

**Carson City
Agenda Report**

Date Submitted: June 29, 2011

Agenda Date Requested: July 7, 2011

Time Requested: 2 hours

To: Mayor and Supervisors

From: City Manager

Subject Title: For Possible Action: Discussion and direction to staff on the impacts of the 2011 Governor's Budget and Legislation that transfers services previously provided by the State and the assessments against the City for certain services currently provided by the State.

Staff Summary: Staff has received formal notice from several of the State of Nevada departments regarding services that are being terminated by the State and the amount of assessment that will be charged to the City for services that will continue to be provided by the State. The specific impacts are detailed in the attachments but the estimated financial impact to the City is estimated at \$1.134 million for FY 2012 and \$1.242 for FY2013. Staff will be asking for direction on how to respond to the notices. The City does not have the ability to pay the assessments and assume services without reducing expenses and/or increasing revenues for the adopted budget. Staff will also be asking for direction regarding NRS 353.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

Does This Action Require A Business Impact Statement: Yes No

Recommended Board Action: To be determined by the Board.

Explanation for Recommended Board Action: The financial pass-down from the State will be a major impact to the City and may require reduction in staffing and service levels coupled with increasing revenues from property taxes, fees and franchise fees. Staff needs direction from the Board to address these issues.

Applicable Statute, Code, Policy, Rule or Regulation: See attached.

Fiscal Impact: See staff summary.

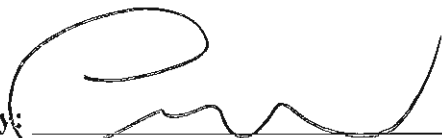
Explanation of Impact: See staff summary.

Funding Source: General Fund

Alternatives: To be determined.

Supporting Material: Memorandum from City Manager, Notices from State of Nevada, Spreadsheets from Finance Director.

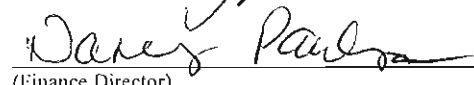
Prepared By: Lawrence A. Werner, P.E., P.L.S.

Reviewed By: 
(City Manager)

Date: 6/30/11


(District Attorney)

Date: 6/30/11


(Finance Director)

Date: 6/30/11

Board Action Taken:

Motion: _____

- 1) _____
- 2) _____

Aye/Nay

(Vote Recorded By)

MEMORANDUM

TO: Mayor and Board of Supervisors
FROM: Lawrence A. Werner, P.E., P.L.S. *Law*
City Manager
DATE: June 29, 2011
SUBJECT: Fiscal Impact from recent legislation

We have now received more detailed information from the State regarding the assessment of fees and transfer of services. As you will see in the material below, there are still many unknowns because of the way that the programs are coming to us without thorough knowledge of the specifics. The material is presented in the same order as shown on the attached spreadsheet prepared by the State on June 21, 2011. See Attachment 1.

1. This program is the County Match program where we currently collect property taxes to fund indigent medical care for persons in health care facilities. Historically, the cost of this program was "capped" at the actual revenue received from a \$0.08 rate. What this meant was that the City would split the cost for persons whose income was between 156% and 300% of the SSI income level. If the splits during a fiscal year consumed the revenue from the \$0.08 rate, then the State picked up all the cost for the remainder of the year. The State also paid 100% of the cost for those patients below the 156% SSI. The recent legislation, SB 485 allows the Director to set the percentages as he sees fit, provided it complies with Federal law. The current proposal by the Director is to change the percentage to 142% which means that the City will acquire more patient costs.

A second part of this proposal is to add additional patient costs to the City that was previously paid for by the State. This area is where patients received waivers to be placed in less structured facilities, albeit at a lower cost but, nonetheless, an additional cost to the City. The estimated impact is an additional \$249,982 to the City using previous year's data. With no cap in place, there is no assurance that the City will not see additional costs. It all depends on the number of indigent patients in the program.

2. This program has to do with the inspection of food establishments. While the proposal is to assess the City \$1,192, this item is a straight transfer of a State function. The cost that is being proposed is for State permitting and inspection of facilities in the industrial area where the City was not previously responsible. The agencies being provided the service should pay the cost. While there is an option

for the City to assume this service, there is a lengthy process to receive delegation of authority from the State.

3. This program relates to providing the support, education and care of children with mental retardation and other related conditions. The position that the State is taking is that NRS 435 made this a county responsibility since inception even though the State has always covered the cost. There are three options being offered by the State:
 - (A) Pay the assessment of \$252,116 using the State's criteria for eligibility and cost recovery for children in the program based on county of residency. I believe that for this program, the State has made the determination that all children in the program are indigent and qualify for full cost coverage by the State. When the question was asked about having parents or guardians pay a portion of the cost, the answer was that the State would not do that but we could if that was our requirement.
 - (B) Redefine the criteria and contract with the State to provide the service. The actual cost is unknown.
 - (C) Assume the program and the cost.

