

**CITY OF SPARKS  
COUNCIL AGENDA STAFF REPORT  
Meeting Date: November 28, 2011**

**SUBJECT:** Presentation, Discussion, and Possible Direction Regarding Questions on the Funding and Operations of the Washoe County Animal Services Fund in Fiscal Years 2011-2012 and 2012-2013.

**PETITIONER:** Shaun Carey, City Manager

**RECOMMENDATION:** The Sparks City Council engage Washoe County in a conversation regarding questions on the funding and operations of the Regional Animal Services.

**FINANCIAL IMPACT:** Unknown

**BACKGROUND:**

Local governmental entities throughout the State of Nevada and the Northern Nevada area, in particular, continue struggling economically due to reduced revenues and intense pressure to control expenditures in order to maintain balanced annual operating budgets.

On September 27, 2011, the Washoe County Board of County Commissioners discussed and acted upon their Board Meeting agenda item 7 (see Attachment A):

**SUBJECT:** Recommendations to amend the Fiscal Year 2011-2012 budget by reducing cost and increasing resources to address the approximately \$7.5 million General Fund adjustment required by the Alternative Service Delivery initiative (10% Reduction Scenarios) and provide direction regarding the recommendations to address the Alternative Service Delivery adjustment in the General Fund totaling \$17.5 million in the development of the Fiscal Year 2012-13 budget -- Finance. (All Commission Districts.)

On page 8 of 16 in the staff report, the Washoe County Animal Services budget was recommended to be adjusted as follows:

The recommended fiscal year amounts and methods for balancing across funds are detailed below by fund.

1. **Animal Services Fund:** An important point to consider in formulating recommendation regarding the Animal Services Fund is the current fund balance of approximately \$4 million, which is 100% of ongoing expenditures. Staff is recommending a two part strategy to reduce cost and resize this fund. First, it is recommended that an ongoing property tax rate swap with the General Fund occur in FY 12/13 of \$0.0037 that would increase the General Fund revenue of \$450,000 that corresponds with the recommended reduction in operating cost of the fund. In addition, staff is recommending a temporary FY 12/13 one year only property tax rate swap with the General Fund of \$0.02 that will result in \$2.4 million in one year revenue that can be used to provide transition funding to FY 13/14. These recommendations will result in the Animal Services fund using excess fund balance build up over the years until the fund balance is lowed to an appropriate and sustainable level. As approved by the voters, the tax override for Animal Services was authorized as “up to 3 cents”.

The Washoe County Animal Services Fund is a Special Revenue Fund that was created after the passage of the Animal Shelter Bond and Tax Override Question on the November 2002 Washoe County General Election Ballot (see Attachment B). The override question asked:

*"Shall Washoe County be authorized to issue up to \$10,750,000 of general obligation bonds to provide an animal shelter project and to levy an additional property tax rate for the purpose of operating and maintaining the animal shelter project and performing related animal control functions up to 3 cents per \$100 of assessed valuation for a period of up to 30 years?"*

*The bonds are expected to require a property tax levy for 30 years. The bonds are estimated to result in an increase in the property taxes that the owner of a new \$100,000 home will pay which will average \$1.98 per year. In addition, the cost of the 3 cents animal shelter operating property tax levy for the owner of a new \$100,000 home is estimated to be \$10.50 per year. However, an Interlocal Agreement between Reno, Sparks, and Washoe County, requires the 3 cents operating property tax rate increase to be fully offset by property tax reductions in the Cities of Reno and Sparks of 3 cents and partially offset by a property tax of reduction of 1 cent in the unincorporated areas of the County [emphasis added]."*

The Interlocal Agreement noted in the November 2002 Tax Override Question is two agreements between the Cities of Reno and Sparks and Washoe County. The first agreement City of Sparks Agreement A-2954 was approved by Council action at their April 28, 2003, regular Council meeting (Agenda Item 6.3) (See attachments C).

#### **ARTICLE 1 RECITALS**

1.6 *The parties desire to have the County conduct all animal control shelter and Field Operations for the region including enforcement and support of all laws dealing with domestic animals including animals at-large, animal noise nuisances, and enforcement of rabies control while maintaining public and animal safety, impoundment of strays, injured, and abandoned animals and investigation of reports or possibly neglected or abused animals. The Parties further desire to have the County conduct Field Operations to assist and care for injured wild animals.*

#### **ARTICLE 2 DEFINITIONS**

2.7 *"Field Operations" means enforcement and support of all laws dealing with domestic animals at large, noise nuisances, and administration of rabies control while maintaining public and animal safety, impoundment of strays, injured, and abandoned animals, investigation of reports or possibly neglected or abused animals and providing assistance and care for injured wild animals.*

#### **ARTICLE 4 IMPOSITION OF PROPERTY TAX AND ROLLBACK OF OPERATING RATES**

4.1.1 *Property Tax Rates. The Cities will decrease their respective property tax rates by two (2) cents and the County will decrease its property tax rate by one (1) cent effective July 1, 2003, to allow the County to increase its property tax rate by three (3) cents, or as actually levied ("tax levy") for the shelter and Field Operations of the animal control facility. The County, beginning Jul1, 2003 will deposit all monies received from the tax levy, which shall include amounts collected for past due accounts and the interest and penalties on such unpaid taxes related to the tax levy, into a separate special revenue fund created exclusively for the tax levy.*

#### **ARTICLE 8 CONSOLIDATION OF ORDINANCES**

8.1 *Unified Ordinances. The intent of the parties is to consolidate the animal services and animal control ordinances into a unified county ordinance to be enforced by the County countywide with appropriate provisions to be made for urban and rural areas of eh regions. By a separate interlocal agreement, which shall be adopted by each Party through an ordinance of each Party, the existing animal*

*services ordinances of the Cities (Chapter 8.28 of the Reno Municipal Code and Title 8 of the Sparks Municipal Code) will be superceded by the amended County Code and certain necessary powers for enforcement of animal control laws will be given to the County. The amended County Code will standardize and blend the City and County code provisions on animal licensing and permits, vaccination, rabies, livestock, fee collection, vicious animals regulation, adoption, impoundment, exotic animal controls, animal breeders and animal cruelty. In addition the aforementioned interlocal agreement may create an animal matters appeals board.*

*8.2 Regulation. It is the intent of the Parties through the consolidation of their ordinances to provide careful and appropriate regulation of animals and animal owners in a manner that the County can reasonably enforce with the available resources. The Cities can recommend and the County shall consider suggestions for improving upon the amended County animal services and control ordinances.*

The second agreement, City of Sparks Agreement A-2992 was approved by Council action at their August 25, 2003, regular Council meeting (Agenda Item 8.1) (See attachments D).

### **ANALYSIS:**

Outstanding Questions Related to the Washoe County Board of County Commissioners (WC BCC) budget action on September 27, 2011 (Board Agenda Item 7.):

1. If there is a need to reduce the operating budget for Animal Services by the WC BCC ordered 10% budget cuts due to reduced collection of taxation revenues, are the expenditure reduction and the permanent revenue transfer of the \$0.0037 (\$450,000) to the General Fund of the County not a double revenue/expenditure reduction to Animal Services?
2. Who or what entity determined the Animal Services Special Revenue Fund balance was sufficient to support the activities of Animal Services operations to substantiate the layoff or the removal of employee positions from the Animal Services compliment?
3. Is it the County's intent to not collect the voter-approved 2002 Animal Shelter Bond and Tax Override in Fiscal Year 2012-2013 but rather add the corresponding amount onto the County's General Fund property tax rate? If so, what verbiage or explanation is going to appear on City of Sparks citizens' tax bill?

4. Is it the County's intent to continue collecting the voter-approved 2002 Animal Shelter Bond and Tax Override in Fiscal Year 2012-2013 and then transfer the receipts to the County's General Fund? If so, GASB 54 restricts the use of "restricted funds" and under what authority allows for or empowers the County to continue collecting the voter-approved 2002 Animal Shelter Bond and Tax Override while depositing those funds in County's General Fund without violating GASB 54?
5. What authority does the County possess to allow for the non-collection of the voter-approved 2002 Animal Shelter Bond and Tax Override?
6. If the County is choosing to temporarily not collect the two cents for Animal Services, why is the money being transferred to the County's General Fund versus being offered back to the city from which it came, as the transfer was to be designated for funding Animal Services per the 2002 Animal Shelter Bond and Tax Override ballot question and requisite interlocal agreement?
7. If the County plans to cease collecting the voter-approved 2002 Animal Shelter Bond and Tax Override for the fiscal year 2012-2013, what is the County's plan for reinstatement of the collection? NRS 354.5982 states if collection of a voter approved tax is stopped, only by action of the voters can the collection be reinstated. What authority does the County have to start and stop the collection and deposit of the voter-approved 2002 Animal Shelter Bond and Tax Override?
8. Since there is approximately \$4 million dollars of restricted funds sitting in the account, is not a misrepresentation of the fund status to say that budget cuts are necessary due to a "fund shortage" and in the same action redirect the restricted funds which are a dedicated source of funding to the County's General Fund?

Outstanding Questions Related to the Washoe County Board of Commissioners' budget action on September 27, 2011 (Board Agenda Item 7.) as it relates to the interlocal agreement (City of Sparks Agreement A-2954) creating a consolidated Regional Animal Services:

1. Are the County's field officers citing and is the County prosecuting the animal control violations as dictated by the interlocal agreement [Article 8 Paragraphs 8.1 and 8.2]?
2. Is the County maintaining the industrial standards as agreed to in the interlocal agreement [Article 12 Paragraph 12.1]?

- 2a. What are the specific standards the County is operating the facility and field operations as mentioned in the interlocal agreement [Article 12 Paragraph 12.1]?
- 2b. What performance measures are kept to show compliance of the standards mentioned in the interlocal agreement? If performance are kept, what the specific results for the past five operating years?
3. Are the County's actions (e.g., reducing the County's property tax rate contribution designated in Article 4 Paragraph 4.1.1) a unilateral amendment of the interlocal agreement and, therefore, a violation thereof?
4. What authority does the County possess to allow for the unilateral amendment of the interlocal agreement without the approval of the cities?

**ALTERNATIVES:**

The Council can invite an appropriate Washoe County representative to attend the Council meeting on November 28, 2011 to address the abovementioned questions and others that may arise from the discussion.

**RECOMMENDED MOTION:**

Any action by the Council will be a result of the discussion of the issues provided within this staff report and/or the answers provided by Washoe County as to its actions related to the FY2011-2012 and 2012-2013 County budgets; the current interlocal agreement between the agencies; and the proposed operational changes to the Regional Animal Services.

## **ATTACHMENTS**

- Attachment A – September 27, 2011, the Washoe County Board of County Commissioners discussed and acted upon their Board Meeting agenda item 7
- Attachment B – The Washoe County Animal Services Fund is a Special Revenue Fund that was created after the passage of the Animal Shelter Bond and Tax Override Question on the November 2002 Washoe County General Election Ballot.
- Attachment C – The Interlocal Agreement noted in the November 2002 Tax Override Question is two agreements between the Cities of Reno and Sparks and Washoe County. The first agreement, City of Sparks Agreement A-2954, defining the general operational requirements of the consolidation was approved by Council action at their April 28, 2003, regular Council meeting (Agenda Item 6.3)
- Attachment D – The Interlocal Agreement noted in the November 2002 Tax Override Question is two agreements between the Cities of Reno and Sparks and Washoe County. The second agreement, City of Sparks Agreement A-2992, assigning legal authorities was approved by Council action at their August 25, 2003, regular Council meeting (Agenda Item 8.1)
- Attachment E – Frequently Asked Questions *“Animal Services Revenue and Budget Changes for 2011-2013”*
- Attachment F – Press Release *“County Proposes to Balance Levels of Service, Reserves and Tax Rates for Regional Animal Services”* -- Reno, Nevada. October 5, 2011.
- Attachment G – Email Discussion on Animal Services between Katy Simon, Washoe County Manager and Steve Driscoll, City of Sparks Assistant City Manager, dated November 3, 2011

Attachment A – September 27, 2011, the Washoe County Board of County Commissioners discussed and acted upon their Board Meeting agenda item 7





# WASHOE COUNTY

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CM/ACM \_\_\_\_\_  
Finance \_\_\_\_\_  
DA \_\_\_\_\_  
Risk Mgt. \_\_\_\_\_  
HR \_\_\_\_\_  
Other \_\_\_\_\_

## STAFF REPORT

BOARD MEETING DATE: September 27, 2011

**DATE:** September 16, 2011  
**TO:** Board of County Commissioners  
**FROM:** Katy Simon, County Manager  
John Sherman, Finance Director  
**THROUGH:** N/A

**SUBJECT:** Recommendations to amend the Fiscal Year 2011-2012 budget by reducing cost and increasing resources to address the approximately \$7.5 million General Fund adjustment required by the Alternative Service Delivery initiative (10% Reduction Scenarios) and provide direction regarding the recommendations to address the Alternative Service Delivery adjustment in the General Fund totaling \$17.5 million in the development of the Fiscal Year 2012-13 budget -- Finance. (All Commission Districts.)

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### SUMMARY

The focus of this report is on that portion of the adopted budget which includes a planning process that calls for \$7.5 million in FY 2011/12 savings and approximately \$17.5 million in ongoing savings beginning in FY 2012/13 to be achieved by determining which services the County can sustainably provide and by what methods to meet its mission of a safe, secure, and healthy community, the Alternative Service Delivery Savings.

The Board directed Departments across all funds to develop 10% reduction planning levels that totaled \$22 million in the General Fund and \$29 million across all funds. The recommendations contained in this report are based on the plans submitted by the Departments, subsequently refined based upon further analysis, and include \$6.9 million impact on the General Fund in FY 2011/12 and \$18.7 million impact on the General Fund beginning in FY 2012/13.

In addition, this report reviews the separation incentives and makes additional recommendations as to how to fund the cost of those incentives.

Finally, this report provides a preliminary five year forecast for the General Fund to assess the impacts of the current cost reduction strategies and the possible fiscal dynamics and implications going forward. Plus a preliminary cash flow projection is provided for both the Risk Management Fund and the Health Benefits Fund to assess the

impact on those funds due to the use of reserves for General Fund operating purposes and the Incline tax refund.

**Strategic Objectives supported by this item:**

- 4. Sustainable Resources

**Strategic Outcomes supported by this item:**

- 4.1 Engaged, skilled and valued employees
- 4.2 Sustainable financial relationship between revenue and expenses
- 4.3 Clear statutory framework to support the purpose and core functions of County government
- 4.4 Sustainable resources linked to the needs of the public (public safety, security, health, cultural, recreational, and environmental)
- 4.5 Tax revenue structure reflects modern economy

**PREVIOUS ACTION**

June 28, 2011	Board approved an amendment to the Fiscal Year 2011-2012 Final Budget incorporating the impacts of the 2011 Legislative Session and setting the Alternative Service Delivery reduction planning reductions at 10%.
May 16, 2011	Public Hearing and Board approved the FY 2011/2012 Final Budget.
May 10, 2011	County Manager presented the recommended FY 2011/2012 Final Budget.
April 12, 2011	Board approved the FY 2011/2012 Employee Health Benefits Program.
April 4, 11, 18, 2011	Budget Hearings on proposed department reduction plans.
March 17, 2011	Board approved allocation of the \$13.8 million Fiscal Year 2011/12 labor cost savings based on each employee group's proportional share of total personnel costs in the General Fund.
March 8, 2011	Update and direction to staff on Fiscal Year 2011/12 budget plans including direction on the development of contingency plans for funding level scenarios.
February 17, 2011	Organization Effectiveness Committee's (OEC) Meeting on the RFP to retain a consultant for Phase II of Fundamental Review.
February 2, 2011	OEC Meeting on planning for Phase II of Fundamental Review.
January 25, 2011	Update, status report, and direction on Fiscal Year 2011/12 Budget Plan to address an initial deficit estimate of \$33.5 million.

January 11, 2011	Acceptance of OEC's recommendations on defining core services and budget prioritization.  Board Workshop on Future of County Government #3: Scenario Planning.
December 15, 2010	OEC: Fundamental Review of Resource Allocation Process, Meeting #4.
December 14, 2010	Board Workshop on Future of County Government #2: Organizational and Financial Sustainability.
December 1, 2010	OEC: Fundamental Review of Resource Allocation Process, Meeting #3.
November 23, 2010	OEC: Fundamental Review of Resource Allocation Process, Meeting #2.
November 16, 2010	OEC: Fundamental Review of Resource Allocation Process, Meeting #1.
November 9, 2010	Board Workshop on Future of County Government #1: Compensation and Benefits.

### **BACKGROUND**

Planning for the Fiscal Year 2011/12 budget began with a series of workshops focusing on the future of county government, at which time the Board provided broad direction to establish a goal of achieving organizational and financial sustainability. This goal is difficult to achieve in a climate that must deal with a regional economy that continues to be soft demonstrated by relatively high unemployment and a continued weak commercial and residential real estate markets; the State balancing its budget through program shifts that negatively impacted Washoe County; and with labor costs continuing to rise faster than revenues can support. These factors were taken into account in the financial and organizational sustainability plan. Also in alignment with the sustainability plan the Board approved the parameters that have been used to shape the Fiscal Year 2011/12 budget by focusing on:

- Resetting the cost of delivering services;
- Refining the focus on which services the County can sustainably continue to deliver;
- Rethinking ways for greater efficiency in delivering core services; and
- Investing fund balances to achieve long-term changes in service delivery and labor costs.

The approved budget plan to close the projected deficit is composed of reductions in expenditures coming from labor costs and department operating budgets. It also includes the use of fund balances to bridge transition costs and create long-term changes in labor costs as well as to phase in service delivery changes. Details of the plan are outlined in the paragraphs that follow. Following the Board's strategy outlined above, the Board directed a four point action plan to begin closing the deficit. That plan consisted of the four following elements that have been totally, partially or not yet achieved:

1. \$13.8 million reduction in labor cost savings that was reduced by negotiated insurance cost savings of over \$2 million to a balance of \$11.6 million, which is currently being negotiated;
2. \$5 million in efficiency savings from department budgets that resulted in \$5.7 million in savings that has been approved by the Board; the excess savings were applied to the legislative adjustments, helping reduce the impact to departments;
3. \$5 million in first-year savings and a total of \$15 million over two years by redefining the “what and how” of services provided (alternative service delivery) through a Fundamental Review, that was increased to \$7.5 million and \$17.5 million respectively due the actions taken at the 2011 Legislative Session, and which is the focus of this report; and
4. Invest \$9.75 million in fund balances to fund the costs necessary during the time necessary to achieve long-term changes, which has been approved by the Board.

#### Alternative Service Delivery Savings

The focus of this report is on that portion of the adopted budget which includes a plan that calls for \$5 million in first-year savings to be achieved by determining which services the County can sustainably provide, and by what methods, to meet its mission of a safe, secure, and healthy community, the Alternative Service Delivery Savings. As noted in the report to the Board on the FY 2011/12 Budget, creating financial sustainability will require more than the \$5 million in first year savings, because the plan to close the deficit includes the use of one-time fund balances of \$9.75 million in Fiscal Year 2011/12. This means total minimum savings needed to create financial sustainability has to be the \$5 million in first year savings plus approximately \$10 million of annual savings beyond year one. In sum, the scope of total minimum permanent savings needed is \$15 million annually. Of this amount \$5 million is targeted to be implemented in Fiscal Year 2011/12 and \$10 million more in Fiscal Year 2012/13. Further, due to the impact of the State budget on the General Fund, the total savings that needs to be accommodated is \$2.5 million. The on-going annual savings is now approximately \$17.5 million as summarized in the following table:

\$5.00 million	Fundamental Review on going savings needed in FY 2011/2012
\$9.75 million	On-going savings to replace one-time use of fund balance
<u>\$2.50 million</u>	Legislative Cost
<u>\$17.25 million</u>	Total on-going savings needed by FY 2012/2013

Departments submitted their 10% planning scenarios which were reviewed by staff, and which staff is recommending approximately \$16.2 million in reduction across all funds, including the elimination of 118 positions, of which 34 are vacant, and 86 are voluntary separation incentives. The recommended staffing changes in this report are in summary form only; the detail recommended position actions will be included in a separate board report from Human Resources.

For purposes of presentation the recommendations are divided into two sections: General Fund Recommendations and Recommendations Relating to Other Funds summarized as in TABLE A follows.

<b>TABLE A</b>			
<b>10% Funding Level Plans for Alternative Service Delivery</b>			
	<b>10% Required Funding Reduction Planning Level</b>	<b>Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)</b>	<b>Recommended Number of Position Eliminations</b>
Total General Fund	\$ 21,833,576	\$ 9,423,225	\$ 86.00
Subtotal Other Funds	\$ 7,155,072	\$ 6,731,489	\$ 32.00
<b>Total Plan</b>	<b>\$ 28,988,648</b>	<b>\$ 16,154,715</b>	<b>\$ 118.00</b>

General Fund Recommendations

TABLE B shows in summary form the General Fund 10% required funding reduction planning level and the staff recommended reductions, including the staffing changes. A more detailed explanation of the department scenarios and recommendations can be found in Appendix 1.

The total General Fund recommended savings is approximately \$9.4 million for a full year. However, a full year of savings will not be achieved due to the timing of the reduction in workforce of 86 positions which will mostly occur in December. As a result the recommendations will result in approximately \$4.7 million of savings in FY 11/12 with the entire \$9.4 million of savings beginning in FY 12/13 and going forward. Additional recommendations to balance the FY 11/12 target of approximately \$7.5 million can be accomplished by the recommendations concerning other funds, which are in part designed to accommodate the partial year impact in FY 11/12 to the full impact in FY 12/13.

<b>TABLE B</b>				
<b>10% Funding Level Plans for Alternative Service Delivery</b>				
<b>General Fund</b>				
	<b>10% Required Funding Reduction Planning Level</b>	<b>Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)</b>	<b>Recommended Number of Position Eliminations</b>	<b>Recommend as a Percent of FY 11/12 Adopted Budget</b>
<b>General Fund:</b>				
Alternate Public Defender	\$ 179,771	\$ 99,000	1.0	5.51%
Alternative Sentencing	\$ 60,633	\$ 12,000		1.98%
Assessor	\$ 554,785	\$ 554,785	3.0	10.00%
Community Development	\$ 213,467	\$ 213,467	3.0	10.00%
Conflict Counsel	\$ 175,146	\$ -		0.00%
County Clerk	\$ 130,382	\$ 130,382	2.0	10.00%
County Commissioners	\$ 48,556	\$ -		0.00%
County Manager-	\$ 38,840	\$ 38,840		10.00%
County Manager-General	\$ 251,200	\$ 251,200	1.5	10.00%
County Manager-	\$ 10,816	\$ 10,816		10.00%
County Manager-Fire	\$ 25,794	\$ 25,794		10.00%
County Recorder	\$ 190,856	\$ 190,856	2.0	10.00%
District Attorney	\$ 1,628,206	\$ 259,075	4.0	1.59%
District Court (incl. Law	\$ 1,470,222	\$ 422,994	5.0	2.88%
Finance	\$ 308,403	\$ 134,292	1.0	4.35%
Human Resources	\$ 215,249	\$ 138,177	1.0	6.42%
Incline Constable	\$ 21,845	\$ 4,400		2.01%
Justice Court - Incline	\$ 34,919	\$ -	Note 1	0.00%
Justice Court - Reno	\$ 422,228	\$ -	Note 1	0.00%
Justice Court - Sparks	\$ 200,561	\$ -	Note 1	0.00%
Justice Court - Wadsworth	\$ 25,189	\$ -	Note 1	0.00%
Juvenile Services	\$ 1,215,737	\$ 407,700	4.0	3.35%
Library System	\$ 824,596	\$ 824,596	11.5	10.00%
Medical Examiner	\$ 186,267	\$ 15,000		0.81%
Public Administrator	\$ 86,978	\$ -		0.00%
Public Defender	\$ 665,207	\$ 133,000	3.0	2.00%
Public Guardian	\$ 141,906	\$ 50,000		3.52%
Public Works	\$ 1,971,838	\$ 1,971,838	23.0	10.00%
Regional Parks and Open	\$ 476,998	\$ 476,998	6.0	10.00%
Registrar of Voters	\$ 130,962	\$ 60,800		4.64%
Sheriffs Office	\$ 8,339,404	\$ 1,668,000	Note 2	2.00%
Social Services (excl Med.	\$ 294,374	\$ 85,000	4.0	2.89%
Technology Services	\$ 1,096,456	\$ 1,096,456	9.0	10.00%
Treasurer	\$ 195,782	\$ 147,759	2.0	7.55%
<b>Total General Fund</b>	<b>\$ 21,833,576</b>	<b>9,423,225</b>	<b>86.0</b>	<b>4.32%</b>

Note 1: Discussions are on-going regarding plans for Justice Courts

Note 2: Plan detail is forthcoming

Recommendations Relating To Other Funds

The Board gave direction for all funds and all departments to provide 10% plans because after four years of budget reductions it has been recognized that regardless of their funding source the entire portfolio of County services and funding levels needs to be realigned to the County's mission. A summary of the recommendations relating to services accounted for in other funds is shown in TABLE C below, which totals approximately \$6.7 million and results in an additional 32 positions being eliminated. Implementation of the recommendations covers at least two fiscal years to accommodate both the \$7.5 million Alternative Service Delivery target for FY 11/12 and the \$17.5 million target beginning in FY 12/13. The recommendations also incorporate methods that are used to balance the reductions and the going forward funding levels between the General Fund and the other funds as well as the partial year impact of the General Fund recommendations.

<b>TABLE C</b>				
<b>10% Funding Level Plans for Alternative Service Delivery</b>				
<b>All Other Funds</b>				
	<b>10% Funding Reduction Target</b>	<b>Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)</b>	<b>Recommended Number of Position Eliminations</b>	<b>Recommend as a Percent of FY 11/12 Adopted Budget</b>
<b>Special Revenue Funds</b>				
Animal Services	\$ 454,849	\$ 454,849	5.0	10.00%
Child Protective Services	\$ 1,440,563	\$ 200,000	1.00	1.39%
Health	\$ 1,120,409	\$ 805,650	5.0	7.19%
Indigent Levy	No Target	\$ 1,200,000		
Library Exp.	\$ 249,658	\$ 249,658	3.0	10.00%
Regional Communications System	\$ 222,193	\$ 80,000	1.0	3.60%
Regional Public Safety Training Center	\$ 88,486	\$ -		0.00%
Senior Services	\$ 214,013	\$ 214,013	2.0	10.00%
<b>Total Special Revenue Funds</b>	<b>\$ 3,790,171</b>	<b>\$ 3,204,170</b>	<b>17.0</b>	<b>8.45%</b>
<b>Enterprise Funds</b>				
Building & Safety	\$ 136,272	\$ 250,000		18.35%
Water Resources	\$ 2,448,682	\$ 1,743,561	12.0	7.12%
Golf Course	\$ 205,789	\$ 205,789		10.00%
<b>Total Enterprise Funds</b>	<b>\$ 2,790,743</b>	<b>\$ 2,199,350</b>	<b>12.0</b>	<b>7.88%</b>
<b>Internal Service Funds</b>				
Risk Management	\$ -	\$ 126,224	1.0	N/A
Equipment Services	\$ 574,158	\$ 1,201,745	2.0	20.93%
<b>Total Internal Service Funds</b>	<b>\$ 574,158</b>	<b>\$ 1,327,969</b>	<b>3.0</b>	<b>23.13%</b>
<b>Subtotal Other Funds</b>	<b>\$ 7,155,072</b>	<b>\$ 6,731,489</b>	<b>32.0</b>	<b>9.41%</b>

The recommended fiscal year amounts and methods for balancing across funds are detailed below by fund.

1. **Animal Services Fund:** An important point to consider in formulating recommendation regarding the Animal Services Fund is the current fund balance of approximately \$4 million, which is 100% of ongoing expenditures. Staff is recommending a two part strategy to reduce cost and resize this fund. First, it is recommended that an ongoing property tax rate swap with the General Fund occur in FY 12/13 of \$0.0037 that would increase the General Fund revenue of \$450,000 that corresponds with the recommended reduction in operating cost of the fund. In addition, staff is recommending a temporary FY 12/13 one year only property tax rate swap with the General Fund of \$0.02 that will result in \$2.4 million in one year revenue that can be used to provide transition funding to FY 13/14. These recommendations will result in the Animal Services fund using excess fund balance build up over the years until the fund balance is lowed to an appropriate and sustainable level. As approved by the voters, the tax override for Animal Services was authorized as “up to 3 cents”.
2. **Child Protective Services Fund (CPS):** For FY 11/12 staff is recommending an increase the General Fund overhead charge to the CPS fund by \$200,000 and implement a tax rate swap within the General Fund of \$0.005 in FY 12/13 that would increase the General Fund operating revenue of \$600,000 and equal the CPS Fund transfer from the General Fund. This recommendation does not impact the existing CPS Fund \$0.04 cent property tax rate.
3. **Health Fund:** The recommendation is to reduce the FY 11/12 General Fund transfer to the Health Fund by \$805,650 and it is also recommended that for FY 12/13 the transfer from the General Fund to the Health Fund be reduced by a total of approximately \$1.1 million annually, which equals the 10% planning target approved by the Board. The Health Fund has a fund balance of \$3.7 million at June 30, 2011, compared to a budgeted fund balance of \$700,000 for that year, and a General Fund transfer of \$8.2 million for FY 11/12.
4. **Indigent Tax Levy Fund:** Although this fund did not have a savings target staff is recommending lowering the property tax rate in FY 12/13 to the minimum required by law of \$0.06 down from the current \$0.07 and increase the General Fund operating property tax rate by \$0.01. This will add approximately \$1.2 million in on going revenue to the General Fund beginning in FY 12/13 that was not included in the initial 10% funding reduction scenarios. This will bring the total recommendations to close to the \$17.5 million in ongoing adjustments needed.
5. **Library Expansion Fund:** The tax rate swap of \$0.002 between the General Fund and the Library Expansion Fund in FY 12/13 is being recommended that would increase the General Fund revenue of \$240,000 and reduce the operating cost of the fund to match ongoing reduced revenue with the rate swap.
6. **Senior Services Fund:** Staff is recommending the cost reduction of \$214,013 for FY 11/12 and beginning in FY 12/13 the current transfer from the General Fund to the Senior Services Fund of \$228,860 be eliminated.



