

Present: Chairman Gibson  
Vice Chairman Keith Ashworth  
Senator Dodge  
Senator Echols  
Senator Ford  
Senator Kosinski  
Senator Raggio

Also Present: See Attached Guest Register

Chairman Gibson called the forty-fifth meeting of the Government Affairs committee to order at 2:00 p.m.

SB-552 Revises laws governing labor negotiations between teachers' organizations and local government employers and removes prohibition against strikes by teachers.

Wendell Newman, Executive Director of the State Teachers Association testified first on SB-552 and stated that he would like to introduce those testifying in favor of this bill when he finished.

Mr. Newman stated that he would first like to call the committee's attention to Sections 4 and 5 of the bill. They have decided to request that this be deleted from the bill. They do not wish, at this time, to have strike provisions.

Mr. Newman indicated that the bill had three major provisions and the first was to provide for mediation. Secondly there must be a provision for third party resolution in the binding arbitration procedures. Mr. Newman also indicated that they preferred the item by item method of resolving differences.

Mr. Newman went over the bill for the committee and noted the specifications on the arbitration method that have been changed. At this point Mr. Newman introduced the committee to Mr. Bill Howell.

Bill Howell, Chief Negotiator for the Clark County Teachers Association, testified in support of the bill and the item by item method of arbitration. Mr. Howell supported Mr. Newman's testimony. He felt that this bill would make negotiations a viable way of maintaining peace and harmony with the administration. He informed the committee on the difficult time they have had in the negotiation process and in complying with the statutes. They want to have their contracts ready by the end of May so that the teachers will know what the working arrangements are for the next school year.

Connie Wilson, Chief Negotiator for the Churchill County Teachers Association, testified to the same concerns that Mr. Howell expressed regarding the contracts being completed prior to the next school year. Mrs. Wilson told the committee about the problems they have encountered and feels that since they are a small county the negotiation process becomes personal. This makes it difficult to deal with and also makes mending

fences difficult. Mrs. Wilson also stated that they do not like going to the Governor for binding arbitration.

Fred Daily, President of the Teachers Association in Washoe County, stated that most of the problems with the negotiation process in this state have already been stated. Concurred with the testimony of Mr. Newman and Mrs. Wilson. Felt that the timing was critical. Mr. Daily was also critical of having to go to the Governor for binding arbitration. If we have that option in the statutes it will make the whole process move more quickly.

Wil Woods, Chairman of N.S.E.A. Negotiation committee, stated that he visits the various school districts around the state. He concurred with Mrs. Wilson's testimony about the hurt feelings that occur in small communities when the negotiation process is hindered by lack of agreement on specific items.

Mr. Newman concluded testimony by stating that in Section 6 it would be used on a trial basis and noted that this was used by the fire fighters last session.

Senator Kosinski asked if the spending cap that is pending in the legislature would pose an impact problem with the teachers and their negotiations.

Mr. Newman was not sure but felt that it could hinder the process since the figures are not known.

Senator Kosinski asked Mr. Newman about the language concerning the requirement to attend meetings. Mr. Newman responded that there is no form of punishment for lack of attendance.

Pamela Stanis, Nevada Coalition of Public Employees, testified in support of the bill. Ms. Stanis stated that there is too much time wasted waiting for the Governor's hearings. She also did not feel that they received an approved budget in enough time to plan their own budgets for the new school year.

Senator Dodge felt that the parties should only go to the Governor for binding arbitration when they have come to an impasse after negotiating in good faith.

Clint Knoll, representing the Nevada Association of Reno Employers, and D.B.A. testified against this bill noting that they were concerned about bargaining and how the process would be affected by the passage of this bill. They don't object to the arbitration language but do not like the third party decision. They also objected to the item by item procedure. The last best offer, Subsection 9 of page 2 will create an adverse effect because it will polarize the employees and make it difficult for an arbitrator not to accept their offer.

He also stated that he did not like subsection 11 of page 2. Felt that this will also encourage polarization of a decision.

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Mr. Noel concluded by stating that he feared that the concept would spread to the private sector. They did not want this.

Elizabeth Lenz, Washoe County, Nevada State School District and the Trustees Association. Also with Mrs. Lenz was Mr. Bob Maples, Washoe County Negotiator and Danny Klaich, Legal representative.

Mrs. Lenz stated that they were against the bill. They felt that it would reduce the local school boards to an advisory capacity. Mrs. Lenz indicated that a large portion of the budget goes to the schools and the local trustees have been charged with this money. They feel that binding arbitration will eventually hurt the children's education.

