



city of reno annual report | 2012



welcome |



Fiscal year 2011-2012 was challenging for the residents of Reno and for Reno City government. We contended with two catastrophic wildfires which burned more than 4,000 acres and destroyed 30 homes, and a crash at the National Championship Air Races which took the lives of 11 people and injured dozens more. Although these tragedies tested our resources to the limit, they brought us together in unique ways and reminded us of our community's common purpose, resilience and compassion.

Like hundreds of cities across the United States, Reno is still recovering from the Great Recession that started for Reno in late 2008. I am happy to report that in spite of cutbacks necessitated by the economic crisis, Reno's public safety departments – especially Fire and Police – continue to provide the community with excellent levels of service and protection. Reno is grateful to the Department of Homeland Security for the FY 2010 Staffing for Adequate Fire and Emergency Response (SAFER) grant which allowed us to re-hire 10 firefighters and the pending FY 2011 SAFER award which will allow us to retain another 64.

The City continues to focus on prudent fiscal planning and management, as well as the strategic implementation of programs and services that serve our constituents. For the first time in five years, Reno has a budget with no employee layoffs or program eliminations contemplated for the coming fiscal year. We will be replenishing our reserves and funding the maintenance and improvement of our infrastructure. The “green” retrofits and energy-efficient systems that we installed over the last three years are producing cost-savings that benefit the General Fund, allowing us to use scarce resources to maintain staffing and service levels. We are also working to strengthen our community's economic health by supporting initiatives in the downtown core and the emerging Mid-Town area, as well as participating in regional efforts to diversify and grow our economic base.

Citizens now have unprecedented access to their city government. In its commitment to transparency, Reno is the first city in Nevada to launch an “Online Checkbook” which allows the public to view ongoing expenditures in each department. We are also revamping our departmental web pages and improving online customer services. We welcome the public's participation in our Open Government initiative and encourage citizens to collaborate with us in identifying what types of information and data they would like to see.

During FY 2011-2012, we made significant progress toward our goals of fiscal stabilization and improving transparency and accountability. I look forward to continuing these efforts during FY 2012-2013. This Annual Report is submitted on behalf of the Mayor, City Council, and our dedicated employees and volunteers who strive every day to make Reno the greatest Biggest Little City in the World. I am confident that working together we can grow our city into a place that we are all proud to call home. It is my honor to serve as Reno's City Manager.

Respectfully,

A stylized, handwritten signature in black ink, appearing to read 'AKC'.

Andrew K. Clinger | Reno City Manager

| mayor and city council

The Reno City Council is comprised of seven members with a dedication to public service and a commitment to making Reno a thriving community. The Reno City Council generally meets twice a month, on the second and fourth Wednesdays, in the afternoon.

The Reno City Council's seven members are elected for four-year terms. Per Nevada Revised Statute, they can serve no more than two consecutive terms after election.

Council Priorities for Fiscal Year 2011 / 2012

The Reno City Council establishes annual priorities that are short-term goals for the City. These short-term goals are intended to enable the City to attain long-term goals and achieve the Council's vision for the City.

- Fiscal Management
- Economic Development
- Public Safety
- Arts, Culture & Special Events



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reno, values and vision |

About the Biggest Little City

Reno is aptly named “The Biggest Little City in the World.” Its 225,221 residents have access to first-class entertainment, dining, and recreational opportunities all within view of the majestic Sierra Nevada mountains which rise to the west. It is home to the nationally recognized University of Nevada, Reno; a new Triple-A baseball park; and a number of industrial giants, including Microsoft Licensing, International Gaming Technology, Barnes & Noble, and R.R. Donnelley and Sons.

Reno emerged as a frontier town in the early 1860's. By 1868, when the Southern Pacific Railroad laid tracks through the downtown, Reno had a bustling trade in mining and cattle. By the turn of the 20th century, Reno became nationally known as a divorce mecca. Many celebrities, including Carole Lombard, numerous Vanderbilts and Roosevelts, and Walter Winchell, took advantage of the State's progressive laws for a six-week “Reno-vation.” With the advent of casino gaming in 1932, Reno became a popular tourist destination.

Today, Reno is pioneering a future as one of the United States' geothermal leaders. Our region is home to 12 geothermal companies and a number of advanced manufacturers. Our airport is continually growing and improving as we expand service to more and more domestic and international locations. And we continue to host our internationally acclaimed Artown Festival every July. Reno is proud to maintain its reputation as The Biggest Little City in the World as it welcomes more than four million visitors every year.

City Purpose Statement

“Our purpose is to provide community-supported services and programs designed to assure the safety and well-being of all Reno's residents.”

Organizational Values

The management team of the City of Reno:

- Empowers employees to effectively respond and innovate to provide the highest level of service
- Acts with integrity and transparency
- Respects and leverages the ideas, talents, and resources of the community to collaboratively work toward the common good
- Provides the highest quality government services
- Encourages service to others before self
- Prizes adaptability and resourcefulness
- Holds itself and City employees accountable
- Aspires for the City of Reno to be a model of international governmental excellence



| reno, values and vision

Spotlight on Reno

- Reno named among "America's 50 Best Cities: Best Places to Live" by BusinessWeek Magazine
- Reno is in the Top Ten Luckiest Cities in America according to Men's Health Magazine
- Forbes Magazine says Nevada is the 6th best state for growth prospects
- Forbes Magazine says Nevada is the 7th best state for business costs
- Claremont College says Reno is the 13th least expensive city in the nation for business
- Harris Poll of 2,463 Americans says Nevada is in the top 15 states where people want to live
- Moneyrates.com just listed Nevada as the 18th best state in the nation "To Make a Living"
- Nevada is #1 in the nation for installed geothermal energy capacity per person
- Nevada is # 1 in the nation for installed solar energy capacity per person per year
- Northern Nevada is quickly becoming the world headquarters for geothermal energy engineering firms



awards and recognitions |

Awards & Grants

Even during difficult economic times when budgets and staffing levels were reduced, Reno continued to persevere in providing services and developing innovations that garnered attention at the local, state and federal levels. Here is a sampling of the awards, recognitions, commendations, and key grants that the City and its employees received during FY 2011-2012:

Municipal Court

- Substance Abuse and Mental Health Services Administration: Second year of implementation of \$975,000 grant for an innovative program providing treatment and aftercare for persons with co-occurring disorders
- Administrative Office of the Courts: Grant award of \$73,950 to support the specialty court programs for substance abuse

Reno Fire Department

- Staffing for Adequate Firefighting Emergency Response: Award of FY 2010 grant - \$1,960,000 for 10 re-hire positions
- Staffing for Adequate Firefighting Emergency Response: Award of FY 2011 grant - \$13,438,720 for 64 retention positions
- American Red Cross: Real Heroes for the Reno Air Races
- Lifesaving Award for the Water Extraction Team Presented by the National Association for Search and Rescue (NASR)

