



Humboldt County Comptroller / Auditor

TEL 775.623.6467
FAX 775.623.6449
EMAIL weston.noyes@humboldtcountynv.gov
WEBSITE www.humboldtcountynv.gov

Weston Noyes
Deputy Comptroller / Auditor
50 W. 5th Street #203
Winnemucca, NV 89445

To: Humboldt County Board of Commissioners
Don Kalkoske, County Manager

From: Weston Noyes, Deputy Comptroller

Subject: Comptroller's Budget Message for Fiscal Year 2025-2026

The General Fund is the County's largest and most comprehensive fund encompassing a wide variety of functions and programs. Humboldt County's 2025-2026 Budget reflects a General Fund in which budgeted expenditures and other financing uses are \$31,090,545. This is an increase in budgeted expenses of \$1,117,803 over Fiscal Year 2025. As of the time of preparing this message, the final revenue projections have not been received by the State of Nevada. I expect to have those final projections that include abatements and exemptions on March 25th (the last date allowed for release pursuant to NRS 361.4535(2)).

In projecting Salaries and Benefits for FY 25/26 the general unit will receive a 2.5% merit increase and 2% COLA, law enforcement will receive a 2.5% merit increase and a 3.6% COLA. I have also budgeted for the anticipated increase in employer paid PERS contributions in which the general unit will increase from 33% to 36.75% and law enforcement will increase from 50% to 58.75%. It is also worth noting that SB116, the elected official's salary bill, if passed will have an impact on the salary and benefits projected for elected officials. However, until legislature enacts this bill, I have used the NRS currently in effect (NRS 245.043).

The budget being presented to you does include 36 vacant or new positions. They can be identified on the salary projection sheets in each department and listed alphabetically beginning with the word "Vacancy".

Over all funds, the total expenditures requested are \$65,482,731 broken down as follows:

Salaries	\$ 16,690,200.00	25%
Benefits	\$ 13,011,203.00	20%
Service and Supplies	\$ 26,578,747.00	41%
Capital Outlay	\$ 9,202,581.00	14%
	<u>\$ 65,482,731.00</u>	

For the General Fund the breakdown for the total request of \$31,090,545 is as follows:

Salaries	\$ 11,235,400.00	36%
Benefits	\$ 9,163,058.00	29%
Service and Supplies	\$ 9,900,806.00	32%
Capital Outlay	\$ 791,281.00	3%
	<u>\$ 31,090,545.00</u>	

It is anticipated that the County will utilize a portion of unassigned fund balance to maintain the level of services that our citizens have become accustomed to over the last several years. However, it is anticipated that the actual ending fund balance will be greater since historically the County has not spent 100% of its expenditure appropriations.

Many of the Capital Projects approved in the FY2025 budget have not yet been completed. You will see some of these requests being carried forward to FY2026 due to factors which the Department Heads or Elected Officials will address individually during their respective hearings. The total amount budgeted in the current fiscal year for capital projects was \$8,353,250 whereas only \$1,239,655.42 has been spent YTD. The majority of this difference is in the Road Fund, Juvi, Gold Country Water, Capital Projects and Building Reserve.

As presented by our auditor's, the General Fund ending balance as of June 30, 2024 was \$16,038,873. An increase of \$675,889 from FY2023 which is attributed to a significant increase in Net Proceeds and Property Taxes received. In this budget cycle we can anticipate a similar pattern with Net Proceeds given the recent Property Tax increase enacted by the county. I commend your action to increase the counties property tax rate and recognize the importance this component plays in maintaining the financial health of the county. As these projections come in I will continue to monitor the impact of the tax rate increase on Net Proceeds which are received the last week in May each fiscal year.

Interest rates remain strong, and Treasurer Lecumberry has done a great job managing the County's investments and actively communicating with our investment advisors. Fiscal year to date we have received \$1,700,742 in interest earnings. Although investments are always an uncertain source of revenue, it is the only way to generate revenue without asking the taxpayers to reach into their pockets. I commend Rhona and the job that she is doing with investments including continued education and networking to strengthen her investment knowledge.

Humboldt County maintains a balance of \$1,050,843 in the County's stabilization fund as authorized by NRS 354.6115. The money in this fund can only be used to mitigate the effects of natural disasters (tab 27).

I look forward to these upcoming budget hearings and working with you all again to adopt a budget that works to benefit the citizens and taxpayers of Humboldt County.

Sincerely,



Weston Noyes