

**Carson City
Agenda Report**

Date Submitted: March 29, 2011

Agenda Date Requested: April 7, 2011

Time Requested: 15 mins

To: Mayor and Supervisors

From: Larry Werner, City Manager

Subject Title: Discussion and possible action on potential offer to the State of Nevada regarding assumption of various services and re-establishment of the 8-cent Long-Term Care Cap.

Staff Summary: The State of Nevada is contemplating shifting services and/or costs to the counties. If the counties had to assume these costs or services it would require additional layoffs and service reductions.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

Does this action require a Business Impact Statement: () Yes (X) No

Recommended Board Action: I move to approve the proposed phase-in for assumption of State services for the biennium.

Explanation for Recommended Board Action: See staff summary.

Applicable Statute, Code, Policy, Rule or Regulation: N/A

Fiscal Impact: See attached memo and spreadsheets.

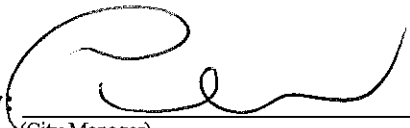
Explanation of Impact: See attached memo and spreadsheets.

Funding Source: See attached memo and spreadsheets.

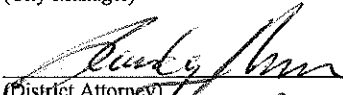
Alternatives:

Supporting Material: Memo and spreadsheets from Mary Walker

Prepared By: Janet Busse, Office Supervisor

Reviewed By: 
(City Manager)

Date: 3/29/11


(District Attorney)

Date: 3/29/11


(Finance Director)

Date: 3/29/11

Board Action Taken:

Motion: _____

- 1) _____
- 2) _____

Aye/Nay

(Vote Recorded By)



Walker & Associates

661 Genoa Lane, Minden, Nevada 89423

MEMO TO: Carson City Board of Supervisors
Douglas County, Board of County Commissioners
Lyon County, Board of County Commissioners
Storey County, Board of County Commissioners

FROM: Mary Walker
Government Affairs Consultant

DATE: March 24, 2011

RE: Discussion and Action on Potential Offer to the State of Nevada Regarding Assumption of Various Services and Re-Establishment of the 8 Cent Long-Term Care Cap.

As you are aware, the State of Nevada is contemplating shifting services and/or costs to the counties. According to information I received from the State, these shifts amount to nearly \$7 million per year to our four counties or nearly \$14 million over the biennium. A breakdown by county is as follows:

Known Annual Impact of State Budget Shifts Proposed in the Governor's Budget:

Carson City	\$ 2,785,271
Douglas County	1,955,353
Lyon County	1,895,169
Storey County	<u>246,156</u>
Total	<u>\$ 6,881,949</u>

If the four counties had to assume these costs or services, it would require additional layoffs and service reductions at a time when our counties have reduced their budgets by up to 25% already.

Over the past several months, our Legislative Coalition (made up of Carson City, Douglas County, Lyon County and Storey County) has studied the State's budget and its impact on our counties and reviewed various alternatives. The Coalition is recommending the Boards of the 4 counties consider offering to assume certain services from the State of Nevada by providing the services on a regional basis. The primary reason is we do not believe paying the State a sum of money for services without any control over the costs of the service, level of service or quality of service is in the best interests of the counties or its citizens.

In addition, the Coalition believes we have an obligation to try to help the State of Nevada during this time of need. The State is our partner. Our region is home to the State of Nevada through Carson City being the Capital City and our neighboring counties being home to many State employees. Therefore, we believe we have responsibilities not just to our citizens but to the State of Nevada.

The following proposal constitutes a way to balance between these responsibilities by stepping forward to assist the State while not abandoning our fiscal responsibilities to provide local government services to our citizens. The proposal includes a phase-in of taking over the State services on a regional basis through the Carson City Health Department through an Interlocal Agreement between the 4 counties. These services would include Emergency Medical Services, Medical Care Related to TB, Medical Care Related to STD, Consumer/Environmental Health and Community Health. The taking over these services would be implemented over the next 18 months.

In addition, it is recommended the 4 counties continue to pay the 2.5 Cent IAF/SUP Fund to the State and to increase our Long-Term Care 50/50 Match Program payments to the State up to the current 8 cent ad valorem tax cap. The 8 cent cap will insure the Long-Term Care costs are paid from the designated Indigent Tax Fund and not from the General Fund.