Reno Police Department

- American Society of Industrial Security (ASIS): Law Enforcement Appreciation Award for continued exemplary work of Downtown Enforcement Team and dedication to training officers in defensive tactics
- Senatorial/Congressional Recognition for Regional Gang Unit
- Nevada Hispanic Services for Government Agency of the Year Award for Regional Gang Unit
- American Red Cross: Real Heroes for the Reno Air Races
- Washoe County Human Services Network: Staff Member of the Year
- Sparks Rotary: Recognition for Service to Community
- Joining Forces Office of Traffic Safety for Outstanding Performance

Budget and Finance

- Government Finance Officers Association: 16th consecutive Award for Distinguished Budget Presentation
- Government Finance Officers Association: 28th consecutive Certificate of Achievement for Excellence in Finance Reporting

Neighborhood Services

- 3CMA: Award of Excellence for Digital Interactive Social Media

| awards and recognitions

Parks, Recreation and Community Services

- Nevada Recreation and Park Society: Program of the Year Award for the City's Military Sports Camp
- US Arbor Day Foundation: 30th Year Award for Tree City USA

Public Works Recognition for Energy Projects

- National Resources Defense Council: 22 smartest cities
- Time.com: 10 greenest things you didn't know
- Fast Company Magazine: United States of Innovation
- More than 140 media hits for City Hall wind page, including Wall Street Journal
- Southwest Energy: Efficiency Project-Innovative Local Government Projects
- Big Ideas for Job Creation: Energy Efficiency in Government Sector
- Nevada Econet: Golden Pinecone Award
- Nevada Conservation League: Green Tie Award

Public Works

- American Society of Civil Engineers (ASCE) Outstanding Environmental Project of the Year Award: McKinley Low Impact Development (LID) Demonstration Project
- Crystal Award: 9th city nationally to be awarded the Excellence in Certified Fleet Management Operations by the Government Fleet Management Alliance
- Safety & Health Achievement Recognition Program (SHARPS) Award: For operating an exemplary safety and health management system at the Reno-Stead Water Reclamation Facility
- Mayor's Innovation Project: Recognized nationally as best practice for reducing costs and improving efficiencies through our Energy Efficiency and Renewable Energy Initiative

Community Development, Division of Housing and Neighborhood Development

- Veterans Guest House: Commendation for the award of \$200,000 in CDBG funds to expand transitional housing for veterans and their families undergoing medical care
- Reno Rotary: Recipient of 2-year commitment of labor and materials to remodel and refresh the Client Day Area at the Community Assistance Center
- Schwab Bank: Recipient of \$20,000 capacity-building grant to develop new standards for energy-efficient retrofits in low-income housing units



fiscal responsibility |

Reno's Commitment to Fiscal Responsibility

Since the Great Recession started in late 2008, Reno has weathered one of the worst fiscal crises of its 150-year history. Property values plummeted and our regional unemployment rate was one of the highest in the nation. During the last four years of declining revenues, the City was forced to cut approximately 34% of its staff – including police officers and firefighters – and re-organize internal departments three times. During this period, our goal was to preserve as many programs as possible and develop efficiencies that would maintain our services to the public.

The City Council's first priority for FY 2011-2012 was fiscal responsibility. City management is happy to announce that this goal has been achieved. The budget for FY 2012-2013 that was approved by the Reno City Council on May 15, 2012 is the first budget in five years that will not deplete any reserves, require additional staff lay offs or cut existing programs.

Despite its austerity, key programs that are of interest to the community will receive increased funding in FY 2012-2013:

- 12 new officers in the Reno Police Department. The new officers will increase police presence in the downtown core and will provide new capacity for innovative programs that decrease crime.
- Operating funds for the Triage Center at the Community Assistance Center. The Triage Center provides stabilization and detox services for persons who would otherwise be treated through hospital emergency rooms or the jail. This program saves millions of taxpayer dollars annually.
- Support for a new pilot parking strategy in the downtown. The pilot project will evaluate the feasibility of a new user-friendly parking system that increases the public's access to parking while maximizing revenue collection.
- Operating funds for the annual Artown Festival. This popular, nationally recognized month-long arts festival brings millions of dollars annually into the community.
- Additional recreation services and programs for Senior Citizens, and Inclusion and Adaptive offerings for individuals with disabilities; provided at several Community Recreation Center sites.

The balanced budget could not have been achieved without the cooperation of the City's bargaining units. These employees deserve our gratitude for stepping up and agreeing to forego salary increases and other benefits in order to make the City fiscally sound. City management extends its appreciation to all of them.

Although our budget for next year balances revenues to expenditures, the City continues to adjust to continually changing economic conditions. We expect that our property tax revenues during the coming fiscal year will drop another 4% and we are closely monitoring trends in the consolidated tax revenues. We are also working to re-structure existing debt so that moving forward, the City's fiscal future will be stable and sustainable.

Additional financial data, including the City of Reno Budget, is located at www.reno.gov

Creating Open Government

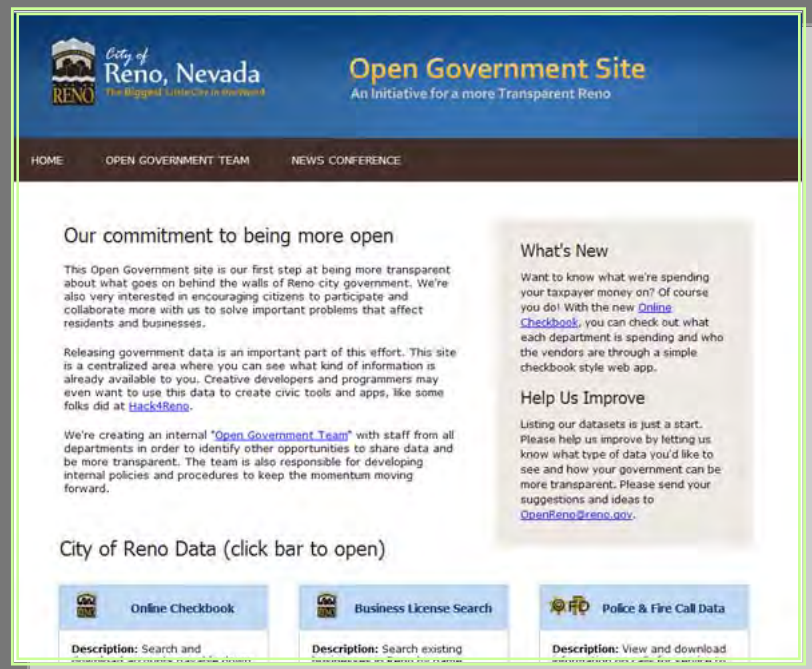
Reno is committed to providing its citizens with greater access to public information about their City government. As part of improving transparency and increasing access to information, the City launched a new online “Open Government” initiative in 2012. Located at www.reno.gov/open the public can now easily obtain information related to:

- Business Licenses
- Police and Fire Call Data
- Green Energy
- Wind Energy Data and Maps
- Geographic Information System Maps

Reno is proud to announce that the newest link on the site, the “Online Checkbook,” is the first feature of its kind in Nevada. The Online Checkbook went live in February 2012 and shows year-to-date expenditures in each department of the City. By clicking on an individual department, citizens can view the various programs and services which are offered along with the amounts budgeted for their implementation. In the near future, we are poised to roll out two new links that will provide the public with data regarding staff’s salary and benefits, and a staff directory with updated contact information.