I believe that this is a transfer of function regardless of the statute because of the situation where the State had assumed the costs since inception and now wants the City of pay.

NRS 435.010 County commissioners to make provision for support, education and care of children with mental retardation and children with related conditions.

1. The boards of county commissioners of the various counties shall make provision for the support, education and care of the children with mental retardation and children with related conditions of their respective counties.

2. For that purpose, they are empowered to make all necessary contracts and agreements to carry out the provisions of this section and NRS 435.020 and 435.030. Any such contract or agreement may be made with any responsible person or facility in or without the State of Nevada.

3. The provisions of this section and NRS 435.020 and 435.030 supplement the services which other political subdivisions or agencies of the State are required by law to provide, and do not supersede or relieve the responsibilities of such political subdivisions or agencies.

{1:77:1929; NCL § 1057}—(NRS A 1969, 447; 1975, 1618; 1999, 2595; 2005, 22nd Special Session, 53)

4. No impact to the City.
5. No Impact to the City.
6. The State's proposal for Youth Parole Services is a straight transfer of function where the State is making an assessment of \$54,915 based on school population enrollment for 7th to 12th grades. There is no correlation to the actual number of

children in the program that are Carson City residents. There is an option to allow the City to assume the program but, again, the process is lengthy.

7. Rural Child Protective Services is another program where the City is being transferred the function through an assessment for a portion of the cost of providing this service. Our assessment is \$379,034 which based on the City's population of children between the ages of 0 to 18. Again, the assessment has no relation to the actual number of children in the City being provided services. In this case, there is no apparent method for the City to opt out and provide the service.
8. No cost to the City.
9. No cost to the City.
10. Under the current program, the City currently provides TB screening and the State pays for treatment. With this program, the State will no longer provide treatment. The problem with this legislation is that the City had proposed to the other 3 counties (Lyon, Douglas and Storey) to provide this service but the process to opt out for the other counties is cumbersome and lengthy. The estimated impact to the City is \$6,953.
11. No impact to the City.
12. No impact to the City.
13. The City's source of funding the community based juvenile program included grants from the State which has now been eliminated. The loss of grant funding means that we will need to absorb all the cost of the program with a loss of revenue of \$53,219.
14. For juveniles placed into mental health facilities by the courts, the State picked up the cost for room and board which was not federally eligible. The State budget for this program has been reduced and the remainder of the budget will be provided to the counties as block grants. The City is programmed to receive \$14,625. Any costs for room and board that exceed the block grant amount will need to be funded by the City. This may be an area where a portion of the cost could be assessed to the parents or guardians.
15. In the past, when a juvenile paroled out of a State facility and subsequently arrested for a parole violation, the juvenile could be placed in our facility until such time as he was returned to the State facility. Under these circumstances, the State would pay the daily rate for holding the juvenile. Under the new proposal, the State will not pay for holding the juvenile. The estimated revenue impact to the City is \$33,837. Our option is to choose which juveniles we will agree to hold.

16. This program relates to the second letter from the State regarding Presentence Investigative Reports. See Attachment 2. The State is transferring this function to the City in the form of an assessment of \$88,080 which is based on 70% of the cost for the number of reports prepared. There appears to be no option to assume the service.
17. This item relates to Attachment 3, the cost reductions to the Western Nevada College through elimination and/or reduction of several non-academic programs. I have included this because these are community programs that, in effect, are being transferred to the City if we believe they have value and should continue. The total impact of this transfer is \$349,151 for next year.
18. As a part of SB471, the language was changed from the Health Division to health authority in NRS 441A.240 which means that the City now has to approve training materials and certify instructors for educating staff and inmates at the prisons for infectious disease and HIV. At this point, we have no idea of the cost.

In summary, there are major programs being transferred to the City from the State and we will not have the ability to assume these programs without increasing revenues or reducing expenses or we consider legal action to force the State to comply with NRS 353 regarding the process to transfer functions. The provisions of NRS 353 and the associated regulations would provide time to assess the provisions to "opt out", where appropriate, and to have time to address the budget impacts of these transfers and eliminations. I have included NRS 353.203 and the adopted regulations for your information.

A summary spreadsheet of the impacts is included for your information as the last page of this package.

The issue facing us is that the State will be billing us on July 1, 2011 for those programs requiring an "assessment" payment. We are not in a position to be able to pay the assessment without reducing expenses or increasing revenues. Additionally, we are not in a position to assume the loss of revenue for our own programs nor the assumption of additional programs being transferred by the State without analysis of our revenue/expense picture.

