



WASHOE COUNTY

Integrity Communication Service

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STAFF REPORT

BOARD MEETING DATE: March 28, 2023

DATE: Thursday, March 23, 2023

TO: Board of County Commissioners

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THROUGH: Abigail Yacoben, Chief Financial Officer
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SUBJECT: Recommendation to approve the use of General Fund Contingency in the total amount of [\$1,500,000] for fiscal year 2023 in accordance with Nevada Revised Statute (NRS) 354.598005 to increase expenditure authority for the 2023 Lemmon Valley and Swan Lake Flood Prevention Measures and Response due to the heavy 2022/2023 winter precipitation and the March 2023 atmospheric river; and direct the Comptroller to make the appropriate budget appropriation transfers. [Total fiscal year 2023 impact \$1,500,000; net fiscal impact \$-0-]. (All Commission Districts)

SUMMARY

Nevada Revised Statute (NRS) 354.598005(5) provides that “budget appropriations may be transferred between functions, funds, or contingency accounts if such a transfer does not increase the total appropriation for any fiscal year and is not in conflict with other statutory provisions”. Further, Nevada Revised Statute (NRS) 354.608 states that “no expenditure may be made directly from a contingency account, except as a transfer to the appropriate account...in accordance with the procedure established in NRS 354.598005”.

The purpose of this item is to consider approval of the use of the General Fund Contingency account. Approval of this recommendation will align budget authority for expenditures already incurred, or anticipated to be incurred, for Fiscal Year 2023 (FY23), including providing additional resources to support efforts related to the 2023 Lemmon Valley and Swan Lake Flood Prevention Measures and Response. All adjustments are within the Washoe County existing approved FY23 budget.

Washoe County Strategic Objective supported by this item: Fiscal Sustainability

AGENDA ITEM # _____

PREVIOUS ACTION

On May 17, 2022, the BCC approved the Fiscal Year 2023 Final Washoe County Budget, which included \$11,615,400 of General Fund Contingency. The statutory maximum allowable contingency was recommended and approved for FY23 due to unknown and/or unquantified impacts, including 2021 Legislative actions and pandemic response.

On February 14, 2023, the BCC approved the use of \$850,400 General Fund Contingency to support Indigent Defense through the Conflict Counsel program for court-appointed attorneys (\$650,400) and the Alternate Public Defender for Expert Witness Fees (\$200,000).

On March 28, 2023, the BCC will also be considering approval of the use of Fiscal Year 2023 General Fund Contingency of \$100,000 to support expenditures associated with the Elections Group contract.

BACKGROUND

The County must stay within its adjusted budget for each fund, with certain very limited exceptions, and by function. To remain compliant with this statutory requirement, a General Fund Contingency account transfer totaling \$1,500,000 is needed for increased expenditures associated with the 2023 North Valleys Flood response activities. It's anticipated that this adjustment will cover actual and/or anticipated FY23 fund and functional expenditures. However, based on the uncertainty of weather events, additional General Fund Contingency requests may be necessary. Additional requests will be brought forward for Board approval, pursuant to the requirements of NRS 354, as aforementioned.

Approval of these transfers will leave \$9,165,000 available in FY23 General Fund Contingency (if the \$100,000 for the Elections Group contract is also approved on March 28, 2023).

General Fund Contingency appropriation transfers are necessary as outlined below:

North Valleys Flood Response

Washoe County Community Services Department (CSD) has enacted various stages of its flood mitigation plan for Swan Lake and the surrounding area, including constructing berms, installing pumps, and placing barriers.

The National Weather Service has forecast an atmospheric river in the Reno-Tahoe region beginning Thursday, March 9, 2023. This is expected to bring heavy rainfall on top of a significant snowpack and full creeks and ditches. Washoe County has been preparing for winter weather, monitoring conditions and proactively initiating preplanned responses in known trouble areas.

Since 2017, Washoe County has developed a proactive flood management plan and monitors the lake levels and surrounding snowpack, and implements certain responses dictated by the conditions and lake levels. CSD follows mandated priorities for flood response: Top priority is life safety, then to maintain clear access for emergency vehicles and to protect public infrastructure. Protections are in place to minimize the impact on the public.

Lemmon Valley

Over the last two months, January 2023 to current, Washoe County has implemented protection measures in and around Swan Lake in response to increasing water levels. As of March 9, 2023, lake water levels were at 4919.4 feet – or more than 4 feet *below* the highest water levels recorded in 2019. This can be viewed in real time on the [Swan Lake camera](#).

The protective measures that have been installed recently are located in areas away from roadways and residences to minimize impact to the community. This approach removes the necessary barrier protections from the edge of major roadways, eliminates pipe crossings along Lemmon Drive, and keeps the intersection of Lemmon Drive and Idaho Street open. More specifically some of these protections are as follows.

- Washoe County has prepared for rising Swan Lake water levels by constructing protective berms in certain areas around the lake and installing high flow pumps to manage water that flows down from the surrounding areas.
- Berms have been constructed in the Pompe Way and Jean Way areas in the north area of Swan Lake.
- Berms and protections have been installed in the southern areas of the lake, near Palace Drive, along with the installation of pumps to manage flows coming from Lemmon Drive.
- Crews have also made improvements to the areas along the eastern side Swan Lake to protect roadways and residences.
- Crews have also inspected the berms and protections in place near Compton Blvd. And will install pumps at the appropriate time if water levels rise in that area.
- The protective berms and access road around the Lemmon Valley Wastewater Treatment plant are still in place and fully functioning if water levels dramatically rise.

FISCAL IMPACT

If approved, the use of General Fund contingency in account 189000-820000 and the associated budget appropriation transfers are anticipated to bring the budget into alignment with actual and/or anticipated expenditures for Fiscal Year 2023 (FY23) for the items outlined above. All adjustments are within the existing approved budget for Washoe County and are summarized in the following table.

General Fund Contingency Transfer:

Fund/Function	Department/ Expenditure/Transfer	Cost Object(s)/ G-L Account(s)	Budget Change
General Fund (F100)	Contingency Funds		
General Gov't	Contingency	189000-820000	(1,500,000.00)
Subtotal Contingency			(1,500,000.00)
General Fund (F100)	Department/Expenditure		
General Gov't	Manager's Office/2023 North Valley's Flood Response	GF140623-710505	1,500,000.00
Subtotal Expenditures			1,500,000.00
NET TOTAL CONTINGENCY			-0.00-

*Upon approval, Comptroller will need to process all budget appropriation transfers as outlined above.

RECOMMENDATION

Recommendation to approve the use of General Fund Contingency in the total amount of [\$1,500,000] for fiscal year 2023 in accordance with Nevada Revised Statute (NRS) 354.598005 to increase expenditure authority for the 2023 Lemmon Valley and Swan Lake Flood Prevention Measures and Response due to the heavy 2022/2023 winter precipitation and the March 2023 atmospheric river; and direct the Comptroller to make the appropriate budget appropriation transfers. [Total fiscal year 2023 impact \$1,500,000; net fiscal impact \$-0-].

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be:
"Move to approve the use of General Fund Contingency in the total amount of [\$1,500,000] for fiscal year 2023 in accordance with Nevada Revised Statute (NRS) 354.598005 to increase expenditure authority for the 2023 Lemmon Valley and Swan Lake Flood Prevention Measures and Response due to the heavy 2022/2023 winter precipitation and the March 2023 atmospheric river; and direct the Comptroller to make the appropriate budget appropriation transfers. [Total fiscal year 2023 impact \$1,500,000; net fiscal impact \$-0-]."