7. **Building & Safety Fund:** The recommendations include two components. First, increase building permit fees and then impose overhead charge of \$250,000 beginning in FY 11/12 and going forward. It should be noted that the overhead charge was previously suspended due to the financial impact on this fund due to the recession.
8. **Water Resources Fund:** The recommendation is to implement the \$1.7 million in cost reductions, which could yield \$870,000 in FY 11/12 savings. In addition there exist accumulated water planning charges paid by the General Fund to the Water Resources Fund over the years and the cost of the planning effort did not equal the amount charged, therefore it is being recommended that \$1.2 million those funds be transferred to the General Fund in FY 12/13.
9. **Golf Course Fund:** This Fund is currently not paying an overhead charge, therefore it is staff's recommendation to impose an overhead charge of \$205,789 beginning in FY 11/12 going forward.
10. **Risk Management Fund:** Based on the recommended elimination of the Risk Manager Position charges can be reduced by \$122,224 to other funds starting in FY 12/13 going forward.
11. **Equipment Services Fund:** It is being recommended to reduce cost in this fund be reduced by approximately \$1 million savings that will reduce billings to departments in FY 12/13, plus use existing reserves in the fund by transferring \$700,000 to General Fund in FY 11/12 and \$300,000 to the General Fund in FY 12/13

The combined fiscal impacts for all funds of the recommendations from the 10% plans are summarized below in TABLE D.

<b>TABLE D</b>		
<b>Summary of Alternative Service Delivery Implementation Recommendations &amp; Impact For FY 11/12 and FY 12/13</b>		
	FY 11/12 Impact	FY 12/13 Impact
General Fund Savings	4,711,613	9,423,225
General Fund Impact From:		
Animal Services		2,850,000
Child Protective Services	200,000	600,000
Health Fund	805,650	1,120,409
Indigent Tax Levy Fund	-	1,200,000
Library Expansion Fund		240,000
Senior Services Fund		228,860
Building And Safety Fund	250,000	250,000
Water Resources Fund		1,200,000
Golf Coures Fund	205,789	205,789
Risk Management		122,224
Equipment Services	700,000	1,227,000
<b>Total General Fund Impact</b>	<b>6,873,052</b>	<b>18,667,507</b>

### Separation Incentives

The total cost for the employees separating with the county is \$5.7 million. The savings net of total separation cost over FY 11/12 and FY 12/13 is \$7.2 million, with ongoing annual savings of \$9.5 million. Staff is recommending that funding the cost of the incentives will be paid from each individual fund from which the employees are paid. The FY 11/12 General Fund budget included \$3 million in accrued benefits cost from which the separations will be paid, but the total separation cost is approximately \$4.6 million in the General Fund. As a result staff is recommending that up to \$1.6 million of the \$22 million budgeted Annual Required Contribution payment to the OPEB Trust be used to pay the balance of these costs because this is a one time cost, with significant ongoing savings.

### Preliminary General Fund Forecast

In order to assess the impact of the Alternative Service Delivery recommendations noted above staff has prepared an estimate for FY 11/12 and preliminary forecast for the subsequent five years shown in TABLE E below. As can be seen the FY 11/12 budget is in balance given the assumption that the recommendations will be approved, the Incline tax refund is made (with funding from Health Benefits, Risk Management and deferred capital investments) and the labor cost concessions will be achieved and will be on-going. Although there is a slight negative variance (about 1.5% of total expenses, contingency and transfers) in both FY 12/13 and FY 13/14 it is recommended that additional changes be deferred until sufficient time has lapsed to assess the impact of the recommended changes at which time the forecast can be refreshed for the FY 12/13 budget build.

TABLE E Washoe County General Fund Sources and Uses						
	Estimated Year End	Preliminary Forecast				
	FY 11/12	FY 12/13	FY 13/14	FY 14/15	FY 15/16	FY 16/17
Beginning Fund Balance	\$ 36,521,606	\$ 28,141,923	\$ 23,822,587	\$ 26,090,512	\$ 26,517,952	\$ 27,187,659
Taxes	\$ 141,477,556	\$ 135,173,257	\$ 137,987,894	\$ 139,376,147	\$ 142,166,450	\$ 146,414,197
License & Permits	\$ 8,814,350	\$ 9,178,974	\$ 9,561,067	\$ 9,961,497	\$ 10,381,172	\$ 10,821,047
Intergovernmental (excl CTX)	\$ 22,001,484	\$ 22,577,163	\$ 23,217,377	\$ 23,879,471	\$ 24,613,831	\$ 25,375,415
Consolidated Tax	\$ 69,199,021	\$ 71,274,992	\$ 73,769,616	\$ 76,351,553	\$ 79,405,615	\$ 82,581,840
Charges for Services	\$ 14,229,425	\$ 14,371,719	\$ 14,515,436	\$ 14,660,591	\$ 14,807,197	\$ 14,955,269
Fines and Forfeits	\$ 8,581,591	\$ 8,667,407	\$ 8,754,081	\$ 8,841,622	\$ 8,930,038	\$ 9,019,338
Miscellaneous	\$ 5,821,592	\$ 6,016,378	\$ 6,078,916	\$ 6,142,218	\$ 6,206,294	\$ 6,271,155
Sub-total Revenue	\$ 270,125,019	\$ 267,259,890	\$ 273,884,388	\$ 279,213,098	\$ 286,510,598	\$ 295,438,262
Transfers In	\$ 17,726,067	\$ 7,978,333	\$ 345,000	\$ 345,000	\$ 345,000	\$ 345,000
<b>Total Sources</b>	<b>\$ 324,372,692</b>	<b>\$ 303,380,146</b>	<b>\$ 298,051,975</b>	<b>\$ 305,648,610</b>	<b>\$ 313,373,550</b>	<b>\$ 322,970,921</b>
<b>Uses</b>						
General Government	\$ 78,596,676	\$ 67,626,666	\$ 62,253,248	\$ 63,056,812	\$ 65,888,163	\$ 70,248,492
Judicial	\$ 49,833,373	\$ 50,577,638	\$ 51,688,673	\$ 52,838,368	\$ 54,028,387	\$ 55,260,470
Public Safety	\$ 103,116,711	\$ 104,354,174	\$ 106,740,361	\$ 109,247,257	\$ 111,847,391	\$ 114,544,909
Public Works	\$ 13,872,636	\$ 13,041,903	\$ 13,192,090	\$ 13,347,491	\$ 13,508,330	\$ 13,674,842
Welfare	\$ 18,375,001	\$ 18,965,357	\$ 19,626,492	\$ 20,317,179	\$ 21,038,747	\$ 21,792,583
Culture and Rec	\$ 12,863,417	\$ 11,813,819	\$ 12,092,466	\$ 12,380,868	\$ 12,679,444	\$ 12,988,635
Community Support	\$ 496,302	\$ 171,043	\$ 171,045	\$ 171,047	\$ 171,048	\$ 171,050
Intergovernmental	\$ 3,340,635	\$ 1,855,219	\$ (2,799,558)	\$ (7,215,707)	\$ (8,634,291)	\$ (9,453,627)
Adj for prior year alternative srv delvier	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sub-total Expenses	\$ 280,494,751	\$ 268,405,820	\$ 262,964,817	\$ 264,143,314	\$ 270,527,218	\$ 279,227,354
Contingency	\$ -	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000	\$ 1,000,000
Alternative Service Delivery	\$ (318,478)	\$ (4,686,673)	\$ (4,106,385)	\$ (845,380)	\$ (179,738)	\$ (115,152)
Transfers Out	\$ 16,054,495	\$ 14,838,412	\$ 14,838,412	\$ 14,838,412	\$ 14,838,412	\$ 14,838,412
Ending Fund Balances	\$ 28,141,923	\$ 23,822,587	\$ 26,090,512	\$ 26,517,952	\$ 27,187,659	\$ 28,020,308
<b>Total Uses</b>	<b>\$ 324,372,692</b>	<b>\$ 303,380,146</b>	<b>\$ 300,787,355</b>	<b>\$ 305,654,298</b>	<b>\$ 313,373,550</b>	<b>\$ 322,970,922</b>
Ending Fund balance as a % of Expenses (incl. contingency, Srv Delivery & Transfers Out)	9.50%	8.52%	9.50%	9.50%	9.50%	9.50%

There are numerous assumptions that need to be made in order to produce any multivariate forecast. In order to be explicit the TABLE F below includes the significant assumptions use in the forecast show above in addition to the previously noted assumptions that the Alternative Service Delivery recommendations are approved and the labor cost concessions will be achieved and will be on-going.

TABLE F ASSUMPTIONS						
	FY 2011-2012 ETC	FY 2012-2013 Projected	FY 2013-2014 Projected	FY 2014-2015 Projected	FY 2015-2016 Projected	FY 2016-2017 Projected
<b>Revenue Assumptions</b>						
Property Tax (go to Tax Rates FYxx for calculations)		-2.50%	0.00%	1.00%	2.00%	3.00%
CTX & AB 104 Adjustment Factor		3.00%	3.50%	3.50%	4.00%	4.00%
Other revenue increases		1.00%	2.00%	2.00%	2.00%	2.00%
Overhead from other funds						
CPS overhead	200,000					
B&S overhead	250,000	250,000	250,000	250,000	250,000	250,000
Golf overhead	205,789	205,789	205,789	205,789	205,789	205,789
<b>Total additional overhead (row 98 In G)</b>	<b>655,789</b>	<b>455,789</b>	<b>455,789</b>	<b>455,789</b>	<b>455,789</b>	<b>455,789</b>
Revenue from 10% Plan	346,595	\$ 693,189	\$ 707,053	\$ 721,194	\$ 735,618	\$ 750,330
<b>Expenditure Assumptions</b>						
<b>Salaries and Benefits Increase</b>						
Cost of Living Increase		0.00%	0.00%	0.00%	0.00%	0.00%
Weighted Merit Raise Increase		1.60%	1.60%	1.60%	1.60%	1.60%
Employee Benefit Increase		5.00%	5.00%	5.00%	5.00%	5.00%
<b>Services and Supplies</b>						
Standard services and supplies		0.00%	0.00%	0.00%	0.00%	0.00%
Utilities		0.00%	0.00%	0.00%	0.00%	0.00%
Infrastructure accounts		0.00%	0.00%	0.00%	0.00%	0.00%
Accrued Benefits	4,604,564	1,300,000	1,320,800	1,341,933	1,363,404	1,385,218
OPEB expenditure	16,000,000	15,000,000	15,000,000	15,000,000	17,000,000	20,500,000
Medical Assistance		4.50%	4.50%	4.50%	4.50%	4.50%
Incline Refund	12,266,667	6,133,333				
Reduction in ESD billings (84% of total Is GF) row 375		926,602	926,611	926,620	926,629	926,639
Reduce billings from Risk Mngmnt (86% of billings in GF)		105,291	112,241	119,649	127,545	135,963
<b>Capital</b>						
Capital		0.00%	0.00%	0.00%	0.00%	0.00%
<b>Transfers In</b>						
Risk Management Fund	14,500,000	-				
Health Benefits Fund	2,266,667	6,133,333				
Equipment Services Fund	700,000	300,000				
DWR Planning cash balance	-	1,200,000	-	-	-	-
<b>Transfers Out</b>						
Health Fund	7,250,850	6,936,091	6,936,091	6,936,091	6,936,091	6,936,091
Child Protective Services	625,634	-	-	-	-	-
Senior Services	228,860	-	-	-	-	-
Capital Improvement Fund	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
Contingency	-	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

Cash Flow Forecast of Health Benefits Fund and Risk Management Fund

A preliminary cash flow forecast show in TABLE G for the Health Benefits Fund suggest that cash will be significantly reduced in the current fiscal year and FY 12/13 primarily driven by the use of reserves for the Incline tax refund. Cash will slowly increase beginning in FY 13/14.

TABLE G Health Benefits Cash Flow Forecast						
	ESTIMATED YEAR END 2011- 2012	Preliminary Forecast				
		FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Cash Balance at 7/1	9,163,995	7,260,765	1,456,450	1,674,091	1,901,159	2,138,227
Cash received from customers	45,449,250	47,721,713	50,107,798	52,813,188	55,243,847	58,006,040
Cash payments for services	(45,519,813)	(47,787,910)	(50,169,286)	(52,869,802)	(55,294,803)	(58,051,132)
Non-capital financing	(2,016,667)	(5,883,333)	250,000	250,000	250,000	250,000
Investment Earnings	184,000	145,215	29,129	33,482	38,023	42,765
Net Increase (Decrease) in Cash	(1,903,230)	(5,804,316)	217,641	227,068	237,067	247,672
Cash Balance at 6/30	7,260,765	1,456,450	1,674,091	1,901,159	2,138,227	2,385,899

A preliminary cash flow forecast for the Risk Management Fund shows that cash will be significantly reduced in the current fiscal year primarily driven by the use of reserves for General Fund operating purposes and the Incline tax refund. Cash will stabilize in FY 12/13 with reserves significantly below the funding of liabilities, primarily Heart Lung liability.

TABLE H Risk Management Cash Flow Forecast						
	ESTIMATED YEAR END 2011- 2012	Preliminary Forecast				
		FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Cash Balance at 7/1	33,874,940	18,926,347	18,405,788	17,799,433	17,099,578	16,297,890
Cash received from customers/funds	6,595,120	7,101,909	7,648,827	8,239,382	8,878,742	9,564,748
Cash payments for services	(7,424,363)	(8,000,994)	(8,623,398)	(9,285,225)	(10,020,421)	(10,803,244)
Non-capital financing	(14,500,000)	0	0	0	0	0
Investment Earnings	380,650	378,527	368,116	355,989	341,892	325,858
Net Increase (Decrease) In Cash	(14,948,593)	(520,558)	(606,355)	(699,855)	(801,688)	(912,538)
Cash Balance at 6/30	18,926,347	18,405,788	17,799,433	17,099,578	16,297,890	15,385,352

**FISCAL IMPACT**

The recommendations to amend the FY 2011-2012 budget by reducing cost and increasing resources to address the approximately \$7.5 million General Fund adjustment required by the Alternative Service Delivery initiative (10% Reduction Scenarios) and the recommendations regarding the directions to address the Alternative Service Delivery adjustment in the General Fund totaling \$17.5 million in the development of the FY 2012-13 budget will form the basis of financial sustainability.

**Summary of Recommendation**

In summary staff is recommending that the Board take action on the following:

1. TABLE B (shown below): individual recommendations in the General Fund
2. TABLE C (shown below): individual recommendations in other funds
3. TABLE D (shown below): two year implementation strategy across funds
4. The cost of separation incentives will be paid from each individual fund from which the employees are paid and authorize up to \$1.6 million in the budgeted Annual Required Contribution budget to help pay the balance of these one-time costs in the General Fund.

<b>TABLE B</b>				
<b>10% Funding Level Plans for Alternative Service Delivery</b>				
<b>General Fund</b>				
	<b>10% Required Funding Reduction Planning Level</b>	<b>Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)</b>	<b>Recommended Number of Position Eliminations</b>	<b>Recommend as a Percent of FY 11/12 Adopted Budget</b>
<b>General Fund:</b>				
Alternate Public Defender	\$ 179,771	\$ 99,000	1.0	5.51%
Alternative Sentencing	\$ 60,633	\$ 12,000		1.98%
Assessor	\$ 554,785	\$ 554,785	3.0	10.00%
Community Development	\$ 213,467	\$ 213,467	3.0	10.00%
Conflict Counsel	\$ 175,146	\$ -		0.00%
County Clerk	\$ 130,382	\$ 130,382	2.0	10.00%
County Commissioners	\$ 48,556	\$ -		0.00%
County Manager-	\$ 38,840	\$ 38,840		10.00%
County Manager-General	\$ 251,200	\$ 251,200	1.5	10.00%
County Manager-	\$ 10,816	\$ 10,816		10.00%
County Manager-Fire	\$ 25,794	\$ 25,794		10.00%
County Recorder	\$ 190,856	\$ 190,856	2.0	10.00%
District Attorney	\$ 1,628,206	\$ 259,075	4.0	1.59%
District Court (incl. Law	\$ 1,470,222	\$ 422,994	5.0	2.88%
Finance	\$ 308,403	\$ 134,292	1.0	4.35%
Human Resources	\$ 215,249	\$ 138,177	1.0	6.42%
Incline Constable	\$ 21,845	\$ 4,400		2.01%
Justice Court - Incline	\$ 34,919	\$ -	Note 1	0.00%
Justice Court - Reno	\$ 422,228	\$ -	Note 1	0.00%
Justice Court - Sparks	\$ 200,561	\$ -	Note 1	0.00%
Justice Court - Wadsworth	\$ 25,189	\$ -	Note 1	0.00%
Juvenile Services	\$ 1,215,737	\$ 407,700	4.0	3.35%
Library System	\$ 824,596	\$ 824,596	11.5	10.00%
Medical Examiner	\$ 186,267	\$ 15,000		0.81%
Public Administrator	\$ 86,978	\$ -		0.00%
Public Defender	\$ 665,207	\$ 133,000	3.0	2.00%
Public Guardian	\$ 141,906	\$ 50,000		3.52%
Public Works	\$ 1,971,838	\$ 1,971,838	23.0	10.00%
Regional Parks and Open	\$ 476,998	\$ 476,998	6.0	10.00%
Registrar of Voters	\$ 130,962	\$ 60,800		4.64%
Sheriffs Office	\$ 8,339,404	\$ 1,668,000	Note 2	2.00%
Social Services (excl Med.	\$ 294,374	\$ 85,000	4.0	2.89%
Technology Services	\$ 1,096,456	\$ 1,096,456	9.0	10.00%
Treasurer	\$ 195,782	\$ 147,759	2.0	7.55%
<b>Total General Fund</b>	<b>\$ 21,833,576</b>	<b>9,423,225</b>	<b>86.0</b>	<b>4.32%</b>

Note 1: Discussions are on-going regarding plans for Justice Courts

Note 2: Plan detail is forthcoming

<b>TABLE C</b>				
<b>10% Funding Level Plans for Alternative Service Delivery</b>				
<b>All Other Funds</b>				
	<b>10% Funding Reduction Target</b>	<b>Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)</b>	<b>Recommended Number of Position Eliminations</b>	<b>Recommend as a Percent of FY 11/12 Adopted Budget</b>
<b>Special Revenue Funds</b>				
Animal Services	\$ 454,849	\$ 454,849	5.0	10.00%
Child Protective Services	\$ 1,440,563	\$ 200,000	1.00	1.39%
Health	\$ 1,120,409	\$ 805,650	5.0	7.19%
Indigent Levy	No Target	\$ 1,200,000		
Library Exp.	\$ 249,658	\$ 249,658	3.0	10.00%
Regional Communications System	\$ 222,193	\$ 80,000	1.0	3.60%
Regional Public Safety Training Center	\$ 88,486	\$ -		0.00%
Senior Services	\$ 214,013	\$ 214,013	2.0	10.00%
<b>Total Special Revenue Funds</b>	<b>\$ 3,790,171</b>	<b>\$ 3,204,170</b>	<b>17.0</b>	<b>8.45%</b>
<b>Enterprise Funds</b>				
Building & Safety	\$ 136,272	\$ 250,000		18.35%
Water Resources	\$ 2,448,682	\$ 1,743,561	12.0	7.12%
Golf Course	\$ 205,789	\$ 205,789		10.00%
<b>Total Enterprise Funds</b>	<b>\$ 2,790,743</b>	<b>\$ 2,199,350</b>	<b>12.0</b>	<b>7.88%</b>
<b>Internal Service Funds</b>				
Risk Management	\$ -	\$ 126,224	1.0	N/A
Equipment Services	\$ 574,158	\$ 1,201,745	2.0	20.93%
<b>Total Internal Service Funds</b>	<b>\$ 574,158</b>	<b>\$ 1,327,969</b>	<b>3.0</b>	<b>23.13%</b>
<b>Subtotal Other Funds</b>	<b>\$ 7,155,072</b>	<b>\$ 6,731,489</b>	<b>32.0</b>	<b>9.41%</b>

<b>TABLE D</b>		
<b>Summary of Alternative Service Delivery Implementation Recommendations &amp; Impact For FY 11/12 and FY 12/13</b>		
	FY 11/12 Impact	FY 12/13 Impact
General Fund Savings	4,711,613	9,423,225
General Fund Impact From:		
Animal Services		2,850,000
Child Protective Services	200,000	600,000
Health Fund	805,650	1,120,409
Indigent Tax Levy Fund	-	1,200,000
Library Expansion Fund		240,000
Senior Services Fund		228,860
Building And Sefety Fund	250,000	250,000
Water Resources Fund		1,200,000
Golf Coures Fund	205,789	205,789
Risk Management		122,224
Equipment Services	700,000	1,227,000
<b>Total General Fund Impact</b>	<b>6,873,052</b>	<b>18,667,507</b>

**RECOMMENDATION**

It is recommended that the Board approve the amendment the Fiscal Year 2011-2012 budget by reducing cost and increasing resources to address the approximately \$7.5 million General Fund adjustment required by the Alternative Service Delivery initiative (10% Reduction Scenarios) and provide direction regarding the recommendations to address the Alternative Service Delivery adjustment in the General Fund totaling \$17.5 million in the development of the Fiscal Year 2012-13 budget.

**POSSIBLE MOTION**

Should the Board agree with the staff report, possible motion would be: move to approve the amendment the Fiscal Year 2011-2012 budget by reducing cost and increasing resources to address the approximately \$7.5 million General Fund adjustment required by the Alternative Service Delivery initiative (10% Reduction Scenarios) and provide direction regarding the recommendations to address the Alternative Service Delivery adjustment in the General Fund totaling \$17.5 million in the development of the Fiscal Year 2012-13 budget.



APPENDIX 1  
10% Planning Scenario  
Recommendation  
REVISED 9-19-11

C	D	E	F	G	H	I	J	K	U	V	W	X
	FY11/12 Final Budget (excl. Legislative Impacts)	10% Funding Reduction Target	Department Proposed Reduction Amount	Variance Between Target and Plan Submitted	Narrative Department Summary of Plan Submitted					Narrative Reduction Plan Recommended to the BCC	Recommended Number of Position Eliminations	Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)
3												
5												
6												
7												
8												
9	General Fund: Alternate Public Defender	\$ 1,797,710	\$ 179,771	\$ 211,192	\$ 31,421					Eliminate both Family Court attorneys and send all cases to Conflict Counsel. Savings realized only if Bell group can handle caseload. Costs higher if District Court appoints from bench.		
10	Alternative Sentencing	\$ 606,330	\$ 60,633	\$ 60,000	\$ (633)					New revenue requires Justice Courts to place individuals on informal probation into the DAS program versus Court Clerk follow up. Reduced pooled position budget: reduced hours.		\$ 12,000
11	Assessor	\$ 5,547,850	\$ 554,785	\$ 554,785	\$ -					Eliminate positions, utilize designated tech funding and audit Pers. Property accounts for additional revenue		
12	Community Development	\$ 2,134,668	\$ 213,467	\$ 213,467	\$ -					Re-instate Director position, eliminate planning manager, Admin Sec and Planner position in anticipation of a Municipal Services Agency		
13	Conflict Counsel	\$ 1,751,463	\$ 175,146	\$ -	\$ (175,146)					Eliminate positions, utilize designated tech funding and audit Pers. Property accounts for additional revenue		\$ 554,785
14	County Clerk	\$ 1,303,821	\$ 130,382	\$ 130,382	\$ (0)					Due to the creation of the Neighborhood Service Agency (NSA) eliminate vacant Director Position. Eliminate the Linemhouse software application, Admin Sec Supervisor and Planner Position.		\$ 213,467
15	County Commissioners	\$ 485,562	\$ 48,556	\$ -	\$ (48,556)					Early Case Resolution pilot program approved by BCC 8-9-11 requires \$80K in FY 12. Contract for audit of conflict cases to insure accurate and documented billings.		\$ 130,382
16	County Manager	\$ 388,401	\$ 38,840	\$ 38,840	\$ (0)					Consolidate department into one location then eliminate 2 positions. If consolidation does not happen the positions will need to be filled due to minimum staffing levels.		\$ 38,840
17	Community Support									Recommend no reductions.		
										Potential additional savings could be achieved with deeper reductions to Community Support Funding. Current commitments are TRPA \$36,000 and State Fair Housing \$7,721 leaving \$344,680 to Commission direction.		\$ 38,840

APPENDIX 1  
10% Planning Scenario  
Recommendation  
REVISED 9-19-11

	C	D	E	F	G	H	I		J	K	U	V	W	X
							10% Funding Reduction Target	Department Proposed Reduction Amount						
		FY11/12 Final Budget (excl. Legislative Impacts)			Variance Between Target and Plan Submitted						Narrative Department Summary of Plan Submitted	Narrative Reduction Plan Recommended to the BCC	Recommended Number of Position Eliminations	Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)
3														
5														
6														
7														
8	County Manager General Govt	\$ 2,512,001	\$ 251,200	\$ 251,200	\$ (0)						Abolish Asst to Mgr and Comm Rel Dir; layoff COC, .50 PIC; add back Comm Rel Mgr and Prog Asst and reclass admin secretary	Recommended as submitted	1.50	\$ 251,200
18	County Manager Emergency Management	\$ 108,158	\$ 10,816	\$ 10,816	\$ 0						Decrease Professional Services for avalanche surveys and avalanche warning program.	Recommend as submitted		\$ 10,816
19	County Manager Fire Suppression	\$ 257,940	\$ 25,794	\$ 25,794	\$ -						Eliminates all funding for operating supplies for fire suppression and Genlach ambulance, which may result in contingency request should costly emergencies occur.	Recommend as submitted		\$ 25,794
20	County Recorder	\$ 1,908,562	\$ 190,856	\$ 270,317	\$ 79,461						Impose the fees from AB192 and AB 259. Eliminate two Senior Deputy Recorder positions, upgrade a deputy recorder I to Senior, increase a part-time to full-time. Create two new deputy recorder I positions	The revenue submitted is designated specifically for legal services it can not be used for general use so not recommended. Approve two voluntary separation incentives and additional reduction in overtime or services & supplies for the bal. of \$26,171. These reductions will meet the balance required from FY12 budget process and the 10% reductions.	2.00	\$ 190,856
21	District Attorney	\$ 16,282,062	\$ 1,628,206		\$ (1,628,206)						DA submitted 4 scenarios that met the 10% target: eliminate most of Civil Division; eliminate 1/3 of Criminal; decimate support staff; across the board cuts. Scenario 5 not a 10% cut but considered doable.	Recommend revised scenario #5: abolish four (4) FTEs; two positions 2/3s Family Support funding. Reduce Prof Services \$40K.	4.00	\$ 259,075
22	District Court (incl. Law Library)	\$ 14,702,222	\$ 1,470,222	\$ 433,555	\$ (1,036,667)						Per letter from Howard Conyers, District Court Administrator, to Katy Simon dated 8-5-11, the Court Budget Committee agrees to eliminate 5 positions requesting early retirement incentives.	Recommend as submitted	5.00	\$ 422,994
23														

APPENDIX 1  
10% Planning Scenario  
Recommendation  
REVISED 9-19-11

C	D	F	I	J	K	U	V	W	X
Washoe County Financial Sustainability									
	FY11/12 Final Budget (excl. Legislative Impacts)	10% Funding Reduction Target	Department Proposed Reduction Amount	Variance Between Target and Plan Submitted		Narrative Department Summary of Plan Submitted	Narrative Reduction Plan Recommended to the BCC	Recommended Number of Position Eliminations	Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)
3									
5									
6									
7									
8	Finance	\$ 308,403	\$ 134,292	\$ (174,111)		For General Fund Finance Department, this plan proposes to reclassify the Finance Director position (95% General Fund, 5% Risk Management Fund) to require additional Risk Manager skill set. Eliminates 1.0 FTE Buyer from the purchasing function; increases revenue for change in processes to support additional Pro Card Rebate revenue. Additionally, eliminate 1.0 FTE Risk Manager from Risk Fund which will reduce rates charged to all departments. Cost reduction of \$126,224 recorded in Risk Fund below, resulting in total savings of \$260,516.	Recommend eliminate buyer position, add new revenue, add Risk Manager skill set to Director position; abolish Risk Mgr position in Risk Fund, (value of \$126,224) which will decrease overall costs of Risk rates to all departments. Additional reclassification will be forthcoming for the Comptroller's Office pending filling the reclassified Finance Director position. Additional efficiencies may be gained if Administrative Services Agency model is developed. Cost reduction of \$126,224 recorded in Risk Fund below, resulting in total savings of \$260,516.	1.00	\$ 134,292
24	Human Resources	\$ 215,249	\$ 138,177	\$ (77,072)		Eliminate Labor Relations Mgr; increase grade of HR Dir to include Labor Rel skill set; approve sick leave payout request for HR Spec.	Recommended as submitted. Additional efficiencies toward target may be gained if Administrative Services Agency model is developed.	1.00	\$ 138,177
25	Incline Constable	\$ 21,845	\$ 21,845	\$ (0)		Reduce 1 Full-time employee to .75, reduce pooled budget. Office hours reduced to 8 hours per day (e.g. 7 a.m. -3 p.m.) from 11 hours per day (6 a.m.-5 p.m.).	Reduce Pooled budget to equal 2% cut.		\$ 4,400
26	Justice Court - Incline	\$ 34,919	\$ -	\$ (34,919)		Court proposes eliminating one part-time Deputy Clerk position and creating one Bailiff/Deputy Clerk position. Funding would come from shifting the full-time Constable employee to Incline JC and moving Pooled positions back to the Court.	Discussions ongoing.	-	
27	Justice Court - Reno	\$ 422,228	\$ -	\$ (422,228)		Letter from Reno Justice Court judges to BCC dated 7/29/11 stating "The Court is unable to formulate a plan that would meet the County's ten percent reduction and preserve the Constitutional and statutory mandates."	Discussions ongoing.	-	
28									