ESTIMATED IMPACT BY COUNTY, FY12

ATTACHMENT 1

This allocation is an estimate of impacts for each item listed. The allocation methodology is footnoted for each line. For those items that do not have specific data readily available to make allocations we use relevant population information. For example, total county population was used to allocate Emergency Medical Services for participating counties. For Child Protective Services (CPS) we used county population age 0-18. See each footnote for further details on each line item.

Division	Budget Acct./Proj. Code	BRI or Statute Reference	Description	Carson City	Churchill	Clark	Douglas	Elko	Esmeralda	Eureka	Humboldt	Lander	Lincoln	Lyon	Mineral	Nye	Pershing	Storey	Washoe	White Pine	TOTAL	Assessment (A) or Provider Services (P)
COUNTY ASSESSMENT FOR SERVICES																						
DHCP	3243/1098	SB 485	MAABD Instruction and Waiver Costs for Persons with Income over \$42K/132% of the Federal SSI Rate Note 2	\$249,392	\$63,323	\$3,926,090	509,043	\$99,554	\$712	\$6,456	\$49,853	\$19,009	\$25,073	\$172,871	\$35,148	\$123,377	\$18,650	\$7,300	\$1,102,244	\$69,579	\$6,846,550	A
Health	3294/1098	SB 471	Consumer Health Protection (Food and Facilities) Note 2	\$1,302	\$39,336	\$33,973	\$122,750	\$102,513	\$4,172	\$5,960	\$42,236	\$12,516	\$13,112	\$61,985	\$9,536	\$78,673	\$11,620	\$17,284	\$11,920	\$25,628	\$594,845	A
MHDS	3167/1096	NRS 435	Rural Developmental Services, Cash Note 3	\$252,116	\$18,712		\$76,308	\$7,200		\$11,740	\$4,000			\$28,012	\$1,156		\$1,260			\$7,072	\$420,672	A
MHDS	3279/1094	NRS 435	Southern Developmental Services, Cash Note 3			\$2,806,811							\$7,070		\$55,040						\$2,870,721	A
MHDS	3280/1094	NRS 435	Northern Developmental Services, Cash Note 1															\$1,605,613			\$1,605,613	A
DCFS	3263/1099	SB 470	Assess Counties for Youth Parole Services Note 4	\$54,915	\$16,131	\$1,069,288	\$40,463	\$59,861	\$200	\$1,573	\$20,011	\$7,279	\$6,253	\$52,342	\$3,693	\$40,090	\$3,046	\$2,973	\$424,246	\$9,346	\$2,754,010	A
DCFS	3229/1099	SB 460	Assess Rural Counties for State CPS Note 3	\$379,834	\$214,156		\$285,392	\$456,516	\$3,066	\$12,137	\$146,876	\$91,615	\$31,151	\$387,138	\$26,111	\$274,528	\$43,261	\$23,279		\$29,098	\$2,206,258	A
Health	3219/1099	SB 471	Medical Care Related to TB Program Note 5		\$5,763		\$6,953	\$29,215	\$768	\$943	\$4,352	\$1,503	\$1,334	\$6,953	\$1,342	\$45,375	\$1,821	\$743		\$2,696	\$103,789	A
Health	3219/1091	SB 471	Medical Care Related to STD Program Note 5		\$495		\$1,096			\$809	\$455			\$1,022	\$507	\$1,851	\$93			\$481	\$7,360	A
			Subtotal	\$937,329	\$367,906	\$8,721,762	\$629,005	\$740,959	\$9,843	\$26,569	\$275,963	\$26,477	\$75,283	\$713,023	\$76,893	\$619,814	\$81,062	\$22,167	\$3,344,628	\$173,760	\$16,749,843	
STATE FUNDING ELIMINATED																						
Health	3219/1099	SB 471	Medical Care Related to TB Program Note 5	\$6,953		\$405,312													\$38,252		\$454,015	P
DWSS	3230/1060	Budget Closing	Child Support Employment Assistance Program (4 FTE) Note 6			\$63,980													\$21,122		\$85,100	P
DWSS	3230/1065	Budget Closing	TANF Emergency Assistance Eliminated Note 7			\$373,200													\$439,258		\$812,458	P
DCFS	3383/1099	Budget Closing	Eliminates Funding to Community Juvenile Justice Programs Note 4	\$53,110	\$21,173	\$865,226	\$42,415	\$56,553	\$775	\$2,102	\$21,003	\$7,166	\$5,873	\$42,350	\$3,038	\$36,116	\$4,511	\$4,000	\$296,906	\$13,163	\$1,434,502	P
DCFS	3145/10310 1065	Budget Closing	Eliminates MH Room and Benzene Cleveland Growth and Data Reduction, Impacts county probation departments Note 8	\$24,625	\$6,985	\$504,181	\$13,245	\$23,792	\$307	\$413	\$4,641	\$1,577	\$1,323	\$13,906	\$1,199	\$11,684	\$1,873	\$1,099	\$106,034	\$2,516	\$700,000	P
DCFS	3203/1099	SB 476	Youth Detention Costs Note 9	\$33,207		\$378,900	\$19,020	\$28,000	\$235		\$4,027	\$1,643			\$942	\$7,279	\$1,712	\$2,563	\$144,750		\$576,090	P
			Subtotal	\$108,034	\$28,258	\$2,539,092	\$66,680	\$86,345	\$1,315	\$2,579	\$30,140	\$10,385	\$7,002	\$56,256	\$6,178	\$82,295	\$82,096	\$7,862	\$1,077,016	\$15,685	\$4,107,416	
Total				\$1,045,373	\$396,164	\$11,260,854	\$695,685	\$827,304	\$11,163	\$29,148	\$306,123	\$36,862	\$82,285	\$769,878	\$83,071	\$671,089	\$89,158	\$29,229	\$4,221,645	\$189,445	\$20,857,259	