As an extension of our Open Government philosophy, City Hall itself will become more accessible to citizens during FY 2012-2013. We will be removing the secured staff entrances so that the public will be free to enter the building on First Street and directly from the parking garage next door. We will be co-locating key services that the public uses on a daily basis (e.g. business licenses, sewer payments, parking tickets, and building permits) on the second floor of City Hall with dedicated and fully accessible parking on the same level. As an additional benefit to the public, we plan to make more and more of these services available electronically.

Additional open government information
is located at
www.reno.gov/open



economic development |

Encouraging Economic Development

Economic development was a key priority of the Reno City Council for FY 2011-2012. Reno was hit hard by the economic downturn which started in our region in late 2008. Industries which had been major employers, notably construction and hotel/casinos, experienced devastating impacts; approximately 50% of workers in the construction trades became unemployed between 2008 and 2010. Similar to all local governments in Nevada, Reno's focus for the last two years has concentrated on recovery – on growing jobs, attracting new corporations, and diversifying our economic base.



Reno has continued to partner with the Economic Development Authority of Western Nevada (EDAWN) to advance the Council's goals of attracting businesses and growing jobs. This collaboration resulted in 10 new businesses coming to Reno during the last year, many of which clustered around advanced logistics and advanced manufacturing. These businesses immediately created 657 new jobs with more than 1,170 anticipated in the next five years. In addition to Reno-based businesses, EDAWN was instrumental in attracting new manufacturers to Sparks and the Reno-Tahoe Industrial Center in neighboring Storey County.

Building upon Reno's emerging identity as a geothermal leader and implementing the Council's priority to emphasize green industries, the City played an active role in the 2011 National Geothermal Resource Council Conference in San Diego, California. This annual conference attracts corporations from around the United States and the world. The City and

EDAWN staffed an information booth at the Conference and sponsored a Conference event. In October 2012, the Peppermill Resort will be the host site for the Conference – an opportunity to bolster not only the Council priority of green industry but tourism.

Information on economic development opportunities is located at www.reno.gov



| economic development

Aware that special events are a critical component of the local economy, Reno also streamlined its special events process during 2011 (discussed in the Cultural Vitality: Supporting Arts and Special Events section). Obtaining special events permits in an expedited fashion and simplifying the application process will support both economic development and tourism.

During FY 2011-2012, the City undertook a number of new projects in the downtown core that will improve tourist destinations and amenities:

- At the **National Bowling Stadium**, the Hall of Fame, the Museum, the façade, and additional bowling lanes are being remodeled and updated. With these improvements, the Reno-Sparks Convention and Visitors Authority and the City secured long-term commitments from the U.S. Bowling Congress to hold championship tournaments in Reno.
- At **CitiCenter**, the former RTC transit depot, improvements to the exterior courtyard, including lighting and landscaping, allowed the City to spearhead “Food Truck Fridays,” a monthly event with music, crafts and local food vendors that draws hundreds of patrons.
- Also at **CitiCenter**, a new Police substation is being created that will provide the community with increased access to Police services downtown.
- The **ReTRAC Pedestrian Enhancement Project**, expected to be completed in early 2013, will improve sidewalks, lighting and wayfinding in areas between Virginia Street and the Freight House District/Aces Stadium.
- A new **Visitor and Information Center** opened on Sierra Street in conjunction with the popular Reno eNVy retail store.
- A new **Reno Heritage Center**, expected to be completed in late 2013, will be established in the historic Amtrak railroad station between Lake Street and Center Street.
- Finalization of plans for a new public art installation at City Plaza. “**The Portal of Evolution**,” a large sculpture first unveiled on the playa during Burning Man 2009, is being installed for one year in front of City Hall.

Lastly, after several years’ work, Reno is in the final stages of acquiring the historic downtown Post Office for eventual redevelopment into high-end retail and restaurant space. The Post Office – one of Reno’s architectural gems – is in a prime location along the Truckee River and Virginia Street. Its renovation and redevelopment will complement other facilities on the south side of the Truckee River, including the award-winning Riverside Hotel and Riverwalk, and the Pioneer Center for the Performing Arts.



ensuring public safety |

Fire Services

One of the most daunting public-safety issues Reno faced during FY 2011-2012 was the deconsolidation of the Truckee Meadows Fire Protection District. After 12 years of consolidated fire service delivery throughout Washoe County – one of the largest counties geographically in the United States – the Washoe County Board of County Commissioners acting as the Board of Fire Commissioners, voted to dissolve the interlocal agreement through which the fire service operated. Despite numerous efforts to find an alternative path to remain consolidated, effective July 1, 2012, Reno and Washoe County will have separate fire departments.



In anticipation of the challenges that deconsolidation would pose to maintaining public fire safety with reduced staffing levels after June 30, 2012, Reno pursued a grant through the Department of Homeland Security's SAFER program. City officials and Reno Fire Department staff were thrilled to learn that the City would be receiving an FY 2011 SAFER award of \$13,438,720 to retain 64 firefighting positions through July 2014. This award is in addition to the City's two-year FY 2101 SAFER award of \$1,960,000 to re-hire 10 laid-off firefighters. Through these awards, the citizens of Reno will have excellent fire protection as the Reno Fire Department fully analyzes how to best meet the fire-protection needs of our residents after 2014.



Law Enforcement Services

The Reno Police Department faced its own challenges during FY 2011-2012. Because of budget cuts necessitated by the loss of local revenues, the Police Department was forced to lay off 100 sworn officers between 2009 and 2011. Despite the loss of personnel, however, the department remained committed to maintaining its high levels of law enforcement protection. One innovative solution is a new program, dubbed Blue SURGE, that will provide interventionary and proactive strategies in the downtown core aimed at improving safety, cleanliness and officer approachability. The Police Department will also be opening a new community policing substation at CitiCenter, in the heart of downtown. This location will house the bicycle and Senior Auxiliary Volunteer officers and will make it much easier for citizens to access non-urgent police services.