Bob Maples spoke to the committee and was pleased to hear that the strike provisions have been deleted. Mr. Maples stated that the definition of teacher is somewhat vague and could cause problems in interpreting the bill. Did not like the item by item method of arbitration. Was not opposed to last best offer but it should be based on the final package and Mr. Maples hoped that the most reasonable package would be accepted by the arbitrator.

Senator Raggio felt that if the item by item method was not acceptable there would be no incentive to settle.

Mr. Maples responded that it would make the parties involved provide the best, most reasonable, package to the arbitrator.

Mr. Klaich stated that this bill pre-empt the board of trustees and this is an important fact that must be considered when taking action on the bill. Mr. Klaich also stated that they do not want an outside arbitrator come in and make decisions that he may not have a full understanding about. Voluntary agreements were reached by six out of the seven districts that we represented and Mr. Klaich continued that this reflects that the system is working.

Bob Petroni, representing the Clark County school district as their attorney, stated their opposition to any changes in the NRS 288 chapter. They feel that most of the people affected by this bill do not want to see the changes that are proposed in this bill. Mr. Petroni stated that the bill is taking away the rights of the people to make decisions. With the proposals in this session regarding the tax cuts the schools need to comply in their own areas. Mr. Petroni advised that the committee should wait and see if last best offer is going to work before coming to the legislature and asking for changes in the law.

Mr. Marvin Picolo, Washoe County School District, stated that he was in opposition to this bill. Mr. Picolo felt that removing the Governor from the process and making the decision binding denies the opportunity for the parties involved to make a decision and work together. Mr. Picolo disputed a remark made that the facts might not be accurate on the school administrations part. They are willing to have a C.P.A. firm come in and check the figures. Also noted that he did not like the item by item method.

Mr. Picolo felt that the package approach was the best way to view the bargaining and gives a total picture.

Mr. Bob McPhearson, Clark County and the City of Las Vegas, testified in opposition to the bill and stated that they do not feel that there should be separate laws for the various entities in the state. The experience of last best offer should be studied more thoroughly prior to making any new changes in the statutes.

Carol Valardo, E.M.R.B., County commissioner stated that they do not like the item by item method and the fire fighters have not had enough experience to give us an idea about this method of bargaining.

Mr. E.P. Etcheverry, Chairman of the Employee Management Relations Advisory Board stated that AB-285 has provisions that should be considered in this bill. Requested that the committee hold any action on the bill until the next session when the various concepts can be viewed in their proper perspective.

Chairman Gibson stated that the records should reflect that the agreement for binding arbitration for the fire fighters was a 4yr. test and was going to be studied. It will be up to the committee to decide what to do in that area of negotiations.

AB-523 Provides for termination of certain boards, commissions and similar bodies in executive department of state government.

Jim Jones, Administrator of the Real Estate Division, stated that they would be glad to provide the necessary information for a performance audit. Mr. Jones was concerned about the money derived from licenses going into the general fund. This is the only money that they have in a trust account.

Chairman Gibson commented on the Finance Committees experience in hearings on the concept of zero based budgeting. The agencies involved were afraid they were going to be abolished. The bill provides a concept whereby the agencies will learn, through checking, what needs to be improved on and what needs to be dropped or combined with another function. The Legislature needs to know the merits and faults of the agencies and exactly what their function is. This does not mean that an agency chosen for this audit is better or worse than any other agency.

Senator Ford concurred with Chairman's comments and stated that one of the reasons that these agencies were chosen is because they are all regulatory and other states, using the sunset mechanism, began with regulatory agencies. Since Mr. Jones is new in the agency, the committee felt that it could be an excellent management tool to work with.

Chairman Gibson further stated that there is a good working tool for governments in this bill. It will provide a means of keeping a handle

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on the agencies and to justify their existence. The Chairman stated that he did not see any negative implications in this bill.

Senator Raggio stated that he did not have anything to do with choosing the agencies that are included in this bill but agreed that it is not a reflection of the quality of the agency. The Senator stated that in the previous session the bill was drafted in a much broader sense than this bill. This bill merely reflects a beginning of a new concept.

Arthur Cruicshank, Representing Common Cause, concurred with the concept of the bill and hoped that it would be expanded next session.

Gerald Prindiville, Common Cause, also was in favor of the bill and stated that they have supported the sunset concept for many years.

Jim Avance, Administrator of the Taxi Cab Authority, stated that although they support the concept of the bill they were concerned about the public hearings and the enormous public interest in their agency. Felt that all the taxi cab drivers in Las Vegas would be present to testify against the authority. They were also concerned about the provisions in the bill regarding the selection of members. The members should be on the Transportation Committee. They also should be knowledgeable in the area of new legislation.

Chairman Gibson stated that it would be the committees who have knowledge of the department that will be studying that particular agency.

Mr. Avance was also concerned about having the audit completed in time to prepare a budget for the Governor's office.