Note 1 - Allocated according to the each county's share of expenditures based on historical caseload data.
 Note 2 - Allocated according to each county's share of total food establishment permits. Carson City, Clark, and Washoe county estimates are based on state facility inspections.
 Note 3 - Allocated according to county's share of population age 0-18.
 Note 4 - Funding is allocated by judicial district according to district's share of public school enrollment for 7th-12th grade students. Judicial districts composed of more than one county include: 1st (Carson City and Storey), 3rd (Churchill and Lyon), 5th (Esmeralda, Mineral, Nye), 6th (Humboldt, Lander, and Pershing), and 7th (Eureka, Uninc, and White Pine). To estimate the impact by county, the total for each judicial district was allocated using county population.
 Note 5 - Allocated using a formula that considers the following factors (equally weighted): the cost of dedicated staff, the funding based upon population alone, the funding based upon the percentage of cases, and the funding based upon the TB or STD rate in each county.
 Note 6 - Split 25%/75% between Washoe and Clark County.
 Note 7 - Costs allocated according to prior contract authority to each county.
 Note 8 - Allocated according to each county's share of total population. The county of origin for room and board payments is not tracked when payments are made to providers. This is only an estimate for purposes of analyzing the potential impact. Payments for room and board are typically for kids NOT in custody of child welfare agencies but in the custody of county probation agencies.

Nevada Department of Public Safety
Division of Parole & Probation

2011 Legislative Session, Senate Bill 443 Funding

Table 1	Total Budgeted Cost for Pre-Sentence Investigations Reports	State Fiscal Year 2012	State Fiscal Year 2013	2011 - 13 Biennium Total
		\$ 5,293,062	\$ 5,377,413	\$ 10,670,475

Table 2	70/30 Split to Fund Pre-Sentence Investigation Reports	State Fiscal Year 2012	State Fiscal Year 2013	2011 - 13 Biennium Total
	State Funding, 30%	\$ 1,587,919	\$ 1,613,224	\$ 3,201,143
	County Reimbursement, 70%	\$ 3,705,143	\$ 3,764,189	\$ 7,469,332
	Totals	\$ 5,293,062	\$ 5,377,413	\$ 10,670,475