Another challenge faced by the Police Department is that funding levels of federal grants to assist with key police programs have been steadily reduced since FY 2009. The Justice Assistance Grant program, for example, which historically has funded trainings and equipment, has experienced overall budget cuts approaching 40%. To surmount this challenge, the Police Department recently established a non-profit funding mechanism through a partnership with the Community Foundation of Western Nevada. Now, the department will be able to utilize private donations from the community in support of key programs, e.g. victim assistance.

Water Quality Services

During FY 2011-2012, the Council approved a sewer collection and treatment rehabilitation program that will provide \$12 million per year for five years for replacement projects. Since approximately 22% of Reno's sewer system is more than 60 years old, this commitment of funds will allow the City to replace much of its aging sewer system before it starts to fail. The first major project to be completed through this program is the North Virginia Interceptor Improvement project (\$7.6 million) which is replacing an aged sewer line that ran through the University of Nevada, Reno campus. The project is currently under construction and is expected to be completed by the end of August 2012.



Reno serves as the lead entity in an intergovernmental committee charged with the responsibility for managing the discharge of regional storm water, especially as it relates to the environmental sensitivity of the Truckee River, the most highly regulated river in the United States. Managing storm-water quality can require innovation, as the Public Works Department recently demonstrated with an award-winning, grant-funded project that showcased the use of a rain garden and pervious concrete as a means to increase infiltration and provide effective storm-water treatment.

Reno's Public Works staff also spearheaded the successful renewal of the permit to operate the Truckee Meadows Water Reclamation Facility (TMWRF). The permit, which had lapsed in 2008 as local governments underwent budget reductions, entailed a considerable commitment of time and effort. Due to their commitment and high degree of coordination with other agencies, Reno's Public Works staff was able to complete the process in a smooth and efficient manner. The new TMWRF permit was issued on May 12, 2012 and will allow operations for the next five years.

Proactive Ordinance Changes

The City Attorney's Office used its legal expertise during FY 2011-2012 to identify and proactively change local ordinances which tie to ensuring public safety and preventing or reducing crime. Despite reductions in staffing, the City Attorney's Office researched and drafted intricate code changes for adoption by Council to update sections of the Reno Municipal Code. Some examples of the ordinance changes include adult businesses; pawnshops; second hand dealers; special events; mobile food vendors; vehicles and traffic; drug paraphernalia and parks, sewer, buildings and construction; and billboards and signs.

Municipal Court

Reno Municipal Court's \$975,000 grant from the Substance Abuse and Mental Health Services Administration enables it to continue its second year presiding over the only misdemeanor-level mental health treatment court in Washoe County. The TRAIN program for downtown homeless inebriates documented \$303,352 in reduced jail costs for participants its first year, compared to other chronic inebriates not in the program.

infrastructure |

Strengthening Our Infrastructure

Reno's infrastructure is the foundation supporting other Council priorities. Good roads, sidewalks, lighting, and water quality are essentials for a safe and healthy community. They are also essential for attracting new industries and developments which stimulate economic revitalization and grow jobs.

In 2008, the Council approved an accelerated, three-year, Neighborhood Street Program in the amount of \$45 million for Public Works to improve the condition of pavement through surface treatments and reconstruction. Due to competitive pricing which allowed the City to add 20% more streets with the funding available, the program was extended through June 2013.

To date, 23.7 miles of streets have been reconstructed and 303 miles of streets have received surface treatment. The outcome of the program has improved Reno's pavement index to its highest level since it was first measured in 2000. Besides obtaining a great value for Reno residents in the amount of work completed for the funding expended, the Neighborhood Street Program provided local construction jobs during a period of record unemployment in our region.

The new sewer collection and treatment rehabilitation program described in the previous section will fund \$12 million per year in capital replacement projects over the next 5 years. The first major sewer project, the North Virginia Interceptor Improvement project (\$7.6 million), is under construction and is expected to be completed by the end of August 2012. This project increases the capacity for future development, provides better access for maintenance and repair, and replaces an aged sewer line that ran through the University of Nevada, Reno campus.

Where possible, Public Works makes every effort to coordinate sewer replacement projects with the Regional Transportation Commission's street improvement program. For the North Virginia Interceptor project above, for example, RTC will be constructing new sidewalks within the project areas receiving sewer replacement. During the previous fiscal year, the City constructed new streets, sidewalks, curbs and gutters in conjunction with the sewer replacement project in the Carville/Montello neighborhood. Coordinating infrastructure replacements results in significant improvements to our neighborhoods, making them more livable, and pedestrian and bicycle accessible.



The City continues to work on arguably the most important infrastructure project in our region: the Truckee River Flood Control Project. After some setbacks in 2011, real progress is now being made. The Chief's Report is underway; the local jurisdictions are coordinating with the U.S. Army Corps of Engineers; and the design of the Virginia Street Bridge replacement is nearing 60% completion. The City anticipates starting the National Environmental Policy Act (NEPA) review this Fall, with expected completion in Spring 2014. Staff in Public Works, Finance and the City Manager's Office are in productive discussions with the Regional Transportation Commission and the Nevada Department of Transportation to identify the funding necessary to replace the bridge in the latter part of 2014.

FY 2011-2012 saw two new significant additions to our parks green infrastructure:

- The City completed the purchase of the former Northgate golf course, occupying 207 acres in northwest Reno, and is strategizing its restoration as open space and a City park.
- We kicked off the renovation of Moana Park/Stadium in southwest Reno. With extensive support from the community, encompassing local businesses, youth groups, and Neighborhood Advisory Boards, and with the leadership of Council members Sferrazza and Zadra, Moana Stadium will be demolished and the site renovated into much-needed, grassed, multi-purpose flat fields. It is expected that this improvement will be the first phase in renovating the pool and Little League fields which are also at the site.



Community Development also contributed to improving the City's infrastructure. Staff participated in two corridor studies (4th Street and Virginia Street) that identified improvements related to transportation and worked to implement the adopted Master Plan. The division of Housing and Neighborhood Development oversaw the creation of more affordable housing units, including the Autumn Village senior complex and the Veterans Guest House expansion.

Several allied agencies' infrastructure projects during FY 2011-2012 will benefit Reno residents:

- The Nevada Department of Transportation completed the expansion of Route 395 between Moana Lane and the I-80 freeway, enabling residents to more efficiently and safely commute to work and school.
- The new Meadowood Interchange, which will relieve congestion in the City's southern commercial core, is well underway with completion expected in the next year.
- The Nevada Department of Transportation will also be completing a landscape and aesthetic-improvement project along the I-80 corridor between Robb Drive on the west and Vista Boulevard on the east. This project will beautify the gateways to the Truckee Meadows, install new signage and soundwall designs, and add landscaping improvements to areas adjacent to the freeway.
- The Regional Transportation Commission is completing a road and sidewalk replacement project on South Virginia Street between 4th and 6th Streets which will improve the appearance and safety of that part of downtown.

