

**Carson City  
Agenda Report**

**Date Submitted:** August 28, 2012

**Agenda Date Requested:** September 6, 2012

**Time Requested:** 15 Minutes

**To:** Mayor and Supervisors

**From:** City Manager

**Subject Title:** For Possible Action. Discussion and possible action to authorize one, more or all of the Board members to sign a letter to Governor Sandoval, with copies to the City's Legislators, regarding unfunded mandates and shifting of services. The Board may direct specific language and/or direct staff to draft language regarding directed topics for subsequent signature by one, more or all Board Members.

**Staff Summary:** The requested action is to prepare a letter from the Board of Supervisors to the Governor regarding the concerns over unfunded mandates and shifting of services from the State to the City. The City Manager has prepared a draft based on the letter that was sent to the Governor by NACO. Supervisor McKenna and Mayor Crowell have prepared similar letters. All three are being brought to the Board for preparation of a final letter and/or direction to staff to prepare the final letter for signature(s).

**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:** I move to authorize all of the Board members to sign a letter to Governor Sandoval, with copies to the City's Legislators, regarding unfunded mandates and shifting of services.

**Explanation for Recommended Board Action:** See staff summary.

**Applicable Statute, Code, Policy, Rule or Regulation:** None

**Fiscal Impact:** None

**Explanation of Impact:** N/A.

**Funding Source:** N/A

**Alternatives:** Do not send the proposed letter to the Governor.

**Supporting Material:** Draft Letters from Mayor Crowell, Supervisor McKenna and City Manager Werner.

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

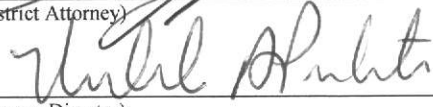
**Reviewed By:**

  
\_\_\_\_\_  
(City Manager)

Date: 8/28/12

  
\_\_\_\_\_  
(District Attorney)

Date: 8/28/12

  
\_\_\_\_\_  
(Finance Director)

Date: 8/28/12

**Board Action Taken:**

Motion: \_\_\_\_\_

1) \_\_\_\_\_

Aye/Nay

2) \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)

First, please know that we firmly believe that the way forward in these difficult economic times requires all of us to work together and in that regard Carson City reaffirms its commitment to work with you to do what is best for our State. For our part we continue to search out economies of scale through regional approaches in the provision of public services that might result in lower costs of service. Further, as the State Capital, we want to make sure that our community brings pride to you and our State.

That said, please also know that we are extremely concerned about the State shifting additional costs or services to the local level without providing the means to pay for those services. Simply put, there is no headroom in any of our authorized revenue sources that would accommodate additional service obligations or costs without causing a dramatic and harmful reduction in essential services provided to our residents.

Like the State, we must live within our means—and that is as it should be. To that end, our request of your administration is that it keep local budget concerns in mind just as it does the State budget and not impose on local governments that which the State would not see fit to impose upon itself.

By way of background, we are attaching a summary sheet of the revenue diversions, cost shifts and unfunded mandates enacted during the 25<sup>th</sup> Special Session 75<sup>th</sup> and 76<sup>th</sup> regular sessions of the Legislature.

[All Five Board Members]

cc: NACO

August 7, 2012

Honorable Brian Sandoval  
Governor of Nevada  
101 N. Carson Street  
Carson City, NV 89701

Dear Governor Sandoval:

As elected representatives of the government closest to the people, we believe that it is time for the State to address any future budget problems without shifting additional burdens to the counties. Taking more revenues from or shifting the responsibility for state services to counties is unsustainable and a disservice to our citizens.

We are hopeful you share our belief that Nevada's counties have done their part to help the State during the current economic downturn and ask that you not propose any measures that will further erode county budgets. We believe this request is fair and reasonable given that our economy is beginning to show signs of improvement and state revenues are exceeding projections.

We want to affirm our commitment to work with you to do what is best for our State. However, we feel that it is time that the role our counties play in shaping our communities and serving our constituents is given due consideration.

Attached is a summary of the impacts that have been shifted to the counties.

Sincerely,

[All five Board members]  
Cc: NACO

August 7, 2012

Honorable Brian Sandoval  
Governor of Nevada  
101 N. Carson Street  
Carson City, NV 89701

Dear Governor Sandoval:

The Carson City Board of Supervisors on September 6, 2012 voted unanimously to send this letter to request that you consider the critical and mandated needs of Nevada's counties as you prepare your 2013-2015 budget and not include proposals that will negatively impact the ability of county governments to serve our shared constituents. Revenue diversions, cost shifts, and unfunded mandates enacted in the 25<sup>th</sup> Special Session and the 75<sup>th</sup> and 76<sup>th</sup> Regular Sessions of the Nevada Legislature have resulted in an estimated \$325 million to the county governments in total and \$1.8 million to Carson City directly. The impact that the City saw in FY2012 is \$0.5 million greater the estimate provided by the State in 2011 when the shift of services was being debated. Revenues have not kept pace with these increased responsibilities and the counties have not been provided the tools to increase revenues to offset the increased costs. Carson City has found it necessary to increase franchise fees and property taxes to the maximum allowed to attempt to close the gap created by the increased costs of the shifted programs and to provide for the continued city operations. The City, in conjunction with Lyon, Douglas, and Storey counties, applied for the right to provide certain services as provided by the Legislature in July 2011 and has yet to receive approval from your office. There are certain services where it may be more appropriate to provide at a county level provided that the ability to fund such programs is authorized by the State. We are very concerned that additional cost shifts and unfunded mandates will leave us unable to provide mandated as well as discretionary services.

As elected representatives of the government closest to the people, we believe that it is time for the State to address any future budget problems without shifting additional burdens to the counties. Taking more revenues from or shifting the responsibility for state services to counties is unsustainable and a disservice to our citizens.

We are hopeful you share our belief that Nevada's counties have done their part to help the State during the current economic downturn and ask that you not propose any measures that will further erode county budgets. We believe this request is fair and reasonable given our economy is beginning to show signs of improvement and state revenues are exceeding projections.

We want to affirm our commitment to work with you to do what is best for our State. However, we feel that it is time that the role our counties play in shaping our communities and serving our constituents is given due consideration.

Sincerely,

[All five Board members]  
Cc: NACO