Table 3	Pre-Sentence Investigations by Judicial District and County, Calendar Year 2010 - 70/30 Split							
Judicial District	County	Number of PSIs	Percentage of PSIs	State Fiscal Year 2012	State Fiscal Year 2013	2011 - 13 Biennium Total	State Fiscal Year 2012 Monthly Invoice Amounts	State Fiscal Year 2013 Monthly Invoice Amounts
1	Carson	259	2.4%	\$ 88,080.03	\$ 89,483.69	\$ 177,563.72	\$ 7,340.00	\$ 7,456.97
1	Storey	5	0.0%	\$ 1,700.40	\$ 1,727.50	\$ 3,427.90	\$ 141.70	\$ 143.96
2	Washoe	2,039	18.7%	\$ 693,417.77	\$ 704,468.23	\$ 1,397,886.00	\$ 57,784.81	\$ 58,705.69
3	Churchill	76	0.7%	\$ 25,845.89	\$ 26,257.78	\$ 52,103.67	\$ 2,153.82	\$ 2,188.15
3	Lyon	231	2.1%	\$ 78,557.89	\$ 79,809.80	\$ 158,367.69	\$ 6,546.49	\$ 6,650.82
4	Elko	312	2.9%	\$ 106,104.14	\$ 107,795.04	\$ 213,899.18	\$ 8,842.01	\$ 8,982.92
5	Esmeralda	0	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -
5	Mineral	52	0.5%	\$ 17,684.02	\$ 17,965.83	\$ 35,649.85	\$ 1,473.67	\$ 1,497.15
5	Nye	246	2.3%	\$ 83,659.02	\$ 84,992.23	\$ 168,651.25	\$ 6,971.59	\$ 7,082.69
6	Humboldt	85	0.8%	\$ 28,906.56	\$ 29,367.22	\$ 58,273.78	\$ 2,408.88	\$ 2,447.27
6	Lander	12	0.1%	\$ 4,080.92	\$ 4,145.95	\$ 8,226.87	\$ 340.08	\$ 345.50
6	Pershing	35	0.3%	\$ 11,902.70	\$ 12,092.38	\$ 23,995.08	\$ 991.89	\$ 1,007.70
7	Eureka	14	0.1%	\$ 4,761.07	\$ 4,836.95	\$ 9,598.02	\$ 396.76	\$ 403.08
7	Lincoln	31	0.3%	\$ 10,542.39	\$ 10,710.40	\$ 21,252.79	\$ 878.53	\$ 892.53
7	White Pine	81	0.7%	\$ 27,546.26	\$ 27,985.24	\$ 55,531.50	\$ 2,295.52	\$ 2,332.10
8	Clark	7,291	66.9%	\$ 2,479,504.15	\$ 2,519,018.09	\$ 4,998,522.24	\$ 206,625.35	\$ 209,918.17
9	Douglas	126	1.2%	\$ 42,849.76	\$ 43,532.62	\$ 86,382.38	\$ 3,570.81	\$ 3,627.72
	Totals	10,895	100.00%	\$ 3,705,142.97	\$ 3,764,188.95	\$ 7,469,331.92	\$ 308,761.91	\$ 313,682.41
						Totals	\$ 3,705,142.97	\$ 3,764,188.95

Notes: Due to rounding considerations, amounts in Table 3 may vary from previously released information
Number of PSIs and Percentage of PSIs are from calendar year 2010

Western Nevada College
 Costs Associated with Community-focused Programs

Athletic Program Costs (annual)

	Baseball	Softball
Travel	\$ 94,871	\$ 76,281
Operating	\$ 22,636	\$ 14,691
Head Coach	\$ 77,007	\$ 64,662
Asst. Coach	\$ 5,000	\$ 37,513
Insurance	\$ 1,500	\$ 1,500
Student fee eligible salaries & fringe	\$ (82,007)	\$ (102,175)
Total	\$ 119,007	\$ 92,472
Grand total	\$ 211,479	

Western Nevada Musical Theatre

Program Director	\$ 111,638
General Fund Eligible Salary & Fringe (.2)	\$ (22,327)
Grant Total	\$ 89,311

Jack C. Davis Observatory

Program Coordinator	\$ 12,369
Operations	\$ 4,850
Utilities	\$ 3,350
Grand Total	\$ 20,568

Galleries (Carson)

Program Coordinator	\$15,642
Operations	\$7,600
Assistants (2)	\$4,552
Grand Total	\$ 27,794

SUMMARY OF ANNUAL COSTS	
Athletics	\$ 211,479
Musical Theatre	\$ 89,310
Observatory	\$ 20,568
Galleries	\$ 27,794
Total	\$ 349,151

Carson City
Estimated impact of 2011 Legislative Session

Assessed by State	2012 Amount	2013 Amount	Impacted Fund/Revenue Source
MAABD Insitution and Waiver costs - 147% of Fed SSI Rate	\$ 249,982	\$ 351,363	Indigent Fund - ultimately will cost city's General Fund
Consumer Health Protection - inspections	\$ 1,192	\$ 1,192	General Fund - Health
Rural Dev Svcs Costs	\$ 252,116	\$ 252,116	General Fund
Youth Parole Services	\$ 54,915	\$ 55,073	General Fund
Child Protective Services	\$ 379,034	\$ 383,554	General Fund
Pre-Sentence Investigations	<u>\$ 88,080</u>	<u>\$ 89,484</u>	General Fund
Total Assessment Amount	\$ 1,025,319	\$ 1,132,782	
 State Funding Eliminated			
TB Program	\$ 6,953	\$ 6,953	Loss of Revenue
Community Juvenile Justice	\$ 53,219	\$ 53,352	Loss of Grant Revenue
County Juv Prob - eliminates Room and Board	\$ 14,625	\$ 14,625	City might have to make up costs paid by state
Youth Detention - loss of revenue from state for parolees	<u>\$ 33,837</u>	<u>\$ 33,834</u>	Probably will reduce service levels
Total Eliminated Amount	\$ 108,634	\$ 108,764	
Total Estimated Impact of 2011 Session	\$ 1,133,953	\$ 1,241,546	

NRS 353.203 Committee on Local Government Finance to adopt regulations establishing procedures for transferring functions of state agencies and local governments.

1. The Committee on Local Government Finance created pursuant to NRS 354.105 shall, in consultation with the Director of the Department of Administration, adopt regulations to establish procedures for transferring a function from a state agency to a local government or from a local government to a state agency.