APPENDIX 1  
10% Planning Scenario  
Recommendation  
REVISED 9-19-11

	C	D	F	I	J	K	U		V	W	X
							Washoe County Financial Sustainability				
		FY11/12 Final Budget (excl. Legislative Impacts)	10% Funding Reduction Target	Department Proposed Reduction Amount	Variance Between Target and Plan Submitted		Narrative Department Summary of Plan Submitted	Narrative Reduction Plan Recommended to the BCC	Recommended Number of Position Eliminations	Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)	
3											
5											
6											
7											
8	Justice Court - Sparks	\$ 2,005,611	\$ 200,561	\$ -	\$ (200,561)		Letter from Judge Higgins to Chairman Breternitz 7-27-11 submitted in lieu of template. "it would be irresponsible of this court to offer up any staff reduction scenarios, as they are neither realistic nor feasible at this time."	Discussions ongoing.	-		
29											
30	Justice Court - Washoe	\$ 251,894	\$ 25,189	\$ -	\$ (25,189)			Discussions ongoing.			
	Juvenile Services	\$ 12,157,365	\$ 1,215,737	\$ 1,216,787	\$ 1,050		Eliminate "front end" case management and intervention services at McGee Center; eliminate Community Services/Evening reporting; eliminate Victim Services/Restitution Program. Anticipate higher Probation caseloads, increase cases reviewed by DA's office and increased Detention population.	Alternative 3.4% cut of \$407,700 eliminates 4 FTEs (3 voluntary separation incentive and 1 vacancy). Traffic Court reduced schedule 3 days/week; reduce staffing Compliance Unit; reduce 1 FTE Detention. By maintaining front end services, Dept can absorb loss of 4 FTEs without increase in detention population.	4.00	\$ 407,700	
31											
	Library System	\$ 8,245,965	\$ 824,596	\$ 824,768	\$ 172		Eliminate positions and reduce hours, services and literacy programs.	Recommended as submitted	11.50	\$ 824,596	
32	Medical Examiner	\$ 1,862,668	\$ 186,267	\$ 186,250	\$ (17)		Close the office one day per week or reduce hours for all staff. Predicted loss of revenue as outside agencies retain other pathologists for services while County is still required to provide autopsy facilities, personnel and services for unattended, unexplained and violent deaths throughout the County.	Reduce Services Supplies.		\$ 15,000	
33	Public Administrator	\$ 869,785	\$ 86,978	\$ 86,978	\$ (0)		This plan calls for a lay off of one Estate Investigator position 7x397 (\$92,321) who could bump back to OSS, who could displace individual who potentially could bump back to another department.	Plan not recommended. Current staffing is 9.60FTE. Compliance questionable with further reduced staff.			
34											

APPENDIX 1  
10% Planning Scenario  
Recommendation  
REVISED 9-19-11

	C	D	F	I	J	U	V	W	X	
	Washoe County Financial Sustainability									
		FY11/12 Final Budget (excl. Legislative Impacts)	10% Funding Reduction Target	Department Proposed Reduction Amount	Variance Between Target and Plan Submitted	Narrative Department Summary of Plan Submitted	Narrative Reduction Plan Recommended to the BCC	Recommended Number of Position Eliminations	Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)	
3										
5										
6										
7										
8										
	Public Defender	\$ 6,652,074	\$ 665,207	\$ 657,524	\$ (7,683)	Discontinue representation of Family Court and Specialty Court cases. The Family Court has statutory authority to appoint private counsel (432B.420(3)) at \$100 hour. Anticipated delay in reunification rates resulting in increased time in foster care; delays in processing and dispositions and more trials due to pro se litigants.	Eliminate 2 support positions thru VSIs savings \$148K; augment \$15K for contractual services. Note: 3 positions eliminated; one from 1.7% cut that was held vacant pending 10% reduction plan.	3.00	\$ 133,000	
35	Public Guardian	\$ 1,419,060	\$ 141,906	\$ 141,906	\$ 0	Fundamental Review recommended a reorganization of staff, elimination of a mgt position and contracting for services, which was all accomplished as part of the current, adopted FY 12 budget, so those savings are already realized in current operations. Two part time positions that were created as part of this reorganization are not yet filled.	Compliance is questionable with remaining staff and eliminated funds for outsource contract - Recommend this reduction as supportable with a merger with Adult Social Services, which would provide combined administrative resources. Co-location would allow vacating current owned space with annual maintenance fees of \$12,750 charged to general fund. Recommend sell vacated property even at loss.		\$ 50,000	
36	Public Works	\$ 19,718,383	\$ 1,971,838	\$ 1,971,508	\$ (330)	Elimination of positions, outsourcing of workload, increase for "surge" demands, contract help, reduction of equipment, reduction of mail delivery times and places.	The 10% plan is approved as submitted except for the decrease in overlay program to fund the "surge" demand temporary help. If savings can be achieved beyond the target surge capacity funding should be allocated. Department should continue to explore the managed competition method of delivering the services (i.e. for painting, carpentry, and engineering services). Recommendation does not include increasing the Roads FTEs by 9 given the ESD reduction plan.	23.00	\$ 1,971,838	
37	Regional Parks and Open Space	\$ 4,769,981	\$ 476,998	\$ 692,470	\$ 215,472	Elimination of positions, Golf course compensation to the GF, increase in fees and charge overhead to grants	Approve all VSIs and eliminate the positions. Add the increase of budget reduction over target back into the pooled positions.	6.00	\$ 476,998	
38	Registrar of Voters	\$ 1,309,615	\$ 130,962	\$ 131,800	\$ 838	Elimination of a vacant position, reduction in services & supplies and capital funds.	Staff elimination is not recommended. Srvs/Supplies & capital cuts are recommended.	-	\$ 60,800	

APPENDIX I  
10% Planning Scenario  
Recommendation  
REVISED 9-19-11

	C	D	H	F	I	J	K	U	V	W	X
	Washoe County Financial Sustainability										
3											
5											
6											
7											
8	Sheriff's Office	FY11/12 Final Budget (excl. Legislative Impacts)		10% Funding Reduction Target	Department Proposed Reduction Amount	Variance Between Target and Plan Submitted		Narrative Department Summary of Plan Submitted	Narrative Reduction Plan Recommended to the BCC	Recommended Number of Position Eliminations	Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)
		\$ 83,394,045		\$ 8,339,404	\$ 8,365,010	\$ 25,606		Plan proposes tiers of cuts and associated savings. A 3% cut identifies credit for prior year salary savings and revenue increases. 4.5% cut eliminates Court Security Officers requiring Courts to contract for security at building entrances, and outsources Civil Execution processing. 5% cuts non-mandated services provided by the Crime Scene Unit. 6% mandated services are impacted, including CCW processing wait times. Crime trend analysis suffers, SOD and Detectives receive less support, Deputies/Detectives assume duties formerly done by Civilian. 7% lowers the inmate population capacity resulting in early release of misdemeanants. 8% cut low value property/fraud/identify cases may not be investigated, supervision of Deputies reduced. 9% increased time to investigate high risk criminals, lack of response for traditional investigation services. 10% reduction all of the above in addition to patrol at levels below 1990 staffing. Some areas without coverage. No participation in community functions or response to non-life threatening calls for service.	Recommend 2% reduction. Plan details forthcoming if approved by BCC.		\$ 1,668,000
40											

APPENDIX I  
10% Planning Scenario  
Recommendation  
REVISED 9-19-11

C	D	F	I	J	U	V	W	X
Washoe County Financial Sustainability								
	FY11/12 Final Budget (excl. Legislative Impacts)	10% Funding Reduction Target	Department Proposed Reduction Amount	Variance Between Target and Plan Submitted	Narrative Department Summary of Plan Submitted	Narrative Reduction Plan Recommended to the BCC	Recommended Number of Position Eliminations	Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)
3								
5								
6								
7								
8	Social Services (excl Med. Assistance)	\$ 294,374	\$ 294,374	\$ (0)	Four incentives, if approved and agreed to be eliminated would relieve medical assistance to shoulder more costs currently charged to Indigent Levy. See note below under Indigent Levy. Department plan to reduce 10% of all other than medical assistance costs recommend reducing funding to Community Assistance Center (anywhere from reducing by \$295,000 to \$120,000) in some combination with reductions in General Assistance funding (serve less clients) and eliminating a current vacant OAIL position in Admin.	Recommend approving 4 PERS incentives in combination with rate swap in Indigent Levy. Recommend \$20,000 reduction in professional services; \$5,000 reduction in overtime and recommend \$60,000 reduction in support to the Community Assistance Center. More opportunities may become available if department is included in merger of Human Services Agency model, blended with Adult/Child/Public Guardian/Senior services. This program absorbed \$375,000 in Sierra Regional Center funding from Legislative action for FY 12 without additional General Fund support.	4.00	\$ 85,000
41	Technology Services	\$ 1,096,456	\$ 1,096,456	\$ 0	In addition to the six individuals requesting PERS incentive, 2 more will need to be separated to achieve savings target, which will increase the PERS buyout costs by an additional \$147,000, if submitted. Plan also reduces services/supplies and IP by \$282,500.	Recommended as submitted plus 3 additional PERS requests at deadline, for a total recommendation of 9 separation incentives with an adjustment to IP upward to total requested reduction amount. Additional efficiencies may be gained if Administrative Services Agency model is developed.	9.00	\$ 1,096,456
42	Treasurer	\$ 195,782	\$ 195,782	\$ 0	Elimination of positions	Eliminate two vacant positions.	2.00	\$ 147,759
43								
44	<b>Total General Fund</b>	<b>\$ 21,833,576</b>	<b>\$ 18,356,275</b>	<b>\$ (3,477,301)</b>			<b>86.00</b>	<b>\$ 9,423,225</b>
45	Special Revenue Funds							
46								
47								

APPENDIX 1  
10% Planning Scenario  
Recommendation  
REVISED 9-19-11

	C	D	F	I	J	U	V	W	X
	Washoe County Financial Sustainability								
		FY11/12 Final Budget (excl. Legislative Impacts)	10% Funding Reduction Target	Department Proposed Reduction Amount	Variance Between Target and Plan Submitted	Narrative Department Summary of Plan Submitted	Narrative Reduction Plan Recommended to the BCC	Recommended Number of Position Eliminations	Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)
3									
5									
6									
7									
8	Animal Services	\$ 4,548,485	\$ 454,849	\$ 454,849	\$ 0	Increase revenues with market rates and eliminate positions	Work with RAS to bring operating exp. in-line with revenue and use fund balance to allow reduction in staff through attrition. FY13 going forward reduce tax rate by \$.0037 and increase general fund operating rate. FY 13 only reduce tax rate by an additional \$.02 and increase the general fund rate. This will assist in bringing the fund balance down to a more appropriate level.	5.00	\$ 454,849
48	Child Protective Services	\$ 14,405,627	\$ 1,440,563	\$ 1,440,563	\$ 0	Plan as submitted recommends eliminating 20 units of investigative and permanency services. by reducing 14 FTEs, which would mean 4 layoffs in addition to approving the 10 separation incentives submitted; eliminating one eligibility worker; reducing contract amount for children's attorneys; reducing counseling services for children in the amount of \$1,440,563, however for every dollar reduced in this program, 35 cents will be lost in federal reimbursement. Decreasing these services also decreases department's "maintenance of effort" which will lead to future reductions in State funding. And this level of personnel reduction may bring department out of compliance with grant stipulated case load ratios.	Recommendation to charge Fund additional \$200,000 in FY 12 for overhead charges. Dept. plan to eliminate two units not recommended, as jeopardizes future State funding and Federal reimbursements. Abolish Eligibility Certification Spec position. FY13 and going forward eliminate the 1/2 cent tax transfer from the general fund. Department Head has not approved any of the 13 PERS incentive requests submitted.	1.00	\$ 200,000
49	Health	\$ 11,204,095	\$ 1,120,409	\$ 805,650	\$ (314,759)	Plan recommends to abolish 5 vacant positions in amount of \$449,724 as recommended in Fundamental Review; reduce pesticides purchased by \$50,000; reduce remaining amount from contingency and salary savings.	Department requests 10% reduction of General Fund transfer only to total amount of \$805,650. Recommend plan as submitted including elimination of 5 vacant positions. FY13 and forward reduce transfer from General Fund by \$1.1 million	5.00	\$ 805,650
50									



APPENDIX 1  
10% Planning Scenario  
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	C	D	F	I	J	U	V	W	X
	Washoe County Financial Sustainability								
		FY11/12 Final Budget (excl. Legislative Impacts)	10% Funding Reduction Target	Department Proposed Reduction Amount	Variance Between Target and Plan Submitted	Narrative Department Summary of Plan Submitted	Narrative Reduction Plan Recommended to the BCC	Recommended Number of Position Eliminations	Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)
3									
5									
6									
7									
8	Indigent Levy		No Target	\$ -			Reduce tax rate to the minimum required of \$.06 (down \$.01). Four separation incentives have been submitted but not yet approved by department head in Social Services Medical Assistance. If approved, they would relieve medical assistance funding by \$186,000 which could be utilized to fund services currently charged to the Indigent Levy.		\$ 1,200,000
51	Library Exp.	\$ 2,496,584	\$ 249,658	\$ 262,761	\$ 13,103	Eliminate positions & reduce Srvs & Supplies	Recommend plan as submitted. Reduce tax rate by \$.002 in FY13 and going forward.	3.00	\$ 249,658
52	Regional Communications System	\$ 2,221,927	\$ 222,193	\$ 155,492	\$ (66,701)	Plan recommends eliminating one vacant position and reducing capital.	Recommend eliminate one vacant position, or eliminate 75% of Tech Svcs VSI, if approved.	1.00	\$ 80,000
53	Regional Public Safety Training Center	\$ 884,857	\$ 88,486	\$ 88,486	\$ 0	Continued use of the fund balance to support core operations is not sustainable. This approach minimizes the opportunity to fund future investments that improve training efficiencies and/or yield the greatest potential return for all stakeholders of the RPSTC. Other risks include the ability to fund emergency repairs, replace critical equipment, or fund future (anticipated) reductions from agency contributions.	Multi-agency board approves the RPSTC budget. FY 11-12 budget reduced agency contributions by labor concessions, services and supplies cuts and use of fund balance.		
54									

APPENDIX 1  
10% Planning Scenario  
Recommendation  
REVISED 9-19-11

C	D	E	F	G	H	I			K	U	V	W	X
						10% Funding Reduction Target	Department Proposed Reduction Amount	Variance Between Target and Plan Submitted					
3													
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**APPENDIX 1**  
**10% Planning Scenario**  
**Recommendation**  
**REVISED 9-19-11**

		C	D	H	F	I	J	K	U	V	W	X
		Washoe County Financial Sustainability										
			FY11/12 Final Budget (excl. Legislative Impacts)		10% Funding Reduction Target	Department Proposed Reduction Amount	Variance Between Target and Plan Submitted		Narrative Department Summary of Plan Submitted	Narrative Reduction Plan Recommended to the BCC	Recommended Number of Position Eliminations	Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)
3												
5												
6												
7												
8												
64	Internal Service Funds (excludes Risk Management)					\$ 126,224	\$ 126,224			As noted above in Finance plan, recommend elimination of Risk Manager position, reducing costs of rates charged to all departments.	1.00	\$ 126,224
65	Equipment Services		\$ 5,741,577		\$ 574,158	\$ 574,158	\$ 0		Elimination of positions and services & supplies	Eliminate 2 heavy diesel mechanics, reduce the services & supplies as submitted. Not recommended is the increase of .9FTE to Roads. Transfer FY12 \$700 & FY13 \$300k of cash balance to the General Fund. Reduce operating costs by \$1m so as to reduce billings by \$1million.	2.00	\$ 1,201,745
66												
67	Total Internal Service Funds		\$ 5,741,577		\$ 574,158	\$ 700,382	\$ 126,224				3.00	\$ 1,327,969
68												
69												
70	Total Plan		\$ 289,886,476		\$ 28,988,648	\$ 25,403,929	\$ (3,584,719)				118.00	\$ 16,154,715
71												
72	Funding by Function											
73	General Govmnt		\$ 39,102,553		\$ 3,910,256	\$ 3,817,040	\$ (93,216)				27.50	\$ 4,246,143
74	Judicial		\$ 48,232,959		\$ 4,823,296	\$ 1,324,116	\$ (3,499,180)				13.00	\$ 918,469
	Health & Sanitation		\$ 35,690,919		\$ 3,569,092	\$ 3,254,332	\$ (314,760)				17.00	\$ 3,749,211
75	Sanitation											
76	Public Safety		\$ 109,693,337		\$ 10,969,334	\$ 11,062,368	\$ 93,034				10.00	\$ 2,974,159
77	Public Works		\$ 19,718,383		\$ 1,971,838	\$ 1,971,508	\$ (330)				23.00	\$ 1,971,838
78	Welfare		\$ 17,349,372		\$ 1,734,937	\$ 1,734,937	\$ (0)				5.00	\$ 285,000
79	Culture & Rec. Community Support		\$ 19,710,552		\$ 1,971,055	\$ 2,200,788	\$ 229,733				22.50	\$ 1,971,054
			\$ 388,401		\$ 38,840	\$ 38,840	\$ (0)				-	\$ 38,840
80												
81	Total Plan		\$ 289,886,476		\$ 28,988,648	\$ 25,403,929	\$ (3,584,719)				118.00	\$ 16,154,715

## RENO TOWN MALL

3000 Northup Way, Suite 101  
Bellevue, WA 98004  
(425) 827-2001

September 26, 2011

Washoe County Commissioner, John Breternitz, [jbreternitz@washoecounty.us](mailto:jbreternitz@washoecounty.us)  
Washoe County Commissioner, David Humke, [dhumke@washoecounty.us](mailto:dhumke@washoecounty.us)  
Washoe County Commissioner, Kitty Jung, [kjung@washoecounty.us](mailto:kjung@washoecounty.us)  
Washoe County Commissioner, Robert Larkin, [rlarkin@washoecounty.us](mailto:rlarkin@washoecounty.us)  
Washoe County Commissioner, Bonnie Weber, [bweber@washoecounty.us](mailto:bweber@washoecounty.us)  
Washoe County Manager, Katy Simon, [ksimon@washoecounty.us](mailto:ksimon@washoecounty.us)  
Washoe County Property Program Manager, Wendy Pitts, [wpitts@washoecounty.us](mailto:wpitts@washoecounty.us)

### **RE: SIERRA VIEW BRANCH - WASHOE COUNTY LIBRARY RENO TOWN MALL**

I attended the September Library Board of Directors meeting which was held on September 21 at the Incline Village Library. After attending that meeting, I have serious concerns with the current intentions of the Library Board with regard to the Sierra View Branch at Reno Town Mall. In short, I was informed that current plans for the Sierra View Branch are to reduce the utilization of the facility and specifically a reduction in the children's programs and elimination of weekend access.

Reno Town Mall is opposed to this plan. Former Library Director, Martha Gould, who was in attendance at this meeting, also spoke against this plan, stating that the Sierra View Branch has spent many years developing one of the most complete children's programs and with the space available has assembled the largest children's education resources in the Washoe County Library System in order to meet the heavy demands for families and children in the community. As you are aware, Reno Town Mall, as a Friend of the Library, has committed its support by providing a 30,000 square foot rent-free facility in return for attracting families and children to the Mall.

We respectfully request that the library resources, including the children's materials, not be removed or eliminated from the Sierra View Branch and that the Library Board works with us to restore Saturday access on this most busy family day at Reno Town Mall and the Sierra View Branch.

Best regards,

Robert C. Rothe  
Managing Partner  
**Reno Town Mall**

A-9/27/11  
more 7

# Washoe County Fiscal Year 2011/12 10% Reduction Scenarios

Board of County Commissioners  
September 27, 2011

Fiscal Year 2011-12: 10% Reduction Scenarios  
Board of County Commissioners: 9.27.2011  
"Dedicated to Excellence in Public Service"

WASHOE COUNTY, NEVADA

2

## Presentation Outline

- FY 2011-12 Budget Balancing Plan
- 10% Reduction Scenario Planning
- 10% Reduction Recommendations (General Fund & Other Funds)
- Summary of Recommended FY 2011-12 Reductions & FY 2012-13 Guidance
- Preliminary General Fund Forecast
- Cash Flow Forecast: Health Benefits Fund & Risk Management Fund
- Summary of Recommendations

Fiscal Year 2011-12: 10% Reduction Scenarios  
Board of County Commissioners: 9.27.2011  
"Dedicated to Excellence in Public Service"

WASHOE COUNTY, NEVADA

A- 9/27/2011  
MORE #7 1

## FY 2011/12 Budget Balancing Plan

### Four Point Plan:

- \$13.8 million labor cost savings (reduced to \$11.6 million with health insurance cost savings and dept reductions).
- ✓ • \$5 million department efficiency savings (realized \$5.7 million: Core Services = 1.7%, Non-Core Services = 3.7%, & Admin Services = 2.0%).
- \$5 million in first-year savings (total of \$15 million over two years) through Fundamental Review.
- ✓ • \$9.75 million in fund balances to fund long-term changes (\$2.25 Stabilization Fund in FY10/11 & \$7.5M Risk Management Fund).

## 10% Reduction Scenario Planning

- \$5 million initial target for sustainability savings for FY 2011-12.
- \$15 million initial target for sustainability savings for FY 2012-13 (on-going \$5 million savings from FY 2011-12 plus an additional \$10 million in on-going saving in FY 2012-13 due to the use of \$10 million in reserves used to balance FY 2011-12 budget).
- Need to add an \$2.5 million on-going cost due to Legislative action.
- Equals current annual savings of \$7.5 million in FY 2011-12 and \$17.5 million in savings starting in FY 2012-13 and on-going.

## 10% Reduction Scenario Planning

- Departments were directed by the County Commission to develop 10% Reduction Scenarios.
- The requirement to submit 10% reduction scenarios totaling almost \$30 million was by design larger than the estimated second year \$17.5 million requirement in order to provide choices. THESE SCENARIOS WERE NOT TARGETS.
- The required reduction plans were submitted for review and evaluation resulting in \$16.2 million in annual savings.

## 10% Reduction Scenario Recommendations

	10% Required Funding Reduction Planning Level	Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)	Recommended Number of Position Eliminations
Total General Fund	\$ 21,833,576	\$ 9,423,225	\$ 86.00
Subtotal Other Funds	\$ 7,155,072	\$ 6,731,489	\$ 32.00
<b>Total Plan</b>	<b>\$ 28,988,648</b>	<b>\$ 16,154,715</b>	<b>\$ 118.00</b>

## General Fund Recommendations

- Total annual savings equals \$9.4 million.
- Actual FY 2011-12 savings equal \$4.7 million as a result of the timing of the implementation (1/2 year savings).
- Additional recommendations needed regarding non-General Fund programs to achieve the \$7.5 million needed.

## General Fund Recommendations

TABLE B 10% Funding Level Plans for Alternative Service Delivery General Fund					
General Fund:	10% Required Funding Reduction Planning Level	Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY-12)	Recommended Number of Position Eliminations	Recommend as a Percent of FY 11/12 Adopted Budget	
Alternate Public Defender	\$ 179,771	\$ 99,000	1.0	5.51%	
Alternative Sentencing	\$ 60,633	\$ 12,000		1.98%	
Assessor	\$ 554,785	\$ 554,785	3.0	10.00%	
Community Development	\$ 213,467	\$ 213,467	3.0	10.00%	
Conflict Counsel	\$ 175,146	-		0.00%	
County Clerk	\$ 130,382	\$ 130,382	2.0	10.00%	
County Commissioners	\$ 48,556	\$ -		0.00%	
County Manager	\$ 38,840	\$ 38,840		10.00%	
County Manager-General	\$ 251,200	\$ 251,200	1.5	10.00%	
County Manager-Fire	\$ 16,816	\$ 16,816	4.0	10.00%	
County Manager-Fire	\$ 25,794	\$ 25,794	5.0	10.00%	
County Recorder	\$ 190,856	\$ 190,856	2.0	10.00%	
District Attorney	\$ 1,628,206	\$ 259,075	4.0	1.59%	
District Court (incl. Law	\$ 1,476,232	\$ 422,994	5.0	2.88%	
Finance	\$ 308,403	\$ 134,292	1.0	4.39%	
Human Resources	\$ 215,249	\$ 138,177	1.0	6.42%	
Incline Constable	\$ 21,845	\$ 4,400		2.01%	
Justice Court - Incline	\$ 34,919	\$ -	Note 1	0.00%	
Justice Court - Reno	\$ 422,228	\$ -	Note 1	0.00%	
Justice Court - Sparks	\$ 200,561	\$ -	Note 1	0.00%	
Justice Court - Wadsworth	\$ 25,189	\$ -	Note 1	0.00%	
Juvenile Services	\$ 1,215,737	\$ 407,700	4.0	3.39%	
Library System	\$ 824,596	\$ 824,596	11.5	10.00%	
Medical Examiner	\$ 186,267	\$ 15,000		0.81%	
Public Administrator	\$ 665,207	\$ 133,000	3.0	2.00%	
Public Defender	\$ 141,906	\$ 50,000		3.52%	
Public Works	\$ 1,971,838	\$ 1,971,838	23.0	10.00%	
Regional Parks and Open	\$ 476,998	\$ 476,998	6.0	10.00%	
Registrar of Voters	\$ 130,962	\$ 60,800		4.64%	
Sheriff's Office	\$ 8,339,404	\$ 1,668,000	Note 2	2.00%	
Social Services (excl Med.	\$ 294,374	\$ 85,000	4.0	2.89%	
Technology Services	\$ 1,096,456	\$ 1,096,456	9.0	10.00%	
Treasurer	\$ 195,782	\$ 147,759	2.0	7.55%	
<b>Total General Fund</b>	<b>\$ 21,933,576</b>	<b>\$ 9,423,258</b>	<b>86.0</b>	<b>4.33%</b>	

Note 1: Discussions are on-going regarding plans for Justice Courts  
Note 2: Plan detail is forthcoming.



## Other Fund Recommendations

- Direction by the County Commission for all funds & Departments to provide %10 plans
- The entire portfolio of County services and funding levels regardless of the funding source needs to be rebalanced given the current fiscal environment
- Recommendations regarding other funds totals \$6.7 million.

## Other Fund Recommendations

TABLE C 10% Funding Level Plans for Alternative Service Delivery All Other Funds				
	10% Funding Reduction Target	Recommended Amount of Reduction (Values stated are Full Year Yield; a lesser amount will be realized in FY 12)	Recommended Number of Position Eliminations	Recommend as a Percent of FY 11/12 Adopted Budget
<b>Special Revenue Funds</b>				
Animal Services	\$ 454,849	\$ 454,849	5.0	10.00%
Child Protective Services	\$ 1,440,563	\$ 200,000	1.00	1.39%
Health	\$ 1,120,409	\$ 805,650	5.0	7.19%
Indigent Levy	No Target	\$ 1,200,000		
Library Exp.	\$ 249,658	\$ 249,658	3.0	10.00%
Regional Communications System	\$ 222,193	\$ 80,000	1.0	3.60%
Regional Public Safety Training Center	\$ 88,486	-		0.00%
Senior Services	\$ 214,013	\$ 214,013	2.0	10.00%
<b>Total Special Revenue Funds</b>	<b>\$ 3,790,171</b>	<b>\$ 3,204,170</b>	<b>17.0</b>	<b>8.45%</b>
<b>Enterprise Funds</b>				
Building & Safety	\$ 136,272	\$ 250,000		18.35%
Water Resources	\$ 2,448,682	\$ 1,743,561	12.0	7.12%
Golf Course	\$ 205,789	\$ 205,789		10.00%
<b>Total Enterprise Funds</b>	<b>\$ 2,790,743</b>	<b>\$ 2,199,350</b>	<b>12.0</b>	<b>7.88%</b>
<b>Internal Service Funds</b>				
Risk Management	\$ -	\$ 126,224	1.0	N/A
Equipment Services	\$ 574,158	\$ 1,201,743	2.0	20.93%
<b>Total Internal Service Funds</b>	<b>\$ 574,158</b>	<b>\$ 1,327,969</b>	<b>3.0</b>	<b>23.13%</b>
<b>Subtotal Other Funds</b>	<b>\$ 7,155,072</b>	<b>\$ 6,731,489</b>	<b>32.0</b>	<b>9.41%</b>

## Combined All Funds Recommendations

Recommendations incorporate methods used to balance the reductions and

- The going forward funding levels between the General Fund and the other funds
- As well as the partial year impact of the General Fund recommendations.
- Also takes into consideration the preliminary five year forecast, particularly FY 2012-13

## Combined All Funds Recommendations

**TABLE D**  
**Summary of Alternative Service Delivery**  
**Implementation Recommendations**  
**& Impact For FY 11/12 and FY 12/13**

	FY 11/12 Impact	FY 12/13 Impact
General Fund Savings	4,711,613	9,423,225
General Fund Impact From:		
Animal Services		2,850,000
Child Protective Services	200,000	600,000
Health Fund	805,650	1,120,409
Indigent Tax Levy Fund	-	1,200,000
Library Expansion Fund		240,000
Senior Services Fund		228,860
Building And Safety Fund	250,000	250,000
Water Resources Fund		1,200,000
Golf Courses Fund	205,789	205,789
Risk Management		122,224
Equipment Services	700,000	1,227,000
<b>Total General Fund Impact</b>	<b>6,873,052</b>	<b>18,667,507</b>

## Combined All Funds Recommendations

- The FY 2011-12 recommendation involves some modest support from other funds to the General Fund.
- The FY 2012-13 recommendations include a number of property tax rate exchanges designed to maintain the County's combined rate at \$1.3917, that captures cost savings in other funds.