Chairman stated that in Section 6 and Section 7 the language is somewhat vague but that they should have completed the study by July 1st and it gives the legislature time to act on the results of the performance audit. Chairman also felt that they should probably narrow down the language in these sections in order to make them clearer.

Senator Keith Ashworth spoke to the problem of public hearings in Las Vegas and felt the same concern as Mr. Avance. The timing is wrong and agreed that this agency should be deleted and replaced with another one.

Chairman Gibson stated that Sue Wagner had an amendment that would make appointment a decision of the Legislative Commission. This would be a suitable assignment for one of the interim sub-committees.

Esther Nichol森, Nevada League of Voters, stated that she and the League supported this bill. She also stated that they approved of the public hearings being mandatory while there is an audit and review going on.

AB-801 Amends Reno city charter to authorize tax increment financing.

Henry Etchemendy, Reno City Manager, stated that this bill is to provide tax increment financing. Mr. Etchemendy stated that they were trying, and have been for years, to lower the railroad tracks. This type of financing is imperative in order to complete this enormous project. They received bond counsel from Dawson, Nagel, Sherman, etc. and the language in this bill has been approved by them. Mr. Etchemendy stated that before they can begin they need full concurrence from the railroad involved. (See Page 5, line 11 through 15 - AB-801)

Senator Dodge stated that the committee passed out AB-675 with amendments and approved this concept. He felt that this bill could be approved also unless they deal with other areas.

Mr. Etchemendy and Russ McDonald stated that it was and the difference is that they will use it for lowering the tracks.

Russ McDonald stated that he was asked to look at the financing package of tax increments necessary to meet the bonds. He indicated that he studied this package thoroughly and feels that the legislation is sound. Mr. McDonald suggested that he review the bill and possibly put the same amendments that went into AB-675 in AB-801

The committee agreed and would allow Mr. McDonald time to review both bills and report back to the committee on his findings.

Mr. Etchemendy felt that a additional definition should be considered for underpass and overpass. The language provided could be amended into AB-801. (See Attachment #1)

AB-802 Authorizes state treasurer to invest state money and sell state securities.

Stan Colton, State Treasurer, testified in support of the bill and stated that it basically housekeeping legislation. The bill changes the law to reflect what they are already doing.

Senator Dodge wanted to be sure that this was what is currently being done in the Treasurers office and Mr. Colton assured the Senator that this was correct and these procedures have been used for many years.

Senator Keith Ashworth moved "Do Pass" on AB-802  
Seconded by Senator Raggio  
Motion carried unanimously.

AB-806 Provides for the pooling of money of local governments for investment.

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Stan Colton, Treasurer for the State of Nevada, was also present to testify to the committee in support of this bill too. Mr. Colton presented the committee with Interest Rate Comparisons and explained the necessity of this bill. (See Attachment #2) Mr. Colton felt that this was a good way for the smaller entities to make a profit on their money. Many of the counties are interested in this bill and support its passage.

Senator Dodge moved "Do Pass" on AB-806  
Seconded by Senator Keith Ashworth  
Motion carried unanimously.

AB-816 Reapportions costs and directs further study of certain metropolitan police departments.

Russ Dorn, City Manager for the City of Las Vegas, testified in support of AB-816. Mr. Dorn read his prepared testimony to the committee and went over the supporting documents in support of this endeavor.  
(See Attachment #3)

Kerry Miller, City of Las Vegas, testified with Mr. Dorn and explained the material on page 3 of Attachment #3 regarding Computer Dispatched calls for Service in order to further support their reasoning for the percentages in the bill.

Marvin Leavitt, City of Las Vegas, testified to the committee on the ability to pay and concluded by stating that Clark County is not carrying their fare share and the city should not have a 50-50 split on the costs. The study should indicate these facts.

Commissioner Lurie commented on Section 3 of AB-816 regarding the study to determine the allocation of costs if the study committee feels that the metro police department should remain in its present status. Mr. Lurie was concerned that if something wasn't done during the legislature they could wind up in court.

Larry Ketzenberger, Sherriff's Department, City of Las Vegas concurred with the material in Attachment #3 and Mr. Leavitt.

Bruce Spaulding, Clark County, testified to the committee they did not agree with the percentages as noted in the bill but did feel that a study would provide information on the cost allocations.

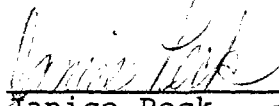
Ardel Kingham, Budget Analyst, Clark County, testified against the percentage rate also in AB-816 and handed out an informational from Mr. Scott Doyle, District Attorney's office in Clark County. See Attachment #4.