2. The regulations adopted by the Committee on Local Government Finance pursuant to subsection 1 must:

(a) Be adopted in the manner prescribed for state agencies in chapter 233B of NRS.

(b) Include provisions requiring:

(1) That, except as otherwise provided in subsection 3, notice to the affected state agency and local government of the intent to transfer a function from a state agency to a local government or from a local government to a state agency be given not less than 30 days before September 1 of an even-numbered year, unless a different period of notification is required by a statute or by contractual agreement.

(2) That, except as otherwise provided in subsection 3, the effective date of the transfer of a function from a state agency to a local government or from a local government to a state agency not be any earlier than July 1 of the year after the year in which notice is given, as described in subparagraph (1).

(3) The exchange of such information between the affected state agency and local government as is necessary to complete the transfer, including, without limitation, such matters as a complete description of the function to be transferred and the mechanism to be used to pay for the performance of that function.

3. An affected state agency and local government may, by mutual agreement, waive the requirements set forth in subparagraphs (1) and (2) of paragraph (b) of subsection 2.

4. As used in this section, "local government" has the meaning ascribed to it in NRS 354.474.

(Added to NRS by 2009, 430)

ADOPTED REGULATION OF THE
COMMITTEE ON LOCAL GOVERNMENT FINANCE

LCB File No. R012-10

Effective June 30, 2010

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §§1-17, NRS 353.203 and 354.5943.

A REGULATION relating to governmental financial administration; establishing procedures for transferring functions between state agencies and local governments and between local governments; and providing other matters properly relating thereto.

Section 1. Chapter 354 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 17, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 17, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 to 9, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Affected entity” means a state agency or local government from which a function is proposed to be transferred and a state agency or local government to which a function is proposed to be transferred.*

Sec. 4. *“Function” has the meaning ascribed to it in NRS 354.529 and includes, without limitation, any administrative activities and responsibilities associated with a function, including, without limitation, those relating to budgeting, contracting, finances, personnel, office facilities, information technology and communications.*

Sec. 5. *“Interested person” means a person, government, governmental agency or political subdivision of a government, other than an affected entity, who is directly and*

substantially affected by the transfer of a function from a state agency to a local government, from a local government to a state agency or from a local government to another local government.

Sec. 6. "Intergovernmental agreement" means a written agreement between the affected entities for the implementation of the transfer of a function from a state agency to a local government, from a local government to a state agency or from a local government to another local government.

Sec. 7. "Lead entity" means the affected entity who is designated to act as the lead entity pursuant to subsection 2 of section 12 of this regulation.

Sec. 8. "State agency" means an agency, a bureau, a board, a commission, a department, a division or any other unit of the Executive Branch of the State Government, other than such an entity which is administered by an elected officer of the State.

Sec. 9. "Transfer plan" means a written plan for the implementation of the transfer of a function from a state agency to a local government, from a local government to a state agency or from a local government to another local government.

Sec. 10. 1. Except as otherwise provided in subsection 2, the provisions of sections 2 to 17, inclusive, of this regulation apply to the transfer of a function from a state agency to a local government, from a local government to a state agency or from a local government to another local government.

2. The provisions of sections 2 to 17, inclusive, of this regulation do not apply to the transfer of a function as a result of:

(a) The creation of a new governmental entity; or

(b) The detachment of any territory from a taxing district and its annexation to another taxing district.

Sec. 11. *Before transferring a function from a state agency to a local government, from a local government to a state agency or from a local government to another local government:*

1. Except as otherwise provided in this subsection, notice of the intent to transfer the function must be provided to the affected entities:

(a) If the transfer is from a state agency to a local government or from a local government to a state agency, not less than 30 days before September 1 of an even-numbered year, unless a different period of notification is required by a statute or by contractual agreement; or

(b) If the transfer is from a local government to another local government, not less than 180 days before the effective date of the transfer, unless a different period of notification is required by a statute or by contractual agreement.

↳ The affected entities may, by mutual agreement, waive the notice otherwise required by this subsection.

2. If the affected entities:

(a) Do not agree to waive the notice required by subsection 1, the affected entities must jointly prepare a transfer plan for the transfer in accordance with the provisions of sections 12 to 16, inclusive, of this regulation; or

(b) Agree to waive the notice required by subsection 1, the affected entities must jointly prepare an intergovernmental agreement for the transfer in accordance with the provisions of sections 14, 15 and 16 of this regulation.

3. Each of the affected entities must approve the transfer plan or intergovernmental agreement at a public hearing held in accordance with the provisions of section 16 of this regulation.