## Combined All Funds Recommendations

- The FY 2011-12 recommendation are necessary to balance the current year budget.
- The FY 2012-13 recommendations are being framed as policy guidance only in developing the FY 2012-13 budget.

## Combined All Funds Recommendations

The FY 2011-12 recommendation include the following position changes:

Positions reduced that are associated with vacant position	(34)
Positions reduced that are associated with separation incentives	(86)
Positions reduced that are associated with layoffs	(11)
Positions added by reclassification	5
Positions added that are new	8
Net reduction in positions	(118)

## Separation Incentives

- Cost of separation incentives for positions being recommended for elimination is \$5.6million in the General Fund.
- Total annual savings of positions being eliminated is \$9.7 million.
- The FY 2011-12 budget includes \$3 million for paying these costs.
- Recommending the use of up to \$1.6 million in one-time funding from the Annual Required Contribution budget of \$22 million to support these on-going cost savings.

## Preliminary General Fund Forecast

- Based on the recommended amendments to the FY 2011-12 the budget is in balance.
- Major assumptions include funding for the Incline Village tax refunds and all labor cost savings are achieved and on-going and the proposed amendments to the current budget are approved.
- Subsequent fiscal years (beginning in FY 2012-13) show slight negative variances, however it is recommended that additional current changes be deferred until sufficient time has occurred to evaluate the impact of the recommended amendments to the budget.

## Cash Flow Forecast of Health Benefits Fund and Risk Management Fund

- The preliminary cash flow forecast for the Health Benefits Fund suggests that cash will be significantly reduced in the current fiscal year and FY 12/13 primarily driven by the use of reserves for the Incline tax refund. Cash will slowly increase beginning in FY 13/14.
- The preliminary cash flow forecast for the Risk Management Fund shows that cash will be significantly reduced in the current fiscal year primarily driven by the use of reserves for General Fund operating purposes and the Incline tax refund. Cash will stabilize in FY 12/13 with reserves significantly below the funding of liabilities, primarily Heart Lung liability.

## Summary Recommendations

- Recommend the BCC accept the FY 2011-2012 proposed budget amendments.
- Recommend the BCC provide direction on the development of the FY 2012-2013 proposal.

Attachment B – The Washoe County Animal Services Fund is a Special Revenue Fund that was created after the passage of the Animal Shelter Bond and Tax Override Question on the November 2002 Washoe County General Election Ballot.

**ANIMAL SHELTER BOND AND TAX OVERRIDE QUESTION**

Shall Washoe County be authorized to issue up to \$10,750,000 of general obligation bonds to provide an animal shelter project and to levy an additional property tax rate for the purpose of operating and maintaining the animal shelter project and performing related animal control functions of up to 3 cents per \$100 of assessed valuation for a period of up to 30 years?

The bonds are expected to require a property tax levy for 30 years. The bonds are estimated to result in an increase in the property taxes that the owner of a new \$100,000 home will pay which will average \$1.98 per year. In addition, the cost of the 3 cents animal shelter operating property tax levy for the owner of a new \$100,000 home is estimated to be \$10.50 per year. However, an Interlocal Agreement between Reno, Sparks, and Washoe County, requires the 3 cents operating property tax rate increase to be fully offset by property tax reductions in the Cities of Reno and Sparks of 3 cents and partially offset by a property tax reduction of 1 cent in the unincorporated areas of the County.

Yes  No

**EXPLANATION**

A "yes" vote would permit Washoe County to issue up to \$10,750,000 of general obligation animal shelter bonds for the purpose of acquiring, constructing, reconstructing, improving and equipping a county building project to be used as an animal shelter. The animal shelter would include, without limitation, real property, structures, fixtures, furniture, and equipment. A "yes" vote would also permit Washoe County to levy an additional 3 cent property tax for the purpose of providing funds to operate and maintain the animal shelter and perform related animal control functions.

The construction, remodeling and rehabilitation of a new animal shelter will allow the County to address numerous problems with the existing shelter, including: (1) crowded and unsanitary conditions have led to persistent animal illness, cross contamination and rapid spread of disease among animals; (2) cracked and deteriorating floors have led to periodic problems with maggots; (3) a lack of air conditioning in much of the space can result in health problem for the animals; (4) an undersized sewage system, which persistently clogs, creates sanitation and health concerns for both staff and animals; and (5) inadequate facilities to handle spaying and neutering of animals.

If the Animal Shelter Bond and Tax Override Question is approved, animal control field services now undertaken separately by Reno, Sparks and the County will be consolidated. It is also expected that the shelter will be built, and operation and maintenance of this shelter will be undertaken through a partnership between the County and the Nevada Humane Society. This consolidation of animal control functions and the partnership with the Nevada Humane Society is expected to result in cost savings and efficiencies in both construction and operation of the shelter.

A "no" vote would prevent the issuance of general obligation bonds for the animal shelter project and prevent the levy of an additional special elective tax. As a result, the existing animal shelter would continue to be used and animal control functions will not be consolidated at this time.

**ADDITIONAL INFORMATION**

Election Details. The election will be held at the same time and place as the statewide general election, on Tuesday, November 5, 2002. Your polling place is listed elsewhere on the sample ballot. The polls will be open from 7:00 a.m. to 7:00 p.m. The election will be held and conducted in accordance with and in the manner provided by the general election laws of the State.

Bond Financial Information. The maximum principal amount of the bonds is \$10,750,000. The maximum maturity of the bonds is thirty (30) years and the County anticipates that all of the bonds will actually mature within thirty (30) years of their issuance. The anticipated interest rate on the bonds is 5.25% and the total anticipated interest cost is \$10,775,306. Accordingly, the total anticipated debt service is expected to be approximately \$21,525,306. The actual interest rate and total debt service on the bonds may be higher or lower than the above estimate, depending on interest rates at the time the bonds are sold. The Board estimates the Bonds are to be issued or incurred during fiscal year 2003- 2004. The Board estimates the range of ad valorem tax rates on taxable property in the County necessary to provide for debt service (i.e., payment of principal and interest) on the bonds for the dates on which they are expected to be redeemed will be \$0.0073 per \$100 to \$0.0042 per \$100 of assessed value or \$1.47 per year to \$2.55 per year for the owner of a new \$100,000 home. These tax rates vary due



to changes in the assessed value of property in the County. These estimates are based upon the County's estimate (as of the date the bonds are expected to be redeemed) of the assessed value of the property in the County against which the bonds are to be issued. The actual tax rate necessary to pay the bonds may be higher or lower than the above depending on the interest rates at the time the bonds are sold, the maturity schedule, the term of the bonds as actually issued, and the assessed value of property in the County against which the bonds are issued at the time taxes to repay the bonds are levied.

Operating Cost Tax Levy Financial Information. The estimated annual operation, maintenance, and repair costs of the proposed animal shelter is between \$1,300,000 to \$1,500,000 per year. These costs of operation, maintenance and repair are expected to be paid from the 3 cent operating cost property tax levy approved as a part of the Animal Shelter Bond and Tax Override Question. Animal control field services now undertaken separately by Reno, Sparks and the County will be consolidated under Washoe County are also expected to be paid from the 3 cent operating cost property tax levy.

Reno, Sparks and Washoe County have entered into an Inter-local Agreement and if the question passes, upon imposition of the 3 cents property tax levy authorized in the Animal Shelter Bond and Tax Override Question, the existing tax rate applicable in each of the Cities will be reduced by 3 cents and the existing tax rate applicable in the unincorporated areas of the County will be reduced by 1 cent. This is accomplished by each of the Cities reducing its property tax rate by 2 cents and by the County reducing its property tax rate by 1 cent. (The Cities are able to reduce their property tax levies because the County will be responsible for the financing the animal control functions that the Cities had previously undertaken). Therefore, this 3 cent property tax levy will not result in an increase in property taxes for owners of property within either Reno or Sparks and will result in only a 2 cent property tax increase (\$7.00 per year for the owner of a new \$100,000 home) in the unincorporated County. However, these tax rate adjustments do not limit the local governments from increasing property tax rates for other purposes

### ARGUMENT IN FAVOR

The Regional Animal Shelter is a necessity, not a luxury. The current facility is crowded and unsanitary, with an undersized sewage system and dysfunctional ventilation system that create health and safety concerns for animals and staff, and inadequate facilities for spaying and neutering as mandated by state law. We need a new shelter that will serve the exploding population throughout the county and allow for future expansion.

The Reno Animal Shelter is now a division of the Reno Police Department, with Sparks and the County contributing their share of the costs to the City of Reno and providing their own field staff, who take animals they have picked up to Reno Animal Services.

Passage of WC-3 will consolidate government services now provided by Reno, Sparks and Washoe County into a public-private facility operated jointly by Washoe County and the Nevada Humane Society. It will be the first true consolidation of government services in the area and will result in cost savings and operational efficiencies as well as state-of-the-art services for the public.

It's a great deal. Taxpayers throughout the County will be assessed \$1.98 per year for the 30-year life of the bonds for construction of the Regional Animal Shelter, based on a new \$100,000 house. Reno and Sparks taxpayers will not pay additional taxes for operation and maintenance of the new shelter because the 2-cent reduction in property taxes fully offsets the O&M costs for them. Residents of the unincorporated areas of the County will pay an additional \$7 per year for the Shelter's O&M because they received a 1-cent reduction and offset. The tax charged for new houses above or below \$100,000 can be computed accordingly. No fuzzy math.

WC-3 has the unanimous support of all 18 of our City Council members and County Commissioners, who agreed on the need for a Regional Animal Shelter. This may never happen again. An issue supported by all of them has to be good for the area. It has been extensively researched and well thought out by the politicians, the animal organizations, and the governmental finance experts. Vote YES on WC-3.

### REBUTTAL TO ARGUMENT IN FAVOR

WC-3 has one winner and three losers. Financially, Reno wins while unincorporated and Sparks lose. The animals are the biggest losers when a no/lesser kill approach is not used.

WC-3 spends over \$10,000,000 to build a new animal facility to hold and eventually put to death thousands of unwanted dogs and cats. If we are going to spend millions of dollars, lets take the time to develop a supporting plan that moves towards a no kill/lower kill program. It appears that next year the legislature and governor will approve a large increase in property taxes. Therefore, there is no reason to rush this project. Defeat of WC-3 will not relieve Reno from upgrading existing facilities to meet standards set by state law.

WC-3 unfairly puts the costs of the operational budget on the backs of unincorporated and Sparks residents. Sparks and unin-

corporated residents each make up less than 25% of the total population, but will each be funding 1/3 of the budget. Reno with over 50% of the population will only pay 33%. No fair share here. Reno is seriously considering creating its own county. Consolidation of services or building new facilities inside Reno City limits is not a smart idea until this issue is resolved.

### ARGUMENT IN OPPOSITION

WC-3 is a change in facilities, not philosophy. \$10.75 million up front for construction and \$1.3 - \$1.5 million yearly operational budget to promote a feel good attitude about animals on death row. Cleaning up facilities and presenting a new building will not change local government's need to kill abandoned pets. Defeat of WC-3 does not relieve the operators of pound facilities of the responsibility to meet standards set by statute. Improvement of existing facilities that do not meet state mandated standards will still take place. Kill, no deal!

Movement towards a no kill operation in Washoe County would require additional funds for supporting operations and enforcement of revised county ordinances. Ordinances which make it a misdemeanor to own unaltered animals unless used in a licensed breeding business. Advertisements by unlicensed breeders in local periodicals prohibited. Mandated micro-chipping of all pets at time of sell to individuals by retailers or home based breeders. Every sell of an unaltered puppy or kitten be reported to Animal Control for follow-up on neuter/spay by new owners and fines for not having a puppy or kitten altered by a licensed veterinarian at age to be established by ordinance. To help support a move towards no kill in Washoe county, licensing of dogs and cats throughout the entire county should be mandated. License fee increase for dogs from current \$6 per year to \$10 and cat licensing (\$10) added to 55 series county code.

Should all city and county binding bond questions receive voter approval, the property tax base will have reached its limit. That means without an increase of the \$3.64 Legislative mandated cap or retirement of current bonds, addition project such as new schools or school improvements cannot be undertaken. A 30 year term bond is too long for the amount needed for this project's construction. A 10 year medium term bond would save millions of dollars in interest.

If WC-3 and WC-4 and/or WC-5 pass, then unincorporated residents will be forced to pay an additional layer of tax to support the Animal Shelter/Control.

### REBUTTAL TO ARGUMENT IN OPPOSITION

WC-3's passage promises a transformation from the existing disease-ridden, depressing shelter to one with programs that: offer a safe haven to homeless animals, increase the number of strays redeemed by their owners, and place healthy unclaimed animals in new homes, expand public education about the necessity of animal control ordinances, benefits of pet licensing, lifelong responsible pet ownership, and bite prevention; spay/neuter all animals to be adopted and provide on-site medical care; effectively work with rescue organizations and other volunteers.

Bans against irresponsible breeding have failed elsewhere, ultimately creating a black market in puppies and kittens. Making licensing and redemption cost-prohibitive only ensures that people will refuse to license or redeem their pets. Compassion and responsibility are born of aggressive education, not excessive regulation.

Local taxpayers are already paying for operating and maintaining a shelter. Consolidation of the animal control function allows Reno and Sparks to reduce their operating tax rate by 2 cents and Washoe county by 1 cent. The public/private partnership brings \$2.5 million donor dollars to the table as well as shared operating costs over time, thus leveraging taxpayer dollars and greatly increasing the scope and depth of services provided.



Attachment C – The Interlocal Agreement noted in the November 2002 Tax Override Question is two agreements between the Cities of Reno and Sparks and Washoe County. The first agreement, City of Sparks Agreement A-2954, defining the general operational requirements of the consolidation was approved by Council action at their April 28, 2003, regular Council meeting (Agenda Item 6.3)

## INTERLOCAL AGREEMENT

This agreement ("Agreement") is made, entered into and agreed to on the Effective Date by and between the County of Washoe, a political subdivision of the State of Nevada (hereinafter referred to as "County"); and the City of Reno, a municipal corporation (hereinafter referred to as "Reno"); and the City of Sparks, a municipal corporation (hereinafter referred to as "Sparks"). The parties, or each of them, may be referred to as "Party" or "Parties," and Reno and Sparks, or each of them, may be referred to as "City" or "Cities."

### ARTICLE 1 RECITALS

1.1 The Parties are public agencies under NRS 277.100. NRS 277.180(1) provides that any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the contracting agencies is authorized by law to perform.

1.2 The Parties are parties to an interlocal agreement dated August 1, 2002 that contemplated a comprehensive interlocal agreement. This Agreement is the comprehensive interlocal agreement contemplated by the Parties and contains the details of how property, equipment and personnel will be combined in the consolidation of a regional animal shelter and animal services.

1.3 A question on the 2002 general election ballot was approved for property tax increases to design, construct, equip and operate the Regional Animal Services Shelter and conduct Field Operations.

1.4 Each of the Parties currently operates and funds some feature of animal control services in Washoe County whether patrol, code enforcement or shelter services. The existing Reno Animal Services Center is becoming inadequate for the growing animal shelter needs of the region and the Parties desire to improve these services.

1.5 The Parties desire to have the County finance, construct, equip and operate a new consolidated regional animal services shelter that will: serve as a temporary shelter for impounded animals; care for all stray, abandoned, abused or owner-surrendered animals found running at-large or otherwise subject to impounding; provide for adoption of dogs and cats; provide spay and neuter services; administer dog licenses; and provide animal inoculations and manage records of rabies vaccinations.

1.6 The Parties desire to have the County conduct all animal control shelter and Field Operations for the region including enforcement and support of all laws dealing with domestic animals including animals at-large, animal noise nuisances, and enforcement of rabies control while maintaining public and animal safety, impoundment of strays, injured, and abandoned animals and investigation of reports of possibly neglected or abused animals. The Parties further desire to have the County conduct Field Operations to assist and care for injured wild animals.

1.7 In certain past consolidations of other governmental functions, the Parties made specific provisions for the transfer of sick leave and annual leave of transferred employees including the transfer of funds. The Parties to this Agreement are making arrangements unique

to this consolidation and do not intend that this Agreement or its terms should be binding or set a precedent for any future consolidation.

## **ARTICLE 2           DEFINITIONS**

As used in this Agreement, unless the context otherwise requires, the words and terms which are defined in this section have the meanings which are ascribed to them herein, as follows:

2.1     "City Health Insurance Plan" means the health insurance plan in which a Transfer Employee is enrolled at the time of severance from the Cities pursuant to the Agreement.

2.2     The "Close" or the "Closing" means the date on which the County assumes the responsibility to perform field and shelter operations for the Animal Services Center, which at the latest will be July 1, 2005.

2.3     "County Health Insurance Plan" means any health insurance plan offered to county employees at the time a Transfer Employee is hired by the County pursuant to this Agreement.

2.4     "Contracts" means commitments, contracts or groups of related contracts, indentures and agreements, or any notes, bonds, mortgages, indentures, deeds of trust, licenses, franchises, permits, concessions, leases or other instruments evidenced in writing, to which a Party is a party that relates to animal control or field operations.

2.5     "Due Diligence Period" means the period of time between the Effective Date and the sale of the Shelter Bonds.

2.6     "Effective Date" means the date of the signature of the last Party to sign the Agreement provided the agreement has first been approved by the governing board of each Party.

2.7     "Field Operations" means enforcement and support of all laws dealing with domestic animals including animals at large, noise nuisances, and administration of rabies control while maintaining public and animal safety, impoundment of strays, injured, and abandoned animals, investigation of reports of possibly neglected or abused animals and providing assistance and care for injured wild animals.

2.8     "Governmental Authorities" means the federal, state, county, municipal or local government agency, board, bureau, department, court of competent jurisdiction, administrative agency or commission or other governmental or regulatory authority.

2.9     "Interlocal Agreement" or "Agreement" means this interlocal agreement.

2.10    "Longley Lane Site" means the 7.61 acres of land that is currently the site of the Reno Animal Services Center (APN 15-210-27).

2.11    "Shelter Bonds" means the bonds or other county securities sold by the County, the proceeds of which are to be used for the design, construction and equipping of the shelter.

2.12    "Shelter Property" means the portion of the Longley Lane Site which approximates 5.81 acres of property that is generally depicted in Exhibit "A," to be conveyed by Reno to the County for use as the shelter site.

2.13    "Transfer Assets" are assets used by Reno or Sparks in Field Operations or the Reno Animal Control Shelter that are to be transferred to the County pursuant to this Agreement which are listed on the exhibit attached as Exhibit "B."

2.14 "Transfer Employee" means a City employee who is severed from employment with either of the Cities and hired by the County as provided in Article 7 of this Agreement.

2.15 "Regional Animal Services Shelter" or "Shelter" means the animal services shelter to be built and operated by Washoe County pursuant to this Agreement.

### **ARTICLE 3 DUE DILIGENCE**

3.1 Access to Records. Reno and Sparks shall permit County and its authorized agents or representatives, including its independent consultants, to have reasonable access to the properties, books, Contracts, and other records pertaining to the Longley Lane Site and the operation of the existing Reno Animal Services Center. Access to this information and any investigation shall only be upon reasonable notice and shall not unreasonably disrupt personnel and operations; and provided, further, that the Cities and the County shall each designate a single contact person to manage the transition, and County shall be allowed to contact such designated contact person without providing any notice. All notices and requests for access to the offices, properties, books and records of the Cities shall be made to the designated contact person or such other representatives of Cities as they shall designate in writing after the date of this Agreement, who shall be solely responsible for coordinating all such requests and all access permitted hereunder.

3.2 Inspection. Throughout the Due Diligence Period, the Cities shall use commercially reasonable efforts to make available to County and County's agents and consultants for inspection the following documents and information to the extent they are in the possession and control of the cities or their agents and representatives: all Contracts pertaining to animal control or animal field operations Longley Lane Site including leases. Commercially reasonable efforts as used in this Article means to make available such documents and information if it is a record of a City or is within the custody or control of such City.

3.3 Records for Longley Lane Site. Throughout the Due Diligence Period, the Cities shall use commercially reasonable efforts to make available to County and County's agents and consultants for inspection the following documents and information to the extent they are in the possession and control of Reno or its agents and representatives: all insurance policies pertaining to the Longley Lane Site; all records pertaining to maintenance and repair of the Longley Lane Site; any architectural, construction, engineering, "as-built" or other plans and specifications concerning improvements on Longley Lane Site; any notices of condemnation proceedings or exercise of eminent domain power; any architectural, engineering, soils, environmental or other professional reports concerning the Longley Lane Site; documents concerning any potential zoning, building or fire code or other violation of Law pertaining to any improvements on Longley Lane Site; and any title commitments, title reports, title policies and surveys concerning any Longley Lane Site.

3.4 Entry. The County has Reno's permission to enter upon the Longley Lane Site to perform environmental, architectural, engineering or soils examinations preparatory to the construction of the Shelter. The County shall pay for any such work or studies. The County agrees to provide Reno with copies of any data or reports generated as a result of such studies.

3.5 Title. The Parties agree to use every reasonable effort to cooperate in the elimination of any clouds or defects in title, boundary lines or property descriptions in order to

allow the County to take clear title to the Shelter Property and use bonds or other securities to finance the construction of the Shelter.

#### **ARTICLE 4                    IMPOSITION OF PROPERTY TAX AND ROLLBACK OF OPERATING RATES**

4.1.1 Property Tax Rates. The Cities will decrease their respective property tax rates by two (2) cents and the County will decrease its property tax rate by one (1) cent effective July 1, 2003, to allow the County to increase its property tax rate by three (3) cents, or as actually levied ("tax levy") for the shelter and Field Operations of the animal control facility. The County, beginning July 1, 2003, will deposit all monies received from the tax levy, which shall include amounts collected for past due taxes and the interest and penalties on such unpaid taxes related to the tax levy, into a separate special revenue fund created exclusively for the tax levy.

4.1.2 Payments. The County will pay to each of the Cities a proportion of the tax collected and deposited into the special revenue fund. These payments will be based on the proportion of the proceeds of the three (3) cent tax as each Party's approved fiscal year 2002/03 budget for animal services (expenses net of revenue) is to the total of all Parties approved fiscal year 2002/03 budgets for animal services. Those proportions are fixed at: fifty seven percent (57%) for Reno and four and one-half percent (4.5%) for Sparks. (Note: the County retains thirty eight and one-half percent (38.5%)). The payments to the Cities will commence on the first statutory allocation of the proceeds of the tax levy and cease upon the Closing or the transfer of all of a City's Transfer Employees, whichever occurs first. The payments will be made within thirty (30) days of the statutory allocation by the County of the tax levy. The special revenue fund shall be maintained and audited by the County pursuant to the requirements of state law and applicable accounting standards. The term "statutory allocation" means payment of the Cities' apportionment of taxes as required by NRS 361.755.

4.1.3 Late Fee. The County shall pay to the Cities a late charge of five percent (5%) of the amount of the payment due under this Article that is not received within thirty (30) days after payment is due. Further, if such payment is not released to the City within sixty (60) days, it shall be considered a material breach of this Agreement unless due to circumstances beyond the control of the County. The intent of this Article is to assure that the Cities continue to receive reliable sources of revenue to fund the operation of the Animal Services Center and animal control until such time the Closing occurs.

#### **ARTICLE 5                    TRANSFER OF REAL PROPERTY AND INTERIM LEASE**

5.1 Shelter Property. On or before the sale of the Shelter Bonds, Reno shall convey to the County the Shelter Property. The Shelter Property shall be parceled from the Longley Lane Site, and Reno shall retain title to all other portions of the Longley Lane Site not transferred to the County. The deed transferring the Shelter Property will not convey water rights and will be restricted in that the Shelter Property shall only be utilized for animal control services and related services and shall include a reversion clause for that purpose. The deed shall be substantially in the form of the deed attached hereto as Exhibit "C." If there is a material breach and termination pursuant to Section 15.3, below, the County shall pay to Reno the fair market value of the Shelter Property. Reno shall, at the time of acceptance of payment of the fair market value, provide a fully signed and approved deed conveying clear title of the Shelter Property to

the County to eliminate the reversionary interest. Contemporaneously with the parceling and transfer of the Shelter Property, the Parties will identify and create easements for access, utilities, sewer, and any other items reasonably necessary to service both the Shelter Property and the remaining portions of the Longley Lane Site.

5.2 Interim Lease. Until the Closing, Washoe County agrees to lease a portion of the Shelter Property to Reno, upon the terms and conditions contained in a certain Lease Agreement, a copy of which is attached hereto as Exhibit "D." The lease shall be executed at the same time or before the transfer of the Shelter Property.

## **ARTICLE 6 TRANSFER OF EQUIPMENT AND OTHER ASSETS**

6.1 Asset Transfer. Reno and Sparks shall transfer upon or before Closing to Washoe County at no cost all assets identified as Transfer Assets, and cash in the Reno Animal Services Enterprise Fund, if any.

## **ARTICLE 7 TRANSFER OF EMPLOYEES**

7.1 Reno Transfer Employees. The 21 Transfer Employees from Reno (and the number of people in each position) are: Animal Control Supervisor—field (1), Animal Control Supervisor—kennel (1), Veterinary Technician (1), Animal Control Caretaker (7), Animal Control Officer (7), Office Assistant II (3), Secretary (1). Reno shall sever employment with those Transfer Employees and the County shall hire them on July 1, 2005.

7.2 Sparks Transfer Employees. The Transfer Employees from Sparks are the 2 current Animal Control Assistants. Sparks shall sever employment with those Transfer Employees and the County shall hire them on July 1, 2003.

7.3 Early Transfer. This Agreement does not preclude the Parties from mutually agreeing to transfer some or all of the Transfer Employees before July 1, 2005.

7.4 Continued Employment. This Agreement does not preclude any person who would be a Transfer Employee from remaining with his or her City employer if the employee and his City employer mutually agree. Such an arrangement will reduce the number of Transfer Employees accordingly.

7.5 Job Classification and Probation. The County shall determine the organizational structure of the consolidated organization including the classifications and pay ranges of Transfer Employees according to the County job evaluation committee process. Transfer Employees who have permanent status as City Employees will not be subject to a probationary period in the position they are placed as County Employees. Transfer Employees who are probationary employees at the time of their severance from City employment shall be probationary employees as County employees for the balance of their City probationary period.

7.6 Salary and Wages. Transfer Employees will be paid at their existing City base pay rate. If the City base pay rate exceeds that of the County position into which a Transfer Employee is placed, that base pay rate will be frozen and County agrees to continue to pay the City base pay rate until the County pay range encompasses the higher City pay level. Transfer Employees whose City pay rate is below the range of the classification to which they are assigned as County employees will have their pay level moved to the minimum of the County pay range.



7.7 Continuous Service, Anniversaries and Seniority. For the purposes of determining the following benefits of employment, Transfer Employees shall retain their City hire date: classification date for merit increases; career incentive pay (longevity); accrual rates for sick leave and annual leave; seniority for purposes of layoff, bumping, and transfers.

7.8 Deferred Compensation. Transfer Employees shall be immediately eligible to participate in the County's deferred compensation program which presently does not include an employer match. Transfers of deferred compensation accounts or proceeds from programs created or associated with the City are the responsibility of the Transfer Employees under applicable federal laws and regulations.

7.9 Annual Leave and Sick Leave. Transfer Employees shall accumulate sick leave and annual leave as County employees in the same manner as other County employees with the same seniority. Transfer Employees shall retain their balances of regular sick leave and regular annual leave in place at the time of the transfer.

7.10 Compensatory Time and Personal Leave. Transfer Employees will be immediately eligible for any County compensatory time or personal leave programs for which they are otherwise eligible but no accrued balances will be transferred from the Cities to the County.

7.11 Health Insurance. Transfer Employees covered by City Health Insurance Plan at the time they sever from City employment and their eligible dependents will be immediately enrolled and eligible for coverage without any waiting period for any County Health Insurance Plan offered by the County at the time they are hired. Eligibility shall be determined according to the County Insurance Plan.