Chairman Gibson stated that the committee would not be able to hear further testimony in opposition to various points in the bill. It would be re-scheduled for another hearing on Monday, May 14, 1979

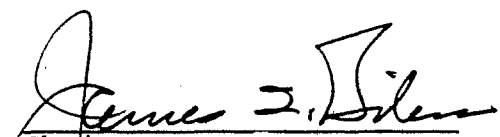
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With no further business the meeting was adjourned at 7:15 p.m.  
Chairman Gibson informed the committee that there would be a meeting  
on the Reno and Sparks charter bills Thursday, May 10th at 4 p.m.  
The Chairman noted that the amendments were ready.

Respectfully submitted,

  
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Janice Peck - Lois Smith  
Committee Sec. Backup Secretary

Approved:

  
\_\_\_\_\_  
Chairman  
Senator James I. Gibson



SUMMARY--Amends the City Bond Law. (BDR S- )

Fiscal Note: Local Government Impact:  
Effect on the State or on Industrial Insurance: No.

AN ACT relating to the City Bond Law; amending the definitions of overpass project and underpass project; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND  
ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. NRS 268.700 is hereby amended to read as follows:

268.700 "Overpass project" defined. "Overpass project" means any bridge, viaduct or other structure or facilities for the transportation of pedestrians, railroad, motor and other vehicles, and utility lines, as the case may be, over any street, highway, stream, railroad tracks, and any other way or place, including without limitation approaches, ramps, structures, crosswalks, sidewalks, driveways, culverts, drains, sewers, manholes, inlets, outlets, retaining walls, artificial lights, pumping equipment and ventilating equipment (or any combination thereof).

Section 2. NRS 268.726 is hereby amended to read as follows:

268.726 "Underpass project" defined. "Underpass project" means any tunnel, tube, open cut, or other subway, structure or facilities for the transportation of pedestrians, railroad, motor and other vehicles, and utility lines, as the case may be, under any street, highway, stream, railroad tracks, and any other way or place, including without limitation approaches, ramps, structures, crosswalks, sidewalks, driveways, culverts, drains, sewers, manholes, inlets, outlets, retaining walls, artificial lights, pumping equipment and ventilating equipment (or any combination thereof).

Section 3. This act shall become effective upon passage and approval.

INTEREST RATE COMPARISONS

	<u>Term</u>	<u>Amount</u>	<u>Rate of Interest</u>
State Treasurer Time Deposits	183 Days	Over 100,000	9.25
State Treasurer Repurchase Agreements	30-90 Days	Over 100,000	8.49
Commercial Banks Time Deposits	180 Days to 1 Yr.	Under 100,000	6.17
Commercial Banks Time Deposits	30-90 Days	Under 100,000	6.10
Commercial Banks Money Market Certificates	6 Months Exactly	Under 100,000	7.94

Notes:

1. All information regarding commercial banks is from the November 1978 and February 1979 Federal Reserve Bulletin. The surveys are taken from all federally insured commercial banks.
2. All interest rate information is the average paid on the weeks of July 26th and October 25th 1978.
3. Interest rates on time deposits by commercial banks were those paid to domestic governmental units.
4. Interest rates on money market certificates by commercial banks were those paid to all holders.

Percent that State Treasurer's yield exceeded:

	Percent
1. 180 day to 1 yr. bank time deposit	49.9
2. 30-90 day bank time deposit	39.2
3. 6 month money market certificate	16.5

EXHIBIT

2

1312

2

A PROPOSAL AND RECOMMENDATION  
FOR  
THE ALLOCATION OF THE LAS VEGAS  
METROPOLITAN POLICE DEPARTMENT  
BUDGET FOR FISCAL YEAR 1979-80 AND 1980-81

BETWEEN

THE CITY OF LAS VEGAS  
AND  
CLARK COUNTY

The major purpose of Assembly Bill 816 is to provide a permanent solution to the controversy over how to apportion the expenses of metropolitan police departments. To that end, the bill establishes a two-year interim study to determine an equitable method of dividing up police expenses, a method that will respond automatically to the changing characteristics of participating entities.

To assure fairness during the two years the study is being conducted, the bill also provides that the City of Las Vegas will pay 44 percent and the county 56 percent of police costs for the next bien-nium (fiscal years 1979-80 and 1980-81). The bill contemplates the expiration of the 44/56 ratio during the 1981 Legislature when the study committee will issue its findings and make its proposal for a permanent apportionment plan.

The City of Las Vegas maintains that the 44/56 ratio for the coming two years represents a compromise position. Solid evidence presented to the Assembly Government Affairs Committee justified a lower share to be paid by the City.

