within a fund) must be recorded in the official minutes. Augmentations must be adopted by resolution, and information forwarded to the Nevada Department of Taxation for approval. Augmentations of appropriations of a fund which receives ad valorem taxes must be noticed in the local newspaper prior to Council approval. The Augmentations were noticed as required.

Alignment with Strategic Plan:

Fiscal Sustainability

Previous Council Action:

January 22, 2025 - Council approved budget augmentations/revisions for October 1, 2024 through December 31, 2024

May 22, 2024 – Agency Board adopted the Fiscal Year (FY) 24/25 Budget.

Background:

The principal budget development period for the Agency begins with budget planning in October and November and leads to the budget adoption in May, and funding available on July 1 of each fiscal year. The focus from staff during this process is long-term budget planning to sustain Agency operations and meet Board goals. During the year, however, issues arise that require a

more immediate response rather than waiting until July for funding. Instead of each individual request coming to the Board at different times during the year, staff combines these needs into requests that are presented to the Board as needed as we progress through the fiscal year.

Discussion:

The budget report attachment shows the budget for FY 24/25 and depicts proposed budget augmentations and revisions to support actions taken by the Board to support ongoing operational needs of the Agency. Support for each revision and augmentation is available upon request from the Finance Department.

In the final quarter of the fiscal year, staff evaluates current resources and expenditures and proposes any necessary changes to align with previous Agency Board direction. This annual evaluation and true-up ensures resources are aligned accurately.

During fiscal year 24/25, the Redevelopment Agency #1 Debt Service Fund received Ad Valorem Tax in excess of the obligated debt service payments. The additional revenue is recognized in the Redevelopment Agency #1 General Fund as higher than anticipated revenues with this augmentation. During FY 21/22, Redevelopment Agency #2 loaned \$1,200,000 to Redevelopment Agency #1 to support the obligated debt service payments. With the higher Ad Valorem Tax revenue, repayment of this loan is proposed and reflected in the augmentation documents attached for both Agencies.

A detailed schedule of these changes is included with this staff report as Attachment A and Attachment B.

Financial Implications:

Augmentations and revisions are funded by various sources per attachment.

Legal Implications:

Augmentations to the current budget are required to be adopted by a resolution of Council in accordance with NRS 354.598005.

Recommendation:

Staff recommends the Agency Board adopt the Resolutions and direct staff to forward the approved resolutions and attachments to the Department of Taxation as required by NRS 354.598005, and approve revisions on the attached list and record these changes in the minutes.

Proposed Motion:

I move to approve staff recommendation.

Attachments:

Attachment A – RDA 1 State Document (detailed schedule of changes)

Attachment B – RDA 2 State Document (detailed schedule of changes)

Attachment C - RDA 1 Resolution

Attachment D - RDA 2 Resolution