Building a Sustainable Reno

The Reno City Council embraced energy-efficiency and “green” projects as a City goal in their priorities for FY 2007-2008. Since that time, the City has hosted two regional Green Summits which were attended by approximately one thousand citizens. We received input on programs of interest to the community and identified areas in which citizens wanted to see improvements, e.g. increased opportunities to recycle. Based on the high level of interest, Reno launched its Energy Efficiency and Renewable Energy Initiative.

In August 2008, the Council approved a contract with an energy services company to perform a City-wide energy audit of City facilities, including water treatment plants, the corporation yard and neighborhood community centers. The results of the audit guided the purchase and installation of energy-efficient retrofits and renewable energy systems using funds made available through utility rebates, the American Reinvestment and Recovery Act, and low interest energy bonds. In October 2010, the Council added a 1,027 kW solar photovoltaic project under a power purchase agreement with Nevada Solar Works that was activated in October 2011. In February 2011, the Nevada State Office of Energy provided the City funds to perform an LED streetlight retrofit program. In May 2012, the City of Reno completed all the projects in the Initiative.

The Initiative has been a tremendous success, both financially and environmentally. It has received national recognition. The combination of funding sources allowed the City to invest more than \$19 million in energy projects without impacting the General Fund. The projects included several on the City’s deferred maintenance list and have yielded energy and financial savings totaling millions of dollars annually. Equally important is that the City was able to create/retain 279 jobs during the downturn in our economy. The following is a summary of the savings and benefits as a result of the Initiative.

	Electricity	Natural Gas	Monthly Energy Costs	Annual Energy Costs	Annual Cost Savings	Renewable Energy
	kWh	Therms	\$	\$	\$	kWh
FY2006	20,971,858	712,411	\$425,436	\$5,105,232	-	-
FY2007	20,096,826	718,993	\$427,044	\$5,124,532	-	-
FY2008	20,779,390	763,856	\$434,858	\$5,218,300	-	-
FY2009	19,138,324	598,754	\$413,597	\$4,963,158	\$255,141	-
FY2010	17,928,967	675,951	\$394,718	\$4,736,614	\$481,686	205,675
FY2011	16,160,813	591,650	\$338,722	\$4,064,661	\$1,153,639	397,435
FY2012 (10 months)	11,690,630	471,450	\$313,311	\$3,133,108	\$2,085,192	1,396,784

At this time, the City is developing new standards for energy-efficient retrofits for multi-family affordable housing developments. Through a grant from Charles Schwab Bank, and working in concert with the Housing and Neighborhood Development Division, the City is undertaking a demonstration project that will showcase the benefits of utilizing energy efficiencies to make housing more affordable for persons with low incomes.

Integrating Federal Priorities

The Council's federal priorities for FY 2011-2012 were closely aligned with its priorities for the City of Reno. The overarching issues focused on public safety, economic development – especially job creation, and continued funding for federal programs that provide meaningful resources for the Reno community.

Last year, funding for local programs through the U.S. Department of Housing and Urban Development was reduced but not eliminated. The City's Community Development Block Grant program was cut 5% while the HOME program experienced a reduction of close to 33%. The City uses these programs to fund human services for persons in need, including operations at the Community Assistance Center; infrastructure in low-income neighborhoods; blight mitigation; economic development; and the creation of affordable housing.

At this writing, we are waiting for a new Transportation Authorization Act. Past Acts have historically provided significant resources to local governments through transportation enhancement programs. The City has used "TE" grant awards to improve sections of 4th Street, Wells Avenue and Virginia Street. Looking to 2013 and beyond, a new Transportation Act will be important to the City as a potential funding source for the replacement of the Virginia Street bridge and continued streetscape improvements along selected transportation corridors.

FY 2011-2012 saw significant federal resources directed at Reno's public safety sector. Although the U.S. Justice Department's formula and discretionary funding levels have been reduced in the last three years, it still provided \$1,223,124 to the Reno Police Department for equipment and training. The Reno Fire Department received an aggregate of \$1,109,933 through the Assistance to Firefighters and Homeland Security Grant programs to purchase much-needed new equipment. Perhaps the most outstanding federal development with respect to public safety, however, was the award of an FY 2011 SAFER grant in the amount of \$13,438,720 through which the City will be able to retain 64 firefighting positions until July 2014.

The Council's primary regional federal priority in FY 2011-2012 was the Truckee River Flood Control Project. Despite some delays, the Project appears to be back on track as we head into FY 2012-2013. The long-awaited Chief's Report will be underway soon; the completion of this report, which is fundamental to acquiring federal funding through the U.S. Army Corps of Engineers, is the next step in implementing the capital phase of the project.

Although the Virginia Street bridge replacement and other Reno flood mitigations are no longer included in the Flood Control Project through the Army Corps, the City is strategizing ways to move forward with the projects through a combination of other federal and local resources. Reno plans to initiate the environmental review for the Virginia Street bridge this fall, with an expected completion date in spring 2014. Once the review is approved at the federal level, the City will at long last be able to move forward with replacing the existing 100+-year-old bridge with one that is safer and better able to withstand the periodic floods of the Truckee River.



arts, culture & special events |

Cultural Vitality: Supporting Arts and Special Events

The City of Reno prides itself on its long-time commitment to arts and culture. Living up to our motto as “the most livable of Nevada cities,” Reno supports a range of initiatives that serve the public interest and promote Reno’s artistic and cultural diversity. Whether through public art, sponsorship of artists and events, or our Arts Challenge grant program, Reno’s civic identity is intertwined with our vibrant arts and culture environment.

In FY 2011-2012, Reno provided \$251,300 in Arts Challenge grants that supported 16 cultural events and 25 arts projects. Some highlights include:

- \$7,134 to VSA Arts NV for “Art for all Kids”
- \$8,025 to Black Rock Arts Foundation for “Spire of Fire” public art installation
- \$9,025 to Reno Philharmonic for the Young People’s concert series
- \$4,250 to Nevada Museum of Art for the Family Sunday Hands-On Program
- \$6,019 to Sierra Arts for the Eldercare concert series
- \$8,925 to the Pioneer Center for the Performing Arts for youth programs



In addition, Reno provided \$125,000 for the Artown Festival’s operations plus another \$15,000 for Artown’s opening night on July 1, 2011. Since Artown’s founding in 1996 as a City-initiated event designed to revitalize downtown Reno, it has grown into a nationally-recognized, award-winning festival that is operated by an independent non-profit organization. For 2011-2012, it is estimated that approximately \$13,000,000 was brought into the community by the more than 300,000 attendees at Artown’s 400+ events.