## INTRODUCTION

The funding formula for the Metropolitan Police Department has been the subject of controversy and revision since the Metropolitan Police Department's existence was mandated by the legislature in 1973. With an initial ratio of 56.27% paid by the City and 43.73% paid by the County, the State Tax Commission reduced the City's share the following year to 52.5%. This change was made because it was clear that increased need for police services in the rapidly growing unincorporated county was placing heavy demands on the Metropolitan Police Department. In 1977, the funding formula was revised again.

Since 1973, there have been significant changes in the variables which should be considered in determining an equitable share of the Metropolitan Police Department's budget. Two examples: (1) While the City is experiencing steady population growth, the County is booming. Conservative estimates indicate a population increase between 1973 and 1979 of 56.2% in the unincorporated County, compared with a 24.8% City increase; (2) Between 1975 and the end of 1978, the County gained an additional 5,692 hotel-motel units while the City's gain was 1,768.

Changes in the budgetary impact of the Metro Police Department on the funding agencies has also been significant. Since Metro's inception, the city residents have consistently paid a higher per capita cost for police protection than residents in the unincorporated county. In fact, the projected per capita cost in the city for FY 1979-80 under the present 50/50 ratio is approximately \$21 higher than the unincorporated county. This higher per capita cost in the city has resulted in a \$1,449,737 net overpayment by the city to Metro since 1973. The county, on the other hand, has netted a \$1,449,737 budgetary savings. The inequity of this situation is compounded by the fact that the county general revenue fund has increased by 177.54% since 1973 while the city's general revenue growth has only been 116%.

As a result of these changes, we feel the primary police service demands with accompanying ability to pay has shifted to the unincorporated county. Using factors suggested in NRS 280.201, including: 1) computer dispatched calls for service, 2) crime rates (Part I or felony crimes), 3) permanent population, 4) transient population (number of hotel/motel rooms), 5) and, service area, we proposed that the funding ratio be readjusted to 44% city and 56% county.

This readjusted ratio is only intended as a temporary solution to the funding problem. The bill provides for the formation of an interim study committee to review and make recommendations for a more permanent solution to the Metro problem including a permanent funding formula that will be responsive to changing community needs. The purpose of the bill is to provide a temporary but equitable readjustment of the funding ratio while providing a framework for a permanent solution.

## FUNDING FORMULA

Several factors or criteria should be considered in determining police service requirements for a jurisdiction. The factors should describe both demographic and geographic characteristics of the community and rates of crime. In selecting factors, we turned to NRS 280.201, paragraph 2, which suggests factors for computing funding ratios. Based upon this review the following factors have been used to derive the funding percentages presented in this proposal:

1. Computer Dispatched calls for service.
2. Crime statistics (Part I crimes).
3. Permanent population.
4. Transient population (number of motel/hotel rooms).
5. Service area (square miles).

The data collected for each of these criteria was taken from several reliable sources. Calls for service and Part I crime data was taken from the Metropolitan Police Department's FBI Uniform Crime Reports and crime summaries prepared by the Police Department's Computer Services. Population estimates were received from the City Planning Department, the Clark County Comprehensive Planning Department, and the Regional Planning Council. Data on motel/hotel rooms came from the City Planning Department and the Las Vegas Convention Authority. Finally geographic area was computed by the City Planning Department.

It is important to note that statistical information is primarily descriptive of the time period from which it is collected. Most of the data presented in this proposal was collected in January 1979 and describes trends up to that point in time. More current information is now available. However, a review of this information further substantiates the conclusions of this report and, in many cases, suggests more strongly defined trends.

## FUNDING CRITERIA

### Computer Dispatched Calls for Service

Most police action is initiated by dispatching a call over the radio to a police officer in the field. Dispatched calls represent the highest volume of police crime related response activity and is descriptive of a community's law enforcement requirements. The only dispatched calls presented here for the City of Las Vegas and the unincorporated county are those recorded from November 1977 through November 1978 on the Metropolitan Police Department's computer aided dispatch system. Verbally dispatched calls, which represent approximately 10-12% (approximately 1,000 calls per month) of the total number of calls for service, are excluded. It is the opinion of the Police Department's Computer Services that their inclusion would significantly lower the indicated percentage for the City since 80% of all verbally dispatched calls originate in the unincorporated county. Therefore, the percentages indicated below are very conservative and are actually higher in the unincorporated county and lower in the city.

Computer dispatched calls for service for the city and the unincorporated county for the time period November 1977 through November 1978 as prepared by the Police Department's Computer Services are presented in Table I:

TABLE I		
COMPUTER DISPATCHED CALLS FOR SERVICE (Nov. 77-Nov. 78)		
	<u>Number of Calls</u>	<u>%</u>
City	58,132	53.4
Unincorporated County	50,731	46.6

53.4% of all computer dispatched calls originate within Las Vegas city limits. Remember, however, that 80% of all verbally dispatched calls for service which are not accounted for in this figure originate in the unincorporated county and represent 10-12% of the total number of calls for service.