Attached is a breakdown of the proposal by service by fiscal impact to each county using the State's costs. The total costs to our counties amount to \$3.5 million per year which is a substantial commitment from our 4 rural counties. It's important to note our counties' staff will have to provide a more refined cost of the service at the local level. This information will be provided to the Boards prior to the public hearing.

It is also recommended that the counties request the State provide our counties the flexibility to choose to take over State services or to pay the State for the services and to also give the counties the flexibility of revenue generation in order to pay for these services shifted to the counties. It would be up to each county to determine whether they would choose to implement any additional revenues. In addition, it is recommended the counties do not pay for or take over the other services delineated in the Governor's budget or through Legislative action simply due to the fact those additional costs will virtually break our counties. A \$3.5 million per year commitment is a tremendous cost for our counties to bear at a time when we are cutting services and staff, however, we believe this is the right thing to do.

A recommended motion would be: I move to approve the Proposed Phase-In for Assumption of State Services for the Biennium.

March 24, 2011			
WESTERN NEVADA LEGISLATIVE COALITION			
CARSON CITY, DOUGLAS COUNTY, LYON COUNTY, STOREY COUNTY			
LISTING OF STATE BUDGET IMPACTS TO COUNTIES AND POTENTIAL COUNTY OPTIONS			
		Per DHHS	
County Assessment for Services	Description	FY 12 Fee Impact	Proposal:
1) Elder Protective Services	NRS mandates DHHS receive and investigate reports of abuse, neglect, exploitation and isolation of elderly (60 years or older). Social workers investigate elder abuse reports, provide interventions, call law enforcement/EMS, provide a Crisis Call Center, provide training.	CC-\$50,313 DC-\$18,526 Lyon-\$42,468 Storey-\$1,054 Total = \$112,361	
2) 50/50 County Match Program for LTC MAABD Institution and Waiver Costs for Aged, Blind and Disabled Institutional Population.	BDR #239: Lower State % for County Match Program to 132% (Over \$891) for FY 2012 and 124% (over \$833) for FY 2013. Per Budget Hearing, there are restrictions in the federal act. State must remain compliant with affordable care act. % may change in future and need to adjust income cap each year.	CC-\$718,992 DC-273,361 Lyon-\$497,208 Storey-\$22,694 Total = \$1,512,255	* Pay State Up to 8 Cent Cap
3) Consumer Health Protection (Food and Facilities)	Environmental Health Services-provides inspections for restaurants, septic tanks, child care facilities, swimming pools, etc. All fee based, but Governor won't allow increase in fees, so Governor is requiring counties to pay fees.	CC-\$6,879 DC-\$114,567 Lyon-\$58,466 Storey-\$15,476 Total = \$195,388	*Assume Service on Regional Basis
4) Emergency Medical Services	Emergency Medical Services responsible for issuing EMT Certs and Ambulance Attendant Certs, establishing standards for operation of ambulance services and provision of EMS, coordinates EMS radio system for all counties except Clark, evaluates and approves EMS training programs, tests applicants for EMS certs, inspects ambulance, air ambulances, firefighting vehicles, investigates complaints re: EMS, collects data regarding out-of hospital emergency care.	CC-\$54,806 DC-\$51,046 Lyon-\$53,464 Storey-\$4,288 Total = \$163,604	
5) Rural Developmental Services-Children's Mental Health Services	Child Mental Health	CC-\$584,573 DC-\$84,563 Lyon-\$107,261 Storey-\$0 Total = \$776,397	
6) Mental Health Courts	Mental Health Courts in Clark, Washoe and Carson City Discussion at Legislative Hearing is the counties could eliminate mental health courts and the clients would be forced to go back to the State for service, therefore, would cost State more.	CC-\$112,670	
7) Youth Parole Services	Assesses counties for Youth Parole Services and reduces reimbursements to county detention facilities for the cost of housing youth whose parole has been revoked and who are awaiting trial and placement.	CC-\$134,452 DC-\$98,104 Lyon-\$111,333 Storey-\$9,223 Total = \$353,112	
8) Rural Child Protective Services	Assess rural counties for Child Protective Services which provides placements of children if they are removed from the home and case management by state social workers. Clark and Washoe provide CPS themselves, but receive a block grant from the State for the services. No block grant to rurals in budget. For persons under 18 years of age.	CC-\$379,034 DC-\$285,392 Lyon-\$387,138 Storey-\$23,279 Total = \$1,074,843	
Total County Assessment for Services:			
		Carson City	\$ 2,041,720
		Douglas County	925,558
		Lyon County	1,257,338
		Storey County	76,013
		Total	\$ 4,300,629