7.12 Retirement. The County shall pay retirement benefits for eligible Transfer Employees in the same manner as other eligible County Employees. Eligibility shall be determined according to the state laws and regulations on public employees.

7.13 Personnel Records. The Cities shall provide to the County a complete copy of the present personnel file of each Transfer Employee.

7.14 Retiree Medical Benefits. Only those Transfer Employees hired by the City of Reno on or before September 17, 1997 are eligible for the County's retiree medical health insurance program. The City of Reno shall pay to the County at Closing an amount to pre-fund the County's account for retiree health insurance for a maximum of seven Reno Transfer Employees that are eligible at the Effective Date of this Agreement. The pre-fund amount is \$122,600 and is based on the March 25, 2003 actuarial study by Milliman USA. If any of the seven Reno Transfer Employees eligible for retiree medical health insurance retires prior to Closing, Reno and County agree to negotiate the reduction, if any, in the amount attributable to such retirement. These negotiations shall take into account the cost impact of the service years of any replacement employee, if any, who would be eligible for retiree medical health insurance as a County Employee under this Agreement. Transfer Employees hired after September 17, 1997 shall have no retiree medical health insurance as County Employees.

7.15 Workers Compensation. Pursuant to NRS 277.180, the Parties to this Agreement shall be deemed joint employers for immunity from liability under Nevada's workers' compensation laws.

## **ARTICLE 8 CONSOLIDATION OF ORDINANCES**

8.1 Unified Ordinances. The intent of the Parties is to consolidate the animal services and animal control ordinances into a unified county ordinance to be enforced by the County countywide with appropriate provisions to be made for urban and rural areas of the region. By a separate interlocal agreement, which shall be adopted by each Party through an ordinance of each Party, the existing animal services ordinances of the Cities (Chapter 8.28 of the Reno Municipal Code and Title 8 of the Sparks Municipal Code) will be superceded by the amended County Code and certain necessary powers for enforcement of animal control laws will be given to the County. The amended County Code will standardize and blend the City and County code provisions on animal licensing and permits, vaccination, rabies, livestock, fee collection, vicious animals regulation, adoption, impoundment, exotic animal controls, animal breeders and animal cruelty. In addition the aforementioned interlocal agreement may create an animal matters appeals board.

8.2 Regulation. It is the intent of the Parties through the consolidation of their ordinances to provide careful and appropriate regulation of animals and animal owners in a manner that the County can reasonably enforce with the available resources. The Cities can recommend and the County shall consider suggestions for improving upon the amended County animal services and control ordinances.

## **ARTICLE 9 GOVERNMENTAL APPROVALS**

9.1 Reasonable Efforts. Cities and County shall cooperate with each other and file all necessary documentation and use commercially reasonable efforts to obtain all necessary permits, consents, approvals and authorizations of all Governmental Authorities and all other parties which are reasonably necessary or advisable to consummate the transactions contemplated by this Agreement or required by the terms of any note, bond, mortgage, indenture, deed of trust, license, franchise, permit, concession, contract, lease or other instrument to which Cities or County is a party or by which any of them or their assets is bound. The parties hereto agree that they shall consult with each other with respect to the transferring to County or the obtaining by County of all such necessary permits, consents, approvals and authorizations of all third parties and Governmental Authorities.

9.2 Restrictions. Notwithstanding anything to the contrary contained in this Agreement, to the extent that the sale, conveyance, transfer, assignment or delivery or attempted sale, conveyance, transfer, assignment or delivery to County of any Asset (including any Contract) would be a violation of any applicable law or would require any authorizations, approvals, consents or waivers of Governmental Authorities or other third parties and such authorizations, approvals, consents or waivers shall not have been obtained prior to the Closing, this Agreement shall not constitute a sale, conveyance, transfer, assignment or delivery, or an attempted sale, conveyance, transfer, assignment or delivery thereof if any of the foregoing would constitute a breach of applicable law or the rights of any third party until such authorization, approval, consent or waiver is obtained.

**ARTICLE 10           DISPOSITION OF EXISTING ANIMAL CONTROL  
INTERLOCAL AGREEMENTS AND OPERATIONAL  
CONTRACTS**

10.1 Interlocal Agreements. The following prior interlocal agreements as amended are mutually terminated: Agreement for use of Reno Animal Control Center by City of Sparks dated February 8, 1982 and Agreement for Animal Control Services with Washoe County dated March 24, 1998. Until the Closing, Reno shall continue to accept at the Reno Animal Services Center any animal Reno would have accepted from the Parties under the interlocal agreements terminated by this paragraph without charge.

10.2 Operational Contracts. Cities will identify during the Due Diligence Period operational contracts that are currently in existence. The parties will review these contracts during the Due Diligence Period, and if Washoe County desires to assume any of these contracts, all parties shall make reasonable efforts to affect an assignment of the rights, duties and obligations contained in such agreement. If Washoe County does not desire to assume an identified contract, such contract will either be terminated according to the terms or retained by the respective City. If there are any liabilities pertaining to this termination, the cities may utilize funds from their respective resources, including tax revenues, for payment of such liability.

**ARTICLE 11           SHELTER, DESIGN AND CONSTRUCTION**

11.1 Construction Cost Estimates. The estimates of the cost of constructing the Shelter on the Longley Lane Site obtained by the County assume no cost to the County of acquiring land at the Longley Lane Site.

11.2 Design and Construction. In the fiscal year beginning July 1, 2003, the County shall begin designing the Shelter in consultation with a non-profit group formed to aid and protect animals. Upon completion of the design, the County will issue a request for bids and award a contract for construction upon receipt of a responsive and responsible bid. The County shall use reasonable diligence in proceeding to design and construct the Shelter.

**ARTICLE 12           ANIMAL SERVICES OPERATIONS**

12.1 Animal Services Operations. Except as otherwise provided in this Agreement, the County shall assume the responsibility to provide Animal Services Operations, which includes both Shelter and Field Operations upon Closing. There shall be no charge to Reno or Sparks for the County's provision of such services. Washoe County shall endeavor to operate and maintain Animal Services Operations using industry standards which are reasonably applicable to governmental entities given funding levels available to provide these services. The policies and procedures established by Washoe County shall include the proactive maintenance of a clean, comfortable, safe, healthy and efficient environment for each animal and employee. The policies and procedures shall include and are not limited to security, public friendly hours of operation, record keeping and tracking system, adoptions, redemptions, sterilization, euthanasia, administration, public information/public outreach, and certified training to provide for the humane care of animals and minimize risk to personnel.

12.2 Service Levels. Washoe County will determine the service levels based upon the above standards given available funding.

**ARTICLE 13                    OPERATIONS PRIOR TO COUNTY'S ASSUMPTION OF ANIMAL SERVICES OPERATIONS**

13.1 Operations. Until the Closing, the Cities agree they shall use commercially reasonable efforts to operate and maintain their respective animal services and facilities, as the case may be, according to the ordinary and usual course of business consistent with past practice. Further, Reno shall be entitled to utilize the Animal Services Enterprise Fund to pre-fund the County's retiree medical health insurance program for eligible Transfer Employees pursuant to paragraph 7.14 of this Agreement.

13.2 Prohibited Acts. Until the Closing, the Cities shall not, without the prior written approval of the County Public Works Director (which approval shall not be unreasonably withheld), take any of the following actions with regard to the Field Operations and Reno Animal Services Center:

13.2.1 sell, lease (as lessor or lessee), transfer or otherwise dispose of any of the Transfer Assets, other than assets used, consumed or replaced in the ordinary course of business consistent with good industry practice or mortgage or pledge, impose or suffer to be imposed any encumbrance on any Transfer Assets;

13.2.2 acquire any assets (other than inventory) of the type used in the Field Operations and Reno Animal Services Center which are material, individually or in the aggregate, to the Field Operations and Reno Animal Services Center taken as a whole;

13.2.3 except in the ordinary course of business consistent with past practice or as required by law or contractual obligations create, incur or assume any material long-term indebtedness for borrowed money (including obligations in respect of capital leases);

13.2.4 enter into any contract, agreement or other commitment relating exclusively to the Field Operations and Reno Animal Services Center that is not terminable by the parties upon 30 days' notice or less or which involves aggregate consideration in excess of \$25,000; and

13.2.5 make, agree to or arrange for any material capital expenditure in respect to the Field Operations or Reno Animal Services Center, provided however, that if County requests that Reno make a capital expenditure, County shall reimburse the City for the cost of such expenditure.

13.3 Interim Operation. Until Closing, Reno shall continue to utilize the shelter enterprise fund consistent with past practices and generally accepted accounting principles. The intent of this provision is to ensure that adequate working capital is available to meet the needs of the Shelter when it opens and to prevent the transfer of enterprise fund money to other City funds for purposes other than animal services.

13.4 Employee Matters. The Cities agree not to grant any increase in the compensation of City animal control or animal shelter employees or commit to any additional pension, profit-sharing, deferred compensation, group insurance, severance pay, retirement or other employee benefit plan, fund or similar arrangement or amend, or commit itself to amend any of such plans, funds or similar arrangements except for those increases or commitments: (a) scheduled as of the date hereof, (b) necessary as a result of existing collective bargaining agreements or collective bargaining or (c) as required by applicable law from time to time in effect or by any benefit plan as in effect on the date hereof.

13.5 Employment Positions. With regard to the field operations and the Reno Animal Services Center, the Cities shall not increase the number of employment positions or hire any permanent supervisory employees without first obtaining the consent of the County.

#### **ARTICLE 14 NON-PROFIT ORGANIZATION INVOLVEMENT**

14.1 Non Profit Involvement. The Parties acknowledge that the County may possibly enter into a lease or a professional services agreement with a non-profit organization which may operate and pay the cost to operate a portion of the Shelter. Under such an arrangement the non-profit organization will collect fees for its services and reimburse Washoe County for the non-profit's prorated share of facility operation and maintenance expenses. If such an arrangement can be made it is anticipated that the non-profit organization will contribute \$2.5 million toward the construction of the Shelter. In the event that no such arrangement can be reached with the non-profit, the Parties acknowledge the size and scope of the Shelter may have to be reduced to fit within available resources.

#### **ARTICLE 15 TERMINATION**

15.1 Early Termination. A party may terminate this Agreement prior to the sale of Shelter Bonds for any reason, provided that a thirty (30) day written notice must be given to all parties prior to such termination becoming effective.

15.2 Mutual Agreement. This Agreement may be terminated through a written agreement of termination executed by all parties.

15.3 Breach of Interlocal Agreement. This Agreement may be terminated if there is a material breach. The party seeking to terminate due to a material breach shall notify the other in writing specifying the alleged breach and provide the other party a minimum time of not less than thirty (30) days to cure the alleged breach. However, that if the nature of the material deviation is such that more than thirty (30) days are reasonably required for its cure, then a party shall be in compliance with this provision if that party commences to cure within the thirty (30) day period, and thereafter diligently pursues such cure to completion. Unless a longer time is authorized by the party providing notice or a cure has been commenced in accordance with this paragraph, the notice of termination becomes permanent after thirty (30) days and the termination shall be finalized within the subsequent, or transition, period of one hundred twenty (120) days thereafter. If there is a termination because of a material breach, the Parties will, in good faith, negotiate a termination agreement rescinding this Interlocal Agreement. Such termination agreement shall provide for compensation to Reno for the fair market value of the Shelter Property or the return of the Shelter Property to Reno.

#### **ARTICLE 16 MISCELLANEOUS**

16.1 Counterparts. This Agreement may be executed in counterparts.

16.2 Partial Invalidity. If any term or provision of this Agreement shall be deemed to be invalid or unenforceable to any extent, the remainder of this Agreement will not be affected thereby, and each remaining term and provision of this Agreement will be valid and be enforced to the fullest extent permitted by law.

16.3 Waivers. No waiver of any breach of any covenant or provision contained herein will be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant

or provision contained herein. No extension of time for performance of any obligation or act will be deemed an extension of the time for performance of any other obligation or act except those of the waiving party, which will be extended by a period of time equal to the period of the delay.

16.4 Successors, Assigns and Assignment. This Agreement is binding upon and inures to the benefit of the permitted successors and assigns of the parties hereto. None of the Parties shall assign any of the rights or delegate any of the duties of this Agreement without the express written consent of the other Parties.

16.5 Arbitration. The parties to this Agreement shall make every reasonable effort to resolve conflicts with the parties involved. However, if settlement is not obtained the parties may agree to submit the conflict to binding arbitration. If the parties agree on binding arbitration the following applies:

- (a) The arbitrator shall be selected by mutual agreement of the parties;
- (b) It shall be the duty of the arbitrator to hear and consider evidence submitted by the parties and to thereafter make written findings of fact and a disposition of the settlement, which shall be binding in nature, except as to issues of law;
- (c) Each party to a hearing before an arbitrator shall bear his own expenses in connection therewith; and
- (d) All fees and expenses of the arbitrator shall be split equally by each of the parties.

16.6 Professional Fees. In the event of the bringing of any action, arbitration or suit by a party hereto against another party hereunder by reason of any breach of any of the covenants, agreements or provisions on the part of the other party arising out of this Agreement, then in that event the prevailing party will be entitled to have the recovery of and from the other party all costs and expenses of the action, arbitration or suit, actual attorneys' fees (including the allocated costs of a Party's in-house counsel), witness fees and any other professional fees resulting therefrom.

16.7 Entire Agreement. Except as otherwise expressly provided this Agreement, (including all Exhibits attached hereto) constitutes the entire contract between the Parties hereto and may not be modified except by an instrument in writing signed by the party to be charged.

16.8 Construction. The Parties and their professional advisors have prepared this Agreement jointly. The Parties and their respective advisors believe that this Agreement is the product of all of their efforts, that it expresses their agreement and that it should not be interpreted in favor or against any Party.

16.9 Governing Law. The Parties hereto expressly agree that this Agreement will be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Nevada.

16.10 Notices. Any notice or other communication required or permitted to be given under this agreement (herein the "Notices") shall be in writing and shall be (i) personally delivered, or (ii) delivered by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid. All Notices shall be deemed received upon actual receipt. Notices shall be directed to the chief executive at their respective addresses.

16.11 Article and Section Headings. The article and section headings appearing in this Agreement are inserted for the purpose of convenience and ready reference. They do not purport to define, limit, or extend the scope or intent of the language of the articles and sections to which they pertain.

**IN WITNESS WHEREOF**, each of the Parties has caused this Agreement to be duly executed on its behalf by an authorized representative.

**WASHOE COUNTY**

By: David E. Humke  
Chairman Board of Commissioners  
David E. Humke  
Dated this 13<sup>th</sup> day of May, 2003.

ATTEST:

Dorothy L. P. Chief Deputy  
County Clerk

Approved as to form:

By: Madelyn Shipman  
District Attorney

**CITY OF RENO**

By: Bob A. Cashell, Sr.  
Mayor  
Bob A. Cashell, Sr.  
Dated this 23<sup>rd</sup> day of April, 2003.

ATTEST:

Sydney B. Jones  
City Clerk

Approved as to form:

By: Sharon L. Chase  
City Attorney

**CITY OF SPARKS**

By: Tony Armstrong  
Mayor  
Tony Armstrong

ATTEST:

Dated this 28 day of April, 2003.



Approved as to form:

By: Christi M. Thumler  
City Attorney



**List of Attached Exhibits:**

- Exhibit A - Parcel Map of Longley Lane Property
- Exhibit B - Transfer of Assets from Reno and Sparks to Washoe County
- Exhibit C - Grant, Bargain and Sale Deed for Transfer of Real Property for Shelter
- Exhibit D - Interim Lease Agreement for lease of a Portion of the Shelter Property
- Exhibit E - Draft of Consolidated Ordinances

**UTILITY COMPANIES CERTIFICATE**

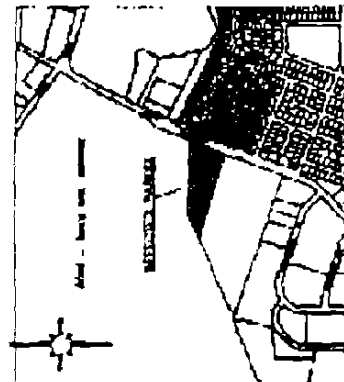
STATE OF ILLINOIS  
COUNTY OF DEKALB

**TAXATION CERTIFICATE**

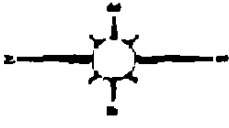
STATE OF ILLINOIS  
COUNTY OF DEKALB

**TITLE COMPANY'S CERTIFICATE**

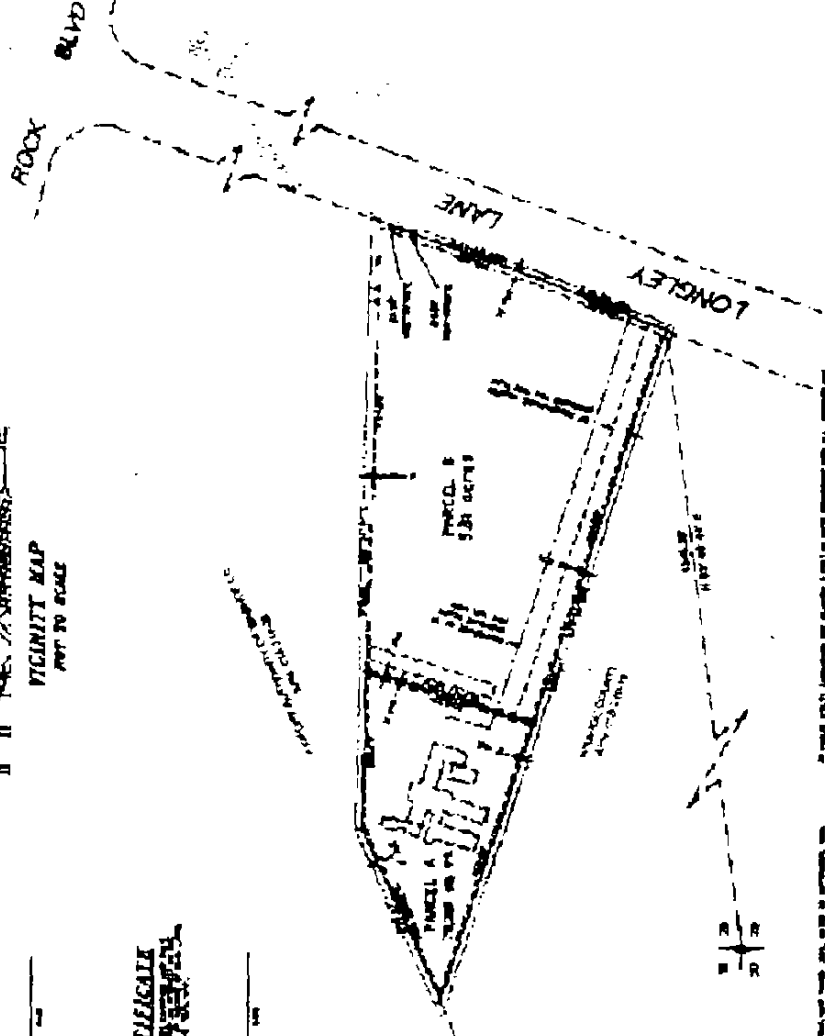
STATE OF ILLINOIS  
COUNTY OF DEKALB



VICINITY MAP  
NOT TO SCALE



GRAPHIC SCALE  
1" = 20'



**LEGEND**

- 1. All areas shown on this map are the property of the City of Rockford.
- 2. All areas shown on this map are the property of the City of Rockford.
- 3. All areas shown on this map are the property of the City of Rockford.

**NOTES**

1. The above described property is shown on the City of Rockford Plat of Subdivision No. 1000, recorded in the County of DeKalb, Illinois, on the 10th day of August, 1910.

2. The above described property is shown on the City of Rockford Plat of Subdivision No. 1000, recorded in the County of DeKalb, Illinois, on the 10th day of August, 1910.

3. The above described property is shown on the City of Rockford Plat of Subdivision No. 1000, recorded in the County of DeKalb, Illinois, on the 10th day of August, 1910.

**REFERENCES**

A. Name of Surveyor

**SURVEYOR'S CERTIFICATE**

I, the undersigned, being a duly qualified and licensed Surveyor in the State of Illinois, do hereby certify that the above described property is the property of the City of Rockford, Illinois, and that the same is shown on the City of Rockford Plat of Subdivision No. 1000, recorded in the County of DeKalb, Illinois, on the 10th day of August, 1910.

**OWNER'S CERTIFICATE**

I, the undersigned, being the owner of the above described property, do hereby certify that the same is the property of the City of Rockford, Illinois, and that the same is shown on the City of Rockford Plat of Subdivision No. 1000, recorded in the County of DeKalb, Illinois, on the 10th day of August, 1910.

**WATER RIGHTS DEDICATION CERTIFICATE**

I, the undersigned, being the owner of the above described property, do hereby certify that the same is the property of the City of Rockford, Illinois, and that the same is shown on the City of Rockford Plat of Subdivision No. 1000, recorded in the County of DeKalb, Illinois, on the 10th day of August, 1910.

**PARCEL MAP COMMITTEE CERTIFICATE**

I, the undersigned, being a member of the Parcel Map Committee of the City of Rockford, Illinois, do hereby certify that the above described property is the property of the City of Rockford, Illinois, and that the same is shown on the City of Rockford Plat of Subdivision No. 1000, recorded in the County of DeKalb, Illinois, on the 10th day of August, 1910.

TOTAL AREA 7.814 ACRES

CITY OF ROCKFORD

APPROVED AND ADOPTED by the Board of Directors of the City of Rockford, Illinois, on the 10th day of August, 1910.

ATTEST: CLERK OF THE CITY

STATE OF ILLINOIS  
COUNTY OF DEKALB



**RENO POLICE DEPARTMENT  
MEMORANDUM**

**DATE:** March 11, 2003  
**TO:** Jim Johns, Deputy Chief  
**FROM:** Cindy Sabatoni, Supervisor  
**SUBJECT:** Field Services Inventory

Quantity	Item
2	Bookshelves
1	Calculator
1	Camera
3	Cat Grabbers
7	Cell Phones
2	Chairs - Burgundy
1	Chair - Office Swivel
5	Come-Alongs (4 foot)
5	Come-Alongs (5 foot)
2	Computers
1	Desk - U Shape with 2 Drawer Filing Cabinets and Misc. Drawers
100	Plastic Bags
1	Filing Cabinet - 4 drawer
5	Fire Extinguishers
2	First Aid Kits - Animal
1	First Aid Kits - Human
2	Flares
8	Food/Water Dishes

5	Hand Wipes
5	Handling Gloves
4	Horse Halters
5	Ice Scrapers
1	Label Maker SII - Seiko Instruments
5	Lariats
5	Lead Ropes
10	Leashes
4	Live Traps
7	MDT's
4	Map Books
8	Motorola HT 1000 and Chargers
6	Motorola Max Trax Radios
3	Nets
1	Pencil Sharpener
1	Printer - Hewlett Packard DeskJet 1220C
1	Punch - 2 hole
1	Punch - 3 hole
4 boxes	Rubber Gloves
4	Shovels
4	Snake Tongs
5	Snappy Snares
4	Spotlights
5	Stretchers
1	Table - Library
1	Table - Side
3	Thermometers
10	Transfer Cages
1	Tranquilizer Gun, 5 CO Cartridges and 5 Syringes

**ANIMAL SHELTER  
VEHICLE INVENTORY  
April 9, 2003**

<b>Vehicle Description</b>	<b>Vehicle #</b>	<b>4-Wheel Drive</b>	<b>Year</b>
Jeep Cherokee	943303	Yes	1994
Chevy Cargo Van	920201	No	1992
Mobile Clinic	210202	No	2001
GMC 2500, ¾ ton	940201	Yes	1994
GMC 2500, ¾ ton	200401	No	2000
GMC 2500, ¾ ton	200402	No	2000
GMC 2500, ¾ ton	200403	No	2000
GMC 2500, ¾ ton	200404	Yes	2000
GMC 2500, ¾ ton	2000405	No	2000

# ANIMAL SHELTER INVENTORY

April 9, 2003

Supplies	Quantity
Calculators	7
Catch-poles	10
Cash Register (broken)	1
Cat traps	5
Cat/puppy cages	21 sets
Chairs, office	18
Computers	12
Conference Chairs	8
Conference Table	1
Desks, office	11
Emerson CD Radio	4
Euthanasia Table	1
Fans	8
Fax Machine HP Office Jet V40	1
File Cabinets	19
Folding Chairs	5
Folding Tables	3
Grooming Table	1
Grooming Tub	1
Locks	307
Master GE Base Station Radio-WC	1
Maytag Dryer	1
Maytag Washer	1
Medical Table	1
Microwave	1
Microwave Stand	1
Motorola MCS Base Station Radio	1
Phones	13
Printer HP Deskjet 1220c	1
Printer HP Deskjet 930c	1
Printer HP Deskjet 960c	1
Printer HP Deskjet 990c	1
Printer Laser Jet 4050 TN	1
Refrigerators	2
Safes	7
Scales	3
Squeeze Cages	5
Storage Cabinets	5
Time Clock, Acroprint 175	1
Transport Cages, metal	20
Transport Cages, plastic	21
Typewriters	2
Walkie-Talkies	9

Supplies (cont'd)

Drill	1
Drill bits	33
Extension Cords	10
Heater 150,000 btu	1
Ladders	3
Net	1
Power Washer	1
Dog Licenses -- boxes	\$150
Wall Clocks	\$6.99

## INVENTORY LIST

1998 GMC Animal Control Truck—#250/Ueda

- 1 Fire Extinguisher
- 1 Set of Tire Chains
- 1 Roller Measuring Tape
- 1 Pair of Bolt Cutters
- 1 Hazmat Kit
- 1 First Aid Kit
- 1 Bite Stick
- 1 Metal Ramp
- 1 Snappy Snare
- 1 4-6 foot Come-Along(2 broken ones)
- 1 Straight Baton
- 1 Plastic Flashlight
- 1 Emergency Response to Terrorism Book
- 1 2 Metal Cat Transport Cage
- 1 Pair of Thick Gloves
- 1 Horse Lead
- 1 Horse Halber
- 2 Orange Cones
- 1 Polaroid Camera
- 1 Stretcher
- 1 Digital Camera
- 1 Net Part of A Swimming Pool Net
- 1 Hand Held Spot Light
- 1 Snake Tongs
- 3 Various Sizes of Muzzles
- 1 Rope
- 2 Orange Traffic Vests
- 1 Blue Jump Suit
- 1 Plastic Storage Box
- 1 Gun Rack
- 6 Nylon Leashes

C/Sparks  
3-28-03



INVENTORY LIST—Lani

- 1 1998 GMC Animal Control Truck #238
- 1 Stretcher
- 3 4'-6' Extension Come-Alongs
- 1 Cat Come-Along
- 1 Snake Tongs
- 1 Snappy Snare
- 1 Pair Thick Elk Skin Gloves
- 1 Avid Microchip Scanner
- 1 Handheld Spotlight
- 1 Lower Wattage Handheld Spotlight
- 1 Pair Bolt Cutters
- 1 Org Safety Vest
- 1 Horse Halter
- 1 Plastic Storage Box
- 1 Roller Measuring Tape
- 1 Shovel
- 1 Ramp (hooks to truck cage for loading large, heavy dogs)
- 1 Set Tire Chains
- 1 Fire Extinguisher
- 1 Metal Animal Transport Cage
- 1 Gun Rack
- 1 Tranquilizer Gun (presently inoperable)
- 1 Tranquilizer Gun Kit (ie: syringes; O2 cartridges; .22 caliber chardes; plunger;darts;caps)
- 4 Nylon Leashes
- 1 Set Various Sizes Muzzles
- 3 Org Safety Vest
- 1 Bite Stick

Sports: 3/22/03

EQUIPMENT NUMBER

250C

250C IS ASSIGNED PATROL

CB 3/4 TON PICKUP

YEAR MFG

TYPE/DESCRIPTION

1998 GMC

2500

ANIMAL CONTROL

VIN- 1GD9C24RXWE539758

MOTOR NUMBER-

CYLINDERS- 08

TWO-FOUR DRIVE-

COLOR- WHITE

LICENSE- EX24084

WEIGHT GROSS-

WEIGHT CLASS-

TIRE SIZE-

FUEL- PRIMARY - U SECONDARY -

ENTER OPTION

*Sports: 3/28/03*

FIN  
 250C IS ASSIGNED PATROL CB 3/4 TON PICKUP  
 DEPRECIATION MAINT & REPAIR TOTAL CHARGE  
 PER MONTH 335.48 172.00 507.48  
 YEAR TO DATE 3,019.14 1,548.00  
 LIFE TO DATE 15,768.58 22,654.00

BILLING ACCOUNTS PERCENT  
 1. PATROL - 100  
 2. - 0  
 3. - 0  
 4. -  
 5. -

ENTER OPTION  
 SER

250C IS ASSIGNED PATROL		CB 3/4 TON PICKUP		LAST SERVICE		
SERVICE		INTERVALS		MILES	HOURS	DATE
PRIORITY	TYPE	MILES	HOURS	MONTHS		
2	A	4,000	0	6	51,532	0 02/02
	B	100,000	0	0	0	0 00/00
	C	20,000	0	24	48,024	0 01/11
					LAST FUEL TICKET	53,969 0 04/10/2002
					LAST WORK ORDER	54,007 0 04/12/2002