| arts, culture & special events

Reno's Arts and Culture Commission was instrumental in bringing several exciting community arts projects to fruition in 2011-2012:

- The installation of the nationally acclaimed "Before I Die" exhibit. With support from the Black Rock Arts Foundation – an arm of the organization that produces the annual Burning Man Festival in the Black Rock Desert north of Reno – and the Nevada Museum of Art, the exhibit was installed in May 2012 next to the Sierra Arts Foundation in downtown Reno.
- The commission of a new public art sculpture which will be created from a donation of steel and aluminum. The "Reno Star" sculpture will be installed at the new Meadowood Interchange, one of the gateways to Reno, where it will be viewed and enjoyed by thousands of residents and visitors.
- 48 exhibits of regional artists in the City's four public arts galleries. The Public Arts Committee accepts numerous applications annually for exhibit opportunities from the Northern Nevada arts community and juries which artists will be selected.
- Lease of space at the West Street Market to the University of Nevada, Reno, Art Department for exhibiting artwork from BFA and MFA students as well as university professors. The University has long desired a downtown location for this purpose and their presence at the West Street Market will complement the other galleries and arts venues in the Arts and Culture District.



In spite of the region's struggling economy, Reno hosted a number of successful special events during FY 2011-2012. An estimated four million visitors came to the Truckee Meadows and had an economic impact of approximately \$350 million. Hot August Nights, one of the City's premier special events, had another successful celebration of Americana from the 1950's with an estimated attendance of 800,000. Other notable special events included:

- The Reno Rodeo
- The Great Reno Balloon Race
- Street Vibrations
- Reno Tahoe Open Golf Tournament
- National Championship Air Races

To encourage special events and in order to make it easier for event organizers, Reno streamlined its special-events process during 2011. Staff from the City Manager's Office, the City Attorney's Office, Public Works, and the Reno Police Department collaborated on creative changes to Reno's policies and practices. Today, an organization that wishes to stage a special event can obtain approvals in a shorter timeframe. For downtown events on Virginia Street, new practices with respect to security and open containers make the experience more enjoyable for attendees. Since Reno hosts multiple special events along Virginia Street annually, these process improvements support both economic development and tourism.

disaster response |

Wildfire Events - 2011 / 2012

Reno has historically contended with its share of natural disasters, ranging from violent winter storms to earthquakes to floods. FY 2011-2012, however, was unique in that Reno experienced two catastrophic wildland fires during the winter months that threatened neighborhoods inside the City. Few Reno residents will forget the Caughlin Fire on November 18, 2011 or the Washoe Drive Fire on January 19, 2012.

The Caughlin Fire was the “perfect storm” of hurricane-force winds, difficult terrain, cinder-dry vegetation, and timing. The fire started shortly after midnight when a power line arced and then spread in all directions as the 90+ mph winds whipped it into the canyons and hillsides of southwest Reno. Unable to use heavy equipment in such terrain and without air support that was prevented by the high winds and darkness, hand crews attempted to battle the blaze on multiple fronts. The timing could not have been worse; just one week before, the seasonal fire crews that operate under the Departments of Agriculture and the Interior had been dismissed for the winter.

More than 18,000 people and 9,000 homes were evacuated. Fifty-four regional, state and federal agencies mobilized to assist. Disaster declarations were made by the local jurisdictions and the Governor. By the time the fire was 65% contained within 24 hours, almost 2,000 acres had been burned, 29 homes had been completely destroyed and another 17 damaged, and one citizen had died. Although many firefighters sustained minor injuries, miraculously no other residents or first responders were injured. Ultimately, the Caughlin Fire was assessed at costing more than \$10,466,000 in damage, the majority of it to private property.

In the fire’s wake, the community came together in an outpouring of support for those who had been affected. Local hotels offered rooms; local restaurants provided meals; citizens donated clothing and supplies. Staff from Public Works and Nevada Energy worked around the clock to restore power, repair infrastructure, and allow people to return to their homes.



| disaster response

As this fiscal year draws to a close, many of the residences that were lost or damaged are in the process of being rebuilt or repaired. And all local residents have a changed sense of their vulnerability to wildfire and the importance of having fire-defensible space.



Almost beyond belief, a similar fire event happened a mere two months later. The Washoe Drive Fire started on January 19, 2012, around noon near a residence south of the Reno City limits. A homeowner had failed to completely extinguish ashes from his fireplace before discarding them outdoors. Again, the combination of high winds and dry vegetation created a worst-case scenario.



Like the Caughlin Fire, 50 regional, state and federal agencies came together to protect the public. Disaster declarations were made by Washoe County and the Governor. Route 395 – the primary connector between Reno and Carson City – was closed for 72 hours, effectively marooning commuters between the state capital and Reno. Seventy-five hundred residents were evacuated.

The Washoe Drive Fire burned an estimated 2,100 acres. Twenty-eight homes were lost and another seven damaged. One person died as a result of smoke inhalation.

Reno's first responders – notably staff in Fire and Police assisted by Public Works and the City Attorney's Office– earned well-deserved praise for the herculean efforts they made to first, protect the community, and second, to assist in restoring normalcy. Our region's emergency response system worked well, with effective coordination of communication and services. Although no one wants the system to be tested under the extreme circumstances we endured on November 18, 2011 and January 19, 2012, it is important to realize that our community is prepared and capable in the face of disaster.

2012 financial overview |

Financial Information Projected as of June 20, 2012

Although franchise fee and property tax revenue declines saw further reductions to service during FY 12, it appears that the City's financial situation has hit the low point and will start to improve next year.

The City's budget for FY 2012- 2013 includes an increase to the stabilization account for the first time in three years. With a continued "hold the line" approach and a slight increase in consolidated tax revenue, the City's financial leadership will implement measures to increase reserves, plan for funding liabilities, and tackle deferred maintenance.

Along with the aforementioned challenges, the City of Reno recognizes great opportunity to enhance the City by focusing on strong financial stability, providing our citizens with core municipal services, attaining adequate reserves in all funds, increasing investment in infrastructure, sufficiently funding future liabilities, and meeting debt service commitments.