Sec. 12. 1. If the affected entities are required to prepare a transfer plan for the transfer of a function, one of the affected entities must act as the lead entity to be responsible for:

(a) Collecting data pertaining to the function proposed to be transferred;

(b) Identifying any interested persons;

(c) Preparing a tentative draft of the transfer plan; and

(d) Carrying out any other duties prescribed for the lead agency by sections 2 to 17,

inclusive, of this regulation.

2. If the proposed transfer is from:

(a) A state agency to a local government or from a local government to a state agency, the affected entities must, by mutual agreement, designate one of the affected entities to act as the lead entity; or

(b) A local government to another local government, the affected entities may, by mutual agreement, designate one of the affected entities to act as the lead entity. In the absence of such a designation, the affected entity who initially proposed the transfer shall be deemed to be designated to act as the lead entity.

3. The lead entity may request from the other affected entity and any interested person such information relating to the function proposed to be transferred as may be necessary for the lead entity to prepare a tentative draft of the transfer plan, including, without limitation, a description of the function and information concerning the property and other assets used in

the performance of the function, the operating costs for the function, contracts relating to the performance of the function, liabilities and pending claims relating to the function, and mechanisms for funding the performance of the function. An affected entity or interested person shall, not later than 30 days after receiving a written request for such information from the lead entity, provide the requested information to the lead entity.

Sec. 13. 1. Upon completing a tentative draft of a transfer plan, the lead entity shall:

(a) Provide the notice required by subsection 1 of section 11 of this regulation; and

(b) Provide a copy of the draft to the other affected entity and any interested persons identified by the lead entity.

2. The affected entity or any of the interested persons to whom a copy of the tentative draft is provided pursuant to subsection 1 may, within 45 days after the affected entity or interested person receives the copy of the draft, object to any of the provisions contained in the draft by providing to the lead entity a written statement of its objections. The statement may include any alternative provisions which the affected entity or interested person desires to be included in the proposed transfer plan. The failure of an affected entity or interested person to object to any of the provisions of a tentative draft of a transfer plan as provided in this subsection does not affect the right of the affected entity or interested person to object to any of the provisions of the transfer plan at any time before the approval of the transfer plan by both of the affected entities in accordance with subsection 3 of section 11 of this regulation.

3. If the lead entity:

(a) Does not receive any objections pursuant to subsection 2, the tentative draft constitutes a proposed transfer plan for the purposes of section 16 of this regulation.

(b) Receives any objections pursuant to subsection 2:

(1) The affected entities shall review the objections and may consider any alternative provisions contained in each written statement of objections and any other alternative provisions proposed by the affected entities. If the affected entities are unable to agree on the provisions of a proposed transfer plan within 30 days after the date the last written statement of objections is provided to the lead entity pursuant to subsection 2, the affected entities may submit to the Committee, jointly or individually, a written request for assistance from the Committee in resolving any disagreements concerning those provisions. Upon the receipt of such a request, the Chair of the Committee shall appoint a subcommittee of the Committee to provide the requested assistance. Not later than 15 days after the receipt of the request, the subcommittee shall meet with representatives of the affected entities and provide any recommendations regarding those provisions as the subcommittee determines to be appropriate. The affected entities are not required to follow any recommendations of the subcommittee.

(2) Upon the agreement of the affected entities to the provisions of a proposed transfer plan, the lead entity shall:

(I) Prepare the proposed transfer plan in accordance with that agreement; and

(II) Provide a copy of the proposed transfer plan to the other affected entity and to any interested persons identified by the lead entity.

Sec. 14. A transfer plan or intergovernmental agreement;

1. Must include:

(a) Such information as is necessary to complete the transfer of the function, including, without limitation, a complete description of:

(1) The function being transferred; and

(2) *The mechanism to be used to pay for the performance of that function; and*

(b) *The effective date of the transfer of the function. If the transfer is from a state agency to a local government or from a local government to a state agency, and the affected entities have not agreed to waive the notice required by subsection 1 of section 11 of this regulation, the effective date of the transfer must not be any earlier than July 1 of the year after the year in which that notice is given, except that the affected entities, by mutual agreement, may specify an earlier effective date.*

2. *May include, without limitation, one or more of the following:*

(a) *The statutory authority for the performance of the function being transferred.*

(b) *A description of the reasons for the transfer of the function, such as, without limitation, any improvements in the management or delivery of governmental services, in the implementation of the laws of this State or in the efficiency of governmental operations which are expected to result from the transfer.*

(c) *A description of any potential financial effect of the transfer of the function on the affected entities, such as, without limitation, any potential effect of the transfer on the amount an affected entity will receive from the Local Government Tax Distribution Account or will be allowed to receive from taxes ad valorem.*

(d) *A detailed description of the transfer or other disposition, including the timing thereof, of any records, property or personnel affected by the transfer of the function.*

(e) *An analysis of the effect of the transfer of the function on the employees who were administering the function before the transfer and the status of those employees upon the completion of the transfer.*

(f) Information concerning the payment of any outstanding obligations relating to the function being transferred, such as, without limitation, the affected entity responsible for the outstanding obligations, the manner and timing of the payment of the outstanding obligations, and methods to ensure the sufficiency of assets to satisfy the outstanding obligations.