ENTER OPTION

*Sparks: 3/24/03*

EQUIPMENT NUMBER

2380

2380 IS ASSIGNED PATROL

CB 3/4 TON PICKUP

YEAR MFG

TYPE/DESCRIPTION

1998 GMC

2500

ANIMAL CONTROL

VIN 1G0GC24R9WES41050

MOTOR NUMBER-

CYLINDERS- 08

TWO-FOUR DRIVE-

COLOR- WHITE

LICENSE- EX13317

WEIGHT GROSS-

HEIGHT CLASS-

TIRE SIZE-

FUEL- PRIMARY - U

SECONDARY -

ENTER OPTION

Sparks: 3/28/03

FIN		
2380 IS ASSIGNED PATROL	CB 3/4 TON PICKUP	
DEPRECIATION	MAINT & REPAIR	TOTAL CHARGE
PER MONTH 337.18	172.00	509.16
YEAR TO DATE 3,034.44	1,549.00	
LIFE TO DATE 15,846.28	23,316.08	

BILLING ACCOUNTS	PERCENT
1. PATROL	- 100
2.	- 0
3.	- 0
4.	-
5.	-

ENTER OPTION  
SER

2380 IS ASSIGNED PATROL	CB 3/4 TON PICKUP				
SERVICE	INTERVALS		LAST SERVICE		
PRIORITY TYPE MILES	HOURS MONTHS	MILES	HOURS	DATE	
2 A 4,000	0 6	59,311	0	02/82	
B 180,000	0 48	27,809	0	00/01	
C 20,000	0 24	55,236	0	01/11	
	LAST FUEL TICKET	61,356	0	04/10/2002	
	LAST WORK ORDER	60,697	0	03/26/2002	

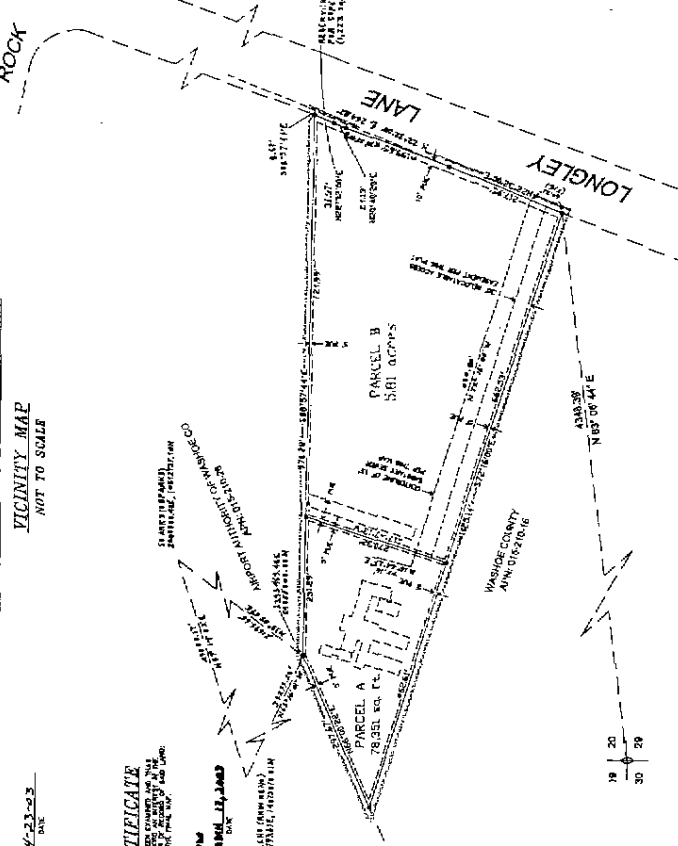
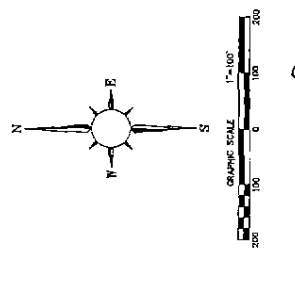
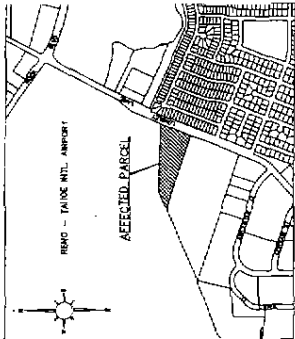
ENTER OPTION

Sparks: 5/28/03

**UTILITY COMPANIES CERTIFICATE**  
 I HEREBY CERTIFY THAT THE UTILITIES HAVE BEEN LOCATED IN THE CITY OF RENO, NEVADA, AND THAT THE UTILITIES ARE NOT BEING INTERFERED BY THE PROPOSED DEVELOPMENT.  
 City of Reno, Nevada  
 Date: 4/17/2023  
 City Engineer: [Signature]  
 City Clerk: [Signature]

**TAXATION CERTIFICATE**  
 I HEREBY CERTIFY THAT THE PROPERTY IS NOT SUBJECT TO ANY TAXES OR LIENS.  
 City of Reno, Nevada  
 Date: 4-23-23  
 City Engineer: [Signature]

**TITLE COMPANY'S CERTIFICATE**  
 I HEREBY CERTIFY THAT THE TITLE IS CLEAR AND THAT THE PROPERTY IS NOT SUBJECT TO ANY TAXES OR LIENS.  
 Title Company: [Signature]  
 Date: 4-23-23



**LEGEND**  
 WITHIN UNITS  
 1 1/2" = 1' ROAD IN BERMED CONCRETE  
 3/4" = 1' TYPICAL  
 1/4" = 1' PUBLIC UTILITY AND CITY TRENCH

**NOTES**  
 1) THE ENTIRE LAYOUT SHALL BE IN ACCORDANCE WITH THE CITY OF RENO, NEVADA, AND THE STATE OF NEVADA.  
 2) THE PUBLIC UTILITY COMPANIES HAVE BEEN LOCATED AND THE UTILITIES ARE NOT BEING INTERFERED BY THE PROPOSED DEVELOPMENT.  
 3) THE TITLE COMPANY HAS BEEN ADVISED OF THE PROPOSED DEVELOPMENT AND HAS DETERMINED THAT THE TITLE IS CLEAR.  
 4) THE CITY ENGINEER HAS REVIEWED THE PLAN AND HAS DETERMINED THAT THE PLAN IS IN ACCORDANCE WITH THE CITY OF RENO, NEVADA, AND THE STATE OF NEVADA.  
 5) THE CITY ENGINEER HAS REVIEWED THE PLAN AND HAS DETERMINED THAT THE PLAN IS IN ACCORDANCE WITH THE CITY OF RENO, NEVADA, AND THE STATE OF NEVADA.  
 6) THE CITY ENGINEER HAS REVIEWED THE PLAN AND HAS DETERMINED THAT THE PLAN IS IN ACCORDANCE WITH THE CITY OF RENO, NEVADA, AND THE STATE OF NEVADA.  
 7) THE CITY ENGINEER HAS REVIEWED THE PLAN AND HAS DETERMINED THAT THE PLAN IS IN ACCORDANCE WITH THE CITY OF RENO, NEVADA, AND THE STATE OF NEVADA.

**SURVEYOR'S CERTIFICATE**  
 I HEREBY CERTIFY THAT THE SURVEY HAS BEEN MADE IN ACCORDANCE WITH THE CITY OF RENO, NEVADA, AND THE STATE OF NEVADA.  
 Surveyor: [Signature]  
 Date: 4/17/23



**OWNER'S CERTIFICATE**  
 I HEREBY CERTIFY THAT I AM THE OWNER OF THE PROPERTY AND THAT THE PROPERTY IS NOT SUBJECT TO ANY TAXES OR LIENS.  
 Owner: [Signature]  
 Date: 4-23-23

**ATTORNEY**  
 I HEREBY CERTIFY THAT I AM THE ATTORNEY FOR THE CITY OF RENO, NEVADA.  
 Attorney: [Signature]

**WATER RIGHTS DEDICATION CERTIFICATE**  
 I HEREBY CERTIFY THAT THE WATER RIGHTS HAVE BEEN DEDICATED TO THE CITY OF RENO, NEVADA.  
 Dedicator: [Signature]  
 Date: 4-23-23

**PARCEL MAP COMMITTEE CERTIFICATE**  
 I HEREBY CERTIFY THAT THE PARCEL MAP HAS BEEN REVIEWED AND APPROVED BY THE PARCEL MAP COMMITTEE.  
 Committee: [Signature]  
 Date: 5/1/23

**STATE OF NEVADA**  
**COUNTY OF WASHOE**

**TOTAL AREA 7.61± ACRES**

**PARCEL MAP**  
**CITY OF RENO**

**SECTION 28 AND 29 OF SECTION 30, T4N, 28N, 20E, W4E**

**PREPARED BY: MESSER COUNTY ENGINEERING**  
 1000 N. WASHINGTON BLVD., SUITE 100, RENO, NEVADA 89502

**SHEET 1 OF 1**

**List of Attached Exhibits:**

Exhibit A - Parcel Map of Longley Lane Property

Exhibit B - Transfer of Assets from Reno and Sparks to Washoe County

Exhibit C - Grant, Bargain and Sale Deed for Transfer of Real Property for Shelter

Exhibit D - Interim Lease Agreement for lease of a Portion of the Shelter Property

Exhibit E - Draft of Consolidated Ordinances

**UTILITY COMPANIES CERTIFICATE**

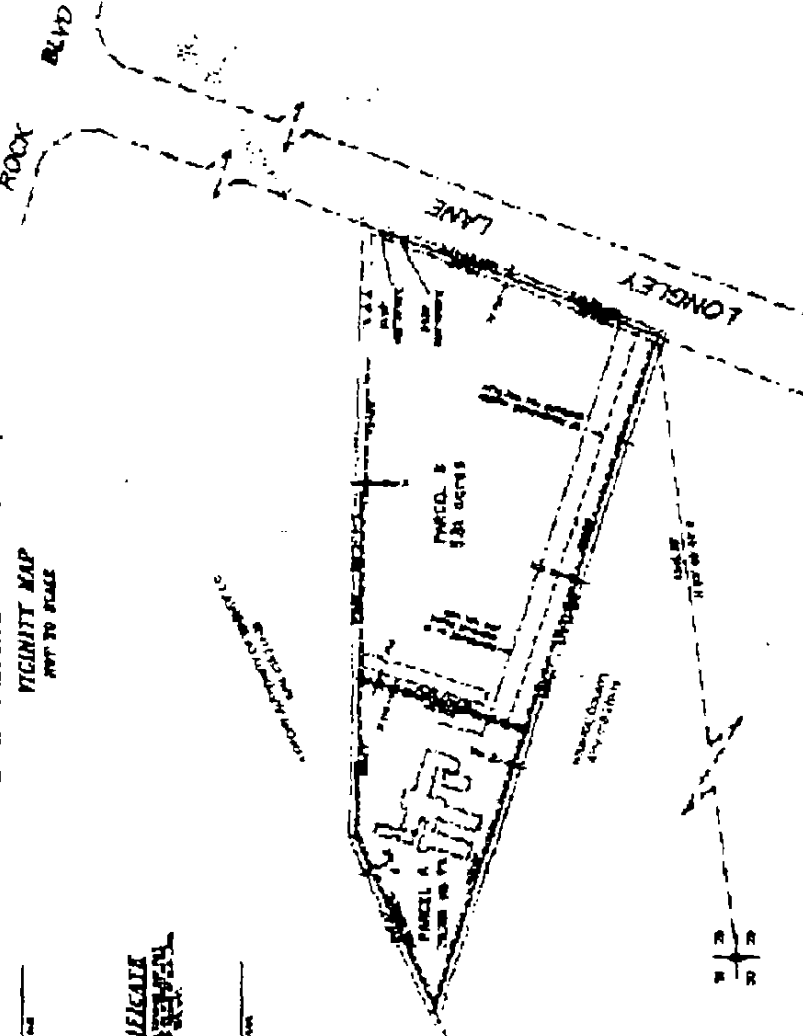
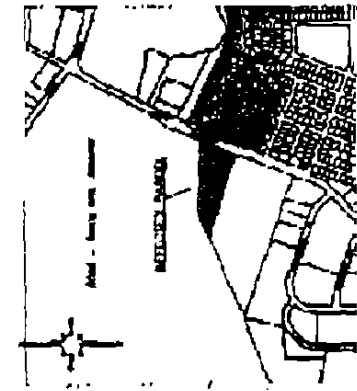
STATE OF MISSISSIPPI  
 COUNTY OF HANCOCK  
 CITY OF RANDO

**DEED CERTIFICATE**

THIS DEED CERTIFICATE IS MADE THIS 17th DAY OF MARCH 1917

**TITLE COMPANY'S CERTIFICATE**

THIS TITLE COMPANY'S CERTIFICATE IS MADE THIS 17th DAY OF MARCH 1917



**LEGEND**

- 1. 1/4" = 100' (Scale of Survey)
- 2. 1/8" = 50' (Scale of Survey)
- 3. 1/16" = 25' (Scale of Survey)
- 4. 1/32" = 12.5' (Scale of Survey)
- 5. 1/64" = 6.25' (Scale of Survey)

**NOTES**

1. The above survey was made by the undersigned on the 17th day of March 1917, and is a true and correct copy of the original survey as shown to the undersigned.

2. The above survey was made by the undersigned on the 17th day of March 1917, and is a true and correct copy of the original survey as shown to the undersigned.

3. The above survey was made by the undersigned on the 17th day of March 1917, and is a true and correct copy of the original survey as shown to the undersigned.

4. The above survey was made by the undersigned on the 17th day of March 1917, and is a true and correct copy of the original survey as shown to the undersigned.

5. The above survey was made by the undersigned on the 17th day of March 1917, and is a true and correct copy of the original survey as shown to the undersigned.

**ACKNOWLEDGEMENT**

I, the undersigned, do hereby certify that the above is a true and correct copy of the original survey as shown to the undersigned.

TOTAL AREA 7.812 ACRES

FRANCIS B. BROWN

CITY OF RANDO

RECORDED THIS 17th DAY OF MARCH 1917 AT 10:00 AM.

BOOK 10 PAGE 100

FILE NO. 100

INDEXED

FILED

MISSISSIPPI

**SURVEYOR'S CERTIFICATE**

STATE OF MISSISSIPPI  
 COUNTY OF HANCOCK  
 CITY OF RANDO

**OWNER'S CERTIFICATE**

THIS OWNER'S CERTIFICATE IS MADE THIS 17th DAY OF MARCH 1917

**OWNER'S CERTIFICATE**

THIS OWNER'S CERTIFICATE IS MADE THIS 17th DAY OF MARCH 1917

**WATER RIGHTS DEDICATION CERTIFICATE**

THIS WATER RIGHTS DEDICATION CERTIFICATE IS MADE THIS 17th DAY OF MARCH 1917

**PARCEL MAP COMMUNITY CERTIFICATE**

THIS PARCEL MAP COMMUNITY CERTIFICATE IS MADE THIS 17th DAY OF MARCH 1917





**RENO POLICE DEPARTMENT  
MEMORANDUM**

**DATE:** March 11, 2003  
**TO:** Jim Johns, Deputy Chief  
**FROM:** Cindy Sabatoni, Supervisor  
**SUBJECT:** Field Services Inventory

Quantity	Item
2	Bookshelves
1	Calculator
1	Camera
3	Cat Grabbers
7	Cell Phones
2	Chairs - Burgundy
1	Chair - Office Swivel
5	Come-Alongs (4 foot)
5	Come-Alongs (5 foot)
2	Computers
1	Desk - U Shape with 2 Drawer Filing Cabinets and Misc. Drawers
100	Plastic Bags
1	Filing Cabinet - 4 drawer
5	Fire Extinguishers
2	First Aid Kits - Animal
1	First Aid Kits - Human
2	Flares
8	Food/Water Dishes

5	Hand Wipes
5	Handling Gloves
4	Horse Halters
5	Ice Scrapers
1	Label Maker SII - Seiko Instruments
5	Lariats
5	Lead Ropes
10	Leashes
4	Live Traps
7	MDT's
4	Map Books
8	Motorola HT 1000 and Chargers
6	Motorola Max Trax Radios
3	Nets
1	Pencil Sharpener
1	Printer - Hewlett Packard DeskJet 1220C
1	Punch - 2 hole
1	Punch - 3 hole
4 boxes	Rubber Gloves
4	Shovels
4	Snake Tongs
5	Snappy Snares
4	Spotlights
5	Stretchers
1	Table - Library
1	Table - Side
3	Thermometers
10	Transfer Cages
1	Tranquilizer Gun, 5 CO Cartridges and 5 Syringes

**ANIMAL SHELTER  
VEHICLE INVENTORY  
April 9, 2003**

<b>Vehicle Description</b>	<b>Vehicle #</b>	<b>4-Wheel Drive</b>	<b>Year</b>
Jeep Cherokee	943303	Yes	1994
Chevy Cargo Van	920201	No	1992
Mobile Clinic	210202	No	2001
GMC 2500, ¾ ton	940201	Yes	1994
GMC 2500, ¾ ton	200401	No	2000
GMC 2500, ¾ ton	200402	No	2000
GMC 2500, ¾ ton	200403	No	2000
GMC 2500, ¾ ton	200404	Yes	2000
GMC 2500, ¾ ton	2000405	No	2000

# ANIMAL SHELTER INVENTORY

April 9, 2003

Supplies	Quantity
Calculators	7
Catch-poles	10
Cash Register (broken)	1
Cat traps	5
Cat/puppy cages	21 sets
Chairs, office	18
Computers	12
Conference Chairs	8
Conference Table	1
Desks, office	11
Emerson CD Radio	4
Euthanasia Table	1
Fans	8
Fax Machine HP Office Jet V40	1
File Cabinets	19
Folding Chairs	5
Folding Tables	3
Grooming Table	1
Grooming Tub	1
Locks	307
Master GE Base Station Radio-WC	1
Maytag Dryer	1
Maytag Washer	1
Medical Table	1
Microwave	1
Microwave Stand	1
Motorola MCS Base Station Radio	1
Phones	13
Printer HP Deskjet 1220c	1
Printer HP Deskjet 930c	1
Printer HP Deskjet 960c	1
Printer HP Deskjet 990c	1
Printer Laser Jet 4050 TN	1
Refrigerators	2
Safes	7
Scales	3
Squeeze Cages	5
Storage Cabinets	5
Time Clock, Acroprint 175	1
Transport Cages, metal	20
Transport Cages, plastic	21
Typewriters	2
Walkie-Talkies	9

Supplies (cont'd)

Drill	1
Drill bits	33
Extension Cords	10
Heater 150,000 btu	1
Ladders	3
Net	1
Power Washer	1
Dog Licenses - boxes	\$150
Wall Clocks	\$6.99

## INVENTORY LIST

1998 GMC Animal Control Truck-#250/Ueda

- 1 Fire Extinguisher
- 1 Set of Tire Chains
- 1 Roller Measuring Tape
- 1 Pair of Bolt Cutters
- 1 Hazmat Kit
- 1 First Aid Kit
- 1 Bite Stick
- 1 Metal Ramp
- 1 Snappy Snare
- 1 4-6 foot Come-Along(2 broken ones)
- 1 Straight Baton
- 1 Plastic Flashlight
- 1 Emergency Response to Terrorism Book
- 1 2 Metal Cat Transport Cage
- 1 Pair of Thick Gloves
- 1 Horse Lead
- 1 Horse Halter
- 2 Orange Cones
- 1 Polaroid Camera
- 1 Stretcher
- 1 Digital Camera
- 1 Net Part of A Swimming Pool Net
- 1 Hand Held Spot Light
- 1 Snake Tong
- 3 Various Sizes of Muzzles
- 1 Rope
- 2 Orange Traffic Vests
- 1 Blue Jump Suit
- 1 Plastic Storage Box
- 1 Gun Rack
- 6 Nylon Leashes

C/Sparks  
3-28-03

INVENTORY LIST—Lani

- 1 1998 GMC Animal Control Truck #238
- 1 Stretcher
- 3 4'-6' Extension Come-Alongs
- 1 Cat Come-Along
- 1 Snake Tongs
- 1 Snappy Snare
- 1 Pair Thick Elk Skin Gloves
- 1 Avid Microchip Scanner
- 1 Handheld Spotlight
- 1 Lower Wattage Handheld Spotlight
- 1 Pair Bolt Cutters
- 1 Org Safety Vest
- 1 Horse Halter
- 1 Plastic Storage Box
- 1 Roller Measuring Tape
- 1 Shovel
- 1 Ramp (hooks to truck cage for loading large, heavy dogs)
- 1 Set Tire Chains
- 1 Fire Extinguisher
- 1 Metal Animal Transport Cage
- 1 Gun Rack
- 1 Tranquilizer Gun (presently inoperable)
- 1 Tranquilizer Gun Kit (ie: syringes; O2 cartridges; .22 caliber charges; plunger, darts, caps)
- 4 Nylon Leashes
- 1 Set Various Sizes Muzzles
- 3 Org Safety Vest
- 1 Bite Stick

Sports: 3/22/03

EQUIPMENT NUMBER

250C

250C IS ASSIGNED PATROL

CB 3/4 TOW PICKUP

YEAR MFG

TYPE/DESCRIPTION

1998 GMC

2500

ANIMAL CONTROL

VIN- 1G0GC24RXWE539758

MOTOR NUMBER-

CYLINDERS- 08

TWO-FOUR DRIVE-

COLOR- WHITE

LICENSE- EX24004

HEIGHT GROSS-

WEIGHT CLASS-

TIRE SIZE-

FUEL- PRIMARY - U SECONDARY -

ENTER OPTION

*Sports: 3/22/03*



FIN  
 250C IS ASSIGNED PATROL                      CB 3/4 TON PICKUP  
                                  DEPRECIATION                      MAINT & REPAIR                      TOTAL CHARGE  
 PER MONTH                      335.46                      172.00                      507.46  
 YEAR TO DATE                      3,019.14                      1,548.00  
 LIFE TO DATE                      15,788.58                      22,864.00

BILLING ACCOUNTS                      PERCENT  
 1.                      PATROL                      - 100  
 2.                      - 0  
 3.                      - 0  
 4.                      -  
 5.                      -

ENTER OPTION  
 SER

250C IS ASSIGNED PATROL		CB 3/4 TON PICKUP			LAST SERVICE		
PRIORITY	SERVICE TYPE	MILES	HOURS	MONTHS	MILES	HOURS	DATE
2	A	4,000	0	8	51,532	0	02/02
	B	100,000	0	0	0	0	00/00
	C	20,000	0	24	48,024	0	01/11
					LAST FUEL TICKET	53,989	0 04/10/2002
					LAST WORK ORDER	54,007	0 04/12/2002

ENTER OPTION

*Sparks: 3/24/03*

EQUIPMENT NUMBER

2380

2380 IS ASSIGNED PATROL

CB 3/4 TON PICKUP

YEAR MFG

TYPE/DESCRIPTION

1998 GMC

2500

ANIMAL CONTROL

VIN 1GDGC24R9WES41050

MOTOR NUMBER-

CYLINDERS- 88

TWO-FOUR DRIVE-

COLOR- WHITE

LICENSE- EX13317

WEIGHT GROSS-

HEIGHT CLASS-

TIRE SIZE-

FUEL- PRIMARY - U

SECONDARY -

ENTER OPTION

*Sports: 7/2/03*

FIN

2380 IS ASSIGNED PATROL  
 DEPRECIATION  
 PER MONTH 337.16  
 YEAR TO DATE 3,034.44  
 LIFE TO DATE 15,846.28

CB 3/4 TON PICKUP  
 MAINT & REPAIR 172.00  
 1,548.00  
 23,316.00

TOTAL CHARGE  
 509.16

BILLING ACCOUNTS PERCENT  
 1. PATROL - 100  
 2. - 0  
 3. - 0  
 4. -  
 5. -

ENTER OPTION  
 SER

2380 IS ASSIGNED PATROL

CB 3/4 TON PICKUP

PRIORITY	SERVICE TYPE	INTERVALS			LAST SERVICE		
		MILES	HOURS	MONTHS	MILES	HOURS	DATE
2	A	4,000	0	8	59,311	0	02/02
	B	100,000	0	48	27,809	0	00/01
	C	20,000	0	24	55,238	0	01/11
					61,356	0	04/10/2002
					80,687	0	03/28/2002

ENTER OPTION

LAST FUEL TICKET  
 LAST WORK ORDER

Sparks: 3/28/03

When Recorded Return to:

APN:

## DEED

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the CITY OF RENO, a Nevada Municipal Corporation, "Grantor," hereby grants and conveys to the COUNTY OF WASHOE, a political subdivision of the State of Nevada, "Grantee," the property described in Exhibit "A," hereto, which is incorporated herein by this reference.

TOGETHER WITH all and singular tenements, hereditaments, and appurtenances thereto, excepting therefrom any and all appurtenant water rights.

THIS CONVEYANCE is subject to the following conditions and restrictive covenants:

1. The property is to be set apart, treated, and maintained by Grantee exclusively as a facility for animal service field and shelter operations for the benefit of the general public.
2. The property, or any part of the property, must never be transferred, sold, exchanged or encumbered by the Grantee, except upon the Grantor's prior written approval.
3. Failure on the part of the Grantee to keep and observe any of the above-described terms or conditions will cause the property to immediately revert to the Grantor, its successor or assigns, and it shall be lawful for the Grantor, its successors or assigns to re-enter and repossess said property and thereafter to peaceably hold and enjoy the same as if this conveyance had not been made.

EXECUTED at Reno, Nevada on \_\_\_\_\_, 2003.

GRANTOR:

**CITY OF RENO**

Robert A. Cashell, Sr., Mayor

STATE OF NEVADA        )  
                                  )ss.  
COUNTY OF WASHOE    )

This instrument was acknowledged before me on \_\_\_\_\_, 2003, by  
Robert A. Cashell, Sr. Mayor, City of Reno, a Nevada municipal corporation, Grantor.

Notary Public  
My Commission Expires:

**LEASE AGREEMENT**

This lease ("Agreement") is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2003, by and between, WASHOE COUNTY, NEVADA, a political subdivision of the State of Nevada, hereinafter referred to as "Lessor" and CITY OF RENO, a Nevada municipal corporation, hereinafter called "Lessee".

**WITNESSETH:**

WHEREAS, Lessor is the owner of a certain warehouse type building east of the Reno Animal Services Center generally known and designated as the Reno Animal Services Expansion Building located at 2825 Longley Lane, Reno, Washoe County, Nevada, 89502, together with the use of the entrances, common areas, exterior grounds, and the parking areas in common with Lessor and other tenants, if any, of Lessor (collectively referred to hereafter as "Premises"). The Premises and more particularly described as a metal construction building consisting of 4,141 +/- sqft and incorporated herein by this reference; and

WHEREAS, Lessee desires to lease the Premises for the purposes of operating Reno Animal Services Center; and

WHEREAS, the parties are contemporaneously entering into an Interlocal Agreement for Consolidation of Animal Services ("Interlocal Agreement"); and

WHEREAS, the Interlocal Agreement requires the City of Reno to transfer certain property upon which the Premises is located for the purpose of construction of a new animal services facility; and

WHEREAS, until such time as the construction of the new animal service facility is completed, Lessor desires to have Lessee utilize the Premises to provide animal control services under the terms of this Agreement; and

WHEREAS, the parties desire by this Agreement to define their respective rights, duties and liabilities for such a lease; and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

## **SECTION ONE**

### **TERM OF LEASE**

A. Lessor agrees to lease the Premises to Lessee upon the terms and conditions contained in this Agreement. This Agreement shall be effective upon recordation of the transfer deed wherein the City of Reno will be transferring title to Washoe County of the property on which the Premises are located in accordance with the Interlocal Agreement, and shall continue until such time as Lessor has completed the construction of the new facility and will be providing animal control services in accordance with the Interlocal Agreement. The term of this Agreement may be terminated at any time by a mutual written agreement.

## **SECTION TWO**

### **RENTAL**

A. Effective upon the effective date as defined in Section One, Lessee agrees to pay Lessor, the sum of One Dollar and No Cents (\$1.00) for the entire term of this lease.

B. This lease amount shall be made payable to Washoe County, Attention: General Services, P.O. Box 11130, Reno, Nevada, 89520-0027 or at such other address as the parties may designate and serve upon the other.

## **SECTION THREE**

### **USE OF PREMISES**

A. Lessee shall use the Premises to conduct operations of Reno Animal Services and shall not use or permit said Premises or any part thereof to be used for any other purpose.

## SECTION FOUR

### ALTERATIONS AND IMPROVEMENTS

A. The parties hereby acknowledge that upon commencement of the term hereof the Premises are acceptable to Lessee in their present "as is" condition, and shall not be altered, repaired or changed except as provided herein.

B. Lessee agrees that it shall not alter the Premises or erect partitions, install or change any doors or windows, or place any nails, screws or other implements or fasteners into the wood work or walls, except such items as are necessary to suitably decorate or make the Premises attractive for the purposes intended, without the prior written consent of Lessor. Upon Lessor's request, Lessee shall prepare plans and specifications of such work and submit the same to Lessor for its approval prior to making such alterations or improvements. Said approval will not be unreasonably withheld.

C. The parties agree that all the erections, additions, fixtures and improvements, except only moveable equipment, office furniture, shelving and any decorative items which can be removed without substantially affecting the integrity of the Facility, made in or upon said Premises shall remain upon the Premises at the termination of said term by lapse of time or otherwise, without compensation to Lessee.