To realize these opportunities, the City of Reno will utilize five strategies that will foster economic progress and stability that is in alignment with the Council's strategic priorities. The five strategies, which are critical for the City of Reno to not only be fiscally responsible, but sustainable, are:

1. Funding of core services
2. Asset action plan
3. Debt management plan
4. Liability funding and reserve replenishment
5. Reduction of future employee liability

Detail Revenue / Expense Report Total Proprietary (Non-General) Funds

Revenues	Amount
Utilities	\$44,812,298
Culture and Recreation	\$540,789
Community Support	\$3,895,200
Public Works	\$5,769,934
General Government	\$31,301,954
Non-Operating	\$381,021
Transfers	\$9,628,188
Total Non GF Revenues	\$96,329,384
Expenses	Amount
Utilities	\$32,654,352
Culture and Recreation	\$987,538
Community Support	\$3,496,840
Public Works	\$4,166,015
General Government	\$32,575,477
Depreciation	\$11,310,566
Non-Operating	\$25,646,000
Debt Service	\$6,747,896
Transfers	\$2,797,778
Total Non GF Expenses	\$120,382,462
Net Change	(\$24,053,078)

Additional financial data including the City of Reno Comprehensive Annual Financial Report is available at www.reno.gov

As the United States, Nevada, and the City of Reno recover from the recession, our community and the City as an agency will emerge stronger and a better place to visit and live. The City of Reno is in the right position to achieve great success by focusing on these strategies so that we can become economically diverse and robust, and a place that all citizens and businesses are proud to call home.

| 2012 financial overview

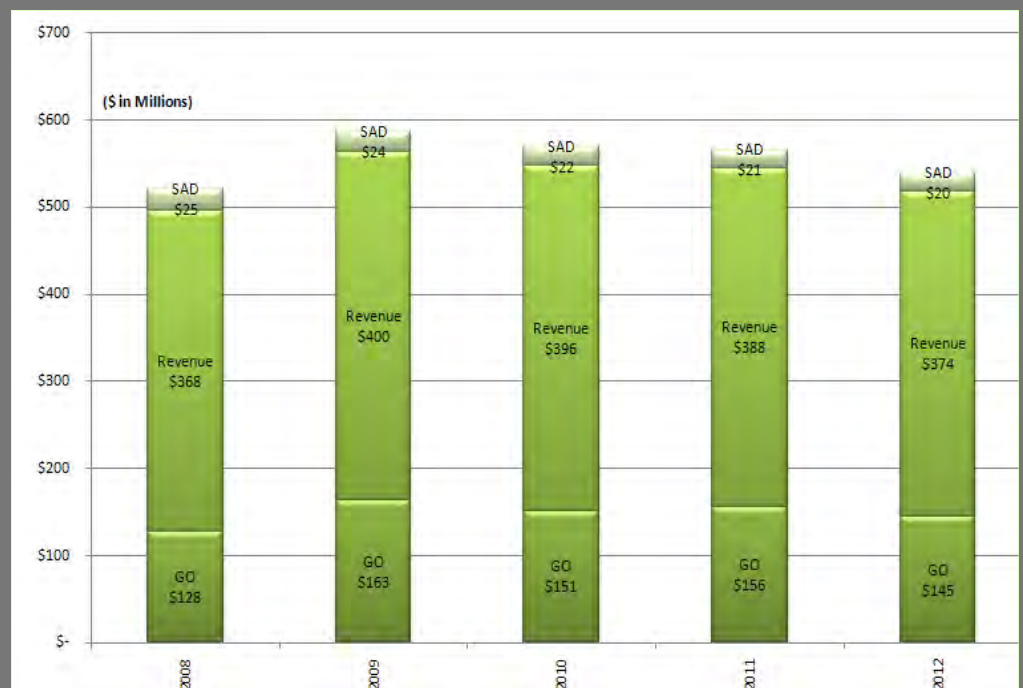
Revenue and Expenditure Trending - General Fund



City Bonds

The City of Reno holds three types of bonds: Special Assessment (SAD), Revenue, and General Obligation Bonds (GO). GO bonds are backed by the full faith and credit of the City whereas the other types, totaling \$519 million, are pledged revenue bonds.

For more information on the City's bonds see the most recent Comprehensive Annual Financial Report, located on our website at: www.reno.gov under the Finance Department.



looking ahead |

For Fiscal Year 2013, Reno, like most cities across the United States, will continue to face the most challenging economic conditions since the 1930's. It is important, however, for our residents to know that the City's elected officials and managers are steadily leading Reno out of the financial hurricane of the last few years and into calmer water. To paraphrase Nevada's adopted son Mark Twain, reports of our death have been greatly exaggerated.

I am happy to announce that for the first time in five years, and due to the diligent work and cooperation of all our employees, the City of Reno will have a budget that does not drain any reserves, lay off additional staff or cut existing programs.

Fiscal Year 2013 will be a lean one for the City, but we are no longer considering additional staff lay-offs or program reductions. We will be replenishing our sorely-stretched reserve accounts. We will be investing in repairing and maintaining our infrastructure – especially our aging sewer system and recreational facilities – and we will be paying special attention to our public safety needs. If our community learned no other lesson during the last fiscal year, it was that we need our first responders to be adequately staffed, trained and equipped.

As part of our ongoing responsibility to be good fiscal stewards, we will continue to explore ways to reduce expenses while maintaining service levels. Next year, for example, the City plans to outsource its payroll to a nationally-recognized provider. This change will allow us to save \$250,000/year in future years. We will also be implementing a "Balanced Scorecard" initiative so that citizens can electronically monitor how well the City is delivering key services and how effectively tax dollars are being spent. The Balanced Scorecard will add to the Online Checkbook that was launched last February as a demonstration of our commitment to increase transparency and accountability.

We look forward to Fiscal Year 2013 bringing exciting new developments to our downtown:

- After years of discussion, the downtown Post Office will be redeveloped. This jewel in the crown of local historic buildings will be repaired and renovated into a thriving high-end retail center.
- To strengthen and grow our "town and gown" relationship with the University of Nevada, Reno, the City will be featuring new University banners on the distinctive Sternberg streetlights throughout downtown.
- To promote tourism and enhance special events, the City will be installing colorful "window wraps" in first-floor windows of participating properties, including City Hall.
- The National Bowling Stadium will be renovated and improved so that it can attract U.S. Bowling Congress tournaments and championships for years to come.
- CitiCenter, Reno's newest urban plaza which became the popular site of Food Truck Fridays during the past spring, will become fully activated with a new tenant in the building fronting Fourth Street.



| message from the manager

In other parts of Reno, Fiscal Year 2013 will produce welcome changes:

- The long-abandoned Moana Stadium and Pool in the southwest will be demolished and new community multi-purpose fields will be created. This project, the culmination of a robust public-private partnership, will serve youth soccer leagues around the Truckee Meadows.
- Merchants in Mid-Town, an emerging new commercial district along South Virginia Street, are working with the City to improve parking and other infrastructure that will support the area's revitalization. Mid-Town is blossoming into a vibrant neighborhood with new restaurants, coffee houses, and shops.



Maintaining a high standard of public safety is a cornerstone of Reno's commitment to the community for Fiscal Year 2013. I am pleased to announce that Reno will be hiring 12 new Police officers this coming year who will staff patrols in downtown. Their presence in the commercial core will ensure that residents, tourists, and visitors who attend our City's growing number of special events, conferences, concerts, and ball games feel protected as they move around the City.