(g) Information concerning the affected entity responsible for prosecuting, defending or conducting any proceedings relating to the function being transferred which are pending on the effective date of the transfer of the function.

(h) A description of any conditions under which the transfer of the function may be terminated or rescinded and of any procedure for terminating or rescinding the transfer.

(i) Any procedure for resolving any disputes between the affected entities regarding the transfer of the function which arise after the transfer.

Sec. 15. 1. No transfer plan or intergovernmental agreement may authorize:

(a) A local government or state agency to perform a function that it is not expressly authorized by law to perform on the effective date of the transfer of the function; or

(b) The continuation of a function beyond the period authorized by law for the performance of the function or beyond the date on which the performance of the function would have terminated if the function had not been transferred.

2. Except as otherwise specifically provided in a transfer plan or an intergovernmental agreement, the provisions thereof do not:

(a) Limit or alter the effect of any regulation or ordinance adopted by an affected entity or any other action taken by an affected entity before the effective date of the transfer of the function; or

(b) Abate any proceedings:

(1) Commenced by an affected entity before the effective date of the transfer of the function; or

(2) Pending before an affected entity on the effective date of the transfer of the function.

Sec. 16. 1. Before approving a transfer plan or an intergovernmental agreement, the affected entities:

(a) May jointly hold one or more workshops in accordance with the provisions of subsection 2 to solicit comments regarding one or more general topics to be addressed in a proposed transfer plan or intergovernmental agreement; and

(b) Shall, jointly or individually, hold a public hearing in accordance with the provisions of subsection 3 to approve or disapprove the proposed transfer plan or intergovernmental agreement.

2. If the affected entities hold one or more workshops pursuant to paragraph (a) of subsection 1:

(a) Each such workshop must be held:

(1) At a location within an area where the function proposed to be transferred is provided; and

(2) Not later than 90 days before the effective date of the transfer of the function pursuant to the transfer plan or intergovernmental agreement; and

(b) Not less than 15 days before each such workshop, the affected entities shall provide notice of the time and place set for the workshop:

(1) In writing to each person who has requested to be placed on a mailing list for the provision of such notice; and

(2) *In any other manner reasonably calculated to provide such notice to the general public and any interested persons.*

3. *Except as otherwise provided in this subsection, each public hearing required by paragraph (b) of subsection 1 must be conducted in accordance with the provisions of chapter 241 of NRS. If the affected entities:*

(a) *Hold one or more workshops pursuant to paragraph (a) of subsection 1 regarding the proposed transfer plan or intergovernmental agreement or do not agree to waive the notice required by subsection 1 of section 11 of this regulation, the public hearing must be held not less than 30 days after the date on which:*

(1) *The last such workshop is held; or*

(2) *The notice is provided pursuant to subsection 1 of section 11 of this regulation, whichever occurs later; or*

(b) *Do not hold any workshops pursuant to paragraph (a) of subsection 1 regarding the proposed transfer plan or intergovernmental agreement and agree to waive the notice required by subsection 1 of section 11 of this regulation, the public hearing must be held not less than 30 days after public notice of the hearing has been given.*

Sec. 17. 1. *The approval of a transfer plan or an intergovernmental agreement by an affected entity shall be deemed to expire 1 year after the date of that approval unless:*

(a) *The transfer of the applicable function has been completed within that period;*

(b) *The transfer plan or intergovernmental agreement specifies a different period for the expiration of that approval; or*

(c) *The affected entities, by mutual agreement, agree to extend the applicable period for the expiration of that approval.*

2. If a local government or state agency disapproves a transfer plan or an intergovernmental agreement, the governing body of that local government or the chief administrative officer of that state agency shall notify the affected entities and interested persons of the disapproval and of the reasons for the disapproval.

New Revenue Program List
FY 2012

Name: Nick Providenti			
Department/Division: Finance			
Program No.	Name	Program Rev Inc	Accumulated Increase
1	SW Gas Franchise fee - 4.5% to 5%	\$ 151,111.00	\$ 151,111.00
2	NV Energy Franchise Fee - 3.5% to 4.5%	\$ 571,429.00	\$ 722,540.00
3	CC Utilities Right of Way toll increase (each 1% increase)	\$ 175,000.00	\$ 897,540.00
4	Increase in Environmental Health fees (subject to increase)	\$ 60,000.00	\$ 957,540.00
5	Property Tax increase	\$ 1,108,096.00	\$ 2,065,636.00
6	Landfill Fees	Varies	