Crime Statistics

Law enforcement agencies classify criminal activities as either Part I or Part II for FBI reporting purposes. Part I crimes include felonies and gross misdemeanors such as homicide, rape, robbery, and grand larceny. Part II crimes include misdemeanor offenses such as petty larceny, drunk driving and disorderly conduct.

The Las Vegas Metropolitan Police Department's Records Bureau maintains all crime statistics for the Department. Because of the large number of Part II offenses committed annually, the Records Bureau does not classify Part II statistics by point of origin. According to Metro Records and Computer Services, information regarding the distribution of Part II events between the city and the county is unavailable and any figure presented is a ballpark estimate.

Part I offenses are classified by their occurrence in the city or the unincorporated county. Since Part I offenses describe the most serious and resource demanding (time, manpower, and specialized services) criminal activity, Metro Records Bureau maintains that Part I crime statistics are the best indicator of total crime activity in a service area. Part I crime statistics presented in this study cover the time from January 1978 through October 1978. Statistics for the period since October 1978 confirm the conclusion of the figures below and again suggest a decreasing percentage trend within the city limits.

Part I crime statistics for the city and unincorporated county are presented in Table II:

TABLE II

PART I CRIME STATISTICS  
(Jan. 78-Oct. 78)

	<u>Number of Crimes</u>	<u>%</u>
City	12,794	48.5
Unincorporated County	13,579	51.5

51.5% of all Part I offenses occur within the unincorporated county. This percentage indicates that calls for service are in reality lower in the city than indicated by the figures in the previous section.

Permanent Population

NRS 280 uses permanent population figures as a criteria for determining the police service needs of a jurisdiction. It stands to reason that the higher a jurisdiction's population, the greater will be its law enforcement requirements. Population figures presented here represent the best estimates of the Las Vegas City Planning Department and the Clark County Comprehensive Planning Department.

Population figures for the city and the unincorporated county are presented in Table III:

TABLE III

## PERMANENT POPULATION

	<u>City</u>	<u>%</u>	<u>Unincorporated County</u>	<u>%</u>
1973	135,355	50.7	131,230	49.3
1974	146,960	52.1	135,179	47.9
1975	149,750	49.9	150,400	50.1
1976	153,617	47.7	168,482	52.3
1977	157,500	-	-	-
1978	161,000	-	-	-
1979	169,000	45.1	205,000	54.9

The population growth in the unincorporated area of Clark County has been explosive. Since 1973, population in the unincorporated county has increased by approximately 56.2% as compared to the city's 24.8% over the same period. This rapid permanent population growth in the county clearly suggests a shift in law enforcement demands from the city to the unincorporated county.



Transient Population

Clark County is unique because of the high tourist/visitor population. Realizing this, the funding criteria of NRS 280 uses the number of hotel/motel rooms as an indicator of the visitor population in a community. The following figures taken from the Las Vegas City Planning Department and the Convention Authority, are for the calendar year 1978 and represent the number of completed rooms.

The number of hotel/motel rooms in the city and unincorporated county is presented in Table IV:

	<u>Number of Rooms</u>	<u>%</u>
City	9,434	24.9
Unincorporated County	28,300	75.1

75.1% of all the hotel/motel rooms in the Metropolitan Police service area are in the unincorporated county and the percentage is increasing yearly.

Service Area

The number of square miles that must be patrolled by a police department directly impacts upon the resources (i.e., fuel, patrol units, etc.) that must be allocated to a jurisdiction. Because of rapid population growth in the unincorporated county, the urban service area of the unincorporated county has expanded greatly. Recent figures prepared by the Police Department's Computer Services show that the time required to complete the same type of call for service in the city is consistently lower than in the unincorporated county. The Police Department suggests that travel time is the most significant reason for this higher time and police resource requirement.

Since most of the unincorporated county area is uninhabited, the square mile figures presented for the unincorporated county in Table V represent only the unincorporated Metro service area in the Las Vegas valley:

	<u>Number of Sq.Miles</u>	<u>%</u>
City	54	5.4
Unincorporated County	946	94.6

## FUNDING RATIO

Based upon the criteria discussed in this report, it is possible to determine an equitable funding ratio to describe the law enforcement requirements of the City of Las Vegas and the unincorporated county. It is unrealistic to assume that each of the criteria equally impacts upon police demands. For example, crime statistics are more descriptive of required service levels than tourist population although both directly effect police services and should be considered. The following criteria priority ranking has been developed based upon a review of NRS 280 and discussions with the Police Department's Records Bureau:

1. Computer Dispatched calls for service.
2. Crime statistics (Part I crimes).
3. Permanent population.
4. Transient population (number of motel/hotel rooms).
5. Service area (square miles).