Citizens will also be well protected with respect to fire. The City is poised to receive a significant grant award from the Department of Homeland Security that will enable us to retain 64 firefighters who would have been laid off as a result of the deconsolidation of regional fire services. These personnel will ensure that Reno citizens will continue to receive excellent levels of fire protection as the City and the Reno Fire Department fully analyze our operational needs for the future.

Lastly, our long-term public safety will be ensured by the progress being made to improve our sewer infrastructure and – after almost 15 years – to move forward with the Truckee River Flood Control Project. Due to the foresight of the City Council in late 2011, the City will be allocating \$12 million/year for five years to replace and repair the City's aging sewer infrastructure. The U.S. Army Corps of Engineers is now working closely with the local jurisdictions to complete the steps to secure federal funding for mitigations that will protect the Truckee Meadows from the next inevitable flood.

Fiscal Year 2013 holds the promise of better days ahead. As Reno emerges from the Great Recession, our next task will be to define a healthy and sustainable future. We still face formidable challenges in managing the debt that was accumulated in previous years and adjusting to what will likely be a permanent shift with respect to the gaming industry which has been our economic mainstay for the past 80 years. As a City, we will continue focusing on priorities which support our quality of life: on public safety, infrastructure, parks and recreation facilities, safe streets, well-maintained water-quality systems, pools, parks, golf courses – in short, all the aspects of Reno which make our home the Biggest Little City in the World.

In closing, I wish to acknowledge the dedication and 55 cumulative years of service that outgoing Council members Pierre Hascheff, Dave Aiazzi, Jessica Sferrazza, and Dan Gustin contributed to the City of Reno. They were at the helm during some of our most turbulent times and were called upon to make difficult, sometimes painful decisions. They are to be recognized and commended for their efforts on behalf of all Reno's citizens. We thank them for their service to the community and wish them well in their future endeavors.

contact us |

City Contact Information

City Council

Mayor Robert A. Cashell, Sr.	cashellr@reno.gov	334-2001
Pierre Hascheff, At-Large.....	hascheffp@reno.gov	334-2014
Dan Gustin, Ward One.....	gustind@reno.gov	334-2011
Sharon Zadra, Ward Two.....	zadras@reno.gov	334-2017
Jessica Sferrazza, Ward Three.....	sferrazzaj@reno.gov	334-2012
Dwight Dortch, Ward Four.....	dortchd@reno.gov	334-2015
Dave Aiazzi, Ward Five.....	aiazzi@reno.gov	334-2016

Executive Leadership Team

City Manager: Andrew K. Clinger.....	clingera@reno.gov	334-2400
Assistant City Manager: Cadence Matijevich.....	matijevichc@reno.gov	785-5876
Assistant City Manager: Bill Thomas	thomasb@reno.gov	334-2435
City Attorney: John Kadlic.....	kadlicj@reno.gov	334-2050
City Clerk: Lynnette Jones	cityclerk@reno.gov	334-2030
Communication & Technology Manager: Daniel Johnson.....	johnsond@reno.gov	334-2301
Community Development Director: Fred Turnier	turnierf@reno.gov	334-2255
Finance Director: Robert Chisel.....	chiselr@reno.gov	334-2410
Fire Chief: Michael Hernandez.....	hernandezm@reno.gov	334-2300
Human Resources Director: Renee Rungis.....	rungisr@reno.gov	785-5854
Municipal Court Administrator: Cassandra Jackson	jacksonc@reno.gov	334-2295
Neighborhood Services Director: Christopher Good.....	goodc@reno.gov	348-3909
Office of Management & Budget Director: Kate Thomas.....	thomask@reno.gov	334-3813
Parks, Recreation & Community Services Director: Julee Conway.....	conwayj@reno.gov	334-2013
Police Chief: Steve Pitts.....	askrpd@reno.gov	334-2100
Public Works Director: John Flansberg.....	flansbergj@reno.gov	334-2350
Strategic Development Administrator: Maureen McKissick	mckissickm@reno.gov	334-2253

City of Reno
1 East First Street
Reno, Nevada 89501
(775) 334-2400

Frequently Called Numbers

City Information (Reno DIRECT)	334-4636
Abandoned Vehicles.....	334-4636
Affordable Housing	334-2305
Animal Control (Washoe County)	353-8900
Business License.....	334-2090
Code Enforcement.....	334-2229
Fire Department (non emergency)	334-2300
Graffiti Abatement.....	334-4636
Historic Preservation	334-2381
Employment Opportunities	334-2285
Neighborhood Services	334-4636
Park Reservations	334-3888
Parking Tickets	334-2030
Police Department (non emergency).....	334-COPS
Public Information.....	785-5855
Records	334-2030
Recreation Services	334-2262
Special Events.....	326-6697
Street Light Maintenance.....	834-4444

All phone numbers are in the (775) area code. A more extensive list is available at the City website, www.cityofreno.com or www.reno.gov/directory. For questions regarding other services or the correct staff member to contact, please call Reno DIRECT at 334-INFO (4636).

In our commitment to sustain the environment, only a limited number of this report were printed. The electronic version along with photo credits can be found at www.reno.gov/annualreport.





Reno Facts

Location:	Washoe County, northwest corner of Nevada, bordering California and Oregon
Nickname:	Biggest Little City in the World
Square Miles:	106
Average Temperature:	Summer: 65.5°F/120.6°C Winter: 32.2° F/0.1° C
Average Precipitation:	7.29 inches of rain 23.1 inches of snow
Elevation:	4,400 feet above sea level
Sunny Days:	79%
Year Founded:	1868
Year Incorporated:	1903
Population:	225,221 (2010 Census)
Average Household Size:	2.47 persons
Median Household Income:	3-person household \$64,000 4-person household \$71,000
Median Home Price:	\$185,000 (June 2012)
Total Assessed Property Valuation:	\$6,046,671,129 (FY 11/12)
Washoe County School District Schools:	Elementary: 30 Middle: 8 High: 7
Colleges and Universities:	University of Nevada, Reno, and 3 other colleges
Airports:	2
2011 Airport Activity:	3,754,155 passengers 113,016,942 pounds of cargo
Parks:	86 2,477 acres
Nearby Golf Courses:	50
Nearby Ski Resorts:	18 (Highest concentration in North America)
Nearby Lakes:	Lake Tahoe, Pyramid, Boca, Prosser, and Stampede
Rivers:	Truckee River, with Whitewater Kayak Park in downtown
Museums:	8 (Art, automobile, planetarium, historical, children's discovery)
Sports Teams:	3 professional, 16 Wolfpack teams at University (Division 1)
Annual Volunteer Hours:	16,320 hours donated by community, valued at \$355,613
Annual Visitors:	4,000,000