State Funding Eliminated	Description	Per DHHS FY 12 Funding Cut	Proposal:
9) Medical Care Related to TB Program	Tuberculosis Program Funding Elimination; TB surveillance, not treatment.	CC-\$6,953 DC-\$6,953 Lyon-\$6,953 Storey-\$741 Total = \$21,600	*Assume Service on Regional Basis
10) Medical Care Related to STD Program	STD Program Funding Elimination	CC-\$0 DC-\$1,096 Lyon-\$1,622 Storey-\$0 Total = \$2,718	*Assume Service on Regional Basis
11) Community Juvenile Justice Program	Community Juvenile Justice Program Elimination including funding for community corrections partnership block grant, outpatient treatment and sex offender evaluations. Lots of discussion at Leg Budget Hearing. By decreasing funding, State juvenile correctional care will quadruple. Senator Leslie is willing to look at alternative plan.	CC-\$53,219 DC-\$42,415 Lyon-\$42,350 Storey-\$4,000 Total = \$141,984	
12) County Youth Camps	County Youth Camps Funding Elimination Lots of discussion at Leg Budget Hearing. By decreasing funding, State juvenile correctional care will quadruple. Senator Leslie is willing to look at alternative plan.	CC-\$64,603 DC-\$49,558 Lyon-\$66,760 Storey-\$3,301 Total = \$184,222	
13) MH Room and Board	Eliminates Mental Health Room and Board which pays for the non-medical expenses for children who are receiving treatment home services and who are not in the custody of an agency which provides child welfare services. The majority of these youth are in the custody of county probation depts. Lots of discussion at Leg Budget Hearing. By decreasing funding, State juvenile correctional care will quadruple. Senator Leslie is willing to look at alternative plan.	CC-\$94,741 DC-\$86,444 Lyon-\$90,075 Storey-\$7,121 Total = \$278,381	
Total DHHS Funding Elimination:			
	Carson City	\$ 19,515	
	Douglas County	186,466	
	Lyon County	207,759	
	Storey County	15,163	
	Total	\$ 628,903	
GRAND TOTAL DHHS COUNTY ASSESSMENTS AND FUNDING ELIMINATION			
	Carson City	\$ 2,261,235	
	Douglas County	1,112,024	
	Lyon County	1,465,097	
	Storey County	91,176	
	Total	\$ 4,929,532	
IMPACTS OTHER THAN DHHS:			
1) Elimination of Pre-Sentence Investigators	77 Total Positions-3 for Carson City, Douglas, Lyon and Storey Counties per State		
Estimated-Allocated by population		Carson City \$ 102,000	
		Douglas County 93,000	
		Lyon County 96,000	
		Storey County 9,000	
		Total \$ 300,000	
2) Elimination of "All Risk" NDF Emergency Services-Only Wildland Fire-Carson/Storey		?	?
3) 2.5 Cents Ad Valorem Tax IAF/SUP	State's Budget includes continuing the IAF/SUP Sweep-		
		Carson City \$ 422,036	Continue to Pay Sweep of IAF/SUP Funds
		Douglas County 750,329	
		Lyon County 334,072	
		Storey County 145,980	
		Total \$ 1,652,417	
TOTAL KNOWN IMPACTS OF GOVERNOR'S BUDGET		FY 11-12 ONLY	
		Carson City \$ 2,785,271	
		Douglas County \$ 1,955,353	
		Lyon County \$ 1,895,169	
		Storey County \$ 246,156	
	GOVERNOR'S BUDGET IMPACT- GRAND TOTAL FY 11-12	\$ 6,881,949	
OTHER SERVICE ASSUMPTION:			
1) Community Health Services		Carson City \$ -	*Assume Service on Regional Basis
		Douglas County 166,550	
		Lyon County 367,551	
		Storey County -	
		Total \$ 534,101	