D. The erection, construction, installation or making of any improvements shall be accomplished in a workmanlike manner and in compliance with all applicable federal, state, county and municipal laws and regulations. Lessee shall keep the Premises free from any liens arising out of any and all work that it may perform, or materials furnished, or obligations incurred by Lessee. Lessee shall have thirty (30) days from the date of notice of said termination, as provided by Lessor, within which to remove said encumbrance without breaching the provisions of this Agreement.



**SECTION FIVE**  
**LESSOR IMPROVEMENTS**

A. Lessor reserves the right from time to time and at its own expense to make such improvements, alterations, renovations, changes, and repairs in and about the property on which the Premises are located or to the Premises, as Lessor shall deem necessary or desirable provided Lessor prior to entering the Premises gives Lessee a minimum forty-eight (48) hours notice of its intent to do so, unless Lessee verbally consents to a shorter time period and, except where such improvements, alterations, changes and repairs unreasonably and materially disrupt Lessee's use and peaceful enjoyment of the Premises. Lessee shall make no claim against Lessor for abatement of rent for interference with Lessee's leasehold interest or for loss or damage to its business during such improvements, alterations, changes and repairs.

B. Lessor shall make all improvements in a safe, workmanlike manner so as not to prove hazardous to tenants and/or the public.

**SECTION SIX**  
**MAINTENANCE, REPAIRS AND INSPECTIONS**

A. Lessee shall be responsible for performing periodic maintenance to the interior of the demised Premises in a reasonable and timely manner. Lessee shall be responsible for making repairs or replacements caused by the negligence of or the willful destruction by Lessee, Lessee's contractors, agents or employees.

B. Lessee shall keep the Premises at all times in a neat, clean and sanitary condition.

C. Lessee shall maintain parking areas, the roof, sidewalks, windows, exterior walls and doors of said Premises.

D. Lessee shall provide reasonable maintenance, repair and replacement of all plumbing including plumbing fixtures, central mechanical equipment, water heaters, heating, ventilating and air conditioning equipment that Lessee determines is necessary to

provide service to the Premises. Lessee need not obtain the consent of Lessor to make these repairs.

E. Lessee shall permit Lessor or its authorized agent to enter into and upon the demised Premises at all reasonable times for the purpose of inspecting the same, or for the purpose of making repairs or maintaining the Facility in which the Premises are located.

F. Lessee, as appropriate, shall keep the Premises free from any liens arising out of any and all work that it may perform, or materials furnished, or obligations incurred by Lessee. Lessee shall have thirty (30) days from the date of notice of said lien, as provided by Lessor, within which to remove said encumbrance without breaching the provisions of this Agreement.

## SECTION SEVEN

### UTILITIES, CUSTODIAL, TELEPHONE

A. All gas, electricity, water, sewer, and other public utilities for the normal intended use set forth in this Agreement, specifically used for the Premises shall be paid by Lessee.

B. Lessee shall provide regular interior trash removal, kennel cleaning and janitorial services to the Premises, excluding holidays recognized and observed by Lessee.

C. Lessee is responsible for and shall provide all of its telephone service needs of any and all kinds at its sole cost and expense, including installation and monthly service charges for equipment, fees, line and toll charges or any changes thereto specifically requested by Lessee.

D. Lessee shall pay any and all sewer assessment fees applicable to the real property upon which the Premises are located.

## **SECTION EIGHT**

### **SIGNS**

Lessee agrees that no sign or advertisement shall be painted or affixed to any part of the outside of the Facility in which the Premises are situated without the approval of Lessor, which consent shall not be unreasonably withheld. Notwithstanding the foregoing, all signs painted or affixed as of the date of this Agreement shall be deemed acceptable and approved by Lessor.

## **SECTION NINE**

### **WAIVER**

Any failure on the part of either party to take action against the other for any breach or covenant herein shall not be construed to constitute a waiver of any other or subsequent breach.

## **SECTION TEN**

### **DESTRUCTION OF PREMISES**

In the event of a partial destruction of the Premises or other facilities located on the property of which the Premises is a part during the said term, from any cause, Lessor shall forthwith repair the same within one hundred-twenty (120) days, provided such repair can be made within said period under the laws and regulations of the state, federal, county or municipal authorities. If required repairs are commenced promptly, this Agreement shall not be modified, except that Lessee may be entitled to a proportionate reduction of rent if a portion of the Premises are rendered unusable or substantially impaired while repairs are being made. If such repairs cannot be made in one hundred-twenty (120) days, this Agreement may be terminated at the option of either party. Either party shall notify the other of such party's election to terminate the lease within thirty (30) days following the date Lessee receives written notice from Lessor of its inability to repair within the one hundred-twenty (120) day period due to such damage or destruction. A total destruction of the Premises or property on which the Premises is situated shall

terminate this Agreement. This provision is not intended to affect the rights of either party to seek recovery against the person responsible for the damages.

#### **SECTION ELEVEN**

#### **CONDEMNATION**

In the event that any part of the Premises hereby demised shall be condemned or taken by any federal or state authority for any purpose, then the term of this Agreement shall cease on the part so taken from the day the possession of that part is required for any public purpose. Thereafter the Lessee or the Lessor shall have the right to either cancel this Lease or to continue in the possession of the remainder of the same under the terms herein provided, except that the rent may be reduced in proportion to the area of that portion of the Premises taken for such public purpose. All damages awarded as compensation for diminution in value to the leasehold or to the fee of the Premises shall belong to and be the property of Lessor. Lessee shall have the right to claim and recover from the condemning authority such compensation as may be separately awarded or recoverable by Lessee in Lessee's own right on account of any and all damages to Lessee's business by reason of the condemnation and for or on account of any cost or loss to which Lessee might be put in removing Lessee's furniture, fixtures, equipment and leasehold improvements.

#### **SECTION TWELVE**

#### **INDEMNIFICATION**

A. Pursuant to Nevada Revised Statutes, Chapter 41, and without waiving any provisions thereof, the parties hereto agree that each will be responsible for any liability or loss that may be incurred as a result of any claim, demand, cost or judgment made against that party arising from any negligent act or negligent failure to act by any of that party's employees, agents or servants in connection with work or responsibilities performed pursuant to this Agreement.

B. Pursuant to Nevada Revised Statutes, Chapter 41, and without waiving any provisions thereof, the parties hereto agree to hold harmless, indemnify and defend each other from and against any and all losses, liabilities or expenses of any nature to the person or property of another to which each may be subjected as a result of any claim, demand, action or cause of action arising out of the negligent acts, errors or omissions on the part of the employees, agents or servants of another.

#### SECTION FOURTEEN

#### INSURANCE

A. Each party hereto shall provide for their financial responsibilities regarding their respective liabilities hereunder through the purchase of insurance or the provision of a self-funded program pursuant to Nevada law. Either purchasing of insurance or coverage under a self funded program shall fulfill the requirements for insurance under this Agreement.

B. Lessor will obtain and maintain property and fire insurance on the Premises and property on which the Premises are located.

C. Lessor hereby expressly waives and releases any cause of action or right of recovery which Lessor may have hereafter against the Lessee for any loss or damage to the Premises, or to the contents thereof belonging to either, caused by fire, explosion, or any other risk covered by insurance or self insured program.

D. Lessee shall obtain and maintain fire insurance on all contents owned by the Lessee located at the Premises.

E. Lessee hereby expressly waives and releases any cause of action or right of recovery which Lessee may have hereafter against the Lessor for any loss or damage to the Premises, or to the contents thereof belonging to either, caused by fire, explosion, or any other risk covered by Lessee's insurance or self insured program.

## SECTION FOURTEEN

### HAZARDOUS SUBSTANCES

A. Lessee shall not legally cause any hazardous substances to be used, released, stored, manufactured or disposed in or upon the Premises or the property on which the Premises are located, except in the minimum quantities as are customary and usual in connection with Lessee's permitted use. If the Premises or the property on which the Premises are located become contaminated and such contamination is legally caused by Lessee, Lessee shall indemnify, defend and hold Lessor harmless from all related claims, judgments, penalties, costs or losses, including all expenses incurred for investigation, removal, remediation and restoration mandated by federal, state and local governments, together with Lessor's attorney's fees.

B. If hazardous substances have been used, released, stored, manufactured or disposed in or upon the Premises by or on behalf of Lessor, or if the Premises are or become contaminated in any manner for which Lessor is legally liable, Lessor shall indemnify, defend and hold Lessee harmless from all related claims, judgments, penalties, costs or losses, including all expenses incurred for investigation, removal, remediation and restoration mandated by federal, state and local governments, together with Lessee's attorney fees.

C. "Hazardous Substances" mean all toxic, ignitable, reactive and corrosive substances regulated by federal, state or local governments.

## SECTION FIFTEEN

### QUIET ENJOYMENT

Lessee, while in compliance with the terms and covenants herein, is entitled to the quiet enjoyment of the Premises for the term hereby created.

**SECTION SIXTEEN**  
**ASSIGNMENT AND SUBLEASE**

This Agreement may not be assigned or the Premises sublet without the prior written consent of Lessor.

**SECTION SEVENTEEN**  
**NOTICES**

All notices and demands which may be required to be served upon the respective parties to this Agreement shall be in writing and may be served either personally or by certified mail, postage prepaid, addressed to the Lessee at City of Reno, Attn: City Manager, P.O. Box 1900, Reno, Nevada 89505, and to Lessor at Washoe County General Services, P.O. Box 11130, Reno, NV 89520-0027, or at such other address as the parties may designate and serve upon the other. Any service by mail shall be deemed served upon deposit in the United States Post Office.

**SECTION EIGHTEEN**  
**ATTORNEY'S FEES**

Should any party hereto institute any action or proceeding to enforce any provision hereof or for damages by reason of an alleged breach of any provision of this Agreement, the prevailing party shall be entitled to recover such amounts as may be adjudged to be reasonable attorney's fees for the services rendered to the prevailing party in such action or proceeding, together with costs incurred.

**SECTION NINETEEN**  
**TERMINATION**

A. Upon termination of this Agreement, Lessee shall quit the Premises peaceably, with no damage to the Premises, normal wear and tear and damage outside the control of Lessee.

B. The failure by Lessee to make any payment or the failure of either party hereto to observe or perform any covenants, conditions or provisions of this Agreement required to be made, observed or performed by such party, after thirty (30) days written notice of such default shall constitute a default of this Agreement by such party; provided, however, that if the nature of the default (other than the payment of money) is such that more than thirty (30) days are reasonably required for its cure, then the defaulting party shall not be deemed to be in default if such party commences such cure within the thirty (30) day period and thereafter diligently prosecutes such cure to completion. Upon default, the non-defaulting party may pursue all remedies available under Nevada law, including termination of the Lease and recovery of all damages caused by such default.

## **SECTION TWENTY**

### **CHOICE OF LAW: VENUE**

This Agreement shall be construed in accordance with and governed by the laws of the State of Nevada. The parties consent to the personal jurisdiction of any state or federal court of competent jurisdiction located in Washoe County, Nevada, and to the service of process by any means authorized by any such state or federal court under the laws of the State of Nevada. The exclusive venue of any action, proceeding or counterclaim arising out of or in connection with this Agreement shall be Washoe County, Nevada.

## **SECTION TWENTY-ONE**

### **EFFECT OF AGREEMENT**

A. This Agreement is in furtherance of the Interlocal Agreement and shall be interpreted consistently with that agreement.

B. Each of the covenants, warranties, and agreements herein contained are binding on the parties hereto, their successors, assigns and legal representatives. In the event of any breach of these covenants, warranties and agreements by Lessee during the



duration of this Agreement, whether or not discovered by or known to Lessor during the lease term, Lessor expressly reserves unto itself the right to pursue appropriate legal action against Lessee to correct or cure said breaches or deficiencies.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the date and year first above written.

**LESSOR: WASHOE COUNTY**

By:

David E. Humke, Chairman  
Board of County Commissioners

ATTEST:

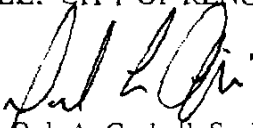
Washoe County Clerk

APPROVED AS TO FORM:

District Attorney

**LESSEE: CITY OF RENO**

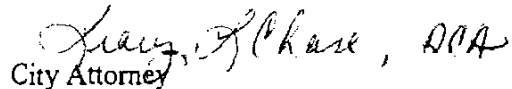
By:

  
Bob A. Cashell, Sr. Mayor  
City Council

ATTEST:

  
Reno City Clerk

APPROVED AS TO FORM:

  
City Attorney

**City of Sparks  
City Council Agenda Item**

A-2954

**Meeting Date:** April 28, 2003

**Subject:** Interlocal Agreement between Reno, Sparks and Washoe County for Consolidation of Animal Services, including Shelter Services.

**Petitioner:** Police Department

**Recommendation:** Approve Interlocal Agreement as written.

**Financial Impact:** See, "Fiscal Impact" under "Analysis" section below.

**Business Impact** *(per NRS Chapter 237):*

A Business Impact Statement is attached.

A Business Impact Statement is not required because

this is not a rule;

this is a rule but does not impose a direct and significant economic burden on a business, or directly restrict the formation, operation or expansion of a business;

this is a rule but we do not have the authority under federal or state law or under a contract into which we have entered to consider less stringent measures;

this is a rule but emergency action is necessary to protect the public health and safety *(requires unanimous vote of Council and cannot be in effect more than six months).*

CITY OF SPARKS  
OFFICE OF THE CITY CLERK

APR 18 2003

**Background/Analysis/Alternatives**

**I. BACKGROUND**

On August 1, 2002, the governing boards of the Cities of Reno and Sparks and the County of Washoe (the "Parties") entered into an Interlocal Agreement to improve animal services in Washoe County, form terms necessary for a ballot question and set forth the basis for a comprehensive interlocal agreement that would contain the details of how property, equipment and personnel would be combined in the consolidation of the regional animal shelter and animal services. After passage of the November 2002 ballot initiative, staff was directed to present a comprehensive interlocal agreement to the governing bodies by April 30, 2003.

Staff of the three jurisdictions thereafter met and prepared the attached comprehensive interlocal agreement, including pertinent exhibits, documents and agreements incorporated therein, which are attached hereto.

The first page of a 38-page preliminary draft of the countywide animal control ordinance is being presented at this time for information only (see Exhibit "E"). A full copy of the draft is available from the City Attorney's Office. A final ordinance will be submitted for your review and action at a later date.

**II. ANALYSIS**

Reno will be transferring their operations upon completion of the new shelter in 18-24 months. This is necessitated by Reno's desire to not split their shelter and field operations and transfer those functions at different times. Reno will be provided funding from the \$0.03 levy to cover costs until such time as the full transfer occurs. All personnel and financial aspects of the transfers have been agreed upon by the respective staffs and the provisions are included in the attached Agreement. Washoe County will assume responsibility for all operations no later than July 1, 2005.

6.13

The Agreement includes a provision for Washoe County to assume the Sparks field services function effective July 1, 2003. Two City (Police Department) employees and related City property (see Exhibit "B") will be transferred to the County.

**FISCAL IMPACT:**

The November 2002 voter-approved ballot measure authorized Washoe County to issue up to \$10.75 million in bonds to construct a new animal services shelter. The measure further authorized a property tax rate of up to \$0.03 per \$100 assessed value (special elective tax) to operate the existing Reno Animal Services Center and the cost of the existing field operations performed by the Parties. The proceeds of the new tax will be deposited into a special revenue fund.

In the Fiscal Year beginning July 1, 2003, each city shall reduce its operating property tax rate \$0.02 per \$100 of assessed value within its boundary and the County will reduce its operating rate by \$0.01 per \$100 of assessed value as an approximate off-set of the new \$0.03 special elective tax.

Until the County takes over Reno's personnel and operations, the County will allocate a portion of the proceeds of the new tax to Reno for continuing to operate the Reno Animal Services Center and animal control field operations for the next 18-24 months. Sparks is not affected because the County will take over Sparks' personnel and operations on July 1, 2003.

After Reno's and Sparks' animal service functions are fully assumed by the County, Washoe County will fund all costs for future operation and maintenance of the regional animal services shelter and consolidated field operations from the tax proceeds that will be deposited into a special revenue fund for that purpose.

## List of Attached Exhibits:

- Exhibit A - Parcel Map of Longley Lane Property
- Exhibit B - Transfer of Assets from Reno and Sparks to Washoe County
- Exhibit C - Grant, Bargain and Sale Deed for Transfer of Real Property for Shelter
- Exhibit D - Interim Lease Agreement for lease of a Portion of the Shelter Property
- Exhibit E - First Page of 38-page Draft of Consolidated Ordinances

CITY OF SPARKS  
OFFICE OF THE CITY CLERK  
APR 28 2003

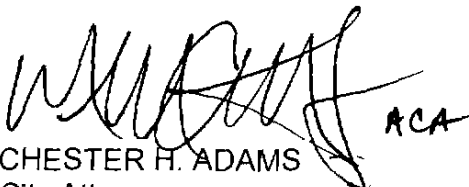
III. ALTERNATIVES

It is recommended that the City Council of Sparks approve the Interlocal Agreement between the Cities of Reno and Sparks and Washoe County providing for the transfer or consolidation of real and personal property, equipment and personnel, providing the framework for a countywide ordinance and authorizing an interim lease relating to the regional animal shelter, and other matters relating thereto.

A viable alternative is to reject the Agreement in its entirety or reject it with suggested modifications. Approving the Agreement with modifications is not a viable alternative because the other two jurisdictions (Reno and Washoe County) have the identical Agreement before them for approval. As a practical and legal matter, all entities must approve the same Agreement.

Respectfully submitted,

APPROVED:

  
FOC CHESTER H. ADAMS  
City Attorney

  
SHAUN CAREY  
City Manager

PREPARED BY:

  
THOMAS F. RILEY  
Senior Assistant City Attorney

CITY OF SPARKS  
OFFICE OF THE CITY CLERK  
APR 28 2003

# WASHOE COUNTY

## Department of Public Works

*"Dedicated to Excellence in Public Service"*

TOM GADD, Public Works Director

1001 East 9<sup>th</sup> Street PO Box 11130 Reno, Nevada 89520 Telephone: (775) 328-2040 Fax: (775) 328-3699



June 3, 2003

RECEIVED  
JUN 12 2003  
MAYOR

Mayor Tony Armstrong  
City of Sparks  
431 Prater Way  
Sparks NV

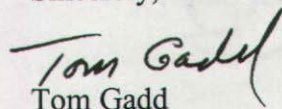
Dear Mayor Armstrong:

Enclosed is a fully executed original of the Interlocal Agreement between Washoe County, the City of Reno and the City of Sparks for consolidation of animal control services.

I would like to extend a special thank you to City of Sparks employees Lt. Brent Lee, Tom Riley and Stacie Hemmerling for their commitment and assistance with bringing closure to this project.

Please do not hesitate to call if you have any questions concerning this matter.

Sincerely,

  
Tom Gadd  
Public Works Director

TG/ct

# The City of Sparks

June 25, 2003

Office of the  
CITY CLERK

Ms. Jean Ely  
General Services Division Director  
Washoe County  
P.O. Box 1130  
Reno, Nevada 89520-0027

Dear Ms. Ely:

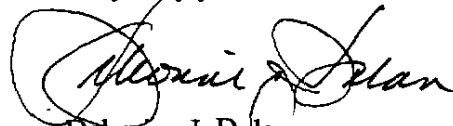
Enclosed are the titles for two City of Sparks animal control vehicles as follows:

1. 1998 GMC 3/4 Ton Animal Control Truck, VIN: 1GDGC24RXWE539758, Sparks Vehicle No. 250C
2. 1998 GMC 3/4 Ton Animal Control Truck, VIN: 1GDGC24R9WE541050, Sparks Vehicle No. 238D

These vehicles are being transferred to Washoe County per the Interlocal Agreement for Animal Control Services, signed April 28, 2003, Sparks Agreement No. 2954, Article 6, Transfer of Equipment and other Assets, Exhibit B, City of Sparks' Assets Transfer List.

Should you have any further questions regarding this transfer, please call Carrie Brooks in the City Clerk's Office at 353-2350.

Very truly yours,



Deborah J. Dolan  
City Clerk and  
Clerk of the City Council

cb

Enclosures (2)

cc: Brent Lee, Sparks Police Department  
Purchasing  
Accounting, Asset Manager w/agreement  
Equipment Services Fleet Manager  
Vehicle title file  
A-2954

Attachment D – The Interlocal Agreement noted in the November 2002 Tax Override Question is two agreements between the Cities of Reno and Sparks and Washoe County. The second agreement, City of Sparks Agreement A-2992, assigning legal authorities was approved by Council action at their August 25, 2003, regular Council meeting (Agenda Item 8.1)

## INTERLOCAL AGREEMENT

This agreement ("Agreement") is made, entered into and agreed to on the effective date by and between the County of Washoe, a political subdivision of the State of Nevada (hereinafter referred to as "County"); and the City of Reno, a municipal corporation (hereinafter referred to as "Reno"); and the City of Sparks, a municipal corporation (hereinafter referred to as "Sparks"). The parties, or each of them, may be referred to as "Party" or "Parties," and Reno and Sparks, or each of them, may be referred to as "City" or "Cities."

### ARTICLE 1 RECITALS

1.1 The Parties are public agencies under NRS 277.100. Pursuant to the Interlocal Cooperation Act, NRS 277.080 to 277.180, local governments are permitted to make the most efficient use of their powers by enabling them to cooperate with other local governments on the basis of mutual advantage and thereby to provide services and facilities in a manner and pursuant to forms of government organization which will best accord geographic, economic, population and other factors influencing the needs and development of local communities. In addition, NRS 277.180(1) provides that any one or more public agencies may contract with any one or more other public agencies to perform any governmental service, activity or undertaking which any of the contracting agencies is authorized by law to perform. This Agreement is entered into pursuant to authority granted in NRS 277.080 to 277.180, inclusive.

1.2 The Parties have entered into a comprehensive Interlocal Agreement dated May 13, 2003, (hereinafter referred to as the "Comprehensive Interlocal Agreement"), providing details of how property, equipment and personnel will be combined to consolidate all animal control services with the County. Further, pursuant to the Comprehensive Interlocal Agreement, the Parties have set forth the details of the financing, construction, equipment and operation of a new consolidated regional animal services shelter to be operated by the County.

1.3 The Parties are all separately empowered to adopt and enforce local laws relating to animal control in their respective jurisdictions. The Parties desire, however, to regionalize and consolidate all animal control services providing for a single local jurisdiction to assume full responsibility and authority for the enactment and enforcement of all local laws pertaining to animal control, including, but not limited to: domestic animals running at large; animal noise nuisances; enforcement of rabies control; impoundment of strays, injured and abandoned animals;



investigation of reports of neglected or abused animals; and interface with appropriate federal or state agencies providing assistance and handling of wild animals.

1.4 The Parties Comprehensive Interlocal Agreement also provides a timetable to turn over operation of animal services shelter functions to the County once the Regional Animal Services Shelter is completed. The Regional Animal Services Shelter functions to be operated by the County will: serve as a temporary shelter for impounded animals; care for all stray, abandoned, abused or owner-surrendered animals found running at large or otherwise subject to impounding; providing for adoption of domestic animals providing for spay and neuter services; administration of dog licenses; and providing for animal inoculations and managing records of rabies vaccination.

1.5 Pursuant to the Comprehensive Interlocal Agreement, the Parties contemplated the unification of the animal control ordinances to have but a single set of local laws in Washoe County governing said topic. That Agreement also contemplates that the animal control ordinances of the Cities would be superseded by the amended unified law. The parties desire now to enter into an interlocal agreement for the purpose of affecting the cessation of authority and jurisdiction by the Cities within their respective jurisdictions for animal control; the delegation of powers, if any are deemed necessary, by the Cities for animal control services to the County; the consolidation of animal control services with the County; and the assumption of authority and jurisdiction for animal control by the County throughout Washoe County, including the incorporated Cities.

## **ARTICLE 2            DEFINITIONS**

As used in this Agreement, unless the context otherwise requires, the words and terms which are defined in this section have the meanings which are ascribed to them herein, as follows:

2.1 "Closing" means the date on which the County assumes the responsibility to perform shelter operations for the Regional Animal Services Shelter, and Field Operations for the City of Reno, which at the latest will be July 1, 2005.

2.2 "Effective Date" means the effective dates of the ordinances adopted by the Parties, which ordinances adopt and ratify this Interlocal Agreement.

2.3 "Field Operations" means enforcement and support of all laws dealing with domestic animals including animals at large, noise nuisances, and administration of rabies control while

maintaining public and animal safety, impoundment of strays, injured, and abandoned animals, investigation of reports of possibly neglected or abused animals and providing assistance and care for injured wild animals.

2.4 "Interlocal Agreement" or "Agreement" means this interlocal agreement.

2.5 "Regional Animal Services Shelter" or "Shelter" means the animal services shelter to be built and operated by Washoe County pursuant to the Comprehensive Interlocal Agreement.

**ARTICLE 3                    AUTHORITY FOR CONSOLIDATION AND COUNTY'S  
                                 ASSUMPTION OF RESPONSIBILITY AND AUTHORITY**

3.1 As set forth above and as more fully detailed herein, each Party to this Interlocal Agreement has the power and authority within their respective jurisdictions and in accordance with state law or city charter to enact and enforce local laws in the form of ordinances relating to animal control.

3.2 In addition, and specifically with reference to the County, NRS 244.359 provides that a board of county commissioners may enact and enforce an ordinance(s):

- (a) Fixing, imposing and collecting an annual license fee on dogs and providing for capture and disposal of all dogs on which a license fee is not paid;
- (b) Regulating or prohibiting the running at large and disposal of all kinds of animals;
- (c) Establishing a pound, appointing a poundkeeper and prescribing his duties;
- (d) Prohibiting cruelty to animals; and
- (e) Designating an animal as inherently dangerous and requiring the owner to obtain a policy of liability insurance in an amount determined by the board.

Subsection 2 of NRS 244.359 provides that any ordinance(s) covering the topics set forth in (a) and (b) above may apply throughout the entire county or govern only a limited area within the county which shall be specified in the ordinance.

3.3 Pursuant to NRS 244.359, the Parties have determined for purposes of consolidation of animal services and animal control functions within Washoe County and with agreement of the Cities as provided herein, that the County has the legal capacity and will assume full authority and jurisdiction over all animal services and animal control functions within Washoe County in accordance with the time frames and based upon the terms and conditions contained herein. These animal services and animal control functions include, but are not limited to: animal

licensing and permits; control of animals running at large; vaccination/ inoculation against rabies; rabies control; livestock; fee collection for animal services; dangerous and vicious dog regulation; adoption of unclaimed or abandoned animals; impoundment of stray, injured or abandoned animals; exotic animal control; providing for a poundkeeper; prohibiting animal cruelty; and other matters relating to the care and control of animals.

3.4 The Parties have drafted animal services and animal control ordinances that standardize and blend the Cities and County code provisions to provide careful and appropriate regulation of animals and animal owners. These unified ordinances provide for regulation of animals based upon differences between urban and rural areas of the region.

3.5 Regionalization and consolidation of animal services and animal control functions will be effected in two phases as set forth in Article 4. As part of the first phase, the County will enact and enforce the first of these unified ordinances wherein the County assumes jurisdiction for animal control throughout the unincorporated area of Washoe County and the incorporated area of the City of Sparks. As part of the second phase, the County will enact and enforce the second of these unified ordinances wherein the County assumes jurisdiction for animal services and animal control functions countywide, including both Cities.

3.6 Through the adoption of this Interlocal Agreement by ordinances of the parties, powers possessed by the Cities, if any, deemed necessary for the County to assume jurisdiction for animal control throughout the region are deemed delegated to the County in accordance with the time frames provided for in Article 4. After regionalization has been completed, the Cities may recommend and the County shall consider suggestions for improving upon the amended County animal services and control ordinance(s).

**ARTICLE 4           CONSOLIDATION OF ANIMAL CONTROL SERVICES IN WASHOE COUNTY**

4.1 Pursuant to the Parties desire to regionalize and consolidate animal control services, the Parties hereby agree as follows:

4.2 Partial Consolidation. The City of Sparks hereby consolidates its animal control functions with the County effective July 1, 2003. On and after that date and so long as this Interlocal Agreement is in effect, the City of Sparks will cease all of its functions relating to animal control as set

forth in Title 8 of the Sparks Municipal Code.

4.2.1 The City of Sparks further agrees to adopt this Interlocal Agreement by ordinance which provides for:

4.2.2 The ratification of this Interlocal Agreement;

4.2.3 The repeal of Title 8 of the Sparks Municipal Code;

4.2.4 A commitment by the City that so long as this Interlocal Agreement is in effect, the City will not enact or attempt to enforce local laws covering the same subject matters contained in the unified ordinances regarding animal control and animal services that have been adopted by the County, and as may be amended from time-to-time by the County, as provided in this Interlocal Agreement;

4.2.5 The authority and power of its law enforcement personnel to assist all County animal control officers in carrying out their duties under the County animal control ordinance when those animal control officers are operating within the jurisdiction of the City of Sparks; and

4.2.6 Notice to be given to the County and City of Reno in the event the City of Sparks takes action to introduce or otherwise act upon an ordinance repealing the ordinance adopting this Interlocal Agreement.

4.3 Full Consolidation. The City of Reno hereby consolidates its animal services and animal control functions with the County effective upon Closing. On and after that date and so long as this Interlocal Agreement is in effect, Reno will cease all of its functions relating to animal services and animal control as set forth in Chapter 8.28 of the Reno Municipal Code.