Computer Dispatched calls for service is considered an important criteria in determining funding ratios and figures relating to it should be given priority consideration. Using the percentages computed for each of the criteria and multiplying the highest ranking criteria by 5, the second ranking criteria by 4, etc., the following funding ratio is presented in Table VI:

TABLE VI		
FUNDING RATIO		
	<u>City %</u>	<u>Unincorporated County %</u>
5X Dispatched Calls	53.4	46.6
4X Part I Crimes	48.5	51.5
3X Population	45.1	54.9
2X Hotel/Motel Rooms	24.9	75.1
1X Service Area	5.4	94.6
Priority Percentage	43.4	56.6

## PER CAPITA POLICE EXPENDITURES

Our presentation to this point has concentrated on the numerical information which supports an equitable readjustment in the apportionment of Metropolitan Police expenses.

Now we will discuss the actual dollar impact of this proposal on the individual taxpayers in the city and in the unincorporated county. If you will refer to Table VII you will note that under the present 50/50 formula city residents are paying \$21.30 more per capita than are residents of the unincorporated county.

TABLE VII

PER CAPITA POLICE EXPENDITURES

	<u>1973-74</u>	<u>1974-75</u>	<u>1975-76</u>	<u>1976-77</u>	<u>1977-78</u>	<u>1978-79</u>	<u>1979-80</u>
City	\$67.5	\$69.5	\$74.0	\$79.2	\$81.5	\$90.1	\$111.9
Unincorporated County	\$51.6	\$57.9	\$63.8	\$63.2	\$70.1	\$75.2	\$ 90.6
Cost Difference Per City Resident	\$15.9	\$11.6	\$10.2	\$16.0	\$11.4	\$14.9	\$ 21.3

## OVERPAYMENT BY THE CITY

The accumulated overpayment by the city taxpayers since the Las Vegas Metropolitan Police Department was created in 1973-74, the City of Las Vegas has paid \$1,449,737 beyond its required share as stipulated by funding percentages. In fiscal year 1973-74, the required City match to Metro was 56.27%. Actual Metro expenditures by the City that year amounted to 57.46% of the total police budget or \$190,113 above its required share. In 1974-75, the City paid \$745,001 above its required 52.5% share. In 1975-76, the City paid an additional \$229,288, an additional \$195,848 in 1976-77, and an additional \$89,487 in fiscal year 1977-78. During the same period, Clark County netted a \$1,449,737 budget savings in its Metro expenditures. These figures represent net Metro expenditures by both entities and all expenditures not directly related to Metro have been subtracted out.

To delay implementation of this new funding ratio would further increase the City's expenditures beyond its equitable percentage for police protection particularly when one considers there was justification for the funding ratio adjustment in fiscal year 1977-78.

The allegation that the City will reap windfall profits because of this ratio readjustment is unfounded based upon excess expenditures already incurred by the City and the fact that police service demand has already shifted to the unincorporated county.

## ABILITY TO PAY

The unincorporated service area of Clark County has experienced a 56.2% increase in permanent population since 1973. There is no question that this substantial growth in population has had a significant impact upon budget requirements and constraints. However, during this same period of time, general fund revenues for Clark County have increased by 177.5% from \$24.9 million dollars in fiscal year 1972-73 to \$69.3 million dollars projected in fiscal year 1979-80. Because of this tremendous revenue growth the County has been able to earmark a substantial amount of funds for anticipated future expenditures including a budgeted \$7.4 million for jail renovation and/or new construction and \$1.1 million for motor pool.

The City of Las Vegas, on the other hand, has experienced a healthy although significantly less 116% growth in general fund revenues since fiscal year 1972-73 (from \$22.7 million to \$49.1 million projected for fiscal year 1979-80). It is our contention that the overwhelming general fund revenue growth in the county and the substantial dollar amounts earmarked for special reserves suggest a clear ability to pay for its equitable share of police protection.

TABLE VIII

ACTUAL NET METRO EXPENDITURES

	1973-74	1974-75	1975-76	1976-77	1977-78	1978-79	1979-80
TOTAL NET	15,914,388	18,040,430	20,689,413	22,813,503	25,508,333	29,000,000	37,148,084
CITY PAYMENT	9,145,139	10,216,229	11,091,229	12,172,937	12,843,653	14,500,000	18,574,042
City Legislated %	56.27%	52.5%	52.5%	52.5%	50%	50%	50%
Actual % Paid	57.46%	56.63%	53.61%	53.36%	50.35%	50%	50%
COUNTY PAYMENT	6,769,249	7,824,201	9,598,184	10,640,566	12,664,680	14,500,000	18,574,042
Actual % Paid	42.54%	43.37%	46.39%	46.64%	49.65%	50%	50%