4.3.1 The City of Reno further agrees to adopt this Interlocal Agreement by ordinance which provides for:

4.3.2 The ratification of this Interlocal Agreement;

4.3.3 The repeal of Chapter 8.28 of the Reno Municipal Code on the Closing;

4.3.4 A commitment by the City that on and after the Closing and then so long as this Interlocal Agreement is in effect, the City will not enact or attempt to enforce local laws covering the same subject matters contained in the unified ordinances regarding animal control and animal services that have been adopted by the County, and as may be amended from time-to-time by the County, as provided in this Interlocal Agreement;

4.3.5 The authority and power of its law enforcement personnel to assist all County animal control officers in carrying out their duties under the County animal control ordinance when those animal control officers are operating within the jurisdiction of the City of Reno after Closing; and

4.3.6 Notice to be given to the County and City of Sparks in the event the City of Reno takes action to introduce or otherwise act upon an ordinance repealing the ordinance adopting this Interlocal Agreement.

4.4 County's Responsibilities. The County agrees to adopt this Interlocal Agreement by ordinance which provides for:

4.4.1 The ratification of this Interlocal Agreement; and

4.4.2 Notice to be given to the Cities in the event the County takes action to introduce or otherwise act upon an ordinance repealing the ordinance adopting this Interlocal Agreement.

4.5 On the date of introduction of the ordinance adopting this Interlocal Agreement by the County, the County agrees to proceed with the introduction of the first unified ordinance wherein the County assumes jurisdiction for animal control throughout the unincorporated area of Washoe County and the incorporated area of the City of Sparks. Thereafter, the County agrees to set the public hearing on the first unified ordinance, and thereafter, and in consideration of any public testimony received, to take appropriate action on the first unified ordinance to insure that the effective date of such ordinance is July 1, 2003.

4.6 The County and Reno agree to work in good faith to reach agreement on the substantive provisions of the second unified ordinance wherein the County assumes jurisdiction for animal services and animal control countywide, including the Cities. As the date of Closing approaches, County agrees to proceed with the introduction of the second unified ordinance. Thereafter, the County agrees to set the public hearing on the second unified ordinance, and thereafter, and in consideration of any public testimony received, to take appropriate action on the second unified ordinance to insure that the effective date of such ordinance coincides with Closing.

4.7 Nothing herein prohibits the County from adopting ordinances amending the County code provisions regarding animal control and animal services from time-to-time as the County deems appropriate. In such event, the County will give the Cities notice of such proposed amendments.

#### **ARTICLE 5 UNIFICATION OF ORDINANCES**

5.1 Pending full consolidation of animal control services in Washoe County as provided herein, Reno agrees to review and if deemed appropriate, take action to adopt the substantive provisions of the County's newly enacted animal control ordinance (the first unified ordinance) governing the unincorporated area of the County and the City of Sparks, to provide a unified set of laws governing animal control in the region.

## **ARTICLE 6           TERMINATION**

6.1 This Interlocal Agreement may only be terminated by a Party by the adoption of an ordinance terminating that Party's participation in this Agreement. In the event a Party introduces an ordinance to terminate their participation in this Agreement, that Party shall provide notice to the other Party or Parties of the introduction of the ordinance. Notice shall be in accordance with paragraph 7.8 below. If either the City of Reno or the City of Sparks desires to terminate their participation in this Agreement as provided herein, the remaining City and the County may continue as parties to this Agreement and appropriate amendment to the Interlocal Agreement will be prepared and executed and ordinances adopting the amendment will also be prepared and enacted. In the event the County desires to terminate its participation in this Agreement, the Parties will in good faith, negotiate a termination agreement rescinding this Interlocal Agreement and adopt appropriate ordinances to effect the termination.

## **ARTICLE 7           MISCELLANEOUS**

7.1 This Agreement may be executed in counterparts.

7.2 If any term or provision of this Agreement shall be deemed to be invalid or unenforceable to any extent, the remainder of this Agreement will not be affected thereby, and each remaining term and provision of this Agreement will be valid and be enforced to the fullest extent permitted by law.

7.3 No waiver of any breach of any covenant or provision contained herein will be deemed a waiver of any preceding or succeeding breach thereof, or of any other covenant or provision contained herein. No extension of time for performance of any obligation or act will be deemed an extension of the time for performance of any other obligation or act except those of the waiving party, which will be extended by a period of time equal to the period of the delay.

7.4 This Agreement is binding upon and inures to the benefit of the permitted successors and assigns of the parties hereto. None of the Parties shall assign any of the rights or delegate any of the duties of this Agreement without the express written consent of the other Parties.

7.5 This Agreement along with the Comprehensive Interlocal Agreement, (including all Exhibits attached hereto and thereto) constitute the entire agreement and understanding regarding animal services and animal control consolidation between the

Parties. This Interlocal Agreement may not be modified except by a written amendment signed by all the Parties and adopted by ordinance of all the Parties.

7.6 The Parties and their professional advisors have prepared this Agreement jointly. The Parties and their respective advisors believe that this Agreement is the product of all of their efforts, that it expresses their agreement and that it should not be interpreted in favor or against any Party.

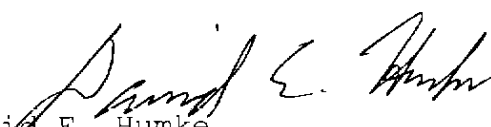
7.7 The Parties hereto expressly agree that this Agreement will be governed by, interpreted under, and construed and enforced in accordance with the laws of the State of Nevada.

7.8 Any notice or other communication required or permitted to be given under this agreement (herein the "Notices") shall be in writing and shall be (i) personally delivered, or (ii) delivered by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid. All Notices shall be deemed received upon actual receipt. Notices shall be directed to the chief executive at their respective addresses.

7.9 The article and section headings appearing in this Agreement are inserted for the purpose of convenience and ready reference. They do not purport to define, limit, or extend the scope or intent of the language of the articles and sections to which they pertain.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be duly executed on its behalf by an authorized representative.

WASHOE COUNTY

By:   
David E. Humke  
Chairman, Board of Commissioners

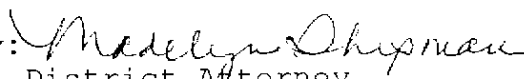
ATTEST:

  
County Clerk



Dated this 24<sup>th</sup> day of June, 2003.

Approved as to form:

By:   
District Attorney

CITY OF RENO

ATTEST:

By: *Robert A. Cashell, Sr.*  
Robert A. Cashell, Sr.  
Mayor

*Spennett R. Jones*  
City Clerk

Dated this 11<sup>th</sup> day of September, 2003.

Approved as to form:

By: *Karen S. Sealey*  
City Attorney



CITY OF SPARKS

ATTEST:

By: *Tony Armstrong*  
Tony Armstrong  
Mayor

*Sharon A. ...*  
City Clerk



Dated this 25 day of August, 2003.

Approved as to form:

By: *Christi M. Thunder*  
City Attorney



EXPLANATION: New Ordinance.

BILL NO. 5999

ORDINANCE NO. 5464

**AN ORDINANCE AMENDING TITLE 8, CHAPTER 8.28 OF THE RENO MUNICIPAL CODE, ADDING SECTION 8.28.000 ADOPTING AND RATIFYING AN INTERLOCAL AGREEMENT BY AND BETWEEN WASHOE COUNTY, THE CITY OF SPARKS AND THE CITY OF RENO REGARDING THE CONSOLIDATION OF ANIMAL CONTROL SERVICES IN WASHOE COUNTY, AND PROVIDING OTHER MATTERS PROPERLY RELATING THERETO.**

SPONSORED BY: RENO POLICE DEPARTMENT

THE CITY COUNCIL OF THE CITY OF RENO DOES ORDAIN:

SECTION 1. Title 8, Chapter 8.28 of the Reno Municipal Code is hereby amended to read as follows:

CITY OF SPARKS  
CLERK OF THE CITY CLERK

**Sec. 8.28.000 Interlocal agreement for animal services.**

SEP 19 2004

(a) *Adoption and ratification of Interlocal Agreement.* Washoe County, the City of Sparks and the City of Reno have entered into an Interlocal Agreement providing for the consolidation of animal control services in Washoe County. A copy of the Interlocal Agreement is attached hereto and incorporated by reference herein. The adoption of this ordinance by the City of Reno constitutes adoption and ratification of the attached Interlocal Agreement, which agreement shall be effective on the effective date of this ordinance.

(b) *Repeal of Sections 8.28.010 through and including Section 8.28.700 of the Reno Municipal Code.* Sections 8.28.010 through and including Section 8.28.700 of the Reno Municipal Code shall be repealed on the date the County assumes the responsibility to perform shelter operations for the Regional Animal Services Shelter and Field Operations for the City of Reno, which at the latest will be July 1, 2005, the date referred to herein and in the attached Interlocal Agreement as "Closing".

(c) *No ordinances adopted related to animal control and animal services after Closing.* The City of Reno hereby commits that on and after Closing and so long as this ordinance is in effect, the City will not enact or attempt to enforce City of Reno ordinances covering animal control and animal services as set forth in the Interlocal Agreement.

(d) *City law enforcement to assist county animal control officers.* After Closing,

City of Sparks  
City Council Agenda Item

8.1  
Bill 2356

Meeting Date: August 25, 2003

**Subject:** Consolidation of Animal Control Operations in Washoe County

**Petitioner:** Tom Riley, Sr. Asst. City Attorney

**Recommendation:** That the City Council instruct the City Clerk to read the first reading of the Bill by title on August 11, 2003 and thereafter publish notice of a **second reading** and public hearing of this Bill for its adoption and approval on **August 25, 2003.**

**Financial Impact:** None

**Business Impact** (per NRS Chapter 237):

- A Business Impact Statement is attached.  
 A Business Impact Statement is not required because

this is not a rule;

this is a rule but does not impose a direct and significant economic burden on a business, or directly restrict the formation, operation or expansion of a business;

this is a rule but we do not have the authority under federal or state law or under a contract into which we have entered to consider less stringent measures;

this is a rule but emergency action is necessary to protect the public health and safety (requires unanimous vote of Council and cannot be in effect more than six months).

**Background/Analysis/Alternatives**

**I. BACKGROUND:**

On April 28, 2003, a 13-page Interlocal Agreement for Consolidation of Animal Control Services was approved by the City Council. However, the County also wanted to do a separate Interlocal Agreement that was more legally-related (i.e., to state the authority, purpose, powers, etc., in greater detail) and have it adopted by Ordinance, and our office had no objection to that procedure. The County then drafted the [second] Interlocal Agreement, which was 9 pages, and I drafted the attached Ordinance. These were submitted to the Manager's Office. The ordinance went on for First Reading on June 9, 2003 and Second Reading on June 23, 2003. After the ordinance was adopted, the Clerk's Office informed me that the [incorrect] 13-page Agreement, and not the [correct] 9-page Agreement, had been attached to the ordinance when it was approved. After further research, it became clear that someone had replaced the 9-page Agreement I submitted with the 13-page Agreement that had been previously approved.

In order to correct the situation, I am submitting a new Ordinance with the correct 9-page Agreement. A "Clerk's Note" note has been placed in the Clerk's record of the approval of the first ordinance (on April 28, 2003) indicating the problem and stating that the first ordinance is invalid due to the mistake.

**II. ANALYSIS:**

The adoption of this ordinance will correct a mistake in the adoption of a prior similar ordinance.

CITY OF SPARKS  
OFFICE OF THE CITY CLERK


JUL 29 2003

III. ALTERNATIVES:

The alternative of disapproving this ordinance would allow an incorrect Ordinance to remain unchanged on the City's records. Disapproval is therefor not a viable alternative to adopting this ordinance.

Respectfully submitted,

APPROVED:

  
CHESTER H. ADAMS  
City Attorney

  
SHAUN CAREY  
City Manager

PREPARED BY:

  
THOMAS F. RILEY  
Senior Assistant City Attorney

I N T E R

MEMO

O F F I C E

To: Tom Riley, Sr. Asst. City Attorney

From: Debi Dolan, City Clerk



Subject: Ordinance No. 2185

Date: September 4, 2003

On August 25, 2003, the Sparks City Council approved Ordinance No. 2185 adopting an Interlocal Agreement Regarding Consolidation of Animal Control Operations in Washoe County. (This Ordinance was necessary to correct an error in processing the Ordinance 2179 approved on June 23, 2003.) I am attaching a copy of the fully executed Ordinance for your records.

I am sending three originals of the Interlocal Agreement to the City Clerk's Office in Reno in order that the necessary signatures may be obtained. I am requesting that Reno retain one original, one original be sent to Washoe County and the remaining one be returned to my office .

Iza  
Attachment

Copy:

Ordinance No. 2185  
Ordinance No. 2179  
A-2992  
A.I.8.1



Office of the  
CITY CLERK

September 4, 2003

Lynette Jones, City Clerk  
City of Reno  
P. O. Box 7  
Reno, NV 89504

Reference: Interlocal Agreement Regarding Consolidation of Animal Control  
Operations in Washoe County

Dear Lynette:

On August 25, 2003, the Sparks City Council approved an ordinance adopting the  
above-mentioned Interlocal Agreement.

Would you kindly have the three enclosed original Agreements signed by the necessary  
parties, retain one original for your file, return one of the originals to Deputy City Clerk  
Lenda Azcarate at the address listed below and one to Amy Harvey, Washoe County  
Clerk. Thanks for your assistance with this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "Deborine J. Dolan for".

Deborine J. Dolan, CMC  
City Clerk and  
Clerk of the City Council

Iza  
Enclosures

Copy:

Tom Riley, Senior Assistant City Attorney  
Ord. 2185; Ord. 2179  
A-2992  
A.1.8.1

Attachment E – Frequently Asked Questions *“Animal Services Revenue and Budget Changes for 2011-2013”*



## *Frequently Asked Questions* **Animal Services**

### **Revenue and Budget Changes for 2011-2013**



Washoe County Regional Animal Services (RAS) is a division of Washoe County Public Works Department. RAS provides animal services for the entire County and is located at 2825 Longley Lane. Beginning in the current year, Washoe County will reduce Animal Service's annual budget in conjunction with reductions to all other County departments. The County is also adjusting certain property tax rates in order to better balance sustainable service levels and reserves. This includes a proposed change to RAS's funding for the fiscal year that begins July 1, 2012. These changes reflect professional and County practice and the ongoing reductions all Washoe County departments are adopting in order to reduce spending by \$25.6 million during the next two years.

#### **How is Washoe County Regional Animal Services Funded?**

In November 2002 voters approved Washoe County issuing \$10.7 million in bonds to construct a regional animal shelter and to impose **up to** an additional 3-cent property tax rate to operate the shelter and provide regional field enforcement. The new facility broke ground in 2004 and opened in 2006. The County imposed the full allowable tax rate authorized in the election beginning July 1, 2003.

#### **Why is the funding source being proposed to change for Washoe County Regional Animal Services?**

During a review of all budgeted County revenue sources and departmental expenditures on September 27, 2011, the Board of County Commissioners approved on a 4 to 1 vote (Commissioner Jung dissenting) giving staff direction to build the 2012-2013 budget maintaining the overall countywide tax rate, utilizing Animal Service Fund reserves to help fund the Animal Services function, and with an adjustment of the County property tax dedicated Animal Services Department. This was recommended because the Animal Services Fund has accumulated surplus reserves equal to more than 100% of the funding required for an entire year of operations, and still continues to collect that much annually. The Government Finance Officers Association recommends keeping about two months, or 16% of needed expenditures in reserve. Maintaining the Animal Services tax rate at 3 cents would result in taxpayers being overcharged for Animal Services. The County can maintain adequate service levels in Regional Animal Services, preserve critical public services, and still maintain the same overall tax rate using this plan.

#### **What is the current operating budget of Regional Animal Services?**

The current operating budget for RAS is \$4.8 million annually.

#### **What gives Washoe County the authority to divert dedicated property tax revenue to the general fund?**

The ballot question in reference specifically asked that the County impose "up to 3 cents" of property tax rate; ballot questions are worded this way to reflect the changing circumstances in which these measures are implemented over the life of a tax (30 years in this case). In some instances, the specified amount is too little, and the Commissioners must supplement the voters' will, as they have done for more than a decade for the voter-approved 1-cent rate for Senior Services. In other cases, the maximum allowed rate is more than enough. When the tax rate is more than enough to pay expenses and any debt service, as it is for Animal Services, the excess goes into reserves for that program. The County will not transfer for any other purpose any of the reserves that have already

been accumulated for the purpose of funding Animal Services. The proposal is to maintain the overall tax rate, temporarily utilize Animal Services reserve funds to support the operation of Regional Animal Services, and reduce the future tax rate so that residents are not being overtaxed for the required expenditures for Animal Services.

**Is the reduction of the dedicated property tax temporary or permanent?**

A reduction of 0.37 cents per \$100 of assessed valuation in fiscal year 2012-2013 from Animal Services is proposed to be ongoing in order to support a sustainable service level. For one year, starting July 1, 2012, a portion of the Animal Services reserve funds would be used, and the tax rate for Animal Services would be reduced by two cents. Starting in July of 2013, the County would continue to dedicate 2.63 cents on every \$100 of taxable property value to support Animal Services.

**Is Regional Animal Services taking additional budget cuts?**

On September 27, 2011 the Washoe County Board of County Commissioners approved countywide spending reductions to meet a forecasted structural operating deficit. **All departments**, including Animal Services, were asked to submit 10% budget reduction plans, in order to stabilize the County finances over the long term and to establish sustainable levels of public services for all functions the County. Critical programs like road maintenance, regional parks and open space and water resources were all required to make the same 10% cut as animal services. The approved plan for Animal Services includes a reduction of \$454,849 in its annual budget. By eliminating current vacant positions in Animal Services, the budget reduction may be substantially accomplished without major impacts to current service levels and without lay-offs. This is the first year that Animal Services has been asked to make a budget reduction, despite \$161 million in overall budget cuts and 915 positions being eliminated by the County since 2007/8, including cuts to departments and positions that support Animal Services, such as Finance, Human Resources, Technology, Fleet Management, etc..

**Are lay-offs planned at Regional Animal Services and what will be the proposed staffing structure? Will the community still have an adequate number of field officers?**

Animal Services currently has one manager and two supervisors working with 33 staff members. The initial proposed reductions would reduce the total number of authorized positions to 28. By utilizing vacant positions and other strategies, we will be able to achieve the reductions with a minimum impact on current service levels and no lay-offs. While reductions will have some impact, we are fortunate in that we do not have to make more drastic reductions occurring in many communities. The proposed staffing levels, including field officers, still allow for an appropriate response to all community requests involving public safety and animal welfare concerns.

**Is Washoe County Regional Animal Services a No-Kill Facility?**

Washoe County Regional Animal Services is not a “no-kill” facility and has never ascribed to that philosophy. Washoe County is a “pet-friendly” facility and does whatever it can to minimize the number of animals that are euthanized. We have one of the best track records in the U.S. in that regard. The Nevada Humane Society (NHS) follows a “no-kill” philosophy, and Washoe County maintains a close working relationship with NHS, so the practice is sometimes assumed to apply to Washoe County, even though it does not. It is important that we continue to be clear about our individual philosophies and how they might differ.

**Where can I find additional information?**



The Board of County Commissioners meeting agenda is available online at [http://www.washoecounty.us/large\\_files/agendas/092711/agenda.pdf](http://www.washoecounty.us/large_files/agendas/092711/agenda.pdf) (agenda item 7). In addition, you may watch the meeting by agenda topic also online at [www.washoecounty.us/wctv](http://www.washoecounty.us/wctv).

**Who can I call or email if I have additional concerns or questions?**

Please feel free to contact the County Commissioners or staff regarding your ideas or concerns online at <http://www.washoecounty.us/index/contact.html> or visit [http://www.washoecounty.us/animal/new\\_index.html](http://www.washoecounty.us/animal/new_index.html).

Attachment F – Press Release *“County Proposes to Balance Levels of Service, Reserves and Tax Rates for Regional Animal Services”* -- Reno, Nevada. October 5, 2011.

PRESS RELEASE  
For Immediate Release  
Website: [www.washoecounty.us](http://www.washoecounty.us)

Media Contact: Sarah Tone  
tel. (775) 328-2721  
Release Number: 11-138

## **County Proposes to Balance Levels of Service, Reserves and Tax Rates for Regional Animal Services**

**Reno, Nevada. October 5, 2011.** On September 27, 2011 the Washoe County Board of County Commissioners (in a 4-1 vote, Jung dissenting) directed staff to build the 2012-2013 fiscal year budget maintaining the County's overall tax rate for services such as law enforcement, criminal justice and human services, while temporarily reducing the tax rate for Animal Services, by utilizing a portion of accumulated reserves in the Animal Services Fund to help fund operations at Regional Animal Services (RAS) for one year. The proposed reduction would be included in the 2012-2013 fiscal year budget process.

The intent is to utilize some of the \$5.6 million surplus in the dedicated Animal Services reserve account to fund a portion of the \$4 million annual operating cost of Regional Animal Services. This action is similar to actions the County has taken to utilize reserves in other areas to help fund critical services during this economic recession. Animal Services reserves would only be used to fund Animal Services operations. Currently, Regional Animal Services utilizes license income, donations, and a property tax rate of 3 cents, which together generate more revenues each year than are needed for the annual operations, leading to the surplus accumulated reserves in the Animal Services Fund. By way of comparison, the Government Finance Officers Association recommends that up to two months working capital, or 16% of expenditures, be held in reserve; the Animal Service Fund has in excess of 100% of expenditures in reserve. For other County budget units, the policy is to maintain 8-10% in reserve. Continuing to impose the maximum rate and increasing those reserves in the current conditions means that taxpayers are being overtaxed for Animal Services, to the detriment of other services like law enforcement, criminal justice and human services, because the region is at the maximum allowable overlapping tax rate.

In 2002, voters approved a two-part ballot question to authorize the issuance of **up to** \$10,750,000 of general obligation bonds to build a new animal shelter, and **up to** 3 cents per \$100 of assessed valuation for operating and maintaining the shelter and providing animal services. The County Commission issued the bonds, paid for with a .54 tax rate that is ongoing,

built the shelter, and imposed the maximum allowable tax rate of 3 cents for operations, allocating all the revenues to Regional Animal Services. Ballot questions are written with this “up to” flexibility in recognition of the changing circumstances that can occur during the life of the tax (in this case 30 years). In some cases, the tax rate produces too little revenue to support the function, in which case the County Commission uses General Fund resources to supplement the resources, as has been done to supplement the 1-cent voter-approved rate for Senior Services. In other cases, the tax rate can produce more revenue than is needed, as is currently the case in Animal Services.

Even with more than adequate funds in reserve, RAS continues to collect revenue annually in excess of the costs to provide animal services to the community. The proposal is to temporarily reduce the property tax dedicated to Animal Services from 3 cents on every \$100 to 0.63 cents in fiscal year 2012-2013, and during 2012-2013, use restricted Animal Services reserve funds to support Animal Services operations. The property tax devoted to operations would increase back to \$2.63 in fiscal year 2013-2014, and would remain there to fund a sustainable service level. The proposal does not include adjusting the property tax dedicated to paying bonds for the animal shelter. Using this plan, the County can maintain current service levels in Regional Animal Services, maintain critical public services, and still preserve the same overall tax rate.

In other action, the Board approved adjustments to the 2011-2012 budget for all County departments that will save \$25.6 million dollars over the next two years. The Commission approved a ten percent reduction in the Animal Services budget (\$450,000 annually), which is consistent with reductions in many other departments to achieve sustainable service levels. By utilizing vacant positions, Regional Animal Services can achieve the budget reduction without lay-offs and not have a major impact on current service levels. Other core departments, including roads maintenance, regional parks and open space and water resources were required to make the same 10% cut as Animal Services in order to achieve a balanced budget with sustainable service levels within available resources. The approved reductions followed a review by the Board of 10% reduction plans prepared by all departments to redefine what services would be provided, and how they would be provided, in keeping with the County’s financial sustainability plan. RAS currently has 33 positions (3 supervisors and 30 staff) and will reduce down to 28 positions, utilizing vacancies and avoiding any lay-offs, and continuing to provide

appropriate response to all calls for service. This is the first budget reduction approved for Regional Animal Services in the four years of budget cuts the County has undergone, despite significant cuts to departments that support Animal Services, such as Finance, Human Resources, Technology, Fleet Management, etc. The budget reductions adopted for the entire County budget will result in a net loss of up to 146 positions and further reduce the operating budgets of departments by up to ten percent. The County's overall budget has now been reduced by a total of \$161 million and 915 jobs since 2007/8.

A detailed listing of the impact of the adjustments on various departments can be found on the Washoe County website: [www.washoecounty.us](http://www.washoecounty.us) under the agenda for the September 27 meeting. In addition, a frequently asked question summary is available online for the proposed Animal Services Revenue and Budget Changes at [https://www.washoecounty.us/repository/files/2/ASFAQ10\\_05\\_2011.pdf](https://www.washoecounty.us/repository/files/2/ASFAQ10_05_2011.pdf).

Attachment G – Email Discussion on Animal Services between Katy Simon, Washoe County Manager and Steve Driscoll, City of Sparks Assistant City Manager, dated November 3, 2011

**From:** Simon, Katy [mailto:[ksimon@washoecounty.us](mailto:ksimon@washoecounty.us)]  
**Sent:** Thursday, November 03, 2011 2:30 PM  
**To:** Driscoll, Steve  
**Cc:** Carey, Shaun; Lipparelli, Paul A.  
**Subject:** FW: Animal Services Interlocal Agreement

Hi Steve, <<Animal Services Interlocal 2003.pdf>>

Thanks again for the heads up on the issues your legal counsel expressed concern about, regarding the interlocal agreement and their belief that statute may require that if a voter-approved override has a "collection holiday", voter approval would be necessary to reinstate it. I don't see what is proposed as a collection holiday, but if you could forward the section of statute that they are looking at, we'll definitely want to review it.

Regarding the interlocal agreement (attached), Article 4.1.1 states:

“The Cities will decrease their respective property tax rates by two (2) cents and the County will decrease its property tax rate by one (1) cent effective July 1, 2003, to allow the county to increase its property tax rate by three (3) cents, or as actually levied (“tax levy”) for the shelter and Field Operations and animal control facility.” (emphasis added)

Another article (4.1.2) refers to distribution of the 3 cent tax but that only applies until the closing of the cities' operations or transfer of city employees to the county.

The County complied with all the transfer payments as required, and continues to comply, and will continue to comply, with the requirement to have all the monies received from the tax levy set aside in a special revenue fund and used only for the RAS.

We aren't able to find anything in the interlocal agreement that would preclude the action we have proposed, nor is concurrence of the cities required, though we are certainly happy to discuss it with you between now and the time the proposed decision would be made by the Commission, which is next May.

Thanks again for the heads up.

K

*Katy Simon, ICMA Credentialed Manager*  
*Washoe County Manager*  
*775.328.2077 (office)*  
*775.232.7077 (wireless)*  
*775.328.2037 (fax)*  
*P.O. Box 11130*  
*Reno, NV 89520*  
[ksimon@washoecounty.us](mailto:ksimon@washoecounty.us)

**From:** Driscoll, Steve [mailto:[sdriscoll@cityofsparks.us](mailto:sdriscoll@cityofsparks.us)]  
**Sent:** Thursday, November 03, 2011 4:49 PM  
**To:** Simon, Katy  
**Cc:** Carey, Shaun  
**Subject:** RE: Animal Services Interlocal Agreement  
Katy,

Thank you for the additional information.

One new question regarding the interlocal agreement:

*If the County is choosing to not temporarily collect the two cents for animal services, why is the money being transferred to the County's General Fund versus being offered back to the city from which it came, as the transfer was to be designated for funding animal services per the ballot question and interlocal agreement?*

I will be adding this question to the agenda staff report after we discuss.

Thank you.

Steve

**Stephen W. Driscoll**, MBA, CGFM  
Assistant City Manager  
City of Sparks  
431 Prater Way  
Sparks, NV 89432-0857

775/353-1633 office  
775/848-0760 mobile  
775/353-1651 fax  
email to: [sdriscoll@cityofsparks.us](mailto:sdriscoll@cityofsparks.us)



**From:** Simon, Katy [mailto:[ksimon@washoecounty.us](mailto:ksimon@washoecounty.us)]  
**Sent:** Thursday, November 03, 2011 5:13 PM  
**To:** Driscoll, Steve  
**Cc:** Carey, Shaun  
**Subject:** RE: Animal Services Interlocal Agreement

Hi Steve,

Why would it be transferred to cities? The County imposes taxes countywide for countywide services, and has had to reduce countywide services to all residents (Child Welfare, Public Guardian, Libraries, District and Justice Courts, Health Dept., etc.), while overtaxing all residents to fund a service that has, at least in the immediate future, more than adequate funding. The monies that have been collected for Animal Services will be used for Animal Services.

A better question, asked by a reporter, is why wouldn't the overall tax rate to all residents be lowered, if the tax rate for Animal Services is higher than necessary? My response has been that the Board could decide to do that as well, but because there has been no tax rate available for so many years, and the Board has left more than 34 cents of operating rate on the table that it otherwise could have raised in the past 16 years, other services have suffered with the elimination of 27% of our workforce. It's a question of priorities for the limited service dollars, and I know the Board will weigh all those factors when it makes its decision.

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