SOURCE: CLARK COUNTY AUDIT REPORT

TOTAL EXCESS CITY METRO EXPENDITURES     \$1,449,737  
 ANTICIPATED EXPENDITURE REDUCTION DUE  
 TO 44/56 RATIO                             \$2,082,322

TABLE IX  
 COMPARISON OF GENERAL FUND REVENUE GROWTH  
 Clark County - City of Las Vegas

	1972-73	1973-74	1974-75	1975-76	1976-77	1977-78	Per 1979-80 1978-79	Final Budget 1979-80	% Growth 1972-73 1979-80
CLARK COUNTY	24,979,365	33,206,333	36,086,406	42,648,414	49,181,212	57,519,783	63,802,111	69,327,220	177.54
CITY OF LAS VEGAS	22,733,733	24,518,881	27,236,113	31,859,230	34,458,235	38,401,171	41,586,637	49,187,501	116.36

## CONCLUSION

In conclusion, the principal objective of this bill is to make the Metro funding formula more equitable. The City of Las Vegas maintains that the bill accomplishes this for the next two years through the 44/56 funding ratio. At the same time, the bill also calls for a two-year interim study to derive a funding formula that will apply automatically for needed future adjustments between any entities participating in a Metropolitan Police Department under NRS 280. This will assure that the Metro law will have state-wide applicability to those communities which desire to come under its provisions.



*Office of the District Attorney*

CLARK COUNTY COURTHOUSE  
LAS VEGAS, NEVADA 89101  
(702) 386-4011

May 8, 1979

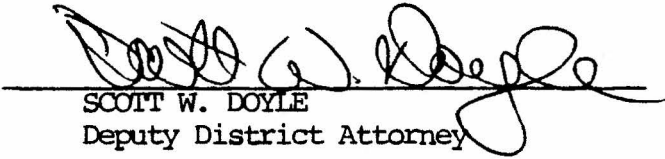
TO: BRUCE W. SPAULDING  
County Manager

FROM: SCOTT W. DOYLE  
Deputy District Attorney

Re: Amendments to A.B. 816

Enclosed please find proposed amendments to A.B. 816, the Metropolitan Police Department funding bill. As a general rule Nevada constitutional and case law prohibits local and special legislation when a general law can be made applicable. The attached amendments make this law general in nature even though its operative effect remains the same. This is permissible under recent Nevada Supreme Court opinions.

Additionally, I would like to point out that Sections 2 and 3 represent new law being appended to Chapter 280 of NRS and should appear at the outset of the bill and in italics. Sections 2 and 3 should have a repeal clause as well (see proposed Section 4).

  
SCOTT W. DOYLE  
Deputy District Attorney

SWD:jm

Encl.

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DISTRICT ATTORNEY

REX BELL  
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CHIEF INVESTIGATOR

KELLY W. ISOM  
ADMINISTRATIVE OFFICER

EXHIBIT 4 - 1226  
#4



PROPOSED AMENDMENTS TO A.B. 816

Page 2, lines 6 through 14, inclusive. Section 2 of the act to be amended to read as follows:

A committee to study existing metropolitan police departments is hereby created. The committee shall be bipartisan in nature. The legislative commission shall appoint the members of the committee as follows:

1. A total of four legislators from each political subdivision that is participating in a metropolitan police department.
  2. One legislator from a district which is outside the boundaries of any political subdivision that is participating in a metropolitan police department.
- The legislator appointed to the committee pursuant to this subsection shall be the chairman of the committee.

Page 2, lines 16 through 32, inclusive. Section 3 of the act to be amended to read as follows:

1. Undertake a study of whether existing metropolitan police departments should be abolished and separate law enforcement agencies be reestablished for political subdivisions that are participating in a metropolitan police department; or if existing metropolitan police departments are not to be abolished, what should be the allocation of the costs of the metropolitan police department between the participating political subdivisions in each existing metropolitan police department, including:

(a) An analysis of the cost effectiveness and degree of police protection provided by each existing metropolitan police department compared with the cost effectiveness and degree of police protection provided by the separate law enforcement agencies of the participating political subdivisions prior to consolidation;

(b) An analysis of the costs for the administrative support of each existing metropolitan police department;

(c) An analysis of the budgetary and financial management functions of each existing metropolitan police department; and

(d) An examination of the comparative resources allocated to the support and field operations of each existing metropolitan police department.

2. Report its findings to the legislative commission for transmittal to the 61st Session of the Legislature.

Section 4. Sections 2 and 3 of this act shall automatically be repealed upon the date that 61st Session of the Nevada Legislature convenes in January, 1981.